

Quarterly Financial Statements

For the Quarter Ended September 30, 2021



Bashundhara Paper Mills Ltd.



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BASHUNDHARA PAPER MILLS LIMITED

Statement of financial position

As at 30 September 2021

	Notes	30-Sep-21	30-Jun-21
Amount in Taka			
ASSETS			
Non-current assets		18,808,771,221	18,504,032,436
Property, plant and equipment, net	2	17,009,661,621	17,196,152,412
Intangible Assets, net	3	148,402,483	150,790,856
Right-of-use assets	4	23,209,141	27,166,916
Capital work-in-progress	5	1,362,497,975	864,922,251
Investment	6	265,000,000	265,000,000
Current assets		10,101,641,339	10,234,777,984
Inventories	7	7,679,797,427	7,865,259,218
Trade and other receivables	8	827,825,371	766,820,718
Advances, deposits and prepayments	9	727,577,834	750,153,312
Advance income tax	10	448,436,899	436,146,583
Cash and bank equivalents	11	418,003,807	416,398,153
Total assets		28,910,412,560	28,738,810,420
EQUITY AND LIABILITIES			
Capital and reserves		8,180,315,803	8,112,174,975
Share capital	12	1,737,914,410	1,737,914,410
Share premium	13	1,739,583,292	1,739,583,292
Revaluation reserve	14	2,048,234,361	2,053,172,481
Retained earnings	15	2,654,583,740	2,581,504,792
Liabilities			
Non-current Liability		14,171,047,003	14,465,164,701
Long term borrowings	16	12,749,615,253	13,073,901,189
Lease Liabilities	17	214,500,479	207,593,665
Deferred tax liability	18	1,206,931,270	1,183,669,847
Current liabilities		6,559,049,754	6,161,470,744
Long term borrowings-current portion	19	2,097,666,913	2,156,870,384
Short term borrowings	20	3,255,592,189	2,634,775,834
Trade and other payables	21	850,478,708	1,144,864,139
Provision for expenses	22	170,113,467	51,743,762
Income tax provision	23	185,198,477	173,216,625
Total liabilities		20,730,096,756	20,626,635,445
Total equity and liabilities		28,910,412,560	28,738,810,420
Net Asset Value Per Share	33	46.22	45.81

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


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

BASHUNDHARA PAPER MILLS LIMITED**Statement of changes in equity**

for the period ended 30 September 2021

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	Amount in Taka				
Balance as on 01 July 2020	1,737,914,410	1,739,583,292	2,072,945,224	2,176,583,610	7,727,026,536
Transfer to retained earnings	-	-	(4,945,257)	4,945,257	-
Payment of cash dividend	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	51,828,120	51,828,120
Balance as at 30 September 2020	1,737,914,410	1,739,583,292	2,067,999,967	2,233,356,987	7,778,854,655
Balance as at 01 July 2020	1,737,914,410	1,739,583,292	2,053,172,481	2,581,504,791	8,112,174,974
Transfer to retained earnings	-	-	(4,938,119)	4,938,119	-
Payment of cash dividend	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	68,140,828	68,140,828
Balance as at 30 September 2021	1,737,914,410	1,739,583,292	2,048,234,362	2,654,583,739	8,180,315,803



Chief Financial Officer



Company Secretary



Managing Director



Director



Chairman

BASHUNDHARA PAPER MILLS LIMITED
Statement of profit or loss and other comprehensive income
for the period ended 30 September 2021

	Notes	01-Jul-2021 to 30-Sept-2021	01-Jul-2020 to 30-Sept-2020
		Amount in Taka	
Revenue, net	24	1,996,975,296	1,980,785,134
Cost of sales	25	(1,563,129,129)	(1,545,845,901)
Gross profit		433,846,167	434,939,233
Other income	26	39,458,111	21,842,144
Administrative expenses	27	(90,816,765)	(86,430,601)
Selling & distribution expenses	28	(52,721,396)	(50,404,094)
Finance costs	29	(220,940,745)	(230,525,074)
Profit before distribution of WPP & WF		108,825,372	89,421,607
Workers' profit participation & welfare fund		(5,441,269)	(4,471,080)
Profit before tax		103,384,103	84,950,527
Income tax expenses	30	(35,243,275)	(33,122,407)
Current tax (expense)		(11,981,852)	(11,884,775)
Deferred tax (expense)/income		(23,261,423)	(21,237,632)
Profit after tax		68,140,828	51,828,120
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		68,140,828	51,828,120
Earnings per share			
Basic earnings per share (per value of Tk. 10)	31.01	0.39	0.30

