

Auditors' Report on Financial Statements of

BASHUNDHARA PAPER MILLS LTD.
FOR THE YEAR ENDED 30 JUNE 2023

K. M. Alam & Co.

Chartered Accountants

Head Office, Dhaka: 46, Mohakhali (12th Floor), Dhaka-1212, Bangladesh

Tel: 02222285697, **E-mail:** k.monowar@kmacobd.com, WWW.kmacobd.com

Branch Office, Dhaka: 80, Motijheel C/A (4th Floor), Dhaka-1000, Bangladesh, **Tel:** 02223386990, 0247123083

Branch Office, Khulna: 5, KDA Avenue (6th Floor), Khulna-9100, **Tel:** 041-2830395

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Bashundhara Paper Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bashundhara Paper Mills Limited. (the Company), which comprise the statement of financial position as at June 30, 2023 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements' that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters were identified in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
Valuation of Property, Plant and Equipment (PPE):	
The carrying value of the PPE was Tk. 23,613,110,937 as at 30 June, 2023. Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.	<p>Our audit included the following procedure:</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 inspected a sample of invoices and documents to determine whether the classification between capital and revenue 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.

<p>The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements. See policy Note No. 3.1 to the financial statements.</p>	<ul style="list-style-type: none"> • We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.
<p>Valuation of inventory:</p>	
<p>Inventory is carried in the statement of financial position at the lower of cost and net realizable value. Sales in the manufacturing industry can be extremely volatile based on significant changes in consumer demand. As a result, there is a risk that the carrying value of inventory exceeds its net realizable value. Moreover, the process of estimating provision for inventories is judgmental and complex. Due to high level of judgment involved and use of some manual process in estimating the provision and net realizable value of inventories, we considered this to be a key audit matter.</p>	<p>We have tested the maintaining effectiveness of the inventories held by the Company. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Corroborating on a sample basis that items on the stock were classified in the appropriate ageing bracket; • Considering the historical accuracy of provisioning and using the information obtained as evidence for evaluating the appropriateness of the assumptions made in the current period; and • We have also considered the adequacy of the Company's disclosures in respect of the levels of provisions against inventory.
<p>Revenue Recognition:</p>	
<p>At year end the Bashundhara Paper Mills Limited. reported total revenue (net sales) of BDT 13,188,221,005 Revenue is recognized when the performance obligation is satisfied by transferring goods or services to a customer, either at a point in time or over time. Goods or services are "transferred" when the customer obtains control of it. It is a matter of consideration whether revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied. This was an area of focus for our audit and significant audit effort to rectify the export income.</p>	<p>We tested the design and operating effectiveness of key control focusing on the following:</p> <ul style="list-style-type: none"> • We have taken into consideration the complexity of the situation and gained an understanding of the company's disclosures of the volume of sales incurred during the period by obtaining sufficient audit work, audit evidence and resource is required. • Verified sales transactions for compliance with the Company accounting principles. • Evaluated the Company's work to implement IFRS 15 and assessed whether accounting principles comply with the new accounting standard. • In addition, we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the year—end, ensuring revenues were recognised in the correct accounting period. • Tested the internal controls over financial reporting, we also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable

	<p>consideration to the various elements in the contracts.</p> <ul style="list-style-type: none"> Obtain and confirm pro-forma invoice and other related documents and calculate sales balances.
Tax provisioning and recognition of deferred tax asset	
<p>The Company reported current income tax expense of BDT 79,148,635 with cumulative tax provision Tk. 202,420,124 as per Provision of minimum tax and deferred tax expense Tk.133,539,843 note no. 33.00 The Company has recognized deferred Tax Liability for Taxable temporary differences that it believes are payable. The recoverability of recognized deferred tax liability is in part dependent on the company's ability to generate future taxable profits sufficient to utilize Taxable temporary differences.</p>	<p>Use of our own tax specialists to assess the company's tax computation. Our tax specialists were also used to evaluate tax strategies that the company expects will hardly enable the successful recovery of the recognized deferred tax liability taking into account the Company's tax position and our knowledge and experience of the application of relevant tax legislation;</p> <ul style="list-style-type: none"> To analyses and challenge the assumptions used to determine tax provisions based on our knowledge and experiences of the application of the local legislation; Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities related to tax and deferred tax. Assess the tax provision calculation with reference to ITA 2023 under section 183(3)/ 163 and Financial Act 2023.
Trade and other receivables:	
<p>The company has a net Trade and other Receivables of Tk. 1,399,018,728 as at 30 June 2023. Trade and other Receivables of the company comprise mainly receivables in relation to the selling of goods to its customers. The recoverable amount was estimated by management based on their specific recoverability assessment on debtor with reference to the aging profile, historical payment pattern and the past record of default of the customer. Note No: 10.00 to the financial Statement.</p>	<p>We verified the appropriateness of management's assumptions applied in Receivables by:</p> <ul style="list-style-type: none"> Tested the accuracy of aging of Trade and other Receivables at year end on a sample basis; Obtained a list of outstanding Receivables and identified any Creditors with financial difficulty through discussion with management; Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the Debit profile of the customers, historical pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; and tested subsequent settlement of receivables after the balance sheet date on a sample basis, if any.

