

# ANNUAL REPORT 2024

**MOVING LEGACY OF EXCELLENCE**

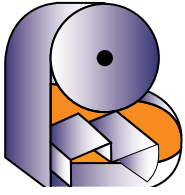


**Bashundhara Paper Mills Ltd.**



## Moving Legacy of Excellence

Focusing on innovation and tradition, the company navigates the rapidly changing landscape of Bangladesh, it continues to innovate in response to new market demands and environmental imperatives, while building on a legacy of quality and reliability. This theme reflects the company's commitment to not only maintaining its standards of excellence but also pushing the boundaries to lead the way into the future, drawing strength from its rich legacy of 31 years while embracing new challenges with confidence and creativity.



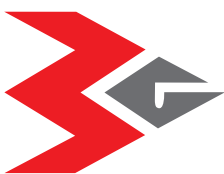
# Bashundhara Paper Mills Ltd.

Registered Office: Plot- 125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229



”

Upholding the Group watchword a  
prestigious flagship of



## BASHUNDHARA GROUP

*For the People, for the Country*

# Letter of Transmittal

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All Valued Shareholders of Bashundhara Paper Mills Limited;  
Registrar of Joint Stock Companies and Firms;  
Bangladesh Securities and Exchange Commission;  
Dhaka Stock Exchange PLC;  
Chittagong Stock Exchange PLC;  
Central Depository Bangladesh Limited;  
Bangladesh Bank and all Financial Institutions;  
National Board of Revenue;  
Other Stakeholders.

**Concertation: Annual Report for the year ended 30 June 2024 of Bashundhara Paper Mills Limited.**

Dear Sir (s),

On behalf of the Board of Directors and the Management, we are pleased to present before you the **Annual Report-2024** of the Bashundhara Paper Mills Limited (BPML) along with the audited Financial Statements, Corporate Governance Status Report and other Committee Reports for the period ended 30 June 2024 for your kind consideration and record.

Yours sincerely,

Sd/-

**M. Mazedul Islam**  
Company Secretary



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**Bashundhara Paper Mills Ltd.**



**Bashundhara**  
Multi Paper Industries Limited

## AWARDED IN THE CATEGORY INDUSTRY, INNOVATION & INFRASTRUCTURE

FOR ITS REVOLUTIONARY INITIATIVE PRECIPITATED CALCIUM CARBONATE (PCC) PLANT WHICH  
CONVERTS CARBON EMISSIONS INTO PREMIUM RAW MATERIALS FOR PAPER PRODUCTION,  
LEADING THE WAY IN SUSTAINABILITY IN THE PAPER INDUSTRY.



# Concentration on Report

## About report

This report aims to articulate the value preservation and creation story and is relevant to all the stakeholders of Bashundhara Paper Mills Limited. This report accumulated and disclosed an independent, elaborate and true and fair view performance of this company aligning with the corporate governance frameworks, regulatory compliance and strategic overview of the company is the prime aims of this report. This report not only emphasized value-creation for long-term investors, but also provides appropriate information for all the stakeholders. Any statements or information relating to future operations and the performance of this company which mentioned in this report are not guarantees of its future operating, financial and other results or any uncertainty, as they rely on future circumstances. In fact, this is the integrated outline of the Company.

## Report period

The Annual Report -2024 of Bashundhara Paper Mills Limited has covered the financial year from 1 July 2023 to 30 June 2024. Any subsequent material events up to the Board approval date of 28 October 2024 are also included. This report is produced and published once in a financial year.

## Reports focused

This report has been prepared as an integrated reporting process which covers all the information and statements about production, effective Board and Management systems and value creation with the stakeholders. This comprehensive set of information represents a sound and effective governance in this company and the commitment of the Board of Directors, efficiency and professional attitude of management team as well as all employees who are engaged their best effort to achieve the organizational common goal.

## Report for

This Report has been prepared for the shareholders of Bashundhara Paper Mills Limited. The report also contains comprehensive information and disclosures that meet the diverse information useful for all stakeholders and the related obligations of all regulatory authorities as well. The report provides an opportunity for us to provide the material information and commentary thereon for the assessment of the year under review.

## Material factors

Retention of efficient human capital, contribution in national growth, financial performance, corporate social responsibility, good governance practices, sustainable development goal and protect the interest of shareholder are the prime focused area of the material factor of the company. Concentrating on all the material factors which include those issues that could substantially affect creating value over the short and long-term in integrated reporting process.

## Forward looking

With the performance of this considerable year, this report also contains a forward-looking overview regarding the operational prospect of the company, through the inherent level of uncertainty involved here. Moreover, the Board of Director and the Management has undertaken to do the best to control any uncertainty and disclosing all the material factors or information with best of knowledge with transparency to create a value addition for the long-term relationships with the stakeholders.

### Key Area

**Companies Act-1994 with amendments- 2020**

**Corporate Governance Code-2018**

**Listing Regulations- 2015**

**Value-Creation for Shareholders**

**Business Outline**

**Corporate Social Responsibility**

**Business Risk Control Approach**

**Environment, Social and Governance Approach**

**Financial Approach**

**Recognition and Awards**

Sd/-

**M. Mazedul Islam**  
Company Secretary





**Bashundhara**  
*Tissue*

**THINK HYGIENE  
LIVE SAFE**

# WE ARE HONORED

to be an example of a  
socially responsible brand  
in the new book by **Dr. Philip Kotler!**



**Kotler**  
impact  
Never Stop.



Country Partner  
**NORTHERN  
EDUCATION GROUP**  
30 Years of Quality Education  
The Largest Education Group in Bangladesh



ABOUT 31<sup>ST</sup>  
**ANNUAL GENERAL MEETING**

# Notice of 31st AGM (English Version)



**Bashundhara Paper Mills Ltd.**

Registered Office: Plot- 125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

## NOTICE OF THE 31st ANNUAL GENERAL MEETING (Digital Platform)

Notice is hereby given that the 31th Annual General Meeting of the Members of Bashundhara Paper Mills Limited will be held on **Tuesday, 24 December 2024 at 11:00 A.M. (local time)** by using Digital Platform through the link- **<https://bpml31.digitalagmbd.net>** to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Directors' Report, the Auditors' Report and the Audited Financial Statements of the Company for the Financial Year ended on 30 June 2024;
2. To declare and approval of Dividend for the Financial Year ended on 30 June 2024;
3. To elect the Directors of the Company;
4. To appoint Statuary Auditors for the Financial Year 2024-2025 and to fix their remunerations;
5. To appoint Corporate Governance Compliance Auditors for the Financial Year 2024-2025 and to fix their remunerations.

### Special Business:

1. To change the registered name of the Company including related clauses of the Memorandum and Article of Associations of the Company.

If the agenda deem fit to considered and approved as the following "Special Resolution" is proposal to be passed.

### Resolved that

**"In accordance with the Companies Act 1994 (amended in 2020) the change of registered name of the Company to "Bashundhara Paper Mills PLC" from Bashundhara Paper Mills Limited and due to effect of name change, the necessary amendment of related clauses of the Memorandum and Article of Associations of the Company be and are hereby approved."**

By Order of the Board of Directors  
Sd/-

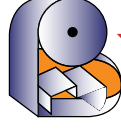
**M. Mazedul Islam**  
Company Secretary

Date: 27 November 2024

### Special Notes:

- i. The **"Record Date"** of the Company has been fixed on **Wednesday, 20 November, 2024**. Members whose names appeared in the Company's Member Register (depository) at the close of business on the Record Date are entitled to attend/join the Annual General Meeting and entitled to receive the dividends;
- ii. The 31st AGM of the Company would be conducted through **"Digital Platform"** in accordance the Order No. SEC/ SRMIC/04-231/25 dated 8 July 2020 of Bangladesh Securities and Exchange Commission (BSEC);
- iii. The details log-in process for the meeting though the mentioned link will be available in the Company's website: **[www.bashundharapapermills.com](http://www.bashundharapapermills.com)** and the link will be e-mailed to the respective Member's address which is available with the registers on the record date. The members will be able to log-in with the link 24 hours before the time fixed for the Meeting for expressing their valuable comments. Please visit the website for technical assistance (if any) in accessing the virtual meeting;
- iv. Any member entitled to attend and vote at the AGM may appoint a proxy on his/her behalf provided that such proxy must be a member of the company. The Proxy Form (attached with the Annual Report-2024) must be affixed with revenue stamp of BDT 100/- and must be sent through at the email to **[cs.bpml@bgc-bd.com](mailto:cs.bpml@bgc-bd.com)** not later than 72 hours before the time fixed for the Meeting;
- v. Members are requested to notify the changes of their bank accounts, ETIN and addresses including e-mail addresses through their respective Depository Participants (DP) well in time and all communicational information will be accepted through verified by CDBL as on Record Date;
- vi. The digital copy of the Annual Report-2024 of the Company will be sent to the e-mail addresses of the Members available in their BO Accounts maintained with the CDBL as per BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018. The Annual Report-2024 will also be available on the website **[www.bashundharapapermills.com](http://www.bashundharapapermills.com)** of the Company.

# Notice of 31st AGM (Bangla Version)



## বসুন্ধরা পেপার মিলস্ লি:

রেজিস্টার্ড অফিস : ১২৫/এ, রোড-২, ব্লক-এ, বসুন্ধরা আবাসিক এলাকা, ঢাকা-১২২৯

### ৩১তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি (ডিজিটাল প্ল্যাটফর্ম)

এতদ্বারা বসুন্ধরা পেপার মিলস্ লিমিটেডের সকল শেয়ারহোল্ডারবৃন্দ সহ সংশ্লিষ্ট সকলের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আগামী ২৪ ডিসেম্বর, ২০২৪ইং রোজ মঙ্গলবার সকাল ১১.০০ ঘটিকায় (স্থানীয় সময়) ডিজিটাল প্ল্যাটফর্মের মাধ্যমে [link- https://bpml31.digitalagmbd.net](https://bpml31.digitalagmbd.net) ব্যবহার করতঃ অত্র কোম্পানীর ৩১তম বার্ষিক সাধারণ সভা নিম্নবর্ণিত বিষয়াদি সম্পাদনকল্পে অনুষ্ঠিত হবেঃ

#### ক. সাধারণ আলোচ্য-সূচীঃ

- ৩০শে জুন ২০২৪ইং তারিখে সমাপ্ত আর্থিক বৎসরের নিরীক্ষিত বার্ষিক আর্থিক প্রতিবেদন এবং তৎসঙ্গে নিরীক্ষক ও পরিচালকমন্ডলীর প্রতিবেদন সমূহ গ্রহণ, বিবেচনা ও অনুমোদন;
- ৩০শে জুন ২০২৪ইং তারিখে সমাপ্ত আর্থিক বৎসরের জন্য লভ্যাংশ ঘোষণা ও অনুমোদন;
- অত্র কোম্পানীর পরিচালকগণের নির্বাচন;
- ২০২৪-২০২৫ইং আর্থিক বৎসরের জন্য বিধিবদ্ধ নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ;
- ২০২৪-২০২৫ইং আর্থিক বৎসরের জন্য কর্পোরেট গভর্নেন্স কমপ্লায়েন্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

#### খ. বিশেষ আলোচ্য-সূচীঃ

যথোপযুক্ত বিবেচিত হলে নিম্ন বর্ণিত সিদ্ধান্তকে “বিশেষ সিদ্ধান্ত” হিসাবে বিবেচনা ও অনুমোদন।

- কোম্পানির স্বাকলিপি ও পরিমেল নিয়মাবলির সংশ্লিষ্ট ধারাসহ কোম্পানির নিবন্ধিত নাম পরিবর্তন।

#### প্রস্তাবিত সিদ্ধান্ত

“এতদ্বারা কোম্পানী আইন ১৯৯৪ এবং সংশোধিত ২০২০ অনুযায়ী কোম্পানীর নিবন্ধিত নাম বসুন্ধরা পেপার মিলস্ লিমিটেড এর পরিবর্তে “বসুন্ধরা পেপার মিলস্ পিএলসি” নামে পরিবর্তন করা হল এবং এই পরিবর্তনের ফলে কোম্পানীর স্বাকলিপি ও পরিমেল নিয়মাবলির সংশ্লিষ্ট ধারাসমূহ পরিবর্তনের প্রস্তাবটি অনুমোদিত হল।”

পরিচালকমন্ডলীর আদেশক্রমে

স্বাক্ষরিত

এম. মাজেদুল ইসলাম

কোম্পানী সচিব

তারিখ- ২৭ নভেম্বর ২০২৪ইং

#### বিশেষ দৃষ্টব্যঃ

- অত্র কোম্পানীর “রেকর্ড ডেট” রোজ বুধবার, ২০শে নভেম্বর ২০২৪ইং তারিখে নির্ধারণ করা হয়েছে। উক্ত তারিখে যে সকল শেয়ারহোল্ডারগণের নাম অত্র কোম্পানীর সদস্য বহিতে (ডিপোজিটরী) অন্তর্ভুক্ত থাকবে তাঁরা অত্র কোম্পানীর ৩১তম বার্ষিক সাধারণ সভায় যোগদান ও ঘোষিত লভ্যাংশ প্রাপ্তির জন্য যোগ্য বলে বিবেচিত হবেন।
- বিএসইসি-এর নির্দেশনা নং SEC/SRMIC/04-231/25 তারিখ ০৮ জুলাই ২০২০ অনুযায়ী ৩১তম বার্ষিক সাধারণ সভা ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিত হবে।
- ৩১তম বার্ষিক সাধারণ সভায় সংযুক্ত (লগ-ইন) থাকার প্রক্রিয়া কোম্পানীর ওয়েবসাইটে [www.bashundharapapermills.com](http://www.bashundharapapermills.com)-এ প্রদান করা হয়েছে। এবং এ সংক্রান্ত মাধ্যম (লিঙ্ক) সম্মানিত শেয়ারহোল্ডারগণের ই-মেইলে যথাসময়ে প্রেরণ করা হবে। বার্ষিক সাধারণ সভা শুরু হবার ২৪ ঘণ্টা পূর্বে সম্মানিত শেয়ারহোল্ডারগণ লিঙ্ক-যুক্ত (লগ-ইন) হয়ে তাদের মূল্যবান মতামত প্রদান করতে পারবেন। উক্ত সাধারণ সভায় প্রযুক্তি ব্যবহারের সংক্রান্ত কোন সহযোগীতা যদি প্রয়োজন হয় তবে, সম্মানিত শেয়ারহোল্ডারগণ কোম্পানীর ওয়েবসাইটের সহায়তা নিতে পারেন।
- ৩১তম সভায় সংযুক্ত ও ভোট দানের জন্য যোগ্য যে কোন সদস্য, তার পরিবর্তে অন্য যে কোন সদস্যকে (Proxy) হিসাবে নিয়োগ প্রদান করতে পারবেন। প্রক্সি (Proxy) ফরমে ১০০/- টাকা মূল্যমানের রাজস্ব টিকেট সংযুক্ত করে তা যথাযথভাবে পূরণ-পূর্বক বার্ষিক সভা শুরু হবার অন্তত ৭২ ঘণ্টা পূর্বে কোম্পানীর শেয়ার বিভাগে অথবা ই-মেইলের মাধ্যমে [cs.bpml@bgc-bd.com](mailto:cs.bpml@bgc-bd.com) ঠিকানায় পৌছাতে হবে।
- সম্মানিত শেয়ারহোল্ডারগণের ব্যাংক হিসাব, ইটিন, ঠিকানা, ই-মেইল ঠিকানা, ফোন নম্বর সহ পরিবর্তন বিষয়ক তথ্যাদি সংশ্লিষ্ট (ডিপোজিটরী পার্টিসিপেন্ট) এর মাধ্যমে অত্র কোম্পানীকে যথাসময়ে অবহিত করার জন্য অনুরোধ করা যাচ্ছে। রেকর্ড অনুযায়ী যোগাযোগের সমস্ত তথ্য সিডিবিএল কর্তৃক যাচাইকৃত হতে হবে।
- বিএসইসি-এর নির্দেশনা নং BSEC/CMRRCD/2006-158/208/Admin/81 তারিখ ২০ জুন, ২০১৮ অনুযায়ী ই-মেইলের মাধ্যমে সম্মানিত শেয়ারহোল্ডারগণকে বার্ষিক প্রতিবেদন-২০২৪ যথাসময়ে প্রেরণ করা হবে। এছাড়াও বার্ষিক প্রতিবেদন-২০২৪ অত্র কোম্পানীর ওয়েবসাইটে [www.bashundharapapermills.com](http://www.bashundharapapermills.com) - এ প্রকাশ করা হবে।



# Access process to Join AGM

In accordance with the BSEC's Order no. SEC/ SRMIC/04-231/25 dated 8 July 2020 considering all pros and cons the Board of Directors of the BPML has arranged its 31st Annual General Meeting through digital platform. The valued shareholders of Bashundhara Paper Mills Limited can be join/conduct in the virtual meeting via live webcast by using the link- <https://bpml31.digitalagmbd.net>. The access process of joining in the virtual meeting adheres for the convenience of the shareholders. So that, the shareholders can participate fully and equally from any location of the world.

# 1

## Access to Join

### Shareholders Login

- Click shareholder Tab
- Enter BO ID in the text box.
- Enter number of shares held as of record date.
- Click login.

### Proxy Login

- Click Proxy Tab.
- Enter BO ID of original shareholder.
- Enter number of shares held by original shareholder.
- Enter BO ID of proxy shareholder
- Enter number of shares held by proxy shareholder.
- Click login.

# 2

## Question & Suggestion

- BPML encourages shareholders to rise or suggest on any issue as per the agenda to the Board and Management. The management will try to answer the questions as they come in.
- The login link shall be open before 24 hours of the meeting for put valuable comments and suggestion of the shareholders.

# 3

## Vote for Agenda

- Shareholders shall vote either in favor or against of any proposed agenda using the option of the tab.
- The vote shall be count based on number of shares held by that shareholder.
- The voting result shall be published in real time at the time of approval on the specific agenda.

## 31<sup>st</sup> AGM Helpline:

**Mr. Mahbubur Rahman**  
mahbub.rahman@bgc-bd.com

**Mr. Md. Motiur Rahman**  
md.motiur@bgc-bd.com

**Mr. Md. Golam Morshed**  
golam-morshed@bgc-bd.com

**Mr. Mehedi Hasan**  
+880 1627 553 190

**Tel** : 09666443310-19  
**Fax** : +88 02 55037257  
**Web** : [www.bashundharapapermills.com](http://www.bashundharapapermills.com)



You may also download a copy of this Annual Report-2024 form  
[www.bashundharapapermills.com](http://www.bashundharapapermills.com)



You may download a digital copy of the Annual Report-2024 by scanning this QR code on your smart device.



# Overview on Bashundhara Group

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Bashundhara Group, has started its journey as a real estate venture known as "Bashundhara" under the aegis of the group's first concern- the East-West Property Development (Pvt.) Ltd in 1987. By the ramifications of this success, Bashundhara concentrated to invest in many new arenas like Manufacturing, Trading and Service. Most of the enterprises were established in the early 1990s, covering diverse activities involving the production of Cement, Paper and Pulp, Tissue paper, Steel, Chemical, Shipping lines, Ship building, Foods, Refinery, LPG bottling and distribution, and Trading company, among others. The group experienced this tremendous growth over the last two decades. The Group's first publicly-traded company, the Meghna Cement Mills Limited, is listed in 1996 and the last addition by Bashundhara Paper Mills Ltd. on 2018 with the two Stock Exchanges of Bangladesh.

The group has established a media house named "East West Media Group Ltd." in 2009. This house owns Bangla dailies "Kaler Kantho", "Bangladesh Pratidin", English dailies "Daily Sun" and online portal "Banglanews24.com". The media house also introduced a FM radio known as "Radio Capital 94.80" and a television news channel "News24" in 2016 and sports television challenge "Tsports" as well.

A micro-credit program under Bashundhara Foundation, Bashundhara Technical Institute, Bashundhara Eye Hospital and Research Institute and Bashundhara Special Children Foundation are being operated by the assistance and patronization of the group.

This Group has come a long way in reaching its goals by listening to customer's needs, learning real-time lessons from past projects, innovating and partnering its project implementation process. Around 50,000 employees directly and 200,000 indirectly continuously contributing to grow up this Group. Through major investment undertakings in all key sectors, Bashundhara has a meaningfully contributed to the country's socio-economic stability in financial and capital markets. Underlying all of the Group's activities are the common threads of change, flexibility, and fostering closer ties with the Government, the City Corporation and Bashundhara customers. Most of its projects have been success stories-this fact alone is enough to justify its moto "For the People, for the Country".







# Overview on BPML

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Bashundhara Paper Mills Limited incorporated as a private limited company in the year 1993 and subsequently it was converted into a public limited company, now this is a publicly listed company. After starting its commercial operation as an import-substitute local paper manufacturing company another two companies of the Bashundhara Group of same nature namely "Bashundhara Newsprint & Duplex Board Industries Limited" (Former Shahjalal News Print Industries Ltd.) and "Bashundhara Tissue Industries Limited" (Former Freyschmidt Tissue Limited) amalgamated with BPML on October 10, 2009. After the amalgamation of all three companies caring out its business as a single legal entity and operated three separate units as "Unit 1", "Unit-2" and "Unit-3" for the administrative purpose.

The three industrial units, are separate in their location and products diversity. All are equipped with industry-best state-of-the-art facilities and are regularly going through meticulously opted refurbishment processes to cope up achieving "scale of

economies" and "resource conservation" esp. in energy (power consumption) and water usage per unit output.

The company has been relentless over more than two decades to offer its diversified products ranging from different types of Paper, Tissue & Hygiene portfolio, thereby it has rightly been entrusted from customer's fraternity of home and abroad. At present, Bashundhara Paper is the trusted source of volume Paper-needs of both Government level and, while keep general consumers pace of exporting to over 50 different global destinations. Noteworthy, it has been successful to become the only Company in Bangladesh having the different Certification at the same time, certainly due to its thrust on environment is visible in various eco-friendly initiatives at the Plant sites by adopting modern technology and process innovations. On the other hand, quality of products in line with the market demand and by an efficient management the company introduced itself as the change leader in this industry.





## BPML: Unit-1

This Unit was established in 1993 with an integrated paper plant with 36,000 MT and 43,200 MT tissue yearly installed capacity. It commenced its commercial production in February 1997 to address the rapidly growing local demands of Paper and Paper products. Over the years, the production capacity has been enhanced with the addition of three more paper plants and 10 converting units.

In this Unit the company produce a diversified product range from 20 GSM to 300 GSM of different grades of the very Company was the pioneer to introduce local-made Offset Paper in the Market.

Periodic renovation and modernization of the Plant machineries well foreseen by the skilled resources of home and abroad have helped the plant to remain in healthy condition even after decades. The Company's firm commitment and success delivering high quality products and services to customers has been the major reason to attain and retain the leadership position sector of this country.

**Certification:** FSC-CoC, ISO 9001: 2015, ISO 14001:2015

**Products:** • White Writing & Printing Paper, • Carbonless Paper, • Coloured/Offset Printing & Wrapping Papers, • Colour Ledger Paper, • Sticker Papers, • Cigarette Tipping Papers, • OGR Paper, • Exercise Books, • A4 Paper, • Paper Sack.

**Location:** Meghnaghat, Sonargaon, Narayanganj.





## BPML: Unit-2

The Unit was formally known as Bashundhara Newspaper & Duplex Board Ltd. before amalgamations with the PBML, the Unit-2 three modern plants in producing newsprint, white writing and printing paper, duplex board, liner paper, Kraft paper, art card, art paper and allied products.

The first plant produces duplex boards and other industrial packing papers used in packaging industry. An off line coater produces coated duplex board & art card in this unit. The second unit produces environment friendly newsprint from recycled pulp (DIP) for national dailies, weeklies, fortnightlies. It also produces writing and printing paper for local consumption and also for printing text book for NCTB.

**Certification:** FSC-CoC, ISO 9001: 2015, ISO 14001:2015

**Products:** • Newspaper, • White Writing/Printing Paper, • Duplex Board, • Liner Paper, • Kraft Paper, • Art Card, • Art Paper and • Associated Goods.

**Location:** Meghnaghat, Sonargaon, Narayanganj.



### BPML: Unit-3

The Unit-3 of Bashundhara Paper Mills Limited, formerly known as Bashundhara Tissue Industries Limited, was set up at in 1995. It is the country's first basic tissue manufacturing factory at the face of growing popularity of tissue with fast changing urban lifestyle and elevation of living standards as a whole.

The Unit-3 was set up This first basic tissue paper manufacturing facility in Bangladesh later emerged as the pioneer in the trade at the backdrop of rising demands of Tissue products thanks to changing lifestyle of urban to suburban consumers – 'Bashundhara Tissue' has become a trusted name with solid brand equity.

The unit, obsession towards Quality and Customer Satisfaction is reflected in understanding & fulfilment of expectations of the consumers, big or small. This in turn has been a key factor in its growth and the advantage that the Company has been able to build over the years in terms of a wide and loyal distribution network throughout Bangladesh.

**Certification:** FSC-CoC, ISO 9001: 2015, ISO 14001:2015

**Products:** Different types of Tissue paper and Hygiene products.

**Location:** Anpara, Gazaria, Munshiganj.



# Mission of BPML

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We Are Passionate  
About Helping the World Excel In Education,  
Communication, Business And Salutariness  
By Offering Eco-Sustainable  
Paper-Based Solutions.

## Values of BPML

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Values form the acronym SPIRIT and it is the SPIRIT in which we operate. The word SPIRIT stands for SOUL, ESSENCE, LIFE and ATTITUDE. This the Spirit that nourishes the SOUL of the people of 'Bashundhara Paper'; it is the ATTITUDE and the ESSENCE that gives LIFE to our winning culture.

- S Supportive**  
We value, respect, develop, reward, appreciate and empower each other and help each other to grow to their true potential
- 
- P Passionate**  
we love our company and we love winning
- 
- I Integrity**  
we listen to our conscience and do the right thing all the time
- 
- R Responsible**  
we are responsible to all our stakeholders
- 
- I Ingenuity**  
we are always ahead through innovation and operational excellence
- 
- T Togetherness**  
we are stronger when we work as one team



# Commitment and Priority



## WAY FORWARD

In near future our Stakeholders will see Bashundhara Paper as a company driven by a passionate team of employees, operating in a professional manner, guided by powerful mission, more specifically.



## TEAM MEMBERS

Our Team Member satisfaction ratings grow will be increase per year as we help employees, our greatest resource, to live their dreams in a happy workplace governed by supportive Human Resource polices and process.



## OUR CUSTOMERS

Our globally accepted eco-sustainable product range is designed and manufactured to add value to our customers and as a result our local and international markets are growing significantly.



## OUR SUPPLIERS

Our Suppliers rate us as their best customers and give us preference as we have policies that help them be successful keep our commitments and treat them as our business partners.



## OUR FINANCIAL INSTITUTIONS

consider us one of the most reliable companies in the industry and provide us favorable terms due to the professional manner we conduct our business.



## OUR REGULATORS

Our Regulatory authorities rate us one of the best complaint company in the paper manufacturing industry as we are transparent in relation to laws governing our business and pay taxes, bills and wages in an accurate and timely manner.



## OUR SHAREHOLDERS

Our Shareholders are proud about the professional manner in which the organization operates, and are satisfied with the tangible and non-tangible return the company provides.

# Code of Conducts

Fair governance practice is the key to inclusive and sustainable growth. We have clearly articulated in our organizational code of conduct- guidelines. All the probable is as involving ethical dilemmas for the responsible and values - driven management and control i.e., our code of conduct and ethical guidelines are as follows:



## COMPLIANCE OF LAWS

All our employees are to follow and comply with the laws of the land and internal rules and regulations of the Company and the Bashundhara Group as well.



## BUSINESS INTEGRITY

The Company maintains business practices with highest integrity and ensure accuracy of all transactions. It shores up the privacy of the customers' affairs. Employees of the company divulge the BPML's plans, methods, and activities considered by the employer to be proprietary and confidential.



## INTEGRITY

Our employees are expected to act honestly and with due integrity at all times. They should act rightly equitably when dealing with the stakeholders the consumers and public as well as and other employees of the Company.



## TRANSPARENCE

We ensure the transparency in every tire in our activities. Moreover, employees are not expected to disclose such information without proper authorization.



## ACCOUNTABILITY

We are accountable to our all-stakeholders management and board upholding our internal policies.



## RESPECT

We show respect for our peers, our clients our suppliers and all living beings.



## EXCELLENCE

We commit to excellence in everything we do and champion continuous improvement and sharing of best practices across the company.



## SOCIAL RESPONSIBILITY

We aim to be the world's safest and most sustainable recycling company.

# Policy Statement



## QUALITY POLICY

This Company is aimed to provide products and services of high quality within the affordable range of our clientele.

### Our quality policy is to

- Achieve excellence by understanding and providing products as per customers' expectations.
- Follow consistent quality in our production and supply of products to meet all regulatory requirements of our businesses.
- Consider and follow due procedures to ensure compliance with all quality standards.
- Develop all our human resources as asset of the Company through training and skill development.



## ENVIRONMENTAL POLICY

The is committed to run its operations by following environment friendly, ensuring continual improvement in the utilization of resources and prevention of pollution or degradation of the environment.

### In pursuit of this, the Company follows the policy to

- Comply with all environmental related legislations and regulations of this country.
- Conserve mother nature by adopting environmentally safe production processes.
- Ensure appropriate treatment of all effluents prior to discharge.
- Create and maintain awareness on environmental issues within the Company.
- Ensure waste management system runs through continuous upgradation process.



## OCCUPATIONAL HEALTH AND SAFETY POLICY

The occupational health and safety for all related persons as well as employed by the BPML is of the utmost importance. As per the provision of the common law, various codes and regulations of all employed persons. The BPML has introduced a full code of conduct for its employees since long.

BPML has developed comprehensive policies and procedures in relation to occupation health, safety, and welfare policies. The company –

- Ensures, as far as reasonably practicable, the health, safety, and welfare of its employees and associated persons;
- Ensures, as far as reasonably practicable, that people who aren't our employees (i.e., visitors, participants) are not exposed to health or safety risks;

### Specific duties require that BPML

- Identify and reduce risks in the workplace;
- Provide and maintain safe systems at work place;
- Provide and maintain equipment and substances in a safe condition;

- Provide facilities in a safe and healthy condition for the welfare of employees;
- Provide adequate information, instruction, training and supervision;
- Maintain our environment and facilities in a safe condition;
- Maintain accurate and up-to-date records about the health of employees and volunteers including information about accidents and incidents;
- Develop and implement policies and procedures about working in the human resources safely;
- Consult with employees about safety issues;
- Provide and share adequate information with the employees regarding health & safety issues;

BPML is committed to providing a safe and positive working environment for all its staff and acknowledging that the wellbeing of staff is a prime factor in enabling them to perform their duties to the best of their abilities. In return, The BPML desires that staff accept their responsibilities to work safely.

# Corporate Directory

<b>Name of the Company</b>	: Bashundhara Paper Mills Limited			
<b>Legal Status of the Company</b>	: Public Limited Company (listed)			
<b>Date of Incorporation</b>	: 28 September, 1993			
<b>Date of Amalgamation</b>	: 10 October, 2009			
<b>Financial Year</b>	: July - June			
<b>Listing at Stock Exchange</b>	: DSE	: June, 2018	CSE	: June, 2018
<b>Category in Stock Exchange</b>	: DSE	: A	CSE	: A
<b>Credit Rating</b>	: Entity	: AA2	Outlook	: Stable
<b>Capital of the Company</b>	: Authorized	: BDT 500.00 Cr.	Paid-Up	: BDT 173.17 Cr.

<b>Composition of Ownership</b>	<b>: Category</b>	<b>Percentage of Shares</b>
As on 30 June 2024	Board of Directors	62.82%
	Pre-IPO Shareholders	14.79%
	Institutions	8.30%
	General Public	14.09%
	<b>Total</b>	<b>100%</b>

<b>Composition of Board</b>	<b>: Name</b>	<b>Person in Company</b>
	Mr. Ahmed Akbar Sobhan	Chairman
	Mr. Md. Imrul Hassan	Director
	Mr. Md. Nazmul Alam Bhuiyan	Director (Nominated)
	Mr. Mostafa Azad Mohiuddin	Independent Director
	Mr. Md. Mustafizur Rahman FCA	Chief Executive Officer

<b>Statuary Auditors</b>	: M/S. K.M Alam & Co. Chartered Accountants	<b>Credit Rating Agency</b>	: Credit Rating Agency of Bangladesh (CRAB)
<b>Legal Adviser</b>	: M/S. Accord Chambers	<b>Tax Consultants</b>	: M/S. Ahsraf & Associates
<b>Governance Compliance Auditors</b>	: M/S. Haruner Rashid & Associates Chartered Secretaries & Management Consultants	<b>Independent Scrutinizer</b>	: M/S. Mohammadullah & Associates Chartered Secretaries & Consultants

## Domestic & Foreign Address:

<b>Registered Office:</b> Plot-125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229.	<b>Head Office:</b> Bashundhara Industrial Headquarter (BIHQ), Tower#1, Plot#844, Road#12, Block#1, Bashundhara R/A, Dhaka-1229.
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<b>Share Office:</b> Bashundhara Industrial Headquarter (BIHQ), Tower#1, Plot#844, Road#12, Block#1, Bashundhara R/A, Dhaka-1229	<b>Foreign Office:</b> SULTAN Plot: 237-0, Al-Manar, Dubai, UAE
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## Factory Premises:

<b>Unit-1</b> Meghnaghat, Baranagar, Sonargaon, Narayangonj.	<b>Unit-2</b> Meghnaghat, Sonargaon, Narayangonj.	<b>Unit-3</b> Anurpura, Gazaria, Munshigonj.
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# Committees of BPML

## Board Committee

### Audit Committee

Name of Members	Position in Committee	Position in Company
Mr. Mostafa Azad Mohiuddin	Chairman	Independent Director
Mr. Md. Imrul Hassan	Member	Director
Mr. Md. Nazmul Alam Bhuiyan	Director (Nominated)	Director
Mr. M. Mazedul Islam	Member Secretary	Company Secretary

### Nomination and Remuneration Committee

Name of Members	Position in Committee	Position in Company
Mr. Mostafa Azad Mohiuddin	Chairman	Independent Director
Mr. Md. Imrul Hassan	Member	Director
Mr. Md. Nazmul Alam Bhuiyan	Director (Nominated)	Director
Mr. M. Mazedul Islam	Member Secretary	Company Secretary

## Management Committee

### Compliance Committee

Name of Members	Position in Committee	Position in Company
Mr. Md. Mustafizur Rahman FCA	Chairman	Chief Executive Officer
Mr. Mohammad Kamrul Hassan	Member	Chief Financial Officer
Mr. M. Mazedul Islam	Member Secretary	Company Secretary

### Executive Committee

Name of Members	Position in Committee	Position in Company
Mr. Safwan Sobhan	Chairman	Vice Chairman, Bashundhara Group
Ms. Yeasha Sobhan	Vice-Chairman	Director
Mr. Md. Mustafizur Rahman FCA	Executive Member	Chief Executive Officer
Mr. S.M. Sorowar	Member	Head of Project, Unit-1
Mr. Md. Shamshad Malik	Member	Head of Project, Unit-2
Mr. Md. Abul Hasan	Member	Head of Project, Unit-3
Mr. Imran Bin Ferdous	Member	HOD (HR & Admin)
Mr. Md. Masudur Rahman	Member	Chief Sales Officer
Mr. Mohammad Kamrul Hassan	Member	Chief Financial Officer
Mr. Mohammad Nurul Huda	Member	HOD (Finance)
Mr. Mohammad Eleas Hossain	Member	Head of Internal Audit & Compliance
Mr. Khijir Ahammed	Member	HOD (Supply Chain)
Mr. Mohammad Allauddin	Member	Head of Marketing
Mr. Md. Foyezur Rahman	In-charge	RECD & Recovery
Mr. M. Mazedul Islam	Member Secretary	Company Secretary



# Organogram of BPML







Introducing..

# Petal

## ExtraSoft

TISSUE



f /PetalSoft



A Product of  
**Bashundhara Paper Mills Ltd.**



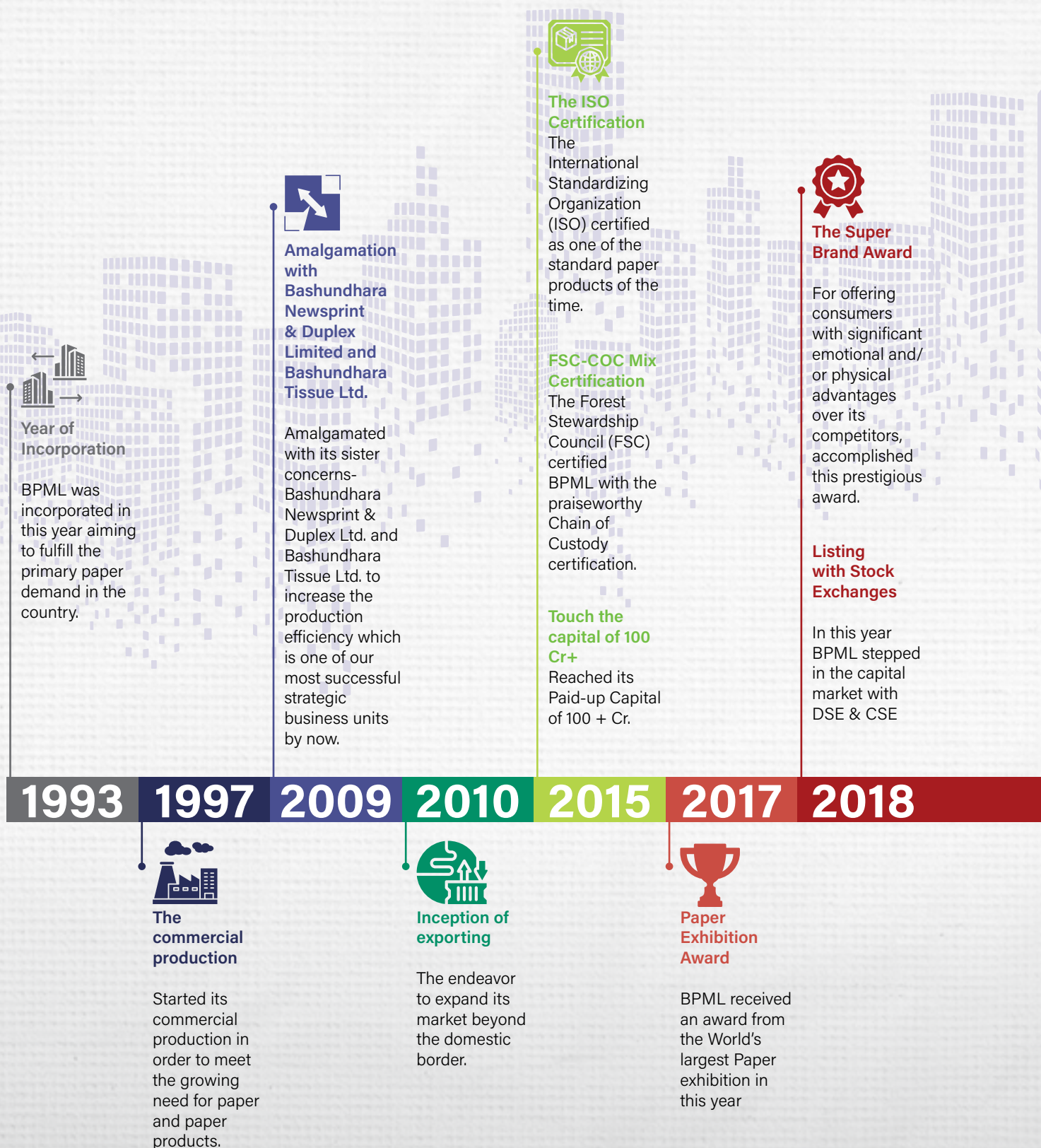
Careline: 16339



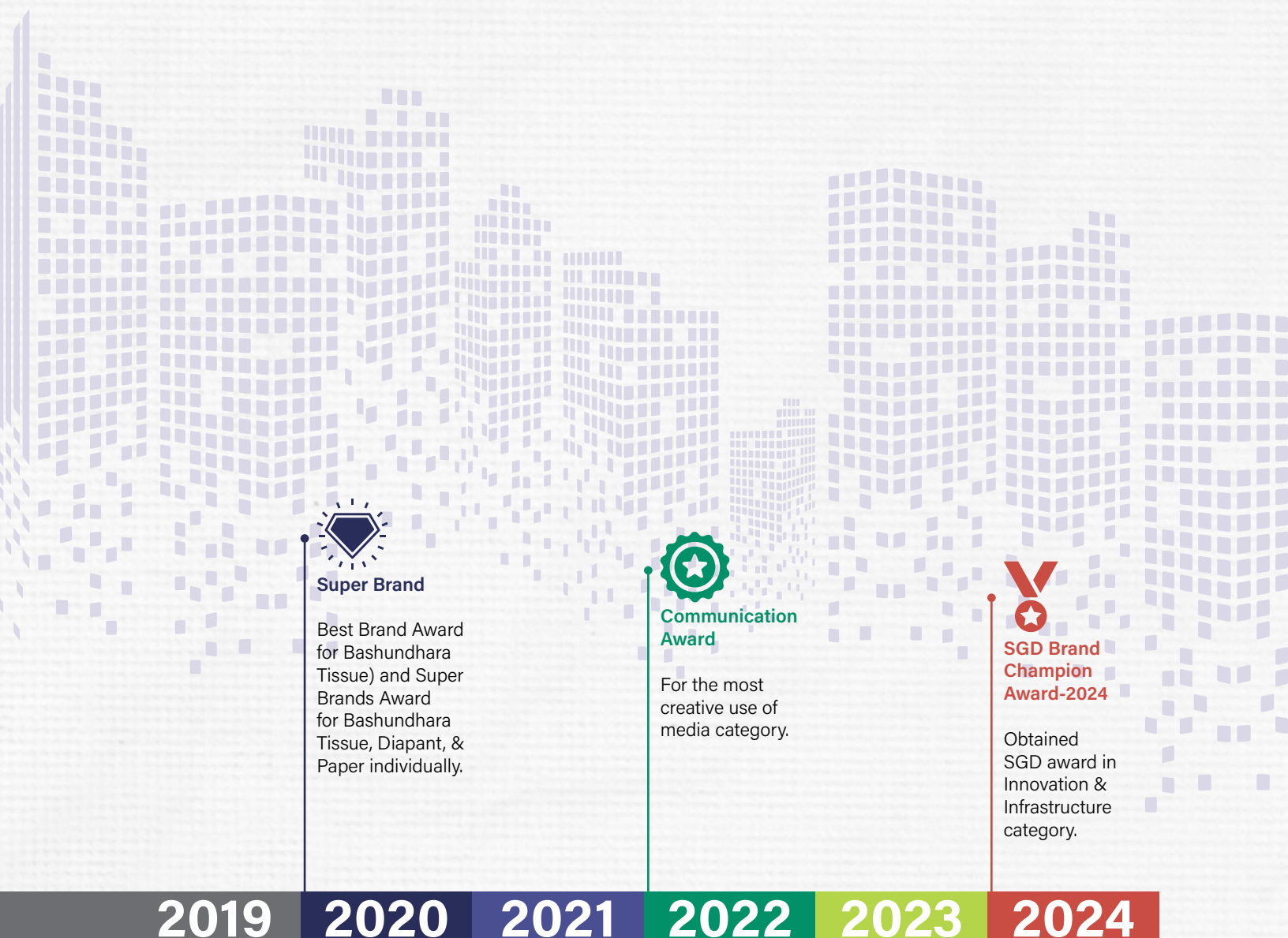
# **ACHIEVEMENTS** OF BPML



# Landmarks of BPML







#### Super Brand

Best Brand Award for Bashundhara Tissue) and Super Brands Award for Bashundhara Tissue, Diapant, & Paper individually.



#### Communication Award

For the most creative use of media category.



#### SGD Brand Champion Award-2024

Obtained SGD award in Innovation & Infrastructure category.



#### Best Brand

Best Brand Award (Bashundhara Tissue)



#### Asia's Greatest Brand and Best brand Award-2021

The company received these awards consecutive 4th time



#### 30 years Celebration and Sustainability Report

This year the company touched on the experience of 3 decade and issued the Sustainability Report for the first time.

# Awards and Certifications

The Bashundhara Paper Mills Limited has acquired the Quality Management Systems (ISO 9001: 2015) certification by optimizing our organizational procedures and ensuring quality via ongoing process evaluation and improvement. Additionally, the environmental management system (EMS) has been accredited by an authorized certification body and complies with the requirements of ISO 14001:2015. Additionally, the company make sure that every type of pulp we purchase is FSC-CoC certified, ensuring that the material is distinguished from non-certified material along the supply chain.