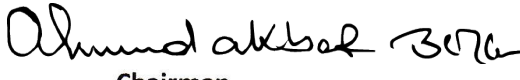
The annexed notes form an integral part of these financial statements.


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

BASHUNDHARA PAPER MILLS LIMITED

Statement of cash flows

for the period ended 30 September 2021

	Notes	01-Jul-2021 to 30-Sept-2021	01-Jul-2020 to 30-Sept-2020
Amount in Taka			
A) Cash flows from operating activities			
Receipts from customers		2,057,112,712	1,795,568,310
Receipts from other income		45,046,307	4,473,725
		2,102,159,019	1,800,042,035
Payment to suppliers, employees & others		(1,366,047,189)	(1,645,619,820)
Cash generated from operations		736,111,830	154,422,215
VAT paid	24	(116,260,584)	(126,713,782)
SD Paid	24	(10,469,680)	(3,322,800)
Income taxes paid	10	(12,290,317)	(13,637,745)
Bank charges and commission	29	(426,784)	(1,595,321)
Net cash (used in)/ generated by operating activities		596,664,464	15,798,167
B) Cash flows from investing activities			
Payments for property, plant and equipment		(121,143,575)	(42,725,627)
Adjustment/ transfer for property, plant and equipment		130,000	955,629
Receipts/ transfer of capital work-in-progress		(497,765,036)	(323,135,200)
Net cash (used in)/ generated by investing activities		(618,778,611)	(364,905,198)
C) Cash flows from financing activities			
Received/ (repayment) of short term borrowings		620,816,354	1,308,725,279
Payments of Bank interest and other charges		(220,513,960)	(228,929,753)
Received/ (repayment) of lease liabilities		6,906,814	(48,308,247)
Received/ (repayment) of long term borrowings		(383,489,406)	(571,538,730)
Net cash (used in)/ generated by financing activities		23,719,802	459,948,550
D) Net increase in cash and cash equivalents (A+B+C)		1,605,654	110,841,519
E) Cash and cash equivalents at the beginning	11	416,398,153	280,990,242
F) Cash and cash equivalents at the end (D+E)	11	418,003,807	391,831,760
Net Operating Cash Flows per share	34	3.43	0.09

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


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

Bashundhara Paper Mills Limited

Notes to the financial statements

As at and for the quarter ended 30 September 2021

		Amount in Taka	
01.00	SELECTED EXPLANATORY NOTES	30-Sep-21	30-Jun-21
	<p>These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the period ended from 01 July 2021 to 30 September 2021. The basis of preparation and significant accounting policies governing the quarterly statutory reporting has not been changed from the last reporting date. Hence no policy related general notes are being provided for Q1, 2021-2022 accounts. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements. Certain figures for the Q1, 2020-2021 have been rearranged wherever considered necessary, to ensure better comparability with the current period's financial and to comply with relevant IASs and IFRSs.</p>		
12.00	SHARE CAPITAL		
	<p>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:</p>		
	<u>Authorized share capital:</u>		
	500,000,000 nos. ordinary shares of Taka 10 each.	5,000,000,000	5,000,000,000
	<u>Issued, subscribed & paid up:</u>		
	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
12.01	Movement of share capital:		
	Opening balance	1,737,914,410	1,737,914,410
	Issuance of ordinary shares during the period	-	-
	Closing balance	1,737,914,410	1,737,914,410

