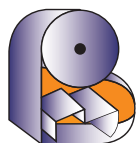


moving forward

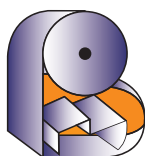


Annual Report 2019



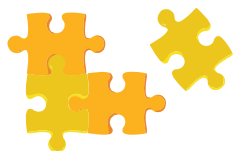
Bashundhara Paper Mills Ltd.
A Concern of Bashundhara Group

Annual Report 2019



Bashundhara Paper Mills Ltd.

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Letter of Transmittal

To

All Shareholders of Bashundhara Paper Mills Ltd.;
Bangladesh Securities and Exchange Commission;
Registrar of Joint Stock Companies and Firms;
Dhaka Stock Exchange Limited;
Chittagong Stock Exchange Limited.

Concentration: Annual Report for the year ended on 30 June 2019.

Dear Sir (s),

We are pleased to enclose a copy of Annual Report of Bashundhara Paper Mills Ltd. (BPML) along with the audited Financial Statements as on 30 June 2019, for your kind information and record.

General review of this, unless explained otherwise, is based on the financials of the 'BPML'.

Yours sincerely,

Sd/-

M. Naseemul Hye FCS

Company Secretary





Bashundhara Paper Mills Ltd.

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

NOTICE OF THE 26th ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Members of Bashundhara Paper Mills Ltd. will be held on Tuesday, 24 December, 2019 at 10:30 a.m at “Puspogusso” International Convention City Bashundhara (ICCB Hall- 2), Kuril Bishwa Road, Purbachal Express Highway, Dhaka-1229 to transact the following business:

AGENDA

1. To receive, consider and adopt the Directors’ Report, the Auditors’ Report and the Audited Accounts of the Company for the Financial Year ended on 30 June 2019;
2. To declare Dividend for the Financial Year ended on 30 June 2019;
3. To elect the Directors;
4. To appoint Auditors for the Financial Year 2019-2020 and to fix their remunerations.

By Order of the Board of Directors

Sd/-

Date: 07 December, 2019

M. Naseemul Hye FCS
Company Secretary

NOTES:

- i. The Record Date of the Company has been fixed on 02/12/2019. Members whose names appeared in the Company's Member Register (certificated and depository) at the close of business on the Record Date be entitled to attend the Annual General Meeting. (N.B. General Shareholders, excepting the Sponsors/ Directors/Pre-IPO Placement Shareholders, will only be entitle to receive the dividends;
- ii. Any member entitled to attend and vote at the Annual General Meeting 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) must be affixed with revenue stamp of Tk. 20/- and should be deposited at the Share Office of the Company not later than 72 hours before the time fixed for the Meeting;
- iii. Members are requested to notify the changes of their addresses including email addresses (if any), through their respective Depository Participants (DP) well in time;
- iv. Admission to the meeting venue will be strictly on production of the attendance slip and verification of the signature(s) of Members(s) and/or Proxy-holder(s). No children will be allowed in the AGM Venue;
- v. In compliance with the BSEC’s Notification No. SEC/SRMI/2000-953/1950 dated 24 October 2000 “(c) no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities.” for attending the AGM of the Company;
- vi. In case of non-receipt of the Annual Report of FY 2018-2019 of this Company sent through the email, Shareholders may collect the same from the Share Office of the Company by submitting written request. The Annual Report is uploaded on the Company’s website at: www.bashundharapapermills.com.





বসুন্ধরা পেপার মিল্স লিমিটেড

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

২৬তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বসুন্ধরা পেপার মিল্স লিমিটেডের সকল শেয়ারহোল্ডারবৃন্দসহ সংশ্লিষ্ট সকলের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আগামী ২৪ ডিসেম্বর, ২০১৯ইং রোজ মঙ্গলবার সকাল ১০.৩০ ঘটিকায় “পুষ্পগুচ্ছ” বসুন্ধরা ইন্টারন্যাশনাল কনভেনশন সিটি (আইসিসিবি হল-২) কুড়িল বিশ্বরোড, পূর্বাচল এক্সপ্রেস হাইওয়ে, ঢাকা-১২২৯ এ অত্র কোম্পানীর ২৬তম বার্ষিক সাধারণ সভা নিম্নবর্ণিত বিষয়াদি সম্পাদনকল্পে অনুষ্ঠিত হবেঃ

আলোচ্যসূচীঃ

১. ৩০শে জুন ২০১৯ইং তারিখে সমাপ্ত আর্থিক বৎসরের নিরীক্ষিত বার্ষিক আর্থিক প্রতিবেদন এবং তৎসঙ্গে নিরীক্ষক ও পরিচালকমন্ডলীর প্রতিবেদন সমূহ গ্রহণ, বিবেচনা ও অনুমোদন;
২. ৩০শে জুন ২০১৯ইং তারিখে সমাপ্ত আর্থিক বৎসরের জন্য লভ্যাংশ ঘোষণা ও অনুমোদন;
৩. অত্র কোম্পানীর পরিচালকগণের নির্বাচন;
৪. ২০১৯-২০২০ইং আর্থিক বৎসরের জন্য বিধিবদ্ধ নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

পরিচালকমন্ডলীর আদেশক্রমে

তারিখ: ০৭ ডিসেম্বর, ২০১৯ইং

স্বাঃ/-

এম. নাসিমুল হাই এফসিএস
কোম্পানী সচিব

দ্রষ্টব্যঃ

১. অত্র কোম্পানীর রেকর্ড ডেট ০২/১২/২০১৯ইং তারিখে নির্ধারণ করা হয়েছে। উক্ত তারিখে যে সকল শেয়ারহোল্ডারগণের নাম অত্র কোম্পানীর সদস্য বহিতে (ডিপোজিটরী) অন্তর্ভুক্ত থাকবে তাঁরা অত্র কোম্পানীর ২৬তম বার্ষিক সাধারণসভায় যোগদান করতে পারবেন। বিঃদ্রঃ উদ্যোক্তাগণ/পরিচালকবৃন্দ এবং প্রাক-প্রাথমিক গণপ্রস্তাবে অংশগ্রহনকারী শেয়ারহোল্ডারগণ (প্রি-আইপিও প্লেসমেন্টহোল্ডার) ব্যতীত সকল সাধারণ শেয়ারহোল্ডারগণ ঘোষিত লভ্যাংশ প্রাপ্তির জন্য যোগ্য বলে বিবেচিত হবেন।
২. ২৬তম সভায় উপস্থিত থাকার জন্য ও ভোট দানের জন্য যোগ্য যে কোন সদস্য তার পরিবর্তে অন্য কোন সদস্যকে প্রক্সি (Proxy) হিসাবে নিয়োগ প্রদান করতে পারবেন। প্রক্সি (Proxy) ফরমে ২০/- টাকা মূল্যমানের রেভিনিউ স্ট্যাম্প সংযুক্ত করে তা যথাযথভাবে পূরণ-পূর্বক বার্ষিক সভা শুরু হবার অন্তত ৭২ ঘন্টা পূর্বে অত্র কোম্পানীর শেয়ার অফিসে জমা প্রদান করতে হবে।
৩. সম্মানিত শেয়ারহোল্ডারগণের ঠিকানা (ই-মেইল ঠিকানাসহ) পরিবর্তন বিষয়ক তথ্যাদি (যদি থাকে) সংশ্লিষ্ট (ডিপোজিটরী পার্টিসিপেন্ট)এর মাধ্যমে অত্র কোম্পানীকে যথাসময়ে অবহিত করার জন্য অনুরোধ করা যাচ্ছে।
৪. সদস্যগণ অথবা প্রক্সিগণ হাজিরা প্লিপে প্রদত্ত স্বাক্ষর যাচাই সাপেক্ষে বার্ষিক সাধারণ সভার কক্ষে প্রবেশ করতে পারবেন। বার্ষিক সাধারণ সভাস্থলে শিশুদের আনয়ন না করার জন্য বিশেষ ভাবে অনুরোধ করা যাচ্ছে।
৫. বার্ষিক সাধারণ সভায় অংশ গ্রহনের বিষয়ে বিএসইসি-এর নির্দেশনা নংঃ SEC/SRMI/2000-953/1950 dated 24th October 2000- এ বর্ণিত ধারা (c)-র নির্দেশনা অনুযায়ী জানানো যাচ্ছে যে “no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities”.
৬. ই-মেইলের মাধ্যমে প্রেরিত ২০১৮-২০১৯ আর্থিক বৎসরের বার্ষিক প্রতিবেদন কোন সম্মানিত শেয়ারহোল্ডার না পেলে অত্র কোম্পানীর শেয়ার বিভাগ হতে তা সংগ্রহ করা যাবে। এছাড়া বার্ষিক প্রতিবেদন বিবরণী অত্র কোম্পানীর ওয়েবসাইটঃ www.bashundharapapermills.com- এ প্রদান করা হয়েছে।



Performance at a Glance FY 2018 -2019

Net Revenue (Tk.mn)	:	11,039.12
Gross Profit (Tk.mn)	:	2,098.75
Profit after Tax (Tk.mn)	:	291.84
Domestic Sales (Tk.mn)	:	10,606.10
Export Sales (Tk.mn)	:	433.02
Total Tax, VAT, SD (Tk.mn)	:	611.74
Export Destinations (Country)	:	23
Capacity Utilization	:	58%
Net Asset Values (NAV)	:	42.08
Earnings Per share (EPS)	:	1.68

Overview on Bashundhara Group



Bashundhara Group, has started its journey as a real estate venture with the nomenclature of "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 e.g. manufacturing, construction, fuel & gas, ship building, trading and service etc. Considerable numbers of enterprises were established in the early 1990s, covering diverse activities. Now the ventures under the group are involved in production of cement, paper and pulp, tissue paper, ship building & shipping, foods & beverage, oil refinery, LPG bottling and distributions, chemicals, printing & publications and trading, among others. The group experienced its significant growth over the last two decades. The Group's first publicly-traded company, Meghna Cement Mills Limited, was listed in 1995 and the latest publicly-traded company is Bashundhara Paper Mills Ltd. listed in 2018 with the two stock exchanges of Bangladesh.

The group has established a media house "East West Media Group Ltd" in 2009. This house owns well circulated Bangla dailies – "Kaler Kantho", "Bangladesh Pratidin", and English daily newspaper- "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".

The group is engaged in various social and philanthropic projects. The micro-credit program under Bashundhara Foundation, Bashundhara Technical Institute, Bashundhara Ad-din Medical College & Hospital, Bashundhara Eye Hospital & Research Institute, and Bashundhara Special Children Foundation are being operated by the assistance and patronization of the group. The group is also a patron of Sheikh Jamal Dhanmondi Club Ltd. and Sheikh Russel Krira Chakra Ltd. Toggy Sports Ltd., is the owner of the Rangpur Riders-the Champion Team (2017) of the BPL is also under the canopy of Bashundhara Group.

This Group has come a long way and meanwhile has established various innovative projects alongwith manufacturing ventures wherein around 50,000 employees are directly and 200,000 indirectly employed. Through major investment undertakings in all key sectors, Bashundhara has contributed considerably to the country's socio-economic stability, financial sector and capital markets. Most of its projects have the success stories- this fact alone is enough to justify the Groups moto- "For the People, for the Country".



Overview on the Company



The Company was incorporated in Bangladesh in 1993 as a private limited company. Subsequently it was converted into a public limited Company now 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 carrying 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 product 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. These significant alterations have been easily accomplished backed by dependable partnerships with World's top technology providers e.g. Valmet, Andritz, ABB, Siemens, Voith, Caterpillar, Gapcon, Cleaverbrooks, Thermex, Sigma Engineering, Recard, Parker, Eurotherm, OK Machineries, Adpep, Taisan, Omet, ZWC etc.

Having positioned in a fast-growing market set, Bashundhara has been relentless over two decades to offer its diversified products ranging from different types of Paper, Tissue & Hygiene portfolio, thereby it has rightly been entrusted from customers 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 25 different global destinations. Noteworthy, it has been successful to become the only Company in Bangladesh having the certification of ISO 9001:2015 and FSC-CoC 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.

Run by a group of sturdy technical and highly experienced paper professionals of the Country since its inception, all the production units of BPML is absolutely environment friendly through leverage of most-modern Effluent Treatment Plants (ETPs). The Company runs through unique ERP solution (SAP), where this transformational technology enables to bring together best practices across all functions of the organization to deliver highest value to all external and internal stake-holders. The Company continues to conduct regular audits for its quality standards and customer satisfaction through conducting in-house resource and also by independent agencies, which in turn helps to be updated with changing customer needs and their preferences and develop its products to stay well ahead of the curve.

These pioneering moves have given Bashundhara Paper a pride of place as the change leader, ushering in a phase of complete makeover in the Bangladeshi paper market.

Bashundhara Paper Mills Limited (Unit-1)



BPML (Unit-1)

The unit-1 was established in 1993 with an integrated paper plant with 36,000 MT/per annum 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 3 more paper plants and 10 converting units.

In this Unit the company produce a diversified product range from 20 GSM to 110 GSM of different grades of White Writing & Printing Papers, Carbonless Paper, Colored/ Offset Printing & Wrapping Papers, Color Ledger Paper, Sticker Papers, Cigarette Tipping Papers, OGR Paper, Exercise Books, A4 Paper, Paper Sack also time to time produce plng warps stiffener Glassine paper, PP woven Bag, MG paper, Coted & uncoated Paper Board etc. 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.

Furthermore, in a bid to retain the leadership, a turn-key agreement has already been signed with Andritz AG, Austria in order to set-up the most sophisticated Paper production line, having the capacity of 120 MT per day.



Bashundhara Paper Mills Limited (Unit-2)



BPML (Unit-2)

Unit-2 of Bashundhara Paper Mills Limited was set up in 1994. It was formally known as Bshundhara Newspaper & Duplex Board Ltd. The Unit-2 three modern plants in producing newsprint, white writing/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.

The third unit makes art paper for printing industries.

Furthermore, in a bid to retain the leadership, a turn-key agreement has already been signed with Andritz AG, Austria in order to set-up the most sophisticated Paper production line, having the capacity of 120 MT per day.

Bashundhara Paper Mills Limited (Unit-3)



BPML (Unit-3)

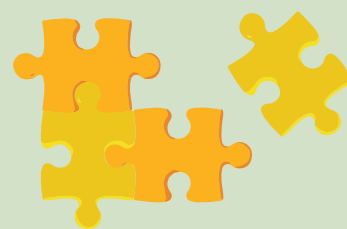
Unit-3 of Bashundhara Paper Mills Limited, formerly known as Bashundhara Tissue Industries Limited, was set up at Anarpura, Gazaria, Munshiganj in 1995. It is the country's first basic tissue manufacturing factory at the face of growing popularity of tissue with fast changing urban lifestyle and elevation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

Out of five production lines, dozens of tissue products are being successfully manufactured to cater the consumer demands, where diverse types of Tissues ranges from Facial Tissue to Pocket Tissue, from Napkin Tissue to Kitchen Towel Tissue, from Toilet Rolls to Clinical Bed Sheets, from Wet Tissue to MG Hard Tissue. Not only pure Tissue products, but also different hygiene to other paper items e.g. Monalisa Sanitary Napkin, Bashundhara Baby Diaper, Bashundhara Diapant, Hand Gloves, Cotton Bud, Drinking Straw, Tooth Pick, Paper Carton Container, MG Poster Paper, Ledger Print Paper, Colour Printing Paper (Pink, Yellow, Green, Blue), Liner Paper, Manifold Paper (White, Pink, Yellow, Green, Blue), Plug-wrap Paper are among the premier products of this Plan.





Board of Directors



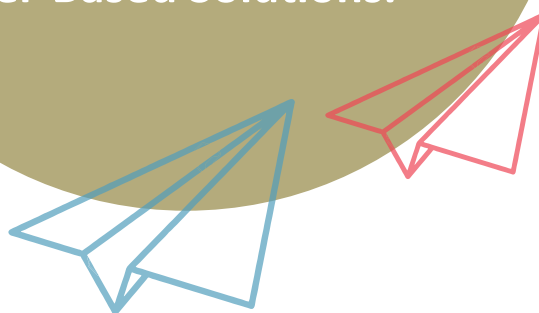
Board of Directors

Board of Directors

Chairman	Ahmed Akbar Sobhan
Directors	Md. Nazmul Alam Bhuiyan
	Md. Imrul Hassan
Managing Director	Safwan Sobhan
Independent Directors	Khawaja Ahmedur Rahman
	Zeaur Rahman
Company Secretary	M. Naseemul Hye FCS

Our Mission

We
Are Passionate
About Helping the
World Excel In Education,
Communication, Business
And Salutariness By Offer-
ing Eco-Sustainable Pa-
per-Based Solutions.



Our Values

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.

Corporate Directory

Name of the Company	: Bashundhara Paper Mills Ltd.
Legal Status	: Public Limited Company (listed)
Date of Incorporation	: 23 September, 1993
Financial year	: July-June
Listing at Stock Exchanges	: DSE : June, 2018 CSE : June, 2018
Capital of the Company	: Authorized : 500 Cr. Paid-Up : 173.17 Cr.

Composition of Ownership as on 30 June 2019	Category	Percentage of Shares
	Board of Directors (Including Managing Director)	67.47%
	Sponsor Shareholders (Including pre-IPO sponsors)	17.55%
	Institutions	6.52%
	General Public	8.46%
	Total	100%

Composition of Board	Name	Position
	Ahmed Akbar Sobhan	Chairman
	Md. Imrul Hassan	Director
	Md. Nazmul Alam Bhuiyan Nominated by: East West Property Development (Pvt.) Ltd.	Director
	Khawaja Ahmedur Rahman	Independent Director
	Zeaur Rahman	Independent Director
	Safwan Sobhan	Managing Director

Audit Committee	Name	Position
	Khawaja Ahmedur Rahman	Chairman
	Md. Imrul Hassan	Member
	M. Naseemul Hye FCS	Member Secretary

Nomination & Remuneration Committee	Name	Position
	Khawaja Ahmedur Rahman	Chairman
	Md. Imrul Hassan	Member
	M. Naseemul Hye FCS	Member Secretary



Corporate Directory

Statuary Auditors	: M/S. Ahmed Zaker & Co. Chartered Accountants
Governance Compliance Auditors	: M/S. Itrat Husain & Associates Chartered Secretaries in Practices
Legal Adviser	: M/S. Law Valley
Tax Consultants	: M/S. Ashraf & Associates
Chief Financial Officer	: Mirja Mujahidul Islam
Head of Internal Audit & Control	: Md. Eleas Hossain
Company Secratery	: M. Naseemul Hye FCS
Web Page	: www.bashundharapapermills.com

Investors Relations Cell : [www.bashundharapapermills.com/investors relation](http://www.bashundharapapermills.com/investors%20relation)

Phone : + 88 02 8431256-8, + 88 02 8432289-93

Fax : + 88 02 8432305

E-mail : cosc_bpml@bg.com.bd

Registered Office:

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

Share Office:

Bashundhara Industrial Headquarters-2
Plot-56/A, Umme Kulsum Road, Block-C,
Bashundhara R/A, Dhaka-1229.

Corporate Office:

Bashundhara Industrial Headquarters-2
Plot-56/A, Umme Kulsum Road, Block-C,
Bashundhara R/A, Dhaka-1229.

Factory :

Unit-1

Meghnaghat, Baranagar,
Sonargaon, Narayangonj.

Unit-2

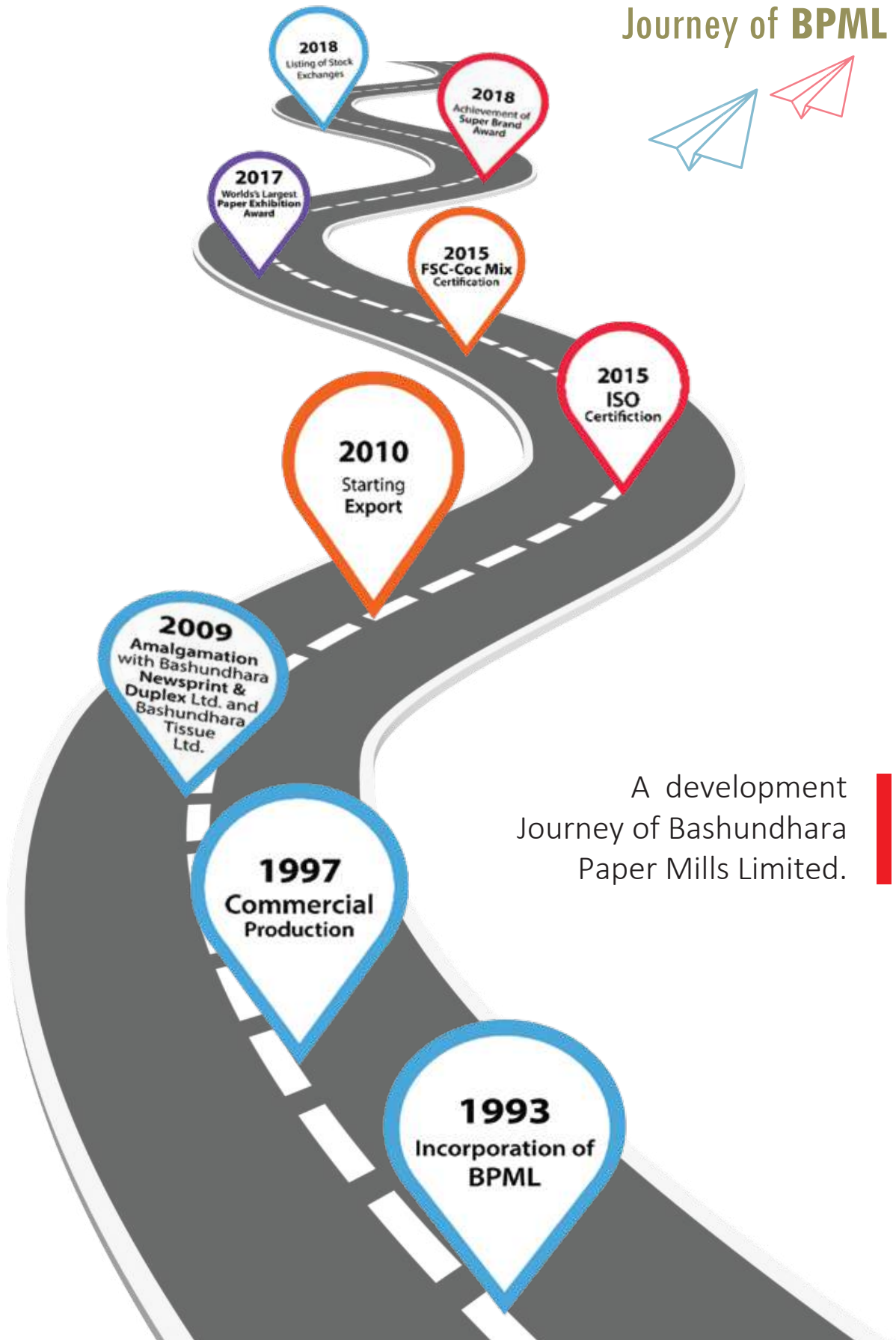
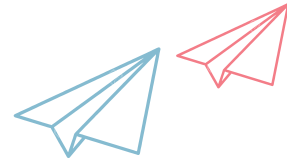
Meghnaghat,
Sonargaon, Narayangonj.

Unit-3

Anurpura,
Gazaria, Munshigonj.



Journey of BPML



A development
Journey of Bashundhara
Paper Mills Limited.



Bashundhara
**Baby
Diaper**

FLEXIBLE & COMFORTABLE

- Super Absorbent
- Velcro System
- Breathable Fabric



[f /BashundharaDiaper](#)

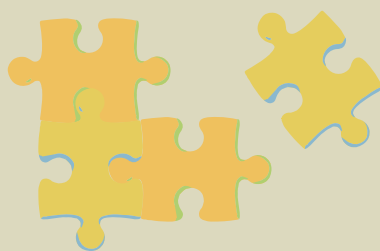
www.bashundharapapermills.com

Careline: 16339



Bashundhara Paper Mills Ltd.





CHAIRMAN'S MESSAGE



AHMED AKBAR SOBHAN

CHAIRMAN

Dear Distinguished Members & Shareholders,

It is a privilege for me to welcome you all on this special occasion of the 26th Annual General Meeting of our beloved company- Bashundhara Paper Mills Ltd.

All this long way we have been committed to discharge our duties and responsibilities to ensure addition of values towards our stakeholders, members and customers, and safeguard their interests. We always value our goodwill and have a proven track-record of excellence. Keeping this in mind, everything that we envision, plan, execute and deliver are all aligned to this strategy. For the longer term, we are pursuing a strategic approach of further diversification of our business portfolio and expanding our geographical reach, product and service offerings as well as cementing stronger business partnerships to solidify our position in the market.

We all the time give emphasize and concentrated our efforts for fulfillment of our customers' needs at affordable prices. We have also engaged ourselves to generate new ideas, options and innovations aiming our customers and users giving special priorities for their satisfaction and ensure further growth to this company.

In every business pursuit there are competitions and the fittest could come out successful. We have kept all out keen observations and vigilant. We are hopeful and determined that with the support and cooperation from the part of our members, stakeholders and patrons and wide range of customers no odds shall obstruct our journey.

On this occasion I wish to express my sincere appreciation and gratitude to all our stakeholders, patrons and customers and request all of them to keep confidence and support us in the coming days. I believe together we can achieve more.

May Allah bless us all.

Sd/-

Ahmed Akbar Sobhan
Chairman



MANAGING DIRECTORS' **REVIEW**





SAFWAN SOBHAN

MANAGING DIRECTOR

Respected Members,

Assalamu Alaikum wa Rahmatullah.

With the belief that “we can do” we started our journey more than two decades ago. By this time we set us in a commendable position in the paper sector of this country. The first year after the listing of this company at the capital market meanwhile been completed. Now we are in the 2nd year after the listing. Meanwhile this company gathered significant experiences on compliance issue and dealings with regulators including BSEC, Stock Exchanges and RJSC being a listed and new entrant in capital market.

It is my pleasure to let you all know that this company has completed the full utilization of the IPO Funds as per the prior declaration as an Issuer disseminated through its issued prospectus.

The company has executed its plan to raise its capacity by setting up of imported new plants and machineries in factory premises and engaged its efforts to expand its business horizon. The commercial production of the new unit started in February 2019. During this year the company has further introduced some new products which are expected to create good demands in the local market.

We are also looking for increasing of our export revenues. We hope that by producing quality products use we could hold and acquire more local market shares and export more as well.

Everyone in this company are aware about their duties and responsibilities. We are trying hard to place our company to more prosperous position. We always perceive our company as a unit that could make a difference with its innovations, quality and competitively priced products.

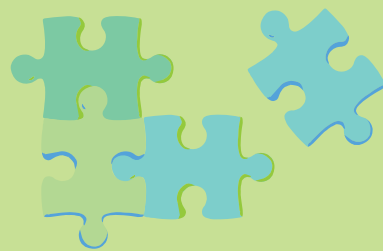
We hope that the journey of Bashundhara Paper Mills Ltd. shall continue with the support and corporation of our shareholders, stakeholders and consumers.

I am confident that our company will continue to scale milestones of excellence in future.

Thanking you all.

Sd/-
Safwan Sobhan
Managing Director

“We are trying hard to place BPML to a commendable position, perceive our company as a unit that could make a difference with its innovations, quality & competitively priced products”



Directors' Profile



Ahmed Akbar Sobhan

Chairman

Mr. Ahmed Akbar Sobhan is one of the Sponsor Directors and Chairman of this Company. He graduated in Business Studies from the University of Dhaka. He founded Bashundhara Group back in the 80s, which is now a leading industrial group of Bangladesh. Bashundhara Group (BG) now consisting of more than seven dozens of companies comprising of moderate to heavy industrial and business units. His leadership, commitment and vision placed this group in a comendable 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.

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. Bashundhara Foundation is the pioneer of charges/interest free micro credit program in Bangladesh and operating this program in different parts of the country. These two foundations have been living up to Bashundhara Group's promise of "For the People for the Country".

Safwan Sobhan

Managing Director

Mr. Safwan Sobhan is a dynamic and enterprising young entrepreneur. He had his schooling in Oxfordshire in the UK and had his bachelor's degree in business administration. He established various corporate houses at home and abroad and earned laurels for his leadership qualities. At present, he is the Managing Director of Bashundhara Paper Mills Ltd. He is also Director of Bashundhara LP Gas Ltd., City Multi Agricultural Company Ltd., Bashundhara Horticulture Ltd., Bashundhara Infrastructure Development Company Ltd., Bashundhara Logistics Ltd., Bashundhara Airways Ltd., Bashundhara Amusement Park Ltd., Bashundhara Multi Paper Industries Ltd., Bashundhara Agricultural Products Ltd., Bashundhara Electricity Ltd., Toggi Real Estate and Construction Ltd., Bashundhara Textile Mills Ltd., and many other companies of Bashundhara Group.

Mr. Sawfan is also a Trustee of Bashundhara Foundation.

As is a keen sportsman and a sports loving personality Mr. Safwan has involvement with various activities to promote sports activities in this country and abroad. He is now the Managing Director of Toggi Sports Ltd. - the owner of the Rangpur Riders, the Champion Cricket Team of the prestigious Bangladesh Premier League (BPL) - 2017. He is also the current President of Lt. Sheikh Jamal Dhanmondi Club Ltd.

Mr. Sawfan is also one of the patrons of the Army Golf Club, Dhaka and a Member of the Dhaka Club Ltd. He has been selected as a CIP in Bangladesh for his business activities and contributions to national exchequer for consecutive years.

Mr. safwan Sobhan was appointed by the Board as the Managing Director in 2015. Previous to this assignment, he was a Director of this company. Since his taking over of the charge, he has been contributing actively in overall planning, strategy formulation, HRM, decision-making process of this company and Bashundhara Group as well. His specialization in time management, branding of products and promotion, risk management and crisis management brought positive results and wide acclamation.



Md. Imrul Hassan

Director

Mr. Imrul Hassan is a director of Bashundhara Paper Mills Limited. He was born in Cumilla 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. Presently he has been holding the position of President, Bashundhara Kings- the Runners-up team of the Club Football Tournament of Bangladesh. He is very well known for his social work and activity.

Mr. Hassan is keenly interested in development of sports and socio-cultural activities and a successful businessman indeed.

He is the member of the Audit committee of this Company. Mr. Hassan is also a Trustee of the Bashundhara Foundation.

Md. Nazmul Alam Bhuiyan

Director

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 Baridhara 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 L td. 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 interest.

Mr. Bhuiyan was born in Brahmonbaria on December 25, 1971 in a recognized Muslim family. He had his 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. He is a successful personality holding a fabulous track of experience to compete the global race. He is very known person for his social work and activities.



Khawaja Ahmedur Rahman

Independent Director

Mr. Khawaja Ahmedur Rahman (67) completed his Graduation in 1969 and started his career as a government officer. After his retirement from civil service, he started his business career by setting up various business ventures in audio video & electronics sector in this country. He has been associated with many companies as sponsor directors including Rose Valley Audio Video Ltd., Rumki Electronics Industries Ltd., Matsha & Krishi Khamar, Singha Bangladesh Ltd. and Link-up International Ltd., etc. He has a vast knowledge of finance, business, corporate management, industrial, trade and labour laws. He is the Managing Director of Link-up International Ltd. He is associated with many socio-cultural and philanthropic organizations.