Trade and other payables:	
<p>The company has a net Trade and other payables of Tk. 2,344,229,365 as at 30 June 2023.</p> <p>Accounts payable of the company comprise mainly payables in relation to construction work business. The Payable amount was estimated by management based on their specific assessment on creditors with reference to the aging profile, historical payment pattern and the past record of default of the customer See Note No. 23.00 to the financial statements</p>	<p>We verified the appropriateness of Trade and other Payable;</p> <ul style="list-style-type: none"> • Tested the accuracy of aging of Trade and other payables at year end on a sample basis; • Obtained a list of outstanding Payable and inspected a sample of bills/invoices of parties on a sample basis and other documents to determine whether those bills were appropriate.
Advance, Deposit and Prepayments:	
<p>Advance, deposit and prepayments Tk. 765,440,857 for advance against advertisement, legal and consultancy, insurance premium, land and land development, motor vehicle, supplier, and others advance. See Note No.11.00</p>	<p>We have tested the maintaining effectiveness of the advance, deposit and assets position held by the Company. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtain agreement / other documents for advance payments to parties on account of parties on advertisement, legal and consultancy, insurance premium, land and land development, motor vehicle, supplier, and others advance. • Obtain salary sheet / approval documents for advance to staff. • Obtain vendor list to ascertain the advance against goods supply. • Obtain treasury challan, list of parties & other necessary documents for VAT & SD current account.
Bank loan- Long and short-term Loan:	
<p>At the reporting date the entity has reported both Long and Short-Term Loan of Tk. 13,777,202,574 & 4,911,371,931 and 2,009,642,491 respectively. Evidently the entity is using the loan to conduct the Operating activities and to acquire non-current assets. Since the Bank loan amount very significant and material to the financial statement has identified as a key audit matter. See Note No. 18.00, 21.00 & 22.00 to the financial statements.</p>	<p>We obtained an understanding; evaluate the design and operating effectiveness of the company's key controls over the loans. Our audit included the following procedure:</p> <ul style="list-style-type: none"> • Obtained loan statement and facility offer letters to review the terms, debt covenants, interest rates and other conditions mentioned in the sanctioned letter. • Obtained external confirmation to bank to ensure the accuracy of the figures reported. • Check interest calculation on test basis. • Checked repayment of loan instalments and adjustments though bank statements. • Sent direct Confirmation to the bank by us.

Other information

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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 the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

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

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

Place: Dhaka
Dated: October 29, 2023



Md. Belayet Hossain FCA
Partner
Enrolment No. 1480 (ICAB)
K M Alam & Co.
Chartered Accountants
DVC# 2310301480AS244932