12.02 Position of shareholding

12.02.1 Percentage of Shareholders

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



12.02.2 Classification of shareholder's by holding range

	No of Share holders		No of shares	
	30-Sep-21	30-Jun-21	30-Sep-21	30-Jun-21
1-500 shares	10,170	7,911	1,363,741	1,237,901
501 to 5,000 shares	3,197	2,746	5,799,056	4,804,168
5,001 to 10,000 shares	364	314	2,663,966	2,382,156
10,001 to 20,000 shares	214	172	2,995,301	2,481,926
20,001 to 30,000 shares	88	80	2,131,856	1,928,656
30,001 to 40,000 shares	21	24	733,957	829,785
40,001 to 50,000 shares	29	25	1,313,760	1,149,649
50,001 to 100,000 shares	31	28	2,232,458	2,143,557
100,001 to 1,000,000 shares	32	36	6,807,571	7,644,148
1,000,001 to 1,000,000,000 shares	7	8	147,749,775	149,189,495
Total	14,153	11,344	173,791,441	173,791,441

	Amount in Taka	
	30-Sep-21	30-Jun-21
13.00 SHARE PREMIUM		
Opening Balance	1,739,583,292	1,739,583,292
Add: Addition during the period	-	-
Less: Adjustment during the period	-	-
Closing Balance	1,739,583,292	1,739,583,292
13.01 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.)		
14.00 REVALUATION RESERVE		
Opening Balance	2,053,172,481	2,072,945,223
Add: Increase arising on revaluation of properties	-	-
Less: Transferred to retained earnings	(4,938,119)	(19,772,743)
Closing Balance	2,048,234,361	2,053,172,481
15.00 RETAINED EARNINGS		
Opening balance	2,581,504,792	2,176,583,611
Add: Profit attributable to the owners of the Company	68,140,828	411,190,105
Transferred from properties revaluation reserve	4,938,119	19,772,743
Less: Payment of dividend	-	(26,041,666)
Closing balance	2,654,583,740	2,581,504,792
16.00 LONG TERM BORROWINGS		
Long term borrowings	13,942,544,061	14,012,129,960
Other Finance	755,886,272	1,069,789,779
Total Long Term borrowings	14,698,430,333	15,081,919,739
Less: Current portion of long term borrowings	(1,948,815,080)	(2,008,018,551)
Due after one year	12,749,615,253	13,073,901,189
17.00 LEASE LIABILITIES		
Islamic Finance & Investment Ltd.	24,680,440	27,132,747
First Security Islami Bank Ltd.	338,671,872	329,312,751
GSP Finance Company (BD) Ltd.	-	-
Total lease liabilities	363,352,312	356,445,498
Less: Current portion of lease liabilities	(148,851,833)	(148,851,833)
Due after one year	214,500,479	207,593,665



18.00 DEFERRED TAX (ASSETS) / LIABILITIES

Amount in Taka

30-Sep-21

30-Jun-21

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:

Opening balance		1,183,669,847	1,189,125,397
Provided during the period:		23,261,423	(5,455,550)
Deferred tax income		(11,395,638)	(171,530,158)
Deferred tax expense	NOTE 18.01	34,657,061	262,461,210
Deferred tax income resulting from reduction in income tax rate		-	(96,386,602)
Adjustment made during the period		-	-
Closing balance		1,206,931,270	1,183,669,847

18.01 Temporary timing difference:

As at September 30, 2021	Accounting base Carrying Amount	Tax base	Temporary Difference
Property, Plant and equipment	14,327,908,481	(8,296,804,708)	6,031,103,773
Right-of-use assets	23,209,141	(25,663,402)	(2,454,261)
Intangible assets	148,402,483	(108,910,359)	39,492,124
Pre-operating expenses	-	(51,299,323)	(51,299,323)
Unused tax loss carry forward	-	(1,650,609,427)	(1,650,609,427)
Difference for vehicle	-	(3,246,685)	(3,246,685)
Net taxable temporary difference	14,499,520,105	(10,136,533,904)	4,362,986,201
Applicable tax rate			22.50%
Deferred tax liability-30 September 2021			981,671,895
Deferred tax liability-30 June 2021			(958,410,472)
Deferred tax expense/ (income) for the period			23,261,423