He has been in the Board of this Company since 2015 as an Independent Director and is the current Chairman, Audit Committee of this Company. He is also the Chairman of the Remuneration and Nomination Committee of the Board of Directors of this company.

Zeaur Rahman

Independent Director

Mr. Zeaur Rahman (59) completed his graduation in 1981 from the University of Chittagong in Business Studies. He promoted various business ventures in this Country and has vast experience in business consultancy, business advisory and management.

He has been associated with a good number of business enterprises. At present, he is the Chairman of M/S. NK Group, WOTBD Pvt. Ltd, Kalka Engineers Ltd., Civil and Electrical Engineering Ltd., etc. He has been associated with many social organizations including Chittagong Club Ltd., Chittagong Boat Club, Privilege Club, Club 21 etc.

He has been in the Board of Directors of Bashundhara Paper Mills Ltd. as an Independent Director since 2017

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 are 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	Integrity in Business Practice	Integrity
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.	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'. Moreover, employees are not expected to disclose such information without proper authorization.	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.

Policies of the Company

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

Our quality policy is to -

Quality Policy

- 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.

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

Environment 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 Company has introduced codes, policies and action plans for its employees since long.

BPML has developed comprehensive policies and procedures in relation to occupation health, safety, and welfare issues. 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 requires that BPML:

Occupational Health and Safety Policy

- 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 provide 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 the staffs accept their responsibilities to work safely.

Performance in last Five Years

Key Financial Highlights of FY 2018-2019

Operating Performance

Taka in Million

Particular	2018-2019	2017-2018	2016-2017	2015-2016	2015
Revenue	11,039.12	10,821.10	10,004.08	10,834.64	10,435.76
Gross Profit	2,095.28	1,920.58	1,824.41	1,956.45	1,802.63
Income from Operating	1,606.49	1,390.59	1,423.88	1,515.64	1,383.05
Profit Before Interest, Tax & Dep .	2,540.09	2,214.35	2,168.97	2,156.35	1,975.38
Net profit after Tax	291.84	693.64	385.13	430.02	264.67

Financial Position

Particular	2018-2019	2017-2018	2016-2017	2015-2016	2015
Paid-up-Capital	1,737.91	1,737.91	1,477.50	1,477.50	1,477.50
Shareholders' Equity	7,480.25	7,549.50	4,887.17	4,504.85	4,213.40
Total Assets	30,186.24	25,062.14	20,677.89	18,908.85	18,083.74
Total Liabilities	22,705.99	17,512.64	15,790.71	14,404.00	13,870.34
New Working Capital	2,640,118	2,665.46	2,926.87	3,495.44	3,454.03
Capital Employed	0.09	0.11	0.13	0.16	0.15

Financial Ratio

Particular	2018-2019	2017-2018	2016-2017	2015-2016	2015
Current Asset to Current Liabilities	1.16	1.10	1.04	1.00	1.02
EBIT to Net Interest Cover (Times)	1.46	1.60	1.78	1.57	1.39
Debt to Equity	3.04	2.32	3.23	3.20	3.29
Gross Profit Margin	19.01%	17.75%	18.24%	18.08%	17.27%
Operating Profit Margin	14.55%	12.85%	14.23%	13.99%	13.25%
Net profit Margin	2.64%	6.41%	3.85%	3.97%	16.97%

Market Performance

Particular	2018-2019	2017-2018	2016-2017	2015-2016	2015
Face value per share	10	10	10	10	10
Dividend on paid up capital	15%	20%	-	-	-
NAV per share	42.08	49.18	31.38	30.49	28.52
Earnings per Share	1.68	3.99	2.57	2.91	1.79
Price Earning Ratio (P/E Ratio)	37.52	20.75	37.38	32.99	53.59



IPO Fund Utilization Statement

The Public Offering of 26,041,666nos. of ordinary shares were offered out of which 60% i.e. 15,625,000nos. of ordinary shares were reserved for Eligible Investors (EIs) at cut-off price of Tk. 80/- and remaining 40% i.e. 10,416,666nos. of ordinary shares were at a 10% discounted rate from the cut-off price set at Tk. 72/- per share reserved for the General Public including NRB and Others totaling Tk. 2,000,000,000/- (Taka Two Hundred Crore only).

After all compliances of provisions under the Public Issue Rules, directives and guidelines of the Bangladesh Securities and Exchange Commissions and other regulators the company finally obtained the Consent of IPO on 28 March 2018 and received the fund on 27 June 2018.

The Forecasted Use of Proceeds & Time Schedule of IPO as was published in the Prospectus dated 01/04/2018 (page no. 211) mentioned below:

Sl. no.	Particulars	Declared time schedule for Utilization of Fund	Amount of Taka
1.	Expansion of Business (Installation of factory Machineries)	Within the 02 years of receiving Fund	1,350,000,000
2.	Repayment of Bank loan	Within the 30 days of receiving Fund	600,000,000
3.	IPO Expenses	On Turnkey basis	50,000,000
	Total Taka (Two Hundred Crore)		2,000,000,000

The Utilization of the IPO Funds within the declared scope was completed as was scheduled.

The Statement of Year wise utilization of IPO Proceeds is enumerated below:

Sl. no.	Particulars	Month of Utilization			Total of Utilization (%)
		June 2018	July 2018	August 2018	
1.	Factory Machineries	8%	-	92%	100%
2.	Repayment of Bank Loan	100%	-	-	100%
3.	IPO Expense	81%	17%	2%	100%

The Utilization of the IPO Funds within the declared time schedule has duly been audited and submitted to the BSEC and the Stock Exchanges.

The company has also complied with other instructions in this regard. The all other conditions of IPO related issues which were set by the BSEC and Stock Exchanges were duly been complied with within the prescribed time guidelines.

Date: 11 November, 2019

Sd/-
M. Naseemul Hye FCS
Compliance Officer

Value added Statement

1. Bashusnudhara has introduced the following new products in its product line Expecting a significant effect to revenue generated :

New Product	Product Name	Produce unit	Capacity Utilization	Contribution in Gross Revenue (BDT)
	Wet Wipes	428,842 cnt.	13%	59.77 Cr.
	Wet Tissue	318,488 pkt.	5%	16.56 Cr.
	Added revenue by introduced products			61.43 Cr.

2. Increase of capacity utilization in the FY 2018-2019:

Capacity Utilization	Product/Segment	2018-2019	Growth (%)	2017-2018
	Paper Section-	49%	2%	47%
	Paper Section- Printing Machine	84%	19%	65%
	Baby Diapant	60%	38%	22%
	Hand Gloves	6%	2%	4%

3. Increase in Fixed Assets : **512.41 Cr.**
4. Employment Generated : **563 persons**
5. Incased of Export Revenue : **5.08 Cr.**
6. Machineries : Set up fully automated brand new tissue machine which has capacity to produce. **120 MT / day**
7. Accolades & Awards : Awarded best Tissue brand of the country namely - **“ BestBrand”**
: Awarded largest paper brand of the country namely - **“ SuperBrand”**

Bashundhara Paper

COUNTRY'S ONLY PAPER BRAND
TO RECEIVE THE AWARD

Superbrands

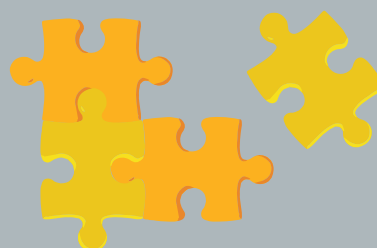


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www.bashundharapapermills.com

 Careline : 16339



Bashundhara Paper Mills Ltd.



Directors' Report



Directors' Report to the Shareholders

Dear Honourable Members,

Assalamu Alaikum wa Rahmatullah

On behalf of the Board of Directors of Bashundhara Paper Mills Limited (BPML) I am pleased to welcome you all in the 26th Annual General Meeting of this Company. I express my heartfelt gratitude to all of you for managing your valuable time for attending the 26th AGM of BPML. It is also a great privilege on our part in presenting you the 26th Annual Report along with the Audited Financial Statements for the FY 2018-2019, Notes to the Accounts, the Statutory Auditors' Report thereon and the Audit Committee's Report, Corporate Governance Statement, Compliance Report, and Nomination and Remuneration Committee's Report to you for your kind consideration, approval and adoption.

An Overview of the Economy of Bangladesh

Bangladesh is a developing country of mixed economy. It is regarded as the 39th largest in the world in nominal terms, and 29th largest by purchasing power parity. This country is continuing its focus on easing infrastructure bottlenecks, improving of livelihood, containing of cost of doing business and skills; and increasing of investment scene as to create more and better job opportunities. We are now regarded as the inspiration to other countries for static economic growth, substantial growth in literacy rates, progress in poverty reduction, per capita food production, health and sanitation, increase in life expectancy, etc. The gradual economic growth enabled this country to attain lower middle-income country status. But for sustainable growth, it needs to raise industrial productivity, implement structural reforms, expand investments opportunities, attain and maintain socio-economic balance, etc. By reducing infrastructural gaps and improvement of the business climate, the productive sectors to be developed and to generate more jobs. It has been classified among next eleven emerging market middle income economies in a recent classification.

Present Global Scenario of Paper Industry

The global production of paper and paper products had increased over the last few decades. The global pulp and paper industry is supplied by more than 100 million hectares of forests and the pulpwood plantations cover 10 of millions of hectares of forest lands, largely in the tropics. More than half of the paper and paper products used globally is for packaging purposes, and this area has been increasing consistently in recent years. In considerable numbers of countries in Europe and North America in particular, there have been substantial reductions in consumption of printing and writing paper, which globally represents about a quarter of paper use by volume. And globally the use of both newsprints and printing papers have been reduced since 2010. The most rapid growth is in sanitary papers, although it accounts for less than 10% of global volume of paper sector.

It is expected that the market for paper and paper board will continue to grow gradually. It will be due to considerable increases in population, literacy rates, and improvement in the life style of the people of developing countries. On the other hand there were also sharp declines in most advanced industrialized counties due to their preference to the advanced electronic communications systems. The demand for paper and paper products increased globally during the last few decades but production levels did not reach to the level to meet the demand of paper consumers. The overall global paper industry is fragmented in consequence of rapid urbanization, improvements in lifestyle of consumers, rise in disposable income and literacy rate. Some special factors- demographic condition, economic condition and environmental regulations have a significant impact on the global paper industry dynamics. The increase in the literacy rate, recycling, population, and economic growth are anticipated as the significant factors to boost the global paper industry. Through innovation and energy diversification the paper industry in the developed countries has been turning away from natural forest resources as its raw materials. The industry witnessed many up and downs over the last few decades due to remarkable changing pattern in publications. The publication sector has long been considered as the significant user of papers for publishing the newsletters, journals, and other print media etc. The global demand for paper and paper products has increased rapidly as some emerging countries' economies have depicted significant growth. The population growth and increasing business activity also have direct influence on the consumption of specialty papers. Increasing market share of some emerging economies in global trade and rapid industrialization have impact on demand for paper. Population growth, urbanization, increase in middle class population, rises in standard of living and increase in the literacy rates all over the globe also have role over the growth of paper and paper products industry.



Some developing countries' shares in the global paper and paper products industry were also observed in the growing trend. It is noteworthy to mention that some challenges also came in the way of the global paper industry's growth. It has been created due to volatility in raw materials availability and raw materials' prices, imposition of strict environmental regulations by various influential nations, increased use of electronic media, increasing trend of office automations, increase in transportation costs, fuel and energy costs etc.

Overall Paper Market Scenario

The paper industry of this country began its journey 1950s when a government owned paper mill commenced its operation at Chandraghona area of Chattogram. It took more than two decades further for the private sector paper mills which were being established since early 1980s. Gradually the private sector took over its hold over the paper sector of the country and now the private sector paper mills are producing 80-85% paper products as consumed by the local consumers. There are about 100 paper mills out of which more than 41 paper mills are in operation. These paper mills produce different grades of paper including writing, printing, liner, media, simplex, duplex, board, newsprint, cigarette paper, packaging products. BPML has continued to hold about 30% market share of the paper and paper products sector.

The per capita paper consumption as well as total paper consumption was increasing all over the developing countries. And Bangladesh was no exception. It was reported that the paper mills of this country in total were producing around 600,000 MT paper and paper products per annum. While the demand of paper and board was around 700,000 MT per annum. This gap in the local supply and demand for paper and paper products was met by imports. If the local market wanted to grow up to Asia level, then the consumption of paper and paper products expected to increase further. So, there will be more demand of paper and paper products in future. The significance of paper and paper products in modern life is obvious to everyone. Over the last few decades, the paper production has been increased globally. It is expected that the market for paper and paper products will continue to grow gradually till 2030, with particularly sharp increases in developing countries and a slight decline in the most advanced industrialized countries.

Overall Tissue Paper Market Scenario

Per capita consumption of Tissues in Bangladesh is 150 gm;

Our tissue product's contribution to national GDP is 0.025%;

Yearly growth rate is around 14% whereas global growth rate is 4.96%.

Demand and Supply Gap

In recent years there have been various developments in our country including improvements of livelihood, standard of living of the people, GDP growth, fast urbanization etc. It created positive impact in the paper sector as well. If the trend continues we believe the demand for paper and paper products to cross 3200 MT within a short time. We have taken initiatives to focus on rural markets of Bangladesh wherein most of the people live. We have undertaken nationwide awareness development programs through discussion sessions, meetings, and seminars on regular intervals and included thousands of Imams, religious personalities, leaders, socially recognized and respected persons in such programs. We observed that awareness for using tissue products in the rural people is developing gradually and people in the rural and urban areas have started using more tissue products now a days.

Before the financial under review the production capacity of BPML was 1,13,050 MT/Year when the factory run with approximate 80% of its capacity. As a result we usually got 80-85% of our total requirement and due to shortage of production capacity we cannot meet the market demand. Thus short supply becomes common phenomenon in previous years.

Meanwhile BPML has imported modern machineries and equipment and installed those in the factories of the company. The import of the European Brand-New Automated Tissue machineries and equipment added capacity by 30,000 MT/Year in production of different grades of tissue including high-quality facial wipes, toilet paper, and napkins and add diversities in the product portfolio. After successful trial production the commercial production had started in February 2019. It was aimed that the company be able to increase its market share after full utilization of these new machineries and equipment.

The process to establish and start a converting unit having 500MT production capacity in Kolkata, India and another converting unit with more 500 MT production capacities at Shiliguri, India are under way although jumbo rolls of papers for this converting unit is planned to be sent from our local factory.

This company has continued to export of its products, although in a lesser volume, in various countries including India, China, England, Australia, Bahrain, UAE, etc. We have been focusing on domestic markets rather than export markets in considering lower margins from exports. We have also engaged our efforts for expansion of our export markets and reaching our products to more and more foreign countries. And our expert sales teams are working hard in implementing the plan of further business expansion outside of the country.

A brief description of Business Strategy

It is widely regarded that paper producing is highly complex and integrated technology involving lot of process areas, options and types before determination of the finished products. BPML is a modern paper industry, divided into various sections and process areas/units. It is also the pioneer in paper production industries in the private sector of this country. It started its journey in 1993, since then has been producing quality papers and paper products having wide market demand and with this it has been helping the nation to save huge amount of hard-earned foreign currency by cutting dependence on imported paper products.

BPML aims to continue as the market leader in this particular sector of this country. Meanwhile it has completed its journey of 26 years and within this period it has established itself as a supplier of innovative products by maintaining quality of its products at affordable prices. The business model of BPML is designed to deliver sustainable growth. The key objectives of the company is managing business as to achieve static growth with sustainability and profitability, increase the value of the business for capital providers as well as the stakeholders. It has also engaged all its efforts to introduce more and more new products and services to satisfy the requirements of the consumers – locally and internationally.

Objective of the Company

As a business venture BPML's objectives include various kinds of goals some are fundamental, and others change as it grows which are specific, measurable, attainable, relevant and time bound as well. BPML aimed to develop and maintain long-term customer relationship through diversified products those enhance the prospects of success in markets. In this pursuit this company engaged all its efforts to generate sustainable revenue and profitability through prompt decision making in business operations. And BPML in its endeavor for growth also kept its keen observation as to maintain its position in the paper industry by establishment of cost and operating efficiencies; serving of its customer for their satisfaction; proactive environmental issues; continued corporate social responsibility discharging; continued improvements in health and safety related areas. As a leading paper and tissue manufacturing and marketing company, since its commercial operation in 1997 this company has been facing strong competition. The Company views the need for a strategic plan in business operation of long-range. This company is also concerned on building up its image for maintaining of its customers' loyalty, attraction of more customers, establishment of trust for a visible profile. For enhancing of its image the company offered various programs, sponsored events, and made matching contributions to charities as well.

Strategic Goal of the Company

BPML is a leading paper and paper manufacturing company of this country. It its pursuit engaged all its business efforts to develop its presence in the markets, particularly in the tissue and paper sector where inherent growth and cost benefits are most apparent. In its paper and tissue businesses, the company sees bigger opportunities to develop by leveraging the 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 is:

- To focus on developing markets that offer us growth opportunities;
- To invest in the exceptional people and high-quality, low-cost operations;
- To passionate about performance, reliability and sustainability; and
- To work with the customers, value them and involve efforts to meet their needs.



The paper sector is very competitive and to cope with this in production and business operations BPML has put emphasis on:

- Some changes in manufacturing process;
- Product diversification;
- Asset consolidation/optimization;
- Growth plans, which may include expanding the business, introducing new products, locations, and market segments;
- Supply chain revisions;
- Ways to reduce the cost of goods sold including efficiencies in manufacturing and reduction of water and utility consumption;
- Asset preservation / maintenance plans including capital expenditures for meeting current regulations and maintaining the future of existing assets;
- Continuous training of the human resources to match with technological advancements.
- Safety initiatives and measures.

The company's business and strategic objectives are summarized as:

- To constantly innovating its products, service, quality and delivery in order to develop and/or maintain preferred supplier status;
- To expand market positions through selective focused growth from increased market share through consolidating, and where appropriate, extending its leadership position. By deepening the Company's customer relationships through a relentless pursuit of innovative initiatives that assist the customers' market impact and optimize their supply chain activities.
- To ensure customer satisfaction and excellence in all its business operations;
- To become the supplier/partner of choice of its customers, developing proactive initiatives to improve their offering;
- To focus on enhancing its operational excellence;
- To improve the output through judicious capital investment, continuous improvement programmes, transfer of best practice, industrial engineering, and other progressive initiatives emanating from its technical experts;
- To ensure customer satisfaction and excellence in all its business operations;
- To recruit, retain, develop, and motivate the best personnel and utilizing their full potential to add value in the operation;
- To maintain a disciplined approach to resources allocation and maintain the focus on fund generation and its utilization most efficiently and effectively to attain success in the long run;
- To improve the output through judicious capital investment, continuous improvement programmes, transfer of best practice, industrial engineering, and other progressive initiatives emanating from its technical experts;
- To maintain a disciplined approach to capital allocation and maintain the focus on fund generation efficiently and effectively as to success of its strategy.
- To recruit, retain, develop, and motivate best personnel and utilizing their full potential to add value in operations;
- To pursue for superior performance in all spheres of its business and at all levels in its organization.

Paper Market Scenario

Around 100 paper mills were established in Bangladesh's small scale paper market. Although it is over crowded in the present situation but is viewed that this sector has ample scope to grow as demand for paper has been rising in local market. The imported papers met a large portion of domestic demands just a few years back, but now the market share and the capacity of local manufacturers has grown up. The number of paper mills has now increased to 100 from around 50 five years back, while 15 or 20 more units are under process to go into operation soon, in a market survey it has been stated. The paper sector, producing around 1.65 million tons of paper in a calendar year, has also generated about 1.0 million direct and indirect employments.

It has been reported that, many factories in European countries and in China were about to close due to higher production cost and other issues, which opened up opportunities for our country. Bangladesh can take advantage and fetch a share of the global paper market, cashing in on the closure of around half of the mills in Europe and China. The paper industry may capture a big share of the global market if provided with more policy supports such as raising cash incentive, checking illegal trade and promoting the sector abroad.

The paper sector needs to address several challenges effectively to make its growth sustainable. The increasing prices of raw materials in the international market including the cost of imported both hardwood and softwood pulps which have gone up almost double by just two years is big challenge. The local manufacturers cannot adjust the price proportionate to such price fluctuations, resulting in very low profit margins. The paper sector has to import softwood pulp from North America and European sources and hardwood pulp mostly from Indonesia. As this country cannot produce pulp as it doesn't have adequate trees in forest area and fully dependent on pulp import, put a major barrier for the local paper sector to become competitive in global market.

The paper sector has to import almost all its raw materials through Chattogram port. But the recurrent congestions in the port make it difficult to bring the pulp-laden containers to paper industries and the seaport also lacks suitable paper-handling facility. Beside these challenges, the paper sector has been facing another challenge of shortage of skilled human resources required in the paper mills.

Public and private offices, packaging, printing, publication and education sectors are main consumers of papers and paper products in Bangladesh. Wide scale import of various types of large quantity of paper and paper products in every year is a challenge for the paper industry. The illegal trade of papers which have been imported under bonded facility is also posing a serious threat to local paper manufacturers. The export oriented apparel sector of Bangladesh prefers imported papers for its packaging and other process posing another threat to local paper sector.

However, by balancing and addressing of the challenges this company is operation its business activities. We have also undertaken various steps and initiatives to create awareness as to increase the uses of tissue. It was observed that monthly requirements of tissue products was around 2,400 MT for which BPML's our contribution was around 75% of the total requirements. By the ceaseless efforts it is expected that this company will be able us to grab more market shares in the coming days.

Existing Market Segment:

Paper and paper products consumers of our country can be segmented by location, purchasing approaches, behaviour, seasonal variation, volume and frequency, personal characteristics, brand preferences etc. Paper and paper product sector's consumer segmentation combines behavior and costs of products aspects. There are three main groups of tissue products' consumers of Bangladesh:

- i. Urban Markets;
- ii. Semi-Urban Markets; and
- iii. Rural Markets.



All types of tissue products, mostly facial, napkin and toilet tissues were frequently purchased by the people in the urban areas whereas people living in semi-urban areas use tissue products including napkin and toilet tissues. The toilet tissues along with small quantity of other tissue products frequently been sold in rural areas of Bangladesh.

Development of awareness, changes in lifestyles and population increase played some positive role for growth of tissue paper markets both in rural and urban areas. It is expected that the rural markets may expand further as most of the people of Bangladesh are living there.

Market Competition

At present we are living in a global village wherein most of the business and industries have to face fierce competitions- both locally and globally. When reviewed regularly and challenges are faced on time at the right direction the handling of competition become easier. Our country's paper sector of is no exception. More than 100 modern paper mills out which 41 mills are running and are producing a huge quantity of paper and paper products in our local market. Just few decades back Bangladesh has to import almost all paper and paper products it needed but the scenario has been changed gradually. And since the establishment of small numbers of paper mills in the private sector, these industries started to take lead and since then trying to make this country self-sufficient in production of paper and paper products to fulfill the local demand.

During late 1950s the paper industry of Bangladesh went into operation and more than 100 paper industries were established meanwhile, and 41 local private paper mills were in operation producing more than 580,000 MT of paper and paper products per year. The paper industry has proved as a potential sector in Bangladesh and may become one of the foreign currency earners of this country. In our national economy after readymade garments and leather industry, this sector is playing a vital role in earning foreign currencies.

But due to increase in imported items, the local producers of paper and paperboard has to cut down their production to some extent. Most of the local paper mills compelled to produce paper and paperboard utilizing only half of their capacities.

The paper producers of this country are also exporting products to various countries. After meeting the local demand, they are exporting to about 40 countries, bringing in large amounts of foreign currency. According to the Export Promotion Bureau (EPB), paper product exports totaled to US\$ 10 million in the fiscal year (2016-2017). By introducing modern technology, the paper producers adding values to this sector, and foreign buyers have started coming to import paper products because of the good quality from Bangladesh. Recently, many factories in China and some European countries were set close due to higher production costs and environmental issues, bringing up hopes for Bangladesh. Our country can take advantages by entering into global market with more products.

This company views that if the matters are being reviewed regularly, challenges are faced on time and necessary steps being taken at the right direction then adversity of competition can be contained. It has started to stitch to new techniques to reduce production costs and produce more export quality paper products maintaining international standards. We have already introduced advanced paper production technology to process wastages of our factory and converting those into by-products and place those in the market commercially.

Marketing Environment

The commodities like paper require confidence of its consumers and competitive price which are essential factors for ensuring the demand. Branding is also important and the customers want to find trustworthy brands within their affordable prices and supply in time. Paper consumers of our country can be segmented by location, purchasing approaches, behaviour, seasonal variation, volume and frequency, personal characteristics, brand preferences etc. Paper customer's characteristics could also be segmented into price sensitive customers, quality conscious customers and quality and price tolerance customers etc. It is the actor and force that affect the ability of a company placed in this sector to build and maintain successful relationships with its clientele by fulfilling and satisfy their demand on timely basis. The market promotional activities are considered multi-dimensional which consisted number of activities and is a technique for gearing up sales of

a company. Through which the selling of products increased, consumers' knowledge about the product increased and also help the consumers to save their time in purchasing of products. It also helps the manufacturers to sell their products. Hence quick selling is possible which leads to more production at less cost. The relation between intermediaries is improved through these activities and is the key to marketing communication of any product or brand. It helps to create awareness as well as to show the product attributes and benefits of the brand to the mass consumer level.

BPML has operated its market promotional programs through campaigns aimed for the consumers, users and sellers of various levels and continuous innovative activities. The promotional activities of this company are carried out through wide range of promotional activities for the target customers and it has been carried out by a team of creative and energetic personnel who launch frequent programs including advertising, personal selling, sales promotion, direct marketing, training and knowledge sharing, public relations, etc.

Raw Materials Supply & Production

The invention of paper greatly shaped the civilization and helped the spread of literature and literacy of the mankind. Now paper is the most essential thing for every one of us who use the paper in some or the other way. It is said that without the paper our lives would be miserable and one can't even imagine the situation at that time. The history of paper dated back to 2nd Century while first official report on manufacture of paper was reported in China. The knowhow of paper manufacturing spread from China to other countries, along with the trade and silk routes. Pulp and paper production has increased globally and will continue to increase in the near future and still is one of the largest manufacturing sectors in this globe. At present time, per capita paper consumption in a country considered as the yardstick for measurement of its industrialization. There are about several billions of people living on over the globe. The paper consumption during the last 20th century and current 21st century have been increased to many folds which faster than the global population growth during same period.

In the paper industry wide varieties of raw materials both cellulosic and non-cellulosic- from forest, agricultural residues, waste papers, coal, various chemicals etc. are used. The major raw materials used in the paper industry is hard wood pulp, soft wood pulp, hard & soft wood kraft pulp, waste papers, various agricultural residues etc. Beside this, paper industry also consumes considerable amount of chemicals. Almost all the raw materials used for production of paper and paper products by the paper and paper products producers in this country are imported from various destinations including Singapore, India, Indonesia, Canada, Sweden, Oman, Malaysia, China, South Korea, Brazil, Finland, USA, Philippines, etc.

Almost all required raw materials for paper productions are imported by the local paper producers. As our country lacks the natural forest resources for which it is unable to meet up the demand for different types of pulp and other raw materials of the local paper manufacturers. The paper producers of Bangladesh has to import paper producing raw materials including pulp of all types from the countries like- Indonesia, Singapore, Germany, Canada, Finland, Sweden, Brazil, Chile, North American Countries etc.

In a recent report it was reported that the most of the softwood pulp were imported from North America and Europe and the hardwood pulp was mostly imported from Indonesia. These countries produce pulps from various types of forest trees. The full dependence on the imported raw materials by the paper and paper products sector of Bangladesh made this sector vulnerable to various global issues. This sector has been facing the problem of continued increase of prices of raw materials in the international market. During the year under review the cost of imported hardwood pulp has gone up to double in comparison to its prices of just two years back. It is to be noted here that per metric ton softwood pulp's price in the international market shot up to US \$980 during the year under review which was US \$500 per metric ton just three years ago. For the local paper manufacturers it is hard to adjust the increased price which ultimately negatively hit in the results.

The import of hardwood pulp was mostly made from Indonesia, while softwood pulp sourced from European and North American countries. From various types of trees of natural vast forests these countries produce pulps and export to international destinations.



Availability of power is a big issue for paper manufacturing industry. The production of paper and paper products are technology based which require uninterrupted electricity supply at large scale during production process. The power supply to the paper factories are met by the national power grid but interruption to power supply and fluctuation thereto result disruption in paper production and production costs were increased.

Transportation cost is another factor through this the products- imported raw materials and of finished products supplies being carried on involving huge expenses. The products of the BPML are segmented in three broad segments: Bulk Papers; Tissue Paper Products; and Health & Hygiene Products. In operation it is also segmented in five categories: Paper products, Tissue products, Paper Sack products, Health & Hygiene products and Mosquito coils.

BPML has established its own distribution network which maintained its supply channels. The carrying and supplying work of bulk raw materials this company used ships and cargo-vessels. And for delivery of raw materials to the factory and supply of finished products- paper and paper products all over in the country the company used cargo-vessel, chemical tankers, pick-ups, covered vans of different capacities, refrigerated vans and trucks as well. During the year under review this company faced recurrent congestions in Chattogram Port for which it was difficult to bring the pulp-laden containers to the factory directly. This adversity to the paper sector further increased as the Chattogram Port lacks suitable paper-handling facility.

Shortage of skilled manpower in the paper sector, specially at the factory level, was another challenge for this company likewise other companies in this sector. There were also shortages of skilled labour force for handling- loading and unloading of the paper and paper products.

Consumers Segmentation

Bangladesh is an agro based country situated in the south eastern part of Asia and culturally the people of this country contains the South-Asian values and culture. It is economically in lower middle income bracket and the society is divided into several economic groups : upper rich class, upper middle class, lower middle class and lower income people. As it is a multi dimensional society so the consumers' behavior pattern is complex. The tissue paper industry of our country is dominated by local producers. And this company is the pioneer of this particular segment of this country. The segment has kept growing gradually due to increase of population, development of health and hygiene awareness, changes in life styles and rising of income levels of the country people. It has been reported that 80 per cent of the people of this country are using tissue papers at least once in a month. More than 1.0 million families use toilet paper rolls every week and facial tissue box in every month while hotel and restaurants consume about 10 million pieces of table napkins annually which helped to the growth of this sector.

Our country's tissue market's segments are-

- i. Urban Markets;
- ii. Semi- Urban Markets; and
- iii. Rural Markets.

The tissue products, mostly facial tissue, wet tissue, napkin, pocket and toilet tissues whereas people living in semi-urban areas use tissue products like napkin, pocket and toilet tissues are frequently purchased by people positioned in urban areas. On the other hand toilet tissues which are in the lower cost bracket are frequently sold in rural areas. The consumers of the pocket tissues are mostly the students and labour forces of over the country.

In a recent report is was published that the demand for tissue paper was around 3,500 MT in 2007 which was gradually increased and the country's paper companies produced 22,000 MT in FY 2018-2019. The local tissue paper industry meet most of the demand for toilet paper, facial tissue, kitchen towels, table napkin, and wrapping tissue, incentivised by diversified consumers of the country. And this company itself has produced 16,004 MT of tissue papers for local and foreign buyers during the year under review. The process of rapid urbanisation is leading the industry, and it is expected that the size of the market will increase in the coming years due to growing use of the paper and paper products in urban and rural areas.