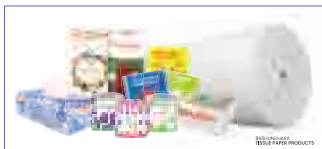
**BPML: ISO 9001: 2015, ISO 14001: 2015, FSC-CoC and Moddy Certified:**

		
		
<p>Bashundhara Paper Mills Limited have been awarded an Honourable Mention in the category of Industry Innovation and Infrastructure at the SDG Brand Champion Awards 2024.</p> <p>As premium product of the Company "Bashundhara Tissue" was recognized as the "Best Brand 2018"; "Best Brand 2019"; "Best Brand 2020"; and "Best Brand 2021" in a row after being audited by Nielson, thanks to a project of the Bangladesh Brand Forum.</p> <p>"Bashundhara Tissue" was awarded "Asia's Greatest Brand 2020-2021"</p>	<p>"Bashundhara Paper" was awarded UK based Super Brand Award three times and two times in a row respectively.</p>	<p>"Bashundhara Diapant" was recognized as a "Super Brand" twice.</p>

# Domestic Footprint of BPML



## BPML PRESENCE OVER THE COUNTRY





# Global Footprint of BPML



## A GLOBAL EXPORTS' PRESENCE 50 COUNTRIES



**Bashundhara Paper**  
Superbrands Awarded  
in 2018, 2020-21, 2023-24

**Bashundhara Tissue**  
Superbrands Awarded  
in 2020-21, 2023-24

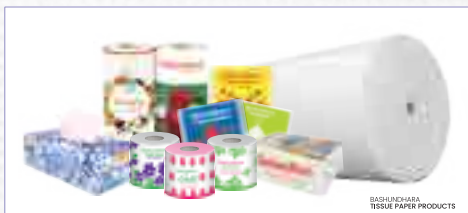
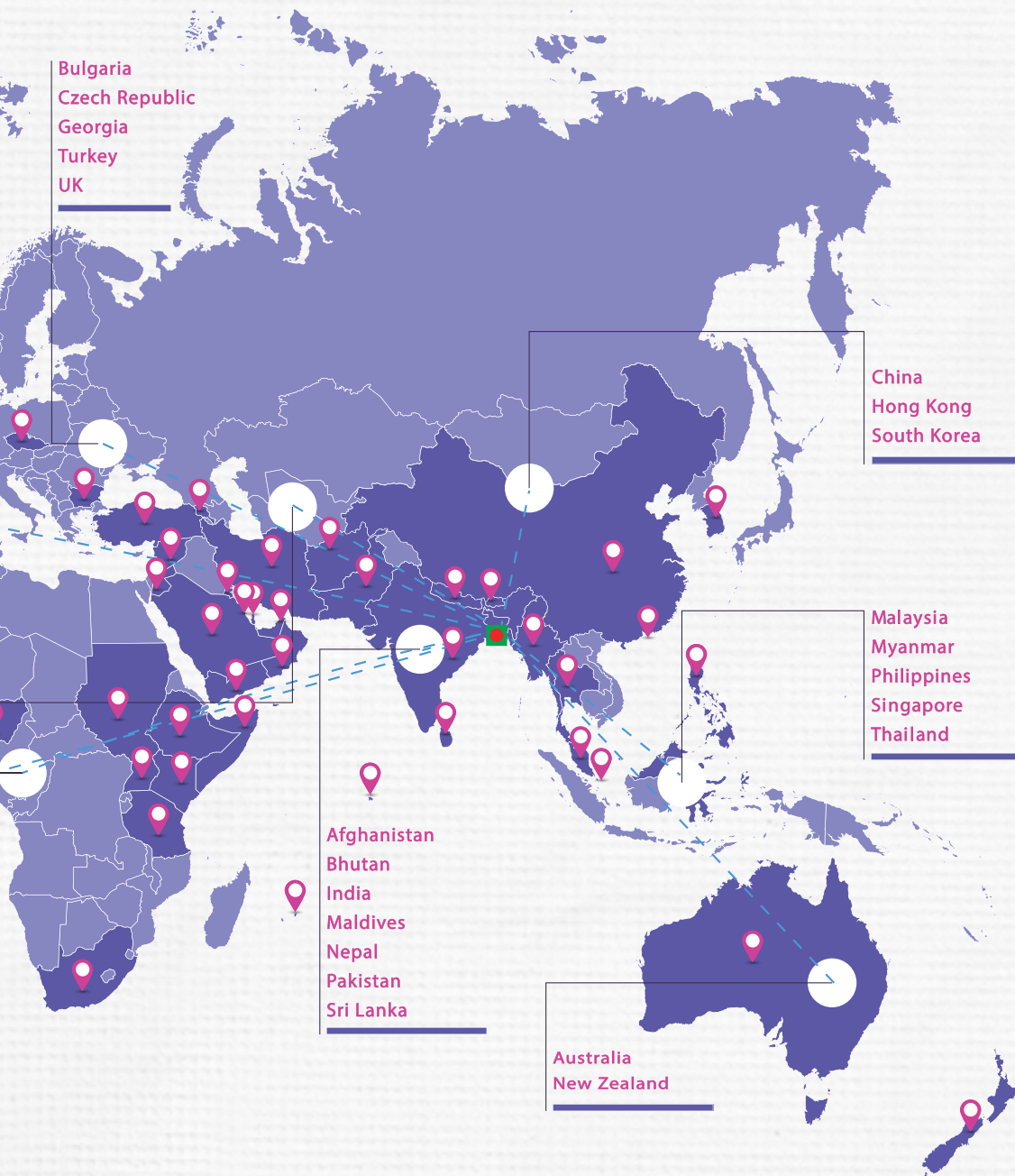
**Bashundhara Tissue**  
Superbrands Awarded  
in 2020-21, 2023-24



**Bashundhara Tissue**  
Best Brand Awarded  
in 2018, 2019, 2020, 2021, 2022 & 2023



**Bashundhara Tissue**  
Asia's Greatest  
Brands & Leaders  
in 2020-21







# শ্রেষ্ঠত্বের চূড়ায় **বসুন্ধরা টিস্যু**

৬ষ্ঠ বার এর মত সেরা টিস্যু পেপার ব্র্যান্ড স্বীকৃতি পেলো





# FINANCIAL **OVERVIEW**

# ଦର୍ଶୀୟ ପଣ୍ୟ ବିଶ୍ଵମାନେନ୍ଦ୍ର ଏଥନ କିନ୍ନେ ଥାକୁନ ଫୁରଫୁରେ ମାଦ୍ରାକ୍ଷଣ



BASHUNDHARA  
TOILETRIES  
ଫୁରଫୁରେ ଜନ ମାଦ୍ରାକ୍ଷଣ

Careline  
16339



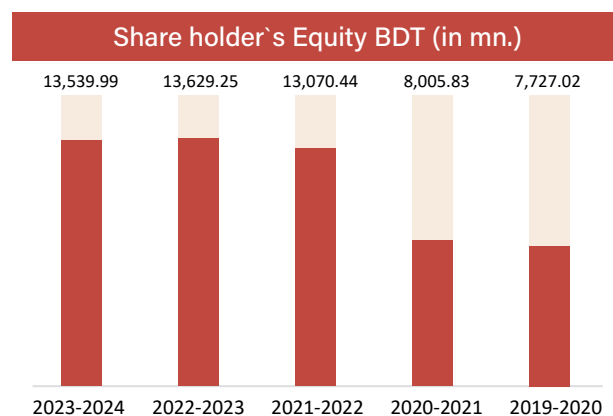
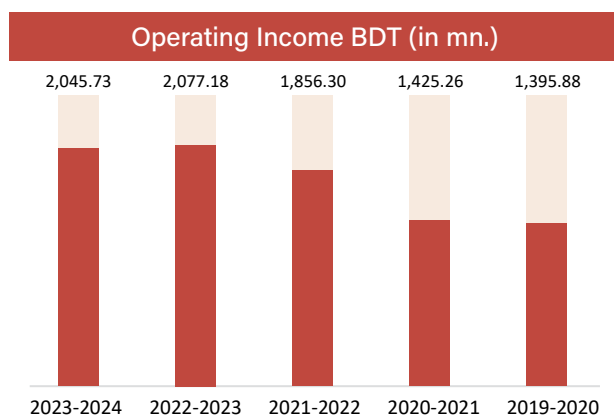
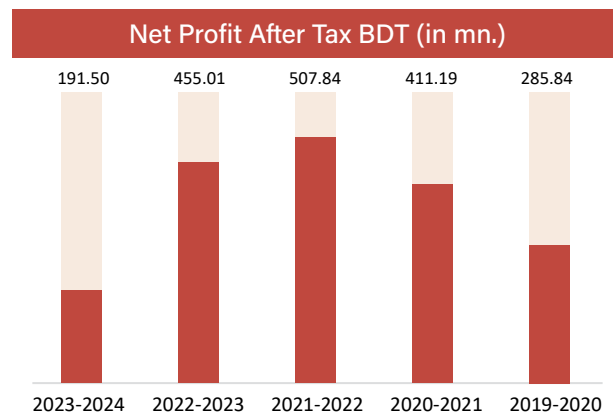
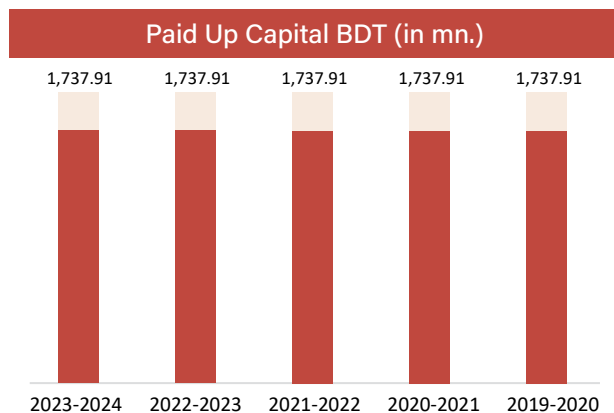
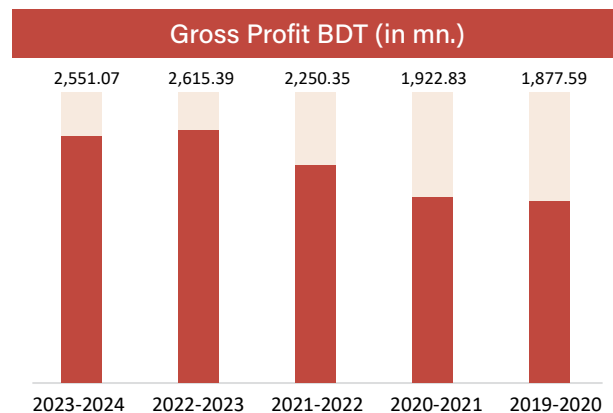
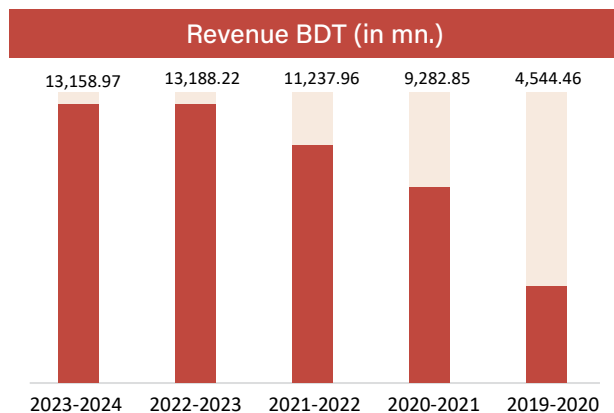


# Performance at Glance FY 2023-2024

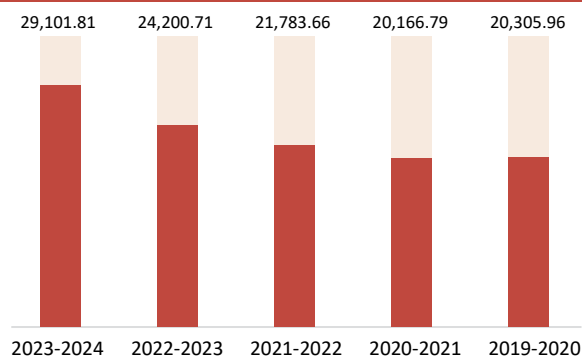
Concentration	2023-2024	2022-2023
Net Revenue BDT (in mn.)	13,158.97	13,188.22
Gross Profit BDT (in mn.)	2,551.07	2,615.39
Profit after Tax BDT (in mn.)	191.50	455.01
Export Sales BDT (in mn.)	870.45	1,255.00
Contribution to National Exchequer BDT (in mn.)	1,709.90	1,566.24
Export Destination (Country)	42	45
Capacity Utilization (%)	54%	57%
Net Asset Values BDT	77.06	77.54
Earnings Per share BDT	1.10	2.62
Net Operating Cash Flow BDT	4.35	18.19
Human Capital nos.	4,502	4,445

# Graphical Presentation

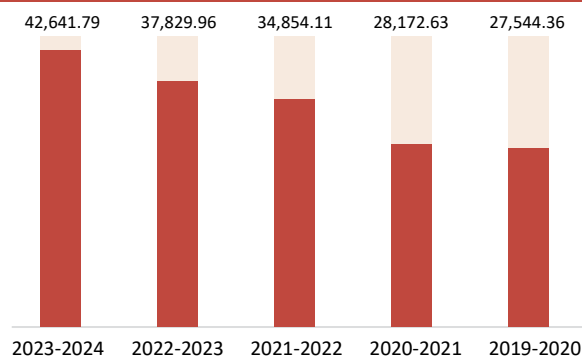
## FY 2023-2024



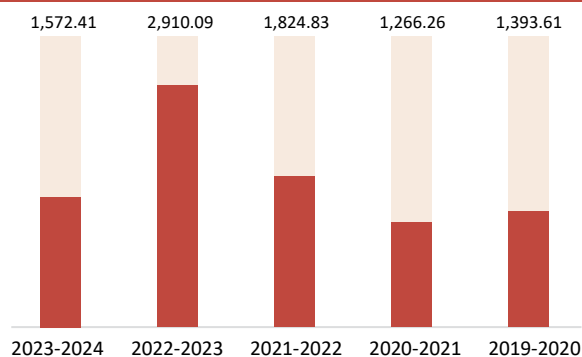
### Total Liabilities BDT (in mn.)



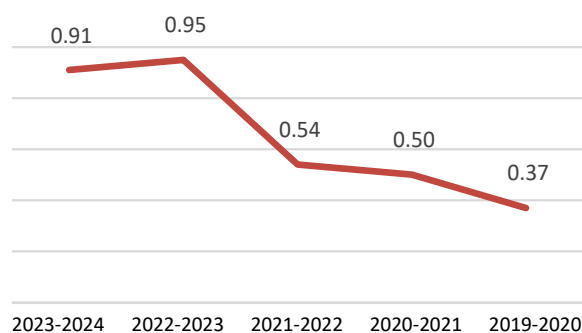
### Total Asset BDT (in mn.)



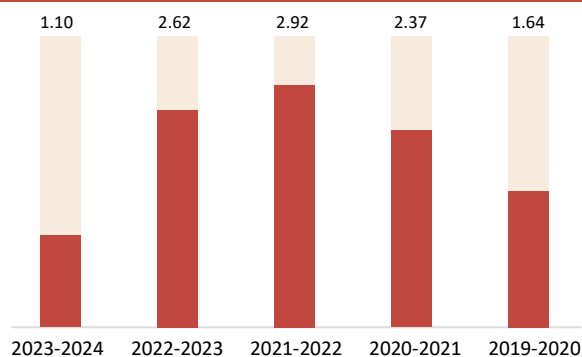
### Net Working Capital BDT (in mn.)



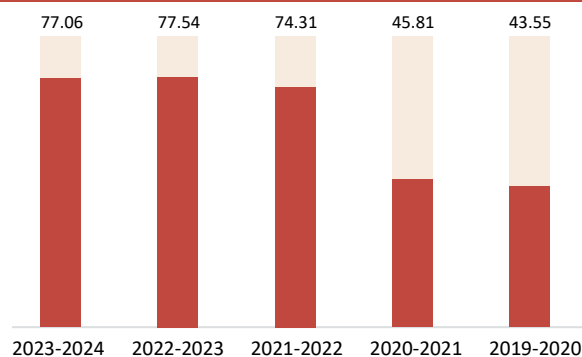
### Capital Employed as Percentage of Outstanding Capital



### Earnings Per Share BDT (Per Share)



### Net Asset Value BDT (per share)



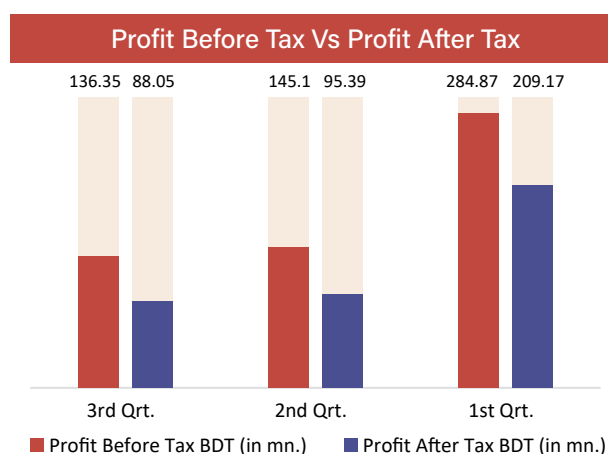
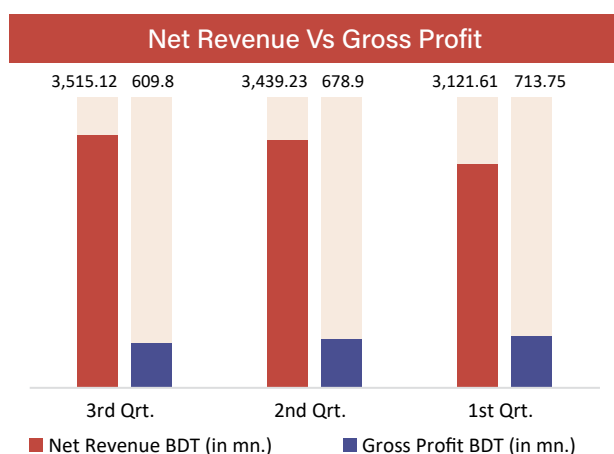


# Quarterly Performance FY 2023-2024

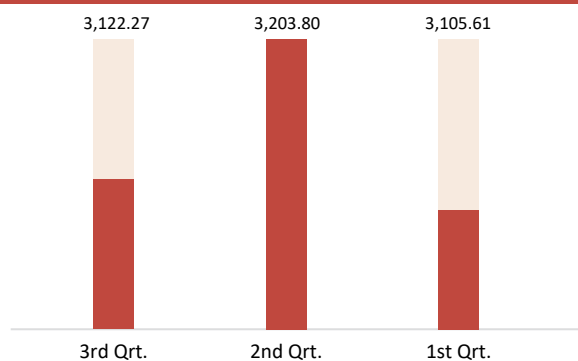
The financial statements have been prepared on a going concern basis for each quarter, the Board of Directors have duly reviewed the financial position and performance, including consideration of all the financial and the other principal risks which may impact the Company's performance in the near term for each financial quarter.

The quarterly financial statements have submitted to regulatory agencies of the capital market as per the provision within the time frame and each quarterly financial statement duly disclosed and uploaded in the website of the company. The key financial indicators for each quarter shown as follows:

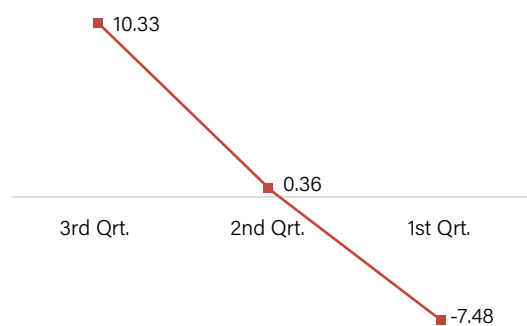
Particular	3rd Quarter (Jan 24-Mar 24)	2nd Quarter (Oct 23-Dec 23)	1st Quarter (July 23-Sep 23)
Net Revenue	3,625.19	3,445.68	3,408.66
Gross Profit	704.34	734.50	717.21
Profit Before Tax	107.50	187.19	228.14
Profit After Tax	62.20	90.83	162.06
Retained Earnings	3,320.43	3,446.02	3,352.39
Earnings Per share	0.36	0.52	0.93
Net Asset Values /Share	78.27	79.01	78.48
Net Operating Cash Flow/Share	4.96	0.14	5.70



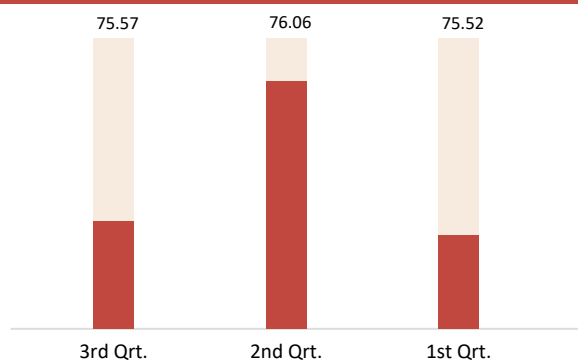
### Retained Earnings BDT (in mn.)



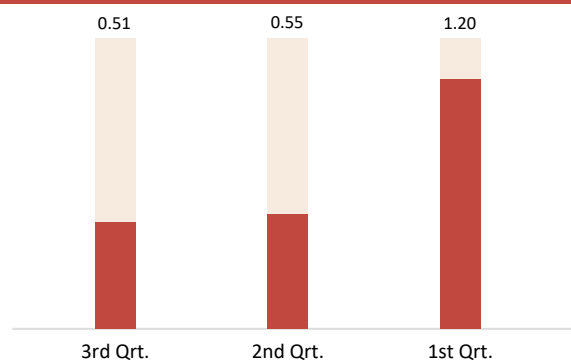
### Net Operating Cash Flow/Share



### Net Asset Values /Share BDT



### Earnings Per share BDT



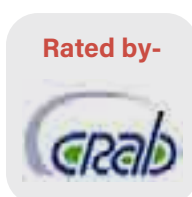
# Overview on Credit Rating

**“Credit ratings are a crucial aspect of the financial world. A credit rating evaluates a borrower’s creditworthiness which can affect their ability to access loans, lower interest rates, and other benefits. A credit rating is an assessment of the ability of a corporation or government to repay the interest due to investors on a loan or other debt instrument.”**

Considering the importance of credit rating, right to information and transparency for all stakeholders of Company, Bashundhara Paper Mills Limited has engaged an independent rating agency to disclose the financial stability as routine basis. This report enables the stakeholders to reach the final and risk free financial destination.

The analytical view and a magnet part of the Credit Rating of BPML which is valid up to December 2024 and mentioned herewith for the Stakeholders.

The assigned rating captured BPML’s strong market presence in the industry backed by its leadership in the paper segment, well established brands, the economies of scales achieved from large size of production facility having an integrated nature of operation with in-house capacity of almost all kind of auxiliary facilities, very well diversified product ranges along with continuous development of manufacturing facilities and



addition of new products with regular intervals, diversified business synergy, a robust distribution network along with diversified clientele management expertise, overall group strength irrespective of recent challenge in the financial matrix of the Company and the industry as a whole.

The liquidity position of the Company remained almost stable although the operating cycle slightly improved. Due to the large volume of production facilities and vastly diversified product mix it is necessary to keep a certain volume of raw materials to facilitate flexible production planning. Due to the set nature of raw materials and finished goods the Company also needs to keep a certain volume of inventories to facilitate smooth supply to the market. Although diversified portfolio mix, and increased market competition rationalize the necessity of long inventory period put stress on liquidity position.

**Validity-  
Dec. 2024  
Outlook-  
“Stable”**

## Summary of Rating and History:

Consideration	Dec-2023	Dec-2022	Dec-2021	Dec-2020	Dec-2019
<b>Bashundhara Paper Mills Limited</b>	AA1	AA2	AA2	AA2	AA3
<b>BDT 16,416.3 million Long Term Outstanding</b>	AA1(Lr)	AA2 (Lr)	AA2 (Lr)	AA2 (Lr)	AA3 (Lr)
<b>BDT 13,547.7 million Short Term funded limit</b>	ST-2	ST-2	ST-2	ST-2	ST-2
<b>BDT 19,010.0 million Short Term non-funded limit</b>	ST-2	ST-2	ST-2	ST-2	ST-2
<b>Outlook</b>	Stable	Stable	Stable	Stable	Stable

The assigned rating also incorporates the overall business & financial performance of the Bashundhara Group (hereinafter also referred to as ‘the Group’). Through economies of scale, country wide effective distribution network and strong auxiliary facilities including indenting transport & logistics the Group has developed a formidable edge in terms of cost efficiency and growth opportunity especially in paper, cement and land business which will eventually further improve business strength of the Group. The assigned ratings also reflect promoters’ planning, ongoing improvement in management structure & MIS system, sound distribution channel, free land for further expansion, wide range of product mix having excess capacity, regular up-gradation of production facility and the brand image of “Bashundhara”.

## Quick rating scale reference:

Rating Scale	Rating Description	Rating Criteria
<b>AA1, AA2, AA3* Double A</b>	Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.	Crab Rating Scales and Definitions: Long- Term (Corporate)
<b>ST-2 High Grade</b>	This rating indicates that the degree of safety regarding timely payment on the loans/ facilities is strong; however, the relative degree of safety is lower than that for issues rated higher.	Short-Term Credit Rating: Loans/Facilities of Banks/FIS
<b>Outlook</b>	General observation according to analysis.	Stability





# STEWARDSHIP OF BPML

# Statement of Chairman

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**Ahmed Akbar Sobhan**  
Chairman

Bashundhara Paper Mills Limited

**"Our unwavering commitment to operational excellence, coupled with strategic investments in our production facilities, has enabled us to enhance our capacity and efficiency. This has translated into a steady increase in revenue and profitability, reflecting our ability to meet the growing demand for our products both domestic and international."**

#### **Dear Esteemed Shareholders,**

It is my honor and privilege to be here with you all at our 31st year, our 31st Annual General Meeting. I present to you the Annual Report for the year ended 30 June 2024, on behalf of the Directors of Bashundhara Paper Mills Limited. We present here the successful overcoming of the many hurdles of the year as we arise triumphant again, determined to continue forward.

The year has been rather unique in its bounties. Many economies rebounded from pandemic-induced downturns, driven by government stimulus and increased consumer spending. Rising inflation rates posed challenges for banks, leading to interest rate hikes in some regions. Persistent supply chain issues affected various sectors, leading to shortages and price increases. Stock markets experienced fluctuations due to geopolitical events, economic data, and corporate earnings. Ongoing conflicts and trade disputes created uncertainty in global markets. Innovations in artificial intelligence, renewable energy, and biotechnology continued to reshape industries. Growing awareness of climate change and sustainability drove increased focus on green investments and ESG practices.

You will be pleased to note, through this all, we have not only endured but rather thrived. We have gone beyond the benchmarks we set, and we have set ourselves as an example to follow. The company has held on to its mission, values, commitments, and code of conduct to form and follow comprehensive policies through its committees and operations. We maintained our past landmarks of service and success then further improved upon our domestic and global responsibilities as well as achievements.

Bashundhara Paper Mills Limited has been a leading performer in the paper and printing industry in Bangladesh for many years. The company has a strong market presence and has demonstrated consistent growth in recent years. We maintain our strong track record of financial performance, market leadership, and shareholder returns. The company's strategic focus on growth and innovation has positioned it well for continued success in the future. The company crossed its third decade this year. Despite the challenging economic landscape, our company continued to demonstrate resilience and robust growth, solidifying our position as a leading player in the paper and printing industry of Bangladesh.

Our unwavering commitment to operational excellence, coupled with strategic investments in our production facilities, has enabled us to enhance our capacity and efficiency. This has translated into a steady increase in revenue and profitability, reflecting our ability to meet the growing demand for our products both domestic and international. Our consumers are rest assured of our consistent deliverances on product quality. The people's trust in us is strengthened through our genuine services of corporate social responsibility. Regulators rest assured of our prompt and comprehensive corporate governance.

I would like to express my sincere gratitude to our employees for their dedication, hard work, and commitment to our company's success. Their contributions have been instrumental in achieving our goals and driving our growth. I am grateful to our dedicated colleagues, partners, suppliers, regulators and the government for all their cooperation in all our efforts. It has been a true team effort among all stakeholders. I am grateful and honored by our shareholders' continued trust in our company.

Finally, I extend my thanks to the visionary members of the Board of Directors for their enormous support and guidance to move forward.

For our 31st year, as always, For the People, For the Country.

May Allah bless us all.

With Profound Respect,

Sd/-

**Ahmed Akbar Sobhan**

Chairman

Bashundhara Paper Mills Limited.

# Review of Chief Executive Officer



**Md. Mustafizur Rahman FCA**  
Chief Executive Officer  
Bashundhara Paper Mills Limited



**"Our unwavering focus on operational efficiency, sustainable manufacturing, and stakeholder value has enabled us to navigate these headwinds successfully. We have prioritized the well-being of our employees, ensured business continuity, and maintained a stable financial position"**

#### **Dear Respected Shareholders,**

Being the Chief Executive Officer of Bashundhara Paper Mills Limited, this is an opportunity for me to notice you all and share some information and some matter of paper industry and the operational activities during the year of the Company as well. Already you know that BPML has completed its eventful journey for Three Decades with treasured experiences and that experience turned into an expert in this industry by this time.

Global economy yet to rebuild home and abroad aftermath effect of pandemic over past couple of financial years. Moreover, due to instability the world politics, the business of this country has fall in to extreme challenge. The companies of this country are making relentless efforts to overcome all the limitations and trying to create a normal business environment. BPML has engaged in all its efforts to minimize the situation. To protect the return on investment and make its joinery meaningful the company regularly reviews its periodic business performances, market positioning, customer base, and adjust its marketing strategy at various stages and even revised the annual business plan and activities.

Considering the global and Bangladesh economic growth, the private investment growing low because of energy shortages and higher production costs during the year with a shortfall in revenue collection, austerity measures, and depleting foreign exchange reserves, public investment growth was also negative.

Despite the effect and challenges of post pandemic and political instability and economic crisis the product line with the 54% capacity utilization BPML able to produce around 81,869.38 MT finished goods of papers, board & tissue papers and in the hygiene segment the production was around 2,409.07 MT. In FY 2023-2024, the BPML was able to earn the net revenue amounting to BDT 13,158.96 mn. Although, the volume of production decreased slightly during the year due to shortage of imports of raw materials foreign exchange crisis nationwide economic crisis. As well BPML exported 6,285.33 MT products this year and the export revenue stood at BDT 870.44 mn. Due to the global crisis for raw materials, foreign exchange crisis the export revenue of this company decreased by 30.64% compared to the previous year. During the year around 70 nos new job opportunities have been created and with the cooperation of the 4,502nos. permanent full-time employees, the company has contributed to the national exchequers an amount of BDT 1,709.90.24 mn. in the form of Value-Add Tax, Advance Income Tax, Customs Duties, Supplementary Duty,

TDS, VDS, Regulatory Duty and Others Duty. The contribution was equivalent to 132.99% of the total sales revenue during the period under review, which is also 9.17 % higher than the previous year.

I would like to also notice that as an industry leader the company has paying its highest concentration to ensure the Environment, Social and Governance (ESG) issue. We have already issued our Substantiality Report under GRI standards in last financial year which defined our initiatives to protect the environment and reduce the emissions. The aftermath of the global pandemic and geopolitical uncertainties have undoubtedly presented challenges. However, our unwavering focus on operational efficiency, sustainable manufacturing, and stakeholder value has enabled us to navigate these headwinds successfully. We have prioritized the well-being of our employees, ensured business continuity, and maintained a stable financial position. Through this, Bashundhara Tissue has won the prestigious 'Best Brand Award' for the sixth consecutive time and the 'Prestigious Brand of Asia 2023-24 Award'. Bashundhara Group has won the internationally prestigious 'Superbrands Award' for its four products - paper, tissue, diapant and liquefied petroleum gas. The company also achieved "SDG Awards-2024" in innovation and infrastructure category.

In conclusion, I would like to take this opportunity to express my heartfelt gratitude to our esteemed shareholders and revered business partners for their continued trust on us, our revered business partners and my talented colleagues for their immense contribution to the outstanding results of this year even in such challenging and uncertain times. Furthermore, my sincere appreciation goes to our honorable Chairman and Board of Directors, for their wisdom, leadership and guidance by which Bashundhara Paper Mills Limited has recognized as a business brand and made this legacy of success.

Thanking you all for your kind concentration on us.

Sd/-

**Md. Mustafizur Rahman FCA**  
Chief Executive Officer



# Introducing Bashundhara FACIAL TISSUE



L A Y E R S

SOFT

STRONG

ABSORBENT



16339

# Board of Directors

01

**CHAIRMAN**

**Mr. Ahmed Akbar Sobhan**

02

**DIRECTORS**

**Mr. Md. Imrul Hassan**

**Mr. Md. Nazmul Alam Bhuiyan**

Nominated by: East West Property Development (Pvt.) Ltd.

03

**INDEPENDENT DIRECTOR**

**Mr. Mostafa Azad Mohiuddin**

04

**CHIEF EXECUTIVE OFFICER**

**Mr. Md. Mustafizur Rahman FCA**

**COMPANY SECRETARY**

**Mr. M. Mazedul Islam**



# Director's Profile



## Expertise Areas:

Industrialization, Entrepreneurship, Financing, Investment Decision and Planning, Capital Structuring and Management, Business Reformation, Risk Management, Strategic Planning and Implementation, Asset Management, Crisis Management, National-International Business Leadership, Co-ordination and Business Administration.

## Mr. Ahmed Akbar Sobhan Chairman

Joining Date: 28 September 1993

Mr. Ahmed Akbar Sobhan is one of the sponsor Director and presently holding the position of Chairman of Bashundhara Paper Mills Limited. He was born on February 15, 1952 in a recognized Muslim family at Dhaka

He graduated in Business Studies from the University of Dhaka. He founded Bashundhara Group back in the 1980s, which is now a leading industrial group of Bangladesh. Bashundhara Group (BG) now consisting of more than seven dozen of companies comprising of moderate to heavy industrial and business units. His leadership, commitment and vision placed this group in a formidable position and now BG emerged as one of the biggest industrial and commercial conglomerates in Bangladesh.

He is the Director of East West Property Development (Pvt.) Ltd., Bashundhara LP Gas Ltd., Bashundhara Industrial Complex Ltd., Bashundhara Food & Beverage Industries Ltd., East West Media Group Ltd., Bashundhara Multi Paper Industries Ltd., Bashundhara Infrastructure Development Ltd., East West Special Economic Zone Ltd., Bashundhara International Trade Center Limited, Bashundhara Cement Industries Ltd., Bashundhara Agricultural Products Ltd., Dhaka Multi Agricultural Complex Ltd., and many other companies of the group.

Mr. Sobhan was the President of the Board of many financial

institutions, trade organizations and trade bodies including Bangladesh Paper Mills Association, Bangladesh Land Developers Association, Bangladesh Cement Manufacturers Association etc. He was member of general body of FBCCI, DCCI, and ICC and he also performed the responsibility as the honorary Consul General of Ukraine in Bangladesh for a long. Mr. Sobhan received many accolades at home and abroad, in recognition of his excellent business leadership, performance and remarkable contributions in the socio-economic fields, international understanding, conflict resolution and bringing peace, including President's Gold Medal in 1994, Kazi Nazrul Islam National Award in 1992, Moulana Bhasani National Award in 1993, Arthakantha Business Award in 2001, USA Summit International Award in 2002 and Janata Bank Prime Customer Award in 2002 and Agrani Bank Best Client Award in 2010. He was a sports man and now a sponsor of sports in the country. He is the owner of Bashundhara Kings, a leading Sports Club of Bangladesh.

He is the Chairman of Board of Trustees of Bashundhara Foundation and the Chief Patron of Afroza Begum Welfare Foundation. These Foundations have been working tirelessly for the betterment of the poor and unprivileged people of this country by providing various supports including the interest free loan and running of technical School etc. He is the core steward of the Bashundhara Group's promise of "For the People for the Country".





#### Expertise Areas:

Investment Decision and Planning, Capital Structuring and Management, Strategic Planning, Financial Risk Analysis, Policy Formulation, Business Compliances, Internal Control, Crisis Management, and Business Administration

### Mr. Md. Imrul Hassan

#### Director

Joining Date: 28 February 2016

Mr. Md. Imrul Hassan is a Director of Bashundhara Paper Mills Limited. He was born in Comilla on July 22, 1968 in a recognized Muslim family. He completed his Post Graduation from University of Dhaka. Mr. Hassan visited different countries around the world as such India, Singapore, Thailand, Qatar, KSA. A successful business personality and holding a fabulous track of experience, he is also a sports-loving personality. He is very known person for his moral social work and activity. Mr. Hassan is keenly interested in development of sports and

socio-cultural activities and a successful businessman indeed.

He is a member of the Audit Committee and NRC of the Bashundhara Paper Mills Ltd. Mr. Hassan is also a trustee of the Bashundhara Foundation. He is the President of Bashundhara Kings which is the most famous and was the elected as the Vice President of Executive Committee of Bangladesh Football Federation.

**Expertise Areas:**

Investment, Asset Management, Investment Decision and Planning, Strategic Planning, Financial Decision, Policy Formulation, Business Compliances, Internal Control & Compliances, Crisis Management, and Business Administration.

**Mr. Md. Nazmul Alam Bhuiyan**

**Director**

**Nominated by -East West Property Development (Pvt.) Ltd.**

Joining Date: 28 February 2016

East West Property Development (Pvt.) Ltd. (EWPd) is the flagship company of Bashundhara Group, which was founded back in 1987 to address the ever-increasing housing demand of the citizens in Dhaka. EWPd has successfully developed several integrated residential projects adjacent to the capital city and also taking up more and more projects in the vicinity of the capital. Since the very first day of its inception, EWPd has been doing business with the reputation and has earned a great deal of trust of people.

The first and prime projects which is popularly known as "Bashundhara" near the Baridhara Diplomatic Zone, Dhaka has been developed on several hundred acres of land while the second project named "Savar Housing Project" has been developed at Savar. The Third project named "River View" has been developed on three thousand acres of land at Hasnabad, Keranigonj near the capital to provide well planned housing facilities for people of old Dhaka. The fourth project named "Mouchak Housing Project" which is located at Gazipur nearer to Scout Jamburee and the fifth Project named "River View Dokhina Project" which is located at Dakhin Keranigonj nearer to River View Project and 4 km away from Dhaka Maowa highway. Some lucrative land projects are under way under same umbrella of East West Property Development (Pvt.) Ltd. EWPd has also been constructing apartments at

different blocks of Bashundhara R/A and River View Projects for contributing to mitigate the burgeoning housing need of city dwellers.

EWPd currently holding 101,050,575nos. of ordinary shares which is the 58.14% of the shares of the Bashundhara Paper Mills Ltd. The EWPd has nominated one of its experienced Executive Director- Mr. Md. Nazmul Alam Bhuiyan, to act as the Director in the board of Bashundhara Paper Mills Ltd. to protect its investment in Bashundhara Paper Mills Ltd. since 2016.

The nominated Director of this Company- Mr. Bhuiyan was born in Brammonbaria on December 25, 1971 in a recognized muslim family. He is business graduation from University of Dhaka and visited various countries including India, China, Hong Kong, Singapore, Thailand, Nepal, Malaysia, Macao, Egypt, UAE, USA, Switzerland, France, Australia, Turkey, Qatar, South Korea. A successful personality and holding a fabulous track of experience to compete the global race. He is very known person for his social work and activities. He is a member of the Audit Committee and NRC of the Bashundhara Paper Mills Ltd.





#### Expertise Areas:

Entrepreneurship, Investment Decision, Financial Risk Management, Strategic Planning and Implementation, Crisis Management, Human Capital Management, Internal Control, Branding, International Marketing and Business Administration.

### Mr. Mostafa Azad Mohiuddin Independent Director

Joining Date: 01 January 2023

Mr. Mostafa Azad Mohiuddin has joined in the Board of Directors of Bashundhara Paper Mills Limited as an Independent Director with due consent from the Bangladesh Securities and Exchange Commission recently. He was born on March 20, 1988 in a recognized Muslim Business family at Dhaka.

A successful young entrepreneur Mr. Mostafa Azad Mohiuddin has completed his Business Graduation in 2012 and started his career in a senior strategic position at Magura Group. After joining in his family business, he has engaged himself to setting up various business ventures in manufacturing sector at this country. He has been associated with many companies as sponsor directors including- Kores Bangladesh Ltd, Magura API-Tech Limited, Magura Chemical Complex Ltd, Magura API Industries Limited, Bangladesh Development Group Ltd, and many other companies of the Magura Group. He has been successful in substantially increasing business volume

of his business within short span of time. For well-built base in academic and professional expertise, he has achieved an honorable status in his professional life. By this time, he has significantly abled to keep his footprint in the arena of strategic management, good governance and compliance for any business organization. Beside of this, he is keenly interested in the development of sports and socio-cultural activities and business forum as well. For the business purpose has visited India, China, Hong Kong, Singapore, Thailand, Nepal, Malaysia, UAE, USA, Switzerland, France, Turkey, Qatar and many more country.

Since his inclusion in the Board, he has been contributing actively in overall planning, strategy formulation, HRM, decision-making process of this company and at present he is the Chairman of the Remuneration and Nomination Committee of the Board of Directors of this company.



#### Expertise Areas:

Industrial Operations, Accounts, Finance, Audit, Financial Risk Analysis, Crisis Management, Strategic Planning & Implementation, Marketing Managements, Business Compliances, Domestic and International Business Management.

### Mr. Md. Mustafizur Rahman FCA Chief Executive Officer

Joining Date: 01 January 2023

Mr. Md. Mustafizur Rahman FCA have come from a respectable Muslim family of Gaibandha. Has joined in the Board of Directors of Bashundhara Paper Mills Limited as Chief Executive Officer.

A successful business personality and holding a fabulous track of experience. Mr. Rahman has completed his Post Graduation with distinction from University of Dhaka in Accounting and also have MBA from overseas. He has achieved his professional certification of Chartered Accountant (May, 1983) and at present he is a Fellow Member of ICAB and Fellow Member of Institute of Personnel Management Bangladesh. He had his article ship from A. Qasem & Co. (Associate firm of Price water house & Coopers).

Before joining as Chief Executive Officer of Bashundhara Paper Mills Ltd. He was Head of Finance marketing & operations of various concerns of Bashundhara Group such as Cement, Paper, Tissue, Food, Newsprint, LPG, Steel, Shipping & Ship Building and also in Construction, shopping mall, Convention Centers, Real Estate, Media and Printing business. He has a multiverse work experience local and abroad such as Group Chief Accountant of Astro Holdings Ltd. which is Zambia's

leading conglomerate with operations in Zambia, South Africa, UAE, Zimbabwe, Malawi and Mozambique. He worked as Head of Division (Account & Finance) at Chilanga Cement Ltd. a basic cement manufacturing Plant-jointly owned by Anglo American Corporation, Commonwealth Development Corporation (British) and Industrial and Mining Corporation of Zambia. He was also Chief Manager for Internal, Management and System Audit in Bangladesh Chemical Industries Corporation (BCIC) and Accounts Advisor of Oxfam (Bangladesh).

As business delegate he visited many parts of the world including UK, USA, Italy, Saudi Arabia, Dubai, Abu-Dhabi, Singapore, Thailand, Germany, Finland, Japan, China Nepal, Bhutan, Sri-Lanka, India etc. He is also a member of Federation of Bangladesh Chamber of commerce & Industries (FBCCI), India-Bangladesh Chamber of Commerce and Industry (IBCCI), Chairman Export & Market Development Committee of Bangladesh Paper Mills Association, Convenor Bangladesh Hygiene products association. He also served Vice president Bangladesh Zambia Friendship association. As a social leader and personal responsibility to the society he has many other noticeable contributions.





INFORMATION FOR  
**SHAREHOLDERS**

# Directors' Report to the Shareholders

## Dear Esteemed Members,

It is my pleasure to welcome you all to the 31st Annual General Meeting of your Company on behalf of the Board of Directors of the Bashundhara Paper Mills Limited (BPML). It is a privilege for me to present the Directors' Report and the Audited Financial Statements for the Financial Year 2023-2024 along with the notes to the accounts, Statutory Compliance Reports with the required Committee Reports thereon of the BPML for your consideration and adoption. I believe this information will enable you to get an exceptional analysis about the business growth and stability as well as the business challenges of your Company.

## Outlook on Global Economy

The baseline forecast is for the world economy to continue growing at 3.2% during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies, where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 and 1.8 % in 2025, will be offset by a modest slowdown in emerging market and developing economies from 4.3 % in 2023 to 4.2 % in both 2024 and 2025.

The forecast for global growth for five years from now, at 3.1%, is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 % in 2023 to 5.9 % in 2024 and 4.5 % in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

**Global growth forecast at 3.2 % in 2024 and 3.3% in 2025**

Global growth is projected to be in line with April 2024 by World Economic Outlook (WEO) forecast, at 3.2% in 2024 and 3.3% in 2025. Services inflation is holding up progress on disinflation, which is complicating monetary policy normalization. The upside risks to inflation have thus increased, raising the prospect of higher or even longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. The policy mix should thus be sequenced carefully to achieve price stability and replenish diminished buffers. (Source- IMF Outlook April and July 2024)

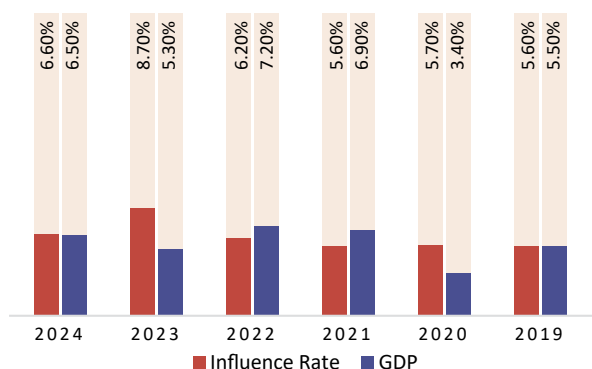
## Outlook on Bangladesh Economy

The Gross Domestic Product (GDP) of Bangladesh is expected to grow by 5.8% in fiscal year 2024 and the previous FY it was 5.3%. The slower growth forecast reflects subdued domestic demand and weaker export expansion due to slow global growth. Inflation is forecast to accelerate from 9.7% to 10.1%

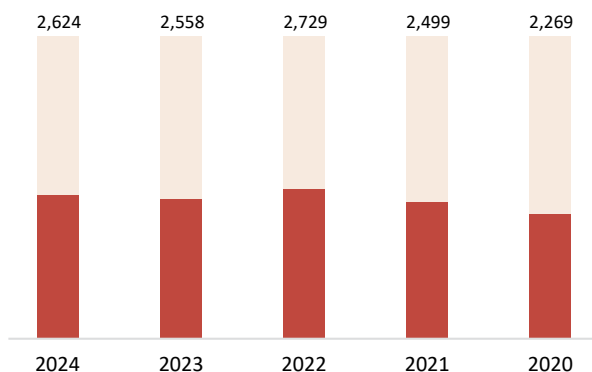
in FY2025. The main risk to this growth projection is a greater economic slowdown in Bangladesh's major export destinations driven by global uncertainty over the prolonged political tensions. The Economy of Bangladesh was in the face of the sharp decline in growth in major advanced counties that provide the external demand propelling the country's export-oriented economy inflation intensified on high commodity prices and shortfalls in meeting fuel and energy demands exports continued to grow and a marked fall in imports sharply reduced the current account deficit growth in FY 2024 is expected to edge up and influence is easy.

**Inflation accelerates from 9.7% to 10.1% in FY 2025**

## INFLUENCE RATE & GDP



## PER CAPITA GDP IN USD



Source: ADB Outlook April-2024

The private investment growth will be lower because of energy shortages and higher production costs. With a shortfall in

revenue collection, austerity measures, and depleting foreign exchange reserves, public investment growth will also be slower.

Improvements in the economic management on all frontiers, the Bangladesh economy is expected to be on an enhanced growth trajectory, higher investments both by local and foreign investors, and further improvements in the law and the order situations as well. Reforms in the banking sector, stable policies in the external trade sector, and ensuring stability in the manufacturing sector would contribute to the process. If the supply of raw materials, financial policy re-structure including agricultural inputs, such as seeds and fertilizers is ensured, the industrial sector and agricultural sector may hold on to its past growth rates. These are the current realities of the Bangladesh economy. But even with all the uncertainties, volatilities and instabilities, the economy is expected to overcome all the growth hindrances in the coming days.