As at June 30, 2021	Accounting base Carrying Amount	Tax base	Temporary Difference
Property, Plant and equipment	14,514,399,271	(8,634,050,296)	5,880,348,975
Right-of-use assets	27,166,916	(27,014,107)	152,809
Intangible assets	150,790,856	(111,704,473)	39,086,383
Pre-operating expenses	-	(53,999,288)	(53,999,288)
Unused tax loss carry forward	-	(1,602,569,219)	(1,602,569,219)
Difference for vehicle	-	(3,417,563)	(3,417,563)
Net taxable temporary difference	14,692,357,043	(10,432,754,946)	4,259,602,098
Applicable tax rate			22.50%
Deferred tax liability-30 June 2021			958,410,472
Less: Deferred tax liability-30 June 2020			(963,866,022)
Adjustment to opening deferred tax liability resulting from reduction in tax rate @ 2.50%			96,386,602
Deferred tax expense/ (income) for the year			90,931,052



		Amount in Taka	
30.00	INCOME TAX EXPENSE	2021-2022	2020-2021
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:		11,981,852	11,884,775
Current tax expense in respect of the current period		11,981,852	11,884,775
Adjustments recognized in the current year in relation to the current tax of prior year's		-	-
b. Deferred tax expense/ (income):		23,261,423	21,237,632
Deferred tax expenses recognized in the period		23,261,423	21,237,632
Adjustments to deferred tax attributable to changes in tax rates and laws		-	-
c. Total income tax expense recognized in the current year (a+b)		35,243,275	33,122,407

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

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

Accounting profit for the period	103,384,103	84,950,527
Less: Share of profit of equity	-	-
	103,384,103	84,950,527
Tax on accounting profits @ 22.5% (2020-2021 @ 25%)	23,261,423	21,237,632
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	11,981,852	11,884,775
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	-	-
	35,243,275	33,122,407
Adjustments recognized in the current year in relation to the current tax of prior years	-	-
Income tax expense recognized in profit or loss	35,243,275	33,122,407

31.00 EARNINGS PER SHARE (EPS)

31.01 Basic Earnings per Share:

Profit attributable to the Ordinary Shareholders	68,140,828	51,828,120
Weighted Average Number of shares	173,791,441	173,791,441
Basic Earnings Per Share	0.39	0.30

31.1.1 Total Number of Ordinary Share outstanding

Opening number of shares outstanding	173,791,441	173,791,441
Add: Ordinary shares issued during the period	-	-
Total	173,791,441	173,791,441

32.00 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:



32.01 Loans to/from related parties:

Name of related Companies	Relationship	Nature of transaction	30-Sep-21	Compensation
East West Property Development (Pvt.) Ltd.	Shareholder & Sister Concern	Long term Loan	(928,121,802)	Market Price
East West Media Group Ltd.	Sister Concern	Short term Loan	141,078,846	Market Price
Bashundhara Steel and Engineering Ltd.	Sister Concern	Short term Loan	56,990,293	Market Price
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Short term Loan	(339,910,559)	Market Price
Bashundhara Infrastructure Development Ltd.	Sister Concern	Short term Loan	3,281,222	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Short term Loan	(164,966,492)	Market Price
Bashundhara Industrial Complex Ltd.	Sister Concern	Investment	265,000,000	Market Price
Bashundhara Cement Industries Ltd.	Sister Concern	Short term Loan	(1,681,564)	Market Price
Sundarban Industrial Complex Ltd.	Sister Concern	Short term Loan	7,217,465	Market Price
Bashundhara Food & Beverage Industries L	Sister Concern	Short term Loan	965,831	Market Price
Bashundhara Packaging & Accessories Industries Ltd.	Sister Concern	Short term Loan	1,371,500	Market Price
Bashundhara LP Gas Ltd.	Sister Concern	Short term Loan	(189,475,479)	Market Price
Bashundhara Airways Ltd.	Sister Concern	Short term Loan	174,819,146	Market Price
Bashundhara Amusement Park Ltd.	Sister Concern	Short term Loan	22,897,872	Market Price
Meghna Cement Mills Limited	Sister Concern	Short term Loan	54,363,621	Market Price
Bashundhara Industrial Economic Zone	Sister Concern	Short term Loan	192,989,776	Market Price
Bashundhara Chemical Industries Ltd.	Sister Concern	Short term Loan	30,720,000	Market Price
Toggi Services Ltd.	Sister Concern	Short term Loan	72,300,000	Market Price
Toggi Real Estate & Construction Ltd.	Sister Concern	Short term Loan	2,222,000	Market Price
Bashundhara Multi Trading Ltd.	Sister Concern	Short term Loan	86,045,772	Market Price
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Short term Loan	21,006,280	Market Price
Toggi Shipping & Logistics Ltd.	Sister Concern	Short term Loan	-	Market Price
Millennium Media Ltd.	Sister Concern	Short term Loan	-	Market Price