Transportation

The transportation cost is considered as vital in the paper sector, as such this company has to pay special attention on cost effective paper distribution channels. For production of paper and paper products the raw materials are considered as bulk commodities. It is noteworthy to mention that, the paper manufacturing industries of this country are entirely dependent on raw materials brought from foreign sources. The most of the import of raw materials is made through waterways as the paper producers have to import raw materials in bulk quantity by ships. In view of this the cost of transportation is considered as very vital in paper sector. BPML has to pay special attention on cost effective raw materials sourcing and paper and paper products distribution channels. BPML has its own distribution channels and supply network. For raw materials and finished products carrying work and supplying ships and cargo-vessels are used, some of which are owned by this company. This company for its delivery of raw materials to the factory and supply of finished products- paper and paper products from the factory all over in the country uses cargo-vessel, chemical tankers, pick-ups, refrigerated vans, trucks, covered vans of different capacities.

The FY 2018-2019 experienced very significant increase in the transportation costs in both road and waterways for which this company had to incur additional costs for transportation of both raw materials and finished paper and paper products. The fuel costs, water transportation costs were increased significantly and inflation of the country also raised and delays in unloading of raw materials in the ports also had negative effects on the cost of production of this company.

Seasonality

The products of the BPML are segmented in five broad segments:

- i. Paper Products;
- ii. Tissue Products;
- iii. Health & Hygiene Products;
- iv. PPWB & Sacks.
- v. Insecticides (mosquito coils).

There is an important factor which has effect on paper sector of this country- the seasonal variation in demand for the paper products in the market. The seasonal variation has a deep-rooted effect on purchase behaviour of the consumers in this country. In different parts of a year demand for paper products, specially the bulk white paper, face sharp variations. It was observed that demand reaches to the peak, for bulk white papers, during the period of September to February months. It is the time when text books are printed before the advent of the education year at the national level and distributed among students. In February the national book fair of this country takes place where huge crowds, irrespective of their nationalities ages, gender, class and castes, pay visits. It is being regarded as the peak time for the printing and publication houses of this country as well. On the other hand, during March to June period the demand for bulk white paper reduces to the very low position. This period is considered as the off season for the bulk papers. And during July – August period the demand for the bulk papers reaches to its lowest level as it's the dull season.

Health & Hygiene Products segment also faces seasonal variations. It is observed that the demand for hygiene products reaches to the peak position during winter months which spans over the months from November to January of the English calendar year. After the recession of winter, the demand for health and hygiene products experiences the decreasing trend. By the month of March it reduces to the lower level. It is the period which has been considered as the off season for health and hygiene products segment of paper sector of our country. For the health and hygiene products segment the remaining part of a year is considered as the dull season.

There is also seasonal variations in tissue paper products segment. The dull season in the tissue paper products segment being observed during Ramadan month when the majority of the people of this country perform fasting. The demand for tissue paper reduces to the lowest level during the month of Ramadan. When the Ramadan rituals are over then and during the festivities in this country the demand for tissue paper products take its position in the market.

Rainy season of this country being considered as off season for tissue paper products segment.

The demand for tissue paper products remains almost static during the remaining part of a year.

The management of this company by taking into consideration of these issues has developed season responsive approaches and set the strategy and taking various steps including introducing of more new products which have demand during dull and/or off seasons and delivering its products to consumers.

Production - Supply management

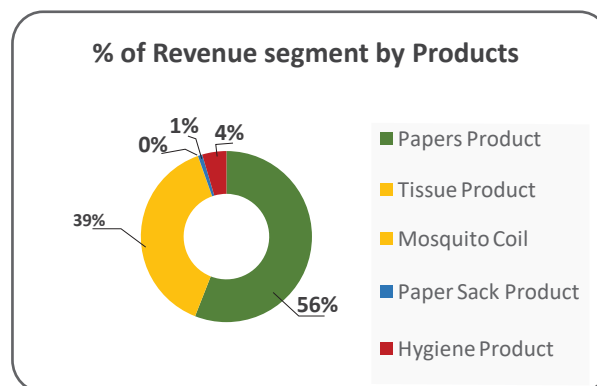
The management of production up to supply level is multi-functional which ranged from managing movement of raw materials, processing of materials into finished goods, movement of finished products up to the ultimate consumers. The process of manufacturing of paper and paper products is complex and entirely technology dependent. The efficiency of production of paper and paper products are dependent on supply management's effectiveness. As it is a cross-functional approach includes managing of the movement of raw materials, processing of materials into finished goods, and the movement of finished goods towards the end users effectively, timely and efficiently. The paper and paper products are high-volume, low-value commodities so the transportation of the raw materials as well as the finished goods over distances has direct effects on costs and earnings.

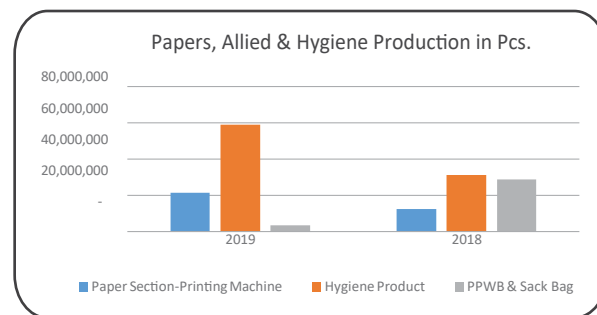
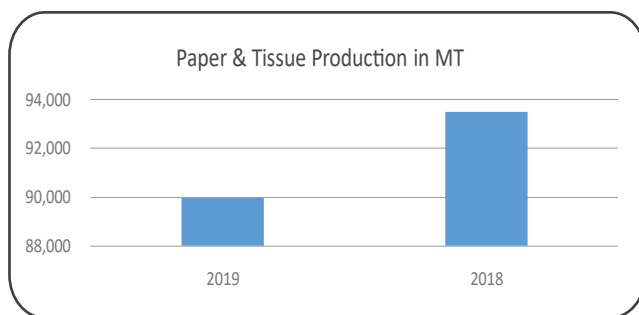
The paper sector has the special feature. It is regarded as the lower margins earnings sector for its producers. The paper sector has another speciality. In the supply chain there are many intermediaries from the paper producers to the ultimate consumers of the paper and paper products.

Production and Sales

The paper sector of this country is placed in a very competitive market scenario. Once, our country was fully dependent on imported paper and paper products but the condition has been changed. Now this country have more than 100 modern paper mills out of which 41 mills are in production operation which are producing a considerable quantities of paper and paper products. Some of these paper producers are exporting their products and earning foreign exchanges as well. At present, the paper industry of this country is no longer limited to production of writing and printing papers. On production and supply of paper and paper products There are several factors that have impact. The paper producers have to cope up with the market demand and supply is directly related to the changes in demand and quantity demanded. The paper sector is affected by some other factors- rate of inflation, fiscal policies and financing opportunities etc. which affect the buying power of the customers and thus result in 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 regular basis. We also have engaged our expert team to monitor the emergence of new competitions and risk issues. This also brought positive impact in the overall operational result. For example our monthly sales were only Tk. 20 lacs per month in the year 2000 when this company commenced its production, whereas the monthly sales of BPML stood to Tk. 92.12 crores per month during the FY 2018-2019 under review. And potential markets in rural areas are now exploring more than ever as around 65% people of the country live in such areas. Low overhead cost is the most significant facility it is being observed among the competitors in the sector. The production and sales of paper and paper products are inter dependent. The demand of paper and paper products in our country has some unique characteristics. The products of the BPML are segmented in five broad segments:

- i. Paper Products;
- ii. Tissue Products;
- iii. Health & Hygiene Products;
- iv. PPWB & Sacks.
- v. Insecticides (mosquito coils).





This company sales its paper and paper products through various options including-

- | | |
|------------------|------------------------------|
| i. Distributors; | v. Industrial units/Offices; |
| ii. Dealers; | vi. Printers & Publishers; |
| iii. Retailers; | vii. Individual Consumers; |
| iv. Suppliers; | viii. Other Customers. |

BPML has arranged series of competitions, seminars, idea sharing meetings, conferences, and assemblies of the dealers, students, teachers, professionals and the consumers- existing and potential as well during the years 2018-2019 for gearing up the sales.

In comparison to the previous year, during the year under review the production of the paper and papers products increased to some extent and the sales revenue in terms of money's worth was significantly increased.

In FY 2018-2019, the company was able to earn the net revenue by sale of paper and paper products amounting to Tk. 1103.91crore which was Tk. 1082.10 crore in the FY 2017-2018 registering an increase of Tk.21.61 crore which 2.02% during the year under review.

This is to report that two new products were introduced by BPML in the local paper and paper products market during the FY 2018-2019. In the 1st year after the introduction of these new products, it fetched 6.14 crore revenue and contributed positively in the total revenue earnings of the company.

The company has exported paper and paper products to 23 countries and earned Tk. 4.33 crore from the paper and paper products export. The exported products included A3, A4 and legal-sized papers, exercise books, industrial paper, and health and hygiene products, toilet paper, paper napkin, facial tissue, kitchen towel, pocket tissue, paper towel, clinical bed sheets and jumbo roll tissues, wet wipes, wet tissue etc.

Production Capacity Increase

The paper sector of this country is over-crowded burdened with overcapacity as there are more than 100 paper mills in this small paper products market. However, the paper market demands for quality products at affordable price as well. In this sector only 01 company is the integrated pulp and paper producing company. The all other paper mills of this country are using imported pulps and recycled fibers. The online media and publications (books, magazine and journals) which are regarded as substitute for paper, is not yet become popular in our country. So it is forecasted that growth potentials for demand of papers in upcoming years to exist. The paper sector faces some hindrance including energy crisis, shortage of quality raw materials which hampers production and supply system and limits optimum capacity utilization of paper mills.

The industry is highly correlated with daily life styles of populations, consumption trends in the offices, educational institutions, agencies, newspapers, industrial growth. The per capita paper and board consumption in Bangladesh is around 4-4.25kg, whereas in the advanced countries it is more than 300 kg per year and the world's average is around 52 kg, while the Asia average is around 35 kg. To attain at least the Asia level, the current per capita paper and board consumption required to be increased.

In order to ensure market existence there was no other alternatives for BPML but to increase its capacity as well as to keep pace with advanced technologies and diverse customer demands. The company continuously investing and deploying its resources to match with market demand and strengthening long term sustainability. To increase the market share the management of BPML has taken up various measures including the following:



- Renovation of production line;
- Introduction of more new products and by products in production and supply;
- Installation of new machineries at factory;
- Setting up of new production units;
- Establishment of control on overhead costs;
- Long term and short term product planning;
- Searching for best quality raw material sources at competitive price;
- Ensure uninterrupted power supply and utility service in the production line;
- Training, development and hiring of skilled human resources in the company.

Meanwhile BPML has imported modern machineries and equipment and installed those in the factories of the company. The import of the European Brand-New Automated Tissue machineries and equipment were executed by utilizing of the borrowed funds and 100% utilization of the IPO subscriptions proceeds. The machine increased the capacity by 30,000 MT/Year in production of different grades of tissue including high-quality facial wipes, toilet paper, and napkins and add diversities in the product portfolio. After successful trial production the commercial production had started in February 2019. It was aimed that the company to be able to increase its market share after full utilization of these new machineries and equipment.

It is worth to mention that before installing of these machineries and equipment, BPML had 1,13,050 MT/Year Tissue & Paper manufacturing capacity per annum.

Performance of the Company

This company has been striving hard to achieve its mission statement for which it has set out its business plan and drew up the roadmap to attain it. The management of the company views that every positive result out of the business operation will help it to sustain in this very competitive market condition. In this pursuit the company regularly reviews its periodic business performances, market positioning, customer base, and adjusted its marketing strategy at various stages and even revised the annual business plan.

Due to these factors the sales revenue of this company maintained its positive trend during the FY 2018-2019. In the FY under review the net sales revenue amounted to Tk. 1,105.52 crore compared to Tk. 1,082.10 crore in FY 2017-2018, registering an increase in sales revenue of Tk. 23.42 crore from the previous financial year's sales revenues, marking 2.19% increase to the previous year. Although the production costs had increased to a significant extent and the selling and distribution expenses were also increased remarkably.

The management of the Company had undertaken various strategic drives, engaged untiring efforts, and tried extensively to negotiate the risks and challenges as far as possible. During the FY 2018-2019 under review the cost of goods sold was Tk. 894.03 crore whereas in the previous FY it was Tk. 890.05 crore, marking a rise in cost of goods sold by 0.45%.

This company was able to earn net profit amounting TK. 29.18 crore during the period under review which was Tk. 69.36 crore in the FY 2017-2018 by registering 57.93% decrease in the net profit earnings in FY 2018-2019. It was due to increase in the cost of goods sold, increase in transportation costs, selling, distribution and marketing costs, adjustment of defferd tax liabilities as well as changes in the tax rates (as our products have been reclassified by the NBR authority in FY 2018-2019), adjustment in the sales price in the market due to sharp competition from the local and foreign competetors.

Environment Protection

For future generations growth and healthy living environment is now the foremost agenda of the nations. Environment activists regards that every citizen has to do something positive to protect our mother nature and environment to stop climate changes. The management of this company is very much concerned about it responsibilities in the protection of the environment and conservation as well. This company has designed and following the static policy in its production process and business operation as to maintain and protect the mother nature. In formulating the business plans, action framework and in decision making the environmental issues have been given the priority. BPML's environmental policy objectives included the following:

- Ensure sustainable and equitable use of resources without degrading the environment;
- Consider health or safety risks in production and business operation and ensure adequate measures to those risks;
- Prevent and control degradation of land, water, vegetation and air in its operational areas;
- Improve condition and productivity of in the factory and office premises;
- Raise awareness and understanding of the link between environment and development;
- Promote individual and community participation.

Dividend Policy

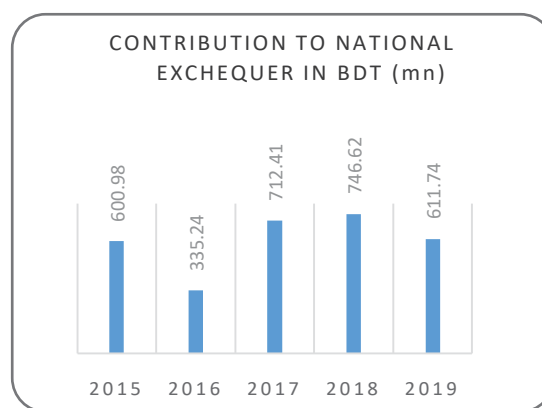
Board of Directors of this company has been trying to maintain static dividend policy. It has set dividend policy for ascertainment of its divisible profit and declaration of the dividends for shareholders of the company uniformly following the set guidelines. The company always considered the interests of its shareholders before all other issues and it has continued to share its profits and gains among the real owners of the company.

The Board of Directors of this company, by considering and accommodating all the issues including the commitment to the members, fund arrangements, operational performances and liquidity position of this company, has been pleased to recommend for payment of 15% Cash Dividends for all the ordinary/general shareholders of this company other than the sponsor shareholders/directors/Pre-IPO placement shareholders for the period ended on 30 June 2019. The members other than the sponsor shareholders/directors/Pre-IPO placement shareholders (as per Note no. 15.02.1 of the financial statement of this company for FY 2018-2019) whose names appeared in the Members Register of this company on the Record Date on 02/12/2019 will be entitled for the Cash Dividend.

Contribution to the National Exchequer

It is established that no development takes place over a night as it's a continuous process. It could never be attained without accelerating growth of all the sectors of a country's economy and contributions of its citizens to national exchequer. BPML considers the benefits of the nation and the society from its incorporation. This company activities and business operations maintaining integrity and transparency in setting and execution of the strategy, policy and practices, including paying off all applicable taxes, VAT and duties properly and on timely basis. BPML is a regular contributor to national exchequer and contributing significantly towards development and growth of this country.

During the FY 2018-2019, this company contributed an amount of Tk. 61.17 crore in the form of Tax, Customs Duties, VAT etc. The contribution to the national exchequer was equivalent to 5.54% of the total sales revenue of the company during the period under review. Where in the Financial Year 2017-2018 the contributions of this company to the national exchequer was Tk. 74.66 crore which was 6.89% of the total sales of the same period.



Risk Factors and its Management

Risk has omnipresence over all areas of business. The risk management is something special that must to be handled with due care and importance. 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. It is viewed that there are uncertainties where some of the possibilities involve price fluctuations, currency fluctuations, inflation, economic recession, uneven competition, loss, natural calamities, catastrophe, change in laws, change of consumer behavior, raw material supply risks, technology related



risk, 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 this sector has potentiality but has some risk factors involved with the industries. Firstly, it is threatened by over supply resulting from huge capacity expansion by almost all leading market players. Secondly, almost all raw materials of paper and paper products manufacturing are imported, if the supplies of the same are cut-off due to adverse political cause or other disturbance, the industry may face serious challenges, even the risk of shutting down. Another risk predicted is the risk of global competition and global crisis including economic recession. Besides this there is also big risk of wide scale import of paper and paper products into this country. Further technological advancement in the paper manufacturing mills is another major threat to this sector.

BPML in operating its business put its special emphasis on the risk management issues. The risk monitoring and mitigation system has been well designed to face the challenges of the risk factors involved in this particular sector. The company has also chalk out its operational plans considering the risk issues and the risk management by identifying and characterizing the areas of risks and threats at the very early stages. By setting business strategies and taking of adequate measures the management of this company engaged its efforts to identify the risks at the very early stages and to set business strategies, take adequate and measures on proper time, as far as possible, either to remove or limit the risk involved issues.

Related Party Transactions

In business operations and practices this company put special care for the compliances to laws, protection and preservation of interests of the stakeholders through the following of the code of conduct for ethical behavior, accountability and transparency. The information on the Related Party Transactions has been disclosed in the note no. 12 of the financial statement.

Certifications

BPML has been awarded with the ISO 9001:2015 Certification by QCS Management Pvt Ltd., India in 2016 after the successful assessment of the Management System in the company and compliances of the requirements of the international standard ISO 9001: 2015.

The company has also been awarded with the ISO 14001:2015 Certification by RoyalCert International Registrars GmbH, Germany [Deutsche Akkreditierungsstelle (DAKKS)], in 2018 after it was assessed under the RoyalCert auditing & certification procedures and found that it was in accordance with the requirements of the international standard ISO 14001: 2015 of the Management System in the company and compliances thereto.

This company has also been awarded with the ISO 9001:2015 Certification by RoyalCert International Registrars GmbH, Germany [Deutsche Akkreditierungsstelle (DAKKS)], in 2018 after it was assessed under the RoyalCert auditing & certification procedures and found that it was in accordance with the requirements of the international standard ISO 9001: 2015 of the Management System in the company and compliances of the standard.

BPML has been awarded with the Certification in 2018 by Control Union Certifications of The Netherlands, after it assessed the units and products of the company under i. FSC-STD-40-007 V2-0 Sourcing Reclaimed Material, ii. FSC-STD-40-004 V3-0 Chain of Custody Certification, iii. FSC-STD-50-001 V2-0 Requirements for use of the FSC Trademarks Certificate Holders.

Award

"Bashundhara Tissue" of BPML has been awarded as the **Best Brand** for consecutive 2nd time in a row recently. It is the recognition for the company for keeping its promises, dedicated service and contributions towards cleanliness and serving the nation with the solution of healthy and better living. It has been regarded now-a-days that "Bashundhara Tissue" is a name which is inseparable from the daily livelihood of the citizens of this country. BPML views that this achievement is the recognition not only to this company but also to it's consumers, patrons, business partners and well wishers.

Utilization of IPO Fund:

During the last year BPML was listed in the DSE and CSE after a long process. The IPO shares subscription money was credited to the designated bank account of this Company in the month of June of the FY 2017-2018. In the FY 2017-2018 only 37% of the IPO shares subscription money could be utilized due to time constraints. During the year under review the remaining 63% were utilized which has been shown in the table below:

Sl. No.	Particulars of Use of IPO Proceeds	Amount (BDT in Crore)	% Utilization of IPO Funds		Total % of Utilization
			2018 -2019	2017 -2018	
1.	Procurement of Machineries - Imported & Local	135	92%	8%	100%
2.	Repayment of Bank Loans	60	-	100%	100%
3.	IPO Expenses	5	19%	81%	100%
	Total (Taka)	200			

Shareholders

The Shareholders are the real owners and play most important role in the financing, operations, governance and control aspects of a company. The Shareholders play both direct and indirect roles in a company's operations. The first and foremost consideration of the Board of this Company was the protection and value addition to the interests of the valued shareholders.

The total numbers of shareholders of this company were 16,371nos. on the Record Date of the Company on 02/12/2019. The issued, subscribed and Paid up share Capital of the Company is Taka 1,737,914,410/- which have been participated by the Sponsors, Directors, Institutions and General Public.

Minority Shareholders' Interest

Since commencement of operation of this company the Board of Directors has dedicated itself to attain the objectives and to enhance its stake in the market. The Board is also concerned about the interest of stakeholders and the minority shareholders as well. To ensure the fair and equal treatment to every shareholder including the minority shareholders it has engaged all its sincere efforts. For protection of the interest of minority shareholders as well as the stakeholders, the company has taken various measures for establishment of transparency, accountability and also established the practice to serve minority shareholders and small investors promptly and timely. The company communicated all its strategic information as required in its operation under the regulatory directives without any delay and tried to serve the minority shareholders as and when they required such services at different occasions. With a view to serving the minority shareholders better, the Company disseminates all its strategic decisions through most popular and well-known channels/options to make them aware of the business activities of this Company.

Board of Directors

We take the pleasure to report you that -

- The Chairman and the Managing Director of BPML are two separate persons. These positions were filled in by two separate persons since inception of this company. As a set practice, it was also followed and complied with during the FY 2018-2019 under review. The resume of the Chairman and the Managing Director are appended at the beginning of this Annual Report.
- We further report that, the Board of Directors of this company is fairly independent, play their due roles, discharge their duties and responsibilities freely and without any interferences. It is also clearly been defined in their Terms of References.

During the year under review the Members of the Board of Directors of this company had discharged their duties and responsibilities freely and no matter of interference was occurred.
- Roles & Responsibilities and Composition of the Board:

Board of Directors of BPML had laid down the terms of reference (TOR) for its members and put emphasis on the compliance thereto. The Board of this company has discharged their duties and responsibilities freely and independently as to

ensure that the company's affairs and operations run at right direction by collective decision making process. In setting out their guidelines and making collective decisions they foremost considered the interests of its shareholders and stakeholders as well as the sustainability of the company. In addition to business and financial issues, the Board dealt with the challenges, risks and issues relating to critical business affairs, compliance and governance issues.

It has monitored the overall activities of the top management team of the Company including their making of appropriate operational decisions at proper time, taking necessary actions and optimizing long-term value.

The Board of this company is consisted of 06 (six) 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, the Managing Director of the company and 02 (two) of the directors are Independent Directors.

The major roles of the directors of the company were as follows:

- Providing entrepreneurial leadership;
- Setting of goals and objectives for the company;
- Setting company's values and standards;
- Ensuring human and financial resources be available to achieve objectives;
- Constructive challenges mitigation and help in developing proposals on business strategy;
- Reviewing management team's performance and monitoring of performance reports;
- Satisfying themselves on integrity of financial information and reporting; controls and risk management systems and measures;
- Determining appropriate levels of remuneration and compensation issues;
- Appointment and removal of executive directors, and succession planning.
- Ensuring that obligations to shareholders and other stakeholders are understood and met.

Directors' Board Meeting Attendance

The Board of Directors of this company has conducted its meetings according to the rules and procedures contained in its governing documents. It is the practice of the company to take collective decisions in the board meetings. As a body, the directors deal with the affairs of the company those needed its attention and guidance. The meetings of the Board of Directors of this Company were held at regular intervals so that the directors can discharge their responsibilities, to have control over the company's overall operation, strategy and policy, and to monitor the exercise of any delegated authority, and so that individual directors can report on their particular 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. As a body, the directors deal with the affairs of the company those needed its attention. The meetings of the Board of Directors of this Company were held at regular intervals in accordance with the law as well as the need of this company.

During the period under review 10 (Ten) numbers of meetings of the Board of Directors were held. The attendance status of the Directors of the Company during the period under review were as follows:

Sl.no	Name of Directors	Position	No. of meetings held	No of meetings attended
1.	Mr. Ahmed Akbar Sobhan	Chairman	10	10
2.	Mr. Md. Imrul Hassan	Director	10	10
3.	Mr. Md. Nazmul Alam Bhuiyan	Nominated Director	10	09
4.	Mr. Zeaur Rahman	Independent Director	10	05
5.	Mr. Khawaja Ahmedur Rahman	Independent Director	10	08
6.	Mr. Safwan Sobhan	Managing Director	10	10

Directors' Shareholding Status

The shareholdings position of the Directors as on 30.06.2019 were as follows:

Sl.no	Name	Position	Nos.of Shares	% of Holding
1	Mr. Ahmed Akbar Sobhan	Chairman	40,00,000	2.30%
2	Mr. Md. Imrul Hassan	Director	40,02,0 00	2.31%
3	Mr. Md. Nazmul Alam Bhuiyan representing East West Property Dev (Pvt.) Ltd.	Director (Nominated)	10,10,50,575	58.14%
4	Mr. Safwan Sobhan	Managing Director	82,03,000	4.72%
5	Mr. Khawaja Ahmedur Rahman	Independent Director	nil	0.00%
6	Mr. Zeaur Rahman	Independent Director	nil	0.00%

Directors' Remuneration

Likewise the previous years during the FY 2018-2019 the Directors of the company including the Independent Directors did not receive any remuneration from the Company.

Appointment & Retirement of Directors

To ensure the company's prosperity the board of directors' of this company is concerned to guide and directing 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 the 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 the Article no. 100 of the Articles of Association of the Company the following 02 (two) of the Directors of this company are retiring by rotation in this 26th Annual General Meeting and all of them are eligible under the Article no. 101 of the Articles of Association for reappointment as the Directors of the company in this Annual General Meeting:

1. Mr. Ahmed Akbar Sobhan;
2. Mr. Md. Nazmul Alam Bhuiyan representing East West Property Dev (Pvt.) Ltd.

The Board of Directors of this company has recommended for the reelection of the retiring Directors and placing the matter before the shareholders in this 26th Annual General Meeting for their consent.

The brief resumes of the above noted 02 (Two) Directors have been appended along with the other directors' resume hereinbefore this report.

Independent Directors

Bangladesh Securities and Exchange Commission as the guardian of the capital market of this country had issued the Corporate Governance Code in 2018. It is aimed to enhance corporate governance for the greater interest of the stakeholders and the capital market. In compliances with the provisions as laid down by the Bangladesh Securities and Exchange Commission's Corporate Governance Code vide Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 for every listed company it is required to appoint 1/5th of the Board of Directors as the Independent Directors, who are to be, as the members of the Board of Directors.

It is also provided in the CG Code that the Independent Directors so appointed should not have material or pecuniary relationship with the appointing company or related persons. 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 experiences. Bashundhara Paper Mills Ltd. had appointed two experienced corporate leaders having proven professional experiences as its independent directors under the directives of the Corporate Governance Code of BSEC.

During the period under review Mr. Khawaja Ahmedur Rahman and Mr. Zeaur Rahman continued as the Independent Directors of this Company under the BSEC's Corporate Governance Code.

The resume of the present Independent Directors are appended hereinbefore in this report.

Audit Committee

Bangladesh Securities and Exchange Commission's Corporate Governance Code has provided that every listed company to constitute an Audit Committee. In view of this the Board of Directors of Bashundhara Paper Mills Ltd. has constituted the Audit Committee in accordance with the directives of the Bangladesh Securities and Exchange Commission's Corporate Governance Code (vide Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018).

The Board has also revised the Audit Committee's Terms of Reference. The audit committee of BPML is responsible to provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations.

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 assisted the Board to fulfill the corporate governance responsibilities, oversee financial reporting system, internal control system, risk management system, internal and external audit functions, provided advice and recommendations to Board within its scope. The members of the Audit Committee were appointed by the Board of Directors, out of them two were Independent Directors and one member was the Sponsor Director. The Company Secretary of the Company has discharged the duties as the Secretary of the Audit Committee.

The Audit Committee comprised of Mr. Khawaja Ahmedur Rahman, the Independent Director and Mr. Md. Imrul Hassan, Director as the Committee Members. The Board has designated Mr. Khawaja Ahmedur Rahman as the Chairman of the Audit Committee and Mr. M. Naseemul Hye FCS, Company Secretary, as the Secretary of the Committee as per the Corporate Governance Code.

The Members of the Audit Committee of this Company have adequate experience and knowledge on business and trade, corporate laws, financial literacy, ability to analyze and interpret the financial statements for effective discharging of duties and responsibilities as the members of the Audit Committee.

Key responsibilities of the audit committee of this company include:

- To monitor accounting policies and principles.
- To oversee financial reporting and disclosure process.
- To oversight of regulatory compliance matters;
- To monitor internal control system;
- To oversee performance of internal audit function;
- To oversee hiring, performance and independence of the external auditors;
- To discuss risk management policies and practices with management.

The Audit Committee of BPML has recommended for the appointment of M/S. Aziz Halim Khair Chowdhury & Co., Chartered Accountants as the Statutory Auditors for the Financial Year 2019-2020 at a fee of Tk. 3,00,000/= and placed the matter to the Board of Directors of this company for forwarding the same to the 26th Annual General Meeting for consideration and final approval.

The report of the Audit Committee is appended herewith this report.

Nomination & Remuneration Committee

Bangladesh Securities and Exchange Commission has issued the Corporate Governance Code. The Corporate Governance Code, under the Notification no. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03/06/2018 of the Bangladesh Securities and Exchange Commission, has provided that every listed company is required to constitute the Nomination & Remuneration Committee in accordance with the CG Code. In compliance with the said directives of the BSEC the Board of Directors of BPML has constituted the Nomination & Remuneration Committee. The Nomination & Remuneration Committee's Terms of Reference has been set by the Board of Directors and it has been followed accordingly.

The Nomination & Remuneration Committee comprised of 03 members- Mr. Khawaja Ahmedur Rahman, Independent Director, Mr. Md. Imrul Hassan, Director, Mr. M. Naseemul Hye FCS, Company Secretary. The Board of Directors has designated Mr. Khawaja Ahmedur Rahman as the Chairman of the Nomination & Remuneration Committee and Mr. M. Naseemul Hye FCS, Company Secretary as the Secretary of the Nomination & Remuneration Committee as per the Corporate Governance Code.

Key responsibilities of the Nomination & Remuneration Committee of this company included:

- To devise policy for Board's diversity;
- To be independent, responsible and accountable;
- To set the qualifications and attributes for appointment, remuneration of suitable persons for appointment as directors and top level executives;
- To identify suitable qualified persons as directors and top level executives in accordance with the devised policy and recommend for their remunerations;
- To formulate the criteria for evaluation of the performance of Independent Directors, Non-Executive Directors and Board's function;
- To assess the need for employees and determination of selection criteria as well as transfers/replacements/promotions matters;
- To develop and recommend the human resources and training policies and review of those annually.

The report of the Nomination & Remuneration Committee is appended herewith this report.

The Nomination & Remuneration Committee has recommended to reappoint Mr. Ahmed Akbar Sobhan and Mr. Nazmul Alam Bhuiyan representing East West Property Dev (Pvt.) Ltd. as the Directors of this company as both of them will retire by rotation in the 26th Annual General Meeting.