### Outlook on Paper Industries of Bangladesh

With the over 18 million primary school students, Bangladesh has achieved near universal net primary enrollment, with roughly 98% children of primary school age enrolling in school, where the literacy rate has risen to around 74.66%. Annually, a total of 24 mn. students are in up to higher secondary level, where regular educational and examination adheres a big part of monthly total 50,000 MT here in overall writing and printing pre-covid time market. Nevertheless, books printed by the National Curriculum and Textbook Board for free distribution among school students require over 60,000 MT and the Exercise Books market is also estimated as 45,000 MT of paper annually. In last five reported years, the exports of Bangladesh have grown by USD 4.41 billion. Packaging paper market is growing fast, indicating huge prospects for local paper mills. Currently, approx. 1.1 mn. MT is met with imported paper and packaging materials where annually 1.5 mn. MT paper products are being produced locally and writing/printing paper constitutes 70% of the total market. Bangladesh has around 100 paper mills with a combined annual output of more than 1.5 mn. tones. Of them, some groups of industries are largely contributing to the sector with new varieties of products.

Also, with the rising educated community, it has gradually become essential to consume paper products. Industry-insiders say a huge amount of copier paper or offset paper is used for print and photocopy at the offices and academic purposes, having a market of BDT 6.0 billion a year. Yet, diverse export opportunities are widening with large portion of global suppliers e.g. China are taking off their investments from paper due to rising production cost and environmental concern. BPML has continued to hold about 30% market share of the paper and paper products sector. Considering the production and supply

**Export of BD  
grown by USD  
4.41 Billion**

**30% Market  
Share in Papers  
Sector**

of paper and paper products there is an opportunity for around 1,00,000 MT per year.

### Tissue paper and allied products

With the biggest production capacity, the Bashundhara Tissue brand has evolved as the market leader in the Country and more than it has stepped into the international markets with confidence to win the heart of global hygiene lovers. Since its inception, the cultural change towards hygienic lifestyle sharply happened due to wide-scale distribution and acceptance of Bashundhara Tissue across Bangladesh.

The urban population of Bangladesh was 38.9 % that has increased at an average annual rate of 3.25% from 1972. Tissue paper usage in Bangladesh is estimated with 4.1kg in 2018 which is though lower in comparison to neighboring countries, that calls for a brighter future specially in the urban landscape where mounting purchase-ability and improved lifestyles have become key parameters for growth. The changing toilet etiquette, especially alongside rising incomes and urbanization, can open a wider window of opportunity for tissue manufacturers in Bangladesh. At present market size around BDT 15 billion, 80% of people (urban & rural mix) use tissue paper once a month. However, success is predicated on manufacturers' understanding of deeply rooted traditions and the adoption of marketing strategies that work alongside these traditions. During pandemic, the sheer insurgence of demand of hygiene products, the requirements of Tissue rose to many folds and export also found an overwhelming fit specially across the region. Bashundhara Tissue's comprehensive and contemporary investments in Tissue manufacturing has been rightly synergistic thereof.

**Market Size BDT  
15 billion**

### Hygiene and allied products

The air of changing lifestyle is now in Bangladesh, and it is moving upward quite rapidly. Like many other, Babycare products increasingly become popular across the economy, surely Baby Diaper product is the front-runner. BPML has been leading the Super Absorbent, Ultra-soft, Comfortable and 'easy to wear' Pant-style Diaper market. It is presumed that Diapant has been leading with a 40% market share in the overall Diaper industry. Currently, the baby diaper market size grows annually at 20% to 30% with net annual worth BDT 6,000 mn. crore annually.

**Marker Size  
Growing BDT  
6,000 m.n/  
yearly**

In Bangladesh, a handful of local brands have joined alongside the numerous foreign brands that had been in the market for producing diapers. Despite higher purchasing costs associated with foreign diaper brands, consumers continue to largely rely on them. Such consumers' preference can be linked to lower leakage protection capability of the local diaper brands. Yet, local manufacturers are gradually gaining a foothold in the growing baby diaper market through its low price and good quality offerings amid rigorous competition with the imported brands.

## Outlook on Demand and Supply

Due to the increase in uses of paper and paper board, literacy rate, change of lifestyles as well as awareness of hygiene products the demand upward trend is expected to reach its all-time high. Per capita income has also increased and so did the expendable income. There is shortage in supply of paper and tissue paper globally besides China, one of the largest paper producers have closed numbers of paper mills of their environment issue. Under these circumstances demand for paper products is expected to increase locally and globally. It is projected that the demand for paper products (mainly writing paper and hygiene products) will reach about fifteen lac tone annually in the domestic market.

Our nationwide awareness development program through discussion, meetings and seminar has well driven people towards increased sense of sanitation. As a result, there will be a surge in demand for our hygiene products. Currently we operate at 70-75% of our capacity and generate about 100,000 tons annually. Previously installed brand-new and continued modernization the machinery added more than 30,000 tons yearly. Meanwhile our company has added many facilities from time to time which we hope will enable us to take the opportunity of supply in the coming days.

Our major production throughout the reporting year was tissues, white paper, and brown paper in response to client demand. White paper output was noticeably greater than other items. Occasionally, depending on demand, we shift the priority of our manufacturing. For instance, during the covit pandemic, tissue paper and masks were our top-selling products to accommodate community demand. Moreover, we export facial tissue, napkin, towel, toilet tissue and hygienic paper products to our international market which includes UK, Australia, Bahrain, the UAE, China, India and Bhutan.

BPML have a combined market capitalization of approximately USD 72.66 mn. We are key players in the paper industry and are recognized for our high-quality products and excellent customer service. Annually, the global market demand for our products amounts to around 8,96,000 MT.

This company has continued to export its products, although in a lesser volume, but it is increasing significantly. India, Middle East and Europe is the export market of this company. The company is also searching for a new export market and implementing a plan for further business expansion outside of the country.

## Objective of the Company

BPML has set its core objective to achieve a sustainable position and increase the value creation of the business for its sponsors and as well as all the stakeholders to maximize the profit and ensure the return on investment as well. Besides this the BPML aim is to continue as the market leader in this sector of this country. The company has also emphasized developing and maintaining the long-term customer relationship by providing diversified products that enhance the customer's prospects of success in their end markets.

## Business Strategy of the Company

Since its incorporation in the year 1993, BPML has been producing quality paper and paper products having wide market demand and with this it has been contributing to saving huge amounts of foreign currency by reducing dependence on imported paper products for the country. BPML has got three industrial units, all are equipped with the industry-best state-of-the-art facilities and are regularly going through meticulously opted refurbishment processes to cope with achieving 'scale of economies' and 'resource conservation' especially in energy (power consumption) and water usage per unit output.

## Strategic Goal of the Company

BPML has designed a business model for sustainable growth and continues to develop its presence in the markets, particularly in paper, tissue and allied products. In its paper and tissue and allied businesses, the company sees a huge opportunity to develop by leveraging competencies in both mature and emerging markets. Sustainable development is integral to the success of the business and its ability to create value. The Strategic Goal of the Company are:

## Strategic Goal of BPML



Focus on  
developing  
markets  
that offer  
us growth  
opportunities



Invest in the  
exceptional  
people and  
high-quality,  
low-cost  
operations



Passion for  
performance,  
reliability and  
sustainability



Association  
with the  
customers,  
value and  
involve efforts  
to meet their  
needs



There's a saying that failing to effective plan is planning to fail. As competition increases and belts tighten in the paper sector, this Company in the production and business operation put emphasis on all its strategic goals.

## Market Segmentation and customer Segmentation

### Market Segmentation

Market segmentation is a process of dividing a heterogeneous market into relatively more homogenous segments based on certain parameters. It is the activity of dividing a broad consumer or business market normally consisting of existing and potential customers, into sub-groups of customers known as segments which are based on some type of shared characteristics as well. Considering the nature of business, products and customers the market has some segments.

Market Segmentation	Geographic segments	Consumers Segmentation	Age group
	Demographic segments		Gender
	Psychographic segment		Social standards
	Behavioral segments		Location- urban/rural

### Consumers Segmentation

Customer segmentation is the process of dividing customers into groups based on common characteristics so companies can market to each group effectively and appropriately. In business-to-business marketing, a company might segment customers according to a wide range of factors, including- Industry, Products previously purchased from the company, Location. In business-to-consumer marketing, companies often segment customers according to demographics that include Age, Gender, Location (urban, suburban, rural) income level and the lifestyle of the consumers. BPML has set its strategy considering the segment mentioned to build up the customer relationship, effective brand promotion, meet the customer demand and maximize the sales growth of the company.

### Production and Sales

The paper industry is now a more competitive market than others in this country, the numbers of modern manufacturing units are available in the market with their quality products. Moreover, imported products price and our domestic products produce have a long span of difference. Considering the demand and supply as well as the price of products has an impact on the final consumer of this product. At present, the paper industry of this country is no longer limited to producing writing and printing papers. There are several factors that have impact like- raw material supplies, rates of inflation, fiscal policies and financing opportunities etc. which affect the buying power of the customers and thus result in a change of supply situation of paper and paper products. This company has carefully designed its production and business strategy with the option of midterm evaluations on a regular basis. Despite the effect challenge of pandemic, global political instability, raw material shortage and economic crisis the product line of this company was on full swing and able to produce 81,869.38 MT finished goods of paper & tissue papers and in the hygiene segment the production was around 2,409.07 MT during the period under review which was the 55% average of production capacity.

**Production**  
**81,869.38 MT**

In FY 2023-2024, BPML was able to earn the net revenue by selling paper and paper products amounting to BDT 13,158.96 mn. which was BDT 13,188.22mn. in the FY 2022-2023 which decreased by 0.22% from the previous year through the volume of production decreased slightly during the year. BPML also engaged its expert team to monitor the emergence of new competitions and risk issues. Due to the global crisis for raw materials, foreign exchange the export revenue of this company decreased by 30.64% compared to the previous year. To ensure the availability of products, the company has created multi-optional distribution channels to increase sales revenue. Due to revising the product price considering its quality and the production cost the sales revenue has affected. Product-wise production and sales have been mentioned in notes to accounts no. 27 and 41 respectively on **page no. 153 & 163** of this annual report.

**Sales Revenue**  
**BDT 13,158.96**  
**mn.**

### Performance of the Company

To make the tag line meaningful "Moving Legacy of Excellence" the company regularly reviews its periodic business performances, market positioning, customer base, and adjust its marketing strategy at various stages and even revised the annual business plan.

### Quarterly Review's

In consequence of global economic crisis, the Company has experienced raw material and labour shortages, infusion, chain or operational interruptions, higher input costs and changes in demand for its products. As a result, that have a material adverse effect on the Company's business. To recover the financial position, the Board of Directors have taken many pragmatic decisions and reviewed the Company's financial position and performance, including consideration of the anticipated impact after effect of the pandemic and the other principal risks which may impact the Company's performance in the near term. The key indicators are mentioned on **page no. 39** of this annual report.

### Year ended Review's

In addition, the Board and Management team have taken several steps to further strengthen our financial position, and

maintain financial liquidity and flexibility, including reviewing operating expenses, evaluating raw materials purchases, reducing capital expenditure etc. Going into the year 2023-2024, heightened uncertainties remain. Pricing of our key paper products has been reduced. Demand for tissue and hygiene products remains robust.

Although the pungent and realistic decision by the Board the financial performance of BPML has been observed in a downward trend by all indicators during the year. A comparative change with the previous year in the financial performance appended as follows:

Particulars	2023-2024		2022-2023	
	BDT in mn.	% Change	BDT in mn.	% Change
Net Revenue	13,158.96	-0.22%	13,188.22	+ 17.35%
Cost of Goods Sold	10,607.89	0.33%	10,572.83	+ 17.64%
Gross Profit	2,551.06	-2.45%	2,615.39	+ 16.22%
Net Profit after Tax	191.50	-57.91%	455.01	+ 23.50%
Retained Earnings	3,110.86	-2.40%	3,187.53	+ 10.16%
Earnings Per share	1.10	-58.01%	2.62	- 10.27%
Net Asset Values /Share	77.06	-0.61%	77.54	+ 4.35%
Net Operating Cash Flow/Share	4.35	-76.08%	18.19	+ 58.86%

During the year, although the earnings per share decreased by 58.01% and the net asset value also decreased by 0.61% compared to the previous year. The export revenue decreased by 30.64% and the production decreased. During the year due to the increase in finance costs the NOCF/share unable to continue positive percentage like previous year. Although production costs had increased to a significant extent due to the economic recession the company had engaged in all its efforts to protect the interest of its shareholder. A brief indicator is also mentioned on **page no. 41** of this annual report.

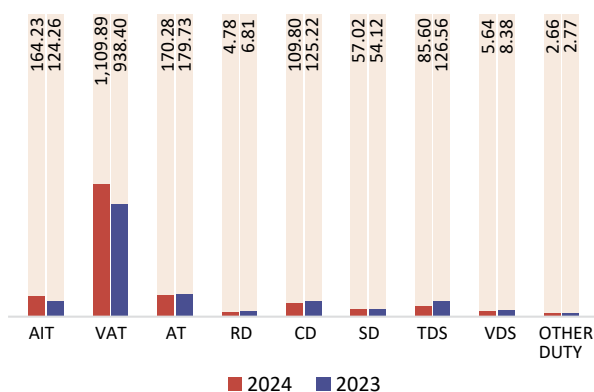
### Contribution to the National Exchequer

BPML has been recognized by the National Board of Revenue as the highest corporate taxpayers in the paper sector for the last couple of years. The company has generated direct and indirect employment for a significant number of people over the years. During the year the company had 4,502nos. permanent full-time employees, in addition to the many people who are directly and indirectly dependent on this company for their livelihoods, working for the distributors, retailers, suppliers, vendors, contractors and other business partners. With the payment of taxes and the investment in the production capacity, BPML is making a significant contribution to the country's growth and development.

**Contribution  
9.17% higher  
than Previous**

**Equivalent 12.99  
% of Gross  
Revenue**

### CONTRIBUTION TO NATIONAL EXCHEQUER ON JUNE 30, 2023 & 2024 IN BDT IN MN.



During the year under review in FY 2023-2024, the BPML has contributed an amount of BDT 1,709.90 mn. in the form of VAT, Advance Income Tax, Customs Duties, Supplementary Duty, TDS, VDS, Regulatory Duty and Others Duty which previously was 1,566.24 mn. The contribution to the national exchequer was equivalent to 12.99% of the total sales revenue of the company during the period under review also is 9.17% higher than the previous year.

### Key Operating and Financial Data of the Last Five Years

In accordance with the regulatory obligations of key operating and financial data of the last five years appended in **page no. 72** of this annual report.

### Share Capital

The authorized capital of BPML is BDT 5,000.00 million. The issued, subscribed and paid-up share capital of the company is BDT 1,737.91 million which has been the accumulated total by the Sponsors, Directors, Institutional and General Public and the face value of share BDT 10/- each.

## Financial Year

The July-June period is also followed as the financial year for keeping, preparation and reporting of the financial statements for the period under review.

## Report on Financial Statements

We would like to notice the financial statements of the company has prepared and audited as on 30 June 2024 in compliance of obligations of Companies Act, 1994, Securities & Exchange Commission Rules, 1987 and Listing Regulations-2015 both Dhaka and Chittagong Exchanges, IFRS, IAS, IVS and we believe that the financial statements reflected true and fair view and substance of all transactions maintained and the financial statements all financial indicators have reflected its authenticity during under reviewed. In compliance with regulatory guidelines, Annexure- A appended to **page no. 104** of this annual report.

## Going Concern

BPML is a going concern as is the desire of the Board of Directors. The Financial Statements are prepared on a going concern basis which includes appropriate enquiries and analysis and establish that the resources are adequate to support the operations and that sufficient business opportunities do exist to justify the Company as a going concern mentioned in note to accounts no. 3.24 and 52. Which assumes that the Company will be able to meet the mandatory repayment terms of the banking facilities as disclosed in note to accounts no. 19 and 22 respectively on **page no. 149 & 151** of this annual report.

## Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with International Accounting Standards ISA-7, Cash flow from operating activities has been presented under direct method.

## Statement of Change in Equity

The Statement of changes in equity has been prepared in accordance with International Accounting Standards IAS-1 Presentation of Financial Statements.

## Related Party Transactions

The company in its business efforts and practices put special care to compliances to laws, protection and preservation of interests of the stakeholders by following the code of conduct for ethical behavior, accountability and transparency. Detailed information on the related party transactions has been disclosed in the notes to accounts no. 39 of the financial statement hereinafter in this report.

## Risk Management and Internal Control System

BPML is duly concerned about the risk management and internal control system of the company. Different risk factors related to the business and management perception in this regard about their mitigation are incorporated in **page no. 93** of this annual report.

## Dividend and Disbursement Policy

BPML has emphasized maintaining all the provisions, guidelines and standard practices in the industry to declare

its dividend. The company always considers the interests of its shareholders before all other issues, and it has continued to share its profits and gains among the real owners of the company.

Considering the present crisis, future risk control and the greater interest of the company, the Board of Directors of BPML was undone to propose any dividend for the shareholders during the year. So, the Board of BPML has recommend and proposed "No Dividend" for all the ordinary/general shareholders of this company for the period ended on 30 June 2024. The recommended "No Dividend" matter shall be executed subject to approval by the shareholders in 31st AGM. The Record Date of BPML for 31st AGM has been fixed on 24 December 2024. The recommendation for dividend is mentioned in notes to the accounts note no. 50 on the **page no. 164** of this annual report.

## Valued Shareholders

The Shareholders are the real owners of the company and play vital role in the financing, operations, governance and control aspects of a company. The Shareholders play both direct and indirect roles in a company's operational activities. The first and foremost consideration of the Board of the company was the protection and value in addition to the interests of the valued shareholders. The total number of shareholders of this company was 14,439 nos. as on the Record Date of the company on 20 November 2024. The details of information about shareholders are shown on **page no. 80** of the annual report.

**Shareholders  
as Recorded  
14,439 nos.**

## Protect the Minority Shareholders' Interest

The Board of Directors has dedicated all its efforts to ensure fair and equal treatment for every shareholder including the minority shareholders. To protect the interest of minority shareholders, the company undertook various measures to establish accountability and transparency and established a practice to serve small investors and minority shareholders promptly. The company communicated all its strategic information as required in its operation under regulatory directives without any delay and tried to serve the minority shareholders as and when they are required to do so from time to time. With a view to serving the minority shareholders better, the Company disseminates all strategic decisions through most popular and well-accessed channels/options to make them aware of the developments as well as activities of this Company. The management also used to upload all related information to the company website and monitor the Investors Relation Complain Cell through "www.bashundharapapermills.com//investors relation/complain cell" as routine basis.

## Board of Directors

To composition the board, the company always emphasizes the capability, qualification and efficiency of each director individually since incorporation with the compliance to protect interest of its stakeholders. And take the pleasure to inform you that –



The Chairman and the Chief Executive Officer of BPML are two individual persons. These positions were filled in by individual people since the incorporation of this company. And the practice was also complied with during the FY 2023-2024. The resume of the Chairman and the Chief Executive Officer are appended at the beginning of this annual report.

The Board of Directors of BPML is independent and they play role discharge their duties and responsibilities without any interferences. The Terms of References of the Directors are clearly defined. During the year under review the members of the Board of Directors of this company discharged their duties and responsibilities independently no matter of interference occurred.

The Roles & Responsibilities of the Board of Directors BPML is independent, and the responsibility is to ensure the company's affairs and operation in the right direction by collective decision making and direction, whilst meeting the appropriate interests of its shareholders and stakeholders in accordance with the regulatory guidelines. The Board of BPML has laid down the terms of reference for its members and compliance thereto.

### Composition of Board

It has monitored the overall activities of the top management team of the Company including their making appropriate operational decisions at proper time, taking necessary actions and optimizing long-term value. The Board of this company consists of 05 (five) nos. of Directors, out of which 03 (three) are from the part of Sponsor Shareholders/Members elected by the members of the company in the general meetings as Non- Executive Directors, 01 (One) Independent Director and the Chief Executive Officer of BPML as the Executive Director on the board. The roles and responsibility of the Directors as guided by the CG code in the light of goals and objectives for the company, as well as company's values and standards and obligations to shareholders and other stakeholders are understood and met. The resume of the present Board of Directors is appended hereinbefore on **page no. 46** of this annual report.

The meetings of the Board of Directors of this Company were held at regular intervals so that the directors can discharge their responsibilities, have control over the company's overall operation, strategy and policy, and monitor the exercise of any delegated authority, and so that individual directors can report on their areas of responsibility. The Board of Directors of BPML has conducted its meetings in accordance with the rules, regulations and procedures contained in its governing documents. The Board has taken collective decisions in its meetings likewise before. During the period under review Nine Board meetings of the Board of Directors were held. The attendance status of the Members Directors appended in Annexure-2, **page no. 69** of this annual report.

### Directors' Remuneration

During the period under review, the members of the Board of Directors of BPML including the Independent Director did not receive any remuneration from the company likewise previously.

### Appointment and Retirement of Directors

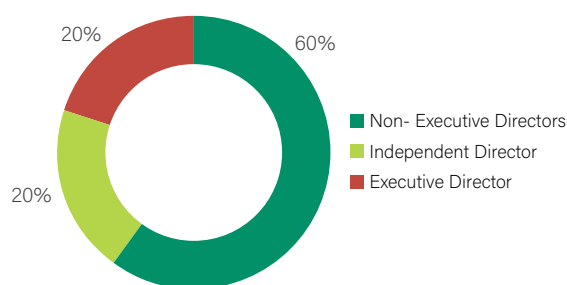
#### Non- Executive Directors

Ensuring the compliance of the Companies Act 1994, the Board of Directors of this company is concerned to guide and directors the company's affairs collectively and to protect the interests of the stakeholders as well. During the year under review, in addition to dealing with business and financial issues, the Board of this company dealt with various challenges, compliances, governance, social responsibility and corporate ethical issues, etc. In accordance with the provisions of Article no. 100 of the Articles of Association of the Company the following 02 (two) of the Non- Executive Directors of this company are retiring by rotation in this 31st Annual General Meeting and all of them are eligible under Article no. 101 of the Articles of Association for re-appointment as the Directors of the company in this Annual General Meeting:

- i. **Mr. Md. Imrul Hassan and**
- ii. **Mr. Md. Nazmul Alam Bhuiyan (Nominated by EWPD)**

The Board of Directors of this company has also recommended the re-election of the retiring Directors and placed the matter before shareholders in this 31st General Meeting for their consent.

Composition of Board



### Shareholding Pattern

The shareholding pattern of BPML at the year ended June 30, 2024, appended in Annexure- 1, **page no. 68** of this annual report.

### Directors' Board Meeting Attendance

In accordance with relevant rules and procedures and Bangladesh Secretarial Standards (BSS) the Members of the Board of this company has conducted its meetings and contained in its governing documents.

## Appointment of Independent Directors

According to the Bangladesh Securities and Exchange Commission's Corporate Governance Code as issued under the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 every listed company must appoint the Independent Directors, to be 1/5th of the Board of Directors size, as the members of the Board of Directors.

It is prescribed in the said Notification that the independent directors shall be knowledgeable with integrity to ensure compliance with financial, regulatory and corporate laws and can make significant and meaningful contributions to business operations and shall have at least 12 (twelve) years of corporate management or professional experience. The company has appointed an experienced corporate leader who has proven professional experience as its independent directors under the directives of the Corporate Governance Code of BSEC previously. During the period under review Mr. Mostafa Azad Mohiuddin continued as the Independent Director and to appoint another Independent Director for the company has been under active consideration of the Board. The resume of the present Independent Director is appended herein before on **page no. 55** of this annual report.

## Audit Committee

In accordance with the directives of the Bangladesh Securities and Exchange Commission regarding the Corporate Governance Code by its Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 the Board of Directors of the company had reconstituted an Audit Committee with specific Terms of Reference. The committee reviews the results of the audit with management and external auditors, including matters required to be communicated to the committee under generally accepted auditing standards.

The Audit Committee comprised of Mr. Mostafa Azad Mohiuddin, Independent Directors and Mr. Md. Imrul Hassan, Director and Mr. Md. Nazmul Alam Bhuiyan, Director (nominated) of the company during the period under review as the committee Members with the prescribed role and responsibility of CGC-2018. The Board designated Mr. Mostafa Azad Mohiuddin as the Chairman of the committee and Mr. Mr. M. Mazedul Islam, Company Secretary performed the responsibility as the Member Secretary of this committee. The Meeting attendance details in Annexure-2. The report of the Audit Committee appended herewith this annual report on **page no. 98**.

## Nomination & Remuneration Committee

In compliance with the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 regarding the Corporate Governance Code of Bangladesh Securities and Exchange Commission, BPML has reconstituted the Nomination & Remuneration Committee during the period under reviewed with the prescribe role and responsibilities of CGC-2018.

The committee consists of the three non-Executive Directors-Mr. Mostafa Azad Mohiuddin Independent Director,

Mr. Md. Nazmul Alam Bhuiyan, Nominated Director of East West Property Development (Pvt.) Ltd., and Mr. Md. Imrul Hassan, Director. The Board of Directors has designated Mr. Mostafa Azad Mohiuddin as the Chairman of the committee and Mr. M. Mazedul Islam, Company Secretary performed the responsibility and act as the Member Secretary of the committee. The Meeting attendance details in Annexure-2, of this report. And the report of the Nomination & Remuneration Committee appended herewith on **page no. 102** of this annual report.

## Compliance Committee

With the other different board committees of this company, the Board of Directors has introduced a committee to play a role in the Internal Control System. The composition of the committee by the top management executives of the company with a knowledge of finance, corporate laws and compliance related matters both internal and external affairs.

The committee consists with the three members-Mr. Md Mustafizur Rahma FCA, Chief Executive Officer, Mr. Mohammed Kamrul Hassan, Chief Financial Officer, and Mr. M. Mazedul Islam, Company Secretary. The Board of Directors has designated Mr. Md Mustafizur Rahma FCA and Mr. M. Mazedul Islam, Company Secretary as the Member Secretary of the committee.

## Executive Committee

To ensure and make the internal control system meaningful and effective, the Board of Directors has engaged the Executive Committee. The committee consists of seventeen senior executives of the BPML and the Group. Mr. Safwan Sobhan, Vice Chairman of the Bashundhara Group is the Chairman and Mr. M. Mazedul Islam, Company Secretary act as the Member Secretary of this committee. The senior executives of the company are empowered by the Board of Directors to coordinate and ensure all-logistic support with the entire activities of the internal control and risk management system.

## Statutory Auditors

The existing statutory auditors - M/S. K.M Alam & Co., Chartered Accountants who were appointed at the 30th Annual General Meeting and have completed their responsibilities during the period under review and are going to complete their second term. The Auditors have requested the Board for their re-appointment being they are eligible.

The Board of Directors of BPML has recommended for the appointment of M/S. K.M Alam & Co, Chartered Accountants for the Financial Year 2023-2024. In view of this, the Board of Directors has decided to place the matter of appointment of the Statutory Auditors of the company for the Financial Year 2022-2023 at a fee of BDT 5,00,000/- (Five Lac) including AIT & VAT for its approval by the shareholders in this 31st Annual General Meeting.

### Executives' Shareholdings Status

The shareholdings position of the top Executives, Governance Officers, their spouses and children (minor) as on 30 June, 2024 has been appended in Annexure-1, **page no. 68** of this annual report.

### Management Discussion and Analysis

The Management's Discussion and Analysis signed by Chief Executive Officer and Chief Financial Officer has presented detailed analysis of the company's position and operations along with a brief discussion of changes in the changes in the financial statements appended to **page no. 70** of this annual report.

### Certification from CEO and CFO

The certification of the CEO and CFO as guided by the CFO to the Board on the correctness and fair presentation of financial statement is appended in **page no. 104** of this annual report.

### Corporate Governance and Compliance Framework

The Board of Directors of BPML believes the corporate governance frameworks are essential in today's progressive and aggressive business atmosphere. Corporate governance allows companies to put their positive traits firmly on display. With these intentions visible to all, companies are more likely to be held accountable for their behavior and actions and thus more willing to distance themselves from duplicity. At present businesses also are held to incredibly high standards by investors and customers alike; being accountable and open about processes and operations counts for any great deal. Both the Shareholders and Consumers want to see companies operating with integrity and transparency. A framework of corporate governance of BPML appended in **page no. 84** of this annual report.

### Compliance of Corporate Governance and Code Reporting

After conducting elaborate observatory audit works the company obtained a certificate of compliance regarding corporate governance from M/S. Haruner Rashid and Associates, Chartered Secretaries & Management Consultants during the year. The Compliance Certificate in Annexure-B and CG Code Status Report Annexure-C for the FY 2023-2024 are appended in **page no. 105 and page no. 106** respectively of this annual report.

### Appointment of Compliance Auditors

The existing Compliance Auditors- M/S. Rashid and Associates, Chartered Secretaries & Management Consultants, who were appointed to the 30th Annual General Meeting and have completed their responsibilities during the period under review. The Auditors have requested for their reappointment being they are eligible.

The Board of Directors of the company has recommended the re-appointment of M/S. Haruner Rashid and Associates, Chartered Secretaries and Management Consultants for the Financial Year 2024-2025 for compliance audit and certification

on corporate governance. In view of this, the Board of Directors has decided to place the matter of this re-appointment of the Corporate Governance Compliance Auditors of BPML for the Financial Year 2024-2025, with a fee of BDT 100,000/- (One Lac) excluding VAT for its approval by the Shareholders of this company in this 31st Annual General Meeting.

### Award and Certifications

Any kind of award or recognition is an effective motivation for each individual and the organization as well. Everyone wants recognition of his work, but only qualified and capable are entitled to receive the award and recognition, BPML also obtains some Certification, Recognition and Award for producing the quality products over three decades. BPML views that these achievements are recognition not only for this company but also to its consumers, patrons, business partners and well-wishers. A brief on Award and Certifications of BPML appended on **page no.- 32** of this annual report.

### Corporate Social Responsibility

Corporate Social Responsibility gives a chance to all the employees of an organization to contribute towards society, environment, country and so on. We all live for ourselves but trust us, living for others and doing something for them is a different feeling all together. Bringing a smile to people's lives just because our organization has pledged to educate the poor children of a particular village not only gives a sense of inner satisfaction but also pride and contentment. One should never forget the importance of society and the environment in our lives. It is indeed high time when we also start thinking about people around us who are less privileged and fortunate than us. Corporate social responsibility gives an opportunity to organizations to work towards the betterment of society and make it a better place to live. BPML has always been the front-runner to associate itself with various welfare functionalities for society. Two of BPML's notable foundations e.g Bashundhara Foundation and Bashundhara Special Children Foundation have propelled the humanitarian drives into a new height by working tirelessly for the betterment of the poor and underprivileged folks. These two foundations have been living up to Bashundhara's promise of "For the People, for the Country". The notable CSR activities of this company during FY 2023-2024 the company spent around more than BDT 21.07 million on society through the following sector and organization. The amount is 21.23% higher than the previous financial year. The details of activities of CSR are appended in **page no.- 178** of this annual Report.

**Contributed by  
BDT 21.07 mn. in  
this FY**

### Acknowledgement

I extended my sincere appreciation to our customers and shareholders for their excellent cooperation, support and having their confidence in us as their preferred list. I believe and look forward to their support and cooperation to continue in future like before. The Members of the Board of Directors also would like to express their special thanks and gratitude to all the well-wishers, patrons and valued shareholders, for



extending their commendable support, co-operation and patronage to this company without which we could not achieve our objectives.

We, all in the Board of Directors of this company, express our sincere regards and gratitude to the Government of Bangladesh, Ministry of Commerce and Industries, Bangladesh Bank, Bangladesh Investment Development Authority, National Board of Revenue, Bangladesh Securities & Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange, Chattogram Stock Exchange, Central Depository Bangladesh Limited, Chief Controller of Export and Import along with the all Banks and NBFIs for the support and co-operation extended to the company during the year. I am also extending its appreciation and gratitude to the Management of this company for their concentrated efforts excellent teamwork and to all the employees of this company for their dedication, efforts and services for which this company could accomplish its goals and made a success legacy of glorious three decade's meaningful journey.

**Dear Respected Members,**

In conclusion, I would like to take a note the present government of Bangladesh has taken many effective packages, strategy,

policies to overcome this economic recession. In response to the current demand the company has involved its efficient management and workforce to innovate new products and explore new destinations to export, diversify products and maximize quality. I do retain my measured optimism about our future and hopefully with the co-operation of all our stakeholders we will be able to protect the interest of stakeholders and ensure good governance, we all shall overcome this economic recession.

It's a privilege that, in our endeavors, we get support and cooperation from our members, patrons and stakeholders during the period under review. We are hopeful and looking forward with the cooperation from our respected stakeholders, we will be able to the meaningful the spirit of them of three decades- "Moving Legacy of Excellence" for upcoming years.

With sincere regards.

On behalf of the Board of Directors

Sd/-

**Ahmed Akbar Sobhan**  
Chairman

In accordance with the Corporate Governance Guidelines-2018 issued by BSEC the Pattern of Shareholding of the Bashundhara Paper Mills Ltd. as presented as on 30 June 2024, which is an integral part of the Director's Report of this annual report:

i) Parent/Subsidiary/Associated companies and other related parties:

Sl. No.	Name of Shareholder	Relation With Company	Nos. of Shares held	Remarks / Percentage
Not Applicable				

ii) Shareholding status of Directors/CEO/CS/CFO/Head of Internal Audit and their spouses and minor children:

Sl. No.	Name of Members	Position in Company	Nos. of Share held & Percentage		
			Self	Spouse	Children- Minor
1.	Mr. Ahmed Akbar Sobhan	Chairman	40,00,000nos. 2.30%	58,85,200nos. 3.40%	Nil
2.	Mr. Md. Imrul Hassan	Director	40,02,000nos. 2.31%	Nil	Nil
3.	Mr. Md. Nazmul Alam Bhuiyan Nominated by- EWPDL	Director	10,10,50,575nos. 58.14%	Nil	Nil
4.	Mr. Mostafa Azad Mohiuddin	Independent Director	127,000nos. 0.07%	121,000nos. 0.07%	Nil
5.	Mr. Md. Mustafizur Ramman FCA	Chief Executive Officer	Nil	Nil	Nil
7.	Mr. Mohammed Kamrul Hassan	Chief Financial Office	Nil	Nil	Nil
8.	Mr. Mohammed Eleas Hossain	HIAC	Nil	Nil	Nil
9.	Mr. M. Mazedul Islam	Company Secretary	Nil	Nil	Nil

iii) Shareholding status of Top Five salaried persons other than CEO, CFO, CS and HIA:

Sl. No.	Name of Members	Position in Company	Nos. of Share held		
			Self	Spouse	Children- Minor
1.	Engg. Md. Aman Ullah	Adviser (Constriction)	Nil	Nil	Nil
2.	Mr. S.M Sorowar	Head of Project, Unit-1	Nil	Nil	Nil
3.	Mr. Md. Masudur Rahman	Chief Marketing Officer	Nil	Nil	Nil
4.	Mr. Sifat Jahan Nur	Chief Information Officer	Nil	Nil	Nil
5.	Mr. Muhammad Manjur Hossain	HoD (Export)	Nil	Nil	Nil

iv) Shareholders holding ten percent or more voting interest in the Company:

Sl. No.	Name of Shareholder	Relation With Company	Nos. of Share held	Remarks / Percentage
1.	East West Property Development Pvt. Ltd.	Director	10,10,50,575	58.14%

In accordance with the regulatory directives and to ensure good governance several meetings of BPML were held during the financial year 2023-2024. The numbers of meetings held and attendances at the meeting by the members are appended below:

**i) Board meeting and attendance during the year ended June 30, 2024**

Sl. No.	Name of Members	Position in the Company	Meetings Attended	Attendance/Remarks
1.	Mr. Ahmed Akbar Sobhan	Chairman	9/9	100%
2.	Mr. Md. Imrul Hassan	Director	7/9	80%
3.	Mr. Md. Nazmul Alam Bhuiyan	Director	8/9	90%
4.	Mr. Mostafa Azad Mohiuddin	Independent Director	8/9	90%
5.	Mr. Md. Mustafizur Ramman FCA	Chief Executive Officer	9/9	100%

**ii) Audit Committee meeting and attendance during the year ended June 30, 2024**

Sl. No.	Name of Members	Position in the Company	Position In the Committee	Meetings Attended	Attendance/Remarks
1.	Mr. Mostafa Azad Mohiuddin	Independent Director	Chairman	4/4	100%
2.	Mr. Md. Imrul Hassan	Director	Member	4/4	100%
3.	Mr. Md. Nazmul Alam Bhuiyan	Director	Member	4/4	100%
4.	Mr. M. Mazedul Islam	Company Secretary	Member Secretary	4/4	100%

**iii) Nomination and Remuneration Committee meeting and attendance during the year ended June 30, 2024**

Sl. No.	Name of Members	Position in the Company	Position In the Committee	Meetings Attended	Attendance/Remarks
1.	Mr. Mostafa Azad Mohiuddin	Independent Director	Chairman	1/1	100%
2.	Mr. Md. Imrul Hassan	Director	Member	1/1	100%
3.	Mr. Md. Nazmul Alam Bhuiyan	Director	Member	1/1	100%
4.	Mr. M. Mazedul Islam	Company Secretary	Member Secretary	1/1	100%

**iv) Compliance Committee meeting and attendance during the year ended June 30, 2024**

Sl. No.	Name of Members	Position in the Company	Position In the Committee	Meetings Attended	Attendance/Remarks
1.	Mr. Safwan Sobhan	Vice Chairman, BG	Chairman	4/4	100%
2.	Mr. Md Mustafizur Rahma FCA	Chief Executive Office	Member	4/4	100%
3.	Mr. Mohammed Kamrul Hassan	Chief Financial Office	Member	4/4	100%
4.	Mr. M. Mazedul Islam	Company Secretary	Member Secretary	4/4	100%



# Management Discussion and Analysis

The Management of the Bashundhara Paper Mills Limited is pleased to present the Management's Discussion and Analysis for the Financial Year 2023-2024 as per Condition no. 1(5)(xxv) of the Corporate Governance Code-2018.

## a) Accounting policies and estimation for preparation of financial statements:

The Financial Statements of this company have been prepared in accordance with the International Financial Reporting Standards and Companies Act, 1994 with other applicable provision of laws in Bangladesh. Cash flows from operating activities are prepared under Direct Method as prescribed by the Securities and Exchange Rules, 1987.

These Financial Statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent consideration that have been measured at fair value. The financial statements provide comparative information in respect of the previous period. In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. The details of the significant accounting policies is available in notes to accounts 2.6.1 and 3.00 in the financial statements.

## b) Changes in accounting policies and estimation:

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these Financial Statements 2023-2024. IFRS 16 eliminates the earlier operating/finance lease dual accounting model for leases. The change interprets a single accounting model on balance sheet, like current finance lease accounting. Issued in January 2016, the new IFRS replaced the existing guidance in IAS 17 Leases. IFRS 16 was effective from or after 1 January 2019. The details of the significant accounting policies are available in notes to accounts 3.26 in the financial statements.

## c) Comparative analysis of financial performance:

The key indicators of the financial performance are stated below:

Particulars	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	13,159	13,188	11,238	9,283	8,544
Gross Profit	2,551	2,615	2,250	1,923	1,878
Profit Before Tax	2,962	2,993	2,744	2,407	2,385
Profit After Tax	192	455	508	411	286
Shareholders' Equity	13,540	13,629	13,070	8,006	7,727
Total Assets	42,642	37,830	34,854	28,173	28,033
Total Current Assets	13,570	11,658	10,759	10,075	10,832
Total Current Liabilities	11,321	9,473	7,314	7,238	7,103
Current Ratio	1.20	1.23	1.47	1.39	1.52

## d) Compare such financial performance with the peer industry scenario:

Figure in BDT mn.

Particulars	BPML 2023-2024	Monospoll 2023-2024	Sonali Paper 2023-2024	HPPML 2023-2024
Revenue (Turnover)	13,158.97	1071.82	2,780.51	1005.25
Gross Profit	2,551.07	345.74	411.20	145.20
Operating Expenses	-597.25	-56.70	-65.79	-76.56
Financial Expenses	-1674.21	-170.08	-91.49	-62.80

Particulars	BPML 2023-2024	Monospoll 2023-2024	Sonali Paper 2023-2024	HPPML 2023-2024
Net profit before tax	348.19	113.99	154.65	7.21
Net Profit After Tax	191.50	101.77	124.80	0.78
Earnings per Share	1.10	2.98	3.79	0.04

#### Cash flow Movement

Figure in BDT mn.

Particulars	BPML 2023-2024	Monospoll 2023-2024	Sonali Paper 2023-2024	HPPML 2023-2024
Cash generated by operating activities	1,911.98	88.91	548.79	139.43
Income taxes paid	-164.22	-18.14	-22.54	-3.49
Interest Paid	-3.82	-	-	-
Net cash (used in)/generated by operating activities	-755.52	6.81	342.18	135.94
Net cash (used in)/ generated by investing activities	-3,748.62	-75.62	178.87	-54.86
Net cash (used in)/generated by financing activities	3,118.41	63.68	-420.23	-89.94
Net increase in cash and cash equivalents	125.31	-5.13	100.82	-8.86
Cash and cash equivalents at the beginning	353.32	37.26	96.71	22.41
Cash and cash equivalents at the end	478.63	56.55	197.53	13.55

#### e) Financial and economic scenario of the country and the globe:

##### Bangladesh Scenario

The Gross Domestic Product (GDP) of Bangladesh is expected to grow by 5.8% in fiscal year 2024 and the previous FY it was 5.3%. The slower growth forecast reflects subdued domestic demand and weaker export expansion due to slow global growth. Inflation is forecast to accelerate from 9.7% to 10.1% in FY2025. The main risk to this growth projection is a greater economic slowdown in Bangladesh's major export destinations driven by global uncertainty over the prolonged political tensions. The Economy of Bangladesh was in the face of the sharp decline in growth in major advanced countries that provide the external demand propelling the country's export-oriented economy intensified on high commodity prices and shortfalls in meeting fuel and energy demands exports continued to growth and a marked fall in imports sharply reduced the current account deficit growth in FY 2024 is expected to edge up and influence is easy.

The private investment growth will be lower because of energy shortages and higher production costs. With a shortfall in revenue collection, austerity measures, and depleting foreign exchange reserves, public investment growth will also be slower.

##### Global Scenario

The baseline forecast is for the world economy to continue growing at 3.2% during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies, where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 and 1.8 % in 2025, will be offset by a modest slowdown in emerging market and developing economies from 4.3 % in 2023 to 4.2 % in both 2024 and 2025. The forecast for global growth for five years from now, at 3.1%, is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 % in 2023 to

5.9 % in 2024 and 4.5 % in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

#### f) Risks and concerns related to the financial statements and mitigation plan:

Being a large manufacturing company in the country, BPML must overcome many risks in financial management and industry risks as well. BPML has always emphasizes to control the risks by implementing series of policies, and practices to the financial reporting, which are designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards. The board, sub-committee of the board and others committee taken necessary measures to mitigate all kinds of risk. The detail of the Risks and concerns issues related to the financial statements is available notes to accounts 53.00 in the financial statements.

#### g) Future plan or projection or forecasts:

BPML has planned to modernize some machinery for its production, which expects the product quality will increase and have a positive impact on product pricing in the competitive market. The Research and Development Division of the company has also made its full effort to ensure the diversity of its product line with the existing products. The company also emphasizes discovering the new export destinations for its products. The Board of Directors has recommended for "No Dividend" of Cash Dividend during the year to minimize the financial uncertainty for upcoming year.

Sd/-

**Md. Mustafizur Rahman FCA**  
Chief Executive Officer

# Performance in Last Five Years

Financial of Highlights of Last Five Years of Bashundhara Paper Mills Limited including FY 2023-2024

## Financial Position

Figure in BDT mn.

Particular	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Paid-up-Capital	1,737.91	1,737.91	1,737.91	1,737.91	1,737.91
Shareholders' Equity	13,539.99	13,629.25	13,070.44	8,005.83	7,727.02
Total Assets	42,641.79	37,829.96	34,854.11	28,172.63	28,032.71
Total Liabilities	29,101.81	24,200.71	21,783.66	20,166.79	20,305.69
Working Capital	1,572.41	2,910.09	1,824.83	1,266.26	1,393.61
Capital Employed (times)	0.91	0.95	0.54	0.50	0.37

## Operating Performance

Particular	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	13,158.97	13,188.22	11,237.96	9,282.85	8,544.46
Gross Profit	2,551.07	2,615.39	2,250.35	1,922.83	1,877.58
Income from Operating	2,045.73	2,077.18	1,856.30	1,425.26	1,395.88
Profit Before Int., Tax & Dep.	2,962.03	2,993.47	2,743.73	2,407.48	2,385.39
Net profit after Tax	191.50	455.01	507.84	411.19	285.83

## Financial Ratio

Particular	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Current Ratio	1.20	1.23	1.47	1.39	1.52
EBIT to Net Interest Cover (times)	1.22	1.51	1.61	1.43	1.51
Debt to Equity	2.15	1.78	1.67	2.52	2.63
Gross Profit Margin	19.39%	19.83%	20.02%	20.71%	21.97%
Operating Profit Margin	15.55%	15.75%	16.52%	15.35%	16.34%
Net profit Margin	1.46%	3.45%	4.52%	4.43%	3.35%

## Market Performance

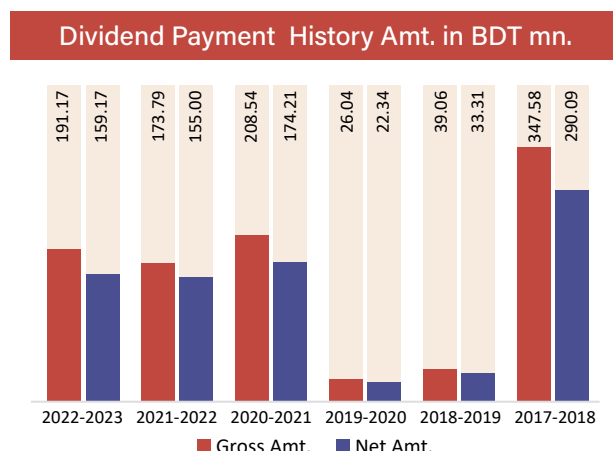
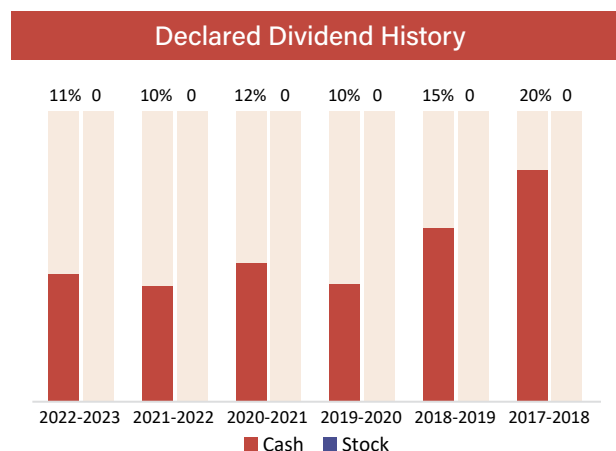
Particular	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Face value per Share	10	10	10	10	10
Dividend on Paid up Capital	0%	11%	10%	12%	10%
NAV per Share	77.06	77.54	74.31	45.81	43.55
Earnings per Share	1.10	2.62	2.92	2.37	1.64
Price Earnings Ratio (P/E Ratio)	75.45	31.70	18.49	18.81	24.85

# History of Dividend since Listing

The Board of Directors are the custodian to protect the interest of its Shareholders. The declared, approved and paid dividend information of Bashundhara Paper Mills Limited for the General Shareholders/Investors since listed at stock exchanges.