Bashundhara Paper Mills Limited

Statement of financial position

As at 30 June 2023


	Notes	30 June 2023	30 June 2022
		Amount in Taka	
ASSETS			
Non-current assets		26,171,551,640	24,094,298,838
Property, plant and equipment	4	23,613,110,937	23,025,591,008
Intangible Assets	5	154,131,537	156,255,465
Right-of-use assets	6	6,655,498	15,293,590
Capital work-in-progress	7	2,132,653,668	632,158,774
Investment	8	265,000,000	265,000,000
Current assets		11,658,409,267	10,759,811,898
Inventories	9	8,649,813,578	8,269,900,957
Trade and other receivables	10	1,399,018,728	1,014,646,121
Advances, deposits and prepayments	11	765,440,857	695,779,620
Advance income tax	12	490,807,356	366,547,565
Cash and bank equivalents	13	353,328,748	412,937,636
Total assets		37,829,960,907	34,854,110,736
EQUITY AND LIABILITIES			
Capital and reserves		13,629,247,087	13,070,441,273
Share capital	14	1,737,914,410	1,737,914,410
Share premium	15	1,739,583,292	1,739,583,292
Revaluation reserve	16	6,964,223,335	6,699,420,709
Retained earnings	17	3,187,526,050	2,893,522,862
Liabilities			
Non-current Liability		14,727,392,383	14,469,418,738
Long term borrowings	18	13,777,202,574	13,375,182,257
Deferred tax liability	20	950,189,808	1,094,236,481
Current liabilities		9,473,321,438	7,314,250,725
Long term borrowings-current portion	21	2,009,642,491	1,997,367,081
Short term borrowings	22	4,911,371,931	3,993,660,017
Trade and other payables	23	2,344,229,365	1,195,416,925
Unclaimed Dividend	24	3,987,681	3,373,341
Provision for expenses	25	1,669,846	1,161,873
Income tax provision	26	202,420,124	123,271,488
Total liabilities		24,200,713,820	21,783,669,463
Total equity and liabilities		37,829,960,907	34,854,110,736
Net Asset Value Per Share	42	77.54	74.31

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


Chief Financial Officer


Company Secretary



Chief Executive Officer


Director


Chairman

As per our report of same date

Place: Dhaka
Dated: October 29, 2023


Md. Belayet Hossain FCA
ICAB Enrolment No.: 1480
K.M. Alam & Co.
Chartered Accountants
DVC# 2310301480AS244932

Bashundhara Paper Mills Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023


	Notes	01-Jul-2022 to 30-Jun-2023	01-Jul-2021 to 30-Jun-2022
		Amount in Taka	
Revenue, net	27	13,188,221,005	11,237,967,247
Cost of sales	28	(10,572,830,386)	(8,987,615,098)
Gross profit		2,615,390,619	2,250,352,148
Administrative expenses	29	(414,117,360)	(351,413,590)
Selling & distribution expenses	30	(223,081,762)	(199,034,321)
Finance costs	31	(1,374,334,400)	(1,153,329,704)
Profit from operation		603,857,097	546,574,534
Other income	32	98,984,185	156,402,602
Profit before distribution of WPP & WF		702,841,282	702,977,136
Workers' profit participation & welfare fund		(35,142,064)	(35,148,857)
Profit before tax		667,699,217	667,828,279
Income tax expenses	33	(212,688,479)	(159,980,139)
Current tax (expense)/income		(79,148,635)	(132,904,536)
Deferred tax (expense)/income		(133,539,843)	(133,565,656)
Deferred tax income resulting from reduction in tax rate		-	106,490,052
Profit after tax		455,010,739	507,848,139
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	4,406,185,151
Gain on revaluation of land		-	4,542,458,919
Less: Related tax		-	(136,273,768)
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Total Comprehensive Income for the year		455,010,739	4,914,033,291
Earnings per share			
Basic earnings per share (per value of Tk. 10)	34.01	2.62	2.92

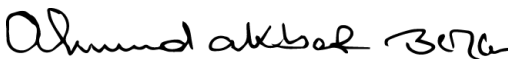
The annexed notes form an integral part of these financial statements.


Chief Financial Officer


Company Secretary



Chief Executive Officer


Director


Chairman

As per our report of same date

Place: Dhaka
Dated: October 29, 2023


Md. Belayet Hossain FCA
ICAB Enrolment No.: 1480
K.M. Alam & Co.
Chartered Accountants
DVC# 2310301480AS244932

Bashundhara Paper Mills Limited

Statement of changes in equity

For the year ended 30 June 2023

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	Amount in Taka				
Balance as on 01 July 2021	1,737,914,410	1,739,583,292	2,306,671,844	2,580,788,165	8,364,957,712
Transfer to retained earnings	-	-	(13,436,286)	13,436,286	-
Dividend paid	-	-	-	(208,549,729)	(208,549,729)
Total Comprehensive Income for the year	-	-	4,406,185,151	507,848,139	4,914,033,290
Balance as at 30 June 2022	1,737,914,410	1,739,583,292	6,699,420,709	2,893,522,862	13,070,441,273

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


Chief Financial Officer


Company Secretary


Chief Executive Officer


Director


Chairman


Bashundhara Paper Mills Limited
Statement of cash flows
For the year ended 30 June 2023