Financial Year

BPML adopted the period spread from July upto June as its financial year since the FY 2016-2017. It was adopted in compliance with the directives of National Board of Revenue (NBR) of this country. 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.

Auditors

The existing statutory auditors – M/S. Ahmed Zaker & Co., Chartered Accountants who were appointed in the 25th AGM are going to complete their terms for three consecutive years. In view of this as per the regulatory provisions the new auditors firm have to be appointed in this 26th Annual General Meeting of BPML for the next financial year.

The Board of Directors of BPML has recommended for the appointment of M/S. Aziz Halim Khair Chowdhury & Co., Chartered Accountants as the Statutory Auditors for the Financial Year 2019-2020 at a fee of Tk. 3,00,000/= inclusive of VAT& Tax and forwarded the matter for its approval by the Members/Shareholders of this company in this 26th Annual General Meeting.

Executives' Shareholdings Status

The shareholdings position of the top executives, governance officers, their spouses and children (minor) as on 30.06.2019 has been appended below:



Sl. no	Name	Designation	No of Shares		
			Self	Spouse	Children (minor)
1.	Mr. Md. Mustafizur Rahman FCA	Dy. Managing Director	nil	nil	nil
2.	Mr. M. Naseemul Hye FCS	Company Secretary	nil	nil	nil
3.	Mr. Mirja Mujahidul Islam	Chief Financial Officer	nil	nil	nil
4.	Mr. Eleas Hossain	Head of Internal Audit & Control	nil	nil	nil
5.	Mr. Md. Kamrul Hassan	HOD (A&F)	nil	nil	nil
7.	Mr. Md. Delwar Hossain	Head of HR & Admin	nil	nil	nil
8.	Mr. Md. Masudur Rahman	Head of Sales (Paper)	nil	nil	nil
9.	Mr. Md. Shah Alam	Head of Prod. Unit - 1	nil	nil	nil
10.	Engr. A.B.M. Easin	Head of Prod. Unit - 2	nil	nil	nil
11.	Mr. Md. Abul Hasan	Head of Prod. Unit - 3	nil	nil	nil

Corporate Governance

A company has to recognize the rights and privileges of its stakeholders, 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. By implementation of corporate governance system a company is directed, guided and controlled by its Board which is accountable to its stakeholders. The corporate governance is aimed for increase of the accountability of a company, ensuring of transparency within a company. It is the set of rules, policies, procedures and practices by which a board ensures its accountability, fairness, and transparency. A company has to recognize the rights and privileges of its stakeholders, preserve interests of stakeholders including financiers, customers, management, employees, government, and 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.

Conflicts of interest being removed by setting and following of the rules, brings down irregularities and serve the needs of stakeholders by monitoring, directing and controlling corporate activities with objectivity, accountability and integrity. It ensures the accountability, focus on creating better management and fewer ethical or legal problems rather than mere policies and procedures, rules. Under CG system a company is directed, guided and controlled by its Board and which is accountable to its stakeholders. It includes instituting of policies in compliance with rules, regulations and laws and for internal governance as well. 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.

Corporate Governance Compliance Certification

In operation and administering of a company the corporate governance issues regarded as very important. During the financial year under review this company has complied with all the requirements of corporate governance issues as are required under the provisions of the Bangladesh Securities and Exchange Commission's Corporate Governance Code. In compliance with the requirements of the Corporate Governance Code vide Notification no. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 03/06/2018, the Board of Directors of this Company has appointed M/S. Itrat Husain & Associates, Chartered Secretaries in Practice, for the purpose of Compliance Certification of the corporate governance by this company under the BSEC directives.

The corporate governance compliance by this company during the FY 2018-2019 and certificate on the CG compliances as required under the BSEC's corporate governance guidelines has been appended hereinafter this report. The Corporate Governance Compliance Report of this company during the period under review has been prepared and presented herein after this report, in pursuance to the Corporate Governance Code as issued by the Bangladesh Securities and Exchange Commission, in Annexure-B.

Appointment for Corporate Governance Compliance Certification

For operation of a company the corporate governance is regarded as an important tool. During the financial year under review BPML has complied with all the requirements of corporate governance issues as set by the Bangladesh Securities and Exchange Commission under its Corporate Governance Code. In compliance with the requirements of the Corporate Governance Code issued by the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018, the Board of Directors of this Company has appointed M/S. Itrat Husain & Associates, Chartered Secretaries in Practice, for the purpose of Compliance Certification of the corporate governance by this company under the BSEC directives. M/S. Itrat Husain & Associates, Chartered Secretaries in Practice, had conducted the investigation work on compliance of the code of corporate governance by this company during the FY 2018-2019.

The Board of Directors of this Company has recommended to reappoint M/S. Itrat Husain & Associates, Chartered Secretaries in Practice, for the purpose of Compliance Certification of the corporate governance by this company under the BSEC Code for the FY 2018-2019 and their remuneration to be fixed at Tk. 90,000/- and placing the matter before the Members of this company in the 26th Annual General Meeting for its approval.

Corporate Social Responsibility

An effective corporate social responsibility (CSR) practice put emphasis and focus on social, environmental and economic sustainability issues. It is a form of corporate self-regulation which reflects the responsibility of it towards the impact it causes on the society and its own prosperity. It is synonymous with responsible business practices of a company. Bashundhahar Paper Mills Ltd., fondly known as BPML, is a venture under the canopy of Bashundhara Group. It is the second manufacturing unit of the Bashundhara Group- a reputed conglomerate of this country. It is noteworthy to mention here that the Bashundhara Group is committed to its endeavors that unite the goals of customer value and sustainable development with the motto- For the People, for the Country.

BPML from the very inception has been practicing to serve the community as well the country as a whole and the year under review is no exception. The company has undertaken various activities for the betterment of the society. The notable CSR activities of this company during the FY 2018-2019 are mentioned below –

- BPML has preparedness to help the local people near to its factory in the urgent calls including natural disasters/calamities;
- BPML has been supporting various educational institutions, all over the country, by providing educational materials, scholarships, arranging of debate and quiz competitions, sponsoring of sports events, etc.;
- It has donated to the campaign to upheld the spirit of the liberation war and welfare to the freedom fighters;
- It has donated for the treatment to the Acid victims and burn injuries in different incidents;
- It has donated considerable quantity of education materials, multi-media and photo copiers to different educational institutes;
- It has been sponsoring 'Toggi Sports Ltd.', a leading national level sports club. Under the sponsorship of BPML the Club has been providing and conducting training programs for sportsmen and players of different disciplines. Toggi sports Ltd. it's the owner of Rangpur Riders- the champion of BPL-2017;
- It has been allowing scholarships to the poor meritorious students of different areas;
- It has been providing medicines, warm clothes, health and sanitary items to poor people;
- A portion of its income from the health & hygiene products are donated to the Acid Survivors Fund and the national philanthropic organization- Sandhani.

Acknowledgments

The Members of the Board of Directors, on this occasion, are pleased to express their heartfelt gratitude and sincere thanks to all of its valued shareholders, well-wishers and patrons for their continued support and co-operation and patronage without which the company could not achieve the objectives. We are indebted to our customers for their excellent cooperation, support and having their confidence on us by keeping us in their preferred list. We hope and believe that their support would continue during the coming days. The Board of Directors express their profound gratitude to banking and non-banking financial institutions including - Dutch Bangla Bank Ltd., Southeast Bank Ltd., First Security Islami Bank Ltd., IFIC Bank Ltd., Shahjalal Islami Bank Ltd., AB Bank Ltd., Mutual Trust Bank Ltd., Agrani Bank Ltd., Bank Asia Ltd., Janata Bank Ltd., BASIC Bank Ltd., Dhaka Bank Ltd., Trust Bank Ltd., Farmers' Bank Ltd., Islami Bank Bangladesh Ltd., Mercantile Bank Ltd., Pubali Bank Ltd., National Bank Ltd., NCC Bank Ltd., Social Islami Bank Ltd., Standard Bank Ltd., Union Bank Ltd., United Commercial Bank Ltd., Bangladesh Securities and Exchange Commission (BSEC), DSE, CSE, RJSC, BOI, MoC and various other government and semi-government agencies for their continued support and cooperation towards this company during the FY 2018-2019.

The Board would like also extend its profound gratitude and appreciation to the management team of and all the employees of this company for their sincere dedication and continued efforts and services without which the company could not attain its goals and objectives.

Conclusion

Dear Respected Members,

You are aware that the paper industry plays a vital role in development of a country like Bangladesh. In this country it has ample scope for further growth but the sector has been facing many odds including illegally imported paper and paper products. Although the government is providing some facilities to the producers but the duty structure is not favourable. If the Government make the duty structure more friendly by allowing exemptions/reduction of various duties, remove obstacles and grant incentives then it will be a feasible sector. Moreover, almost all the manufacturers produce paper and paper products by importing pulp and other chemicals at a high and fluctuating rates, higher transportation costs and also higher duty fees, if our local manufacturers could get the required raw materials at reduced duty structure then the local industries could compete firmly with illegally imported paper and paper products. We are running also in a very competitive market scenario as more than 100 paper manufacturers are in the paper and paper products sectors of whom half are in operation. The paper and paper products sector has been facing other odds in consequence of inflation, lower foreign remittances and increase of the living costs of the country people etc. Considering all these issues, the management of this company has opted to engage its all out efforts to carry on its operations by mitigating the odds, availing of the options and satisfying of the customers with quality products and services at affordable price brackets. In this journey we have engaged all our concentrated efforts as to attain the positive results and ensure further growth.

The management is also concerned about the compliance issues at every level of operation. In our endeavour in a very turbulent business environment that exists in the country, we engaged efforts in adjusting ourselves with the demand of time, conditions and made us ever vigilant in discharging duties and in providing services effectively, efficiently and result oriented as to attain a sustainable success and to ensure it to continue, keep up our image high, and above all to protect the interest of our stakeholders.

In the past we got the excellent support and cooperation from our members, stakeholders and patrons. We are hopeful and determined that with the support and cooperation of all our respected members, stakeholders, patrons and wide range of customers we shall come out successful in the future endeavors.

May the Almighty Allah bless us all and thanking you.

On behalf of Board of Directors

Sd/-

Ahmed Akbar Sobhan

Chairman

বসুন্ধরা খাতা
লেখ তোমার ভবিষ্যৎ

স্বপ্ন যখন বড় হবার,
সঙ্গে থাকুক বসুন্ধরা খাতা।



সঠিক পৃষ্ঠা সংখ্যা

উন্নত মানের কাগজ

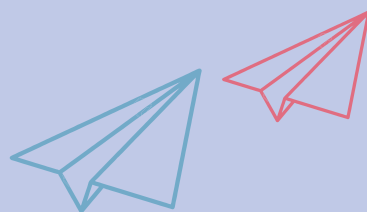
নানান আকর্ষণীয় ডিজাইন



f/BashundharaExerciseBook



বসুন্ধরা পেপার মিলস্ লি:



Shareholdng Information



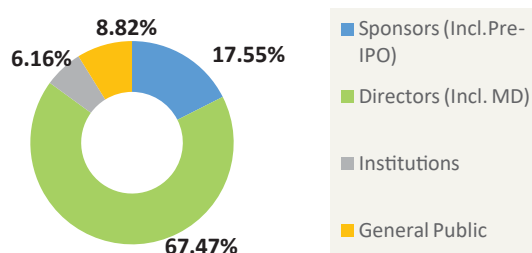
Shareholding Information

Shareholding position by Category of the Company:

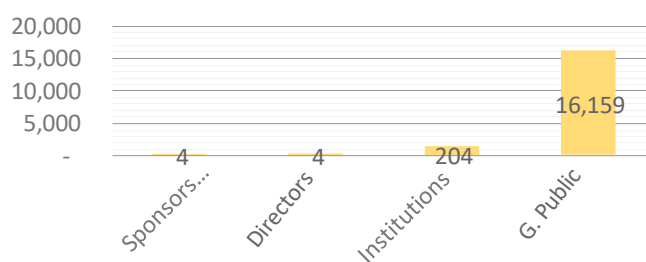
Position in number and percentage on the basis on record Date i.e. 02/12/2019:

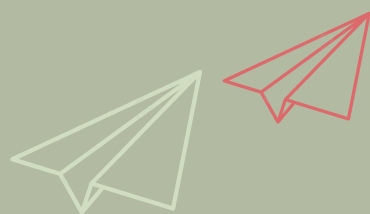
Particulars	Number of Shareholders	No. of Shares	Ownership (%)
Sponsors (including pre-IPO sponsors)	04	30,500,398	17.55%
Directors (including MD)	04	117,257,085	67.47%
Institutions	204	10,705,553	6.16%
General Public	16,159	15,328,405	8.82%
Total :	16,371	173,791,441	100.00%

Shareholding Holding by (%)



Shaholders by number





Report of Audit & NRC Committe

Report of Audit Committee

The Audit Committee (AC) of BPML was formed under the Corporate Governance Code vide notification no. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 03/06/2018 was issued by the Bangladesh Securities & Exchange Commission (BSEC). The Audit Committee of Bashundhara Paper Mills Ltd. was constituted in compliance with the Corporate Governance Code.

Audit Committee

The Committee is to monitor the integrity of the financial statements of the Company, review of the same and when appropriate make its recommendations to the Board on matters including business risks, internal controls, compliance and audit. The Committee has to be satisfied by means of required information, proper and satisfactory internal control systems, identify and mitigate business risks and that the company's business affairs have been conducted in a proper, transparent and financially sound manner by following the Corporate Governance Code of BSEC under the reference no. SEC/CMRRC-D/2006-158/207/Admin/80, dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

The Audit Committee with comprised of three Members, appointed by the Board of the Company. The Committee includes one Independent Director, one Sponsor Shareholder/Director and the Company Secretary. The Audit Committee of Bashundhara Paper Mills Ltd. being one of its prime Board Sub-Committees, has been assigned by the Board to discharge its governance and compliance responsibilities.

Composition of the Audit Committee of Bashundhara Paper Mills Ltd. for 2018-2019 :

Sl. No.	Name of Members	Position in Company	Position in Committee
1	Mr. Khawaja Ahmedur Rahman	Independent Director	Chairman
2	Mr. Imrul Hassan	Director	Member
3	Mr. M. Naseemul Hye FCS	Company Secretary	Secretary

Qualifications of Members of the Audit Committee

The Members of the Audit Committee of Bashundhara Paper Mills Ltd. possess adequate knowledge on business management and all of them are financially literate as per the regulatory requirements and are also able to analyze and interpret, corporate laws, finance related issues and the financial statements. The Audit Committee has to coordinate with the Internal and External Auditors of this Company as and when are required. The Committee has been empowered to examine the matters related to financial and internal control management and other affairs of the Company. The Audit Committee ensures that adequate internal check and balance system are in their places.

Meeting and attendance by the members

During the FY 2018-2019 the Audit Committee had four meeting and the proceedings were reported regularly to the Board of Directors. The number of the meetings held and attendance of each members of the committee during the year 2018-2019 are mentioned below:

Sl. No.	Name of the Members	No. of Meeting Held	Attendance in the Meeting
1.	Mr. Khawaja Ahmedur Rahman	04	04
2.	Mr. Imrul Hassan	04	04
3.	Mr. M. Naseemul Hye FCS	04	04



Roles and Responsibilities of the Audit Committee

The Audit Committee of this Company has been playing effective roles and regarded as between the Board, Members and other Stakeholders. The roles and responsibilities of the Audit Committee are clearly mentioned in the Terms of Reference of the Audit Committee. The Audit Committee in fulfillment of its responsibilities held periodic meetings, at least once in a quarter and provide appropriate decision to the management. The Committee meetings usually considered operational performance, financial results, capital expenditures, products lines, procurement of raw materials, plant and machinery etc. The Audit Committee during the period under review had found that the overall internal control and management process of the company was satisfactory.

During the FY 2018-2019 the NRC accomplished the following:

- Consider the status of the Board composition along with their practical work experience and reputation of Board members, and made recommendation to the Board in this regard;
- Identified and nominated candidates for appointment/reappointment to the Board based on their knowledge experience and aptitude for attainment of the objectives of the company;
- Consider and recommendation to increase the top management compensation in line of the requirement, expertise, market demand and availability in the related filed;
- Considered and accommodated various issues in connection with appointments, retirements in the Board of Directors;
- Reviewed the issues including the company's requirement for employees as to be placed at different levels and determine their selection procedures and criteria;
- Reviewed the performance of the top-level executives of the Company and placed the recommendation on their findings;
- Reviewed the company's human resources status and the development and training policies of the Company aimed for the employees;
- Overseen other issues within the Code of Conduct of the NRC.

Activities of the Audit Committee during the period ended on 30 June 2019

During the period ended on 30 June 2019, the Committee had discharged the responsibilities as mentioned below:

Financial Reporting

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

Internal Control

Reviewed the effectiveness of internal control, also reviewed the audit objections and observations raised by the Internal Audit Department and action plans of the Internal Audit Department. It monitored and ensured that the system of internal control was in place, effectively administered. It recommended to the Board of Directors for taking steps needed 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, the Audit 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.

Audit Committee Reports

The Audit Committee has prepared the annual audit committee report and submitting 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 2018-2019 and the existence of the internal audit services and summary of the activities for its inclusion in the audit report.

Internal Audit

During the period under review 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 competency 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 the FY 2018-2019.

External Audit

The committee has forwarded the draft financial statements (which were placed to it by the management earlier) to the external auditors after its review. The Board has to approve the audited financial statements and to place before the members of the Company for their discussion and consideration in the forthcoming 26th Annual General Meeting. It also reviewed the matters concerning the appointment and re-appointment, fixation of the audit fee of the external auditors.

Related Party Transaction

During the year the company had carried out considerable numbers of transactions in carrying out its operation and also 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 amount 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:

The Audit Committee further reports that during the year under review the rules & regulations of BSEC, Stock Exchanges, other regulatory agencies and all internal policies, guidelines & instructions were properly been endorsed and followed by the management and Board of the company.

The Reports of the Audit Committee containing the suggestions and recommendations to the Board has duly been submit to the Board for its visualization of activities.

On behalf of Audit Committee

Sd/-
M. Naseemul Hye FCS
 Secretary
 Audit Committee

Sd/-
Khawaja Ahmedur Rahman
 Chairman
 Audit Committee



Report of the Nomination & Remuneration Committee

In accordance with the directives of the Bangladesh Securities and Exchange Commission through its Corporate Governance Code under notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 the Nomination and Remuneration Committee (NRC) of Bashundhara Paper Mills Ltd. was constituted in compliance with the Corporate Governance Code.

The Nomination and Remuneration Committee members were appointed by the Board of Directors of the Company to adhere the directives as follows:

Sl. No.	Name of Members	Position in Company	Position in Committee
1	Mr. Khawaja Ahmedur Rahman	Independent Director	Chairman
2	Mr. Imrul Hassan	Director	Member
3	Mr. M. Naseemul Hye FCS	Company Secretary	Secretary

During the period under review the Independent Director of this Company- Mr. Khawaja Ahmedur Rahman re-appointed as the Chairman of the NRC and Mr. M. Naseemul Hye FCS, Company Secretary performed as the Secretary of the NRC as per the provision of the Corporate Governance Code.

Qualifications of the Committee Members

All the NRC members possess adequate knowledge on business management and corporate governance issues, financially literate and able to analyze, understand and interpret corporate laws, finance and financial tools and have business expertise in their own arena.

Roles and Responsibilities

The roles and responsibilities of the NRC have clearly been mentioned in the Terms of Reference of the Committee as approved by the Board of Directors of Bashundhara Paper Mills Ltd.

The Committee discharged its responsibility by holding a meeting in the FY-2018-2019 and provided required advises and suggestions to the Board of Directors to execute those duly.

In the meeting the committee it considered and assisted the Board in formulation of the nomination criteria and determining of the qualifications of the prospective candidates attributes, experiences etc. of the directors and top level executives and the remunerations of directors, top level executive of the company as well as.

Succession planning

The Committee reviewed the drafted succession plan designed for the executive and non-executive appointments to the Board, taking into account the objectives of the Company and the rotation of directors. In this process the Committee also considered the business the skills, commitment and knowledge as to be required for operation of this Company.

Appointment/ Rotation of Non-Executive Director(s)

During the year under review the Committee after evaluation has recommended for the reappointment of 02 (two) non-executive directors- i. Mr. Ahmed Akber Sobhan and ii. Md. Nazmul Alam Bhuiyan- the Nominated Director of East West Properties Development (Pvt.) Ltd. who were to retire by rotation and eligible for their re-appointments as per the provisions of the Article of Association of the Company.

Meeting Attendance by the Members

The Committee held 01 (one) no. of meeting during the period ended on 30 June 2019. 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 the Members	No. of Meeting Held	Attendance in the Meeting
1.	Mr. Khawaja Ahmedur Rahman	01	01
2.	Mr. Imrul Hassan	01	01
3.	Mr. M. Naseemul Hye FCS	01	01

During the FY 2018-2019 the NRC accomplished the following:

- Considered the status of the Board composition along with their practical work experience and reputation of Board members, and made recommendation to the Board in this regard;
- Identified candidates for appointment/reappointment to the Board based on their knowledge experience and aptitude for attainment of the objectives of the company;
- Considered and recommended to increase the top management compensation in line of the requirement, expertise, market demand and availability in the related filed;
- Considered and accommodated various issues in connection with appointments, retirements in the Board of Directors;
- Reviewed the issues including the company's requirement for employees as to be placed at different levels and determine their selection procedures and criteria;
- Reviewed the performance of the top-level executives of the Company and placed the recommendation on their findings;
- Reviewed the company's human resources status and the development and training policies of the Company aimed for the employees;
- Overseen other issues within the Code of Conduct of the NRC.

The Nomination and Remuneration Committee expressing its of the view that the nomination, re-election and remuneration matter were executed in accordance with polices and the Administration, HR activities and Internal governance status of the Company were in place.

On behalf of Audit Committee

Sd/-
M. Naseemul Hye FCS
 Secretary
 Nomination and Remuneration Committee

Sd/-
Khawaja Ahmedur Rahman
 Chairman
 Nomination and Remuneration Committee



Bashundhara Paper Mills Ltd.**[Declaration under Condition No. 1(5)(xxvi) of the Corporate Governance Code, 2018]**

To Date: 11 November, 2019

**The Board of Directors
Bashundhara Paper Mills Limited**Subject: **Declaration on Financial Statements for the year ended on 30/06/2019.**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC-D/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 30/06/2019 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:-

- (i) We have reviewed the financial statements for the year ended on 30/06/2019 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-

Safwan Sobhan
Managing Director

Sd/-

Mirja Mujahidul Islam
Chief Financial Officer

Corporate Governance Certification

Annexure-B

Certificate as per Condition No. 1(5)(xxvii)

ITRAT HUSAIN & ASSOCIATES

CHARTERED SECRETARIES IN PRACTICE

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, 2019. 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:

- 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;
- 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;
- 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
- The governance of the company is satisfactory.

For: Itrat Husain & Associates



Itrat Husain FCMA, FCS
Chief Executive

Dhaka, 15 November, 2019



Annexure-C

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

Status Report on Compliance with the conditions imposed by the BSEC

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	
1.	Board of Directors			
1(1)	Total number of Company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty);	✓		
1(2)(a)	One-fifth (1/5) of the total number of directors in the company's Board be Independent Directors (ID);	✓		
1(2)(b)(i)	ID does not hold any shares or holds less than one percent (1%) shares in the company;	✓		
1(2)(b)(ii)	ID not a sponsor of the company nor connected with any sponsor/director/nominated director/ 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 by family relationship and his/ her family members also shall not hold above mentioned shares in the company;	✓		
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;	✓		
1(2)(b)(v)	Who is not a member or TREC 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)	Independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a loan defaulter of Bank or NBF I);	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	Independent director(s) shall be appointed by the Board and approved by the shareholders in the AGM ;	✓		
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;	✓		
1(3)(a)	Independent director shall be a knowledgeable individual with integrity.	✓		
1(3)(b)(i)	ID is business leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100 million or any listed company or a member of any national or international chamber of commerce or business association;			n/a

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(ii)	Who is or was a top-level executive not lower than CEO/MDDMD/CFO/ Head of Finance or Accounts/CS/HIAC/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;			n/a
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law;			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 CA /CMA/CFA/CCA/CPA/ Chartered Management Accountant/CS or equivalent qualification;			n/a
1(3)(c)	Independent director shall have at least 10 (ten) years of experiences in any field as 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
1(4)(a)	Chairperson of the Board and the MD and/or CEO of the company shall be filled by different individuals;	✓		
1(4)(b)	MD and/or CEO of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	Board shall clearly define respective roles and responsibilities of the Chairperson and the MD and/or CEO;	✓		
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;	✓		
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 and negative impact on environment, if any;	✓		
1(5)(vi)	A discussion on COGS , GP Margin and NP Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		
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;	✓		
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 IPO , 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 F/S;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the F/S prepared by the management of the issuer company present fairly its state of affairs	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 IAS or IFRS, as applicable in Bangladesh, have been followed in preparation of the FY 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;	✓		
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)	Total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			n/a
1(5)(xxiii)(b)	Directors, CEO, CS, CFO, HIAC and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives;	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of Directors 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;	✓		
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 immediately 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; and	✓		

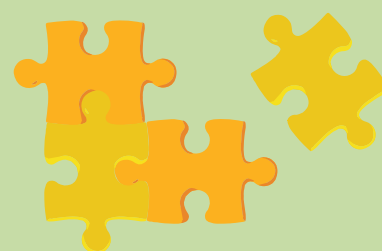
Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the 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 Annexure-A;	✓		
1(5)(xxvii)	The Report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure -C.	✓		
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records.	✓		
1(7)(a)	The Board shall lay down a code of conduct, based on the NRC at condition No. 6.	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	✓		
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.	MD/CEO/CFO/HIAC and CS			
3(1)(a)	The Board shall appoint a MD or Chief Executive CEO, a CS, a CFO and a HIAC;	✓		
3(1)(b)	The positions of the MD or Chief Executive Officer CEO, CS, CFO and HIAC shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board	✓		
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and follow 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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Director's Committee			
4(i)	Audit Committee	✓		
4(ii)	Nomination and Remuneration Committee	✓		
5.	Audit Committee			
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 FS reflect true and fair view of the state of affairs of the company.	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board;	✓		
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) Independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of 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 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
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, under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting.	✓		
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members;	✓		
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 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 F/S before submission to the Board for approval;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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/Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through IPO/ RPO or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	✓		
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)(a)	Report on conflicts of interests;	✓		
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;			did not arise
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			did not arise
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			did not arise
5(6)(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 unreasonably 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 of 6 (six) months from the date of first reporting to the Board, whichever is earlier			did not arise
5(7)	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.			n/a
6.	Nomination and Remuneration Committee (NRC)			
6(1)(a)	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).	✓		
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	✓		
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 or fees other than Director's fees or honorarium from the company.	✓		
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	Chairperson of the NRC shall attend the AGM to answer the queries of the shareholders;	✓		
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		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.	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes.	✓		
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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.	✓		
7.	External or Statutory Auditors			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;			n/a
7(1)(v)	Actuarial services			n/a
7(1)(vi)	Internal audit services or special audit services;			n/a
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure.	✓		
7(3)	Representative of External or Statutory Auditors present in the Shareholders' Meeting AGM or EGM.	✓		
8.	Maintaining a website by the Company			
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 per listing regulations.	✓		
9.	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (CA or CMA or CS) and disclosed in the Annual Report.	✓		
9(2)	The Compliance Auditors' shall be appointing by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C	✓		



Financial Statements



Independent Auditors' Report

To the shareholders of Bashundhara Paper Mills Ltd.
Report on the Audit of the Financial Statements.

Opinion

We have audited the financial statements of Bashundhara Paper Mills Ltd., which comprise the Statement of Financial Position as at 30 June 2019, and Statement of profit or loss & 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 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESB A code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. 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 statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide opinion on these matters.

Risk	Our response to the risk
Valuation of inventory	
The inventory of Tk. 7,866,400,203 at 30 June, 2019 held in warehouses and across multiple product lines in factory. In order to carry inventory at the lower of cost and net realizable value, management has identified slow moving, obsolete and damaged inventories and carrying value of these items, the calculation of which requires assumptions.	<p>Our procedures included the following to assess inventory Valuation:</p> <ul style="list-style-type: none"> Evaluating the design and implementation of key inventory controls operating across the factory and warehouse. Testing, on a sample basis, the stock aging profile, expiry dates and the market price used in assessing the net realizable values of inventories to the related documents. Comparing the net realizable value obtained through a of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;

See note no. 8.00 to the financial statements



Risk	Our response to the risk
Measurement of deferred tax liability	
<p>The net deferred tax liability totaling Tk. 1,076,753,353 as at 30 June, 2019.</p> <p>Significant judgment is required in relation to deferred forecasts of future profitability over a number of years.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> ▪ We obtained an understanding, evaluated the design and effectiveness of controls over measurement of deferred tax and the assumptions used in estimating the company's future taxable income. ▪ We involved tax specialists to assess key assumptions, controls, measurement of deferred tax liabilities. ▪ We also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.

See note no.20.00 to the financial statements

Valuation of Property, Plant and Equipment	
<p>The carrying value of the PPE amounted to Tk. 13,289,188,831 at 30 June, 2019. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new 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 asset 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.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> ▪ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. ▪ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. ▪ We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate. ▪ We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. ▪ We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.

See note no. 4.00 to the financial statements

Other Information

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statement we are responsible for the direction, supervision and performance of the group audit. We solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, and the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;

- c) The information and explanations required by us have been received and found satisfactory;
- d) The statement of Financial Position, Statement of profit or loss & other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns;
- e) The expenditure was incurred for the purpose of the Company's business, and
- f) The company has complied with relevant laws and regulations pertaining to reserves.

Place: Dhaka

Dated: 11 November, 2019

Sd/-

Ahmed Zaker & Co.

Chartered Accountants



BASHUNDHARA PAPER MILLS LIMITED**Statement of financial position**

As at 30 June 2019

	Notes	30-Jun-19	30-Jun-18
		Amount in Taka	
ASSETS			
Non-current assets		15,729,748,506	11,910,497,863
Property, plant and equipment, net	4	13,289,188,831	8,978,458,932
Intangible Assets, net	5	166,798,327	174,414,054
Capital work-in-progress	6	2,008,761,348	2,492,624,877
Investment	7	265,000,000	265,000,000
Current assets		14,456,497,247	13,151,640,417
Inventories	8	7,866,400,203	7,017,056,343
Trade and other receivables	9	3,693,325,197	2,490,418,884
Advances, deposits and prepayments	10	829,368,883	937,885,549
Advance income tax	11	374,697,109	548,937,061
Intercompany current account	12	356,051,064	191,985,058
Cash and bank equivalents	13	1,336,654,791	1,519,454,492
Assets held for sale	14	-	445,903,030
Total assets		30,186,245,753	25,062,138,280
EQUITY AND LIABILITIES			
Capital and reserves		7,480,252,300	7,549,501,544
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	2,092,726,250	2,112,514,322
Retained earnings	18	1,910,028,348	1,959,489,520
Liabilities			
Non-current Liability		10,193,472,915	5,527,266,137
Long term borrowings	19	8,436,605,911	3,824,172,892
Deferred tax liability	20	1,076,753,353	957,392,014
Intercompany Payable	21	680,113,651	745,701,231
Current liabilities		12,512,520,539	11,985,370,600
Long term borrowings-current portion	22	1,740,500,152	1,243,949,246
Short term borrowings	23	8,084,230,977	8,975,971,861
Trade and other payables	24	2,296,713,496	1,311,916,559
Provision for expenses	25	125,844,073	22,979,585
Income tax provision	26	265,231,841	430,553,348
Total liabilities		22,705,993,454	17,512,636,737
Total equity and liabilities		30,186,245,753	25,062,138,280
Net Asset Value Per Share	43	42.08	42.44

The annexed notes 1 to 54 form an integral part of these financial statements.