The details of the Annual General Meeting and Dividend:

Sl.	FY	AGM	AGM Holding Date	Record Date	Nos. of Shareholders as on Record Date	Declared and approved Dividend		Amount in BDT			Remarks	
						Cash	Other than Cash	Gross Dividend Amt.	AIT Deducted Amt.	Net payment as Dividend Amt.	Dividend Applicability	Payment Status
1.	2022-2023	30th	20/12/23	21/11/23	17,347	11%	Nil	191,170,585	31,999,147	159,171,437	All General Shareholders	Paid
2.	2021-2022	29th	27/12/22	22/11/22	10,133	10%	Nil	173,791,441	18,789,503	155,001,937	All General Shareholders	Paid
3.	2020-2021	28th	28/12/21	30/11/21	10,438	12%	Nil	208,549,729	34,339,263	174,210,465	All General Shareholders	Paid
4.	2019-2020	27th	24/12/20	30/11/20	13,315	10%	Nil	26,041,666	3,693,683	22,347,982	All General Shareholders (other than Sponsors, Directors & Pre IPO -Placement holders)	Paid
5.	2018-2019	26th	24/12/19	12/02/19	16,371	15%	Nil	39,062,499	5,743,099	33,319,400	All General Shareholders (other than Sponsors, Directors)	Paid
6.	2017-2018	25th	19/12/18	22/11/18	20,522	20%	Nil	347,582,882	57,488,322	290,094,559	All General Shareholders	Paid





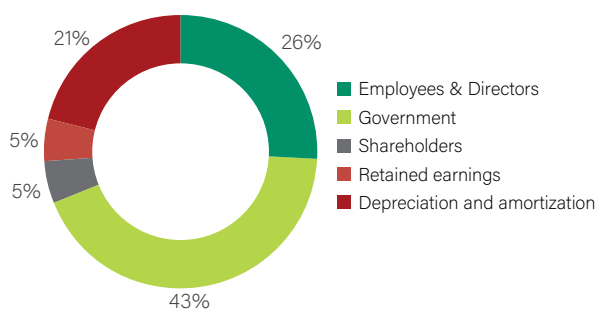
# Wealth Creation and Distribution Statements

The Bashundhara Paper Mills Limited has accretion its wealth through manufacturing products in FY 2023-2024 for its directors, employees, government and shareholders in the form of remuneration, salaries & allowances, duties & taxes, net profit after tax respectively and indicates value of use of fixed assets through depreciation.

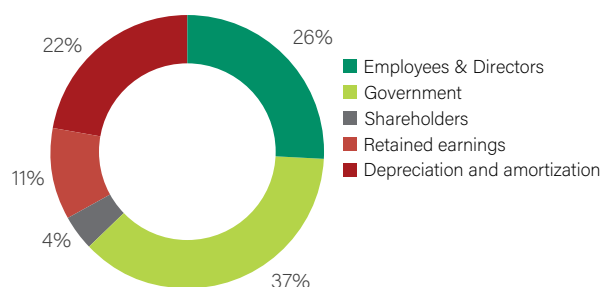
Wealth Creation and Distribution for the FY 2023-2024 and FY 2022-2023:

		Figures in BDT mn.	
Particulars	2023-2024	2022-2023	
<b>Wealth Creation</b>			
Revenue	14,001.80	14,001.80	
Less: Cost of Sales	(10,607.90)	(9,067.12)	
Operating Expenses	(140.12)	(123.00)	
	3,399.36	4,811.67	
Other Income	91.92	98.98	
Provision for Expenses	(29.82)	(1.67)	
<b>Total Wealth Creation</b>	<b>3,461.46</b>	<b>4,908.99</b>	
<b>Wealth Distribution</b>			
<b>Employees &amp; Directors</b>			
Employees as salaries & allowances	1,053.61	1041.6	
Directors as fees	-	62.00	
	<b>1,709.90</b>	<b>1,559.43</b>	
<b>Government</b>			
Corporate Tax	164.23	124.26	
Advance Tax	170.28	179.73	
Value added Tax	1,109.89	938.40	
Supplementary Duty	57.02	54.12	
Customs Duty	109.80	125.22	
Others Duty	98.68	137.71	
<b>Shareholders</b>			
Dividend to Shareholders	191.17	173.79	
<b>Retention for future business growth</b>			
Retained Earnings	191.50	455.1	
Depreciation and Amortization	848.94	916.30	
<b>Total Wealth Distribution</b>	<b>3,995.13</b>	<b>4,208.14</b>	

Wealth Distribution (%) 2023-2024



Wealth Distribution (%) 2022-2023



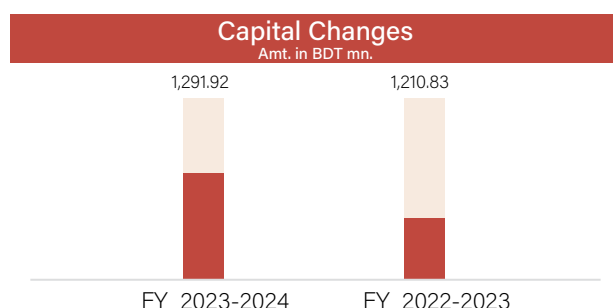
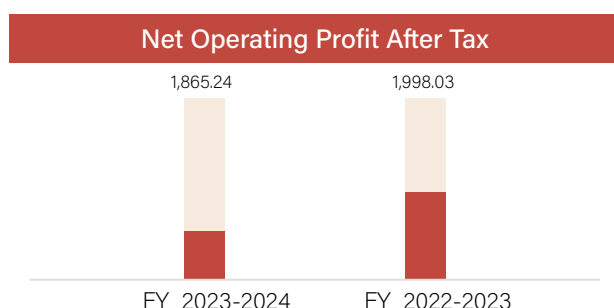
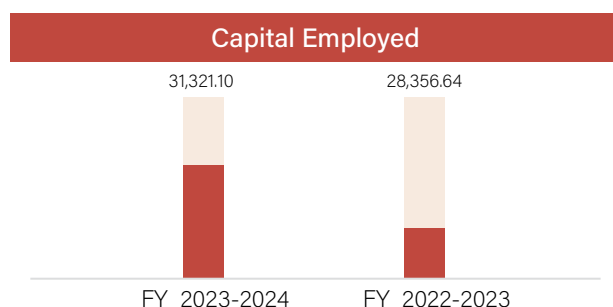
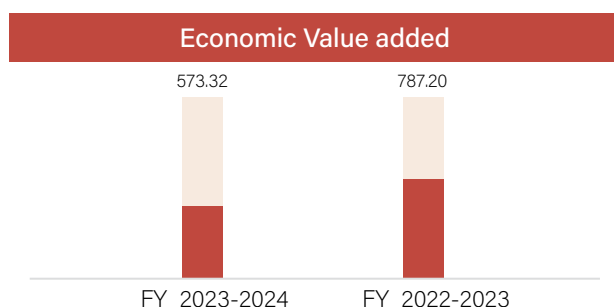
# Economic Value-Added Statement

Economic Value Added is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, and it attempts to capture the true economic profit of a company. The mentioned numbers have shown biased on consolidate.

Economic Value-Added Statement for the FY 2023-2024 and FY 2022-2023:

Figures in BDT mn.

Description	FY 2023-2024	FY 2022-2023
Operating profit	1,953.82	2,077.18
Provision for Income Tax	88.58	79.15
<b>Net Operating profit after tax (NOPAT)</b>	<b>1,865.24</b>	<b>1,998.03</b>
Charges for capital		
Capital Employed	<b>31,321.10</b>	<b>28,356.64</b>
WACC	4.12%	4.27%
Capital Charges	1,291.92	1,210.83
<b>Economic Value added</b>	<b>573.32</b>	<b>787.20</b>
Total Assets	42,641.79	37,829.96
Less: Current Liabilities	11,320.70	9,473.32
<b>Capital Employed</b>	<b>31,321.10</b>	<b>28,356.64</b>



# Market Value-Added Statement

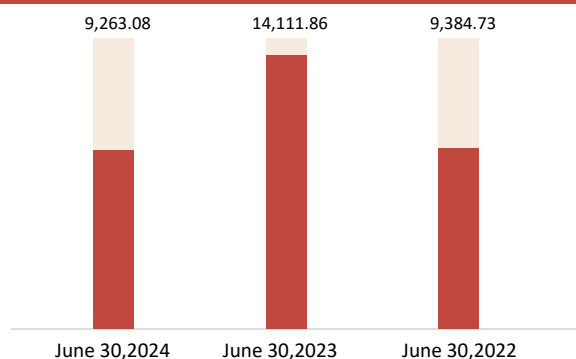
Market Value Added is a calculation that shows the difference between the market value of a company and the capital contributed by all investors. Essentially, it is used to determine exactly how much value the firm has accumulated over time. This amount is derived from the difference between market capitalization and the book value of the shares outstanding. Market value added is one of the market indicators of value creation.

Market Value Added Statement as of June 30, 2024, June 30, 2023, and June 30, 2022:

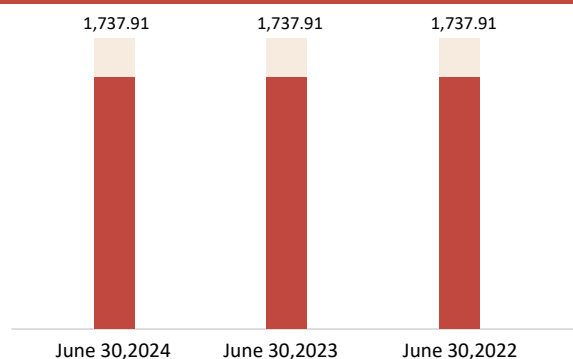
Figures in BDT mn.

Concentration	June 30, 2024	June 30, 2023	June 30, 2022
Market value of shares outstanding	9,263.08	14,111.86	9,384.73
Book value of shares outstanding	1,737.91	1,737.91	1,737.91
Market value added	7,525.17	12,373.95	7,646.82
Market Value Changed	-39.19%	61.82%	27.91%

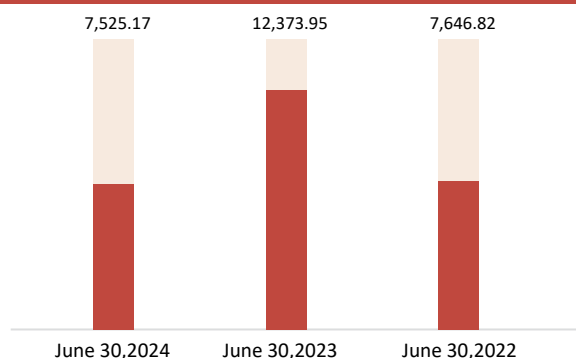
## Market Value of Shares Outstanding



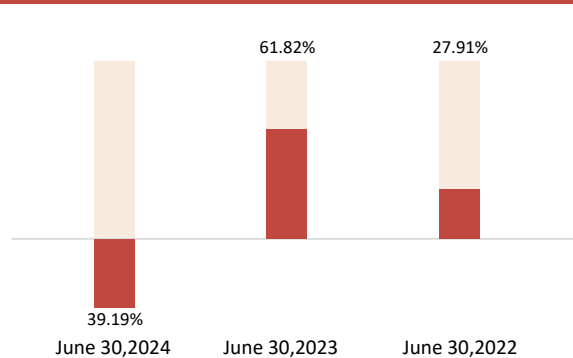
## Book Value of Shares Outstanding



## Market Value Added



## Market Value Changed in %



N.B. Numbers shown biased on consolidate.

# Horizontal and Vertical Analysis

The horizontal analysis offer a comprehensive view of the company's performance evolution, capturing overall trends and patterns including supports and the strategic data-driven decision-making by identifying long-term trends and areas for improvement. The vertical analysis provides a detailed breakdown of the internal structure, elucidating the composition of financial statements. And informs operational decisions by detailing the relative importance of each component within a specific period.

The Horizontal Analysis and Vertical Analysis of the BPML has been presented below along with the comparison of previous years:

Horizontal Analysis	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
<b>Statement of Profit or Loss and other Comprehensive Income</b>					
Net revenue from contracts with customers	-0.22%	17%	21%	9%	-23%
Gross profit	-2%	16%	18%	2%	-11%
Operating profit	-2%	12%	32%	2%	-13%
Profit before tax	-47.85%	-0.02%	70%	-10%	-6%
Profit for the year	-58%	-10%	27%	44%	-2%
Earnings per share	-58%	-10%	27%	44%	-2%
<b>Statement of Financial Position</b>					
Total non-current assets	11%	9%	33%	5%	9%
Total current assets	16%	8%	10%	-7%	-25%
<b>Total assets</b>	<b>13%</b>	<b>9%</b>	<b>25%</b>	<b>0%</b>	<b>-7%</b>
Share capital	0%	0%	0%	0%	0%
Retained earnings	-2%	10%	13%	19%	14%
<b>Total equity attributable to owners of the Company</b>	<b>-1%</b>	<b>4%</b>	<b>60%</b>	<b>4%</b>	<b>3%</b>
Total non-current liabilities	21%	2%	14%	-2%	30%
Total current liabilities	20%	30%	6%	2%	-43%
Total liabilities	20%	11%	11%	-1%	-11%
<b>Total equity and liabilities</b>	<b>13%</b>	<b>9%</b>	<b>25%</b>	<b>0%</b>	<b>-7%</b>

Vertical Analysis	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
<b>Statement of Profit or Loss and other Comprehensive Income</b>					
Net revenue from contracts with customers	100%	100%	100%	100%	100%
Gross profit	19%	20%	20%	21%	22%
Operating profit	16%	16%	17%	15%	16%
Profit before tax	3%	5%	6%	4%	5%
Profit for the year	1%	3%	5%	4%	3%
<b>Statement of Financial Position</b>					
Total non-current assets	68%	69%	68%	64%	61%
Total current assets	32%	31%	32%	36%	39%
<b>Total assets</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Share capital	4%	5%	5%	6%	6%
Retained earnings	7%	8%	8%	9%	8%
<b>Total equity attributable to owners of the Company</b>	<b>32%</b>	<b>36%</b>	<b>36%</b>	<b>28%</b>	<b>28%</b>
Total non-current liabilities	42%	39%	42%	46%	47%
Total current liabilities	27%	25%	22%	26%	25%
Total liabilities	68%	64%	64%	72%	72%
<b>Total equity and liabilities</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



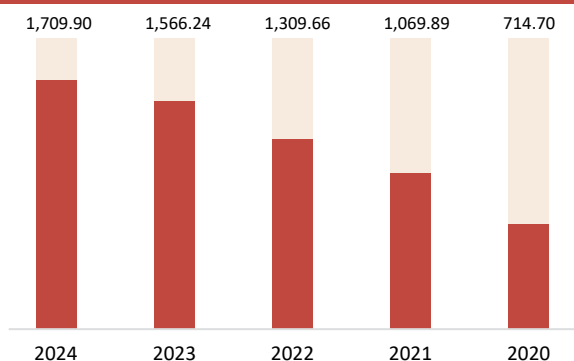
# Contribution to National Economy

Bashundhara Paper Mills Limited has established itself as a large manufacturing industry in the industrial sector of Bangladesh. This is well accepted that, a manufacturing industry play a significant role in the national economy of a country by providing employment opportunities, generating income, and producing goods and services that are essential for the well-being of the people. BPML has ethical commitment to its stakeholders and the national growth as well. Being a public listed entity, the Company has maintained all its documents which related to government Duty, Tax, VAT and others lawful claims with the highest approach of transparency and integrity. The company always engaged its highest effort to protect the interest of the shareholders and ensure the maximum return to its stakeholders including government.

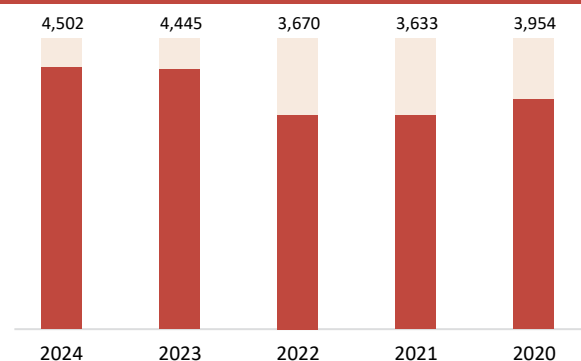
Meanwhile, the Company has created a noticeable employment opportunity in the country. This opportunity has a significant influence in the socio- economic growth of the country. The Company has also the capacity to make its employee into the human capital. So that, every individual employee can be a part of the common success of the Company which is the pre-requisite of a meaningful long-term growth for the country.

By the best practice of management of human capital and disclosed related information and exercise and protection the right to information in every level the company delighted to declared that, the good governance is existing in the company, which can play an effective contribution to national exchequer of the Country.

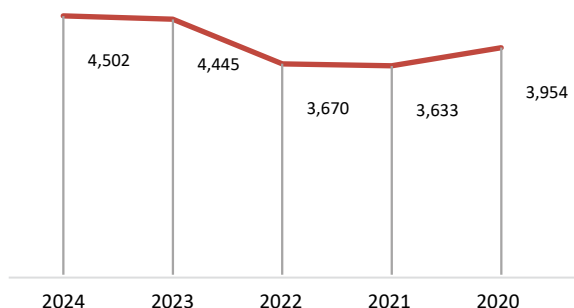
Contribution to National Exchequer BDT in mn.



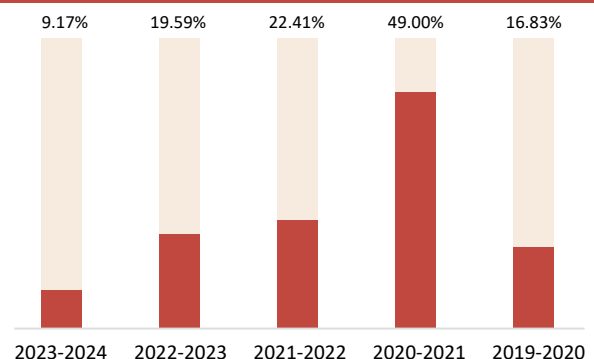
Human Capital Nos. Last Five Year



Human Capital Growth Trend



Contribution Growth Trende In %



# Communication of Shareholders

During the FY 2023-2024 the published Notice & Price Sensitive Information (PSI) and communication channel for the Shareholder:

Sl.	Particulars	Category	Communicated through		Date
			BPML	Regulators	
1.	Finalize FS for FY 2022-2023 and declaration of 30th AGM	PSI	Newspapers, Online Portal, Website	DSE, CSE, BSEC, CDBL	29 Oct, 2023
2.	Un-audited FS of 1Q of FY 2023-2024 approval	PSI	Newspapers, Online Portal, Website	DSE, CSE, BSEC	14 Nov, 2023
3.	30th AGM Notice	General Notice	Newspapers, Online Portal, Website	DSE, CSE, BSEC, CDBL	16 Nov ,2023
4.	Credit Rating Report	PSI	Newspapers, Online Portal, Website	DSE, CSE, BSEC	21 Dec, 2023
5.	Dividend Disbursement	Compliance	Bank Accounts	DSE, CSE, BSEC	17 Jan,2024
6.	Distribution of Dividend for FY 2022-2023	General Notice	Newspapers, Online Portal, Website	DSE, CSE, BSEC	20 Jan, 2024
7.	Unclaimed or Unpaid Dividend	General Notice	Newspapers, Online Portal, Website	DSE, CSE, BSEC	31 Jan,2024
8.	Un-audited FS of 2Q of FY 2023-2024 approval	PSI	Newspapers, Online Portal, Website	DSE, CSE, BSEC	30 Jan, 2024
9.	Un-audited FS of 3Q of FY 2023-2024 approval	PSI	Newspapers, Online Portal, Website	DSE, CSE, BSEC	30 April, 2024
10.	Shareholders Service	One to One	SMS, Email, Letter, Telecommunication	As required provision	Round the year

## INVESTORS RELATION CONTACTS:

**Name** : Mr. M. Mazedul Islam  
**Position in Company**: Company Secretary

**Complain Cell** : [www.bashundharapapermills.com//investors relation/complain cell](http://www.bashundharapapermills.com/investors-relation/complain-cell)


**Business Hour** : Sunday-Thursday, 9:00 AM – 4:00 PM (excluding govt. holidays)

**Share Office** : Bashundhara Industrial Headquarter (BIHQ) Tower-1, Plot-844, Road-12, Block-I, Bashundhara R/A, Dhaka-1229.

## Contact Details

 **Phone:** 09666443310-19

 **Fax** : + 88 02 55037257

 **E-mail:** [mazedul.islam@bgc-bd.com](mailto:mazedul.islam@bgc-bd.com)  
[cs.bpml@bgc-bd.com](mailto:cs.bpml@bgc-bd.com)

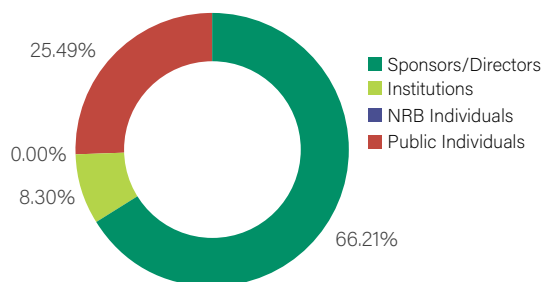
# Shareholding Information for Investors

## Shareholding Information for Investors

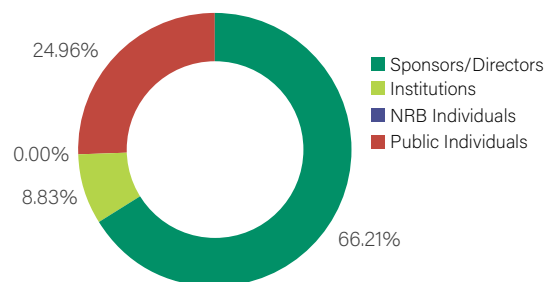
The Shareholding for the year ended 2023-2024 and as on record date mentioned below:

Sl. no	Name and Category of Shareholders	Position In Company	Shareholding as on	
			30-Jun-24	20-Nov-24
1	Mr. Ahmed Akbar Sobhan	Chairman	2.30%	2.30%
2	Ms. Afroza Begum	Sponsor	3.39%	3.39%
3	Mr. Md. Imrul Hassan	Director	2.31%	2.30%
4	Mr. Md. Nazmul Alam Bhuiyan Nominated by- EWPD	Director	58.14%	58.14%
5	Mr. Mostafa Azad Mohiuddin	Independent Director	0.07%	0.07%
6	Mr. Md. Mustafizur Ramman FCA	Chief Executive Officer	0.00%	0.00%
7	Government	Shareholders	0.00%	0.00%
8	Institutions	Shareholders	8.30%	8.83%
9	General Public	Shareholders	25.49%	24.96%
<b>Total</b>			<b>100.00%</b>	<b>100.00%</b>

Shareholding Position Year ended



Shareholding Position Record Date



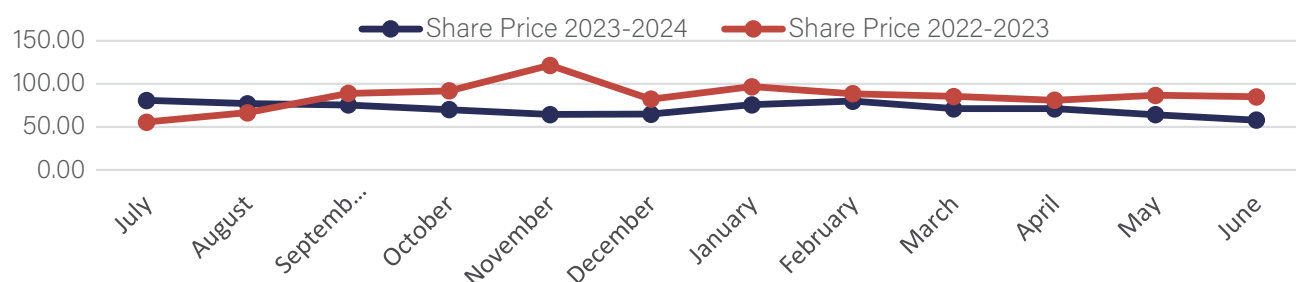
## Month Wise Shareholding Information

Month	Sponsor	Govt.	Institute	Foreign	Public
Jul-23	70.86	0.00	7.39	0.00	21.75
Aug-23	70.86	0.00	7.13	0.00	22.01
Sep-23	70.86	0.00	7.18	0.00	21.96
Oct-23	70.86	0.00	7.27	0.00	21.87
Nov-23	70.86	0.00	7.31	0.00	21.83
Dec-23	70.86	0.00	9.4	0.00	29.14
Jan-24	70.86	0.00	7.25	0.00	21.89
Feb-24	70.86	0.00	7.92	0.00	21.22
Mar-24	70.86	0.00	7.77	0.00	21.37
Apr-24	70.86	0.00	7.98	0.00	21.16
May-24	70.86	0.00	8.12	0.00	21.02
Jun-24	66.21	0.00	8.30	0.00	25.49

## Share Pricing Performance in Stock Exchanges

Month	Stock Exchanges Share Price in BDT			
	High	Low	Close	Month Average
Jul-23	80.7	79.1	79.4	79.73
Aug-23	76.8	75.1	76.1	76.00
Sep-23	75.5	74.0	74.2	74.57
Oct-23	70.0	64.8	66.9	67.23
Nov-23	64.4	61.8	63.2	63.13
Dec-23	64.7	61.3	63.0	63.00
Jan-24	75.7	73.2	73.9	74.27
Feb-24	79.8	75.9	76.7	77.47
Mar-24	71.0	67.6	67.8	68.80
Apr-24	71.0	63.2	64.4	66.20
May-24	64.0	60.0	62.3	62.10
Jun-24	57.7	56.0	56.4	56.70

## Share Pricing trend in Capital Market



## Financial Calendar and Compliance on Financial Statements for July- June

1Q			2Q			3Q			4Q		
July-23	Aug -23	Sep -23	Oct-23	Nov -23	Dec -23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	June-24
Starting of FY		End-1Q	Last FY Audit, PSI- AGM	PSI-1Q	End-2Q Holding AGM	PSI-2Q, & Dividend Disbursed		End-3Q	PSI-3Q		Closing of FY





## Company Website

Each and every stakeholder of the company can access to get any information regarding the Board of Directors, Top Management, Financial Information, Price Sensitive Information, General Notice of the Company including personal Contact information from the verified website [www.bashundharapapermills.com](http://www.bashundharapapermills.com)

## Investors Relations and Complain Cell

To consider the right to information of the Investors the company continually update all the related information in the website under Investors Relation. The company also maintain and monitor a complain cell through [www.bashundharapapermills.com/investor relation//complain cell](http://www.bashundharapapermills.com/investor relation//complain cell) to protect the interest of the investors the company.

## Shareholders Service Desk:

 <b>Mr. M. Mazedul Islam</b> cs.bpml@bgc-bd.com	 <b>Mr. Mahbubur Rahman</b> mahbub.rahman@bgc-bd.com	 <b>Mr. Md. Golam Morshed</b> golam-morshed@bgc-bd.com
 Tel: 09666443310-19  Fax: +88 02 55037257  Web: <a href="http://www.bashundharapapermills.com">www.bashundharapapermills.com</a>		





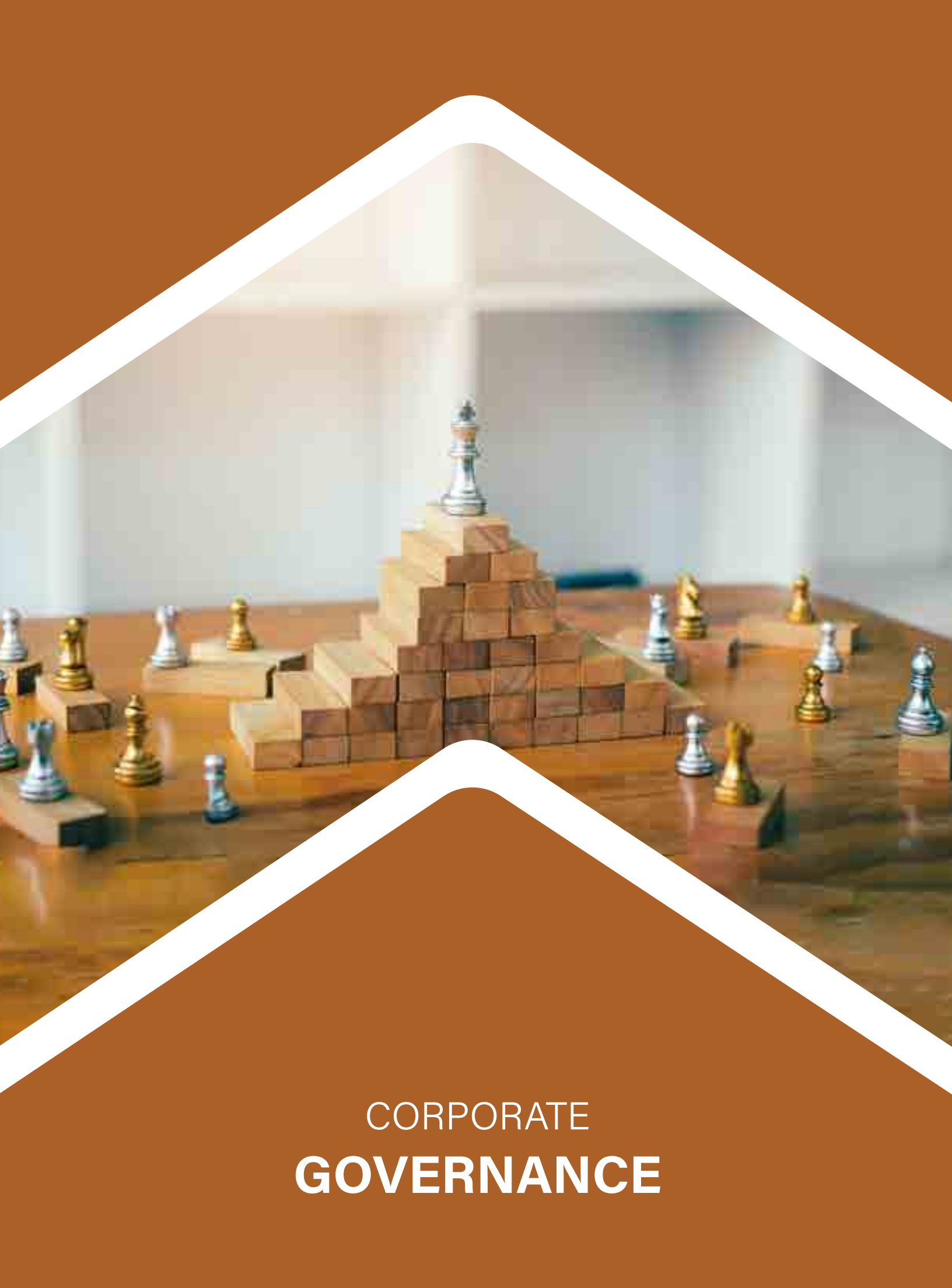
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500 Sheets/Packet Assured





CORPORATE  
**GOVERNANCE**

# Corporate Governance and Compliance Framework

"Bashundhara Paper Mills Limited has recognized the rights and privileges of its valuable stakeholders and preserve the interests of the stakeholders including financiers, customers, management, employees, government, and the society, establish board's responsibilities by clearly outlining it, establish code of conduct for ethical behavior, establish and practice the business transparency for promoting shareholders' trust towards establishment of the good governance."

## Corporate Governance and Compliance Framework

The framework of corporate governance comprises a set of Rules, Practices, and Processes that define how a company is governed. This framework is designed to balance the interests of a Company's many stakeholders, including shareholders, management, customers, suppliers, financiers, government, and the community. Because of that, the framework will always dictate how these groups should interact with each other while running the company. It's the ultimate foundation without which a company cannot hope to function correctly.

Bashundhara Paper Mills Limited has recognized the rights and privileges of its valuable stakeholders and preserves the interests of the stakeholders including financiers, customers, management, employees, government, and the society, establishes board's responsibilities by clearly outlining it, establish code of conduct for ethical behavior, establish and practice the business transparency for promoting shareholders' trust towards establishment of the good governance.

## Focused factors of Corporate Governance Frameworks

CG Code of BSEC and Companies Act 1994 outlines

Board of Directors and Executive Committee

Audit, NRC and Compliance Committee

Strategic Business Plan and Performance

Risk Management and Internal Control

Stakeholders Relationship

Corporate Ethics and Cultural

Management Information System and Disclosures

Standard Practice in Global and Local

The Board acknowledge the corporate governance which aimed for increase of the accountability of a company, ensuring of transparency within a company. It is the set of rules, policies, procedures, outlines and practices by which a board ensures its accountability, fairness, and transparency. Under Corporate Governance system, a company is directed, guided and controlled by its Board and which is accountable to its stakeholders. It is used for operating, controlling and structuring of a company as a tool with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers, complying with the legal and regulatory requirements.

**With the outline of the frameworks of corporate governance the company concentrated on the mentioned factors by following manners:**

<b>Code of Conduct</b>	Being a listed company in capital market, the Code of Conduct has been prepared to provide guidance as well as assist the Board and the Management to focus on the roles and responsibilities of Board members and Management to facilitate the Board's and management's accountability to the Company and shareholders as well as ensuring effective communication between the Board and Management.
<b>Board Structure, Size and Composition</b>	The Board size will be within the limits prescribed by applicable laws, which currently provide that the Board may have no fewer than five and no more than twenty members. At present, the Board consists of three Non- Executive Directors two Independent Directors and one Executive Director, who is the Chief Executive Officer. And formulated a well-defined the role and Responsibility of the Board.
<b>Election of Chairman</b>	The Chairman is appointed by the Board in accordance with the Memorandum and Articles of Association of the Company. The Chairman of the Company is elected by the Board of Directors from among the non-executive Directors of the Company. The Board considers the Chairperson being independent. Position of Chairman and Managing Director is filled by different persons.
<b>Appointment of Managing Director/ Chief Executive Office</b>	The Managing Director or the Chief Executive Office is appointed by the Board in accordance with the Memorandum and Articles of Association of the Company. The MD/CEO of the Company is elected by the Board of Directors with the intimation letter of BSEC and Exchanges. Position of Chairman and MD/CEO is filled by different persons.
<b>Appointment Non-Executive Directors</b>	All the Non-Executive Directors are appointed as provision of Memorandum and Articles of Association of the Company. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. The Directors are appointed by the shareholders in the Annual General Meeting.
<b>Appointment of Independent Directors</b>	At least one-fifth of the Board will consist of directors whom the Corporate Governance Code has determined to be independent. In general, an independent director must have no material relationship with BPML, directly or indirectly, except as a director. The Board will determine independence on the basis of the standards specified in the Corporate Governance Code of Bangladesh Securities and Exchange Commission; and other facts and circumstances the Board considers relevant. The Directors are appointed by the shareholders in the Annual General Meeting with the prior approval of BSEC.
<b>Appointment of Nomination of Directors</b>	Nominated Non-Executive Directors are nominated by the Sponsor shareholders. Recommendation for Non-Executive Independent Directors are received from various sources for highly capable and seasoned professionals aligned with the businesses of the Company. The Directors are appointed by the shareholders in the Annual General Meeting.
<b>Retirement</b>	According to the Companies Act 1994 the directors shall be retired not less than one third of the whole number of Directors are persons whose period of office rotation. The Independent Directors are appointed through AGM for three years which extended six years.
<b>Number of regular meetings</b>	The Company conducts its Board meetings and records the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB). The Board normally holds ten regular meetings per year. Additional meetings are also scheduled as and when required.



<b>Meeting attendance</b>	It is expected that each Director makes every effort to attend each Board meeting and each meeting of any committee on which he or she sits. Board meetings and attendance during the year ended on June 30, 2023 has been attached to this annual report as Annexure-2.
<b>Committees and Reports</b>	The Board will appoint from among its members committees it determines are necessary or appropriate to conduct its business. Currently, the standing committees of the Board are the Audit Committee, Executive Committee and Nomination and Remuneration Committee. The Chair of each Board committee reports to the full Board on the activities of his or her committee and any recommended changes to the committee's own manners.
<b>Well-defined Roles and Responsibilities</b>	The Company has determined and well-defined in the light of the regulatory guidelines the roles and responsibility of the Board, the Chairman, the Directors, the Managing Director/Chief Executive Officer, Chief Financial Officer, Head of Internal Audit & Control, Company Secretary, the Audit Committee, Nomination & Remuneration Committee, Compliance Committee and Executive Committee. And the role and responsibilities reviewed as when required basis.
<b>Documentation Record &amp; Archive</b>	The company has standard practices to maintain the documentations and keep the proper documentations and preserve in its archive for further reference.
<b>Confidentiality</b>	The proceedings and deliberations of the Board and its committees are confidential. Each director will maintain the confidentiality of information received in connection with his or her service as a director, including internal discussions and information on processes of the Board and its Committees.

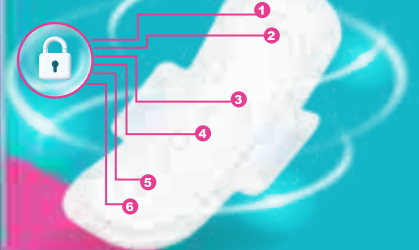
Moreover, the company has a statement on corporate governance during the year appended with this report. The Compliance Certificate in Annexure-B and CG Code Status Report Annexure-C as directed by the BSEC and has included in the Annual Report as well.

**মোনালিসা**  
স্যানিটারি ন্যাপকিন

সঠিক প্র্যাডের সাথে  
সঠিক সব তথ্যও নিয়ে  
মোনালিসা আছে পাশে



**6 Lock System**



# Stewardship for Corporate Governance Code

In compliance of the Corporate Governance Code-2018, Bashundhara Paper Mills Limited has complied the condition no. 3.1.b by appointing four individuals in separate position of the company to ensure the accountability, transparency and good governance as well. The duties, responsibility and independence of each position are clearly determined by the NRC and the Board in accordance with the guidelines.

The brief information of the core individual position of the BPML in accordance with CGC-2018 under mentioned:



**Md. Mustafizur Rahman FCA**  
Chief Executive Officer

Expertise area: Accounts, Finance, Audit, Financial Risk Analysis, Crisis Management, Strategic Planning & Implementation, Operation Management, Business Compliances, Domestic and International Business Management.

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**Mohammad Kamrul Hassan**  
Chief Financial Officer

Expertise area: Accounts, Finance, Financial Reporting, Financial Compliances, Budget & Control, Financial Planning, Business Risk Analysis, Tax, VAT and Customs Affairs, and Management Information System.

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**Mohammad Eleas Hossain**  
Head of Internal Audit & Compliance

Expertise area: Accounts, Finance, Internal Audit, Financial Reporting, Policy formulation, Strategic Decision, Business Management, Risk Analysis, Internal Control and Compliances.

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**M. Mazedul Islam**  
Company Secretary

Expertise area: Regulatory Compliance including Capital Market, CGC Reporting, ESG Reporting, Issue Management, Policy Formulation, Corporate Restructuring, Strategic Planning, Share Management, Internal and External legal Compliance.

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# Environment, Social and Governance Approach

**“In solidarity with stakeholders, consumers, and the Government of Bangladesh, Bashundhara Paper Mills Limited has resolved to include a sustainability strategy in our course of action. Other causes, in addition to environmental concerns, have prompted us to implement similar measures. These include our dedication to ensuring the long-term viability of our businesses, as well as our commitments to our stakeholders, customers, and to the government.”**

Environment, Social and Governance (ESG) scores are quantitative ratings that are given to companies to reflect their performance in the environmental, social, and governance domains. Its scores help investors and stakeholders make informed decisions about a company's ethical and sustainability standards. The scores are typically represented as a numerical value, with higher scores indicating superior ESG performance.

In solidarity with stakeholders, consumers, and the Government of Bangladesh, Bashundhara Paper Mills Limited has resolved to include a sustainability strategy in our course of action. Other causes, in addition to environmental concerns, have prompted us to implement similar measures. These include our dedication to ensuring the long-term viability of our businesses, as well as our commitments to our stakeholders, customers, and to the government.

Bashundhara Paper Mills Ltd. is dedicated to achieving sustainable development and has implemented a comprehensive approach based on eight pillars to encompass all Sustainable Development Goals (SDGs). It's Key Pillars and Targets being:

**Livelihood Improvement and Green Growth:** This pillar focuses on improving the livelihoods of communities and promoting economic growth while minimizing environmental impact. BPML aims to reduce greenhouse gas emissions by 21 tons, recycle 100 metric tons of solid waste, and reduce water discharge by 40% by 2030.



**Circularity:** BPML aims to create opportunities to create closed-loop systems where waste products from one process are used as inputs in another, minimizing waste and maximizing resource utilization. The company is committed to recycling materials from dealers and is installing rainwater harvesting systems covering 60,000 square meters.



**Water:** This pillar focuses on the sustainable use and management of water resources, including water conservation and water quality protection. BPML has reduced its water footprint by 7% and 30% of water used in production is from its own recycled water.



**Energy Efficiency:** By focusing on energy efficiency, BPML aims to reduce its energy consumption, lower operating costs, and contribute to a more sustainable energy future. The company has reduced cumulative energy consumption by 25% and natural gas consumption by 26%.



**Responsible Sourcing:** By focusing on responsible sourcing, BPML aims to contribute to a more sustainable and equitable supply chain and support the well-being of workers and communities involved in the production of its products. All sourcing is done from sustainably cultivated forests in Indonesia, Finland, Sweden, France, and Canada. Recycled pulp usage has increased by over 26 tons.



**Responsible Production:** The company prioritizes the safety and health of its employees by providing a safe working environment, implementing health and safety training programs, and complying with labor regulations. BPML has achieved zero injuries and implemented fair hiring practices. The company also ensures responsible marketing and labeling.



**Employee Wellbeing:** We are committed to creating a positive work environment and have implemented measures to ensure employee well-being. With Project You before all, prompt grievance systems, on site medical clinics and digitized salary disbursements, employee wellbeing is a priority for us at BPML



**Partnership with Stakeholders:** The company collaborates with stakeholders to promote sustainable practices and achieve shared goals. We are including our dealers and retailers into our ESG practices to improve how the entire system does business.



By focusing on these eight pillars and implementing practical measures, Bashundhara Paper Mills Ltd. is making a valuable contribution to sustainable development and setting an example for other businesses in the industry. BPML has made significant progress towards achieving its sustainability targets.

### Focused on Environmental Sustainability

To incorporate corporate environmental responsibility, our organization ensures that our actions are in accordance with the National Environmental Policy established in 2010, which has served as a catalyst for substantial advancements in Bangladesh. We along with the nation, prioritize responsible economic progress without any expense of environmental repercussions with-

<b>Improved Fiber Recovery System</b>	BPML's investment in an improved fiber recovery system has resulted in a remarkable reduction in fiber loss, from 10% to 4%. This not only conserves valuable resources but also improves overall production efficiency.
<b>Exhaust Gas Boiler</b>	The installation of EGBs has led to significant energy savings, reducing the use of natural gas by 1693.8 cubic meters per hour.
<b>Heat Recovery System</b>	BPML's implementation of a heat recovery system has resulted in operational cost savings of USD 363,605 as record.
<b>Calcium Carbonate from Generator Exhaust Gas</b>	The company's PCC plant has successfully captured and utilized carbon dioxide emissions, reducing CO2 emissions by 6.87 MT and producing 5,049 tons of valuable calcium carbonate.
<b>Sludge Board Recycling</b>	BPML has recycled a significant amount of sludge into sludge boards, contributing to waste reduction and resource conservation.

### Focused on Social Sustainability

To carry out our social responsibility while achieving a sustainable future, our top management have incorporated SDGs 3,5,10,16, and 17 into our agenda. We employ local people in our factories and thus play an important role in reducing unemployment. We have a well-built employee welfare system and thus have a very low employee turnover rate.

<b>Employment</b>	By creating employment opportunities for thousands of people, including skilled and unskilled workers, we ensured our responsibility towards unemployment peoples.
<b>Quality Product</b>	By producing quality products, we have able to contribute to society. Our tissue and paper products are widely used for personal hygiene, cleaning, and infection control in homes, schools, workplaces, hospitals, and public places. Due to our affordable product structure, we could reach the rural level as well.

<b>Improved Nutrition</b>	By providing subsidized lunches to employees, BPML has witnessed a surge in productivity and deepened employee loyalty.
<b>Medical Centers</b>	The company's medical centers offer essential first aid and primary treatment services, supported by a team of 160 first aid responders and doctors.
<b>Community Support</b>	BPML has demonstrated its commitment to building sustainable systems by donating BDT 1 per box of paper to support the Special Children Foundation.
<b>Employee Welfare</b>	The introduction of digital payment salaries has eliminated waiting times and provided employees with a secure and convenient payment option. It has boosted employee satisfaction.

### Focused on Social Sustainability

We promote an empathetic safety culture and dedicate ourselves to ensuring an ethical culture with respect to being sincere in promoting environmental, social and governance (ESG) considerations. This is reflected in our strategy as well as future direction:

The BPML focus on governance is to ensure that strategy, sustainability, risk and performance considerations are appropriately balanced and enhanced based on the basic principles and best practices outlined in the following:



The Board of Directors of BPML has overseas and actively participates in the investigation to ensure the best possible remediation and preventive and corrective actions. We follow a well-defined process that ensures fairness and impartiality while protecting the confidentiality and privacy of the parties involved. In the year under review, there were no material violations of any laws or regulations, nor were any material penalties or fines imposed on the Company or its Directors for contraventions of any laws or regulations. Because our Board is the custodian to implement the ESG approach for the company and ensuring the ultimate object of Good Governance.

# Risk Management and Internal Control Approach

The Board of Directors of Bashundhara Paper Mills Limited has paying maximum emphasize on its risk management and internal control process to protect the shareholders' investments and the Company's assets which also includes the establishment of an appropriate control environment and framework, as well as reviewing its adequacy, integrity and competence. The Board is aware of the competitive nature of the industry in which the Company operates, and hence it takes the view of balancing risk-reward situations, keeping risks to manageable and controllable levels.

## Risk Management Framework

Risk is ubiquitous in all areas of business and the risk management is considered must to do, in the managing of the company. Although this sector has large span of potentiality but has some risk factors involved with the industries. In every business there are uncertainties where some of the possibilities involve price fluctuations, currency fluctuations, inflation, economic recession, loss, catastrophe, other undesirable outcome, absence of complete certainty, existence of more than one possibility. In spite of a noticeable supply & demand opportunity in paper and allied products although there has also some risk factors such as-



FINANCIAL RISK



OPERATIONAL RISK



POLICY CHANGE RISK



TRANSFORMATION RISK



INDUSTRY RISK



TECHNOLOGICAL RISK

## Risk Management Process

The Board of Directors provides strategic guidance to the management to identify risks faced by the Company, and thus formulates, implements and monitors appropriate internal initiatives to mitigate and control risks. It must be noted that all control measures and internal practices work to reduce the impact of risks, rather than completely eliminating them, which acts as a hindrance to the Company's business objectives and growth targets. The system of internal control covers financial and operational risk management procedures.