	Notes	01-Jul-2022 to 30-Jun-2023	01-Jul-2021 to 30-Jun-2022
		Amount in Taka	
A) Cash flows from operating activities			
Receipts from customers	37.01	13,545,774,133	11,663,378,917
Receipts from other income	37.02	170,596,478	180,883,012
		13,716,370,611	11,844,261,929
Payment to suppliers, employees & others	37.03	(9,606,392,372)	(9,037,425,875)
Cash generated from operations		4,109,978,239	2,806,836,054
VAT & SD paid	27	(813,538,029)	(697,717,483)
Income taxes paid	12	(124,259,791)	(113,250,655)
Bank charges and commission	31	(11,532,771)	(5,359,177)
Net cash (used in)/ generated by operating activities		3,160,647,648	1,990,508,740
B) Cash flows from investing activities			
Payments for property, plant and equipment		(706,819,691)	(965,249,695)
Payments for intangible assets		(6,315,474)	(400,000)
Receipts/ transfer of capital work-in-progress		(2,302,535,941)	(964,867,587)
Net cash (used in)/ generated by investing activities		(3,015,671,106)	(1,930,517,282)
C) Cash flows from financing activities			
Received/ (repayment) of short term borrowings		917,711,914	1,358,884,183
Payments of Bank interest and other charges	31	(1,362,801,629)	(1,147,970,527)
Dividend paid		(173,791,441)	(208,549,729)
Received/ (repayment) of lease liabilities		-	(207,593,665)
Received/ (repayment) of long term borrowings		414,295,728	141,777,765
Net cash (used in)/ generated by financing activities		(204,585,429)	(63,451,974)
D) Net increase in cash and cash equivalents (A+B+C)		(59,608,888)	(3,460,517)
E) Cash and cash equivalents at the beginning		412,937,636	416,398,153
F) Cash and cash equivalents at the end (D+E)		353,328,748	412,937,636
Net Operating Cash Flows per share	43	18.19	11.45

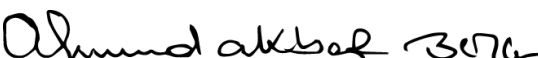
The annexed notes form an integral part of these financial statements.


Chief Financial Officer


Company Secretary


Chief Executive Officer


Director


Chairman

Bashundhara Paper Mills Limited

Notes to the financial statements

As at and for the year ended 30 June 2023

1 REPORTING ENTITY

1.1 COMPANY PROFILE

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

1.2 ADDRESS OF REGISTERED OFFICE AND FACTORIES

The registered office of the company is situated at 125/A, Basahundhara R/A, Block-A, Baridhara, Dhaka-1212, Bangladesh. Corporate office address is Bashundhara Industrial 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, feeding bottle, facial mask, paper sack and other consumer brand items. The company has been relentless over more than two decades to offer its diversified products ranging from different types of Paper, Tissue, Hygiene and Toiletries portfolio, thereby it has rightly been entrusted from customer’s fraternity of home and abroad.

2 SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES

2.1 BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRESENTATION

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

2.1.1 Statement of compliance

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

- / The Companies Act 1994
- / The Financial Reporting Act, 2015
- / The Securities and Exchange Rules, 1987
- / The Securities & Exchange Ordinance, 1969
- / The Income Tax Act, 2023

- / The Income Tax Rules, 2023
- / The Value Added Tax and Supplementary Duty Act, 2012
- / The Customs Act, 1969
- / The Bangladesh Labor (Amendment) Act 2013, 2006
- / International Valuation Standards (IVS)
- / International Accounting Standards (IAS)
- / International Financial Reporting Standards (IFRS)
- / The Listing Regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.

2.2 FUNCTIONAL AND PRESENTATIONAL CURRENCY

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

2.3 USE OF ESTIMATES AND JUDGMENT

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

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

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

Note 19:	Finance lease obligations (classification and measurement)
Note 20:	Deferred tax liabilities (manner of recovery of temporary differences for determination of deferred tax liabilities)
Note 27:	Revenue
Note 33:	Income tax expenses

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

2.4 STRUCTURE, CONTENT AND PRESENTATION OF FINANCIAL STATEMENTS

The presentation of these financial statements is in accordance with the guidelines provided by IAS

1: Presentation of Financial Statements, The Financial Statements comprises:

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

2.5 CURRENT VS. NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- 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

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

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

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

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events After the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 33	Earnings Per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets

IAS 38	Intangible Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

2.7 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.