Sd/-
Chief Financial OfficerSd/-
Company SecretarySd/-
Managing DirectorSd/-
Director

As per our report of same date

Sd/-
ChairmanDated, Dhaka
11 November 2019Sd/-
Ahmed Zaker & Co.
Chartered Accountants

BASHUNDHARA PAPER MILLS LIMITED**Statement of profit or loss and other comprehensive income**
for the year ended 30 June 2019

	Notes	01-Jul-2018 to 30-Jun-2019	01-Jul-2017 to 30-Jun-2018
Amount in Taka			
Revenue, net	27	11,039,126,581	10,821,096,081
Cost of sales	28	(8,940,367,498)	(8,900,519,500)
Gross profit		2,098,759,083	1,920,576,581
Other income	29	129,637,231	58,287,049
Administrative expenses	30	(392,866,946)	(367,119,296)
Selling & distribution expenses	31	(229,030,716)	(221,151,189)
Finance costs	32	(1,103,924,593)	(870,449,569)
Profit before distribution of WPP & WF		502,574,059	520,143,575
Workers' profit participation & welfare fund	33	(25,128,703)	(26,007,179)
Profit before income tax		477,445,356	494,136,396
Income tax expenses	34	(185,596,870)	199,503,842
Current tax expense		(66,235,531)	(198,996,311)
Deferred tax (expense)/income		(119,361,339)	75,462,212
Deferred tax income resulting from reduction in income tax rate		-	323,037,940
Profit after income tax		291,848,486	693,640,238
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total Comprehensive Income for the year		291,848,486	693,640,238
Earnings per share	35	1.68	3.99
EPS without considering one of income of tax rate changes		-	2.13

The annexed notes 1 to 54 form an integral part of these financial statements.

Sd/-
Chief Financial OfficerSd/-
Company SecretarySd/-
Managing DirectorSd/-
DirectorSd/-
Chairman

As per our report of same date

Dated, Dhaka
11 November 2019Sd/-
Ahmed Zaker & Co.
Chartered Accountants

BASHUNDHARA PAPER MILLS LIMITED**Statement of changes in equity
for the year ended 30 June 2019**

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	Amount in Taka				
Balance as on 01 July 2017	1,477,497,750	-	2,141,302,617	1,268,373,494	4,887,173,860
Transfer to retained earnings	-	-	(28,788,295)	28,788,295	-
Issuance of shares	260,416,660	-	-	-	260,416,660
Share premium	-	1,739,583,292	-	-	1,739,583,292
Adjustment for current tax of prior years	-	-	-	(31,312,506)	(31,312,506)
Total Comprehensive Income for the year	-	-	-	693,640,238	693,640,238
Balance as at 30 June 2018	1,737,914,410	1,739,583,292	2,112,514,322	1,959,489,520	7,549,501,544
Balance as at 01 July 2018	1,737,914,410	1,739,583,292	2,112,514,322	1,959,489,520	7,549,501,545
Transfer to retained earnings	-	-	(19,788,072)	19,788,072	-
Payment of dividend for the year 2017-2018	-	-	-	(347,582,882)	(347,582,882)
Adjustment for current tax of prior years	-	-	-	(13,514,849)	(13,514,849)
Total Comprehensive Income for the year	-	-	-	291,848,486	291,848,486
Balance as at 30 June 2019	1,737,914,410	1,739,583,292	2,092,726,250	1,910,028,348	7,480,252,300

Sd/-
Chief Financial OfficerSd/-
Company SecretarySd/-
Managing DirectorSd/-
DirectorSd/-
Chairman

BASHUNDHARA PAPER MILLS LIMITED**Statement of cash flows**

for the year ended 30 June 2019

	Notes	01-Jul-2018 to 30-Jun-2019	01-Jul-2017 to 30-Jun-2018
Amount in Taka			
A) Cash flows from operating activities			
Receipts from customers		10,763,476,984	10,774,865,262
Receipts from other income		117,403,047	35,843,459
		10,880,880,031	10,810,708,721
Payment to suppliers, employees & others		(8,598,987,415)	(9,273,582,796)
Cash generated from operations		2,281,892,616	1,537,125,925
VAT paid	27	(435,504,614)	(486,520,332)
SD Paid	27	(13,578,382)	(9,693,383)
Income taxes paid	11	(70,831,934)	(149,775,463)
Bank charges and commission	32	(12,181,862)	(6,931,780)
Net cash (used in)/ generated by operating activities		1,749,795,824	884,204,968
B) Cash flows from investing activities			
Payments for property, plant and equipment		(514,187,248)	(1,223,045,645)
Receipts/ transfer of capital work-in-progress		(4,256,734,211)	(1,726,238,946)
Net cash (used in)/ generated by investing activities		(4,770,921,459)	(2,949,284,592)
C) Cash flows from financing activities			
Received/ (repayment) of short term borrowings		(891,740,884)	1,798,542,728
Payments of Bank interest and other charges		(1,098,292,889)	(872,099,769)
Proceeds from issuance of shares		-	260,416,660
Proceeds from shares premium		-	1,739,583,292
Payments of dividends to owners of the company		(50,970,631)	-
Received/ (repayment) of Intercompany debt		(229,653,586)	801,008,550
Received/ (repayment) of long term borrowings		5,108,983,925	(290,029,495)
Net cash (used in)/ generated by financing activities		2,838,325,934	3,437,421,966
D) Net increase in cash and cash equivalents (A+B+C)		(182,799,701)	1,372,342,342
E) Cash and cash equivalents at the beginning	13	1,519,454,492	147,112,149
F) Cash and cash equivalents at the end (D+E)	13	1,336,654,791	1,519,454,492
Net Operating Cash Flows per share	44	10.07	5.09

Sd/-
Chief Financial OfficerSd/-
Company SecretarySd/-
Managing DirectorSd/-
DirectorSd/-
Chairman

BASHUNDHARA PAPER MILLS LIMITED**Notes to the financial statements****As at and for the year ended 30 June 2019****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. Trading of the shares of the company started in two stock exchanges from 02 July 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 Headquarters-2, Plot# 56/A, Block# C, Umme Kulsum Road, Bashundhara R/A, Dhaka-1229, Bangladesh. The industrial units 1 and 2 are established at New town, Meghna Ghat, Sonargoan, Narayangonj 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, PP woven bag, paper sack and other consumer brand items. The enterprise, since its inception, is helping the nation save huge amount of hard-earned foreign exchange by cutting dependence on imported paper products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The specific Accounting Policies selected and applied by the company’s management for significant transactions and events that have a material effect within the framework of IAS-1 Presentation of Financial Statements in preparation and presentation of financial statements. Compared to the previous year, there were no significant changes in the accounting and valuation principals affecting the financial position and performance of the company. Accounting and valuation methods are disclosed for reasons of clarity.

2.1 BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRESENTATION**2.1.1 Accounting standards**

The financial statements of the company have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).



2.1.2 Accounting Convention

The financial statements are prepared under the historical cost convention except items of fixed assets revalued in 2010 and 2015. The company classified the expenses using the function of expenses method as per IAS-1.

2.1.3 Statement of compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as listed entities.

As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

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

- The Companies Act 1994
- The Securities and Exchange Rules, 1987
- The Securities & Exchange Ordinance, 1969 The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax Act, 1991
- The Value Added Tax Rules, 1991 The Customs Act, 1969
- The Bangladesh Labor (Amendment) Act 2013, 2006 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 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 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 (allocation of revenue among multiple elements, determination of percentage of completion for services rendered)
Note 34:	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	3.6	8.00
Deferred tax	3.10.2	20.00
Impairment of property, plant & equipment	3.1.9	N/A

2.4 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/non-current classification.

An asset is current when it is:

- a) expected to be realized or intended to be sold or consumed in normal operating cycle
- b) held primarily for the purpose of trading
- c) expected to be realized within twelve months after the reporting period or
- d) 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:

- a) expected to be settled in normal operating cycle
- b) held primarily for the purpose of trading
- c) due to be settled within twelve months after the reporting period or
- d) 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

- 2.6.1** Notes to the financial statements marked from 3.00 to 3.28 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.
- 2.6.2** The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.28.
- 2.6.3** 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 15	Revenue from Contracts with Customers

2.7 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these financial statements.

The Company has initially adopted IFRS 15 Revenue from Contracts with Customers (see 2.7.1) and IFRS 9 Financial Instruments (see 2.7.2) from 1 July 2018. There is no impact on financial statements on initial application of the standards.

2.7.1 IFRS 15 Revenue from Contracts with Customers

"IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.



The Company has adopted IFRS 15 Revenue from Contracts with Customers retrospectively to each prior period presented in accordance with IAS 8 Accounting Policies, Changes in accounting Estimates and Errors from 1 July 2018. The adoption of this standard had no impact on the Company's financial statements.

2.7.2 IFRS 9 Financial Instruments

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.

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and Other Comprehensive Income (OCI).

a) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI (Fair Value Through OCI) and FVTPL (Fair Value Through Profit and Loss). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities.

For an explanation of how the Company classifies and measures financial instruments and accounts for related gains and losses under IFRS 9, see note 53.00.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 July 2018.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 July 2018 relates solely to the new impairment requirements.

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets				
Trade and other receivables	Loans and receivables	Amortised cost	2,490,418,884	2,490,418,884
Cash and cash equivalents	Loans and receivables	Amortised cost	1,519,454,492	1,519,454,492
Financial liabilities				
Trade and other payables	Other financial liabilities	Other financial liabilities	1,311,916,559	1,311,916,559

Trade and other receivables that were classified as loans and receivables under IAS 39 are now classified at amortised cost. No material impact to the primary financial statements has arisen on the adoption of IFRS 9 and the Company has not restated prior periods on adoption of IFRS 9.

The following table reconciles the carrying amounts of financial assets under IAS 39 to the carrying amounts under IFRS 9 on transition to IFRS 9 on 1 July 2018.

	IAS 39 carrying amount at 30 June 2018	Remeasurement	IFRS 9 carrying amount at 1 July 2018
Financial Assets			
Trade and other receivables			
Brought forward: Loans and receivables	2,490,418,884	-	
Remeasurement		-	
Carried forward: Amortised cost			2,490,418,884
Cash and cash equivalents			
Brought forward: Loans and receivables	1,519,454,492	-	
Remeasurement		-	
Carried forward: Amortised cost			1,519,454,492
Total amortised cost	4009,873,376		4,009,873,376

2.7.3 b) Impairment of financial assets

IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39 – see Note 53.00.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. Credit risk is minimised due to the quality and short-term nature of the Company’s trade receivables as well as the fact that the exposure is spread over a large number of customers.

As detailed in note 2.7, no material impact to the primary financial statements has arisen on the adoption of IFRS 9 and the Company has not restated prior periods on adoption of IFRS 9.

2.8 NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET ADOPTED

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. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this adoption does not have any impact on the financial statements of the Company for annual periods beginning on or after 1 January 2018.

A number of new standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

Of those standards that are not yet effective, IFRS 16 is expected to have a material impact on the Company's financial statements in the period of initial application.

IFRS 16 Leases

The Company is required to adopt IFRS 16 Leases from 1 July 2019. The Company has assessed the estimated impact that initial application of IFRS 16 will have on its financial statements, as described below.

The actual impacts of adopting the standard on 1 July 2019 may change because:

- the new accounting policies are subject to change until the Company presents its first financial statements that include the date of initial application.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

a) Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of 1 corporate office. The nature of expenses related to those leases will now change because the Company will recognize a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Company will include the payments due under the lease in its lease liability.

b) Transition

The Company actively considering to apply IFRS 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 July 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

2.9 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. However, the company was followed its reporting period from 01 January to 31 December up to 30 June 2016.

2.10 DATE OF AUTHORIZATION FOR ISSUE

The financial statements were approved by the Board of Directors and authorized for issue on 11 November 2019.

2.11 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 SAP software which under process of full implementation. SAP ERP is enterprise resource planning software developed by the German company SAP SE next year. Business Processes included in SAP 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).

2.12 COMPARATIVE INFORMATION AND REARRANGEMENT THEREOF

Comparative information for the financial position has been disclosed in respect of the year ended June 30, 2018 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, 2018 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, 2019 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	5-15
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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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.

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 measured 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 Development Phase

An intangible asset arising from development (or from the development phase of an internal project) is recognised in IAS-38: Intangible asset. The company's intangible assets include computer software development (SAP), Design, construction and development of products, Augmented Reality. Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

3.2.7 Recognition of an Expense

In some cases, expenditure is 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.

3.2.8 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.

3.2.9 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.

3.2.10 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	SAP Software	25
2	CRM Software	10

3.2.11 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 LEASED ASSETS

3.3.1 Finance Lease

Leases are classified as finance leases whenever terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.3.2 Operating Leases

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

3.3.3 Initial Recognition

At the commencement of the lease term, the company recognises finance leases as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Any initial direct costs of the lessee are added to the amount recognised as an asset.

3.3.4 Subsequent Measurement

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred. A finance lease gives rise to depreciation expense for depreciable assets as well as finance expense for each accounting period. The depreciation policy for depreciable leased assets is consistent with that for depreciable assets that are owned, and the depreciation recognised is calculated in accordance with IAS: 16 Property, Plant and Equipment and IAS: 38 Intangible Assets. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

3.3.5 Lease Payments

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 Classification and subsequent measurement

Financial assets – Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

i. Financial assets – Business model assessment: Policy applicable from 1 July 2018

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- 'the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Subsequent measurement and gains and losses: Policy applicable from 1 July 2018

Financial assets at FVTPL

- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

- These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

- These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets includes cash and cash equivalents, trade and other receivables and short term investment.

a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

c) Short-term investment

Short-term investment consists of fixed deposits with original maturity of more than three months. The Company has the positive intent and ability to hold FDR to maturity, and such financial assets are carried as financial assets at amortised cost. 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.

ii. 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 trade and other payables etc.

a) 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 IMPAIRMENT OF FINANCIAL ASSETS

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

a) Financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

The financial assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. The Company measures loss allowances at an amount equal to ECL from trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on Company's historical experience and informed credit assessment and including forward-looking information.

BPML considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the company in full, without recourse by BPML to actions such as realising security (if any is held).

Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more

events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

b) Non-financial assets

The carrying amounts of the Company's non-financial assets (other than inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.6 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
Finished goods and Work-in-process	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.
Raw and packing materials	At the lower of cost and net realizable value.
Stores and spares	At the lower of weighted average cost and net realizable value.
Materials and stores in-transit	At cost including related charges.

3.7 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.

3.8 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.

3.9 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 no. # 37.

3.10 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.

3.10.1 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 25% (2017-18: 25%). Provision for taxation has been made on the basis of the Finance Act, 2019.

3.10.2 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.

3.11 EMPLOYEE BENEFIT

3.11.1 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. অবিঃতঃঅনুঃ(বুসন্ধরা)/বুকইউ/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.

3.11.2 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 net defined benefit liability (asset) is made up of:

- the present value of defined benefit obligation; less
- the fair value of plan assets; adjusted for
- any effect of limiting a net defined benefit asset to the asset ceiling.

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 Company calculated the provisions for maximum exposures as at the reporting date for all eligible employees. Gratuity payable at the end of each year is determined on the basis of following rules and regulations of the company:

Service length (Years)	Payment basis
0 < 10	Nil
10	30 days basic salary/ wages for every completed year of service
>10	45 days basic salary/ wages for every completed year of service

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.

3.11.3 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.

3.11.4 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.

3.12 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, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 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.

3.13 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.

3.14 REVENUE RECOGNITION

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

3.14.1 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.

3.14.2 Rendering of services

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the Company sells the services in separate transactions.

Based on the Company's assessment, the fair value and the stand-alone selling prices of the services 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 services.

3.14.3 Construction contracts

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will



result in revenue and can be measured reliably. When a claim or variation is recognised, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.

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.

3.15 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.

3.15.1 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.

3.15.1 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.

3.15.3 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.

3.16 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.

3.17 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 corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.18 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.

3.19 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.

3.20 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, if any.



3.21 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. 40.00.

3.22 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.

3.23 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.

3.24 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.

3.25 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.

3.26 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.

3.27 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.

3.28 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).

3.29 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.

3.30 COMPARATIVES, RECLASSIFICATION AND RESTATEMENT

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

3.30.2 Figures appearing in these accounts have been rounded off to the nearest taka;

3.30.3 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

Amount in Taka

30-Jun-19

30-Jun-18

1. Based on Cost:**A. Cost:**

Opening Balance

10,005,200,142

9,043,400,307

Less: Transfer/ Disposal during the year

(22,262,213)

(576,482,472)

Add: Addition during the year

5,256,749,567

1,538,282,307

Closing Balance**15,239,687,497****10,005,200,142****B. Accumulated depreciation:**

Opening Balance

3,639,499,101

3,155,631,434

Less: Transfer/ Disposal during the year

(2,225,710)

(301,111,601)

Add: Charged during the year

894,971,387

784,979,269

Closing Balance**4,532,244,778****3,639,499,101****C. Written down value on cost (A-B)****10,707,442,718****6,365,701,041****2. Based on Revaluation:****A. Cost:**

Opening Balance

2,848,337,977

2,848,342,604

Less: Transfer/ Disposal during the year

-

(4,627)

Add: Addition during the year

-

-

Closing Balance**2,848,337,977****2,848,337,977****B. Accumulated depreciation:**

Opening Balance

235,580,086

204,423,880

Less: Transfer/ Disposal during the year

-

(3,471)

Add: Charged during the year

31,011,778

31,159,677

Closing Balance**266,591,865****235,580,086****C. Written down value on revaluation (A-B)****2,581,746,113****2,612,757,891****3. Written down value on cost and revaluation (1+2)****13,289,188,831****8,978,458,932***Details of property, plant & equipment are shown in 'Annexure-A'*

- 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. It also may mentioned here that no indication of impairment was determined in the year 2017-2018 as well.
- 4.02 The company has been availing long term lease facility against use of 18.7709 acres land from East West Property Development (Pvt.) Limited. All maintenance cost incurred during the year for the said land bear by BPML but rent or any other cost regarding the use of land has not been bear in current or prior year's as per decision of the both Companies management.
- 4.03 Depreciation begins when the asset is available for use and continues until the asset is derecognized.

05.00 INTANGIBLE ASSETS**A. Cost:**

Opening Balance

189,627,705

189,627,705

Less: Transfer/ Disposal during the year

-

-

Add: Addition during the year

-

-

Closing Balance**189,627,705****189,627,705****B. Accumulated amortization:**

Opening Balance

15,213,651

7,597,925

Less: Transfer/ Disposal during the year

-

-

Add: Charged during the year

7,615,726

7,615,726

Closing Balance**22,829,378****15,213,651****C. Written down value (A-B)****166,798,327****174,414,054***Details of Intangible assets are shown in 'Annexure- B'*

06.00 CAPITAL WORK-IN-PROGRESS

A. Plant and machinery:

Opening balance
 Add: Addition made during the year
 Less: Adjustment/transfer to appropriate asset category

Closing balance**B. Factory building and other constructions:**

Opening balance
 Add: Addition made during the year
 Less: Adjustment/transfer to appropriate asset category

Closing balance**C. Intangible assets (SAP Software):**

Opening balance
 Add: Addition made during the year
 Less: Adjustment/transfer to appropriate asset category

Closing balance**D. Total (A+B+C)**

Amount in Taka	
30-Jun-19	30-Jun-18
1,337,539,088	799,545,623
3,498,593,574	913,774,940
(3,390,661,461)	(375,781,475)
1,445,471,202	1,337,539,088
1,155,085,789	452,508,384
752,436,887	812,464,006
(1,349,936,279)	(109,886,601)
557,586,396	1,155,085,789
-	-
5,703,750	-
-	-
5,703,750	-
2,008,761,348	2,492,624,877

06.01 Capital work in progress - transferred

The amount of CWIP completed and transferred during the year to the corresponding items of property, plant and equipment was as follows:

Sl no	Assets category	2018-2019	2017-2018
1	PM-4 Tissue Machine	1,644,549,879	-
2	PM-4 Building & other construction	1,101,735,139	-
3	Generator	66,289,804	-
4	Facial Tissue Machine	59,919,534	-
5	Wallet Tissue Machine	57,133,723	-
6	Napkin Tissue Machine	128,993,218	-
7	Toilet Tissue & Kitchen Towel Machine	86,823,395	-
8	Printing Machine	212,074,993	-
9	Modification of various Base Machine	685,173,012	-
10	Sales Center-Building	32,648,703	-
11	Rotogravure Plant-Building	91,451,867	-
12	Rewinder (Sliter Winder)	255,299,795	-
13	Coal Fire Boiler	43,624,936	-
14	Automatic Fire Tube Steam Boiler	31,364,660	-
15	EOT Crane	13,118,897	-
16	Slat Chain Conveyor	7,900,768	-
17	Chemical Dosing Equipment	4,363,036	-
18	Motor Multi Drive	16,171,393	-
19	Auto Box Tissue Cartoning Machine	4,795,589	-
20	Coating Machine	-	6,329,118
21	Diapant Machine	-	99,658,320
22	Napkin Machine	-	60,572,707
23	Press Roll	-	13,393,421
24	Tissue machine	-	31,643,686
25	Facial Tissue Folding Machine	-	10,746,485
26	Gas Generator	-	1,761,950
27	Wrapper machine	-	23,848,099
28	Printing Machine	-	3,682,218
29	Forklift	23,987,025	14,032,417
30	Baby Diaper Machine	-	9,729,904
31	Suction Roll	-	7,086,192
32	2nd Press Bottom Roll	-	4,805,447
33	Flexo Printing machine	-	17,714,926
34	Boiler	-	19,921,424



35	Laminating Machine
36	Inflation Machine
37	Seal Bag Macking Machine
38	Rotogravure Printing Machine
39	Rewinder Machine
40	Stem & condensate line
41	Paper Core Dryer
42	Various building & other construction

Total

Amount in Taka	
30-Jun-19	30-Jun-18
-	6,543,821
-	9,870,629
-	5,423,905
-	17,583,773
-	4,858,457
-	6,081,717
-	208,210
-	109,886,601
4,567,419,369	485,383,427

06.02 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.

07.00 INVESTMENT

Investment in shares (unquoted)

Total

265,000,000	265,000,000
265,000,000	265,000,000

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

08.00 INVENTORIES

Raw material

Finished goods

Stores and spare parts

Work-in-process

Material in transit

Total

2,749,515,772	2,623,923,219
1,404,133,797	1,012,008,949
938,762,100	1,008,876,976
1,249,774,443	775,023,910
1,524,214,090	1,597,223,289
7,866,400,203	7,017,056,343

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

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

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

08.04 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 .

09.00 TRADE & OTHER RECEIVABLES**09.01 Trade receivables:**

Hygiene product

Paper product

Demy paper

Paper sack product

PP Woven Bag product

Tissue products

Export

2,689,538,372	2,193,647,639
11,604,898	21,187,950
2,097,834,873	1,736,500,575
(566,460)	1,366,282
176,076,317	62,372,007
-	114,462,068
342,169,289	232,205,772
62,419,456	25,552,986

Other receivables:

Bashundhara Industrial Complex Ltd.

Bashundhara Food & Beverage Industries Ltd.

Bashundhara Amusement Park Ltd.

Bashundhara Pulp & Board Mills Ltd.

Sundorban Industrial Complex Ltd.

Bashundhara Foundation

Bashundhara Multi-Paper Industries Ltd.

Bashundhara Industrial Economic Zone Ltd.

Cash incentive receivables

Interest on FDR

East West Property Development (Pvt.) Ltd.

Total

1,003,786,825	296,771,245
518,598,596	13,538,373
1,680,701	1,603,042
1,360,012	516,243
3,000	3,000
1,120,887	1,120,887
-	6,815,000
362,339,434	246,881,810
-	3,849,300
34,677,774	22,443,590
68,506,421	-
15,500,000	-
3,693,325,197	2,490,418,884



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

30-Jun-19	0-90 days past due	90-180 days past due	Dues over 6 months	Total
Paper products	782,589,522	976,083,210	338,595,681	2,097,268,413
Tissue products	274,703,324	65,433,407	2,032,558	342,169,289
Hygiene products	5,794,427	264,118	5,546,353	11,604,898
Paper Sack products	26,676,888	103,628,479	45,770,950	176,076,317
Export	53,681,594	6,371,905	2,365,957	62,419,456
Total	1,143,445,755	1,151,781,118	394,311,499	2,689,538,372

30-Jun-18	0-90 days past due	90-180 days past due	Dues over 6 months	Total
Paper products	1,142,932,666	422,144,623	172,789,567	1,737,866,857
Tissue products	210,613,292	10,366,981	11,225,500	232,205,772
Hygiene products	14,542,402	1,655,377	4,990,171	21,187,950
PP Woven Bag products	264,195,915	(19,351,273)	(130,382,575)	114,462,068
Paper sack products	98,536,660	(1,223,144)	(34,941,510)	62,372,007
Export	16,527,734	810,449	8,214,802	25,552,986
Total	1,747,348,670	414,403,014	31,895,955	2,193,647,639

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

Maturity within 3 months
Maturity over 3 months but within 6 months
Maturity more than 6 months

Total

Receivables considered Good & Secured
Receivables considered Good without security
Receivables considered doubtful & bad
Receivables due by directors or other officers & staffs
Receivables due from companies under same management
Maximum receivables due by directors or officers & staffs at any time

Total

Amount in Taka	
30-Jun-19	30-Jun-18
1,143,445,755	1,747,348,670
1,151,781,118	414,403,014
394,311,499	31,895,955
2,689,538,372	2,193,647,639
2,148,000,971	1,828,176,363
-	-
-	-
-	-
541,537,401	365,471,276
-	-
2,689,538,372	2,193,647,639

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

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

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

10.00 ADVANCES, DEPOSITS AND PREPAYMENTS**Advances:**

Advance against advertisement
Advance against Legal and consultancy
Advance against insurance premium
Advance against land and land development
Advance against motor vehicle
Advance against rental vehicle
Advance to employee
Advance to other expense
Advance to suppliers
SD current account
VAT current account

Total advance

489,569	925,000
2,580,000	1,980,000
1,108,770	530,576
55,801,339	53,801,339
391,826	3,449,600
755,000	6,290
408,400	830,265
117,245,260	15,003,183
77,792,208	246,935,979
49,363	27,745
11,091,163	14,589,852
267,712,897	338,079,829



Deposit:

Bank guarantee margin
 Deposit to Bangladesh Bank
 Deposit to Finance Lease
 L/C margin deposit
 Security deposit

Total deposits**Total**

Amount in Taka	
30-Jun-19	30-Jun-18
22,573,753	17,856,893
150,000,000	150,000,000
1,644,495	4,266,145
322,933,576	370,067,149
64,504,163	57,615,532
561,655,987	599,805,719
829,368,883	937,885,549

10.01 These include dues realizable/adjustable within one year from the balance sheet date

211,911,558 284,278,490

10.02 These include aggregate amount due by, executives, managers, officers and staffs

408,400 830,265

10.03 The maximum aggregated amount due by executives, managers, officers and staffs of the company at the end of any month during the year

200,000 646,092

10.04 Advance recoverable in cash

408,400 830,265

10.05 Advance outstanding for a period exceeding six months

55,801,339 53,801,339

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

Advance, deposits & prepayments considered good & secured
 Advance, deposit & prepayments considered Good without security
 Advance, deposit & prepayments considered doubtful & bad
 Advance, deposit & prepayments due by directors or other officers & staffs
 Advance, deposit & prepayments due from companies under same management
 Maximum advance due by directors or officers & staffs at any time

828,760,483 936,409,192
 - -
 - -
 408,400 830,265
 - -
 200,000 646,092

Total

829,368,883 937,885,549

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

10.08 This represent advance paid for earth and sand filling and land purchase. The procured land will be transferred to PPE when the registration will be completed.

10.09 Advance to suppliers due to advances given to suppliers for packing materials, spare parts, construction materials etc.

10.10 The company has no pending current liability for VAT. VAT current account showed positive balance (advance payment) as of 30 June 2019.

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

10.12 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.

10.13 Break up of L/C margin deposit:

Agrani Bank Ltd.
Al-Arafa Islami Bank Ltd.
First Security Islami Bank Ltd.
Bank Asia Ltd.
IFIC Bank Ltd.
Social Islami Bank Ltd.
Mercantile Bank Ltd.
National Bank Ltd.
Trust Bank Ltd.
Shahjalal Islami Bank Ltd.
Southeast Bank Ltd.
Standard Bank Ltd
Total

Amount in Taka	
30-Jun-19	30-Jun-18
-	17,161,044
31,561,000	-
28,345,000	24,764,000
11,976,890	-
34,885,000	28,240,000
950,000	950,000
1,423,000	18,507,805
173,665,209	183,661,813
4,372,000	5,199,000
20,888,258	19,396,177
2,035,017	22,574,636
12,832,202	49,612,674
322,933,576	370,067,149

10.14 Break up of Security Deposit:

		Amount in Taka	
Name of Company/ Party	Purpose	30-Jun-19	30-Jun-18
Titas Gas Co. Ltd.	Supply of GAS	53,677,567	46,349,117
DESA	Supply of Electricity	3,600,000	3,600,000
BTCL	Telephone line	125,000	125,000
Rent-A-Car	Transport support	152,000	723,083
Narayanganj Polli Bidyut Samity	Supply of Electricity	534,000	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
Telecommunication	Using sim card	1,000	1,000
Abdul Goffur Bhuiyan	Office Rent	500,000	-
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	2,690,500	3,129,236
Total		64,504,163	57,615,532

11.00 ADVANCE INCOME TAX

Opening balance	548,937,061	495,946,126
Add: addition during the year, on:	70,831,934	149,775,463
Import of raw materials and machineries	40,287,970	49,429,246
Interest income	773,700	299,599
Sales	25,257,011	96,911,355
License, renewal and registration	3,330,000	2,725,500
Others	1,183,253	409,762
Less: adjusted during the year	NOTE 26.01 (245,071,887)	(96,784,527)
Closing balance	374,697,109	548,937,061

11.01 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 paper supply, tax deducted at source from export sales, tax deducted at source from interest income etc.

11.02 1Advance income tax paid has been setoff with provision for corporate tax to comply with IAS 1 and IAS 12 as and when the assessment is completed.