IDENTIFY THE RISK



ANALYZE THE RISK



PRIORITIZE THE RISK



MITIGATE THE RISK



MONITOR THE RISK



AWARENESS OF RISK



Considering the mentioned standards of risk management, BPML has designed and maintaining its risk management process, in this process includes- the continuity of its supply of products to consumers and customers, protection of assets, return on investment, investments and reputation, protect the interest of stakeholders and ensure all the obligations of low of land.

### Risk Management Activities for the FY 2023-2024

The financial risk has many interdependent supplementary risks, to mitigate the financial and operational risk BPML has taken mentions stapes during the year:

- BPML has addressed the issue of interest and exchange rate risk and has taken active measure to keep the gap between interest sensitive assets and interest sensitive liabilities at a minimum to ensure that changes in interest rates. To manage liquidity (cash and cash equivalents) to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses and the company prepare its cash flow forecast on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.
- To minimise industry risk diversity of products, introduce new product and quality are the prime tools of BPML. The company always emphasize on the market needs and demand for its customer. By prescribed guidelines and terms and conditions to its Dealers and Distributors which minimize distribution risk.
- To ensure proper supply of imported raw materials for large volume of production facilities the Company has to keep huge inventory putting pressure on liquidity position to minimize the raw material management risk The Management of the Company has regularly upgraded its technology and factory set up during the last five years conducted to smooth operation of the factory.
- BPML activated crisis management team to manage the situation thus enabling the business to continue operation. As a result, business is saved, and financial impacts were negligible. The most challenging aspect of the situation was recovery, once the crisis was resolved. This was successfully completed in a carefully sequenced and choreographed manner, thereby minimizing disruption.

Moreover, this Company has put its special emphasis on the risk management matters. The system has been designed to face the challenges of the risk factors involved in this sector. The company has designed its operational plan covering the risk management by identifying and characterizing the areas of risks and threats at the very early stages and to set business strategies, take adequate and measures on proper time either to remove, or limit those as far as possible. **(More explanation in financial terms mentioned in note 52.03 of the financial statements. Page- 169)**

### Internal Control System

Internal controls system includes a set of rules, policies, outlines and procedures an organization implements to provide direction, increase efficiency and strengthen adherence to policies. To reach its destination BPML has set an effective internal control system. The system assists to take strategic decision through an authentic financial and managerial reporting. The systems ensured the overall financial checking with the compliance of the polices and guidelines and related laws and regulations as well.

The system plays vital role to reduce the business risk. The Board of Directors has delegated the responsibility of overall supervision of internal control system some different Committee of the Board and Management. The core committees which are ensures the internal control mentioned below:



The Company has a series of policies, practices and controls in place in relation to the management and financial reporting which are designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards. The senior management confirm annually that all information relevant to the Company audit has been provided to the Board of Directors through the Audit Committee and that reasonable steps have been taken to ensure full disclosure in response to requests for information from the external auditor.

# Dividend and Disbursement Policy

## Outlook of Policy

In accordance with the Directive no. BSEC/CMMRRCD/2021-386/03 dated 14 January 2021 of Bangladesh Securities and Exchange Commission the Board of Directors of Bashundhara Paper Mills Limited has introduced the "Dividend Distribution Policy" for the company. To protect the interest of the shareholders of the company the Board of Directors defined the policy. The policy is well defined to disburse all types of dividends such as the interim or final per share as per the recommended by board and approved by the shareholders through general meeting. The object of this policy is to ensure dividend incomes to its shareholders on a regular and uniform basis and made long term capital appreciation for all its shareholders of the Company.

## Regulatory Act and Regulation

The dividend declaration and disbursement shall be regulated by all the provision of Companies Act, 1994, notification, directives of Bangladesh Securities & Exchanges Commission, Listing Regulations-2015 of Dhaka & Chittagong Stock Exchanges, Finance Act, Income Tax Ordinances-1984 with the amendment, and the Memorandum and Articles of Association of the Company.

## Approval Authority

The Board of Directors of the Bashundhara Paper Mills Limited is the recommendation authority after considering for the concern financial year then the Shareholders as on record date are the final approval authority. For the interim dividend the Board of Directors are final authority. The management are responsible for disbursement of the amount or stock as guided by the provision of the compliances of regulatory agencies.

## Source of Dividend

The Board of Director shall determine the source of fund to declare the dividend both of interim and final dividend. In this consideration, the Company may source the amount of fund such as-

- Based on financial performance of the Company, the Board of Director may consider to declare or recommend the all types of dividends to the shareholders out of the "Profit" for the applicable year.
- The Company may declare or recommend the dividend from the "Retained Earning and Reserves" available for distribution of dividend to according to provisions of the applicable laws and guidelines.

## Mode of Dividend

- 1. Interim cash Dividend:** The Board of Directors may declare Interim Dividend at its absolute discretion in line with this Policy, based on profits earned as per quarterly and or half yearly through financial statements.
  - In case the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividend declared by the Company during the immediately preceding three financial years.
  - In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.
- 2. Yearly Cash Dividend:** Subject to approval by the shareholders in Annual General Meeting, the Board of the Company may recommend any quantum of yearly of final dividend payable to shareholders in its meeting in accordance with BSEC regulations, based on the audited financial statements of the concern year.
- 3. Special Cash Dividend:** The Board of Directors may recommend any Special Dividend in special circumstances subject to the approval of the Shareholders.
- 4. Stock Dividend:** The Board of Directors may recommend a percentage or ration of Stock Dividend subject to the approval of the Shareholders.

## General Provision for Dividend Declaration

Subject to the relevant provisions of the Act, in the event of inadequacy or absence of profits in any year, the Company may declare dividend out of free reserves subject to the fulfillment of the following conditions such as-

- The total amount to be drawn from such accumulated profits shall first be utilized to set off the current year's loss of the Company as per Audited Financial Statements of the Company and remaining amount, if any, can then be distributed to the Shareholders.
- But in any case, the dividend amount should not be more than the last year's declared dividend amount. The balance, if any, will be kept as reserve.

- The above provision can also be overridden by the Directors for some specific reason(s) beneficial to the Company.
- The Company may pay dividends in proportion to the amount paid up capital on each share.
- That the Board of directors recommend dividend and shareholders of the company approve it in AGM, but no dividend should exceed the amount recommended by the Board.

### Dividend Disbursement

The dividend shall be paid either in cash or in stock as approved. Cash dividend shall be paid through BEFTN or any electronic mode as approved by the competent authority time to time including-

- If any amount found bounced from the electronic transfer from the shareholder account, the company shall issue to account dividend warrant and shall send to respective address by registered post or courier service.
- In case of stock dividend, it shall disburse to the respective Beneficiary Owner Account to the of the shareholder.
- If there is any mismatch to disburse or credit both bank account and BO account of any shareholder, then the company keep the amount to the dividend account up to three years as reserve. After that shall take applicable measures as per the provision of BSEC and stock exchanges.

### Record Date or Date of Books Closure

The Company shall announce the record date for any entitlement to get the dividend as per the provision of stock exchanges and other regulators after recommended by Board of Directors with required time bar. The record date shall disclose as the Price Sensitive Information and the national dailies as per the provision.

### Dividend Fund Management

The Company may at the time of declaration of any dividend in any financial year transfer such percentage of its profit

for that financial year, as it may consider appropriate, to the reserve fund of the Company in accordance with the relevant provisions of the Act, financial reporting compliances and guidelines of the BSEC-

- The Company shall be custodian of the dividend fund and bear all related expenses in this regard.
- The Company shall ensure the yearly or periodically the reconciliation of the fund as per the provision and maintain a reasonable applicable dividend payout ratio.

### Disclosures

This Dividend Distribution Policy shall be disclosed through the Company Website and incorporated in the Annual Report as well.

The Company shall disclose all the related material information as "Price Sensitive Information" through website, national newspaper and the stock exchanges as well.

### Modification of Policy

- This Policy shall be revised or amended in accordance with the guidelines issued by Bangladesh Securities and Exchange Commission, Audit Committee of the company or such other regulatory authority as may be authorized, from time to time by the Board of Directors.
- The Board of Director of the Company reserves its right to alter, modify, add, delete, repeal and amend any of the provisions of this Policy.

### Disclaimer

This Policy does not constitute any commitment regarding the future dividends of the Company, but only represents a general view regarding the dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the dividend to be distributed in the year and the Board reserves the right to depart from the policy if think deed fit. This Policy has been prepared to comply with the requirements of directives of Bangladesh Securities and Exchange Commission and to practice the good governance of the company.

# Unclaimed or Unpaid Dividend Status

In accordance with the directives of Bangladesh Securities and Exchange Commission vide the letter no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021. The Statement has been prepared and disclosed in compliance with clause 3 (vii) of the according to the directives.

Dividend of various years remained unpaid or unclaimed due to the presence of mismatched with the name, account number, routing numbers of receiving bank and the issued dividend remained unpaid or unclaimed due to missing from shareholders or old delivery address or bank accounts and all the issues dividend warrants are yet to be deposited by the shareholders.

## A summary of Dividend Declaration and Dividend amount for last Five Years:

Sl. no.	Financial Year	Approved Dividend		Amount in BDT			Remarks
		Cash	Stock	Gross Dividend	AIT Deducted	Net payment Dividend	
1.	2022-2023	11%	Nil	191,170,585	31,999,147	159,171,437	Disbursed in due date
2.	2021-2022	10%	Nil	173,791,441	18,789,503	155,001,937	Disbursed in due date
3.	2020-2021	12%	Nil	208,549,729	34,339,263	174,210,465	Disbursed in due date
4.	2019-2020	10%	Nil	26,041,666	3,693,683	22,347,982	Disbursed in due date
5.	2018-2019	15%	Nil	39,062,499	5,743,099	33,319,400	Disbursed in due date
Total Amount				638,615,920	94,564,695	544,051,221	

## A summary of the aggregate position of Cash Dividend amount remained unpaid or unclaimed for Last Five Years:

Sl. no.	Financial Year	Net Payable Amt. for FY	Total Amount Paid	Unpaid or Unclaimed Amt.	Remarks
1.	2022-2023	159,171,437	158,388,594	782,843	-
2.	2021-2022	155,001,937	154,421,867	580,070	-
3.	2020-2021	174,210,465	173,629,990	580,475	-
4.	2019-2020	22,347,982	22,098,202	670,467	Transferred to CMF
5.	2018-2019	33,319,400	31,854,745	971,806	Transferred to CMF
Total Amount		544,051,221	540,393,398	3,585,661	

In accordance with the directives of the BSEC separate bank accounts have been maintained for couple of years including considering financial year.



# Reports of Audit Committee

**"Bashundhara Paper Mills Limited has established an independent Audit Committee (AC) since its listing at the stock exchanges in compliance of the Corporate Governance Code of Bangladesh Securities and Exchange Commission. This independent committee acts as a sub-committee of the Board. The committee has ensured, monitored and reviewed the transparency and accuracy of the financial statements of the Company. According to the guidelines of CGC Condition-5, the committee also ensures the appropriate recommendations to the Board on matters of business risks, internal controls, good governance, and the compliance status of the company."**

## Composition of the Audit Committee:

The Audit Committee of the Bashundhara Paper Mills Limited is comprised of four Members, whose are appointed by the Board of the Company. The Committee consists of an Independent Director, two non-Executive Directors and the Company Secretary. This Audit Committee of BPML being one of its core Sub-Committee of the Board, which has been assigned by the Board to discharge its governance and compliance responsibilities.

**The following persons acted as the Members of the Audit Committee during the Financial year:**

Sl. No.	Name of Members	Position in Company	Position in Committee
1.	Mr. Mostafa Azad Mohiuddin	Independent Director	Chairman
2.	Mr. Md. Imrul Hassan	Non-Executive Director	Member
3.	Mr. Md. Nazmul Alam Bhuiyan	Non-Executive Director (Nominated)	Member
4.	Mr. M. Mazedul Islam	Company Secretary	Member Secretary

## Qualifications of Members:

The Members of the AC of BPML has possess adequate knowledge of business management and all the members are financially literate as per the regulatory requirements and are also capable to analyze, elaborate and interpret, corporate laws, finance issues of the financial statements. The Committee must coordinate with the Internal and External Auditors of this Company as and when are required basis. The Committee has been empowered to examine the matters related to financial and internal control management and related affairs of the company. The Committee ensures that adequate internal control, check and balance system are in their places.

## Terms of Reference:

The Terms of Reference are periodically review and revise with the concurrence of the Board of Directors of the company and clearly defines its roles and responsibility by the Board in the light of the Corporate Governance Code of BSEC.

## Roles and Responsibilities:

The roles and responsibilities of the Audit Committee are clearly mentioned in the Terms of Reference of the Audit Committee. The Committee of BPML has been playing an effective role in providing a bridge among the Board, Members and other Stakeholders. Some of the core responsibilities of the Committee:

- Oversee the financial reporting process and review the periodic and annual financial report' information and indicators;
- Monitor choice of accounting policies and principles;
- Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- Oversee hiring and performance of external auditors;

- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- Review along with the management, the annual financial statements before submission to the Board for approval;
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- Review the adequacy of internal audit function;
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluate the performance of external auditors;
- Oversee whether the proceeds raised through Public Offering and utilization of the fund; and
- Any other matter within the jurisdiction of the Committee advised by the Board.

### Committee Meeting:

The Audit Committee in fulfilment of its responsibilities hold periodic meetings, at least once in a financial quarter and provide appropriate decision and advice to the Board and Management. The Committee meetings are usually considered and empowered by the Board of Directors in light to the Corporate Governance Code to evaluate the effectiveness of internal control systems, internal Policies, operational performance, financial results, capital expenditures, products lines, procurement of raw materials, plant and machinery etc.

### Meeting Attendance:

During FY 2023-2024 the Committee had four meetings and the proceedings were reported regularly to the Board of Directors of the Company. The number of the AC meetings held and attendance of each member during the year are mentioned below:

Sl. No.	Name of Members	Designation	Meeting & Attendance	Attendance in percentage
1.	Mr. Mostafa Azad Mohiuddin	Chairman	4/4	100%
2.	Mr. Md. Imrul Hassan	Member	4/4	100%
3.	Mr. Md. Nazmul Alam Bhuiyan	Member	4/4	100%
4.	Mr. M. Mazedul Islam	Member Secretary	4/4	100%

### Core Concentration Factors of the Committee

During the period ended as on 30 June 2024 the Committee had paid its highest concentration on the matters mentioned below:

### Financial Reporting

Reviewed, among other issues, the quarterly, half yearly and the annual financial statements of the company FY 2023-2024. The Committee has recommended to the Board of Directors for adoption and circulation those to the regulatory authorities as per the directives in this respect.

### Review Internal Control Process

The Audit Committee reviewed the effectiveness of internal control, also reviewed the audit objections and observations raised by the Internal Audit and Compliance Division and action plans as well. It monitored and ensured that the system of internal control was in place, effectively administered. It recommended to the Board of Directors for taking necessary measures to improve the system of internal control derived from the findings of the internal and external auditors and from the understanding and by consultations of the audit committee members. In view of all, this Committee is of the opinion that the internal control procedures are adequate to present a true and fair view of the activities and financial status of the Company.

### Review Internal Audit Process

The Audit Committee had also overseen and reviewed the procedure and tasks of the internal audit department. The Committee has been satisfied that the Internal Audit Team has the competence and qualifications to complete its mandates and accomplish according to the approved audit plans. It observed that the Internal Audit has full, free and unrestricted access to all activities, records, property and other issues necessary to perform its responsibilities. The Audit Committee also got the co-operation of the Internal Audit Team in carrying out its duties and responsibilities during FY 2023-2024.

### Review External Audit

The Audit Committee has forwarded the draft financial statements (which were placed to it by the management earlier) to the external auditors after their review and the Board must approve the audited financial statements and to place before the

members of the Company for their discussion and consideration in the forthcoming 31st Annual General Meeting. It also reviewed the matters concerning the re-appointment and the audit fees of the external auditors.

### Related Party Transaction

In FY 2023-2024 the company carried out considerable numbers of transactions in carrying out its operation and with the related parties in its normal courses of business. The names of the related parties, the nature of the related party relationships as well as information about the transactions, the amount of the transactions and the number of outstanding balances at the financial year ending have been monitored, disclosed and set out in the financial statements in accordance with the provisions of BAS-24 "Related Party Disclosures".

### Compliance with existing Laws & Regulations

In the year considered, the directives, notifications, guidelines, rules and regulations of BSEC and the Stock Exchanges and other regulatory agencies and the all-internal policies, guidelines & instructions endorsed by the management & Board have been duly complied.

### Audit Committee Reports

The Audit Committee has prepared the annual audit committee report and submitted it to the Board which includes the composition of the Audit Committee, its terms of reference, number of meetings held, summary of its activities during the FY 2023-2024 and the existence of the internal audit services and summary of the activities for its inclusion in the audit report.

### Reporting to the Shareholders and General Investors

The activities of and Report of the Audit Committee, including the other report made to the Board of Directors under condition No. 5(6)(a)(i) of the BSEC Corporate Governance Code above during the year which, signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

#### Summary Activities of the Committee for the FY-2023-2024

During the year ended as on 30 June 2024, the Committee conducted the following activities:

- Oversee the financial reporting process and implementation of accounting policies and principles;
- Monitor Internal Audit and Compliance process and review of the Internal Audit and Compliance Report;
- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption process;
- Review along with the management, the annual F/S before submission to the Board for approval;
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review statement of all related party transactions submitted by the management;
- Oversee hiring and performance of external auditors; and
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluating the performance of external auditors; and
- Evaluation of risk management and internal control systems.

### Committee Evaluation

The Audit Committee during the period under review had found that the overall internal control and management process of the company was satisfactory. The meeting proceedings with the recommendation and the evaluation of the effectiveness of the Committee was carried out by the members of the Board of Directors and committee has found to be effective. The recommendations of the Committee which contains the suggestions and recommendation to the board has duly submitted before the board for its visualization of activities and most of the recommendations have been considered and adopted by the board.

On behalf of Audit Committee –

Sd/-

**M. Mazedul Islam**  
Member Secretary

Sd/-

**Mostafa Azad Mohiuddin**  
Chairman

# Report of Nomination and Remuneration Committee

**“Bashundhara Paper Mills Limited has established a Nomination and Remuneration Committee in accordance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission Condition-6. This is an independent committee that acts as a sub-committee of the Board. When human capital increases in areas such as education, technology, and management, it leads to increases in innovation, social well-being, equality, increased productivity, improved rates of participation, all of which contribute to economic growth. To protect the growth curve of a company like BPML, it must ensure and develop the human capital management policy by engaging an intelligent, expert and self-motivated workforce.”**

## Composition of the NRC

In accordance with the conditions of the Corporate Governance Code of BSEC of the Board of Directors of Bashundhara Paper Mills Limited has duly constituted a Nomination and Remuneration Committee since its listing in the Stock Exchanges with members of an Independent Director and two non-Executive Directors along with Company Secretary.

The following persons acted as the members of the Nomination and Remuneration Committee during the Financial year:

Sl. No.	Name of members	Position in Company	Position in Committee
1.	Mr. Mostafa Azad Mohiuddin	Independent Director	Chairman
2.	Mr. Md. Imrul Hassan	Non-Executive Director	Member
3.	Mr. Md. Nazmul Alam Bhuiyan	Non-Executive Director (Nominated)	Member
4.	Mr. M. Mazedul Islam	Company Secretary	Member Secretary

## Qualifications of the Committee Members

All the members possess the pre-requisite knowledge on business management and good governance issues, financially literate and able to analyze, understand and interpret corporate laws, finance and financial tools and have business expertise in their respective arena.

## Terms of Reference

The Terms of Reference are periodically review and revise with the concurrence of the Board of Directors of the company and clearly defines its roles and responsibility by the Board in line with the Corporate Governance Code of BSEC.

## Roles and Responsibilities

The NRC of the company is an independent committee and accountable to the Board and to the shareholders. The roles and responsibilities of the NRC have been clearly mentioned in the Terms of Reference of the Committee as approved by the Board of Directors of Bashundhara Paper Mills Limited included-

- NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- NRC shall oversee, among others, the following matters and make a report with recommendation to the Board;
- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;



- Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- Identifying people who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- Formulating the criteria for evaluation of performance of independent directors and the Board;
- Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- Analyzing, monitoring, developing, recommending and reviewing annually the BPML's human resources and training policies;
- Determining whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then-current country's market following applicable laws; and
- Performing such other activities as may be delegated by the Board and/or by any other competent regulatory authority.

### Meeting Attendance by the Members

The Committee held 01 (one) no. of meeting during the period ended on 30 June 2024. The Committee has placed its report to the Board of Directors in due course. The attendance status of the NRC Committee Meeting is appended below:

Sl. No.	Name of members	Position	Meeting held & Attendance	Attendance in Percentage
1.	Mr. Mostafa Azad Mohiuddin	Chairman	1/1	100%
2.	Mr. Md. Imrul Hassan	Member	1/1	100%
3.	Mr. Md. Nazmul Alam Bhuiyan	Member	1/1	100%
4.	Mr. M. Mazedul Islam	Member Secretary	1/1	100%

### Core Concentration Factors of the Committee

During the period ended as on 30 June 2024 the Committee had paid its highest concentration on the matters mentioned below:

### Nomination Criteria

The Committee has engaged to set up the nomination criteria of the Company policies as well as guidelines and applicable country regulations and the selection process that is transparent in all respects. The Committee also emphasized to set up the process of nomination criteria with international standards and local best practices. To set up this criterion also considered the diversity in age, maturity, qualification, expertise and gender disciplines.

### Recruitment and Selection Guidelines

NRC Charter draws a broad outline of the Company's needs for employees at different levels, as ascertained by the management. The recruitment and selection of Directors, top-level executives and other employees of the Company including Executive Directors, Non-Executive Directors, Independent Directors and top-level executive as per the approved policy and guidelines of the board.

### Remuneration Criteria

The structure, scale and composition of remuneration/ honorarium is reasonable and sufficient to attract, retain and motivate suitable Directors, top-level executives and other employees to run the Company efficiently and successfully. The context of packages, including remuneration/ benefits monthly, yearly and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmarks and objectives of the Company. The remuneration to be paid to the Executive Directors is in accordance with the Company's policies and guidelines. Increments (if any) to the existing structure of remuneration are determined by the NRC based on the Company's policies and guidelines, which are ratified by the Board as and when required.

### Evaluation Criteria

The evaluation of the performance of the Independent Directors and Non-Executive Directors is carried out at least once a year by the Board of Directors considering attendance in the board meeting, committee meeting and contribution in the strategic decision-making process. For the top-level Executives and other employees' evaluation have been made considering the individually and twice a year line of each job description.

## Policy Formulation

The prime consideration of the committee to formulation the company policies and revise and update the existing policies of the company. The committee has paid its concentration to formulate all the internal polices to ensure the internal control while contributing in the ultimate goal of the company.

## Succession Plan

Every company is considered as an artificial entity. The committee also emphasizes on the retirement policy to take over the responsibility from returning Directors and or Employees as well. The company has ensured the continuation of all prime and secondary activities of the company by taking necessary measures which are aligned with corporate governance.

## Reporting to the Shareholders and General Investors

The policy and the evaluation criteria and the activities of NRC has disclosed under condition No. 6(5)(c) of the BSEC Corporate Governance Code during the year which, signed by the Chairman of the NRC and disclosed I in the Annual Report of the Company at a glance in its annual report.

### Summary Activities of the Committee for the FY-2023-2024

- During the year under review the Committee has evaluated the recommendation of two non-Executive Directors- i. Mr. Md. Nazmul Alam Bhuiyan and ii. Mr. Md. Imrul Hassan who were to resign by rotation and eligible for their re-elections/appointments as per the provisions of the Article no. 100 and Article no. 101 of the Article of Association of the Company;
- During the year under review the Committee has evaluated and recommended to the Board to appoint
- Mr. Mohammad Eleas Hossain with the responsibility of Head of Internal Audit & Compliance of the Company;
- Guidance to the Board for the composition board along with their practical experience and reputation;
- Evaluation and recommendation to revise the top management compensation in line with the requirement, expertise, market demand and availability in the related filed;
- Reviewed the issues including the company's requirement for employees to be placed at different levels and reviewed the employee benefits as policies of the Company and determined their selection procedures and criteria;
- Reviewed the performance of the senior-level executives of the Company and placed the recommendation on their findings;
- Reviewed the company's human capital management status and the development and training policies of the Company aimed at the employees;
- Reviewed vacancies or new position or recommend creating new positions, and reported and/or recommended and forward to the board for ultimate appraisal;
- Oversee other issues within the Code of Conduct of the NRC.

## Committee Evaluation

The Committee has duly placed all its recommendations to the Board, most of the recommendations have been considered and adopted by the board. The Committee expressing it's of the view that the nomination, re-election, appointment and remuneration as well as internal control and policies were adequate to present a true and fair view of the Administration, HR activities, Development training, External Affairs, Labour Laws, Human Rights and Internal Governance status of the Company and Committee during the period under review had found that the overall internal control and management process of the company was satisfactory in line with the corporate governance code.

On behalf of Nomination and Remuneration Committee –

Sd/-

**M. Mazedul Islam**  
Member Secretary

Sd/-

**Mostafa Azad Mohiuddin**  
Chairman

# CFO and CEO Declaration on Financial Statements

## Annexure-A

[as per condition No.1(5)(xxvi) of the CG Code, 2018]

**Date: 28 November 2024**

### The Board of Directors

Bashundhara Paper Mills Limited  
BIHQ-2, Bashundhara R/A, Dhaka-1229.

**Subject: Declaration on Financial Statements the year ended as on 30 June 2024.**

Dear Sirs,

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 Dated 03/06/2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Bashundhara Paper Mills Limited for the year ended on 30/06/2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for them financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

### In this regard, we also certify that:

1. We have reviewed the financial statements for the year ended on 30/06/2024 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
2. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-

**Md. Mustafizur Rahman FCA**  
Chief Executive Officer

Sd/-

**Mohammad Kamrul Hassan**  
Chief Financial Officer

# Corporate Governance Compliance Certification

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## Annexure-B

[as per condition No.1(5)(xxvii) of the CG Code,2018]

### Report to the Shareholders of Bashundhara Paper Mills Ltd. on Compliance of Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Bashundhara Paper Mills Limited for the year ended 30 June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/ 207/ Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code. We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

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

Sd/-

**A.K.M Haruner Rashid LLB, FCS**

CEO & Lead Consultant

**Haruner Rashed & Associates**

Chartered Secretaries

**Place :** Dhaka

**Date :** November 28, 2024



# Corporate Governance Code Status Report

## Annexure-C

[as per condition No. 1(5)(xxvii) of the CGCode,2018]

## Corporate Governance Code Disclosures of Bashundhara Paper Mills Ltd. for the Financial Year 2023-2024.

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/ Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

### Report under Condition No. 9

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independentdirector(s): Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company;	✓		Appointment of another Director is under process
<b>1(2)(b)</b>	<b>Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director -</b>			
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company.	✓		
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members .	✓		
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years.	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated Companies.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the capital market.	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies.	✓		
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution.	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company.	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be consider for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years].	✓		
<b>1(3)</b>	<b>Qualification of Independent Director :</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regularity requirements and corporate laws and can make meaningful contribution to the business.	✓		
<b>1(3)(b)</b>	<b>Independent Director shall have following qualifications :</b>			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or of a listed Company; or	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	-		N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-		N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.			N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b).	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-		N/A
<b>1(4)</b>	<b>Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:</b>			
1(4)(a)	The positions of the Chairpersons of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals.	✓		
1(4)(b)	The Managing Director (MD) and / or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company.	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company.	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and / or Chief Executive Officer.	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
<b>1(5)</b>	<b>The Directors' Report to Shareholders:</b>			
1(5)(i)	An industry outlook and possible future developments in the industry.	✓		
1(5)(ii)	The segment-wise or product-wise performance.	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any.	✓		
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable.	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss).	✓		N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments.			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.	-		N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements.	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors.	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained.	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed.	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained.			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year.	✓		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;.	✓		
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director.	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details).			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details).	✓		
1(5)(xxiii)(c)	Executives; and [Executives means top salaries person other than Directors, CEO, CS, CFO & HIAC]	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details).	✓		
<b>1(5)(xxiv)</b>	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1(5)(xxiv)(a)	A brief resume of the director.	✓		
1(5)(xxiv)(b)	Nature of his her expertise in specific functional areas.	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board.	✓		
<b>1(5)(xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes.	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof.	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe.	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company.	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per <b>Annexure-A</b> .	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per <b>Annexure-B and Annexure-C</b> .	✓		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(6)	Meetings of the Board of Directors :			
	The Company shall conduct its Board Meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company.	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentially; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	Governance of Board of Directors of Subsidiary Company :			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company.			N/A
2(b)	At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company.	-		N/A
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company.	-		N/A
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also.	-		N/A
2(e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	-		N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC).	✓		
3(1)(b)	The position of the managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time. Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission. Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately.	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			N/A
<b>3(2)</b>	<b>Requirement to attend Board of Directors' Meetings:</b>			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer CFO):</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief.	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members.	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee:</b>			
4(i)	For ensuring good governance in the Company, The Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
<b>5</b>	<b>Audit Committee:</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board.	✓		
5(1)(b)	The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)	Constitution of the Audit Committee (AC)			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1 (one) independent director.	✓		
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.			N/A
5(2)(e)	The Company Secretary shall act as the secretary of the Committee.	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM). Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year. Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the committee.	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>5(5)</b>	<b>Role of Audit Committee:</b>			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process.	✓		
5(5)(b)	Monitor choice of accounting policies and principles.	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.	✓		
5(5)(d)	Oversee hiring and performance of external auditors.	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval.	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	✓		
5(5)(h)	Review the adequacy of internal audit function.	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report.	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management.	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by the statutory auditors.			N/A
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.	✓		
5(5)(m)	Oversee whether the proceeds raised through Internal Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission. Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			N/A
<b>5(6)</b>	<b>Reporting of the Audit Committee:</b>			
<b>5(6) (a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
<b>5(6)(a)(ii)</b>	<b>The Audit Committee shall immediately report to the Board on the following findings, if any:</b>			
5(6)(a)(ii)(a)	Report on conflicts of interests.	-		N/A
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements.	-		N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations.	-		N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	-		N/A
<b>5(6)(b)</b>	<b>Reporting to the Authorities:</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonable ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-		N/A
<b>5.(7)</b>	<b>Reporting to the Shareholders and General Investors:</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6) (a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC):</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board.	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	✓		
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director.	✓		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors.	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee.	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.	-		N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member(s) of staff shall be required or valuable for the Committee.			N/A
6(2)(g)	The Company Secretary shall act as the secretary of the Committee.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	✓		
<b>6(3)</b>	<b>Chairperson of the NRC:</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such case
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders. Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder,s queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
<b>6(4)</b>	<b>Meeting of the NRC:</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	✓		
6(4)(b)	The Chairperson of the NRC may conven any emergency meeting upon request by any member of the NRC.			N/A
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h).	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
<b>6(5)</b>	<b>Role of the NRC:</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	✓		
<b>6(5)(b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following.	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully.	✓		TOR of NRC includes this Role
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board.	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board.	✓		
6(5)(b)(v)	Identification the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies.	✓		
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
<b>7</b>	<b>External or Statutory Auditors:</b>			
<b>7(1)</b>	<b>The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely.</b>			
7(1)(i)	Appraisal or valuation service or fairness opinions.	✓		
7(1)(ii)	Financial information systems design and implementation.	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
7(1)(iv)	Broker-dealer services.	✓		
7(1)(v)	Actuarial services.	✓		
7(1)(vi)	Internal audit services or special audit services.	✓		
7(1)(vii)	Any services that the Audit Committee determines.	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1).	✓		
7(1)(ix)	Any other service that creates conflicts of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members .	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company:</b>			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
9	Reporting and Compliance of Corporation Governance:			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the Company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	✓		



# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

### To the Shareholders of Bashundhara Paper Mills Limited

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Bashundhara Paper Mills Limited. (the Company), which comprise the statement of financial position as at June 30, 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### 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 International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 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. Key audit matters were identified 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. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
<b>Valuation of Property, Plant and Equipment (PPE):</b>	
The carrying value of the PPE was Tk. 26,498,064,601 as at 30 June, 2024. Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements. See policy Note No. 31 to the financial statements.	Our audit included the following procedure: <ul style="list-style-type: none"> <li>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>We inspected a sample of invoices and documents to determine whether the classification between capital and revenue expenditure was appropriate.</li> <li>We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> <li>We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</li> </ul>
<b>Valuation of inventory:</b>	
Inventory is carried in the statement of financial position at the lower of cost and net realizable value. Sales in the manufacturing industry can be extremely volatile based on significant changes in consumer demand. As a result, there is a risk that the carrying value of inventory exceeds its net realizable value.	We have tested the maintaining effectiveness of the inventories held by the Company. Additionally, we performed the following: <ul style="list-style-type: none"> <li>Corroborating on a sample basis that items on the stock were classified in the appropriate ageing bracket;</li> <li>Considering the historical accuracy of provisioning and using the information obtained as evidence for evaluating the appropriateness of the assumptions made in the current period; and</li> </ul>

Risk	Our response to the risk
<p>Moreover, the process of estimating provision for inventories is judgmental and complex. Due to high level of judgment involved and use of some manual process in estimating the provision and net realizable value of inventories, we considered this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>We have also considered the adequacy of the Company's disclosures in respect of the levels of provisions against inventory.</li> </ul>
<b>Revenue Recognition:</b>	
<p>At year end the Bashundhara Paper Mills Limited. reported total revenue (net sales) of BDT 13,158,968,861 Revenue is recognized when the performance obligation is satisfied by transferring goods or services to a customer, either at a point in time or over time. Goods or services are "transferred" when the customer obtains control of it. It is a matter of consideration whether revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied. This was an area of focus for our audit and significant audit effort to rectify the export income.</p>	<p>We tested the design and operating effectiveness of key control focusing on the following:</p> <ul style="list-style-type: none"> <li>We have taken into consideration the complexity of the situation and gained an understanding of the company's disclosures of the volume of sales incurred during the period by obtaining sufficient audit work, audit evidence and resource is required.</li> <li>Verified sales transactions for compliance with the Company accounting principles.</li> <li>Evaluated the Company's work to implement IFRS 15 and assessed whether accounting principles comply with the new accounting standard.</li> <li>In addition, we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the year—end, ensuring revenues were recognised in the correct accounting period.</li> <li>Tested the internal controls over financial reporting, we also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable consideration to the various elements in the contracts.</li> <li>Obtain and confirm pro-forma invoice and other related documents and calculate sales balances.</li> </ul>
<b>Tax provisioning and recognition of deferred tax asset</b>	
<p>The Company reported current income tax expense of BDT 88,580,193 with cumulative tax provision Tk. 167,728,829 as per Provision of minimum tax and deferred tax expense Tk. 68,111,543 note no. 33.00 The Company has recognized deferred Tax Liability for Taxable temporary differences that it believes are payable. The recoverability of recognized deferred tax liability is in part dependent on the company's ability to generate future taxable profits sufficient to utilize Taxable temporary differences.</p>	<p>Use of our own tax specialists to assess the company's tax computation. Our tax specialists were also used to evaluate tax strategies that the company expects will hardly enable the successful recovery of the recognized deferred tax liability taking into account the Company's tax position and our knowledge and experience of the application of relevant tax legislation;</p> <ul style="list-style-type: none"> <li>To analyses and challenge the assumptions used to determine tax provisions based on our knowledge and experiences of the application of the local legislation;</li> <li>Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities related to tax and deferred tax.</li> <li>Assess the tax provision calculation with reference to ITA 2023 under section 183(3)/ 163 and Financial Act 2024.</li> </ul>
<b>Trade and other receivables:</b>	
<p>The company has a net Trade and other Receivables of Tk. 2,309,331,701 as at 30 June 2024. Trade and other Receivables of the company comprise mainly receivables in relation to the selling of goods to its customers. The recoverable amount was estimated by management based on their specific recoverability assessment on debtor with reference to the aging profile, historical payment pattern and the past record of default of the customer. Note No: 10.00 to the financial Statement.</p>	<p>We verified the appropriateness of management's assumptions applied in Receivables by:</p> <ul style="list-style-type: none"> <li>Tested the accuracy of aging of Trade and other Receivables at year end on a sample basis;</li> <li>Obtained a list of outstanding Receivables and identified any Creditors with financial difficulty through discussion with management;</li> </ul>



Risk	Our response to the risk
	<ul style="list-style-type: none"> <li>Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the Debit profile of the customers, historical pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; and tested subsequent settlement of receivables after the balance sheet date on a sample basis, if any.</li> </ul>

Trade and other payables:	
<p>The company has a net Trade and other payables of Tk. 2,200,711,792 as at 30 June 2024.</p> <p>Accounts payable of the company comprise mainly payables in relation to construction work business. The Payable amount was estimated by management based on their specific assessment on creditors with reference to the aging profile, historical payment pattern and the past record of default of the customer See Note No. 23.00 to the financial statements</p>	<p>We verified the appropriateness of Trade and other Payable;</p> <ul style="list-style-type: none"> <li>Tested the accuracy of aging of Trade and other payables at year end on a sample basis;</li> <li>Obtained a list of outstanding Payable and inspected a sample of bills/invoices of parties on a sample basis and other documents to determine whether those bills were appropriate.</li> </ul>
Advance, Deposit and Prepayments:	
<p>Advance, deposit and prepayments Tk. 614,498,653 for advance against advertisement, legal and consultancy, insurance premium, land and land development, motor vehicle, supplier, and others advance. See Note No.11.00</p>	<p>We have tested the maintaining effectiveness of the advance, deposit and assets position held by the Company. Additionally, we performed the following:</p> <ul style="list-style-type: none"> <li>Obtain agreement / other documents for advance payments to parties on account of parties on advertisement, legal and consultancy, insurance premium, land and land development, motor vehicle, supplier, and others advance.</li> <li>Obtain salary sheet / approval documents for advance to staff.</li> <li>Obtain vendor list to ascertain the advance against goods supply.</li> <li>Obtain treasury challan, list of parties &amp; other necessary documents for VAT &amp; SD current account.</li> </ul>
Bank loan- Long and short-term Loan:	
<p>At the reporting date the entity has reported both Long and Short-Term Loan of Tk. 16,762,808,526 &amp; 2,265,763,312 and 6,654,623,907 respectively. Evidently the entity is using the loan to conduct the Operating activities and to acquire non-current assets. Since the Bank loan amount very significant and material to the financial statement has identified as a key audit matter. See Note No. 19.00, 21.00 &amp; 22.00 to the financial statements.</p>	<p>We obtained an understanding; evaluate the design and operating effectiveness of the company's key controls over the loans. Our audit included the following procedure:</p> <ul style="list-style-type: none"> <li>Obtained loan statement and facility offer letters to review the terms, debt covenants, interest rates and other conditions mentioned in the sanctioned letter.</li> <li>Obtained external confirmation to bank to ensure the accuracy of the figures reported.</li> <li>Check interest calculation on test basis.</li> <li>Checked repayment of loan instalments and adjustments though bank statements.</li> <li>Sent direct Confirmation to the bank by us.</li> </ul>

### Other information

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

Our opinion on the financial statements does not cover the other information and we do not and will 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 on the other information obtained prior to the date of the auditor's report, 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 and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in 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.
- 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 achieves fair presentation.

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

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

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



K. M. ALAM & CO.  
CHARTERED ACCOUNTANTS

### Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) 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 these books;
- iii) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- iv) the expenditure incurred was for the purposes of the company's business.

Md. Belayet Hossain FCA  
Partner  
Enrolment No. 1480 (ICAB)  
K.M. Alam & Co.  
Chartered Accountants  
DVC: 2410281480AS672913

Place: Dhaka

Dated: October 28, 2024

**Bashundhara Paper Mills Limited**  
**Statement of financial position**  
As at 30 June 2024

	Notes	30 June 2024	30 June 2023
		Amount in Taka	
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>29,072,094,112</b>	<b>26,171,551,640</b>
Property, plant and equipment	4	26,498,064,601	23,613,110,937
Intangible assets	5	146,886,417	154,131,537
Right-of-use assets	6	-	6,655,498
Capital work-in-progress	7	2,162,143,094	2,132,653,668
Investment	8	265,000,000	265,000,000
<b>Current assets</b>		<b>13,569,700,547</b>	<b>11,658,409,267</b>
Inventories	9	7,552,837,961	6,846,451,347
Trade and other receivables	10	2,309,331,701	1,399,018,728
Advances, deposits and prepayments	11	614,498,653	765,440,857
Advance income tax	12	442,174,471	490,807,356
Cash and bank equivalents	13	478,639,263	353,328,748
Other current asset	14	2,172,218,497	1,803,362,231
<b>Total assets</b>		<b>42,641,794,659</b>	<b>37,829,960,907</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>		<b>13,539,987,294</b>	<b>13,629,247,087</b>
Share capital	15	1,737,914,410	1,737,914,410
Share premium	16	1,739,583,292	1,739,583,292
Revaluation reserve	17	6,951,628,675	6,964,223,335
Retained earnings	18	3,110,860,917	3,187,526,050
<b>Liabilities</b>			
<b>Non-current Liability</b>		<b>17,781,109,878</b>	<b>14,727,392,383</b>
Long term borrowings	19	16,762,808,526	13,777,202,574
Deferred tax liability	20	1,018,301,352	950,189,808
<b>Current liabilities</b>		<b>11,320,697,487</b>	<b>9,473,321,438</b>
Long term borrowings-current portion	21	2,265,763,312	2,009,642,491
Short term borrowings	22	6,654,623,907	4,911,371,931
Trade and other payables	23	2,200,711,792	2,344,229,365
Unclaimed Dividend	24	2,050,294	3,987,681
Provision for expenses	25	29,819,354	1,669,846
Income tax provision	26	167,728,829	202,420,124
<b>Total liabilities</b>		<b>29,101,807,365</b>	<b>24,200,713,820</b>
<b>Total equity and liabilities</b>		<b>42,641,794,659</b>	<b>37,829,960,907</b>
<b>Net Asset Value Per Share</b>	<b>42</b>	<b>77.06</b>	<b>77.54</b>

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

  
Chief Financial Officer

  
Company Secretary


  
Chief Executive Officer

  
Director

  
Chairman

As per our report of same date

Place: Dhaka  
Dated: October 28, 2024

  
Md. Belayet Hossain FCA  
ICAB Enrolment No.: 1480  
K. M. Alam & Co.  
Chartered Accountants  
DVC: 2410281480AS672913



**Bashundhara Paper Mills Limited**

# Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

	Notes	01-Jul-2023 to 30-Jun-2024	01-Jul-2022 to 30-Jun-2023
		Amount in Taka	
Revenue	27	13,158,968,861	13,188,221,005
Cost of sales	28	(10,607,899,926)	(10,572,830,385)
<b>Gross profit</b>		<b>2,551,068,934</b>	<b>2,615,390,620</b>
Administrative expenses	29	(367,131,171)	(414,117,360)
Selling & distribution expenses	30	(230,120,072)	(223,081,762)
Finance costs	31	(1,679,216,052)	(1,374,334,400)
<b>Profit from operation</b>		<b>274,601,639</b>	<b>603,857,097</b>
Other income	32	91,917,006	98,984,185
<b>Profit before distribution of WPP &amp; WF</b>		<b>366,518,646</b>	<b>702,841,282</b>
Workers' profit participation & welfare fund		(18,325,932)	(35,142,064)
<b>Profit before tax</b>		<b>348,192,713</b>	<b>667,699,218</b>
<b>Income tax expenses</b>	33	<b>(156,691,737)</b>	<b>(212,688,479)</b>
Current tax (expense)/income		(88,580,193)	(79,148,635)
Deferred tax (expense)/income		(68,111,543)	(133,539,843)
<b>Profit after tax</b>		<b>191,500,977</b>	<b>455,010,739</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive income for the year</b>		<b>191,500,977</b>	<b>455,010,739</b>
<b>Earnings per share</b>			
<b>Basic earnings per share (per value of Tk. 10)</b>	34	<b>1.10</b>	<b>2.62</b>

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

  
Chief Financial Officer

  
Company Secretary

  
Chief Executive Officer

  
Director

  
Chairman

As per our report of same date

## Statement of changes in equity

For the year ended 30 June 2024

	Share Capital	Share Premium	Revaluation Reserve Amount in Taka	Retained Earnings	Total Equity
Balance as at 01 July 2023	1,737,914,410	1,739,583,292	6,964,223,335	3,187,526,050	13,629,247,087
Transfer to retained earnings	-	-	(12,594,660)	12,594,660	-
Payment of cash dividend	-	-	-	(191,170,585)	(191,170,585)
Prior year adjustments	-	-	-	(89,590,185)	(89,590,185)
Total comprehensive income for the year	-	-	-	191,500,977	191,500,977
<b>Balance as at 30 June 2024</b>	<b>1,737,914,410</b>	<b>1,739,583,292</b>	<b>6,951,628,675</b>	<b>3,110,860,917</b>	<b>13,539,987,294</b>

Balance as on 01 July 2022	1,737,914,410	1,739,583,292	6,699,420,709	2,893,522,862	13,070,441,273
Transfer to retained earnings	-	-	(12,783,890)	12,783,890	-
Adjustment for deferred tax	-	-	277,586,516	-	277,586,516
Payment of cash dividend	-	-	-	(173,791,441)	(173,791,441)
Total comprehensive income for the year	-	-	-	455,010,739	455,010,739
<b>Balance as at 30 June 2023</b>	<b>1,737,914,410</b>	<b>1,739,583,292</b>	<b>6,964,223,335</b>	<b>3,187,526,050</b>	<b>13,629,247,087</b>

  
Chief Financial Officer

  
Company Secretary

  
Chief Executive Officer

  
Director

  
Chairman

**Bashundhara Paper Mills Limited**  
**Statement of cash flows**  
For the year ended 30 June 2024

	Notes	01-Jul-2023 to 30-Jun-2024	01-Jul-2022 to 30-Jun-2023
		Amount in Taka	
<b>A) Cash flows from operating activities</b>			
Receipts from customers	37.01	13,250,712,446	13,545,774,133
Receipts from other income	37.02	78,273,596	170,596,478
		13,328,986,042	13,716,370,611
Payment to suppliers, employees & others	37.03	(11,417,002,154)	(9,606,392,372)
Cash generated from operations		1,911,983,888	4,109,978,239
VAT & SD paid	27	(988,413,148)	(813,538,029)
Income taxes paid	12	(164,228,788)	(124,259,791)
Bank charges and commission	31	(3,820,306)	(11,532,771)
<b>Net cash (used in)/ generated by operating activities</b>		<b>755,521,646</b>	<b>3,160,647,648</b>
<b>B) Cash flows from investing activities</b>			
Payments for property, plant and equipment		(51,239,516)	(706,819,691)
Payments for intangible assets		-	(6,315,474)
Receipts/ transfer of capital work-in-progress		(3,697,384,033)	(2,302,535,941)
<b>Net cash (used in)/ generated by investing activities</b>		<b>(3,748,623,549)</b>	<b>(3,015,671,106)</b>
<b>C) Cash flows from financing activities</b>			
Received/ (repayment) of short term borrowings		1,743,251,977	917,711,914
Payments of Bank interest and other charges	31	(1,675,395,746)	(1,362,801,629)
Payments of dividends to owners of the company		(191,170,585)	(173,791,441)
Received/ (repayment) of long term borrowings		3,241,726,773	414,295,728
<b>Net cash (used in)/ generated by financing activities</b>		<b>3,118,412,419</b>	<b>(204,585,429)</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>125,310,516</b>	<b>(59,608,888)</b>
<b>E) Cash and cash equivalents at the beginning</b>		<b>353,328,747</b>	<b>412,937,636</b>
<b>F) Cash and cash equivalents at the end (D+E)</b>		<b>478,639,263</b>	<b>353,328,748</b>
<b>Net Operating Cash Flows per share</b>	43	<b>4.35</b>	<b>18.19</b>

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

  
Chief Financial Officer

  
Company Secretary

  
Chief Executive Officer

  
Director

  
Chairman

**Bashundhara Paper Mills Limited**

# Notes to the financial statements

As at and for the year ended 30 June 2024

## 1 REPORTING ENTITY

### 1.1 COMPANY PROFILE

Bashundhara Paper Mills Limited (hereinafter referred to as "BPML"/"the Company") is a public limited company by shares is domiciled in Bangladesh which was incorporated on 28 September 1993 vide registration no.C-24705(539)/93 under the Companies Act 1913, subsequently replaced by Companies Act 1994. The Company has been listed to both the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on 19 June 2018.