IFRS 16 eliminates the earlier operating/finance lease dual accounting model for leases. The change interprets a single accounting model on balance sheet, similar to current finance lease accounting. Issued in January 2016, the new IFRS is replaced the existing guidance in IAS 17 Leases. IFRS 16 is effective from or after 1 January 2019.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, BPML recognises right-of-use assets and lease liabilities for all leases.

2.8 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.

2.9 DATE OF AUTHORIZATION FOR ISSUE

The audited financial statements for the year ended 30 June 2023 were authorised by the Board of Directors on 29 October 2023 for publication.

2.10 BOOKS OF ACCOUNTS

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

2.11 COMPARATIVE INFORMATION AND REARRANGEMENT THEREOF

Comparative information for the financial position has been disclosed in respect of the year ended June 30, 2022 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, 2022 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 PROPERTY, PLANT AND EQUIPMENT

3.1.1 Recognition and Measurement

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

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

3.1.2 Subsequent Costs and Maintenance Activities

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

3.1.3 Depreciation

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

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

Freehold land is not depreciated.

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

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

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

3.1.4 Derecognition of Property, Plant and Equipment

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

3.1.5 Revaluation

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

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

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

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

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

3.1.6 Software

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

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

3.1.7 Disposal of Fixed Assets

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

3.1.8 Maintenance Activities

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

3.1.9 Impairment

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

3.2 INTANGIBLE ASSETS

3.2.1 Recognition

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

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

3.2.2 Measurement

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

3.2.3 Separately Acquired Intangibles Assets

The cost of a separately acquired intangible asset comprises:

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

3.2.4 Internally Generated Intangible Assets

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

3.2.5 Research Phase

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

3.2.6 Recognition of an Expense

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

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

3.2.7 Past Expenses

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

3.2.8 Revaluation of Intangibles

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

3.2.9 Amortization

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

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

3.2.10 Derecognition of Intangible Assets

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

3.3 RIGHT-OF-USE ASSET

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

3.4 FINANCIAL INSTRUMENTS

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

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

3.4.1 Recognition and initial measurement

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

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

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

3.4.2 Financial assets

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

a) *Investment in shares*

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

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

b) *Investment in fixed deposit receipt*

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

c) *Cash and cash equivalents*

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

d) *Trade and other receivables*

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

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the

trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

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

e) *Short-term investment*

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

3.4.3 *Financial liability*

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

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

a) *Finance lease obligation*

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

b) *Loans and borrowings*

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

c) *Trade and other payables*

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

3.5 INVENTORIES

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-process, cost includes an appropriate share of production overheads based on normal operation capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

Category	Basis of valuation
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.

3.6 CAPITAL WORK-IN-PROGRESS

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

3.7 PROVISION

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

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

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

3.8 CONTINGENT LIABILITIES AND CONTINGENT ASSETS AND COMMITMENTS

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

3.9 INCOME TAX EXPENSES

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

3.9.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the company is 20% (2021-2022: 20%). Provision for taxation has been made on the basis of the Finance Act, 2023.

3.9.2 Deferred Tax

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

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

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

3.10 EMPLOYEE BENEFIT

3.10.1 Defined contribution plan (Provident Fund)

Defined contribution plan is a post-employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognized Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognized by the National Board of Revenue (NBR) vide Letter No. ভবিঃতঃঅনুঃ(বসুধ্ধরা)/বৃকইউ/২০১৫-২০১৬/২৩১২(৩) dated 29 February 2016. The Company recognizes contribution to defined contribution plan as an expense when an employee has rendered required services. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund. Obligations are created when they are due.

3.10.2 Defined benefit plan (Gratuity)

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

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

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

3.10.3 Group insurance scheme

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

3.10.4 Short-term employee Benefits

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

3.11 WORKERS' PROFIT PARTICIPATION AND WELFARE FUND

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

3.12 FOREIGN CURRENCY TRANSACTIONS

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

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

3.13 REVENUE RECOGNITION

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

3.13.1 Sales of goods

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

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

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

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

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

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

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

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

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

Other income is recognized on receipt or due basis.

3.14 BORROWING COSTS

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

3.14.1 Recognition

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

3.14.2 Borrowing Costs Eligible for Capitalization

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

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

3.14.3 Commencement of Capitalization

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

- / it incurs expenditures for the asset;
- / it incurs borrowing costs; and
- / it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Cessation of capitalization

BPML ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.15 SHARE CAPITAL

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

3.16 DIVIDEND TO THE EQUITY HOLDERS

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

3.17 STATEMENT OF CASH FLOWS

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

3.18 STATEMENT OF CHANGES IN EQUITY

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

3.19 EARNINGS PER SHARE

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

Basic Earnings per Share (Numerator/Denominator)

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders.