12.00 INTER COMPANY CURRENT ACCOUNT

	Amount in Taka	
	30-Jun-19	30-Jun-18
Bashundhara Airways Ltd.	155,665,588	155,965,589
Bashundhara Amusement Park Ltd.	18,628,585	18,703,585
Bashundhara Cement Industries Ltd.	12,318,436	20,118,436
Bashundhara Infrastructure Development Ltd.	3,281,222	3,281,222
Bashundhara Food & Beverage Industries Ltd.	18,965,831	63,265,831
Bashundhara Fine Paper Mills Ltd.	800,000	800,000
Bashundhara Industrial Complex Ltd.		(84,106,492)
Bashundhara Pulp & Board Mills Ltd.	1,371,500	1,371,500
Bashundhara Industrial economic Zone	73,849,300	-
Bashundhara Multi-paper Industries Ltd.		(251,048,649)
Bashundhara Steel & Engineering Ltd.	58,490,293	59,190,293
Bashundhara Chemical Industries Ltd.		-
East West Media Group Ltd.	139,422,265	138,334,392
Meghna Cement Mills Limited	54,363,621	54,218,621
Toggi Services Ltd.	52,300,000	-
Toggi Real Estate & Construction Ltd.	1,250,000	-
Sundarban Industrial Complex Ltd.	4,340,289	11,890,731
Total	356,051,064	191,985,058

12.01 Inter company receivables/ (payables) represents short term financial facility arrangement availed from/ given to its sister companies.

12.02 There was no formal agreement between the company and the sister concern in this regard.

12.03 All loans are Interest free. All receivables/(payables) will be recovered or paid within shortly.

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 period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash in hand	29,384,396	18,669,814
Investment in FDR	1,075,020,000	-
Cash at bank	232,250,395	1,500,784,678
Current deposit	173,588,104	1,439,001,744
Short term bank deposits (STD)	58,662,290	61,782,934
Cash and bank balances in the statement of cash flows	1,336,654,791	1,519,454,492

All bank balances are reconciled with bank statements.

14.00 ASSETS HELD FOR SALE

The Company plans to dispose of its PPWB plant that manufactures PPWB Bag and anticipates that the disposal will be completed by forthcoming year. The company is currently negotiate with some potential buyers and the directors of the Company expect that the fair value less costs to sell of the business will be higher than the aggregate carrying amount of the related assets as at June 30, 2018. During the year, the Company sale these assets at their carrying value. As a result, there were no capital gain/loss is recognised. The major classes of assets at the end of the reporting period are as follows:

PPWB-1ply machine	-	292,382,390.30
PPWB-2ply machine	-	140,945,026.90
Stitching Machine	-	6,539,380.21
Air Compressor	-	1,173,552.31
Saco Tex Machine	-	4,862,680.33
	-	445,903,030

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.

Amount in Taka	
30-Jun-19	30-Jun-18

5,000,000,000	5,000,000,000
---------------	---------------

Issued, subscribed & paid up:

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

1,737,914,410	1,737,914,410
---------------	---------------

Total

1,737,914,410	1,737,914,410
----------------------	----------------------

15.01 Movement of share capital:**Opening balance**

Issuance of ordinary shares during the year

1,737,914,410	1,477,497,750
---------------	---------------

Closing balance

1,737,914,410	1,737,914,410
----------------------	----------------------

15.02 Position of shareholding**15.02.1 Percentage of Shareholders**

Name of shareholders	30-Jun-19		30-Jun-18	
	Nos. of Shares	Percentages of holdings	Nos. of Shares	Percentages of holdings
Mr. Ahmed Akbar Sobhan	4,000,000	2.30%	4,000,000	2.30%
Mrs. Afroza Begum	5,885,200	3.39%	5,885,200	3.39%
Mr. Sadat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Shafiat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Sayem Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Safwan Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Md. Imrul Hassan	4,002,000	2.30%	4,002,000	2.30%
East West Property Development (Pvt.) Ltd. Represented by-Mr. Md. Nazmul Alam Bhuiyan	101,050,575	58.14%	101,050,575	58.14%
General public and institutions	26,041,666	14.98%	26,041,666	14.98%
Total	173,791,441	100%	173,791,441	100%

15.02.2 Classification of shareholder's by holding range

	No of Share holders		No of shares	
	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
1-500 shares	12,582	23,029	1,715,224	2,789,033
501 to 5,000 shares	3,845	3,667	6,760,033	6,192,333
5,001 to 10,000 shares	406	318	2,975,198	2,334,074
10,001 to 20,000 shares	236	156	3,325,912	2,262,924
20,001 to 30,000 shares	92	283	2,171,206	6,291,522
30,001 to 40,000 shares	27	30	916,993	1,031,844
40,001 to 50,000 shares	27	15	1,218,565	650,088
50,001 to 100,000 shares	36	19	2,598,112	1,283,285
100,001 to 1,000,000 shares	23	20	4,360,423	3,206,363
1,000,001 to 1,000,000,000 shares	7	7	147,749,775	147,749,975
Total	17,281	27,544	173,791,441	173,791,441

16.00 SHARE PREMIUM

Opening Balance

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

1,739,583,292	-
-	1,739,583,292
-	-
1,739,583,292	1,739,583,292



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

17.00 REVALUATION RESERVE

	Amount in Taka	
	30-Jun-19	30-Jun-18
Opening Balance	2,112,514,322	2,141,302,617
Add: Increase arising on revaluation of properties	-	-
Less: Transferred to retained earnings	(19,788,072)	(28,788,295)
Closing Balance	2,092,726,250	2,112,514,322

18.00 RETAINED EARNINGS

Opening balance	1,959,489,520	1,268,373,494
Add: Profit attributable to the owners of the Company	291,848,486	693,640,238
Transferred from properties revaluation reserve	19,788,072	28,788,295
Less: Adjustment for current tax of prior years	(13,514,849)	(31,312,506)
Final dividend for the year 2017-2018	(347,582,882)	-
Closing balance	1,910,028,348	1,959,489,520

19.00 LONG TERM BORROWINGS

Bank loan:	10,032,907,443	4,767,534,930
LTR (long term)-Janata Bank Ltd.	231,593,670	278,574,371
Project Loan-Janata Bank Ltd.	606,111,135	727,433,067
Term loan-Southeast Bank Ltd.	1,539,610,341	723,840,277
Term Loan-Basic Bank Ltd.	408,624,109	518,715,792
Term Loan-IFIC Bank Ltd.	853,968,851	-
Term loan-Mercantile Bank Ltd.	2,345,930,635	1,509,991,578
Term loan-National Bank Ltd.	2,079,575,732	-
Term loan-Shahjalal Islami Bank Ltd.	911,552,222	-
Term loan-Standard Bank Ltd.	1,055,940,748	1,008,979,845
Finance Lease obligation:	144,198,620	300,587,208
Islamic Finance & Investment Ltd.	43,089,327	53,245,697
Phoenix Finance & Investment Ltd.	-	-
GSP Finance Company (BD) Ltd.	101,109,292	212,213,251
Shahjalal Islami Bank Ltd.	-	-
Social Islami Bank Ltd.	-	3,872,688
United Commercial Bank Ltd.	-	31,255,572
Total Long Term borrowings	10,177,106,063	5,068,122,138
Less: Current portion of long term borrowings	(1,740,500,152)	(1,243,949,246)
Due after one year	8,436,605,911	3,824,172,892

- 19.01** The company has been forming working capital from its scheduled bank. Interest rates underlying all obligations under these borrowings are fixed at respective contract dates.

19.02 Finance lease liabilities:

Particulars	30-Jun-19	30-Jun-18
Not later than one year	33,570,288	169,591,146
Later than one year but not later than five years	123,176,699	168,841,454
Later than five years	-	-
	156,746,987	338,432,600
Less: Future finance charge	(12,548,367)	(37,845,392)
Present value of minimum lease payments	144,198,620	300,587,208
Included in the financial statements as:		
current borrowings	103,220,478	144,348,670
non-current borrowings	40,978,141	156,238,538
Total	144,198,620	300,587,208

The details of bank loan arrangement is enumerated below:

Institution	Particulars	
Janta Bank Limited	Limit amount	Project: Tk. 117.71 Crore; Project Block: Tk. 5.81 crore; LTR & LTR Block : 45.34 Crore
	Purpose	To establish and support the project.
	Security	Project land at Sonargoan, Narayanganj and plant & machineries
	Interest rate	Fixed at respective contract dates.
	Mode of payment	Monthly installment
	Type of Facility	Project Loan
	Validity	30.06.2022
Mercantile Bank Limited	Limit amount	Term loan: Tk. 223.26 Crore
	Purpose	Importation of raw materials and spare parts
	Security	316.5 decimal of land at block-I, J & K of BRA & 14,431 sft. 9th floor of BCDL.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
Standard Bank Limited	Limit amount	Term Loan Tk. 99.76 Crore
	Purpose	To retire import documents.
	Security	33,177 sft of level 16th, 17th, 18th of BCDL.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term Loan
Southeast Bank Limited	Limit amount	Tk. 148.54 crore
	Purpose	To retire import documents.
	Security	78,848.27 sft of level 1-8 (78,848 sft.) of BCDL and 702.51 dec. of land at BRA.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
BASIC Bank Limited	Limit amount	Term loan: Tk. 54.22 crore
	Purpose	To meet working capital requirements.
	Security	2.1160 acres of land at Bashundhara R/A.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
IFIC Bank Limited	Limit amount	Term loan: Tk. 81.27 crore
	Purpose	To meet working capital requirements.
	Security	702.51 dec. of land at BRA and 78,848.27 sft of (8-11 office floor) in Bashundhara City Tower.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
National Bank Limited	Limit amount	Term loan: Tk. 202.98 crore
	Purpose	To meet working capital requirements.
	Security	734.30 dec. of land at BRA and 1195.69dec. of land at Keranigonj.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
Shahjalal Islami Bank Limited	Limit amount	HPSM: Tk. 86 crore
	Purpose	To meet working capital requirements.
	Security	710.75 dec. of land at Factory, 1153.53 dec. of land at Khilkhet and 74.50 dec. of land at Vatara.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	Term loan
	Validity	16.12.2022

19.04 The details of finance lease arrangement is enumerated below:

Institution	Particulars	
Islamic Finance & Investment Limited	Limit amount	Tk. 5.13 crore
	Purpose	Machinery and vehicle.
	Security	Machinery and Vehicle title/ownership.
	Interest rate	Fixed at respective contract dates.
	Mode of payment	Monthly installment
	Type of Facility	Finance Lease
	Validity	20.03.2023
GSP Finance Company (BD) Ltd.	Limit amount	Tk. 25.15 crore
	Purpose	Machinery
	Security	Machinery title/ownership.
	Interest rate	Fixed at respective contract dates.
	Mode of payment	Monthly installment
	Type of Facility	Finance Lease
	Validity	25.10.2020

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	
		30-Jun-19	30-Jun-18
Opening balance		957,392,014	1,355,892,166
Provided during the year:		119,361,339	(398,500,152)
Deferred tax income		(75,485,710)	(78,672,841)
Deferred tax income resulting from reduction in income tax rate		-	(323,037,940)
Deferred tax expense		194,847,049	3,210,629
Adjustment made during the year		-	-
Closing balance		1,076,753,353	957,392,014

20.01	Temporary timing difference	Accounting base Carrying Amount	Tax base	Temporary Difference
	Property, Plant and equipment	10,627,228,338	(6,882,986,673)	3,744,241,665
	Difference for vehicle		(5,339,942)	(5,339,942)
	Intangible assets	166,798,327	(137,948,293)	28,850,034
	Pre-operating expenses	-	(59,833,006)	(59,833,006)
	Unused tax loss	-	(301,942,839)	(301,942,839)
	Net taxable temporary difference	10,794,026,665	(7,388,050,753)	3,405,975,913
	Applicable tax rate			25%
	Deferred tax liability-30 June 2019			851,493,978
	Less: Deferred tax liability-30 June 2018			732,132,639
	Deferred tax expense/ (income) for the year			119,361,339

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

Year	Particulars	Opening balance	Recognized in profit & loss	Recognized in Other Comprehensive Income	Closing balance
30-Jun-19	Property, plant & equipment	744,275,706	191,784,709	-	936,060,416
	Difference for vehicle	(1,668,732)	333,746	-	(1,334,986)
	Intangible assets	5,271,192	1,941,317	-	7,212,509
	Pre-operating expenses	(15,745,527)	787,276	-	(14,958,251)
	Unused tax loss	-	(75,485,710)	-	(75,485,710)
	Revaluation	225,259,375	-	-	225,259,375
	Total	957,392,014	119,361,339	-	1,076,753,353



Year	Particulars	Opening balance	Recognized in profit & loss	Recognized in Other Comprehensive Income	Closing balance
30-Jun-18	Property, plant & equipment	1,152,712,023	(408,436,316)	-	744,275,706
	Difference for vehicle	(2,920,281)	1,251,549	-	(1,668,732)
	Intangible assets	4,044,985	1,226,207	-	5,271,192
	Pre-operating expenses	(23,203,935)	7,458,408	-	(15,745,527)
	Revaluation	225,259,375	-	-	225,259,375
	Total	1,355,892,166	(398,500,152)	-	957,392,014

20.03 Difference for vehicle

This represents the permanent difference related to sedan cars, not plying for hire, owned by Bashundhara Paper Mills Limited. As per the provisions of Income Tax Ordinance 1984, depreciation on such cars is allowed only up to certain limit of cost (currently Tk. 2,500,000 per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

21.00 INTERCOMPANY PAYABLE

East West Property Development (Pvt.) Ltd.
Bashundhara LP Gas Ltd.

Total

Amount in Taka	
30-Jun-19	30-Jun-18
489,367,285	554,954,865
190,746,366	190,746,366
680,113,651	745,701,231

22.00 LONG TERM BORROWINGS-CURRENT PORTION

Bank loan
Finance Lease obligation

Total

30-Jun-19	30-Jun-18
1,635,247,853	1,099,600,576
105,252,299	144,348,670
1,740,500,152	1,243,949,246

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

23.00 SHORT TERM BORROWINGS

Bai Muazzal-Shahjalal Islami Bank Ltd.
Cash Credit - Agrani Bank Ltd.
Cash Credit - Janata Bank Ltd.
Cash Credit - National Bank Ltd.
CC (Hypo.)-Bank Asia Ltd.
Bai Muazzal Wes Bills-Shahjalal Islami Bank Ltd.
Bai Murabaha-First Security Islami Bank Ltd.
OD-Mercantile Bank Ltd.
Force loan- Standard Bank Ltd.
Time loan - United Commercial Bank Ltd.
Force loan - IFIC Bank Ltd.
LTR - National Bank Ltd.
LTR - Shahjalal Islami Bank Ltd.
Force loan - Social Islami Bank Ltd.
Force loan - Southeast Bank Ltd.
LATR -Southeast Bank Ltd.
Time - Mercantile Bank Ltd.
Demand loan - Bank Asia Ltd.
Demand loan - Agrani Bank Ltd.
Force - Trust Bank Ltd.
UPAS - Bank Asia Ltd.
UPAS - National Bank Ltd.
UPAS - Southeast Bank Ltd.
UPAS - Shahjalal Islami Bank Ltd.
UPAS - Standard Bank Ltd.
UPAS - Mercantile Bank Ltd.
UPAS - Trust Bank Ltd.
UPAS - Rupali Bank Ltd.
UPAS - IFIC Bank Ltd.

Total

-	427,251,033
275,198,252	316,151,994
565,751,893	571,343,810
1,266,815,103	1,243,214,486
116,715,138	133,821,300
-	312,495,634
324,642,550	312,448,010
90,995,481	107,496,279
136,458,557	-
-	77,200,865
-	853,482,863
136,860,365	13,671,859
70,318,682	208,187,908
-	53,580,464
8,728,173	386,810,344
-	304,668,641
-	758,020,063
149,916,822	53,616,125
801,650,996	-
-	9,212,806
247,991,316	-
2,298,784,008	1,059,855,453
29,905,677	370,926,864
191,337,313	262,533,138
40,741,602	326,381,167
11,940,079	217,483,499
-	113,541,844
654,604,868	-
664,874,102	482,575,410
8,084,230,977	8,975,971,861



Short term credit facilities available as at June 30, 2019:

The Company enjoys both funded and non funded short term working capital facilities with 13 banks. The non funded facilities include Letters of Credit (L/C), Letters of Guarantee. The funded facilities include overdraft facility, short term loan and import loan. The limit, purpose and security details of short term bank overdraft arrangement is enumerated below:

Name of Bank	Particulars
Agrani Bank Limited	Limit amount CC: Tk. 30 Crore; L/C: Tk. 70 crore
	Purpose To meet working capital requirements.
	Security 7.6220 acres of project land at Meghnaghat, Sonargoan, Narayanganj & Plant & Machineries.
	Interest rate Fixed at respective contract dates.
	Type of Facility Cash Credit (CC) & L/C
	Validity 31.03.2020
National Bank Limited	Limit amount CC(Hypo): Tk. 120 crore; LTR: Tk. 50 Crore; L/C Tk. 450 crore
	Purpose To meet working capital requirements.
	Security i)1195.69 decimal of land from BRP ii) Hypothecation of stock iii) 734.30 decimal of land from BRA.
	Interest rate Fixed at respective contract dates.
	Type of Facility CC (Hypo) LTR & L/C
	Validity 28.02.2020
Bank Asia Ltd.	Limit amount OD: Tk. 15 Crore; LTR: Tk. 18 crore; L/C: Tk. 60 crore
	Purpose To meet working capital requirements.
	Security i) 719.08 dec. of land at BRA. ii) Hypothecation of stock.
	Interest rate Fixed at respective contract dates.
	Type of Facility CC (Hypo), LTR, Demand Loan & L/C
	Validity 30.12.2019
Shahjalal Islami Bank Ltd.	Limit amount LTR: Tk. 20 crore; Bank Guarantee: Tk. 5 crore; L/C: Tk. 50 crore.
	Purpose To meet working capital requirements. Capital machinery purchase.
	Security 710.75 dec. of project land at Anarpura, Gazaria, Munshigonj, 1153.53 dec. of land at Khilkhet and 74.50 dec. of land at Vatara.
	Interest rate Fixed at respective contract dates.
	Type of Facility Bai-Muazzal (TR); WES Bill L/C, Bank Guarantee & LTR
	Validity 31.07.2020
Janata Bank Limited	Limit amount CC (Hypo): Tk. 56 crore; L/C: Tk. 22 Crore
	Purpose To meet working capital requirements.
	Security Hypothecation of stock; 7.3775 acres of project land at Anarpura, Gazaria, Munshigonj, 846.66 dec. land at BRA and 1396.50 dec at factory; Stock under pledge godown.
	Interest rate Fixed at respective contract dates.
	Type of Facility CC Hypo and L/C.
	Validity 15.12.2019
Southeast Bank Limited	Limit amount LTR: Tk. 160 crore; L/C (Sight/UPAS/ Deferred) Tk.525Crore; BG: 50 crore, FDBP: 50 Cr.
	Purpose To retirement of shipping documents/ import of capital machinery.
	Security 78,848.27 sft of level 1-8 (78,848 sft.) of BCDL and 702.51 dec. of land at BRA.
	Interest rate Fixed at respective contract dates.
	Type of Facility LTR, BG & L/C
	Validity 31.05.2020
Standard Bank Limited	Limit amount Tk. 200 Crore
	Purpose To retire import documents.
	Security 33,177 sft of level 16th, 17th, 18th of BCDL.
	Interest rate Fixed at respective contract dates.
	Type of Facility L/C
	Validity 31.05.2020
Social Islami Bank Limited	Limit amount L/C: Tk. 350 Crore, Bai Muazzal: 115 Cr.
	Purpose To meet working capital requirements.
	Security 116.52 dec. of land at BRA.
	Interest rate Fixed at respective contract dates.
	Type of Facility L/C & Force Loan
	Validity 31.08.2019

Name of Bank	Particulars	
IFIC Bank Limited	Limit amount	L/C: Tk. 200 Crore; BG: Tk. 5 Crore
	Purpose	To meet working capital requirements.
	Security	22,100 sft 11th & 19th floor of BCDL.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	L/C, Force Loan & BG
	Validity	31.01.2020
First Security Islami Bank Limited	Limit amount	L/C: Tk. 220 Crore & OD 30 Crore
	Purpose	Importation of raw materials.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	L/C
	Validity	31.07.2020
Trust Bank Limited	Limit amount	L/C Tk. 250 Crore
	Purpose	Importation of raw materials and spare parts.
	Security	1054.36 dec. of land at River view projects and 310.33 dec. of land at BRA.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	L/C
Mercantile Bank Limited	Limit amount	L/C Tk. 300 Crore; LTR: Tk. 120 crore; OD: Tk. 10 crore; BG: Tk. 1 crore
	Purpose	Importation of raw materials and spare parts.
	Security	316.50 dec. of land at BRA & Level 9 (14,431sft.) of BCDL.
	Interest rate	Fixed at respective contract dates.
	Type of Facility	L/C, LTR, OD & BG
Rupali Bank Limited	Limit amount	L/C Tk. 75 Cr.
	Purpose	Importation of raw materials and spare parts.
	Security	277.44 dec. of land at BRA
	Interest rate	Fixed at respective contract dates.
	Type of Facility	L/C, LTR, OD & BG
	Validity	29.08.2020

24.00 TRADE AND OTHER PAYABLES

Trade Payable	NOTE 24.01	1,416,588,233	667,238,986
Other Payable	NOTE 24.02	880,125,263	644,677,573
Total		2,296,713,496	1,311,916,559

24.01 Trade Payables

Unit - 1	810,016,982	214,028,988
Unit - 2	176,179,816	76,624,036
Unit - 3	430,391,435	376,585,963
Total	1,416,588,233	667,238,986

24.1.1 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.

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

24.02 Other Payable

		Amount in Taka	
		30-Jun-19	30-Jun-18
East West Media Group Ltd.		35,721,783	-
Payable for advertisement		68,837,749	47,064,047
Payable for C & F bill		26,071,299	25,757,215
Payable for constructions expenses		-	86,449
Payable for consultancy		484,500	322,500
Payable for director remuneration		3,150,000	1,212,500
Payable for expenses		55,492,114	70,412,209
Payable for insurance premium		4,217,784	2,905,026
Payable for motor vehicle		3,192,300	2,285,495
Payable for office rent		2,883,450	2,383,450
Payable for provident fund		2,624,782	2,854,604
Payable for tax & VAT at source		18,428,571	21,655,988
Payable for transportation		689,811	819,180
Payable for workers' profit participation & welfare fund	NOTE 33.00	82,332,767	57,204,064
Payable to carrying contractor		36,018,363	58,270,184
Payable to contractors		3,862,901	3,862,902
Payable for Electric bill		1,913,464	949,156
Payable for Gas bill		66,761,406	180,817,710
Payable for Labor & wages		38,955,912	37,201,423
Payable for Salary and allowances		126,530,266	106,403,428
Dividend Account-Unclaimed Portion		296,612,253	-
Unclaimed Subscription		343,787	17,085,042
Security deposit payable		5,000,000	5,125,000
Total		880,125,263	644,677,573

22.2.1 All accrued expenses are paid on regular basis.

22.2.2 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.

22.2.3 Salary and allowances for the month of June 2019 has been paid in subsequent month.

22.2.4 All the utility bills like gas, electricity and others for the month of June 2019 has been paid to the subsequent month.

25.00 PROVISION FOR EXPENSES

Audit fees	225,000	287,500
Other expense	119,691,430	14,110,106
Finance Lease charges	2,031,821	8,581,979
Gas bill	3,895,822	-
Total	125,844,073	22,979,585

26.00 INCOME TAX PROVISION

Opening balance	430,553,348	297,029,058
Add: Current tax expense in respect of the current year	66,235,531	198,996,311
Less: Adjustment made during the year	(231,557,038)	(65,472,020)
Closing balance	265,231,841	430,553,348

26.01 Income tax adjustment of prior years

Income Year	Income Tax as per Accounts	Income Tax as per Assessment	Adjustment made		
			(Over)/under provision adjusted with retained earnings	AIT	Income tax provision
2016-2017	231,557,038	245,071,887	13,514,849	245,071,887	231,557,038
Total	231,557,038	245,071,887	13,514,849	245,071,887	231,557,038

26.02 Provision for Current Tax of the Company are as under:

Accounting year	Assessment year	Assessment Under Section of ITO 1984	Status	Tax Demand/ (Refundable)	Cumulative provision for current tax
2018-2019	2019-2020		Current Year		265,231,841
2017-2018	2018-2019	83(2)	Assessment is Underway	30,814	430,553,348
2016-2017	2017-2018	83(2)/156/159	Assessment Completed	127,499,295	297,029,058
2015-2016	2016-2017	83(2)/156/159	Assessment Completed	-	65,472,020

27.00 REVENUE

Revenue, amounts on behalf of third parties such as Value Added Tax (VAT) and Supplementary Duty (SD) if any are excluded from revenue. The following is an analysis of the Company's revenue from operations of its major products and services:

Particulars		
Gross Sales	11,055,188,942	10,935,175,223
VAT	(435,504,614)	(486,520,332)
SD	(13,578,382)	(9,693,383)
Sales Local	10,606,105,946	10,438,961,508
Sales Export	433,020,634	382,134,573
Total	11,039,126,581	10,821,096,081

27.01 Segment revenues:

The following is an analysis of the Company's revenue including export sales from operations of its major products and services by reportable segment for the year ended June 30, 2019 excluding VAT:

Products	UNIT-1	UNIT-2	UNIT-3	Total
Paper product	3,741,867,389	905,781,380	1,539,931,854	6,187,580,623
Tissue product	595,332,789	-	3,670,865,399	4,266,198,188
Mosquito Coil	-	-	4,821,023	4,821,023
Paper Sack product	91,210,636	-	-	91,210,636
Hygiene product	-	-	505,378,473	505,378,473
Local Sales	4,428,410,813	905,781,380	5,720,996,749	11,055,188,942
Export Sales	189,257,930	4,170,681	239,592,023	433,020,634
Total	4,617,668,743	909,952,061	5,960,588,772	11,488,209,577

27.02 Revenue from export	In USD (\$)		In BDT	
	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Paper product	2,588,986	3,106,823	218,769,291	260,041,069
Hygiene product	5,392	-	455,598	-
Tissue paper product	2,530,127	1,458,704	213,795,745	122,093,504
Total	5,124,505	4,565,527	433,020,634	382,134,573

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		
	30-Jun-19	30-Jun-18
Opening stock of finished goods	1,012,008,949	1,079,434,795
Add: Cost of goods manufactured	9,332,492,347	8,833,093,653
Cost of goods available for sale	10,344,501,295	9,912,528,449
Less: Closing stock of finished goods	(1,404,133,797)	(1,012,008,949)
Cost of Sales	8,940,367,498	8,900,519,500

28.01 Cost of goods manufactured

Material Consumption	7,105,401,897	6,248,078,600
Opening stock	2,623,923,219	2,237,011,068
Add: Purchase during the year	7,230,994,450	6,634,990,751
Less: Closing stock	(2,749,515,772)	(2,623,923,219)
Factory overhead	2,701,840,983	2,631,647,956
Salary and allowances	619,666,022	487,535,792
Gas bill	494,281,322	681,380,571
Electricity bill	21,301,250	24,530,251
Labour and wages	408,981,333	395,934,070
Repair and maintenance	159,761,187	157,966,331
Other direct expenses	118,165,859	108,968,944
Depreciation	879,684,007	775,331,998
Add: Opening work in process	775,023,910	728,391,007
Less: Closing work in process	(1,249,774,443)	(775,023,910)
Total	9,332,492,347	8,833,093,653

28.02 Other direct expenses

Carriage inwards	3,684,051	12,638,574
Conveyance	1,585,938	15,377,579
Entertainment	2,293,303	4,554,674
License, renewal and registration	944,214	518,137
Office expense	4,660,068	6,367,504
Office repair & maintenance	243,660	254,975
Oil, fuel, CNG & lubricant	88,746,487	44,542,558
Company's contribution to PF	9,593,082	10,230,381
Insurance premium	-	6,303,504
Inspection & consultancy	900,000	-
Postage, telephone and fax	2,194,736	1,788,527
Rent, rates & taxes	2,451,499	3,286,188
Stationery	68,122	99,342
Packing & Product development	-	2,197,444
Utility bill	800,699	809,557
Total	118,165,859	108,968,944

28.03 Analysis of materials consumed

Category	Unit	Quantity		Value	
		30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Waste Paper & Pulp	MT	82,696	88,057	5,904,972,556	4,787,586,714
Chemicals	MT	4,156	5,673	579,378,509	483,042,850
PP Resin	MT	-	3,337	-	414,202,490
Kraft Paper	MT	-	899	-	73,241,788
Packing materials	Various	-	-	621,050,831	490,004,758
Total		86,851	97,965	7,105,401,897	6,248,078,600



28.04 Quantitative details of raw materials

Description	Unit	Opening Stock	Purchase	Consumption	Closing Stock
30-Jun-19					
Waste Paper & Pulp	MT	27,796	92,324	82,696	37,424
Chemicals	MT	3,347	4,857	4,156	4,048

Description	Unit	Opening Stock	Purchase	Consumption	Closing Stock
30-Jun-18					
Waste Paper & Pulp	MT	21,926	92,981	88,057	26,850
Chemicals	MT	3,445	5,527	5,673	3,299
PP Resin	MT	979	2,359	3,337	-
Kraft Paper	MT	381	1,510	899	992

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

28.05 Quantitative details of finished goods

Description	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-19					
White writing & printing	MT	3,474	19,475	18,702	4,247
Bidi paper	MT	26	1,226	1,241	11
BBS	MT	786	3,310	3,253	844
Coated paper	MT	891	6,365	6,702	553
Newsprint	MT	53	9,453	9,345	162
Carbon less coating paper	MT	83	1,918	1,889	112
Glassine paper/Color/Ledger	MT	-	198	62	-
Liner Paper	MT	246	368	556	58
White Liner Paper	MT	38	1	12	27
Packaging Paper	-	66	244	279	32
Simplex Paper	-	-	8	8	-
Sludge Board	MT	-	42	42	-
Duplex Board	MT	32	41	41	32
Tissue product	MT	1,228	17,746	17,684	1,290.00
Paper Sack	Pcs.	50,000	3,293,275	3,268,275	75,000
PP Woven Bag	Pcs.	-	-	-	-
Monalisa Sanitary Napkin	Pkt.	809,957	487,976	666,798	631,135
Tooth pick, cotton buds, straw	-	768	351,376	293,671	58,473
Baby Diaper	Pkt.	140,327	843,323	737,263	246,387
	Pcs.	366,075	727,105	896,678	196,502
Baby Diapant	Pkt.	221,615	4,431,177	4,334,301	318,491
Baby wet wipes	Cont.	37,133	428,842	398,623	67,352
Wet Tissue	Pkt.	5,184	318,488	307,113	16,559
Hand Gloves	Box	18,478	19,528	27,504	10,502



Description	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-18					
White writing & printing	MT	5,999	24,693	27,218	3,474
Bidi paper	MT	1	1,096	1,071	26
BBS	MT	997	3,109	3,320	786
Coated paper	MT	522	8,674	8,305	891
Newsprint	MT	441	8,341	8,729	53
Carbon less coating paper	MT	175	1,409	1,501	83
Glassine paper/Color/Ledger	MT	-	103	103	-
Liner Paper	MT	250	-	5	246
White Liner Paper	MT	23	74	60	38
Packaging Paper	-	79	1,058	1,071	66
Simplex Paper	-	13	24	37	-
Sludge Board	MT	-	50	50	-
Duplex Board	MT	52	9	29	32
Tissue product	MT	1,473	17,182	17,428	1,228
Paper Sack	Pcs.	195,053	5,108,727	5,253,780	50,000
PP Woven Bag	Pcs.	287,837	23,267,688	23,555,525	-
Monalisa Sanitary Napkin	Pkt.	292,764	1,977,694	1,460,501	809,957
Tooth pick, cotton buds, straw	-	8,136	100,707	108,075	768
Baby Diaper	Pkt.	564,625	322,979	747,277	140,327
	Pcs.	451,878	1,146,785	1,232,588	366,075
Baby Diapant	Pkt.	-	1,782,590	1,560,975	221,615
Baby wet wipes	Cont.	-	109,169	72,036	37,133
Wet Tissue	Pkt.	118,357	394,495	507,668	5,184
Hand Gloves	Box	38,426	4,155	24,103	18,478