### 1.2 ADDRESS OF REGISTERED OFFICE AND FACTORIES

The registered office of the company is situated at 125/A, Basahundhara R/A, Block-A, Baridhara, Dhaka-1212, Bangladesh. Corporate office address is Bashundhara Industrial Headquarter (BIHQ), Tower#1, Plot#844, Road#12, Block# I, Bashundhara R/A, Dhaka-1229, Bangladesh. The industrial units 1 and 2 are established at New town, Meghna Ghat, Sonargoan, Narayanganj and Unit-3 is Anarpura, Gazaria, Munshigonj.

### 1.3 NATURE OF BUSINESS

The company is engaged in manufacturing and marketing of all kinds of paper products, tissue products, Hygienic products, feeding bottle, facial mask, paper sack and other consumer brand items. The company has been relentless over more than two decades to offer its diversified products ranging from different types of Paper, Tissue, Hygiene and Toiletries portfolio, thereby it has rightly been entrusted from customer's fraternity of home and abroad.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES

### 2.1 BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRESENTATION

The financial statements have been prepared in conformity with the International Accounting Standards (IAS)/ the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020, guideline issued by FRC and other applicable laws and regulations in Bangladesh that require the use of management estimates these individual financial statements presented in the performance and position on going concern basis unless otherwise specially mentioned historical cost principle has been followed.

#### 2.1.1 Statement of compliance

As required, Bashundhara Paper Mills Limited complies with the following major legal provisions and other applicable laws and regulations:

- The Companies Act 1994
- The Financial Reporting Act, 2015
- The Securities and Exchange Rules, 1987
- The Securities & Exchange Ordinance, 1969
- The Income Tax Act, 2023
- The Income Tax Rules, 2023
- The Value Added Tax and Supplementary Duty Act, 2012
- The Customs Act, 1969
- The Bangladesh Labor (Amendment) Act 2013, 2022
- International Valuation Standards (IVS)
- International Accounting Standards (IAS)
- International Financial Reporting Standards (IFRS)
- The Listing Regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.

### 2.2 FUNCTIONAL AND PRESENTATIONAL CURRENCY

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

### 2.3 USE OF ESTIMATES AND JUDGMENT

The preparation of these financial statements is in conformity with IASs and IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going concern basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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

Note 19: Finance lease obligations (classification and measurement)

Note 20: Deferred tax liabilities (manner of recovery of temporary differences for determination of deferred tax liabilities)

Note 27: Revenue

Note 33: Income tax expenses

Topic	Policy No.	Note No.
Property, plant & equipment-Cost	3.1.1	4.00
Property, plant & equipment-Depreciation	3.1.3	4.00
Valuation of inventories	3.5	9.00
Deferred tax	3.9.2	20.00
Impairment of property, plant & equipment	3.1.9	N/A

## 2.4 STRUCTURE, CONTENT AND PRESENTATION OF FINANCIAL STATEMENTS

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements, The Financial Statements comprises:

- a statement of financial position;
- a statement of profit or loss and other comprehensive income;
- a statement of changes in equity;
- a statement of cash flows; and
- notes, comprising a summary of significant accounting policies and explanatory information.

## 2.5 CURRENT VS. NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification. An asset is current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle
- held primarily for the purpose of trading
- due to be settled within twelve months after the reporting period or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting

The Company classifies all other liabilities as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

## 2.6 COMPLIANCE WITH THE REQUIREMENTS OF NOTIFICATION OF THE SECURITIES AND EXCHANGE COMMISSION DATED 04.06.2008 under ref. # SEC/CMMRPC/2008-81/53/Adm/03/28

Notes to the financial statements marked from 3.00 to 3.29 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based. The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.29

### 2.6.1 The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

The following IASs and IFRSs are applicable for the preparation of financial statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	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 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

## 2.7 REPORTING PERIOD

The financial period of the Company covers from 01 July to 30 June. The Company follows its reporting period from 01 July to 30 June in order to comply with the provision of section 9 of the Finance Act, 2015 and interpretations and implementation of Bangladesh Securities and Exchange Commission Directive No. SEC/SRMIC/2011/1240/445 dated April 27, 2016 concerning uniform income year.

## 2.8 DATE OF AUTHORIZATION FOR ISSUE

The audited financial statements for the year ended 30 June 2024 were authorised by the Board of Directors on 28 October 2024 for publication.

## 2.9 BOOKS OF ACCOUNTS

The Company maintains its books of accounts for main business in electronic form through its own customized software. Besides, the Company using ERP software which under process of full implementation. Business Processes included in ERP include Operations (Sales & Distribution, Materials Management, Production Planning, Logistics Execution, and Quality Management), Financials (Financial Accounting, Management Accounting and Financial Supply Chain Management) and Human Capital Management (Payroll).

## 2.10 COMPARATIVE INFORMATION AND REARRANGEMENT THEREOF

Comparative information for the financial position has been disclosed in respect of the year ended June 30, 2023 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.

Figures for the year ended June 30, 2023 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

### 3.1 PROPERTY, PLANT AND EQUIPMENT

#### 3.1.1 Recognition and Measurement

Land, building, plant and machinery, furniture, fixtures and equipments held for use in the production or supply of goods and services, or for administrative purposes, are stated in the statement of financial position at their cost and revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of June 30, 2023 and these are stated at cost. Revaluations are performed with sufficient regulatory such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriated categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 3.1.2 Subsequent Costs and Maintenance Activities

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. 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 fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit or loss account as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

### 3.1.3 Depreciation

Depreciation is recognized so as to write off the cost or valuation of assets, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed for the 1st time at end of 2010 by SGS Bangladesh Limited, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on revalued buildings, plant and machinery, furniture, fixtures and equipments is recognized in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Freehold land is not depreciated.

Depreciation begins when the asset is available for use and continues until the asset is derecognized. All items of property, plant and equipment have been depreciated on straight line basis over the estimated useful lives of property, plant & equipment as under:

Category	Useful life (Year)
Land and Land Development**	Nil
Building and other constructions	10-50
Furniture & Fixtures	5-15
Office Equipment	3-15
Motor Vehicle	2-10
Plant & Machinery	2-20
Sundry Assets	5-15
Factory apparatus and Loose Tools	2-20

**\*\*Land is not depreciated as it deemed to have an infinitive life.**

### 3.1.4 Derecognition of Property, Plant and Equipment

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

### 3.1.5 Revaluation

The fixed assets as at 31 December 2010 were 1st time revalued to their fair market value as per decisions of the Board of Directors. All fixed assets under property, plant and equipment available on the cut-off date 31 December 2010 were revalued by an independent valuer S. F. Ahmed & Co., Chartered Accountants (Representative of ERNST & YOUNG GLOBAL in Bangladesh) and the revaluation surplus has been incorporated in the financial statements as on 31 December 2010.

Further as per decision of the Board of Directors (BoD) of the Company has revalued its freehold land to determination of current fair market value to be used to show the actual picture of the company in the Financial Statements in 2015 by an independent valuer Mahfel Huq & Co.; Chartered Accountants dated 16 May 2015. As per BoD meeting dated 05 July 2015, the Board of Directors has accepted the revaluation report and agreed to effect revaluation surplus amount in the accounts of BPML by following necessary accounting policies.

In the year 2021-2022 the Board of Directors made a decision to ascertain the current estimated market value of the lands to be incorporated in the financial statements. In this regard, the management has engaged Ahmed Zaker & Co., Chartered Accountants an exclusive independent member firm of Geneva Group International (GGI) on February 10, 2022 for revaluation of the Company's freehold land as on March 31, 2022 (Cut Off date). The revaluation report is accepted by the Board of Directors on June 29, 2022 and subsequently outcome of the revaluation surplus amount incorporated in the financial statements by complying necessary rules, regulations and accounting policies.

Location	Land area (Acre)	Book Value	Fair value/ Market Value	Fair Value Adjustments/ Revaluation surplus
Meghnaghat, Baranagar, Sonargaon, Narayanganj	13.4211	356,961,415	2,539,836,550	2,182,875,135
Meghnaghat, Newtown, Sonargaon, Narayanganj	12.9600	86,439,658	2,527,200,000	2,440,760,342
Anarpura, under Gazaria, Munshiganj	11.8940	173,930,960	2,200,390,000	2,026,459,040
<b>Total as on March 31, 2022</b>	<b>38.2751</b>	<b>617,332,033</b>	<b>7,267,426,550</b>	<b>6,650,094,517</b>
Previous Revaluation Surplus as on December 31, 2014				2,107,635,598
<b>Current Increase in Revaluation Surplus</b>				<b>4,542,458,919</b>

Any revaluation increase arising on the revaluation of such land, buildings, plant and machinery, furniture, fixtures and equipments is recognized in other comprehensive income and accumulated in equity as revaluation reserve, except to the extent that it reverses a revaluation decreases for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent if the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such Land, building, plant and machinery, furniture, fixtures and equipments is recognized in profit or loss to the extent that it exceeds the credit balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

### 3.1.6 Software

Software is generally charged off as revenue expenditure. Customized software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Acquired computer software's capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives.

### 3.1.7 Disposal of Fixed Assets

On Disposal of Fixed Assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

### 3.1.8 Maintenance Activities

The company incurs maintenance cost for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

### 3.1.9 Impairment

The carrying value of the Company's assets other than inventories, are reviewed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the assets or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss and other comprehensive income in the year concerned.

## 3.2 INTANGIBLE ASSETS

### 3.2.1 Recognition

The recognition of an item as an intangible asset requires to demonstrate that the item meets the definition of an intangible asset and the recognition criteria. An intangible asset is recognized as an asset if, and only if:

- it is probable that expected future economic benefits that are attributable to the asset will flow to the company; and
- the cost of the item can be measured reliably.

### 3.2.2 Measurement

An intangible asset is measure at cost less any accumulated amortization and any accumulated impairment losses. Subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset rather than meet the definition of an intangible asset and the recognition criteria. In addition, it is often difficult to attribute subsequent expenditure directly to a particular intangible asset rather than to the business as a whole. Therefore, expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally generated intangible asset is usually recognised in profit or loss as incurred. This is because such expenditure cannot be distinguished from expenditure to develop the business as a whole.

### 3.2.3 Separately Acquired Intangibles Assets

The cost of a separately acquired intangible asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- and any directly attributable cost of preparing the asset for its intended use.

### 3.2.4 Internally Generated Intangible Assets

The cost of an internally generated intangible asset is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

### 3.2.5 Research Phase

No intangible asset arising from research (or from the research phase of an internal project) is recognised. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

### 3.2.6 Recognition of an Expense

Income cases, expenditure are incurred to provide future economic benefits to an entity, but no intangible asset or other asset is acquired or created that can be recognised. For example, expenditure on research is recognised as an expense when it is incurred, except when it is acquired as part of a business combination. Other examples of expenditure that is recognised as an expense when it is incurred include:

- expenditure on start-up activities i.e. start-up costs/ pre-operating cost.
- expenditure on training activities.
- expenditure on advertising and promotional activities.
- expenditure on relocating or reorganising part or all of an entity.

### 3.2.7 Past Expenses

Expenditure on an intangible item that was initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

### 3.2.8 Revaluation of Intangibles

The revaluation model requires an intangible asset shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated amortisation and any subsequent accumulated impairment losses. However, fair value shall be measured by reference to an active market. The revaluation model does not allow the revaluation of intangible assets that have not previously been recognised as assets; or the initial recognition of intangible assets at amounts other than cost.

### 3.2.9 Amortization

The amortization amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortisation begin when the asset is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation cease at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised. An intangible asset with an indefinite useful life is not amortised.

Sl no	Category	Useful lives
1	ERP Software	25
2	Others Software	5-10

### 3.2.10 Derecognition of Intangible Assets

The carrying amount of an item of intangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of intangible assets is included as other income in profit or loss when the item is derecognised. When the revalued assets are disposed off, the respective revaluation surplus is transferred to retained earnings.

### 3.3 RIGHT-OF-USE ASSET

The Company recognizes right-of-use assets at the date of initial application of IFRS 16. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liabilities. When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Company's accounting policies.

### 3.4 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

#### 3.4.1 Recognition and initial measurement

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### 3.4.2 Financial assets

Financial assets include investment in shares, cash and cash equivalents, trade and other receivables and short term investment.

##### a) Investment in shares

The Company has elected to designate equity investments as measured at Fair Value through Other Comprehensive Income (FVTOCI). They are initially recorded at fair value plus transaction costs and then remeasured at subsequent reporting dates to fair value. Unrealized gains and losses are recognized in other comprehensive income. On disposal of the equity investment, gains and losses that have been deferred in other comprehensive income are transferred directly to retained earnings.

Dividends on equity investments and distributions from funds are recognized in the income statement when the Company's right to receive payment is established.

##### b) Investment in fixed deposit receipt

Fixed deposit, comprising funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently measured at amortized cost using the effective interest method at each reporting date. Changes in carrying value are recognized in profit.

##### c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and financial institutions, and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortized cost under the hold to collect classification, where they meet the hold to collect "solely payments of principals and interests" test criteria under IFRS 9. Those not meeting these criteria are held at fair value through profit and loss.



**d) Trade and other receivables**

Trade receivables are measured in accordance with the business model under which each portfolio of trade receivable is held. The Company has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortized cost. Trade receivables measured at amortized cost are carried at the original invoice amount less allowance for expected credit losses.

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement. Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

**e) Short-term investment**

Short-term investment consists of fixed deposits with original maturity of more than three months. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

**3.4.3 Financial liability**

All financial liabilities are recognised initially 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 its contractual obligations are discharged or cancelled or expired.

Financial liabilities include loans and borrowings, finance lease obligation, accounts payables and other payables

**a) Finance lease obligation**

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Incremental borrowing rate has been used to calculate the present value of minimum lease payments.

**b) Loans and borrowings**

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

**c) Trade and other payables**

The Company recognises a trade and intercompany payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

**3.5 INVENTORIES**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle, 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-process, cost includes an appropriate share of production overheads based on normal operation capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventory losses and abnormal losses are recognized as expenses. Basis for valuation of inventories are as under:

Category	Basis of valuation
<b>Finished goods and Work-in-process</b>	At the lower of cost and net realizable value. The cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.
<b>Raw and packing materials</b>	At the lower of cost and net realizable value.
<b>Stores and spares</b>	At the lower of weighted average cost and net realizable value.
<b>Materials and stores in-transit</b>	At cost including related charges.

### 3.6 CAPITAL WORK-IN-PROGRESS

Capital work-in-progress is recorded at cost to the extent of expenditure incurred up to the date of statements of Financial Position. Upon completion of construction, the cost of such assets together with the cost directly attributable to construction, including capitalised borrowing costs are transferred to the respective class of asset. No depreciation is charged on capital work in progress.

### 3.7 PROVISION

Provisions are recognized in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 3.8 CONTINGENT LIABILITIES AND CONTINGENT ASSETS AND COMMITMENTS

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year-end date. Contingent assets are not recognized or disclosed in these financial statements. Details are given in note: 35 and 36.

### 3.9 INCOME TAX EXPENSES

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss and other comprehensive income account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### 3.9.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the company is 22.50% (2022-2023: 22.50%). Provision for taxation has been made on the basis of the Finance Act, 2024.

#### 3.9.2 Deferred Tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the income statement. A temporary difference is the difference between the tax bases of an asset or liability and its carrying amount/reported amount in the balance sheet. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period's recognized in the current period. The deferred tax asset /income or liability/expense does not create a legal liability/recoverability to and from the income tax authority. The Company recognized deferred tax on temporary difference arose from depreciation on property, plant & equipment, difference for vehicle, intangible assets and pre-operating expenses.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.10 EMPLOYEE BENEFIT

### 3.10.1 Defined contribution plan (Provident Fund)

Defined contribution plan is a post-employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognized Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognized by the National Board of Revenue (NBR) vide Letter No. ভবিঃতঃঅনুঃ(বসুদ্বরা)/বৃকইউ/২০১৫-২০১৬/২৩১২(৩) dated 29 February 2016.

The Company recognizes contribution to defined contribution plan as an expense when an employee has rendered required services. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund. Obligations are created when they are due.

### 3.10.2 Defined benefit plan (Gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to current and former employees. This fund is recognized by the National Board of Revenue (NBR) vide স্মারক নং-০৮.০১.০০০০.০৩৫.০২.০০২২.২০১৭/৭৫ তারিখঃ ০৭/০৯/২০১৭ খ্রিঃ.

The Company operates an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary.

The expected cost of this benefit is included in respective annual statement of profit or loss and other comprehensive income over the period of employment.

### 3.10.3 Group insurance scheme

The Company operates a group insurance scheme for its permanent employees. Insurance premium is being charged to statement of profit or loss and other comprehensive income.

### 3.10.4 Short-term employee Benefits

Short-term employee benefits include salaries, bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

### 3.11 WORKERS' PROFIT PARTICIPATION AND WELFARE FUND

This is made in terms of section 234(1)(b) of Bangladesh Labour Law (Amendment) Act 2013, 5% of the net profit of each year, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10:10. 10% of the amount of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006.

### 3.12 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transactions date.

The monetary assets and liabilities, if any, denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure/ income in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

### 3.13 REVENUE RECOGNITION

Under IFRS 15, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it satisfies a performance obligation by transferring control over goods or services to a customer. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer.

#### 3.13.1 Sales of goods

Under IFRS 15, revenue will be recognised when a customer obtains control of the goods.

Revenue will be recognised for the contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses or a reasonable estimate can be made.

Based on the Company's assessment, the timing of revenue recognition from sale of goods are broadly similar. Therefore, the Company does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these sales.

Under IFRS 15, claims and variations will be included in the contract accounting when they are approved.

The Company does not expect the application of IFRS 9 and IFRS 15 to have a significant impact on its financial statements.

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

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

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

Interest income on bank deposits and short-term investments is recognized on accrual basis.

Other income is recognized on receipt or due basis.

### 3.14 BORROWING COSTS

Interest and other incurred by the company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Finance expenses comprise interest expense on bank loan, finance lease and other borrowings. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income using effective interest method. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS 23: Borrowing Costs.

#### 3.14.1 Recognition

The company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. BPML recognises other borrowing costs as an expense in the year in which it incurs them.

#### 3.14.2 Borrowing Costs Eligible for Capitalization

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.

To the extent that the company borrows funds specifically for the purpose of obtaining a qualifying asset, BPML determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any investment income on the temporary investment of those borrowings.

#### 3.14.3 Commencement of Capitalization

BPML begins capitalising borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalisation is the date when the company first meets all of the following conditions:

- it incurs expenditures for the asset;
- it incurs borrowing costs; and
- it undertakes activities that are necessary to prepare the asset for its intended use or sale. Cessation of capitalization BPML ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

### 3.15 SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognized as share capital in equity when there is no contractual obligation to transfer cash or other financial assets.

### 3.16 DIVIDEND TO THE EQUITY HOLDERS

The Company recognises a liability to make cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the company laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### 3.17 STATEMENT OF CASH FLOWS

Statement of Cash Flows has been prepared in accordance with International Accounting Standards IAS-7: Statement of Cash Flows". Cash flow from operating activities has been presented under direct method.

### 3.18 STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity has been prepared in accordance with International Accounting Standards IAS-1: Presentation of Financial Statements.

### 3.19 EARNINGS PER SHARE

The Company presents its basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

*Basic Earnings per Share (Numerator/Denominator)*

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders.

*No. of Ordinary shares (Denominator)*

This represents weighted average number of ordinary share outstanding during the year.

*Diluted Earnings per Share*

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

### 3.20 RELATED PARTY TRANSACTIONS

As per International Accounting Standards IAS-24: Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties which have been given in note no. 39.00.

### 3.21 SEGMENT REPORTING

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment is based on business segments.

### 3.22 OFFSETTING

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amounts and the company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

### 3.23 MATERIALITY AND AGGREGATION

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

### 3.24 GOING CONCERN

The Board of Directors are convinced after making appropriate enquiries at the time of approving the financial statements the company has adequate resources to carry out its operational existence for the foreseeable future. It is therefore appropriate to adopt going concern basis in preparing the financial statements.

The management do not see any issue with respect to going concern (See Note: 52). Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives.

### 3.25 ACCRUAL BASIS OF ACCOUNTING

BPML prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as -assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

### 3.26 CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

The effect of change in an accounting estimate shall be recognised prospectively by including it in profit or loss in:

- the period of the change, if the change affects that period only; or
- the period of the change and future periods, if the change affects both.

To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognised by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.



Changes in accounting policies and material prior period errors shall be retrospectively corrected in the first financial statements authorized for issue after their discover by:

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

### **3.27 RESPONSIBILITY FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT**

The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per provision of "The Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standard Committee (IASC).

### **3.28 EVENTS AFTER REPORTING PERIOD**

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

### **3.29 COMPARATIVES, RECLASSIFICATION AND RESTATEMENT**

**3.29.1** These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith;

**3.29.2** Figures appearing in these accounts have been rounded off to the nearest taka. User may see immaterial difference in the financial statements when used individual line item calculations.

**3.29.3** Previous year's figures and account titles in the financial statements have been rearranged and reclassified, wherever necessary for the purpose of comparison, without, however, creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current year.

#### 04.00 PROPERTY, PLANT AND EQUIPMENT

##### 1. Based on Cost:

##### A. Cost:

Opening Balance

Less: Transfer/ Disposal/ Reclassification during the year

Add: Addition/ Transfer from CWIP during the year

**Closing Balance**

##### B. Accumulated depreciation:

Opening Balance

Less: Transfer/ Disposal/ Reclassification during the year

Add: Charged during the year

**Closing Balance**

**C. Written down value on cost (A-B)**

##### 2. Based on Revaluation:

##### A. Cost:

Opening Balance

Less: Transfer/ Disposal during the year

Add: Addition during the year

**Closing Balance**

##### B. Accumulated depreciation:

Opening Balance

Less: Transfer/ Disposal during the year

Add: Charged during the year

**Closing Balance**

**C. Written down value on revaluation (A-B)**

**3. Written down value on cost and revaluation (1+2)**

*Details of property, plant & equipment are shown in 'Annexure-A'*

Amount in Taka	
As At 30-Jun-2024	As At 30-Jun-2023
24,655,117,825	23,168,458,181
-	(128,000)
3,719,997,829	1,486,787,644
<b>28,375,115,654</b>	<b>24,655,117,825</b>
8,080,279,684	7,197,119,831
-	(81,067)
819,300,840	883,240,920
<b>8,899,580,524</b>	<b>8,080,279,684</b>
<b>19,475,535,130</b>	<b>16,574,838,141</b>
7,390,796,896	7,390,796,896
-	-
-	-
<b>7,390,796,896</b>	<b>7,390,796,896</b>
352,524,100	336,544,238
-	-
15,743,325	15,979,862
<b>368,267,426</b>	<b>352,524,100</b>
<b>7,022,529,471</b>	<b>7,038,272,796</b>
<b>26,498,064,601</b>	<b>23,613,110,937</b>

- 4.01** During the year management of the Company carried out a review of the recoverable amount of the manufacturing plant and other related assets. The review does not led to an impairment loss. The recoverable amount of the relevant assets has been determined on the basis of their value in use.
- 4.02** Depreciation begins when the asset is available for use and continues until the asset is derecognized.
- 4.03** The Company has carried out valuation of land of the Company. Details of which disclosed in policy note no. 31.5

		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
<b>05.00</b>	<b>INTANGIBLE ASSETS</b>		
	<b><u>A. Cost:</u></b>		
	Opening Balance	208,587,352	202,271,878
	Less: Transfer/ Disposal during the year	-	6,315,474
	Add: Addition during the year	-	-
	<b>Closing Balance</b>	<b>208,587,352</b>	<b>208,587,352</b>
	<b><u>B. Accumulated amortization:</u></b>		
	Opening Balance	54,455,815	46,016,413
	Less: Transfer/ Disposal during the year	-	-
	Add: Charged during the year	7,245,120	8,439,402
	<b>Closing Balance</b>	<b>61,700,935</b>	<b>54,455,815</b>
	<b><u>C. Written down value (A-B)</u></b>	<b>146,886,417</b>	<b>154,131,537</b>
<b>06.00</b>	<b>RIGHT-OF-USE ASSETS</b>		
	<b><u>A. Cost:</u></b>		
	Opening Balance	111,791,600	111,791,600
	Add: Addition during the year	-	-
	<b>Closing Balance</b>	<b>111,791,600</b>	<b>111,791,600</b>
	<b><u>B. Accumulated amortization:</u></b>		
	Opening Balance	105,136,103	96,498,010
	Add: Charged during the year	6,655,497	8,638,093
	<b>Closing Balance</b>	<b>111,791,600</b>	<b>105,136,103</b>
	<b><u>C. Written down value (A-B)</u></b>	<b>-</b>	<b>6,655,498</b>
	<i>Details of right of use of assets are shown in 'Annexure- C'</i>		
<b>07.00</b>	<b>CAPITAL WORK-IN-PROGRESS</b>		
	<b><u>A. Plant and machinery:</u></b>		
	Opening balance	2,055,860,446	415,693,718
	Add: Addition made during the year	3,253,424,626	2,181,807,754
	<b>Less:</b> Adjustment/transfer to appropriate asset category	(3,266,450,319)	(541,641,026)
	<b>Closing balance</b>	<b>2,042,834,753</b>	<b>2,055,860,446</b>
	<b><u>B. Factory building and other constructions:</u></b>		
	Opening balance	76,793,223	216,465,056
	Add: Addition made during the year	443,959,407	120,728,188
	Less: Adjustment/transfer to appropriate asset category	(401,444,289)	(260,400,021)
	<b>Closing balance</b>	<b>119,308,341</b>	<b>76,793,223</b>
	<b><u>C. Total (A+B)</u></b>	<b>2,162,143,094</b>	<b>2,132,653,668</b>
<b>07.01</b>	All the amount of capital work-in-progress for acquisition of plant & machinery which are not ready for use and construction work is underway for factory building. The amount of capital work-in-progress is transferred to appropriate asset category and depreciated when the asset is completed for use.		

		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
<b>08.00 INVESTMENT</b>			
Investment in shares (unquoted)		265,000,000	265,000,000
<b>Total</b>		<b>265,000,000</b>	<b>265,000,000</b>

**08.01** This represents investments of 26,500,000 Ordinary Share @ Tk. 10/- each in Bashundhara Industrial Complex Limited, being sister concern of the company, is the owner of 6.63% shares of the company.

<b>09.00 INVENTORIES</b>			
Raw material		3,359,565,720	3,466,210,893
Finished goods		1,098,554,458	1,203,395,704
Work-in-process		1,570,324,891	1,432,960,812
Material in transit		1,524,392,893	743,883,939
<b>Total</b>		<b>7,552,837,961</b>	<b>6,846,451,347</b>

**9.01** All stocks are good and it does not include any wastage and defective materials.

**9.02** Management has been carried out a stock taking as on the close of the year and found all right in terms of quality and weight.

**9.03** The cost of inventories recognized as an expense during the year in Statement of profit or loss and other comprehensive income .

**9.04** Inventories are valued at lower of cost or net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale .

<b>10.00 TRADE &amp; OTHER RECEIVABLES</b>			
Trade receivables	NOTE:10.01	1,059,704,063	822,818,688
Other receivables	NOTE:10.02	1,249,627,638	576,200,040
<b>Total</b>		<b>2,309,331,701</b>	<b>1,399,018,728</b>

<b>10.01 Trade receivables:</b>		<b>1,059,704,063</b>	<b>822,818,688</b>
Paper product		715,811,576	506,215,938
Paper sack product		9,923,541	13,585,423
Tissue products		262,737,894	161,576,180
Hygiene product		11,090,473	47,674,033
Toiletries product		-	1,068,368
Export		60,140,580	92,698,746

<b>10.02 Other receivables:</b>		<b>1,249,627,638</b>	<b>576,200,040</b>
Other receivables		1,095,674,817	408,603,809
Cash incentive receivables		153,952,821	167,596,231

**10.03 Age of trade receivables that are past due but not impaired based on products basis are shown under:**

30-Jun-24	0-90 days past due	90-180 days past due	Dues over 6 months	Total
Paper products	413,243,154	114,136,256	188,432,165	715,811,576
Paper sack products	614,438	230,669	9,078,434	9,923,541
Tissue products	204,651,361	8,994,155	49,092,378	262,737,894
Hygiene products	4,409,342	1,051,282	5,629,850	11,090,473
Export	45,271,371	1,745,382	13,123,826	60,140,580
<b>Total</b>	<b>668,189,666</b>	<b>126,157,744</b>	<b>265,356,653</b>	<b>1,059,704,063</b>

30-Jun-23	0-90 days past due	90-180 days past due	Dues over 6 months	Total
Toiletries product	773,092	295,276	-	1,068,368
Paper products	351,589,437	22,899,315	131,727,187	506,215,938
Paper sack products	4,572,289	3,956,731	5,056,403	13,585,423
Tissue products	111,774,496	11,366,928	38,434,756	161,576,180
Hygiene products	38,720,655	420,735	8,532,643	47,674,033
Export	49,328,198	35,734,445	7,636,103	92,698,746
<b>Total</b>	<b>556,758,167</b>	<b>74,673,429</b>	<b>191,387,092</b>	<b>822,818,688</b>

		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
<b>10.04 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994</b>			
Maturity within 3 months		668,189,666	556,758,167
Maturity over 3 months but within 6 months		126,157,744	74,673,429
Maturity more than 6 months		265,356,653	191,387,092
<b>Total</b>		<b>1,059,704,063</b>	<b>822,818,688</b>
Debts considered Good & Secured		764,230,470	689,357,847
Debts considered Good without security		-	-
Debts considered doubtful & bad		-	-
Debts due by directors or other officers & staffs		-	-
Debts due from companies under same management		295,473,593	133,460,841
Maximum debt due by directors or officers & staffs at any time		-	-
<b>Total</b>		<b>1,059,704,063</b>	<b>822,818,688</b>

**10.05** All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

**10.06** There is no such trade receivable due by or to directors or other officers of the Company.

**10.07** Management considered the receivables are collectable and thus no provision had been made for any receivable.

**11.00 ADVANCES, DEPOSITS AND PREPAYMENTS**

**Advances:**

Advance against advertisement		1,832,583	2,279,896
Advance against Legal and consultancy		1,080,000	1,080,000
Advance against insurance premium		2,189,729	2,014,432
Advance against land and land development	Note: 11.08	78,101,339	75,101,339
Advance against motor vehicle		898,709	1,070,057
Advance to employee		2,467,440	2,057,262
Advance to other expense		44,437,652	38,839,039
Advance to suppliers	Note: 11.09	137,825,440	116,983,111
SD current account		1,814	60,072
VAT current account		3,885,184	13,019,762
<b>Total advance</b>		<b>272,719,890</b>	<b>252,504,970</b>

**Deposit:**

Bank guarantee margin	Note: 11.10	16,776,099	16,075,457
Deposit to Bangladesh Bank	Note: 11.11	150,000,000	150,000,000
L/C margin deposit	Note: 11.12	90,773,591	264,783,285
Security deposit	Note: 11.13	84,229,073	82,077,145
<b>Total deposits</b>		<b>341,778,762</b>	<b>512,935,887</b>
<b>Total</b>		<b>614,498,653</b>	<b>765,440,857</b>



		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
11.01	These include dues realizable/adjustable within one year from the balance sheet date	194,618,552	177,403,631
11.02	These include aggregate amount due by, executives, managers, officers and staffs	2,467,440	2,057,262
11.03	The maximum aggregated amount due by executives, managers, officers and staffs of the company at the end of any month during the year	-	400,000
11.04	Advance recoverable in cash	2,467,440	2,057,262
11.05	Advance outstanding for a year exceeding six months	78,101,339	75,101,339
11.06	<b>Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994</b>		
	Advance, deposits & prepayments considered good & secured	612,031,213	762,983,595
	Advance, deposit & prepayments considered Good without security	-	-
	Advance, deposit & prepayments considered doubtful & bad	-	-
	Advance, deposit & prepayments due by directors or other officers & staffs	2,467,440	2,057,262
	Advance, deposit & prepayments due from companies under same management	-	-
	Maximum advance due by directors or officers & staffs at any time	-	400,000
	<b>Total</b>	<b>614,498,653</b>	<b>765,440,857</b>

11.07 All advances and deposits amount are considered good and recoverable. There is no agreement amount due from directors or officers of the Company.

11.08 This represent advance paid for earth and sand filling and land purchase.

11.09 Advance to suppliers due to advances given to suppliers for local raw materials, packing materials, spare parts, construction materials etc.

11.10 This represents the guarantee margins with different banks against guarantee provided by them favoring suppliers and other parties.

11.11 Deposit to Bangladesh Bank represents amount of Tk. 150,000,000 (Fifteen Crore) paid in favour of the Government of the Peoples Republic of Bangladesh during the Care Taker Government. A writ petition (no # 8603 of 2009) was filed in this regard claiming the deposited money back in the High Court Division of the Hon'ble Supreme court of Bangladesh. The Hon'ble Court was satisfied and issued a Rule Nisi on 31.12.2009 calling upon the respondents including Bangladesh Bank to show cause as to why the claim of the respondent should not be declared to have been passed without lawful authority and why the respondents should not be directed to refund Tk. 15 crore in the bank account of BPML. The rule was made returnable within four weeks but the respondents did not return back within the stipulated time.

However, the respondents made a civil petition for leave to appeal (Ref: appeal no# 1174/ 2014) for stay operation of the judgment and order dated 29.08.2012 passed by High Court Division in Write Petition No.8603 of 2009 till hearing of the leave petition by the Governor of Bangladesh Bank to Appellate Division of the Hon'ble Supreme Court. The Appellate Division of the Hon'ble Supreme Court granted the prayer of Bangladesh Bank and stays the order accordingly.

In the year 2017 the Supreme Court upheld the High Court verdict that asked the Government to return the said money collected during the army-led caretaker government. A four-member Supreme Court bench headed by chief Justice passed the order, after dismissing appeals of Bangladesh Bank challenging the HC verdict on March 16, 2017.

**11.12 L/C margin deposit:**

Shahjalal Islami Bank Ltd.

Janata Bank Ltd.

First Security Islami Bank Ltd.

South East Bank Ltd.

National Bank Ltd.

7,267,478	12,037,367
-	95,008,703
5,695,552	43,408,617
77,376,607	63,007,498
433,954	51,321,100
<b>90,773,591</b>	<b>264,783,285</b>

### 11.13 Security Deposit:

Name of Company/ Party	Purpose	30-Jun-24	30-Jun-23
Titas Gas Co. Ltd.	Supply of GAS	70,134,868	70,134,867
DESA	Supply of Electricity	3,600,000	3,600,000
BTCL	Telephone line	125,000	125,000
Rent-A-Car	Transport support	152,000	152,000
Narayanganj Polli Bidyut Samity	Supply of Electricity	464,000	464,000
Comilla polly Biddut Samity-1	Supply of Electricity	2,534,400	2,534,400
CSD Filling Station	Gas filling for vehicle	75,000	75,000
Bangladesh Oxygen Ltd.	Supply of Oxygen	40,000	40,000
Pacific Bangladesh Telecom Limited	Telecom Service	2,500	2,500
Ansar & VDP Munshigonj	Security Service	490,134	490,134
Aktel	Mobile Service	82,062	82,062
Different Institution	Tender purpose	6,529,109	4,377,182
<b>Total</b>		<b>84,229,073</b>	<b>82,077,145</b>

### 12.00 ADVANCE INCOME TAX

<b>Opening balance</b>	<b>490,807,356</b>	<b>366,547,565</b>
<b>Add: Addition during the year, on:</b>	<b>164,228,788</b>	<b>124,259,791</b>
Import of raw materials and machineries	53,809,320	51,989,614
Interest income	830,416	257,131
Sales	92,116,513	62,027,315
License, renewal and registration	7,905,500	8,018,000
Others	9,567,040	1,967,732
Less: Adjusted during the year	(212,861,673)	-
<b>Closing balance</b>	<b>442,174,471</b>	<b>490,807,356</b>

**12.01** Advance income tax paid during the year represents income tax deducted by customs authority on purchase of raw materials, tax deducted by customers on bill for goods and service supply, tax deducted at source from export sales, tax deducted at source from interest income etc.

**12.02** Advance income tax paid will be setoff with provision for corporate tax to comply with IAS 1 and IAS 12 as and when the assessment is completed.

As At 30-Jun-2024	As At 30-Jun-2023
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### 13.00 CASH AND BANK EQUIVALENTS

For the purposes of the statement of cash flows, cash and bank equivalents include cash on hand and in banks. Cash and bank equivalents at the end of the reporting year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

<b>Cash in hand</b>	<b>8,937,929</b>	<b>13,732,500</b>
<b>Pocket-E-Wallet</b>	<b>14</b>	<b>-</b>
<b>Bkash account</b>	<b>106,572</b>	<b>120,060</b>
<b>Cash at bank</b>	<b>469,594,748</b>	<b>339,476,188</b>
Current deposit	390,765,771	292,933,390
Short term bank deposits (STD)	78,828,978	46,542,798
<b>Cash and bank balances in the statement of cash flows</b>	<b>478,639,263</b>	<b>353,328,748</b>

### 14.00 OTHER CURRENT ASSETS

Store & Spare Parts	2,172,218,497	1,803,362,231
<b>Total</b>	<b>2,172,218,497</b>	<b>1,803,362,231</b>

## 15.00 SHARE CAPITAL

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

### Authorized share capital:

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

### Issued, subscribed & paid up:

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

**Total**

<b>5,000,000,000</b>	<b>5,000,000,000</b>
1,737,914,410	1,737,914,410
<b>1,737,914,410</b>	<b>1,737,914,410</b>
1,737,914,410	1,737,914,410
-	-
<b>1,737,914,410</b>	<b>1,737,914,410</b>

## 15.01 Movement of share capital:

**Opening balance**

Issuance of ordinary shares during the year

**Closing balance**

1,737,914,410	1,737,914,410
-	-
<b>1,737,914,410</b>	<b>1,737,914,410</b>

## 15.02 Position of Shareholding

### 15.02.1 Percentage of Shareholders

Name of shareholders	30-Jun-24		30-Jun-23	
	Nos. of Shares	Percentages of holdings	Nos. of Shares	Percentages of holdings
Mr. Ahmed Akbar Sobhan	4,000,000	2.30%	4,000,000	2.30%
Mrs. Afroza Begum	5,885,200	3.39%	5,885,200	3.39%
Mr. Sadat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Shafiat Sobhan	200,000	0.12%	200,000	0.12%
Mr. Sayem Sobhan	3,203,000	1.84%	3,203,000	1.84%
Mr. Safwan Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Md. Imrul Hassan	4,002,000	2.30%	4,002,000	2.30%
East West Property Development (Pvt.) Ltd. Represented by-Mr. Md. Nazmul Alam Bhuiyan	101,050,575	58.14%	101,050,575	58.14%
General public and institutions	39,044,666	22.47%	39,044,666	22.47%
<b>Total</b>	<b>173,791,441</b>	<b>100%</b>	<b>173,791,441</b>	<b>100%</b>

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

Holding range	Nos. of Shareholders		Nos. of Shares	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
1-500 shares	9,400	10,450	1,579,606	1,784,272
501 to 5,000 shares	4,819	5,314	8,522,203	9,085,153
5,001 to 10,000 shares	582	653	4,372,962	4,921,308
10,001 to 20,000 shares	320	321	4,555,340	4,620,407
20,001 to 30,000 shares	110	107	2,774,875	2,652,793
30,001 to 40,000 shares	53	54	1,877,873	1,884,248
40,001 to 50,000 shares	31	31	1,437,480	1,433,490
50,001 to 100,000 shares	63	47	4,396,066	3,442,983
100,001 to 1,000,000 shares	32	35	7,379,138	7,150,889
1,000,001 to 1,000,000,000 shares	7	7	136,895,898	136,815,898
<b>Total</b>	<b>15,417</b>	<b>17,019</b>	<b>173,791,441</b>	<b>173,791,441</b>

		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
<b>16.00 SHARE PREMIUM</b>			
Opening Balance		1,739,583,292	1,739,583,292
Add: Addition during the year		-	-
Less: Adjustment during the year		-	-
<b>Closing Balance</b>		<b>1,739,583,292</b>	<b>1,739,583,292</b>
<b>17.00 REVALUATION RESERVE</b>			
Opening Balance		6,964,223,335	6,699,420,709
<b>Add: Addition during the year</b>		-	-
Increase arising on revaluation of freehold land		-	-
Related tax		-	-
Add: Adjustment for deferred tax liability		-	277,586,516
<b>Less: Transferred to retained earnings</b>		<b>(12,594,660)</b>	<b>(12,783,890)</b>
Depreciation on revaluation reserve		(15,743,325)	(15,979,862)
Deferred tax on revaluation reserve		3,148,665	3,195,972
<b>Closing Balance</b>		<b>6,951,628,675</b>	<b>6,964,223,335</b>
<b>18.00 RETAINED EARNINGS</b>			
Opening balance		3,187,526,050	2,893,522,862
Add: Profit attributable to the owners of the Company		191,500,977	455,010,739
Transferred from properties revaluation reserve		12,594,660	12,783,890
Less: Payment of dividend		(191,170,585)	(173,791,441)
Prior year adjustments		(89,590,185)	-
<b>Closing balance</b>		<b>3,110,860,917</b>	<b>3,187,526,050</b>
<b>19.00 LONG TERM BORROWINGS</b>			
Long term borrowings		17,567,273,262	15,047,175,229
Other Finance		1,461,298,576	739,669,836
<b>Total Long Term borrowings</b>		<b>19,028,571,838</b>	<b>15,786,845,065</b>
Less: Current portion of long term borrowings		(2,265,763,312)	(2,009,642,491)
<b>Due after one year</b>		<b>16,762,808,526</b>	<b>13,777,202,574</b>

**19.01 The details of bank loan arrangement is enumerated below:**

Type of loan	Limit in Crore	Purpose	Security
<b>Project loan</b>	55.15	To establish and support the project.	1996.25 decimal of project land at Sonargaon, Narayanganj and plant & machineries
<b>Term loan</b>	1,724.39	1. Importation of raw materials and spare parts. 2. To retire import documents. 3. To meet working capital requirements.	1. 1477.99 decimal plant land at Sonargaon, Narayanganj . 2. 2904.19 decimal land at Bashundhara Baridhara Project. 3. 1,195.69 decimal of land at Bashundhara Riverview project. 4. 1,48,556.27sft. Floor space at Bashundhara City Development Ltd. 5. Project plant & machineries."