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

Short-term benefits
Post-employment benefits
Other long term benefits
Termination benefits

Amount in Taka	
2021-2022	2020-2021
6,000,000	627,249
-	-
-	-
-	-
6,000,000	627,249

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

a) The amount of transaction	6,000,000	627,249
b) The amount of outstanding balance, including commitments, and:	(798,789,779)	62,244,693
i) Their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement; and	Remuneration, Working Capital Management	Remuneration, Working Capital Management
ii) details of any guarantee given or received	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balances; and	Nil	Nil
d) The expenses recognized during the period in respect of bad or doubtful debts due from related parties	Nil	Nil

33.00 NET ASSET VALUE (NAV) PER SHARE

Total Assets	28,910,412,560	28,738,810,420
Less: Intangible Assets	(148,402,483)	(150,790,856)
Total Liabilities	(20,730,096,756)	(20,626,635,445)
Net Asset Value (NAV)	8,031,913,320	7,961,384,119
Weighted Average Number of Ordinary shares	173,791,441	173,791,441
Net Asset Value (NAV) Per Share (per value Tk. 10 each)	46.22	45.81



		Amount in Taka	
34.00	NET OPERATING CASH FLOW (NOCFPS) PER SHARE	2021-2022	2020-2021
	Net Operating Cash Flows	596,664,464	15,798,167
	Weighted Average Number of Ordinary shares outstanding	173,791,441	173,791,441
	Net Operating Cash Flows per share (per value Tk. 10 each)	3.43	0.09
35.00	RECONCILIATION OF OPERATING CASH FLOW WITH NET PROFIT		
	Total Comprehensive Income for the period	68,140,828	51,828,120
	Adjustment for:		
	Income tax expense recognized in profit and loss	35,243,275	33,122,407
	Workers' profit participation & welfare fund	5,441,269	4,471,080
	Amortization of intangible assets	2,388,373	2,401,121
	Depreciation of non-current assets	282,122,312	300,127,525
		393,336,058	391,950,253
	Adjustment for separate consideration		
	Finance cost recognized in profit and loss	220,513,960	228,929,753
	Movements in working capital:		
	(Increase)/decrease in inventories	185,461,790	(174,544,515)
	(Increase)/decrease in trade and other receivables	(61,004,653)	(325,976,224)
	(Increase)/decrease in advance, deposit and prepayment	50,078,503	(168,443,278)
	Increase/(decrease) in trade payables & other payables	(297,800,583)	(105,466,881)
	Increase/(decrease) in provision for expense	118,369,705	182,986,806
	Cash generated from operations	(4,895,237)	(591,444,094)
	Income taxes paid	(12,290,317)	(13,637,745)
	Net cash (used in)/ generated by operating activities	596,664,464	15,798,167

36.00 SIGNIFICANT DEVIATIONS

Net Operating cash flow per share (NOCFPS):

Net Operating cash flow per share increased from same period of previous year because of increase in collection of trade receivables and decrease in cost of imported raw materials.

37.00 EVENTS AFTER THE REPORTING PERIOD

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.