29.00 OTHER INCOME

Scrap sales & other recoveries
Cash Incentive
Interest income

Total

Amount in Taka	
30-Jun-19	30-Jun-18
128,575	27,780
53,132,985	55,263,240
76,375,672	2,996,029
129,637,231	58,287,049

30.00 ADMINISTRATIVE EXPENSES

Audit fees
Credit Ratings Fees
Amortisation of intangible assets Annex.-B
Salaries and allowances
Director remuneration NOTE 30.02
Entertainment
Insurance premium
Advisory, legal and consultancy
License, renewal and registration
Rent and rates
Office repair and maintenance
IT & computer expense
IPO Expense
Annual General Meeting expense NOTE 30.03
Incidental loss of assets
Postage, telegram and fax
Company's contribution to PF
Corporate and Social Responsibility Expense
Stationery
Telecommunication expense
Travelling and Conveyance
Utilities
Vehicle running and maintenance
Vehicle oil, fuel & lubricant
Vehicle rent
Depreciation Annex.-A
Total

523,250	287,500
321,000	-
7,615,726	7,615,726
185,368,324	145,027,904
28,500,000	27,000,000
4,550,272	3,223,962
23,451,202	11,856,895
464,600	483,200
6,434,615	6,342,335
10,800,000	14,056,985
12,893,675	9,846,743
376,161	687,983
6,400,000	55,845,006
2,890,070	-
-	33,521
1,399,087	2,419,699
7,681,972	6,895,850
13,929,696	-
443,948	1,105,391
8,992,551	7,526,165
3,079,847	4,289,296
7,299,278	8,516,526
4,863,823	5,773,876
7,380,810	5,848,356
907,880	1,629,429
46,299,158	40,806,947
392,866,946	367,119,296



30.01 Payment/Perquisites to Directors and Officers

The aggregate amount paid/provided during the period in respect of Directors and Officers of the Company is as follows:

Particulars	30-Jun-19	30-Jun-18
Directors Remuneration	-	-
Managing Director Remuneration	19,950,000	18,900,000
Board Meeting fee	-	-
Total	19,950,000	18,900,000

30.01.1 Director Remuneration for the year

Name	Position held	Gross Remuneration	Income Tax Deducted	Net Paid
Mr. Ahmed Akbar Sobhan	Chairman	-	-	-
Mr. Md. Imrul Hassan	Director	-	-	-
Mr. Md. Nazmul Alam Bhuiyan	Nominated Director	-	-	-
Mr. Zeaur Rahman	Independent Director	-	-	-
Mr. Khawaja Ahmedur Rahma	Independent Director	-	-	-
Mr. Safwan Sobhan	Managing Director	28,500,000	8,550,000	19,950,000
Total		28,500,000	8,550,000	19,950,000

30.01.2 No money was given to any directors for rendering special services to the Company.

30.02 Annual General Meeting expense

	Amount in Taka	
	2018-2019	2017-2018
Annual report printing expense	1,268,750	-
Event management expense	1,101,600	-
Vanue rent	239,500	-
IT Software Services	280,220	-
Total	2,890,070	

31.00 SELLING AND DISTRIBUTION EXPENSES

Salaries and allowances	159,263,011	136,912,408
Advertisement	14,662,174	23,793,771
Carriage outwards	34,905,390	39,165,711
Company's contribution to PF	114,600	92,400
Foreign Exchange gain/ loss	3,461,462	3,223,084
Commission on sales	16,574,696	16,452,794
Conveyance	49,383	1,511,022
Total	229,030,716	221,151,189

32.00 FINANCE COSTS

Interest on bank overdrafts and loans	1,063,089,605	822,588,875
Bank charges and commission	12,181,862	6,931,780
Interest on obligations under finance lease	28,653,126	40,928,915
Total financial expense	1,103,924,593	870,449,569
Less: Amounts included in the cost of qualifying assets	-	-
Total	1,103,924,593	870,449,569

33.00 WORKERS' PROFIT PARTICIPATION & WELFARE FUND

Opening Balance	57,204,064	49,024,630
Add: Addition during the year	25,128,703	26,007,179
Less: Paid during the year	-	(17,839,928)
Adjusted made during the year	-	12,183
Closing balance	82,332,767	57,204,064

NOTE 33.01



33.01 Workers' profit participation & welfare fund for the year:

Profit before Workers' profit participation & welfare fund
Rate

Workers' profit participation & welfare fund for the year

As per provision of Workers' Profit Participation Fund (WPPF) of Labor Act 2006 that has Amendment 2013 was passed on Monday, July 22, 2013, the company has been maintaining provision of WPPF & WF. Subsequently Workers Participation Committee (WPC) was formed. However the company expects to distribute the fund as per Workers' profit participation & welfare fund policy.

Amount in Taka	
30-Jun-19	30-Jun-18
502,574,059	520,143,575
5%	5%
25,128,703	26,007,179

34.00 INCOME TAX EXPENSE

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

a. Current tax expense:

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

b. Deferred tax expense/ (income):

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

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

Amount in Taka	
30-Jun-19	30-Jun-18
66,235,531	198,996,311
66,235,531	198,996,311
-	-
119,361,339	(398,500,152)
119,361,339	(75,462,212)
-	(323,037,940)
185,596,870	(199,503,842)

34.01 The income tax expense for the year can be reconciled to the accounting profit as follows:

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

Accounting profit for the year
Less: Share of profit of equity

Tax on accounting profits @ 25% (2017-18 @ 25%)

Effect of income that is exempt from taxation
Effect of expenses that are not deductible in determining taxable profit
Effect of concessions (research and development and other allowances)
Impairment losses on goodwill that are not deductible
Effect of minimum tax
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

Adjustments recognized in the current year in relation to the current tax of prior years

Income tax expense recognized in profit or loss

477,445,356	494,136,396
-	-
477,445,356	494,136,396
119,361,339	123,534,099
-	-
-	-
-	-
66,235,531	-
-	-
-	-
-	-
-	-
-	(323,037,940)
-	-
185,596,870	(199,503,841)
-	-
185,596,869	(199,503,842)

35.00 EARNINGS PER SHARE (EPS)

Profit attributable to the Ordinary Shareholders
Weighted Average Number of shares

Basic Earnings Per Share**Basic Earnings Per Share-reported considering one of income for changes in tax rate****Basic Earnings Per Share-reported without considering one of income for changes in tax rate**

291,848,486	693,640,238
173,791,441	173,791,441
1.68	3.99
-	4.63
-	2.47

35.01 Diluted Earnings 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.

	Amount in Taka	
	2018-2019	2017-2018
Profit attributable to the Ordinary Shareholders	291,848,486	693,640,238
Total Number of shares	173,791,441	173,791,441
Diluted Earnings Per Share	1.68	3.99
Diluted Earnings Per Share -reported considering one of income for changes in tax rate	-	3.99
Diluted Earnings Per Share -reported without considering one of income for changes in tax rate	-	2.13

35.02 Weighted average number of ordinary shares

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.

35.03 Total Number of Ordinary Share outstanding

Opening number of shares outstanding	173,791,441	147,749,775
Add: Ordinary shares issued during the year	-	26,041,666
Total	173,791,441	173,791,441

35.04 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.

35.05 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.

36.00 CAPITAL COMMITMENT

None, except for letter of credit for importation of plant & machinery as shown under contingent liabilities.

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37.00 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities and assets as on the date of Statement of Financial Position were as under:

Letter of credit for importation of raw materials.	3,229,335,761	3,700,671,494
VAT claimed which is under jurisdiction of Hon'ble Supreme Court.	20,752,670	20,752,670
Claim of income tax against the company.	127,499,295	43,776,470
Guarantees issued by the Company's scheduled bank to third parties on counter indemnities given by the Company.	225,737,528	178,568,928
Claims against the Company acknowledge as debts.	-	-
Total	3,603,325,253	3,943,769,562
Capital commitment and Contingent liabilities	3,603,325,253	3,943,769,562

37.01 L/C (Sight/UPAS/Deferred) Liabilities

Agrani Bank Ltd.
 Al-Arafa Islami Bank Ltd.
 First Security Islami Bank Ltd.
 Bank Asia Ltd.
 IFIC Bank Ltd.
 Social Islami Bank Ltd.
 Mercantile Bank Ltd.
 National Bank Ltd.
 Trust Bank Ltd.
 Shahjalal Islami Bank Ltd.
 South East Bank Ltd.
 Standard Bank Ltd
Total

Amount in Taka	
30-Jun-19	30-Jun-18
-	171,610,440
315,610,000	-
283,450,000	247,640,000
119,768,900	-
348,850,000	282,400,000
9,500,000	9,500,000
14,230,000	185,078,054
1,736,652,090	1,836,618,131
43,720,000	51,990,000
208,882,580	193,961,766
20,350,171	225,746,363
128,322,020	496,126,740
3,229,335,761	3,700,671,494

37.02 Bank Guarantee

Social Islami Bank Ltd.
 Mercantile Bank Ltd.
 Southeast Bank Ltd.
 Standard Bank Ltd.
 Shahjalal Islami Bank Ltd.
Total

40,357,530	26,748,930
600,000	600,000
165,837,678	132,277,678
-	-
18,942,320	18,942,323
225,737,526	178,568,930

37.03 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.

38.00 STATEMENTS OF CASH FLOWS

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.

Net cash inflow from operating activities arrived after adjusting operating expenses, interest and taxes paid during the year.

Net cash used in investing activities includes cash outflow for purchase of property, plant and equipment after adjusting sale proceeds.

Net cash inflow from financing activities mainly resulted from repayment of long term loan as well as received from short term loan.

38.01 Cash receipts from customers and others:

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 except Incentive receivables
 Add: Sales during the year
 Closing trade and other receivables except receivable against machinery
Total

2,467,975,294	1,924,123,929
11,488,209,577	11,317,309,796
(3,192,707,887)	(2,466,568,463)
10,763,476,984	10,774,865,262

38.02 Cash payment to suppliers, employees and others:

Cash paid to suppliers arrived at after adjusting cost of raw materials and consumption cost of spares parts consumed with creditors for trade supplies, non-cash items and creditors for revenue expenses. Employee remuneration includes all types of benefits paid and provided both in cash and kind other than the re-imbursement of expenses incurred for the Company's business. The make-up of :

	Amount in Taka	
	2018-2019	2017-2018
Purchase of raw materials	7,230,994,450	6,634,990,751
Administrative expense	392,866,946	367,119,296
Workers' profit participation & welfare fund	25,128,703	26,007,179
Selling & distribution expense	229,030,716	221,151,189
Factory overhead	2,701,840,983	2,631,647,956
Increase/ (decrease) in material in transit	(73,009,199)	116,600,486
Increase/ (decrease) in Stores and spare parts	(70,114,876)	129,846,662
(Increase)/ decrease in trade payables and other payable	(687,277,878)	(184,437,647)
(Increase)/ decrease in provision for expense	(109,414,646)	14,435,421
Increase/ (decrease) in advance, deposit & prepayments	(107,458,891)	140,009,696
<i>Adjustment for non-cash item:</i>		
Incidental loss of assets	-	(33,521)
Amortization of intangible assets	(7,615,726)	(7,615,726)
Depreciation expense	(925,983,166)	(816,138,946)
Total	8,598,987,415	9,273,582,796

39.00 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, 2019 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	2018-2019	2017-2018
Revenue, net of VAT	11,039,126,581	10,821,096,081
Cost of sales	8,940,367,498	8,900,519,500
Gross Profit	2,098,759,083	1,920,576,581
<u>Assets and Liabilities</u>		
Segment Assets excludes Cash & Cash Equivalents	28,849,590,962	23,542,683,789
Segment Liabilities excludes tax liabilities	22,440,761,612	17,082,083,388

40.00 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:

40.01 Loans to/from related parties:

Name of related Companies	Relationship	Nature of transaction	30-Jun-19	Compensation
East West Property Development (Pvt.) Ltd.	Shareholder & Sister Concern	Long term Loan	(489,367,285)	Market Price
East West Media Group Ltd.	Sister Concern	Short term Loan	139,422,265	Market Price
Bashundhara Steel and Engineering Ltd.	Sister Concern	Short term Loan	58,490,293	Market Price
Bashundhara Multi-paper Industries Ltd.	Sister Concern	Short term Loan	(108,009,373)	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	(118,506,492)	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Investment	265,000,000	Market Price
Bashundhara Cement Industries Ltd.	Sister Concern	Short term Loan	12,318,436	Market Price
Sundarban Industrial Complex Ltd.	Sister Concern	Short term Loan	4,340,289	Market Price
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Short term Loan	18,965,831	Market Price
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Short term Loan	800,000	Market Price
Bashundhara Pulp & Board Mills Ltd.	Sister Concern	Short term Loan	1,371,500	Market Price
Bashundhara LP Gas Ltd.	Sister Concern	Short term Loan	(190,746,366)	Market Price
Bashundhara Airways Ltd.	Sister Concern	Short term Loan	155,665,588	Market Price
Bashundhara Amusement Park Ltd.	Sister Concern	Short term Loan	18,628,585	Market Price
Meghna Cement Mills Limited	Sister Concern	Short term Loan	54,363,621	Market Price
Bashundhara Industrial economic Zone	Sister Concern	Short term Loan	73,849,300	Market Price
Bashundhara Chemical Industries Ltd.	Sister Concern	Short term Loan	(12,480,000)	Market Price
Toggi Services Ltd.	Sister Concern	Short term Loan	52,300,000	Market Price
Toggi Real Estate & Construction Ltd.	Sister Concern	Short term Loan	1,250,000	Market Price
Total			(59,062,587)	

The movement during the year under review is enumerated below:

Name of related Companies	Transaction during the year		30-Jun-19	30-Jun-18
	Provided	Adjusted		
East West Property Development (Pvt.) Ltd.	309,597,579	244,010,000	(489,367,285)	(554,954,864)
East West Media Group Ltd.	1,087,873	-	139,422,265	138,334,392
Bashundhara Steel and Engineering Ltd.	-	700,000	58,490,293	59,190,293
Bashundhara Multi-paper Industries Ltd.	288,000,055	144,960,779	(108,009,373)	(251,048,649)
Bashundhara Infrastructure Development Ltd.	-	-	3,281,222	3,281,222
Bashundhara Industrial Complex Ltd.	-	34,400,000	(118,506,492)	(84,106,492)
Bashundhara Industrial Complex Ltd.	-	-	265,000,000	265,000,000
Bashundhara Cement Industries Ltd.	-	7,800,000	12,318,436	20,118,436
Sundarban Industrial Complex Ltd.	5,549,558	13,100,000	4,340,289	11,890,731
Bashundhara Food & Beverage Industries Ltd.	400,000	44,700,000	18,965,831	63,265,831
Bashundhara Fine Paper Mills Ltd.	-	-	800,000	800,000
Bashundhara Pulp & Board Mills Ltd.	-	-	1,371,500	1,371,500
Bashundhara Airways Ltd.	2,900,000	3,200,000	155,665,589	155,965,589
Bashundhara Amusement Park Ltd.	-	75,000	18,628,585	18,703,585
Bashundhara LP Gas Ltd.	-	-	(190,746,366)	(190,746,366)
Meghna Cement Mills Limited	-	145,000	54,363,621	54,218,621
Bashundhara Industrial economic Zone	-	70,000,000	73,849,300	3,849,300
Bashundhara Chemical Industries Ltd.	2,520,000	15,000,000	(12,480,000)	-
Toggi Services Ltd.	54,900,000	2,600,000	52,300,000	-
Toggi Real Estate & Construction Ltd.	1,250,000	-	1,250,000	-
Total	666,205,066	580,690,779	(59,062,586)	(284,866,873)



40.02 Trading transactions:

During the period, 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-19	30-Jun-18
East West Property Development Ltd.	Shareholder/ Sister Concern	Trade payable/ receivable	18,052,887	3,323,941
Bashundhara Airways Ltd.	Sister Concern	Do	(353,906)	(790,913)
Bashundhara Amusement park Ltd.	Sister Concern	Do	4,425,596	2,708,821
Bashundhara LP Gas Ltd.	Sister Concern	Do	1,265,024	(372,001)
Bashundhara Logistics Ltd.	Sister Concern	Do	471,780	113,696
Bashundhara Oil & Gas Company Ltd.	Sister Concern	Do	-	33,000
Bashundhara Steel and Engineering Ltd.	Sister Concern	Do	68,100	-
Bashundhara Multi-paper Industries Ltd.	Sister Concern	Do	(42,803,673)	244,619,839
Bashundhara Pulp & Board Mills Ltd.	Sister Concern	Do	3,000	3,000
East West Media Group Ltd.	Sister Concern	Do	(10,461,849)	(100,638,215)
Sundarban Industrial Complex Ltd.	Sister Concern	Do	876,132	148,804
Meghna Cement Mills Ltd.	Sister Concern	Do	8,952,788	3,545,640
Bashundhara Cement Industries Ltd.	Sister Concern	Do	417,062	188,160
International Convention City Bashundhara	Sister Concern	Do	(1,849,798)	(1,117,098)
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Do	7,006,113	(4,823,386)
Bashundhara Infrastructure Development Ltd.	Sister Concern	Do	359,632	147,008
Toggi Services Ltd.	Sister Concern	Do	(7,081,890)	-
Bashundhara Industrial Complex Ltd.	Sister Concern	Do	714,314,249	132,799,355
Bashundhara Multi Food Industries Ltd.	Sister Concern	Do	164,704	-
Toggi Services Ltd.	Sister Concern	Do	671,235	-
Bashundhara Technologies Ltd.	Sister Concern	Do	14,000	-
Total			694,511,184	279,889,651

40.03 Compensation of key management personnel during the year as follows:

Short-term benefits	28,500,000	27,000,000
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
	28,500,000	27,000,000

40.04 Transactions with related parties were carried out on commercial terms and conditions and at prices agreed based on intercompany prices.

40.05 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.

40.06 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 periods for bad or doubtful debts in respect of the amounts owed by the Company and its related parties.

40.07 The remuneration of Directors is determined by the BOD having regard to the performance of the individuals and market trends.

41.00 EMPLOYEES

Number of employees whose salary below Tk 3,000 per month	-	-
Number of employees whose salary above Tk 3,000 per month	4,040	3,477
Total	4,040	3,477



42.00 CAPACITY & UTILIZATION

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

Product	Measure Unit	Annual Capacity	Actual Production	Capacity utilized
Paper & Tissue	MT	133,750	73,179	55%
Paper Section-Value addition	MT	34,308	16,779	49%
Paper Section-Printing Machine	PCS	25,200,000	21,283,121	84%
PPWB & Sack Bag	PCS	60,000,000	3,259,275	5%
Monalisa Sanitary Napkin	PKT	10,333,440	487,976	5%
Baby Diaper	PCS	53,913,600	7,131,436	13%
Baby Diapant	PCS	81,648,000	49,194,444	60%
Sludge Board	MT	1,667	814	49%
Wet Wipes	Cont.	3,369,600	428,842	13%
Wet Tissue	PKT	6,739,200	318,488	5%
Hand Gloves	PCS	25,000,000	1,448,200	6%

43.00 NET ASSET VALUE (NAV) PER SHARE

Total Assets
Less: Intangible Assets
Total Liabilities
Net Asset Value (NAV)
Weighted Average Number of Ordinary shares
Net Asset Value (NAV) Per Share
Net Asset Value (NAV) Per Share-reported

Amount in Taka	
30-Jun-19	30-Jun-18
30,186,245,753	25,062,138,280
(166,798,327)	(174,414,054)
(22,705,993,454)	(17,512,636,737)
7,313,453,972	7,375,087,490
173,791,441	173,791,441
42.08	42.44
-	49.18

44.00 NET OPERATING CASH FLOW PER SHARE (NOCFPS)

Net Operating Cash Flows
Weighted Average Number of Ordinary shares outstanding
Net Operating Cash Flows per share
Net Operating Cash Flows per share-reported

1,749,795,824	884,204,968
173,791,441	173,791,441
10.07	5.09
-	5.90

45.00 RECONCILIATION OF NET OPERATING CASH FLOW

Profit for the year
Adjustment for:
Incidental loss of assets
Income tax expense recognized in profit and loss
Finance cost recognized in profit and loss
Amortization on intangible assets
Depreciation of non-current assets

291,848,486	693,640,238
-	33,521
185,596,870	(199,503,842)
1,091,742,731	863,517,790
7,615,726	7,615,726
925,983,166	816,138,946
2,502,786,979	2,181,442,379

Movements in working capital:

(Increase)/decrease in inventories
(Increase)/decrease in trade and other receivables
(Increase)/decrease in advance, deposit and prepayment
Increase/(decrease) in trade payables & other payables
Increase/(decrease) in provision for expense

(849,343,859)	(612,566,355)
(736,966,777)	(564,888,124)
107,458,891	(140,009,696)
687,277,878	184,437,647
109,414,646	(14,435,421)

Cash generated from operations

Income taxes paid

(682,159,221)	(1,147,461,949)
(70,831,934)	(149,775,463)

Net cash (used in)/ generated by operating activities

1,749,795,824	884,204,967
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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 PERIOD

50.01 The Board of Directors in its meeting held on 11 November 2019 approved the financial statements of the company for the year ended 30 June 2019 and authorised the same for issue. The Board of Directors also recommended cash dividend @ 15% for the Public shareholders other than the Sponsors and Directors for the FY 2018-2019 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

50.02 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 2016-2017 (Assessment year 2017-2018) income tax assessment of the company has been completed. The status of income tax assessment of the Company last three years are as under:

Status	Income Year	Assessment Year	Demand/ (Refund)	Assessment completed U/S of ITO 1984
Assessment has completed	2015	2016-2017	-	83(2)/156/173/159
	2015-16	2016-2017	-	83(2)/156/173/159
Assessment has completed	2016-17	2017-2018	127,499,295	83(2)/156/173/159
Return submitted subsequently the DCT has completed the Assessment on 28 May 2019 against which the Company filled an appeal to the Commissioner (Appeals).	2017-18	2018-2019	30,814	83(2)

52.00 GOING CONCERN BASIS OF ACCOUNTING

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 19, 22 & 23.

The Companies retained earning stand at Tk. 1,910,028,348 as on June 30, 2019 which includes Tk. 291,848,486 net profit after tax of 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 INSTRUMENTS- FAIR VALUES AND 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.
inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either

Level 2: 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 period 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 2019:													
Financial assets measured at fair value													
Financial assets not measured at fair value													
Trade receivables and Other receivables	9	-	-	-	-	3,693,325,197	-	-	3,693,325,197	-	-	-	-
Advances, deposits and prepayments	10	-	-	-	-	829,368,883	-	-	829,368,883	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	1,336,654,791	-	-	1,336,654,791	-	-	-	-
		-	-	-	-	5,859,348,871	-	-	5,859,348,871	-	-	-	-
Financial liabilities measured at fair value													
Financial liabilities not measured at fair value													
Long term borrowings-current portion	19	-	-	-	-	-	-	1,740,500,152	-	-	-	-	-
Short term borrowings	22 & 23	-	-	-	-	-	-	8,084,230,977	-	-	-	-	-
Trade and other payables	24	-	-	-	-	-	-	2,296,713,496	-	-	-	-	-
		-	-	-	-	-	-	12,121,444,625	-	-	-	-	-
30 June 2018:													
Financial assets measured at fair value													
Financial assets not measured at fair value													
Trade receivables and Other receivables	9	-	-	-	-	2,490,418,884	-	-	2,490,418,884	-	-	-	-
Advances, deposits and prepayments	22	-	-	-	-	937,885,549	-	-	937,885,549	-	-	-	-
Cash and cash equivalents	25	-	-	-	-	1,519,454,492	-	-	1,519,454,492	-	-	-	-
		-	-	-	-	4,947,758,925	-	-	4,947,758,925	-	-	-	-
Financial liabilities measured at fair value													
Financial liabilities not measured at fair value													
Long term borrowings-current portion	19	-	-	-	-	-	-	1,243,949,246	-	-	-	-	-
Short term borrowings	22 & 23	-	-	-	-	-	-	8,975,971,861	-	-	-	-	-
Trade and other payables	24	-	-	-	-	-	-	1,311,916,559	-	-	-	-	-
		-	-	-	-	-	-	11,531,837,666	-	-	-	-	-

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.

53.03.1 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, which represents the maximum open amount without requiring approval from the concerned authority; these limits are reviewed twice a year. 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:

a) Exposure to credit risk:

	Amount in Taka	
	30-Jun-19	30-Jun-18
Trade receivables		
Local customer	2,627,118,916	2,168,094,653
Foreign customer	62,419,456	25,552,986
Advance, deposit and prepayments	829,368,883	937,885,549
Due/ (payable) from/to inter companies	(324,062,587)	(553,716,173)
Cash and bank balances	1,336,654,791	1,519,454,492

The maximum exposure to credit risk for accounts receivable by geographic regions was:

	Amount in Taka	
	30-Jun-19	30-Jun-18
Bangladesh	2,627,118,916	2,168,094,653
Asia	68,061,005	25,552,986
Europe	(4,390,906)	-
Australia	12,909	-
Africa	(1,263,552)	-

b) The aging of trade receivables other than other product and services at the reporting date is as follows:

Trade receivables		
0-90 days past due	1,143,445,755	1,747,348,670
90-180 days past due	1,151,781,118	414,403,014
above 180 days past due	394,311,499	31,895,955
	2,689,538,372	2,193,647,639

c) Credit exposure by credit rating:

Trade receivables	2,689,538,372	2,193,647,639
Advance, deposit and prepayments	829,368,883	937,885,549
Other receivables	1,003,786,825	296,771,245

Cash and Bank balances:

Cash in hand	29,384,396	18,669,814
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Cash at bank:

Bank name & branch	Account No.	Credit Rating	232,250,395	1,500,784,678
Agrani Bank Ltd., Principal Branch, Dhaka	CD: 11217-8	AAA	-	577
Al-Arafa Islami Bank Ltd., Motijheel Branch, Dhaka	CD-3059	AA	13,373	17,023
Bank Asia Ltd., Bashundhara Branch	CD: 404, 568, 569	AA2	46,117,254	23,840,176
Bank Asia Ltd., Bashundhara Branch	SND: 0135	AA2	1,134,815	-
Bank Asia Ltd., Principal Branch	CD: 00333005904	AA2	40,699	3,804
Basic Bank Ltd., Bashundhara Br.	STD: 057	B+	2,031,282	62,008
Basic Bank Ltd.-Main Branch, Dhaka.	CD: 05787	B+	699,850	-
Dutch Bangla Bank Ltd., Bashundhara Branch	SND: 147.120.1895	AA1	3,000,273	7,005,782
Dutch Bangla Bank Ltd., Local Office	CD: 10111012348	AA+	3,281,102	10,130
First Security Islami Bank Ltd., Banani Branch	CD: 2215	A+	476,111	162,593
IFIC Bank Ltd., Kawranbazar Branch	CD: 313926-001	AA2	133,308	29,223,221
Islami Bank Bangladesh Ltd., Head Office Complex Br.	CD: 87816	AA+	5,294,752	385,136
Janata Bank Ltd., Helatola Branch, Khulna	CD: 001039442	A+	3,332	3,332
Janata Bank Ltd., Janata Bhaban Corp. Br.	STD: 004001006	A+	7,854,176	999,770
Janata Bank Ltd., JBCB, Dhaka	CD: 001022542	A+	6,601,991	1,624,357
Janata Bank Ltd., JBCB, Dhaka	FC: 402000464	A+	1,436,689	6,156,900
Mercantile Bank Ltd., Main Branch, Dhaka	CD: 81042	AA	11,026,333	1,219,674
Mutual Trust Bank Ltd., Bashundhara City Br.	CD: 15608,1015, 15617	AA	6,619,468	4,795,069
Mutual Trust Bank Ltd., Sonargoan Branch	CD: 10258,10427,10294,10267	AA	69,163	90,263
National Bank Ltd., Dilkusha Branch	CD: 233137485	AA	5,004,137	46,343,139
National Bank Ltd.-	SND accounts	AA	459,417	-
NCC Bank Ltd., Motijheel Branch	CD: 22785	AA	9,963	11,038
Premier Bank Ltd., Banani Branch	CD: 1604-0	AA+	3,565	3,565
The Premier Bank Ltd.-Dilkusha Branch	CD: 019010	AA+	4,425	-
Rupali Bank Ltd.-Local Office, Dhaka.	CD: 0018020010093		1,654,761	-
Shahjalal Islami Bank Ltd., Gulshan Branch	CD: 4061	AA3	1,428,176	2,982,445
Social Islami Bank Ltd., Bashundhara Branch	CD: 1330000079	AA-	29,840,240	17,609,302
Social Islami Bank Ltd., Panthapath Branch	CD: 12885, 16735,16741	AA-	38,963,851	21,734,254
Social Islami Bank Ltd., Sonargoan Branch	CD: 64,6459, 6718,6661	AA-	2,060,296	735,779
Southeast Bank Ltd., Principal Branch, Dhaka	CD: 7935	AA	4,106,324	12,896
Southeast Bank Ltd., Principal Branch, Dhaka	FC: 0462	AA	2,331,175	372
Southeast Bank Ltd., Principal Branch, Dhaka	DAD Account-588	AA	42	42
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_BDT_197	AA	15,154	1,254,625,110
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_GBP_552	AA	13,504	1,390,840
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_Euro_774	AA	13,476	343,641
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_USD_066	AA	316,808	15,350,561
Standard Bank Ltd., Principal Branch	CD: 00233009262	AA	117,095	3,568
Trust Bank Ltd., Senakallyan Bhaban Branch	CD: 0003-0210011205	AA2	124,550	37,547
Union Bank Ltd., Gulshan Branch	CD: 1623	A	85,286	486,701
United Commercial Bank Ltd., Bashundhara Br.	STD: 119/198	AA	48,776,832	60,721,156
United Commercial Bank Ltd., Gulshan Branch	CD: 1360	AA	1,087,349	2,792,907



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 period to the distributor which is regularly monitored.

53.03.2 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	Contractual Cash Flows		
			Within 12 months	1 to 5 years	More than 5 years
Finance Lease	2018-19	144,198,620	105,252,299	-	-
Long term bank loan		10,032,907,443	1,635,247,853	8,397,659,590	-
Short term bank loan		9,824,731,129	9,824,731,129	-	-
Trade and other payables		2,296,713,496	2,296,713,496	-	-
Provision for expenses		125,844,073	125,844,073	-	-
Finance Lease	2017-18	300,587,208	144,348,670	156,238,538	-
Long term bank loan		4,767,534,930	1,099,600,576	3,667,934,355	-
Short term bank loan		10,219,921,107	10,219,921,107	-	-
Trade and other payables		1,311,916,559	1,311,916,559	-	-
Provision for expenses		22,979,585	22,979,585	-	-

53.03.3 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.

i) Exposure to currency risk:

Foreign currency monetary assets and liabilities:		Amount in Taka	
Assets:		30-Jun-19	30-Jun-18
Trade receivables		738,692	305,293
Cash at bank		17,002	73,559
Liabilities:			
Trade and other payables		-	-
Net exposure:			

The following significant average exchange rates are applied during the year:

Exchange rate of US Dollar	\$ 84.50\$	83.70
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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 U\$D at 30 June 2019 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.