## 20.00 DEFERRED TAX (ASSETS) / LIABILITIES

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

	Amount in Taka	
	As At 30-Jun-2024	As At 30-Jun-2023
<b>Opening balance</b>	<b>950,189,808</b>	<b>1,094,236,481</b>
<b>Provided during the year:</b>	<b>68,111,543</b>	<b>133,539,843</b>
Deferred tax income	(639,538)	-
Deferred tax expense	68,751,082	133,539,843
Deferred tax income resulting from reduction in income tax rate	-	-
Adjustment made during the year	-	(277,586,516)
<b>Closing balance</b>	<b>1,018,301,352</b>	<b>950,189,808</b>

## 20.01 Temporary timing difference:

As at June 30, 2024	Accounting base Carrying Amount	Tax base Carrying Amount	Temporary Difference
Property, Plant and equipment	19,034,080,204	(11,407,485,325)	7,626,594,879
Right-of-use assets	-	(13,831,223)	(13,831,223)
Intangible assets	146,886,417	(94,693,844)	52,192,573
Pre-operating expenses	-	(46,297,639)	(46,297,639)
Unused tax loss carry forward	-	(1,675,599,917)	(1,675,599,917)
Difference for vehicle	-	(7,371,365)	(7,371,365)
<b>Net taxable temporary difference</b>	<b>19,180,966,621</b>	<b>(13,245,279,312)</b>	<b>5,935,687,309</b>
Applicable tax rate			20%
<b>Deferred tax liability-30 June 2024</b>			<b>1,187,137,462</b>
Deferred tax liability-30 June 2023			(1,119,025,919)
Adjustment to opening deferred tax liability resulting from reduction in tax rate			-
<b>Deferred tax expense/ (income) for the year</b>			<b>68,111,543</b>

As at June 30, 2023	Accounting base Carrying Amount	Tax base Carrying Amount	Temporary Difference
Property, Plant and equipment	16,149,126,540	(8,955,242,994)	7,193,883,545
Right-of-use assets	6,655,498	(17,289,028)	(10,633,531)
Intangible assets	154,131,537	(105,580,930)	48,550,607
Pre-operating expenses	-	(48,734,357)	(48,734,357)
Unused tax loss carry forward	-	(1,579,746,267)	(1,579,746,267)
Difference for vehicle	-	(8,190,405)	(8,190,405)
<b>Net taxable temporary difference</b>	<b>16,309,913,574</b>	<b>(10,714,783,982)</b>	<b>5,595,129,593</b>
Applicable tax rate			20%
<b>Deferred tax liability-30 June 2023</b>			<b>1,119,025,919</b>
Less: Deferred tax liability-30 June 2022			<b>(985,486,075)</b>
Adjustment to opening deferred tax liability resulting from reduction in tax rate			-
<b>Deferred tax expense/ (income) for the year</b>			<b>133,539,843</b>



**20.02 Deferred tax (assets)/ liabilities in relation to:**

Year	Particulars	Opening balance	Recognized in profit & loss	Recognized in Other Comprehensive Income	Closing balance
<b>30-Jun-24</b>	Property, plant & equipment	1,069,721,134	86,542,267	-	1,156,263,401
	Difference for vehicle*	(1,638,081)	163,808	-	(1,474,273)
	Intangible assets	9,710,122	728,393	-	10,438,515
	Pre-operating expenses	(9,746,871)	487,344	-	(9,259,527)
	Unused tax loss	(315,949,253)	(19,170,730)	-	(335,119,983)
	Right-of-use assets	(2,126,706)	(639,538)	-	(2,766,244)
	Revaluation	200,219,463	-	-	200,219,463
	<b>Total</b>	<b>950,189,808</b>	<b>68,111,543</b>	<b>-</b>	<b>1,018,301,351</b>
Year	Particulars	Opening balance	Recognized in profit & loss	Recognized in Other Comprehensive Income	Closing balance
<b>30-Jun-23</b>	Property, plant & equipment	1,049,222,329	20,498,806	-	1,069,721,134
	Difference for vehicle*	(546,810)	(1,091,271)	-	(1,638,081)
	Intangible assets	8,960,373	749,749	-	9,710,122
	Pre-operating expenses	(10,259,864)	512,993	-	(9,746,871)
	Unused tax loss	(429,681,986)	113,732,733	-	(315,949,253)
	Right-of-use assets	(1,263,539)	(863,167)	-	(2,126,706)
	Revaluation	200,219,463	-	-	200,219,463
	<b>Total</b>	<b>816,649,966</b>	<b>133,539,843</b>	<b>-</b>	<b>950,189,808</b>

**20.03 Difference for vehicle**

This represents the difference related to sedan cars, not plying for hire, owned by Bashundhara Paper Mills Limited. As per the provisions of the Income Tax Act 2023, depreciation on such cars is allowed only up to certain limit of cost (currently Tk. 3,000,000 per car) of such cars for tax purpose. Difference for vehicle represents the amount exceeding such limits i.e. Tk. 3,000,000.

**21.00 LONG TERM BORROWINGS-CURRENT PORTION**

Bank loan

Finance Lease obligation

**Total**

Amount in Taka	
As At 30-Jun-2024	As At 30-Jun-2023
2,265,763,312	2,009,642,491
-	-
<b>2,265,763,312</b>	<b>2,009,642,491</b>

**21.01** This represents the amount will be payable in the next financial year was made in accordance with Para 60(b) of IAS-1: "Presentation of Financial Statements.

**22.00 SHORT TERM BORROWINGS**

Short term borrowings

**Total**

6,654,623,907	4,911,371,931
<b>6,654,623,907</b>	<b>4,911,371,931</b>

**22.01 The details of bank loan arrangement is enumerated below:**

Loan Type	Limit in Crore	Purpose	Security
Overdraft	135.00	1. Importation of raw materials and spare parts.	1. 1477.99 decimal plant land at Sonargaon, Narayanganj .
Time loan/ Demand loan/ Force loan/ UPAS/ LC/ ABP	1,250.00	2. To retire import documents. 3. To meet working capital requirements.	2. 2904.19 decimal land at Bashundhara Baridhara Project. 3. 1,195.69 decimal of land at Bashundhara Riverview project. 4. 1,48,556.27sft. Floor space at Bashundhara City Development Ltd. 5. Project plant & machineries.
LTR	70.00		

**23.00 TRADE AND OTHER PAYABLES**

		Amount in Taka	
		As At 30-Jun-2024	As At 30-Jun-2023
Trade Payable	Note 23.01	1,172,226,514	1,426,834,637
Other Payable	Note 23.02	1,028,485,278	917,394,729
<b>Total</b>		<b>2,200,711,792</b>	<b>2,344,229,365</b>
Unit - 1		334,244,386	866,543,639
Unit - 2		473,818,234	232,295,981
Unit - 3		364,163,894	327,995,018
<b>Total</b>		<b>1,172,226,514</b>	<b>1,426,834,637</b>

**23.1.1** This represents amount payable to regular suppliers of raw materials, chemicals, packing materials, spare parts etc. All suppliers were paid on a regular basis. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

**23.1.2** The carrying values of trade payables are considered to be a reasonable approximation of fair value.

**23.02 Other Payable**

Advertisement	119,622,247	96,173,011
C & F bill	24,933,693	26,121,985
Consultancy	-	322,500
Insurance premium	1,303,639	2,243,902
Motor vehicle	8,313,151	4,620,794
Office rent	2,760,965	2,498,750
Provident fund	10,420,812	3,346,186
VAT and Tax	91,442,374	59,113,997
Workers' profit participation & welfare fund	88,629,035	91,573,525
Carrying Contractor	73,961,973	69,234,403
Utility bill	384,861,172	384,349,485
Other expenses	218,571,727	173,806,701
Unclaimed Subscription	301,054	301,054
Security deposit of dealer/ distributor	3,363,434	3,688,434
<b>Total</b>	<b>1,028,485,278</b>	<b>917,394,729</b>

Amount in Taka	
As At 30-Jun-2024	As At 30-Jun-2023

**23.2.1** All accrued expenses are paid on regular basis.

**23.2.2** Liabilities have arisen in the continuous process in course of business transactions and are either payable or adjustable within very shortly from date of the Financial Position.

**23.2.3** All the utility bills like gas, electricity and others for the month of June 2024 has been paid to the subsequent month.

**24.00 UNCLAIMED DIVIDEND ACCOUNT**

Unclaimed Dividend	2,050,294	3,987,681
<b>Total</b>	<b>2,050,294</b>	<b>3,987,681</b>

**24.01** Dividend of various years remained unpaid or unclaimed due to the presence of stale BO accounts, missing or old delivery address or bank accounts, issues dividend warrants are yet to be deposited, etc.

In compliance with clause 3 (vii) of the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the following tables show the aggregate position of cash dividend remained unpaid or unclaimed:

Year	Dividend Rate	Gross Dividend Amount	Net Dividend Amount	Unclaimed Amount	Remarks
2017-2018	20%	347,582,882	290,094,559	-	Cash Dividend
2018-2019	15%	39,062,499	33,319,400	-	Cash Dividend
2019-2020	10%	26,041,666	22,347,982	105,533	Cash Dividend
2020-2021	12%	208,549,729	174,210,466	580,475	Cash Dividend
2021-2022	10%	173,791,441	155,001,937	579,730	Cash Dividend
2022-2023	11%	191,170,585	159,171,438	784,557	Cash Dividend

In compliance with Bangladesh Securities and Exchange Commission (BSEC) Directives No. BSEC/CMRRCD/2021-386/03, there is a separate bank account or the payment of dividend for each year. Detailed information of shareholders relating to unclaimed dividend is properly maintained. The Company has transferred an amount of Tk. 2,423,594 for the year ended 30 June 2020 to Capital Market Stabilization Fund as per notification no- BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021 to full its requirement to transferred the unclaimed dividend that remain unpaid for 03 (Three) years or more.

**25.00 PROVISION FOR EXPENSES**

Audit fees	707,000	522,000
Other expense	1,032,523	1,147,846
Finance Costs	28,079,830	-
<b>Total</b>	<b>29,819,354</b>	<b>1,669,846</b>

**26.00 INCOME TAX PROVISION**

Opening balance	202,420,124	123,271,488
Add: Current tax expense in respect of the current year	88,580,193	79,148,635
Less: Adjustment made during the year	(123,271,488)	-
<b>Closing balance</b>	<b>167,728,829</b>	<b>202,420,124</b>

**27.00 REVENUE FROM CONTRACTS WITH CUSTOMERS**

Gross Local Sales	13,276,936,107	12,746,755,101
Less: VAT	(931,958,887)	(763,379,480)
SD	(56,454,261)	(50,158,549)
<b>Net Local Sales</b>	<b>12,288,522,959</b>	<b>11,933,217,072</b>
Export Sales	870,445,902	1,255,003,933
<b>Total Net Sales</b>	<b>13,158,968,861</b>	<b>13,188,221,005</b>

## 27.01 Segment revenues:

The following is an analysis of the Company's gross revenue including export sales from operations of its major products and services by reportable segment for the year ended 30 June 2024:

Products	UNIT-1	UNIT-2	UNIT-3	Total
<b>Local Sales</b>	<b>5,499,186,385</b>	<b>458,331,990</b>	<b>7,319,417,732</b>	<b>13,276,936,107</b>
Paper product	3,948,048,863	458,331,990	988,226,571	5,394,607,424
Tissue product	1,361,792,461	-	4,425,198,253	5,786,990,714
Paper Sack product	21,644,953	-	-	21,644,953
Toiletries product	162,628,657	-	-	162,628,657
Hygiene product	5,071,450	-	1,905,992,908	1,911,064,358
<b>Export Sales</b>	<b>683,314,141</b>	<b>13,186,077</b>	<b>173,945,684</b>	<b>870,445,902</b>
Paper product	66,471,875	13,186,077	150,353,844	230,011,796
Tissue product	616,842,265	-	23,591,840	640,434,105
<b>Total</b>	<b>6,182,500,526</b>	<b>471,518,067</b>	<b>7,493,363,416</b>	<b>14,147,382,009</b>

## 27.02

Revenue from export	In USD (\$)		In BDT (Taka)	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Paper product	2,066,129	2,783,795	230,011,796	291,218,335
Tissue paper product	5,752,833	9,212,955	640,434,105	963,785,598
<b>Total</b>	<b>7,818,962</b>	<b>11,996,749</b>	<b>870,445,902</b>	<b>1,255,003,933</b>

Proceeds from export sales are recognized in net off balance received through bank. Export Gain/ Loss on foreign currency transactions are considered on realized basis.

## 28.00 COST OF SALES

		Amount in Taka	
		2023-2024	2022-2023
Opening stock of finished goods	Note 28.01	1,203,395,704	1,215,595,253
Add: Cost of goods manufactured		10,503,058,680	10,560,630,835
<b>Cost of goods available for sale</b>		<b>11,706,454,384</b>	<b>11,776,226,088</b>
Less: Closing stock of finished goods		(1,098,554,458)	(1,203,395,704)
<b>Cost of Sales</b>		<b>10,607,899,926</b>	<b>10,572,830,385</b>

## 28.01 Cost of goods manufactured

		Amount in Taka	
		2023-2024	2022-2023
<b>Material Consumption</b>		<b>7,504,386,855</b>	<b>7,566,269,258</b>
Opening stock		3,466,210,893	3,898,770,328
Add: Purchase during the year		7,397,741,682	7,133,709,823
Less: Closing stock		(3,359,565,720)	(3,466,210,893)
<b>Factory overhead</b>		<b>3,136,035,903</b>	<b>2,953,514,664</b>
Salary and allowances	Annex.-A&B	645,812,662	643,239,876
Gas bill		1,381,258,046	1,150,669,293
Electricity bill		39,259,316	19,136,620
Labour and wages		149,199,004	155,335,227
Repair and maintenance		74,867,699	76,510,743
Other direct expenses		46,024,499	46,156,973
Depreciation		799,614,678	862,465,931
<b>Add: Opening work in process</b>		<b>1,432,960,812</b>	<b>1,473,807,725</b>
<b>Less: Closing work in process</b>		<b>(1,570,324,891)</b>	<b>(1,432,960,812)</b>
<b>Total</b>		<b>10,503,058,680</b>	<b>10,560,630,835</b>

### 28.1.1 Other direct expenses

Carriage inwards
Conveyance
Entertainment
License, renewal and registration
Office expense
Office repair & maintenance
Vehicle Oil, fuel, CNG, lubricant & maintenance
Company's contribution to PF
Postage, telephone and fax
Rent, rates & taxes
Stationery
Utility bill

#### Total

Amount in Taka	
2023-2024	2022-2023
9,971,783	11,865,251
313,230	797,016
1,246,174	1,494,215
3,741,044	765,333
1,827,990	578,162
212,497	4,685
12,576,243	16,171,541
13,259,988	12,394,836
1,406,719	1,365,745
917,951	622,550
86,011	97,638
464,869	-
<b>46,024,499</b>	<b>46,156,973</b>

### 28.02 Analysis of materials consumed

Category	Unit	Quantity		Value	
		30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Raw materials	MT	98,356	107,458	6,288,613,291	6,578,643,888
Chemicals	MT	6,132	4,177	867,743,822	719,263,811
Packing materials	Various	-	-	348,029,741	268,361,559
<b>Total</b>		<b>104,488</b>	<b>111,635</b>	<b>7,504,386,855</b>	<b>7,566,269,258</b>

### 28.03 Quantitative details of raw materials

Description	Unit	Opening Stock	Purchase	Consumption	Closing Stock
30-Jun-24					
Raw materials	MT	15,057	93,844	98,356	10,545
Chemicals	MT	2,660	4,622	6,132	1,150

Description	Unit	Opening Stock	Purchase	Consumption	Closing Stock
30-Jun-23					
Raw materials	MT	34,154	88,361	107,458	15,057
Chemicals	MT	3,348	3,489	4,177	2,660

*\*\*Packing materials quantities are not given due to its units are different like Pkt, Pcs, MT, Kgs etc.*

### 28.04 Quantitative details of finished goods

Items	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-24					
Paper Products	MT	1,484.80	46,427.18	44,904.47	3,007.51
Tissue Products	MT	1,228.13	35,442.20	34,840.50	1,829.83
Hygiene Products	KG	185,522.91	5,062,427.66	5,196,569.01	51,381.56
	Various	79,622.15	2,409,076.02	2,417,697.02	71,001.15
Toiletries Products	Various	193,373.92	1,208,850.08	1,340,986.78	61,237.21

Items	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-23					
Paper Products	MT	1,468.70	50,803.44	50,787.35	1,484.80
Tissue Products	MT	2,127.82	36,978.53	37,878.22	1,228.13
Hygiene Products	KG	415,091.78	4,319,205.27	4,548,774.14	185,522.91
	PKT	96,405.15	1,990,023.60	2,006,806.60	79,622.15
Toiletries Products	Various	317,915.00	466,208.00	665,100.08	119,022.92



## 29.00 ADMINISTRATIVE EXPENSES

Amount in Taka		
	2023-2024	2022-2023
Audit fee	707,000	522,000
Credit Ratings Fees	300,000	300,000
Salaries and allowances	222,854,156	214,673,370
Director remuneration	-	62,000,000
Entertainment	4,244,980	3,038,502
Insurance premium	9,491,391	10,500,669
Advisory, legal and consultancy	234,722	542,400
License, renewal and registration	7,048,904	5,634,942
Corporate and Social responsibility expenses	21,077,746	17,383,798
Rent and rates	7,200,000	7,200,000
Office repair and maintenance	5,277,215	5,741,179
IT & computer expense	929,369	889,856
Annual General Meeting expense	673,756	645,564
Postage, telegram and fax	916,661	744,743
Company's contribution to Provident Fund	6,350,835	6,265,684
Stationery	453,630	18,320
Telecommunication expense	4,118,524	3,746,267
Travelling and Conveyance	1,816,541	1,486,674
Utilities	9,357,811	6,444,981
Vehicle running and maintenance	6,570,003	5,172,803
Vehicle oil, fuel & lubricant	8,177,825	7,153,760
Vehicle rent	-	179,502
Depreciation & Amortization	49,330,103	53,832,346
<b>Total</b>	<b>367,131,171</b>	<b>414,117,360</b>

Annex.-A&B

## 30.00 SELLING AND DISTRIBUTION EXPENSES

Salaries and allowances	184,945,547	183,691,789
Advertisement	16,125,863	16,032,703
Carriage outwards	12,590,934	10,021,932
Company's contribution to Provident Fund	559,945	322,700
Commission on sales	12,675,076	11,611,275
Conveyance	3,222,707	1,401,363
<b>Total</b>	<b>230,120,072</b>	<b>223,081,762</b>

## 31.00 FINANCE COSTS

Interest on bank overdrafts and loans	1,675,395,746	1,361,603,167
Bank charges and commission	3,820,306	11,532,771
Interest on obligations under finance lease	-	1,198,462
<b>Total financial expense</b>	<b>1,679,216,052</b>	<b>1,374,334,400</b>
Less: Amounts included in the cost of qualifying assets	-	-
<b>Total</b>	<b>1,679,216,052</b>	<b>1,374,334,400</b>

## 32.00 OTHER INCOME

Scrap sales & other recoveries	72,844	2,035,618
Cash Incentive	82,026,990	91,288,293
Foreign Exchange gain	8,420,109	3,836,835
Other Income	-	640,817
Interest income	1,397,064	1,182,621
<b>Total</b>	<b>91,917,006</b>	<b>98,984,185</b>

		Amount in Taka	
		2023-2024	2022-2023
<b>33.00 INCOME TAX EXPENSE</b>			
In compliance with the requirements of Para 79 of IAS-12: Income Tax, the major components of tax expenses are given below:			
<b>a. Current tax expense:</b>		<b>88,580,193</b>	<b>79,148,635</b>
Current tax expense in respect of the current year		88,580,193	79,148,635
Adjustments recognized in the current year in relation to the current tax of prior year's		-	-
<b>b. Deferred tax expense/ (income):</b>		<b>68,111,543</b>	<b>133,539,843</b>
Deferred tax expenses recognized in the year		68,111,543	133,539,843
Adjustments to deferred tax attributable to changes in tax rates and laws		-	(106,490,052)
<b>c. Total income tax expense recognized in the current year (a+b)</b>		<b>156,691,737</b>	<b>212,688,479</b>
<b>33.01 The income tax expense for the year can be reconciled to the accounting profit as follows:</b>			
In compliance with the requirements of para-81 (c) of IAS-12: (Income tax), the reconciliation of tax expense and product of accounting profit are given below:			
Accounting profit for the year		348,192,713	667,699,218
Less: Share of profit of equity		-	-
		<b>348,192,713</b>	<b>667,699,218</b>
Tax on accounting profits		69,638,543	133,539,844
Effect of income that is exempt from taxation		-	-
Effect of expenses that are not deductible in determining taxable profit		(1,526,999)	-
Effect of concessions (research and development and other allowances)		-	-
Impairment losses on goodwill that are not deductible		-	-
Effect of minimum tax		88,580,193	79,148,635
Effect of unused tax losses and tax offsets not recognized as deferred tax assets		-	-
Effect of previously unrecognized and unused tax losses and deductible temporary differences now recognized as deferred tax assets		-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions		-	-
Effect on deferred tax balances due to the change in income tax rate		-	-
Effect of unused tax credits		-	-
		<b>156,691,737</b>	<b>212,688,479</b>
Adjustments recognized in the current year in relation to the current tax of prior years		-	-
<b>Income tax expense recognized in profit or loss</b>		<b>156,691,737</b>	<b>212,688,479</b>
<b>34.00 EARNINGS PER SHARE (EPS)</b>			
<b>34.01 Basic Earnings per Share:</b>			
Profit attributable to the Ordinary Shareholders		191,500,977	455,010,739
Weighted Average Number of shares		173,791,441	173,791,441
<b>Basic Earnings Per Share</b>		<b>1.10</b>	<b>2.62</b>
<b>34.02 Diluted Earnings Per Share:</b>			
As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.			
<b>34.03 Weighted average number of ordinary shares</b>			
The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.			

		Amount in Taka	
		2023-2024	2022-2023
<b>34.04 Total Number of Ordinary Share outstanding</b>			
Opening number of shares outstanding		173,791,441	173,791,441
Add: Ordinary shares issued during the year		-	-
<b>Total</b>		<b>173,791,441</b>	<b>173,791,441</b>
<b>34.05</b>	The calculation of the basic earnings per share is made in accordance with IAS 33: Earnings Per Share, dividing the profit for the year by weighted average number of the shares issued.		
<b>34.06</b>	Basic Earnings represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.		
<b>35.00 CAPITAL COMMITMENT</b>			
None, except for letter of credit for importation of plant & machinery as shown under contingent liabilities.		-	-
<b>36.00 CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
Contingent Liabilities and assets as on the date of Statement of Financial Position were as under:			
Letter of credit for importation of raw materials.		907,735,912	2,647,832,847
VAT claimed which is under jurisdiction of Hon'ble Supreme Court.		20,752,670	20,752,670
Claim of income tax against the company.		550,871	1,029,584
Guarantees issued by the Company's scheduled bank to third parties on counter indemnities given by the Company.		167,760,989	160,754,569
Claims against the Company acknowledge as debts.		-	-
<b>Total</b>		<b>1,096,800,441</b>	<b>2,830,369,670</b>
<b>Capital commitment and Contingent liabilities</b>		<b>1,096,800,441</b>	<b>2,830,369,670</b>
<b>36.01 L/C ( Sight/UPAS/Deferred) Liabilities</b>			
Shahjalal Islami Bank Ltd.		72,674,783	120,373,673
Janata Bank Ltd.		-	950,087,026
First Security Islami Bank Ltd.		56,955,520	434,086,173
South East Bank Ltd.		773,766,073	630,074,975
National Bank Ltd.		4,339,536	513,211,000
<b>Total</b>		<b>907,735,912</b>	<b>2,647,832,847</b>
<b>36.02 Bank Guarantee</b>			
IFIC Bank PLC		2,376,611	-
Standard Bank PLC		39,535,000	-
Mercantile Bank PLC		300,000	300,000
Southeast Bank PLC		83,315,000	126,280,000
Shahjalal Islami Bank PLC		42,234,379	34,174,569
<b>Total</b>		<b>167,760,989</b>	<b>160,754,569</b>
<b>36.03</b>	There are contingent liabilities in respect of certain tax claims made against the Company. However, these are being vigorously defended by the Company and the Board of Directors do not consider it is appropriate to make provision in respect of any of these claims.		
<b>37.00 STATEMENTS OF CASH FLOWS</b>			
The statement cash flows shows the company's cash and cash equivalents changed during the year through inflows and outflows. The statement of cash flows has been prepared as per IAS -7 using the Direct Method.			
<b>37.01 Cash receipts from customers and others:</b>			
Gross cash received from customers arrived at after adjusting accounts receivables with revenue for the year. The make-up of:			
Opening trade and other receivables		1,399,018,728	1,014,646,121
Add: Sales during the year		14,147,382,009	14,001,759,034
Closing trade and other receivables except receivable against cash Incentive		(2,295,688,291)	(1,470,631,021)
<b>Total</b>		<b>13,250,712,446</b>	<b>13,545,774,133</b>

		Amount in Taka	
		2023-2024	2022-2023
<b>37.02 Receipts from other income:</b>			
Other income	Note: 32.00	91,917,006	98,984,185
Less: Increase/(Decrease) in incentive receivables		(13,643,410)	71,612,293
<b>Total</b>		<b>78,273,596</b>	<b>170,596,478</b>
<b>37.03 Cash payment to suppliers, employees and others:</b>			
Purchase of raw materials		7,397,741,682	7,133,709,823
Administrative expense		367,131,171	414,117,360
Workers' profit participation & welfare fund		18,325,932	35,142,064
Selling & distribution expense		230,120,072	223,081,762
Factory overhead		3,136,035,904	2,953,514,664
Increase/ (decrease) in material in transit		780,508,954	370,423,372
Increase/ (decrease) in Stores and spare parts		368,856,266	495,095,147
(Increase)/ decrease in trade payables and other payable		147,209,930	(1,146,282,924)
Increase/ (Decrease) in Unclaimed dividend		1,937,387	(614,341)
(Increase)/ decrease in provision for expense		(28,149,508)	(507,973)
Increase/ (decrease) in advance, deposit & prepayments		(153,770,855)	45,011,693
<b>Adjustment for non-cash item:</b>			
Amortization of intangible assets		(7,245,120)	(8,439,402)
Depreciation expense		(841,699,662)	(907,858,875)
<b>Total</b>		<b>11,417,002,154</b>	<b>9,606,392,372</b>

### 38.00 SEGMENT REPORTING

BPML essentially provides similar products and services to customers across the country and its products and services essentially have similar risk profile. BPML's business is not organized in product or geographical components and its operating result is reviewed as a whole by its management. Hence, segment information is not relevant. However, based on the business segment, segment result for the year ended June 30, 2024 and segment assets and liabilities as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results is as follows:

Particulars	2023-2024	2022-2023
Revenue, net of VAT	13,158,968,861	13,188,221,005
Cost of sales	10,607,899,926	10,572,830,385
<b>Gross Profit</b>	<b>2,551,068,934</b>	<b>2,615,390,620</b>
<b>Assets and Liabilities</b>		
Segment Assets excludes Cash & Cash Equivalents	42,163,155,395	37,476,632,159
Segment Liabilities excludes tax liabilities	28,934,078,536	23,998,293,697

### 39.00 RELATED PARTY TRANSACTIONS

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

### 39.01 Loans to/from related parties:

Name of related Companies	Relationship	Nature of transaction	30-Jun-24	Compensation
East West Property Development (Pvt.) Ltd.	Shareholder & Sister Concern	Long term Loan	(1,183,968,949)	Market Price
East West Media Group Ltd.	Sister Concern	Short term Loan	171,078,846	Market Price
Bashundhara Steel and Engineering Ltd.	Sister Concern	Short term Loan	56,790,293	Market Price
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Short term Loan	(602,244,034)	Market Price
Bashundhara Infrastructure Development Ltd.	Sister Concern	Short term Loan	3,281,222	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Short term Loan	(214,372,253)	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Investment	265,000,000	Market Price
Bashundhara Cement Industries Ltd.	Sister Concern	Short term Loan	(1,681,564)	Market Price
Sundarban Industrial Complex Ltd.	Sister Concern	Short term Loan	25,417,465	Market Price
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Short term Loan	(61,589,169)	Market Price
Bashundhara Packaging & Accessories Industries Ltd.	Sister Concern	Short term Loan	1,371,500	Market Price
Bashundhara LP Gas Ltd.	Sister Concern	Short term Loan	(189,475,479)	Market Price
Bashundhara Airways Ltd.	Sister Concern	Short term Loan	278,720,451	Market Price
Bashundhara Amusement Park Ltd.	Sister Concern	Short term Loan	22,897,872	Market Price
Meghna Cement Mills Limited	Sister Concern	Short term Loan	51,820,681	Market Price
Bashundhara Industrial Economic Zone Ltd.	Sister Concern	Short term Loan	192,989,776	Market Price
Bashundhara Chemical Industries Ltd.	Sister Concern	Short term Loan	12,220,000	Market Price
Toggi Services Ltd.	Sister Concern	Short term Loan	72,300,000	Market Price
Toggi Real Estate & Construction Ltd.	Sister Concern	Short term Loan	106,405,480	Market Price
Bashundhara Multi Trading Ltd.	Sister Concern	Short term Loan	(393,481)	Market Price
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Short term Loan	196,733,160	Market Price
Toggi Shipping & Logistics Ltd.	Sister Concern	Short term Loan	-	Market Price
Bashundhara Readymix & Construction Industries Ltd.	Sister Concern	Short term Loan	32,575,000	Market Price
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Short term Loan	(512,875,394)	Market Price
Toggi Agro Farm Ltd	Sister Concern	Short term Loan	6,400,000	Market Price
Toggi Sports Ltd.	Sister Concern	Short term Loan	25,000,000	Market Price
Millennium Media Ltd.	Sister Concern	Short term Loan	74,300,000	Market Price

### 39.1.1 The movement during the year under review is enumerated below:

Name of related Companies	Transaction during the year		30-Jun-24	30-Jun-23
	Provided	Adjusted		
East West Property Development (Pvt.) Ltd.	88,463,090	144,815,929	(1,183,968,949)	(1,127,616,109)
East West Media Group Ltd.	-	-	171,078,846	171,078,846
Bashundhara Steel and Engineering Ltd.	-	-	56,790,293	56,790,293
Bashundhara Multi-Paper Industries Ltd.	81,916,378	441,122,852	(602,244,033)	(243,037,559)
Bashundhara Infrastructure Development Ltd.	-	-	3,281,222	3,281,222
Bashundhara Industrial Complex Ltd.	5,398,203	49,203,964	(214,372,253)	(170,566,492)
Bashundhara Industrial Complex Ltd.	-	-	265,000,000	265,000,000
Bashundhara Cement Industries Ltd.	-	-	(1,681,564)	(1,681,564)
Sundarban Industrial Complex Ltd.	-	-	25,417,465	25,417,465
Bashundhara Food & Beverage Industries Ltd.	-	51,155,000	(61,589,169)	(10,434,169)
Bashundhara Packaging & Accessories Industries Ltd.	-	-	1,371,500	1,371,500
Bashundhara LP Gas Ltd.	-	-	(189,475,479)	(189,475,479)
Bashundhara Airways Ltd.	41,980,750	-	278,720,451	236,739,701
Bashundhara Amusement Park Ltd.	-	-	22,897,872	22,897,872
Meghna Cement Mills Limited	32,457,060	35,000,000	51,820,681	54,363,621
Bashundhara Industrial Economic Zone Ltd.	-	-	192,989,776	192,989,776
Bashundhara Chemical Industries Ltd.	-	-	12,220,000	12,220,000
Toggi Services Ltd.	-	-	72,300,000	72,300,000
Toggi Real Estate & Construction Ltd.	87,409,039	-	106,405,480	18,996,441
Bashundhara Multi Trading Ltd.	4,500,000	4,500,000	(393,481)	(393,481)
Bashundhara Multi Steel Industries Ltd.	295,247,850	41,720,970	196,733,160	(56,793,720)
Bashundhara Readymix & Construction Industries Ltd.	-	-	32,575,000	32,575,000
Bashundhara Fine Paper Mills Ltd.	366,664,606	989,547,000	(512,875,394)	110,007,000
Toggi Agro Farm Ltd.	6,400,000	-	6,400,000	-
Millennium Media Ltd.	25,000,000	-	74,300,000	49,300,000



### 39.02 Trading transactions:

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of related parties, nature of these transactions and their outstanding amount have been set out in accordance with the provisions of IAS 24 : Related Party Disclosure.

Name of related Companies	Relationship	Nature of transaction	30-Jun-24	30-Jun-23
East West Property Development Ltd.	Shareholder/ Sister Concern	Trade payable/ receivable	47,229,673	34,362,292
Bashundhara Airways Ltd.	Sister Concern	Do	325,574	4,542,390
Bashundhara Amusement Park Ltd.	Sister Concern	Do	6,684,583	10,426,494
Bashundhara LP Gas Ltd.	Sister Concern	Do	11,688,589	10,270,155
Bashundhara Oil & Gas Company Ltd.	Sister Concern	Do	1,927,123	103,612
Bashundhara Steel and Engineering Ltd.	Sister Concern	Do	88,000	-
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Do	241,013,484	42,976,732
East West Media Group Ltd.	Sister Concern	Do	308,661,429	41,817,623
Sundarban Industrial Complex Ltd.	Sister Concern	Do	12,898,940	12,249,640
Meghna Cement Mills Ltd.	Sister Concern	Do	4,310,854	498,659
International Convention City Bashundhara	Sister Concern	Do	627,335	1,470,103
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Do	62,687,491	8,580,906
Bashundhara Infrastructure Development Ltd.	Sister Concern	Do	138,523	106,540
Toggi Services Ltd.	Sister Concern	Do	9,881,762	7,512,096
Bashundhara Industrial Complex Ltd.	Sister Concern	Do	4,149,426	(445,889)
Bashundhara Multi Food Industries Ltd.	Sister Concern	Do	80,089,185	3,345,697
Toggi Services Ltd.	Sister Concern	Do	-	(4,584,049)
Bashundhara Industrial Economic Zone Ltd.	Sister Concern	Do	14,405,905	14,289,877
Bashundhara Chemical Industries Ltd.	Sister Concern	Do	28,691,836	28,244,848
Toggi Real Estate Company Limited	Sister Concern	Do	2,823,202	2,823,202
Bashundhara Multi Trading Ltd.	Sister Concern	Do	4,477,209	3,439,082
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Do	288,254,076	263,077,668
Toggi Shipping & Logistics Ltd.	Sister Concern	Do	456,609	709,094
Millennium Media Ltd.	Sister Concern	Do	45,306,567	(55,218,416)
Bashundhara Readymix & Construction Limited	Sister Concern	Do	39,895,880	38,122,345
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Do	(365,114,032)	(365,114,032)
Bashundhara Prefabricated Building Manufacturing Industries Ltd.	Sister Concern	Do	1,657,899	(1,448,059)

**39.03 As per Company Act, 1994 part-II, Schedule-XI(4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-**

Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager	-	62,000,000
Expenses reimbursed to Managing Agent	-	-
Commission or Remuneration payable separately to a managing agent or his associate	-	-
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	-	-
The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	-	-
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-	-
<b>Other allowances and commission including guarantee commission Pensions etc.</b>	-	-
(i) Pensions	-	-
(ii) Gratuities	-	-
(iii) Payments from a provident funds, subscription and interest thereon	-	-
(iv) Share Based payments	-	-

	Amount in Taka	
	2023-2024	2022-2023
<b>39.04 Compensation of key management personnel during the year as follows:</b>		
Short-term benefits	-	62,000,000
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
<b>Total</b>	<b>-</b>	<b>62,000,000</b>

**39.05 Disclosure requirements of IAS 24, Para 18 minimum disclosure shall include**

a) The amount of transaction	-	62,000,000
b) The amount of outstanding balance, including commitments, and:	(1,202,698,576)	(412,669,836)
i) Their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement; and	<b>Remuneration, Working Capital Management</b>	<b>Remuneration, Working Capital Management</b>
ii) details of any guarantee given or received	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balances; and	Nil	Nil
d) The expenses recognized during the year in respect of bad or doubtful debts due from related parties	Nil	Nil

**39.06 Aggregated amount of Remuneration, Fess, Salary & Wages of employees are given below:**

Directors Remuneration	-	62,000,000
Board Meeting Attendance Fees	-	-
Wages & Allowance	149,199,004	155,335,227
Salary & Allowance	1,053,612,365	1,041,605,035
<b>Total</b>	<b>1,202,811,369</b>	<b>1,258,940,263</b>

**39.07 Transactions with related parties were carried out on commercial terms and conditions and at prices agreed based on intercompany prices.**

- 39.08** Sales of goods to related parties were made at the Company's usual list price. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.
- 39.09** The amounts outstanding are unsecured and will be settled in cash without any appalling experience. No guarantees have been given or received. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by the Company and its related parties.

		Amount in Taka	
		2023-2024	2022-2023
<b>40.00 EMPLOYEES</b>			
Number of employees whose salary below Tk 3,000 per month		-	-
Number of employees whose salary above Tk 3,000 per month		4,502	4,445
<b>Total</b>		<b>4,502</b>	<b>4,445</b>

**41.00 PRODUCTION CAPACITY & UTILIZATION**

Machine production capacity and its utilization as on June 30, 2023 is as follows:

Product	UoM	Machine Origin Capacity	Machine Installed Capacity	Actual Production	Capacity utilized
Paper & Tissue	MT	143,909	98,289	73,532	75%
Paper & Tissue-Converting	MT	70,260	52,740	25,425	48%
Hygiene Products	KG	11,872,397	11,872,397	4,486,120	38%

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

Total Assets	42,641,794,659	37,829,960,907
<b>Less:</b> Intangible Assets	(146,886,417)	(154,131,537)
Total Liabilities	(29,101,807,365)	(24,200,713,820)
<b>Net Asset Value (NAV)</b>	<b>13,393,100,877</b>	<b>13,475,115,550</b>
Weighted Average Number of Ordinary shares outstanding during the year	173,791,441	173,791,441
<b>Net Asset Value (NAV) Per Share (per value Tk. 10 each)</b>	<b>77.06</b>	<b>77.54</b>

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

Net Operating Cash Flows	755,521,646	3,160,647,648
Weighted Average Number of Ordinary shares outstanding	173,791,441	173,791,441
<b>Net Operating Cash Flows per share (per value Tk. 10 each)</b>	<b>4.35</b>	<b>18.19</b>

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

Total Comprehensive Income for the year	191,500,977	392,599,851
<b>Adjustment for:</b>		
Income tax expense recognized in profit and loss	156,691,737	173,725,414
Workers' profit participation & welfare fund	18,325,932	29,806,593
Amortization of intangible assets	7,245,120	4,168,420
Depreciation of non-current assets	841,699,662	706,077,948
	<b>1,215,463,428</b>	<b>1,306,378,226</b>
<b>Adjustment for separate consideration</b>		
Finance cost recognized in profit and loss	1,675,395,746	1,042,506,707
<b>Movements in working capital:</b>		
(Increase)/decrease in inventories	(706,386,614)	(412,645,875)
(Increase)/decrease in other current assets	(368,856,266)	1,364,704,165
(Increase)/decrease in trade and other receivables	(910,312,973)	(450,586,316)
(Increase)/decrease in advance, deposit and prepayment	153,770,855	(392,163,731)
Increase/(decrease) in trade payables & other payables	(165,535,863)	401,622,873
Increase/ (Decrease) in Unclaimed dividend	(1,937,387)	-
Increase/(decrease) in provision for expense	28,149,508	370,690,725
<b>Cash generated from operations</b>	<b>(1,971,108,740)</b>	<b>881,621,841</b>
Income taxes paid	(164,228,788)	(69,859,126)
<b>Net cash (used in)/ generated by operating activities</b>	<b>755,521,646</b>	<b>3,160,647,648</b>

#### 45.00 SIGNIFICANT DEVIATIONS AND OUTLOOK

In the year, economic activities continued to recover to a certain extent. Meanwhile, uncertainties remained high over matters such as prolongation of the situation. Under these circumstances, the Company worked to improve productivity by maintaining production systems in line with demand trends in each business and, in term of sales, strived to revise product prices and expand sales of new products.

Demand for paper and hygiene products are expected to remain stable in the company's main market. The seasonal impact in demand for tissue and hygiene products may increase delivery volumes to some extent. The average prices of all products are expected to increase slightly. Revenue is decreased by 0.22% for the year 2023-2024 from the same year of 2022-2023. The Company has invested for diversified hygiene and toiletries portfolio in recent years. Capacity of production is increased significantly as well as price of products.

##### Earnings per share (EPS):

Due to increase in utility cost, exchange rate of foreign currency, price hike of raw materials, increase in interest rate of borrowings resulted decrease in operating profit which caused decrease in earnings per share from Tk. 2.62 to Tk. 1.10.

##### Net Operating cash flow per share (NOCFPS):

Net Operating cash flow per share (NOCFPS) decreased from previous year because of increased in payment to suppliers & others.

#### 46.00 DIRECTOR'S RESPONSIBILITY ON STATEMENT

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

#### 47.00 DIRECTORS' INTEREST IN CONTRACTS WITH THE COMPANY

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

#### 48.00 RECEIVABLE FROM DIRECTORS

No amount is lying as receivable from the Directors.

#### 49.00 FOREIGN REMITTANCES

No remittances were made in foreign currency on account of dividend, royalty, technical experts, professional advisor fees, interest, etc.

#### 50.00 EVENTS AFTER THE REPORTING YEAR

The Board of Directors in it's meeting held on 28 October 2024 approved the financial statements of the company for the year ended 30 June 2024 and authorised the same for issue. The Board of Directors also recommended 'No' dividend for the yer ended 30 June 2024 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

No circumstances have arisen since the date of statement of financial position, which would require adjustment to or disclosure in the financial statement or notes thereto.

#### 51.00 STATUS OF INCOME TAX ASSESSMENT

From the inception of the Company to the income year 2021-2022 (Assessment year 2022-2023) has been completed. The status of income tax assessment of the Company is as under:

Income Year	Demand/ (Refund)	Status
IY: 2022-23 AY: 2023-24	550,871	The DCT completed the assessment under Section 83(2)/82C of ITO 1984 (Section 183(&)/163 of Income Tax Act 2023). after completing the assessment, the DCT issued a demand notice of Tk. 550,871/- against which the Company filed an appeal to the Taxes Commissioner (Appeal). The Learned CT (Appeal) has completed the appeal proceedings U/S 83(2)/82C/156 (Section 183(&)/163/289 of Income Tax Act 2023) on 23.03.2024 and issued a revised demand notice of Tk. 550,871/- against which the Company further filed an appeal to The Taxes Appellate Tribunal.

## 52.00 GOING CONCERN BASIS OF ACCOUNTING

The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. Bangladesh has gone from an economic miracle to needing help from the International Monetary Fund (IMF). The country's hard-won economic optimism is now being sorely tested.

The economy is faltering. Now there is a growing fear that the much-admired economic growth model of Bangladesh has got unstuck and falling short of expectations. The economy is facing challenges at multiple fronts such as rising inflation, balance of payment deficit along with budget deficit, declining foreign exchange reserves, contraction in remittances, a depreciating currency, rising income inequality and the demand supply imbalance in the energy sector. The World Bank (WB) recently downgraded the GDP growth forecast for Bangladesh by 0.1 percentage point to 5.7 per cent for the next fiscal year, 2024-25. The global lender also said high inflation, food and fuel shortages, import restrictions, and financial sector vulnerabilities weighed on the economic outlook.

Despite weaker global demand, exports of Bangladesh's will continue to grow, as exporters use domestic yarn and fabric due to the dollar crisis. Private consumption is expected to rise with easing inflation, while public consumption is expected to witness moderate growth on lower subsidy spending and continued austerity measures already announced by the government. Public investment will increase with ongoing priority mega infrastructure projects in energy and railways. Growth in private investment is expected to edge up as uncertainty diminishes.

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet the mandatory repayment terms of the banking facilities as disclosed in Note 18, 21 and 22 respectively.

The Companies retained earnings stand at Tk. 3,110,860,917 as on June 30, 2024 which includes Tk. 191,500,977 net profit after tax for the year and, as at that date, current assets exceed current liabilities. Besides that the company has sustainable products, debts with excellent repayment records, bright operating cash flows, positive key financial ratios, reliability in payment of obligations, excellent corporate environment and employee satisfaction.

Management acknowledges that uncertainty remains over the Company's ability to meet its funding requirements and to refinance or repay its banking facilities as they fall due. In that particular circumstance, management has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

## 53.00 FINANCIAL RISK MANAGEMENT

### 53.01 Basis of fair value measurement

As fair value is a market-based measurement, when measuring the fair value of an asset or a liability, BPML uses market observable data as far as possible though entity's intention to hold an asset or to settle or otherwise fulfil a liability is not relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

BPML recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.



## 53.02

## Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Reconciliation of carrying amount	Note	Carrying amount					Fair value						
		Held for trading	Designated at fair value	Fair value -hedging instruments	Held -to-maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2024:													
Financial assets measured at fair value													
Financial assets not measured at fair value													
Trade receivables and Other receivables	10	-	-	-	-	2,309,331,701	-	-	2,309,331,701	-	-	-	-
Advances, deposits and prepayments	11	-	-	-	-	614,498,653	-	-	614,498,653	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	478,639,263	-	-	478,639,263	-	-	-	-
		-	-	-	-	3,402,469,617	-	-	3,402,469,617	-	-	-	-
Financial liabilities measured at fair value													
Financial liabilities not measured at fair value													
Long term borrowings-current portion	21	-	-	-	-	-	-	2,265,763,312	-	-	-	-	-
Short term borrowings	22	-	-	-	-	-	-	6,654,623,907	-	-	-	-	-
Trade and other payables	23	-	-	-	-	-	-	2,200,711,792	-	-	-	-	-
		-	-	-	-	-	-	11,121,099,010	-	-	-	-	-
30 June 2023:													
Financial assets measured at fair value													
Financial assets not measured at fair value													
Trade receivables and Other receivables	10	-	-	-	-	1,399,018,728	-	-	1,399,018,728	-	-	-	-
Advances, deposits and prepayments	11	-	-	-	-	765,440,857	-	-	765,440,857	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	353,328,748	-	-	353,328,748	-	-	-	-
		-	-	-	-	2,517,788,333	-	-	2,517,788,333	-	-	-	-
Financial liabilities measured at fair value													
Financial liabilities not measured at fair value													
Long term borrowings-current portion	21	-	-	-	-	-	-	2,009,642,491	-	-	-	-	-
Short term borrowings	22	-	-	-	-	-	-	4,911,371,931	-	-	-	-	-
Trade and other payables	23	-	-	-	-	-	-	2,344,229,365	-	-	-	-	-
		-	-	-	-	-	-	9,265,243,787	-	-	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, trade and other payables, and other non-current liabilities because their carrying amounts are a reasonable approximation of fair values.

### 53.03 Financial Risk Management

The Company has exposure to the following risks:

- Credit risk
- liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

#### Risk management framework:

The Company's Board of Directors has overall responsibility for the establishment, developing, oversight and monitoring of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and system are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has established Internal Audit Department to oversee how management monitors compliance with the Company's risk management policies and procedures, compliance with operational and legal requirements, identification of foreseeable trends and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the Board of Directors.

The Company's financial liabilities mainly comprise trade and other payables and short term running finance. The main purpose of financial liabilities is to raise finance for the Company's operation. The Company's financial assets comprise loans to employees, trade and other receivables, bank balances. The Company is exposed to credit risk, liquidity risk and market risk.

#### 53.3.1 Credit risk

Credit risk is the risk of 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 from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The management of the Company has established a credit policy under which each new customer is analyzed individually creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Purchase limit are established for each customer, these limits are reviewed regularly. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis. More than 80 percent of the Company's customers have been transacting with the Company since long, and no impairment loss has been recognized against these customers. Trade and other receivable relate mainly to the Company's Wholesale customer. The Company's maximum exposure to credit risk at the reporting date is as follows:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

		Amount in Taka	
		2023-2024	2022-2023
<b>a) Exposure to credit risk:</b>			
<b>Trade receivables</b>			
Local customer		999,563,484	730,119,942
Foreign customer		60,140,580	92,698,746
Advance, deposit and prepayments		614,498,653	765,440,857
Due/ (payable) from/to inter companies		(1,461,298,576)	(739,669,836)
Cash and bank balances		478,639,263	353,328,748
The maximum exposure to credit risk for accounts receivable by geographic regions was:			
Bangladesh		999,563,484	730,119,942
Asia		41,030,258	24,538,029
Europe		12,030,258	66,901,577
Australia		-	59,595
Africa		7,080,064	1,161,797
North America		-	37,749

**b) The aging of trade receivables other than other product and services at the reporting date is as follows:**

	Amount in Taka	
	2023-2024	2022-2023
Trade receivables		
0-90 days past due	668,189,666	556,758,167
90-180 days past due	126,157,744	74,673,429
above 180 days past due	265,356,653	191,387,092
	<b>1,059,704,063</b>	<b>822,818,688</b>

**c) Credit exposure by credit rating:**

Trade receivables	1,059,704,063	822,818,688
Advance, deposit and prepayments	614,498,653	765,440,857
Other receivables	1,249,627,638	576,200,040

**Cash and Bank balances:**

Cash in hand	8,937,929	13,732,500
Bkash & Pocket-E-Wallet Account	106,586	120,060

**Cash at bank:**

Bank name & branch	Account No.	469,594,748	339,476,188
Agrani Bank PLC, Principal Branch, Dhaka	CD: 11217-8	27,329	69,544
Al-Arafa Islami Bank PLC, Motijheel Branch, Dhaka	CD-3059	14,923	10,613
Bank Asia PLC, Bashundhara Branch	CD: 404, 568, 569	65,421,373	43,781,774
Bank Asia PLC, Bashundhara Branch	SND: 0135	189,927	2,876,543
Bank Asia PLC, Principal Branch	CD: 00333005904	109,222	251,813
Bank Asia PLC, Bashundhara Branch	Dividend A/c - 02336000157	549,754	540,423
Bank Asia PLC, Bashundhara Branch	Dividend A/c - 02336000163	587,083	625,837
Bank Asia PLC, Bashundhara Branch	Dividend A/c - 02336000168	814,852	-
Basic Bank PLC, Bashundhara Br.	STD: 057	17,749	18,459
Basic Bank PLC-Main Branch, Dhaka.	CD: 05787	4,883,330	-
City Bank PLC, Gulshan Avenue	CD-1263843958001	1,637,420	1,766,194
City Bank PLC, Gulshan Avenue	ERQ-5123843958001	961,282	1,116,896
City Bank PLC, Gulshan Avenue	DAD-1000241001362	1,481,670	1,608,199
Dutch Bangla Bank PLC, Bashundhara Branch	SND: 1471201895	18,144,039	17,927,396
Dutch Bangla Bank PLC, Local Office	CD: 10111012348	3,799,233	3,971,335
Eastern Bank PLC	CD: 000031	442,766	-
Eastern Bank PLC	CD: 1151030000018	5,218,180	-
First Security Islami Bank PLC, Banani Branch	CD: 2215	25,209	1,916
IFIC Bank PLC, Kawranbazar Branch	CD: 313926-001	89,443.54	88,499
Islami Bank Bangladesh PLC, Head Office Complex Br.	CD: 87816	37,586,467	17,903,074
Janata Bank PLC, Janata Bhaban Corp. Br.	STD: 004001006	40,881	78,267
Janata Bank PLC, JBCB,Dhaka	CD: 001022542	15,601,893	25,710,580
Janata Bank PLC, JBCB,Dhaka	FC: 402000464	1,436,689	1,436,689
Mercantile Bank PLC, Main Branch, Dhaka	CD: 81042	7,680,557	4,560,124
Mutual Trust Bank PLC, Bashundhara City Br.	CD: 15608,1015, 15617	8,814,981	9,677,989
Mutual Trust Bank PLC, Sonargaon Branch	CD: 10258,10427,10294,10267	75,787	70,684
Mutual Trust Bank PLC, Sonargaon Branch	CD:	10,888	-
National Bank PLC, Dilkusha Branch	CD: 233137485	(50,000)	14,665,177
National Bank PLC-	SND accounts	191,548	188,898
NCC Bank PLC, Motijheel Branch	CD: 22785	9,244	9,244
NRBC Bank PLC	CD-5198 33300002596	657,397	-
The Premier Bank PLC, Banani Branch	CD: 1604-0	-	263,554
The Premier Bank PLC-Dilkusha Branch	CD: 019010	4,538	1,665
The Premier Bank PLC-Bashundhara Branch	CD: 584	563,616	-
Prime Bank PLC Gulshan Br.	CD: 2118116023883	10,000	10,000
Rupali Bank PLC-Local Office, Dhaka.	CD: 0018020010093	181,869	198,939
Shahjalal Islami Bank PLC, Gulshan Branch	CD: 4061	28,828	8,939,664
Sonali Bank PLC	SND: 000025	15,018,200	6,883,821
Social Islami Bank PLC, Bashundhara Branch	CD: 1330000079	10,419,325	17,354,964
Social Islami Bank PLC, Panthapath Branch	CD: 12885, 16735,16741	22,152,880	12,540,627

Social Islami Bank PLC, Sonargaon Branch	CD: 64,6459, 6718,6661	1,300,769	693,109
Southeast Bank PLC, Principal Branch, Dhaka	CD: 7935	2,499,724	2,822,168
Southeast Bank PLC, Principal Branch, Dhaka	FC: 0462	5,790,984	9,374,198
Southeast Bank PLC, Principal Branch, Dhaka	DAD Account-588	63,931,073	13,709,632
Southeast Bank PLC, Principal Branch, Dhaka	IPO-BDT-197	326	952
Southeast Bank PLC, Principal Branch, Dhaka	IPO-GBP-552	14,162	14,162
Southeast Bank PLC, Principal Branch, Dhaka	IPO-USD-066	264,945	265,096
Standard Bank PLC, Principal Branch	CD: 00233009262	12,170	62,860
Standard Bank PLC, Principal Branch	STD: 00236001976	42,553	43,045
Trust Bank PLC, Senakallyan Bhaban Branch	CD: 0003-0210011205	260,107	-
Union Bank PLC, Gulshan Branch	CD: 1623	81,089	82,009
United Commercial Bank PLC, Sonargaon Branch	CD: 0071	755,873	-
United Commercial Bank PLC, Bashundhara Br.	STD: 119/198	78,770,348	46,446,072
United Commercial Bank PLC, Gulshan Branch	CD: 1360	91,020,261	70,813,488

The Company's maximum exposure to credit risk at the reporting date is trade receivable. To mitigate the credit risk against trade receivables, the Company has a system of specific credit line year to the distributor which is regularly monitored.

### 53.3.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity 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. Therefore, managing sufficient cash, the availability of funding through an adequate amount of committed bank facilities, the company manages the liquidity risk. The Company's maximum exposure to financial liabilities as at the reporting date is as follows:

Non-derivative financial liabilities	year	Carrying Amount	Contactual Cash Flows		
			Within 12 months	1 to 5 years	More than 5 years
Finance Lease	2023-24	-	-	-	-
Long term bank loan		17,567,273,262	2,265,763,312	15,301,509,950	-
Short term bank loan		8,920,387,219	8,920,387,219	-	-
Trade and other payables		2,200,711,792	2,200,711,792	-	-
Provision for expenses		29,819,354	29,819,354	-	-
Finance Lease	2022-23	-	-	-	-
Long term bank loan		15,047,175,229	2,009,642,491	13,037,532,738	-
Short term bank loan		6,921,014,421	6,921,014,421	-	-
Trade and other payables		2,344,229,365	2,344,229,365	-	-
Provision for expenses		1,669,846	1,669,846	-	-

### 53.3.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchanges rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### a) Currency risk:

The company is exposed to currency risk on sales, purchase that are denominated in a currency other than the respective functional currencies of the entities BDT Tk. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to Company's operating activities with the foreign suppliers.

Amount in (USD)	
30-Jun-24 (USD)	30-Jun-23 (USD)

#### i) Exposure to currency risk:

##### Foreign currency monetary assets and liabilities:

##### Assets:

Trade receivables	\$ 540,225	\$ 886,120
Cash at bank	\$ 661,143	\$ 260,444

##### Liabilities:

Trade and other payables	-	-
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##### Net exposure:

The following significant average exchange rates are applied during the year:

Average exchange rate of US Dollar	\$ 111.33	\$ 104.61
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#### (ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures:

A strengthening or weakening of the Taka, as indicated below, against the USD at 30 June 2024 would have increased/(decreased) equity and profit or loss. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

b) Interest rate risk:	c) Other price risk:
The Company ensuring that between 45 and 65 percent of its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to Company's short-term deposits and running finance.	Equity price risk arises from available-for-sale equity securities held for meeting partially the unfunded portion of the Company's defined benefit pension obligations as well as investments at fair value through profit and loss (other than those arising from interest rate risk and currency risk). The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares and also to commodity price risk.

## 54.00 CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to provide an adequate return to shareholders;

The Board of Directors has set a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity attributable to the equity holders. The Board of Directors monitors the level of capital as well as the level of dividend to the ordinary shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend, return capital to shareholders, issue new shares or obtain long-term debt.

No changes were made in the objectives, policies or processes for managing capital during the year ended 30 June, 2024.

## 55.00 COMPARATIVES, RECLASSIFICATION AND RESTATEMENT

**55.01** These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith;

**55.02** Figures appearing in these accounts have been rounded off to the nearest taka; User may see immaterial difference in the financial statements when used individual line item calculations.

**55.03** Previous year's figures and account titles in the financial statements have been rearranged and classified, wherever necessary for the purpose of comparison, without, however, creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current year.



**Bashundhara Paper Mills Limited**  
**Schedule of Property, Plant & Equipment**  
As at 30 June 2024

PARTICULARS		COST					DEPRECIATION					Annexure-A	
		Opening balance	Reclassification	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Reclassification	Depreciation/ Amortization	Adjustment/ Disposal		
1	2	3	3	3	4	5	6=2+3+4+5	7	9	8	9	10=7+8+9	11=6-10
a)	Based on Cost:	24,655,117,825	15,447,975	106,405,201	3,613,592,628	-	28,390,563,829	8,080,279,684	15,447,975	819,300,840	-	8,915,028,499	19,475,535,130
	Land and land development	813,889,880	-	-	-	-	813,889,880	-	-	-	-	-	813,889,880
	Plant and machinery	16,962,086,041	15,447,975	811,531,09	3,212,148,339	-	20,270,835,464	6,543,818,808	15,447,975	640,652,431	-	71,999,919,213	13,070,916,250
	Office equipment	151,316,266	-	4,835,304	-	-	156,151,570	92,813,222	-	9,990,560	-	102,803,782	53,347,788
	Furniture and fixture	357,355,906	-	957,273	-	-	366,931,79	261,233,675	-	2,259,966	-	28,383,641	8,309,538
	Factory apparatus and loose tools	220,078,239	-	241,638	-	-	220,319,877	115,743,803	-	101,855,601	-	125,929,404	94,390,473
	Motor Vehicles	670,594,404	-	8,175,000	-	-	678,769,404	469,870,479	-	30,788,490	-	500,658,969	178,110,435
	Factory building and other constructions	5,604,992,540	-	-	401,444,289	-	6,006,436,829	758,662,044	-	117,691,574	-	876,353,618	513,008,321
	Sundry assets	196,424,549	-	11,042,877	-	-	207,467,426	73,247,653	-	7,732,217	-	80,979,871	126,487,555
b)	Based on Revaluation:	7,390,796,896	-	-	-	-	7,390,796,896	352,524,100	-	15,743,325	-	368,267,426	7,022,529,471
	Land and land development	6,650,094,517	-	-	-	-	6,650,094,517	-	-	-	-	-	6,650,094,517
	Plant and machinery	115,317,906	-	-	-	-	115,317,906	106,838,740	-	1,820,859	-	108,659,599	6,658,307
	Office equipment	1,733,807	-	-	-	-	1,733,807	1,580,696	-	55,720	-	1,636,417	97,390
	Furniture and fixture	1,036,791	-	-	-	-	1,036,791	867,212	-	52,627	-	919,839	116,952
	Factory apparatus and loose tools	4160,493	-	-	-	-	4160,493	2,640,537	-	179,655	-	2,820,192	1,340,301
	Motor Vehicles	7767090	-	-	-	-	7767090	7767090	-	-	-	7767090	-
	Building and other constructions	604,376,645	-	-	-	-	604,376,645	226,659,339	-	13,634,464	-	240,293,803	364,082,842
	Sundry assets	6,309,647	-	-	-	-	6,309,647	61,704,86	-	-	-	61,704,86	139,161
	Total (a+b)	32,045,914,721	15,447,975	106,405,201	3,613,592,628	-	35,781,360,526	8,432,803,785	15,447,975	835,044,165	-	9,283,295,924	26,498,064,601
1	Software	208,587,352	-	-	-	-	208,587,352	54,455,815	61,700,935	7,245,120	-	61,700,935	146,886,417
	Grand Total	32,254,502,073	15,447,975	106,405,201	3,613,592,628	-	35,989,947,877	8,487,259,599	77,148,910	842,289,285	-	9,344,996,859	26,644,951,018
	Total (2022-2023)	30,761,526,955	-	691,637,949	801,465,169	(128,000)	32,254,502,073	7,579,680,481	-	907,660,185	(91,067)	8,487,249,599	23,767,252,474
Allocation of depreciation:													
	Administrative overhead @ 5%	42,114,464											
	Factory overhead @ 95%	800,174,820											
	Total	842,289,285											

**Allocation of depreciation:**

Administrative overhead @ 5%	42,114,464
Factory overhead @ 95%	800,174,820
<b>Total</b>	<b>842,289,285</b>

**Name of valuer:** S.F. Ahmed & Co., Chartered Accountants (Representative of ERNST & YOUNG GLOBAL in Bangladesh), in 2010 and followed by Mahfel Huq & Co., Chartered Accountants in 2015, Ahmed Zaker & Co., Chartered Accountants in 2022.

**Valuation Method:** Net Assets Value Method and Current Fair Market Value Method.

**Date of Capitalization:** 30 June 2010, 05 July 2015 and 29 June 2022 respectively.

BPML (UNIT-1)

Annexure-A.1											
PARTICULARS	COST					DEPRECIATION					
	Opening balance	Reclassi- cation	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Reclassi- cation	Depreciation	Adjust- ment/ Disposal	Closing balance
1	2	3	3	4	5	6=2+3+4+5	7	9	8	9	10=7+8+9
11=6-10											
a) Based on Cost:	12,475,694,359	-	64,647,961	1,241,725,237	-	13,782,067,557	2,755,573,138	-	454,314,144	-	3,209,887,282
i) Own assets:	12,475,694,359	-	64,647,961	1,241,725,237	-	13,782,067,557	2,755,573,138	-	454,314,144	-	3,209,887,282
Land and land development	553,519,262	-	-	-	-	553,519,262	-	-	-	-	-
Plant and machinery	6,928,951,803	-	42,463,898	854,279,064	-	7,825,694,765	1,959,278,147	-	327,171,074	-	2,286,449,220
Office equipment	72,390,073	-	2,460,000	-	-	74,850,073	47,159,983	-	4,915,272	-	52,075,255
Furniture and fixture	17894,130	-	392,548	-	-	18,286,678	11,413,657	-	1,347,966	-	12,761,623
Factory apparatus and loose tools	194,377,775	-	113,638	-	-	194,491,413	96,259,551	-	9,261,452	-	105,521,003
Motor Vehicles	300,569,337	-	8,175,000	-	-	308,744,337	193,789,113	-	14,643,770	-	208,432,883
Factory building and other constructions	4,254,032,930	-	-	387,446,172	-	4,641,479,103	413,400,954	-	89,515,474	-	502,916,428
Sundry assets	153,959,049	-	11,042,877	-	-	165,001,926	34,271,733	-	7,459,137	-	41,730,870
ii) Leased assets:	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-	-
b) Based on Revaluation:	2,299,460,051	-	-	-	-	2,299,460,051	93,943,204	-	2,180,128	-	96,123,332
Land and land development	2,182,875,135	-	-	-	-	2,182,875,135	-	-	-	-	-
Plant and machinery	83,051,356	-	-	-	-	83,051,356	75,883,287	-	1,570,829	-	77,454,116
Office equipment	423,389	-	-	-	-	423,389	385,939	-	19,826	-	405,765
Furniture and fixture	354,654	-	-	-	-	354,654	293,641	-	18,935	-	312,576
Factory apparatus and loose tools	2,523,455	-	-	-	-	2,523,455	1,574,627	-	110,902	-	1,685,529
Motor Vehicles	6,493,899	-	-	-	-	6,493,899	6,493,899	-	-	-	6,493,899
Building and other constructions	21,226,067	-	-	-	-	21,226,067	6,938,876	-	459,636	-	7,398,512
Sundry assets	2,512,096	-	-	-	-	2,512,096	2,372,935	-	-	-	2,372,935
Total (a+b)	14,775,154,410	-	64,647,961	1,241,725,237	-	16,081,527,608	2,849,516,342	-	456,494,272	-	3,306,010,614
Total (2020-2021)	13,907,046,643	-	627,845,014	253,061,250	(12,798,497)	14,775,154,410	2,403,137,105	-	447,125,815	(746,579)	2,849,516,341
Allocation of depreciation:											
Administrative overhead @ 5%											
Factory overhead @ 95%											
Total											
22,824,714											
33,669,559											
456,494,272											

# BPML (UNIT-2)

Annexure-A.2

PARTICULARS	COST					DEPRECIATION					Written down value
	Opening balance	Reclassification	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Reclassification	Depreciation	Adjustment/ Disposal	Closing balance
1	2	3	3	4	5	6=2+3+4+5	7	9	8	9	10=7+8+9
11=6-10											
<b>a) Based on Cost:</b>	3,210,341,707	-	36,840,516	1,421,150,104	3,701,746	4,672,034,074	1,555,406,115	-	70,762,647	2,254,099	1,628,422,861
<b>i) Own assets:</b>	3,210,341,707	-	36,840,516	1,421,150,104	3,701,746	4,672,034,074	1,555,406,115	-	70,762,647	2,254,099	1,628,422,861
Land and land development	86,439,658	-	-	-	-	86,439,658	-	-	-	-	-
Plant and machinery	2,642,284,329	-	35,782,211	1,407,151,988	-	4,085,198,528	1,414,648,779	-	60,801,974	-	1,475,450,753
Office equipment	16,163,796	-	922,400	-	-	17,086,196	9,658,319	-	283,707	-	9,942,026
Furniture and fixture	2,217,891	-	7,905	-	-	2,225,796	2,089,536	-	18,993	-	2,108,529
Factory apparatus and loose tools	13,407,000	-	128,000	-	-	13,535,000	10,226,335	-	467,460	-	10,693,795
Motor Vehicles	12,174,692	-	-	-	3,701,746	15,876,438	8,363,528	-	431,802	2,254,099	11,049,428
Factory building and other constructions	416,661,782	-	-	13,998,116	-	430,659,898	90,060,738	-	8,730,563	-	98,791,301
Sundry assets	21,012,559	-	-	-	-	21,012,559	20,358,879	-	28,149	-	20,387,028
											625,531

## ii) Leased assets:

Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-	-

## b) Based on Revaluation:

Land and land development	2,816,210,003	-	-	-	-	2,816,210,003	161,463,483	-	9,137,697	-	170,601,180	2,645,608,823
Plant and machinery	2,440,760,342	-	-	-	-	2,440,760,342	-	-	-	-	-	2,440,760,342
Office equipment	5,301,867	-	-	-	-	5,301,867	3,998,905	-	244,825	-	4,243,730	1,058,137
Furniture and fixture	645,079	-	-	-	-	645,079	645,079	-	-	-	645,079	-
Factory apparatus and loose tools	47,843	-	-	-	-	47,843	47,843	-	-	-	47,843	-
Motor Vehicles	290,522	-	-	-	-	290,522	197,954	-	12,817	-	210,771	79,751
Building and other constructions	366,026,540	-	-	-	-	366,026,540	153,435,893	-	8,880,055	-	162,315,948	203,710,592
Sundry assets	3,137,809	-	-	-	-	3,137,809	3,137,809	-	-	-	3,137,809	-

<b>Total (a+b)</b>	<b>6,026,551,710</b>	<b>-</b>	<b>36,840,516</b>	<b>1,421,150,104</b>	<b>3,701,746</b>	<b>7,488,244,076</b>	<b>1,716,869,598</b>	<b>-</b>	<b>79,900,344</b>	<b>2,254,099</b>	<b>1,799,024,041</b>	<b>5,689,220,036</b>
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<b>Total (2020-2021)</b>	<b>6,004,894,599</b>	<b>-</b>	<b>16,574,082</b>	<b>5,083,029</b>	<b>-</b>	<b>6,026,551,710</b>	<b>1,628,799,832</b>	<b>-</b>	<b>88,069,766</b>	<b>-</b>	<b>1,716,869,598</b>	<b>4,309,682,112</b>
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## Allocation of depreciation:

Administrative overhead @ 5%	3,995,017
Factory overhead @ 95%	75,905,326
<b>Total</b>	<b>79,900,344</b>

BPML (UNIT-3)

		COST					DEPRECIATION					Annexure-A.3	
PARTICULARS		Opening balance	Reclassifi- cation	Addition	Transfer from CWIP	Adjust- ment/ Disposal	Closing balance	Opening balance	Reclassifi- cation	Depreciation	Adjust- ment/ Disposal	Closing balance	Written down value
1	2	3	3	3	4	5	6=2+3+4+5	7	9	8	9	10=7+8+9	11=6-10

a) Based on Cost:	8,969,081,758	15,447,975	4,916,724	950,717,287	(3,701,746)	9,936,461,998	3,769,300,432	15,447,975	294,224,048	(2,254,099)	4,076,718,356	5,859,743,643
i) Own assets:	8,969,081,758	15,447,975	4,916,724	950,717,287	(3,701,746)	9,936,461,998	3,769,300,432	15,447,975	294,224,048	(2,254,099)	4,076,718,356	5,859,743,643
Land and land development	173,930,960	-	-	-	-	173,930,960	-	-	-	-	-	173,930,960
Plant and machinery	7,390,869,909	15,447,975	2,907,000	950,717,287	-	8,359,942,171	3,169,891,882	15,447,975	252,679,383	-	3,438,019,240	4,921,922,931
Office equipment	62,762,396	-	1,452,904	-	-	64,215,300	35,994,919	-	4,791,581	-	40,786,501	23,428,799
Furniture and fixture	15,623,885	-	556,820	-	-	16,180,705	12,620,482	-	893,007	-	13,513,489	2,667,216
Factory apparatus and loose tools	12,293,465	-	-	-	-	12,293,465	9,257,917	-	456,690	-	9,714,607	2,578,858
Motor Vehicles	357,850,376	-	-	-	(3,701,746)	354,148,630	267,717,838	-	15,712,919	(2,254,099)	281,176,658	72,971,972
Factory building and other constructions	934,297,828	-	-	-	-	934,297,828	255,200,352	-	19,445,537	-	274,645,889	659,651,939
Sundry assets	21,452,940	-	-	-	-	21,452,940	18,617,041	-	244,931	-	18,861,972	2,590,968

ii) Leased assets:	-	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-	-	-

b) Based on Revaluation:	2,275,126,843	-	-	-	-	2,275,126,843	97,117,413	-	4,425,501	-	101,542,914	2,173,583,929
Land and land development	2,026,459,040	-	-	-	-	2,026,459,040	-	-	-	-	-	2,026,459,040
Plant and machinery	26,964,683	-	-	-	-	26,964,683	26,956,548	-	5,205	-	26,961,753	2,930
Office equipment	665,339	-	-	-	-	665,339	549,678	-	35,895	-	585,573	79,766
Furniture and fixture	634,294	-	-	-	-	634,294	525,728	-	33,693	-	559,421	74,873
Factory apparatus and loose tools	1,346,516	-	-	-	-	1,346,516	867,957	-	55,936	-	923,892	422,624
Motor Vehicles	1,273,191	-	-	-	-	1,273,191	1,273,191	-	-	-	1,273,191	-
Building and other constructions	217,124,038	-	-	-	-	217,124,038	66,284,570	-	4,294,773	-	70,579,343	146,544,695
Sundry assets	659,742	-	-	-	-	659,742	659,742	-	-	-	659,742	-

Total (a+b)	11,244,208,602	15,447,975	4,916,724	950,717,287	(3,701,746)	12,211,588,842	3,866,417,845	15,447,975	298,649,549	(2,254,099)	4,178,261,270	8,033,327,572
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Total (2020-2021)	10,647,313,835	-	40,903,379	543,320,890	12,670,497	11,244,208,602	3,501,727,132	-	364,025,201	655,512	3,866,407,845	7,377,800,757
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Allocation of depreciation:	
Administrative overhead @ 5%	14,932,477
Factory overhead @ 95%	283,717,071
Total	298,649,549

**Bashundhara Paper Mills Limited**  
**Schedule of Right-of-use assets**  
 As at 30 June 2024

Annexure-B

PARTICULARS	COST				DEPRECIATION			Written down value
	Opening balance	Reclassification	Addition	Closing balance	Opening balance	Reclassification	Depreciation	
1 Motor Vehicles	111,791,600	-	-	111,791,600	105,136,103	-	6,655,497	111,791,600
Total	111,791,600	-	-	111,791,600	105,136,103	-	6,655,497	111,791,600

**Allocation of depreciation:**

Administrative overhead @ 5%	332,775
Factory overhead @ 95%	6,322,723
<b>Total</b>	<b>6,655,497</b>



## Glossary

<b>Accounting policies</b>	Specific principles, bases, conventions, rules and practices adopted by an enterprise in preparing and presenting financial statements.
<b>AIT</b>	Advance Income Tax
<b>AY</b>	Assessment Year
<b>BPML / The Company</b>	Bashundhara Paper Mills Limited
<b>BASs</b>	Bangladesh Accounting Standards
<b>BFRSs</b>	Bangladesh Financial Reporting Standards
<b>BB</b>	Bangladesh Bank
<b>BoD</b>	Board of Directors
<b>Basic earnings per share</b>	Basic income per share
<b>BG</b>	Bashundhara Group
<b>BSEC</b>	Bangladesh Securities & Exchange Commission
<b>Capital/Revaluation reserves</b>	Reserves identified for specific purposes and considered not available for distribution.
<b>CGU</b>	Cash Generating Unit
<b>Contingents Liabilities</b>	Conditions or situations at the balance sheet date the financial effect of which are to be determined by future events which may or may not occur.
<b>DTL/ DTA</b>	Deferred Tax Liability/ Deferred Tax Assets
<b>DTE/ DTI</b>	Deferred Tax Expense/ Deferred Tax Income
<b>Deferred Taxation</b>	The net tax effect on terms which have been included in the income statement, which would only qualify for inclusion on a tax return at a future date.
<b>Diluted earnings per share</b>	Diluted income per share.
<b>Earnings per share</b>	Profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue.
<b>Equity</b>	Shareholders' fund.
<b>ECL</b>	Expected Credit Loss
<b>Finance lease</b>	Capital lease
<b>FRA</b>	The Financial Reporting Act.
<b>FRC</b>	The Financial Reporting Council
<b>FRS</b>	Financial Reporting Standards
<b>FVOCI</b>	Fair Value Through Other Comprehensive Income
<b>FVTPL</b>	Fair Value Through Profit and Loss
<b>HC</b>	High Court
<b>IASs</b>	International Accounting Standards
<b>IFRSs</b>	International Financial Reporting Standards
<b>IFRIC</b>	International Financial Reporting Interpretations Committee
<b>ICAB</b>	The Institute of Chartered Accountants of Bangladesh
<b>ITO 1984</b>	Income Tax Ordinance 1984
<b>ITA 2023</b>	The Income Tax Act, 2023
<b>IY</b>	Income Year
<b>NAV</b>	Net Assets Value
<b>NAVPS</b>	Net Assets Value per Share
<b>NBR</b>	National Board of Revenue
<b>Net Assets per Share</b>	Shareholders' funds divided by the weighted average number of ordinary shares in issue. A basis of share valuation.
<b>NOCFPS</b>	Net Operating Cash Flow per Share
<b>OCI</b>	Other Comprehensive Income
<b>PPE</b>	Property, Plant and Equipment/ Fixed Assets
<b>Profit</b>	Income
<b>Profit attributable to shareholders</b>	Net income after tax
<b>Share capital</b>	Ordinary shares, capital stock or common stock issued and fully paid.
<b>SIC</b>	Standard Interpretations Committee
<b>WPP &amp; WF</b>	Workers' Profit Participation and Welfare Fund



# **CSR**

## AND OTHERS

# Corporate Social Responsibility



Bashundhara Paper Mills Limited is passionate about helping the world excel in education, communication, business, and solitariness by offering eco-sustainable paper-based solutions. BPML stands out through our unwavering six values: Supportive, Passionate, Integrity, Responsible, Ingenuity, and Togetherness, which ultimately bring out the spirit within the Company.

BPML, believe businesses have a moral responsibility to contribute positively to society and the environment. Our activities demonstrate the company's commitment to ethical practices and responsible citizenship. It goes beyond legal compliance and involves voluntary actions to address social and environmental issues. This is essential for building a sustainable and equitable future for businesses and society. By integrating social and environmental responsibility into our core business practices, we create long-term value and contribute to a more positive and sustainable world.



## For the Special Children:

The Bashundhara Special Children Foundation is a testament to our commitment to social welfare. The foundation provides comprehensive care and education to children with special needs, ensuring they have equal opportunities to reach their full potential. Through specialized training, therapy, and support services, the foundation empowers these children to lead more independent and fulfilling lives.



## For Sports and Unity:

Bashundhara Group's sports club, Rangpur Riders, has achieved remarkable success in the Bangladesh Premier League (BPL). The team's consistent performance and dedicated fanbase have made it one of the most popular and successful franchises in the tournament. Rangpur Riders' success has brought joy and excitement to fans and contributed to the growth and popularity of domestic cricket in Bangladesh.





#### For the visually impaired:

Bashundhara Khata has worked with VIEW to provide Braille textbooks to visually impaired individuals to help them continue their studies and realize their dreams. By providing education, vocational training, and rehabilitation services, the Visually Impaired Education and Welfare Foundation helps these individuals overcome challenges and achieve self-sufficiency.



#### For Road Safety:

BPML have prioritized road safety through initiatives such as installation of passenger shades at bus stops and pedestrian crossings. Implementation of clear information signs at residential areas. Placement of community bells signs at intersections. Installation of appropriate road dividers to separate traffic lanes. These measures have contributed to safer roads and reduced traffic congestion, benefiting commuters and residents in the areas where they have been implemented.



#### For Education:

The Bashundhara Khata National School Science Debate Competition is a platform for young minds to showcase their intellectual abilities and critical thinking skills. The competition encourages students to engage in thoughtful discussions on scientific topics, fostering a passion for learning and research. It has proven to be a valuable tool in promoting scientific literacy and nurturing future leaders in the field.



#### For our Employees:

"Shobar Agey Tumi" (You Before All) initiative is building and maintaining a harmonious workplace for our valuable employees. A workplace where every individual feels heard, safe, valued, prioritized and productive for all our people. Through this initiative we have extended free medical treatment and medicine, 830 hours of training, provident funds and insurance. Using a formalized confidential grievance system we have strictly maintained a safe environment for our people with zero cases of discrimination. BPML is thoughtful about a safe workplace. Fatalities and injuries have been brought from twenty to zero and kept there!



#### For Flood Relief and Assistance:

BPML, in collaboration with As-Sunnah Foundation, have provided essential relief aid to over Five million flood-affected people in Bangladesh. BPML has a long-standing tradition of providing relief assistance to communities in need. In times of natural disasters, conflicts, or other crises, BPML has been at the forefront of humanitarian efforts, providing essential supplies, food, and shelter to affected populations. The company's commitment to social responsibility has earned it widespread recognition and respect.

# 30th AGM in Action

Some active moments of 30th Annual General Meeting FY 2022-2023 of Bashundhara Paper Mills Ltd.







# **30<sup>TH</sup> AGM**

## **PROCEEDINGS**

# Proceedings of the 30th Annual General Meeting

**PROCEEDINGS OF THE 30TH ANNUAL GENERAL MEETING OF BASHUNDHARA PAPER MILLS LIMITED HELD ON WEDNESDAY 20 DECEMBER 2023 AT 11:00 A.M (LOCAL TIME) BY USING DIGITAL PLATFORM THROUGH THE LINK [HTTPS://BPML30.DIGITALAGMBD.NET](https://bpml30.digitalagmbd.net)**

The 30th Annual General meeting of Bashundhara Paper Mills Limited was held on Wednesday, 20 December, 2023 at 11.00 A.M (Local Time) by using Digital Platform through the link: <https://bpml30.digitalagmbd.net> conducted from the meeting room of the company at Bashundhara Industrial Headquarter-2, Plot # 56/A, Umme Kulsum Road, Block # C, Bashundhara R/A, Dhaka-1229.

1. The following Directors of the Board and 195nos. valued Members (Annexuure-1) of the Bashundhara Paper Mills Ltd. were connected through digital platform in the 30th Annual General Meeting:

Sl.	Name of Directors	Position in the Company	Signature
1.	Mr. A.R. Rashidi	Director (Alternate) & Chairman of Meeting	Sd/-
2.	Mr. Md. Imrul Hassan	Director	Sd/-
3.	Mr. Md. Nazmul Alam Bhuiyan	Director (Nominated by EWPD)	Sd/-
4.	Mr. Khwaja Ahemedur Rahman	Independent Director	Sd/-
5.	Mr. Mostafa Azad Mohiuddin	Independent Director	Sd/-

2. At the request of the Members of the Board of Directors Mr. A. R. Rashidi presided over the Annual General Meeting. agenda. The poll option has considered to count the vote for agendas.
  3. The following persons were also connected in the AGM in executive attendance-
    - i. Mr. Md. Mustafizur Rahman FCA, CEO;
    - ii. Mr. Mirja Mujahidul Islam, COO;
    - iii. Mr. Mohammad Kamrul Hassan, CFO;
    - iv. Mr. Shahin Ahmed Head of Internal Audit & Compliance and
    - v. Mr. M. Mazedul Islam, Company Secretary.
  4. The 30th Annual General Meeting anchored and recorded the proceedings of the Annual General Meeting of the Company by Mr. M. Mazedul Islam, Company Secretary.
  5. At the outset of the meeting, the verses from the Holy Qur'an were recited by Hafiz, Kari, Mawlana Md. Alauddin interpreted its meaning in Bangla.
  6. As the required quorum was present for the Annual General Meeting was present, the Chairman of the meeting called the meeting as duly constituted and ordered and the meeting was proceeded as per the agenda of the meeting.
  7. The Company Secretary read out the notice of the 30th AGM before the members connected through the digital platform and requested to enjoy their voting right on the
  8. The Chairman of the meeting welcomed the valued Shareholders in the 30th AGM of the Company and requested to enjoy their voting right by using poll option for the agenda. He delivered the welcome address and briefed about the overall market scenario and business environment of the paper and allied products.
  9. The Chairman of the meeting informed the shareholders that, the company had stepped into the 30th year and it has been sixth year, the company had been listed in the capital market. The Board and the management of the Company felt proud in getting the opportunity to get involved with the stakeholders/investors during the year under review as the shareholder/members in this year.
- The Chairman mentioned that despite many obstacles the company and the paper & allied products industries of Bangladesh during the last 30 years had grown up progressively. He also informed that despite the unavailability of raw materials the paper industry's growth was noticeable. The company had started products export and overcame various adversities by engaging skills and by the cooperation of all had attained profits and due to that, it was able to declare cash dividends for all its shareholders at a considerable rate for this year.

The Chairman informed in the meeting that, the notices of this AGM has duly been published in two national daily newspapers and online portal and the Audited Financial Statements along with the Directors' Report were sent to the Members, whose names were recorded in the Members Register as on Record Date at their respective recorded email addresses. To connect through the digital link for this AGM were open before 24 hours from the holding of the meeting as the regulatory directives.

Then the meeting proceeded as per the agenda of the Notice of the 30th AGM as was circulated earlier.

#### Agenda-1:

To receive, consider and adopt the Directors' Report, the Auditors' Report and the Audited Financial Statements of the Company for the Financial Year ended on 30 June 2023

The Chairman informed in the meeting that, the notices of this AGM has duly been published in two national daily newspapers and online portal and the Audited Financial Statements along with the Directors' Report and were sent to the Members, whose names were recorded in the Members Register as on Record Date at their respective recorded email addresses. To connect through the digital link for this AGM were open 48 hours from the holding of the meeting as the regulatory directives.

As invited earlier through digital platform the member connected in the meeting to discuss on the Directors' Report and the Audited Financial Statements for year ended on 30 June 2023. A considerable number of members were connected to the digital platform actively participated and expressed their observations, comments and suggestions on the Audited Financial Statements and the Directors' Report for the Financial Year 2022-2023. After considering all pros and cons, the members present voted and passed the following resolution unanimously -

#### RESOLVED

"That the Directors' Report and the Audited Financial Statements of the Company for the year ended on 30 June 2023 along with Auditors' Report thereon be and are hereby received, considered, adopted and approved by the Shareholders of the Company."

#### Agenda-2:

To declare and approve the Dividend for the Financial Year ended on 30 June 2023.

The members were informed that for the Financial Year 2022-2023 the Board of Directors of the company had recommended Cash Dividend @ 11% i.e. BDT 110/- (One Taka and Ten Paise Only) per ordinary of share of BDT 10/- (Taka Ten) each for the Members whose name appeared in the Members Register on the Record Date 21/11/2023 accordingly. Then, the Members recommend the Cash Dividend @11% (Eleven) out of the profit of the Company for the year ended 2022-2023 and approval by the Shareholder's in the 30th Annual General Meeting and unanimously passed the following resolution-

#### RESOLVED

"That the recommendation of the Cash Dividend @11% i.e. BDT 110/- (One Taka and Ten Paise) on par value of shares of BDT 10/- (Ten Taka) each for the Financial Year 2022-2023 be and is hereby considered and approved for the members whose names appeared in the Members Register on the Record Date 21/11/0 2023 accordingly."

#### Agenda-3:

To retire and re-elect the Directors of the Company.

The Chairman of the Company informed the meeting that, in accordance with the provisions of Article no. 100 of the Articles of Association of the Company the following 02 (two) of the Directors of this company i) Mr. Ahmed Akbar Sobhan; and ii) Mr. Md. Imrul Hassan were retired by rotation in 30th Annual General Meeting and all of them were eligible under the Article no. 101 of the Articles of Association for re-appointment as the Directors of the company in this Annual General Meeting. The Board of Directors of this company has also recommended the appointment of the retiring Directors for the year 2023-2024 and placed them before shareholders in this General Meeting for their consent. So, after considering all pros and cons the members present passed the following resolution unanimously-

#### RESOLVED

"That the Directors i) Mr. Ahmed Akbar Sobhan; and ii) Mr. Md. Imrul Hassan retired by rotation as per Article no.-100 of the Articles of Association of the Company, be and are hereby re-elected as the Directors of Bashundhara Paper Mills Ltd. for the year 2023-2024 as per the Article-101 of the Articles of Association of the Company."

#### Agenda-4:

To appoint Independent Director of the Company.

The members present were informed that, as per the provision of the Corporate Governance Code, the Company has constituted its board of directors with an Independent Director. Being a large manufacturing business, internal control, compliance and transparency are required to protect the interests of the Shareholders of the Company. Moreover, considering the operational activities, role and responsibility of NRC and Audit Committee in line of the CGC and the scope of works, it should consider appointing another Independent Director for the Company for its smooth operational activities and ensure the good governance in company. As earlier recommendation by the Board and subsequent approval from the BSEC, the Member of the Board proposed the name of Mr. Mostafa Azad Mohiuddin, Managing Director, Kores Bangladesh Ltd. as a competent person for the position of Independent Director for the Company.

So, the members present discussed the matter and considering all the pros and cons passed the following resolution unanimously:

## RESOLVED

"That Mr. Mostafa Azad Mohiuddin, Managing Director of Kores Bangladesh Ltd. be and is hereby appointed as an Independent Director of Bashundhara Paper Mills Limited with immediate effect."

## Agenda-5:

To appoint Statutory Auditors for the Financial Year 2023-2024 and to fix their Remunerations.

The members present were informed of the existing statutory auditors- M/S. K.M Alam & Co., Chartered Accountants who were appointed in the 29th Annual General Meeting have completed their responsibilities during the period under review. The Auditors have requested their re-appointment being they are eligible. In view of this, the Board of Directors of BPML has recommended the reappointment of M/S. K.M Alam & Co., Chartered Accountants for the Financial Year 2023-2024.

In view of this, the members of the company have decided to re-appoint the Statutory Auditors of the Company for the Financial Year 2023-2024 at a fee of BDT 5,00,000/- (Taka Five lac) only including AIT and VAT. So, after considering all pros and cons the members present passed the following resolution unanimously-

## RESOLVED

"That M/S. K. M. Alam & Co., Chartered Accountants be and is hereby re-appointed as the Statutory Auditors of the Company for the Financial Year 2023-2024 with the audit fees of BDT 5,00,000/- (Taka Five lac) only including AIT and VAT only."

## Agenda-6:

To appoint Compliance Auditors for the Financial Year 2023-2024 and to fix their Remunerations.

The members present were informed by the existing Compliance auditors- M/S. Haruner Rashid and Associates, who were appointed in the 29th Annual General Meeting and have completed their responsibility during the period under review. The Auditors have requested for their re-appointment being they are eligible. In view of this the Board of Directors has also recommended to re-appoint M/S. Haruner Rashid and Associates, Chartered Secretaries & Management Consultants, for the purpose of Compliance Certification on corporate governance of this company under the BSEC Code for the Financial Year 2023-2024 with the fee of BDT 100,000/- (One Lac) excluding the VAT and placing the matter before the shareholders of this company in the 30th Annual General Meeting for its approval.

## RESELVOD

"That M/S. Haruner Rashid and Associates Chartered Secretaries be and is hereby re-appointed as the Compliance Auditors for Corporate Governance Certification of the Company for the Financial Year 2023-2024 with the fee of BDT 100,000/- (One Lac) excluding the VAT only. "

## Agenda-7:

Any other business with the permission of the Chair

The Chairman of the meeting requested the members to raise any other matter that they may think fit, but none raised any issue.

There being no other business to transact, the meeting ended with votes of thanks to and from the Chair.

Sd/-

**A.R. Rashidi**

Chairman of the Meeting

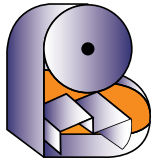


# SHAREHOLDERS

## ATTENDANCE FORM







# Bashundhara Paper Mills Ltd.

Registered Office: Plot- 125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

## PROXY FROM

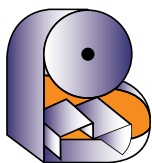
I/We..... of .....  
being Member of Bashundhara Paper Mills Limited, hereby appoint ..... of.....

.....  
as my/our proxy to attend and vote for me/us on my/our behalf at the **31st ANNUAL GENERAL MEETING** of the  
Company to be held on **Tuesday, 24 December 2024 at 11:00 AM** (Local Time) and/or at any adjournment there of.  
As witness I/We put my/our hand this ..... day of .....2024.

Signature of the Shareholder : .....  
Signature of the Shareholder : .....  
Register Folio no./BO ID no. : .....  
Numbers of shares held : .....

Affix  
the revenue stamp of  
BDT 100/-

**Note:** A Member entitled to attend and vote at the Annual General Meeting, may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be deposited at the Registered Office of the company or email to [cs.bpml@bgc-com.bd](mailto:cs.bpml@bgc-com.bd) not later than 72 hours before the time fixed for the meeting.



# Bashundhara Paper Mills Ltd.

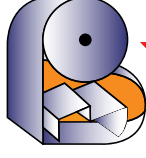
Registered Office: Plot- 125/A, Road-2, Block-A, Bashundhara R/A, Dhaka-1229

## ATTENDANCE SLIP

I, hereby record my attendance at the **31st ANNUAL GENERAL MEETING** being held on **Tuesday, 24 December 2024 at 11:00 AM** (Local Time) through Digital Platform.

Name of Shareholder : ..... Signature of Shareholder : .....  
Folio no./BO ID no. : ..... Numbers of shares held : .....  
Name of Proxy : ..... Signature of proxy : .....





# বসুন্ধরা পেপার মিলস্ লি:

রেজিষ্টার্ড অফিস : ১২৫/এ, রোড-২, ব্লক-এ, বসুন্ধরা আবাসিক এলাকা, ঢাকা-১২২৯

## প্রতিনিধি/প্রক্সি ফরম

আমি/আমরা -----

ঠিকানা -----

আমি/আমরা বসুন্ধরা পেপার মিলস্ লিমিটেড এর সদস্য। আমার/আমাদের প্রতিনিধি হিসেবে আগামী ২৪ ডিসেম্বর, ২০২৪ইং রোজ মঙ্গলবার সকাল ১১.০০ ঘটিকায় অনুষ্ঠিতব্য অত্র কোম্পানীর ৩১তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমার/আমাদের পক্ষে উপস্থিত থাকার এবং ভোট প্রদান করার জন্য নিম্নোক্ত প্রতিনিধিকে নিযুক্ত করলাম :

প্রতিনিধির নামঃ জনাব/জনাবা -----

ঠিকানা -----

অত্র প্রক্সি ঘোষনার স্বাক্ষর হিসেবে অদ্য ----- ২০২৪ইং তারিখে আমি/আমরা সজ্ঞানে আমার/আমাদের স্বাক্ষর প্রদান করলাম।

সদস্যের স্বাক্ষর : -----

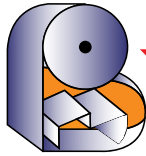
সদস্যের স্বাক্ষর : -----

বিও আইডি/ফলিও নং : -----

ধারনকৃত শেয়ার সংখ্যা : -----

রাজস্ব টিকেট  
১০০/- টাকা  
সংযুক্ত করুন

বিঃদ্রঃ অত্র ৩১তম সভায় সংযুক্ত ও ভোট দানের জন্য যোগ্য যে কোন সদস্য, তার পরিবর্তে অন্য যে কোন সদস্য (Proxy) হিসাবে নিয়োগ প্রদান করতে পারবেন। প্রক্সি (Proxy) ফরমে ১০০/- টাকা মূল্য মানের রাজস্ব টিকেট সংযুক্ত করে তা যথাযথ ভাবে পূরণ-পূর্বক বার্ষিক সভা শুরু হবার অন্তত ৭২ ঘন্টা পূর্বে কোম্পানীর শেয়ার বিভাগে অথবা ই-মেইলের মাধ্যমে [cs.bpml@bgc-com.bd](mailto:cs.bpml@bgc-com.bd) ঠিকানায় পৌছাতে হবে।



# বসুন্ধরা পেপার মিলস্ লি:

রেজিষ্টার্ড অফিস : ১২৫/এ, রোড-২, ব্লক-এ, বসুন্ধরা আবাসিক এলাকা, ঢাকা-১২২৯

## উপস্থিতি পত্র :

আমি/আমরা বসুন্ধরা পেপার মিলস্ লিমিটেড এর ৩১তম বার্ষিক সাধারণ সভা যা ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অদ্য ২৪ ডিসেম্বর, ২০২৪ইং রোজ মঙ্গলবার সকাল ১১.০০ ঘটিকায় অনুষ্ঠিতব্য সভায় আমার/আমাদের উপস্থিতি লিপিবদ্ধ করিলাম।

সদস্যের নাম : ----- সদস্যের স্বাক্ষর : -----

বিও আইডি/ফলিও নং : ----- ধারনকৃত শেয়ার সংখ্যা : -----

প্রতিনিধির নাম : ----- প্রতিনিধির স্বাক্ষর : -----





## NOTES

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