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 , 2019.

BASHUNDHARA PAPER MILLS LIMITED
Schedule of Property, Plant & Equipment

As at 30 June 2019

Annexure-A

PARTICULARS	COST				DEPRECIATION				Written down value	
	Opening balance	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Depreciation	Adjustment/ Disposal		
1	2	3	4	5	6=2+3+4+5	7	8	9	10=7+8+9	11=6-10
a) Based on Cost:										
i) Own assets:										
Land and land development	10,005,200,142	1,001,965,701	4,254,783,867	(22,262,213)	15,239,687,497	3,639,499,101	894,971,387	(2,225,710)	4,532,244,778	10,707,442,718
Plant and machinery	9,884,473,642	1,001,965,701	4,254,783,867	(22,262,213)	15,118,960,996	3,591,992,144	877,419,352	(2,225,710)	4,467,185,786	10,651,775,210
Office equipment	484,134,306	70,190,589	-	-	554,324,895	-	-	-	-	554,324,895
Furniture and fixture	7,060,528,343	466,683,529	3,028,948,157	(22,262,213)	10,533,897,816	2,964,941,416	715,425,376	(2,225,710)	3,678,141,082	6,855,756,734
Factory apparatus and loose tools	83,747,373	15,351,808	-	-	99,099,181	34,300,176	11,702,662	-	46,002,838	53,096,343
Motor Vehicles	33,805,641	1,021,515	-	-	34,827,156	13,996,106	2,936,276	-	16,932,381	17,894,775
Factory building and other constructions	189,760,061	20,160,566	-	-	209,920,627	60,159,276	11,664,308	-	71,823,583	138,097,043
Sundry assets	454,748,061	99,251,818	-	-	553,999,879	196,298,312	67,012,459	-	263,310,771	290,689,108
	1,522,459,303	329,305,877	1,225,835,709	-	3,077,600,889	287,827,166	61,613,074	-	349,440,239	2,728,160,650
	55,290,553	-	-	-	55,290,553	34,469,693	7,065,198	-	41,534,891	13,755,662
ii) Leased assets:										
Plant and machinery	120,726,500	-	-	-	120,726,500	47,506,957	17,552,035	-	65,058,992	55,667,508
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
b) Based on Revaluation:										
Land and land development	2,848,337,977	-	-	-	2,848,337,977	235,580,086	31,011,778	-	266,591,865	2,581,746,113
Plant and machinery	2,107,635,598	-	-	-	2,107,635,598	-	-	-	-	2,107,635,598
Office equipment	115,317,906	-	-	-	115,317,906	73,117,385	9,730,091	-	82,847,476	32,470,430
Furniture and fixture	1,733,807	-	-	-	1,733,807	1,090,431	144,497	-	1,234,928	498,879
Factory apparatus and loose tools	1,036,791	-	-	-	1,036,791	565,082	74,628	-	639,710	397,081
Motor Vehicles	4,160,493	-	-	-	4,160,493	1,682,580	219,375	-	1,901,955	2,258,538
Building and other constructions	7,767,090	-	-	-	7,767,090	6,455,546	697,720	-	7,153,266	613,825
Sundry assets	604,376,645	-	-	-	604,376,645	147,768,164	19,494,069	-	167,262,233	437,114,412
	6,309,647	-	-	-	6,309,647	4,900,899	651,398	-	5,552,297	757,350
Total (a+b)	12,853,538,120	1,001,965,701	4,254,783,867	(22,262,213)	18,088,025,474	3,875,079,187	925,983,166	(2,225,710)	4,798,836,643	13,289,188,831
Total (2017-2018)	11,891,742,911	1,052,898,881	485,383,427	(576,487,099)	12,853,538,120	3,360,055,314	816,138,946	(301,115,072)	3,875,079,188	8,978,458,932

Allocation of depreciation:

Administrative overhead @ 5%
Factory overhead @ 95%

Total

Name of valuer: S.F. Ahmed & Co., Chartered Accountants (Representative of ERNST & YOUNG GLOBAL in Bangladesh), in 2010 and followed by Mahfaj Huq & Co., Chartered Accountants in 2015.
Valuation Method: Net Assets Value Method and Current Fair Market Value Method.
Date of Capitalization: 30 June 2010 and 05 July 2015.

46,299,158
879,684,007
925,983,166





BPML (UNIT-1)

Annexure-A.1

PARTICULARS	COST				DEPRECIATION				Written down value
	Opening balance	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Depreciation	Adjustment/ Disposal	
1	2	3	4	5	6=2+3+4+5	7	8	9	10=7+8+9
									11=6-10
a) Based on Cost:									
i) Own assets:									
Land and land development	3,210,464,689	770,893,268	3,758,145,787	16,400,329	7,755,904,072	875,645,737	238,896,169	1,293,217	1,115,835,123
Plant and machinery	3,201,529,789	770,893,268	3,758,145,787	16,400,329	7,746,969,172	868,199,987	237,903,402	1,293,217	1,107,396,606
Office equipment	248,763,688	45,190,589	-	-	293,954,277	-	-	-	-
Furniture and fixture	1,864,008,063	328,229,227	2,656,410,647	13,384,428	4,862,032,365	585,675,847	173,328,894	1,092,157	760,096,898
Factory apparatus and loose tools	46,874,557	13,261,330	-	-	60,135,888	15,537,445	5,088,197	-	20,625,643
Motor Vehicles	16,323,315	981,215	-	-	17,304,530	4,715,492	1,580,473	-	6,295,965
Factory building and other constructions	166,472,185	19,151,830	-	-	185,624,015	49,248,555	9,404,725	-	58,653,280
Sundry assets	216,582,836	34,773,200	-	3,015,901	254,371,937	97,482,616	21,875,436	201,060	119,559,111
	626,414,339	329,305,877	1,101,735,139	-	2,057,455,356	107,455,746	23,655,866	-	131,111,612
	16,090,805	-	-	-	16,090,805	8,084,287	2,969,810	-	11,054,097
	8,934,900	-	-	-	8,934,900	7,445,750	992,767	-	8,438,517
ii) Leased assets:									
Plant and machinery	-	-	-	-	-	-	-	-	-
Motor Vehicles	8,934,900	-	-	-	8,934,900	7,445,750	992,767	-	8,438,517
	856,038,012	-	-	-	856,038,012	63,720,081	8,338,267	-	72,058,347
b) Based on Revaluation:									
Land and land development	739,453,096	-	-	-	739,453,096	-	-	-	739,453,096
Plant and machinery	83,051,356	-	-	-	83,051,356	50,274,233	6,699,813	-	56,974,047
Office equipment	423,389	-	-	-	423,389	252,369	32,131	-	284,500
Furniture and fixture	354,654	-	-	-	354,654	190,169	25,356	-	215,525
Factory apparatus and loose tools	2,523,455	-	-	-	2,523,455	990,991	127,705	-	1,118,696
Motor Vehicles	6,493,899	-	-	-	6,493,899	5,473,205	581,380	-	6,054,585
Building and other constructions	21,226,067	-	-	-	21,226,067	4,446,299	592,840	-	5,039,139
Sundry assets	2,512,096	-	-	-	2,512,096	2,092,814	279,042	-	2,371,856
	4,066,502,701	770,893,268	3,758,145,787	16,400,329	8,611,942,084	939,365,818	247,234,435	1,293,217	1,187,893,470
Total (a+b)									7,424,048,614
Total (2017-2018)	4,360,789,954	172,064,369	280,124,651	(746,476,273)	4,066,502,701	1,004,666,006	235,122,767	(300,422,955)	939,365,817
Allocation of depreciation:									
Administrative overhead @ 5%	12,361,722								
Factory overhead @ 95%	234,872,713								
Total	247,234,435								3,127,136,884

BPML (UNIT-2)

Annexure-A.2

PARTICULARS	COST				DEPRECIATION				Written down value
	Opening balance	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Depreciation	Adjustment/ Disposal	Closing balance
1	2	3	4	5	6=2+3+4+5	7	8	9	10=7+8+9
									11=6-10
a) Based on Cost:									
i) Own assets:									
Land and land development	1,929,894,691	39,657,508	-	(3,015,901)	1,966,536,298	1,016,899,383	138,662,340	(201,060)	1,155,360,663
Plant and machinery	1,929,894,691	39,657,508	-	(3,015,901)	1,966,536,298	1,016,899,383	138,662,340	(201,060)	1,155,360,663
Office equipment	1,548,623,062	7,986,292	-	-	1,556,609,355	934,489,608	123,561,934	-	1,058,051,541
	8,868,959	522,414	-	-	9,391,373	4,856,544	1,602,345	-	6,458,888
Furniture and fixture	2,167,061	-	-	-	2,167,061	1,365,385	202,176	-	1,567,561
Factory apparatus and loose tools	12,736,647	117,000	-	-	12,853,647	6,675,213	940,756	-	7,615,969
Motor Vehicles	12,856,654	6,031,802	-	(3,015,901)	15,872,555	5,479,022	2,938,796	(201,060)	8,216,758
Factory building and other constructions	262,190,090	-	-	-	262,190,090	48,942,341	7,366,746	-	56,309,087
Sundry assets	21,012,559	-	-	-	21,012,559	15,091,271	2,049,588	-	17,140,859
ii) Leased assets:									
Plant and machinery	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-
b) Based on Revaluation:									
Land and land development	1,173,870,582	-	-	-	1,173,870,582	106,058,338	13,911,174	-	119,969,511
Plant and machinery	798,420,922	-	-	-	798,420,922	-	-	-	798,420,922
Office equipment	5,301,867	-	-	-	5,301,867	2,640,430	336,582	-	2,977,012
Furniture and fixture	645,079	-	-	-	645,079	483,810	64,508	-	548,317
Factory apparatus and loose tools	47,843	-	-	-	47,843	32,622	4,349	-	36,971
Motor Vehicles	290,522	-	-	-	290,522	128,172	17,089	-	145,261
Building and other constructions	-	-	-	-	-	-	-	-	-
Sundry assets	366,026,540	-	-	-	366,026,540	100,419,947	13,174,865	-	113,594,813
	3,137,809	-	-	-	3,137,809	2,353,357	313,781	-	2,667,137
Total (a+b)	3,103,765,273	39,657,508	-	(3,015,901)	3,140,406,881	1,122,957,721	152,573,514	(201,060)	1,275,330,174
Total (2017-2018)	3,030,962,295	49,857,469	22,971,109	(25,600)	3,103,765,273	959,020,635	163,944,401	(7,314)	1,122,957,722

Allocation of depreciation:

Administrative overhead @ 5%
Factory overhead @ 95%

Total

7,628,676
144,944,838
152,573,514



BPML (UNIT-3)

Annexure-A.3

PARTICULARS	COST				DEPRECIATION					Written down value
	Opening balance	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Depreciation	Adjustment/ Disposal	Closing balance	
1	2	3	4	5	6=2+3+4+5	7	8	9	10=7+8+9	11=6-10
a) Based on Cost:										
i) Own assets:										
Land and land development	4,864,840,762	191,414,925	496,638,080	(35,646,641)	5,517,247,126	1,746,953,980	517,412,879	(3,317,867)	2,261,048,992	3,256,198,134
Plant and machinery	4,753,049,162	191,414,925	496,638,080	(35,646,641)	5,405,455,526	1,706,892,773	500,853,611	(3,317,867)	2,204,428,517	3,201,027,009
Office equipment	173,930,960	-	372,537,510	-	173,930,960	-	-	-	-	173,930,960
Furniture and fixture	3,647,897,217	130,468,009	372,537,510	(35,646,641)	4,115,256,096	1,444,775,962	418,534,548	(3,317,867)	1,859,992,643	2,255,263,453
Factory apparatus and loose tools	28,003,857	1,568,063		-	29,571,920	13,906,187	5,012,120	-	18,918,307	10,653,614
Motor Vehicles	15,315,265	40,300		-	15,355,565	7,915,230	1,153,626	-	9,068,856	6,286,710
Factory building and other constructions	10,551,229	891,736		-	11,442,965	4,235,507	1,318,827	-	5,554,334	5,888,631
Sundry assets	225,308,571	58,446,816	124,100,570	-	283,755,387	93,336,674	42,198,228	-	135,534,902	148,220,485
	633,854,874	-		-	757,955,444	131,429,078	30,590,462	-	162,019,540	595,935,904
	18,187,189	-		-	18,187,189	11,294,135	2,045,800	-	13,339,935	4,847,254
ii) Leased assets:										
Plant and machinery	111,791,600	-	-	-	111,791,600	40,061,207	16,559,268	-	56,620,475	55,171,125
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
	111,791,600	-	-	-	111,791,600	40,061,207	16,559,268	-	56,620,475	55,171,125
b) Based on Revaluation:										
Land and land development	818,429,383	-	-	-	818,429,383	65,801,668	8,762,338	-	74,564,006	743,865,377
Plant and machinery	569,761,580	-	-	-	569,761,580	-	-	-	-	569,761,580
Office equipment	26,964,683	-	-	-	26,964,683	20,202,722	2,693,696	-	22,896,418	4,068,265
Furniture and fixture	665,339	-	-	-	665,339	354,252	47,859	-	402,111	263,228
Factory apparatus and loose tools	634,294	-	-	-	634,294	342,291	44,923	-	387,214	247,080
Motor Vehicles	1,346,516	-	-	-	1,346,516	563,417	74,581	-	637,998	708,518
Building and other constructions	1,273,191	-	-	-	1,273,191	982,341	116,340	-	1,098,681	174,510
Sundry assets	217,124,038	-	-	-	217,124,038	42,901,918	5,726,364	-	48,628,282	168,495,756
	659,742	-	-	-	659,742	454,728	58,575	-	513,303	146,439
Total (a+b)	5,683,270,146	191,414,925	496,638,080	(35,646,641)	6,335,676,509	1,812,755,649	526,175,217	(3,317,867)	2,335,612,999	4,000,063,511
Total (2017-2018)	4,499,990,662	830,977,042	182,287,667	170,014,774	5,683,270,146	1,396,368,674	417,071,778	(684,803)	1,812,755,649	3,870,514,497

Allocation of depreciation:

Administrative overhead @ 5%

Factory overhead @ 95%

Total

26,308,761
499,866,456
526,175,217

BASHUNDHARA PAPER MILLS LIMITED
Schedule of Intangible Assets

Annexure-B

PARTICULARS	COST				AMORTIZATION				Written down value
	Opening balance	Addition	Adjustment/ Disposal	Closing balance	Opening balance	Amortization	Adjustment/ Disposal	Closing balance	
1	2	3	4	5=2+3+4	6	7	8	9=6+7+8	10=5-9
1 SAP Software	189,147,070	-	-	189,147,070	15,131,766	7,565,883	-	22,697,648	166,449,421
2 CRM Software	480,635	-	-	480,635	81,886	49,844	-	131,729	348,906
Total	189,627,705	-	-	189,627,705	15,213,651	7,615,726	-	22,829,378	166,798,327
Total (2017-2018)	189,627,705	-	-	189,627,705	7,597,925	7,615,726	-	15,213,651	174,414,054



Glossary

Accounting policies	Specific principles, bases, conventions, rules and practices adopted by an enterprise in preparing and presenting financial statements.
AIT	Advance Income Tax
BPML / The Company	Bashundhara Paper Mills Limited
BASs	Bangladesh Accounting Standards
BFRSs	Bangladesh Financial Reporting Standards
BB	Bangladesh Bank
BoD	Board of Directors
Basic earnings per share	Basic income per share
BSEC	Bangladesh Securities & Exchange Commission
Capital/Revaluation reserves	Reserves identified for specific purposes and considered not available for distribution.
CGU	Cash Generating Unit
Contingents Liabilities	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.
DTL/ DTA	Deferred Tax Liability / Deferred Tax Assets
DTE/ DTI	Deferred Tax Expense / Deferred Tax Income
Deferred Taxation	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.
Diluted earnings per share	Diluted income per share.
Earnings per share	Profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue.
Equity	Shareholders' fund.
ECL	Expected Credit Loss
Finance lease	Capital lease
FRA	The Financial Reporting Act .
FRC	The Financial Reporting Council
FRS	Financial Reporting Standards
FVOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit and Loss
HC	High Court
IASs	International Accounting Standards
IFRSs	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee
ICAB	The Institute of Chartered Accountants of Bangladesh
ITO 1984	Income Tax Ordinance 1984
NAV	Net Assets Value
NAVPS	Net Assets Value per Share
NBR	National Board of Revenue
Net Assets per Share	Shareholders' funds divided by the weighted average number of ordinary shares in issue. A basis of share valuation.



NOCFPS	Net Operating Cash Flow per Share
OCI	Other Comprehensive Income
PPE	Property, Plant and Equipment/ Fixed Assets
Profit	Income
Profit attributable to shareholders	Net income after tax
Share capital	Ordinary shares, capital stock or common stock issued and fully paid.
SIC	Standard Interpretations Committee
WPP & WF	Workers' Profit Participation and Welfare Fund





The Ultimate Comfort



AVAILABLE SIZES

S 4-8kg	M 7-12kg	L 9-14 kg	XL 12-17 kg	XXL 14-25 kg
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 Careline: 16339

 /BashundharaDiapant

বসুন্ধরা পেপার



১৯৯৩ সালে সাহসী পদক্ষেপে **বসুন্ধরা পেপার** যাত্রা শুরু করেছিলো, দেশ ও মানুষের কল্যাণে। সেই অদম্য পথচলায় বসুন্ধরা পেপার আজ সুবিস্তৃত পরিবেশক নেটওয়ার্ক নিয়ে সাকল্যের ধারাবাহিকতা অব্যাহত রেখে দেশের সীমানা পেরিয়ে বিশ্বের প্রায় ৩০ টিরও বেশি দেশে পৌঁছে গেছে। লেখা ও ছাপার কাগজ বাদেও প্রায় ১০০ রকম কাগজ উৎপাদন ও বিপণন করছে বসুন্ধরা পেপার।

এই দীর্ঘ পথচলায়, গুণগতমান নিয়ন্ত্রনে বসুন্ধরা পেপার ছিলো আপসহীন এবং আইএসও ৯০০১:২০১৫, আইএসও ১৪০০১:২০১৫, এফএসসি-সিওসি সার্টিফিকেশন, সুপার ব্র্যান্ড অ্যাওয়ার্ড সহ অর্জন করেছে অসামান্য সব খেতাব।

কৃতজ্ঞতা জানাই সে সকল ডোক্তা, পরিবেশক ও শুভানুধ্যায়ীদের, যাদের অকৃত্রিম আস্থা ও ভালোবাসায় বসুন্ধরা পেপারের এই সুদৃঢ় অবস্থান।



☎ কেয়ার লাইন : ১৬৩৩৯

🏢 বসুন্ধরা পেপার মিলস্‌ লি:

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www.bashundharapapermills.com



Bashundhara TISSUE



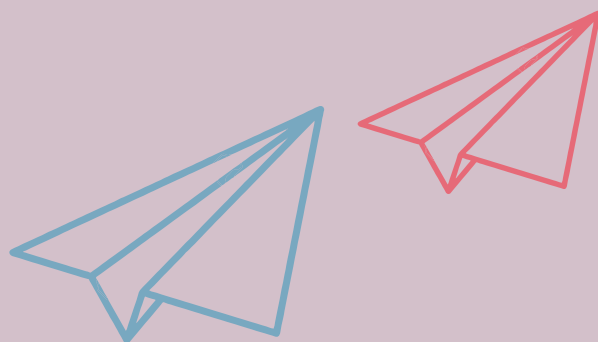
CARELINE
16339

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Awards & Certification





CERTIFICATE

Royalcert, certifies that the management system of the organization has been assessed and found to be in accordance with the requirements of the related standard

ISO 14001:2015

BASHUNDHARA PAPER MILLS LIMITED.

BASHUNDHARA INDUSTRIAL HEADQUARTERS -2 (BIHQ-2), PLOT # 56/A, BLOCK # C,
UMME KULSUM 2ND AVENUE, BASHUNDHARA RESIDENTIAL AREA, DHAKA 1229,
BANGLADESH
SITE: ANARPURA, GAZARIA, MUNSHIGANJ, BANGLADESH

Scope

MANUFACTURER, EXPORTER, MARKETING & SALES OF ALL KINDS OF QUALITY TISSUE & TISSUE PRODUCTS, CLINICAL BED SHEET, PRINTING & WRITING PAPER, NEWSPRINT, MEDIA PAPER, MATT PAPER, GLASSINE PAPER, SANITARY NAPKIN, BABY DIAPER, HAND GLOVES, MAINFOLD PAPER, MELAMINE PAPER, PACKING PAPER, PLUG WRAP PAPER, CORK TIPPING, QURAN & BIBLE PAPER, SANDWICH PAPER, ALUFOIL, BROWN WRAPPER, BROWN LINER, CARTON, CM PAPER, DUPLEX BOARD, COTTON BUDS, DRINKING STRAW AND OTHER TISSUE AND PAPER PRODUCTS.

Certification No : 04726/BAS14A
Initial Certification Date : 12.11.2018
Issue Date : 12.11.2018
Expiration Date : 11.11.2019
Revision Date - No : 12.11.2018- 00

Head of Certification



This certification was conducted in accordance with RoyalCert auditing and certification procedures and is subject to regular surveillance audits.
Certification period is 3 years. Verifiable at www.royalcert.com. Original certificates carry a gold label.
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www.royalcert.com

F5030Apr16/Rev b

Printed on Bashundhara Paper





CERTIFICATE

CERTIFICATION CODE: CU-COC-858872

Field of attention:
FSC Chain of Custody (COC)

Issued to:
Bashundhara Paper Mills Ltd. (Unit 2)
Narayanganj, BANGLADESH
Project in: BANGLADESH

Standard:

FSC-STD-40-007 V2-0 Sourcing Reclaimed Material
FSC-STD-40-004 V3-0 Chain of Custody Certification
FSC-STD-50-001 V2-0 Requirements for use of the FSC trademarks by Certificate Holders

Valid until: 21 August 2023

The validity of this certificate shall be verified on <http://info.fsc.org/>

Control Union Certifications declares to have inspected the unit(s), and/or products of the above mentioned certificate holder, and have found them in accordance with the standards mentioned above.

This certificate covers the unit(s), and/or product(s) as mentioned in the authenticated annex of this certificate. A full list of product groups covered by the certificate can be found on the FSC database of registered certificates (<http://info.fsc.org/>).

This certificate itself does not constitute evidence that a particular product supplied by the certificate holder is FSC-certified (or FSC Controlled Wood). Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required FSC claim is clearly stated on invoices and shipping documents.

This certificate remains in force until further notice, provided that the client continues to meet the conditions as laid down in the client contract with Control Union Certifications and verified in annual inspections by Control Union Certifications.

Date of certification:
22 August 2018
Place and date of issue:
Colombo-07, 12 November 2018

CERTIFICATE No: C858872CU-COC-02.2018
REGISTRATION No: CU 858872



The mark of
responsible forestry

Declared by:

On behalf of the Managing Director

for
Mr. C.I. Deshapriya
Certifier
Control Union Certifications
Meeuwenlaan 4-6
8011 BZ ZWOLLE
The Netherlands
<http://www.controlunion.com>
tel.: +31(0)38-4260100





CERTIFICATE

Royalcert, certifies that the management system of the organization has been assessed and found to be in accordance with the requirements of the related standard

ISO 9001:2015

BASHUNDHARA PAPER MILLS LIMITED.

BASHUNDHARA INDUSTRIAL HEADQUARTERS -2 (BIHQ-2), PLOT # 56/A, BLOCK # C, UMME KULSUM ROAD, BASHUNDHARA RESIDENTIAL AREA, DHAKA- 1229, BANGLADESH
SITE: ANARPURA, GAZARIA, MUNSHIGANJ, BANGLADESH

Scope

MANUFACTURER, EXPORTER, MARKETING & SALES OF ALL KINDS OF QUALITY TISSUE & TISSUE PRODUCTS, CLINICAL BED SHEET, PRINTING & WRITING PAPER, NEWSPRINT, MEDIA PAPER, MATT PAPER, GLASSINE PAPER, SANITARY NAPKIN, BABY DIAPER, HAND GLOVES, MAINFOLD PAPER, MELAMINE PAPER, PACKING PAPER, PLUG WRAP PAPER, CORK TIPPING, QURAN & BIBLE PAPER, SANDWICH PAPER, ALUFOIL, BROWN WRAPPER, BROWN LINER, CARTON, CM PAPER, DUPLEX BOARD, COTTON BUDS, DRINKING STRAW AND OTHER TISSUE AND PAPER PRODUCTS

Certification No : 04726/BAS09D
Initial Certification Date : 09.10.2018
Issue Date : 09.10.2018
Expiration Date : 08.10.2019
Revision Date - No : 09.10.2018 - 00

Head of Certification



Deutsche
Akkreditierungsstelle
D-ZM-18590-01-00

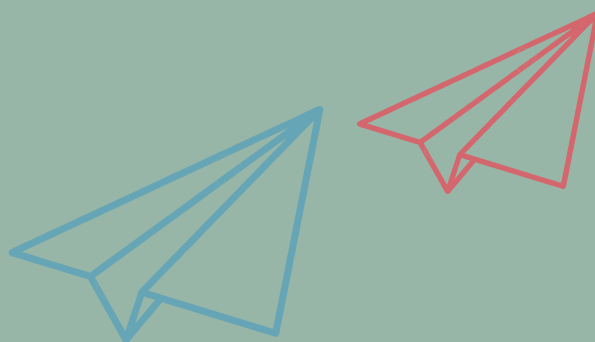


F50300Apr16Rev.b

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www.royalcert.com



25th AGM in Action





25th AGM of
Bashundhara Paper Mills Ltd.



Notes


Bashundhara Paper Mills Ltd.

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

PROXY FORM

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 26th Annual General Meeting of the Company to be held on Tuesday, 24/12/2019 at 10:30 a.m and/or at any adjournment thereof.

As witness I/We put my/our hand thisday of2019.

(Signature of the Shareholder)

Register Folio No./BO A/C No.

No. of shares held

Signature on
 Tk. 20/-
 Revenue Stamp

Note: A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be deposited at the Registered Office of the company not later than 72 hours before the time fixed for the meeting.


Bashundhara Paper Mills Ltd.

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

ATTENDANCE SLIP

I hereby record my attendance at the 26th ANNUAL GENERAL MEETING being held on Tuesday, 24/12/2019 at 10:30am. in at "Pushpogusso", International Convention City Bashundhara (ICCB Hall no. 2), Kuril Bishwa Road, Purbachal Express Highway Dhaka-1229.

Name of member/proxy.....

.....
 Signature

N.B. : Please complete this attendance slip and hand it over in the counter at the entrance of the AGM venue.





বসুন্ধরা পেপার মিল্স লিমিটেড

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

প্রতিনিধি/প্রক্সি ফরম

আমি/আমরা (নাম)

ঠিকানা

আমি/আমরা বসুন্ধরা পেপার মিল্স লিমিটেড এর সদস্য। আমার/আমাদের প্রতিনিধি হিসেবে আগামী ২৪ ডিসেম্বর, ২০১৯ইং তারিখ মঙ্গলবার, সকাল ১০:৩০ ঘটিকায় অনুষ্ঠিতব্য অত্র কোম্পানীর ২৬তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমার/আমাদের পক্ষে উপস্থিত থাকার এবং ভোট প্রদান করার জন্য নিম্নোক্ত প্রতিনিধিকে নিযুক্ত করিলাম :

প্রতিনিধির নাম : জনাব/জনাবা

ঠিকানা

অত্র প্রক্সি ঘোষনার স্বাক্ষর হিসেবে অদ্য ২০১৯ইং তারিখে আমি/আমরা সজ্ঞানে আমার/আমাদের স্বাক্ষর প্রদান করিলাম।

সদস্যের স্বাক্ষর সদস্য বিও আইডি/ফলিও নং

প্রতিনিধির স্বাক্ষর বিও আইডি/ফলিও নং (যদি থাকে)

বিঃদ্রঃ সাধারণ সভায় উপস্থিত থাকার জন্য ও ভোট দানের জন্য যোগ্য যে কোন সদস্য তার পরিবর্তে অত্র সাধারণ সভায় ভোট দানের জন্য প্রতিনিধি প্রক্সি হিসেবে অন্য কাউকে নিয়োগ প্রদান করিতে পারিবেন। উক্ত প্রক্সি ফরমে ২০ টাকা মূল্যমানের রাজস্ব টিকেট সংযুক্ত করে তা যথাযথভাবে পূরণ-পূর্বক বার্ষিক সভা আরম্ভের অন্তত ৭২ ঘন্টা পূর্বে অত্র কোম্পানীর রেজিস্টার্ড অফিসে জমা প্রদান করিতে হইবে।

২০ টাকার
রাজস্ব টিকেট
সংযুক্ত করুন



বসুন্ধরা পেপার মিল্স লিমিটেড

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

বিও আইডি/ফলিও নং

উপস্থিতি পত্র

আমি/আমরা বসুন্ধরা পেপার মিল্স লিমিটেড এর ২৬তম বার্ষিক সাধারণ সভায়, যাহা অদ্য মঙ্গলবার, ২৪ ডিসেম্বর ২০১৯ইং তারিখে সকাল ১০:৩০ ঘটিকায় “পুষ্পগুচ্ছ” বসুন্ধরা ইন্টারন্যাশনাল কনভেনশন সিটি (আইসিসিবি হল-২) কুড়িল বিশ্বরোড, পূর্বাচল এক্সপ্রেস হাইওয়ে, ঢাকা-১২২৯ অনুষ্ঠিতব্য আমার/আমাদের উপস্থিতি লিপিবদ্ধ করিলাম।

সদস্য/প্রতিনিধির নাম :
..... স্বাক্ষর

বিঃ দ্রঃ - সাধারণসভায় যোগদানকারী সদস্যগণকে অনুরোধ করা যাচ্ছে যে, তাহারা যেন ব্যক্তিগতভাবে বা তাহাদের প্রতিনিধির মাধ্যমে সাধারণ সভাকক্ষে প্রবেশের পূর্বে এ উপস্থিতি পত্রটি পূরণপূর্বক জমা প্রদান করেন।





BASHUNDHARA GROUP

For the People, for the Country



Bashundhara Paper Mills Ltd.

A Concern of Bashundhara Group

Registered Office

Plot# 125/A, Road# 2, Block# A, Bashundhara R/A, Dhaka-1229, Bangladesh
Phone: +88 02 8432008-17, Fax: +88 02 8432196

Head Office

Bashundhara Industrial Headquarters- 2, Plot# 56/A, Block# C, Umme Kulsum
Road, Bashundhara R/A, Dhaka-1229, Bangladesh
Phone: +88 02 8432289-93, Fax: +88 02 55037257

Factory

Bashundhara Paper Mills Ltd. (Unit-1), Phone: +88 096121 22234
Bashundhara Paper Mills Ltd. (Unit-2), Phone: +88 09612122235
Bashundhara Paper Mills Ltd. (Unit-3), Phone: +88 09612122236

Email: info.paper@bg.com.bd

Web: www.bashundharapapermills.com