No. of Ordinary shares (Denominator)

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

Diluted Earnings per Share

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

3.20 RELATED PARTY TRANSACTIONS

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

3.21 SEGMENT REPORTING

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

3.22 OFFSETTING

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

3.23 MATERIALITY AND AGGREGATION

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

3.24 GOING CONCERN

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

The management do not see any issue with respect to going concern due to Russian invasion of Ukraine and COVID-19 pandemic (See Note: 52). Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives.

3.25 ACCRUAL BASIS OF ACCOUNTING

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

3.26 CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

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

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

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

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

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

3.27 RESPONSIBILITY FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT

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

3.28 EVENTS AFTER REPORTING PERIOD

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

3.29 COMPARATIVES, RECLASSIFICATION AND RESTATEMENT

- 3.29.1 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith;
- 3.29.2 Figures appearing in these accounts have been rounded off to the nearest taka. User may see immaterial difference in the financial statements when used individual line item calculations.
- 3.29.3 Previous year’s figures and account titles in the financial statements have been rearranged and reclassified, wherever necessary for the purpose of comparison, without, however, creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current year.

04.00 PROPERTY, PLANT AND EQUIPMENT

1. Based on Cost:

A. Cost:

Opening Balance
Less: Transfer/ Disposal/ Reclassification during the year
Add: Addition during the year

Closing Balance

B. Accumulated depreciation:

Opening Balance
Less: Transfer/ Disposal/ Reclassification during the year
Add: Charged during the year

Closing Balance

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

2. Based on Revaluation:

A. Cost:

Opening Balance
Less: Transfer/ Disposal during the year
Add: Addition during the year

Closing Balance

B. Accumulated depreciation:

Opening Balance
Less: Transfer/ Disposal during the year
Add: Charged during the year

Closing Balance

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

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

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

- 4.01 During the year management of the Company carried out a review of the recoverable amount of the manufacturing plant and other related assets. The review does not led to an impairment loss. The recoverable amount of the relevant assets has been determined on the basis of their value in use.
- 4.02 The company has been availing long term lease facility against use of 11.5219 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.
- 4.04 The Company has carried out valuation of land of the Company. Details of which disclosed in policy note no. 3.1.5

05.00 INTANGIBLE ASSETS

A. Cost:

Opening Balance
Less: Transfer/ Disposal during the year
Add: Addition during the year

Closing Balance

B. Accumulated amortization:

Opening Balance
Less: Transfer/ Disposal during the year
Add: Charged during the year

Closing Balance

C. Written down value (A-B)

Details of Intangible assets are shown in 'Annexure- B'

Amount in Taka	
As At 30 June 2023	As At 30 June 2022
23,168,458,181	21,013,366,991
(128,000)	(585,942)
1,486,787,644	2,155,677,132
24,655,117,825	23,168,458,181
7,197,119,831	6,345,803,676
(81,067)	(266,840)
883,240,920	851,582,995
8,080,279,684	7,197,119,831
16,574,838,141	15,971,338,350
7,390,796,896	2,848,337,977
-	-
-	4,542,458,919
7,390,796,896	7,390,796,896
336,544,238	319,748,880
-	-
15,979,862	16,795,358
352,524,100	336,544,238
7,038,272,796	7,054,252,659
23,613,110,937	23,025,591,008

06.00 RIGHT-OF-USE ASSETS

A. Cost:

Opening Balance

Add: Addition during the year

Closing Balance

B. Accumulated amortization:

Opening Balance

Add: Charged during the year

Closing Balance

C. Written down value (A-B)

Details of right of use of assets are shown in 'Annexure- C'

Amount in Taka	
As At 30 June 2023	As At 30 June 2022
111,791,600	111,791,600
-	-
111,791,600	111,791,600
96,498,010	84,624,684
8,638,093	11,873,326
105,136,103	96,498,010
6,655,498	15,293,590

07.00 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:

Opening balance

Add: Addition made during the year

Less: Adjustment/transfer to appropriate asset category

Closing balance

D. Total (A+B+C)

415,693,718	439,436,688
2,181,807,754	630,426,268
(541,641,026)	(654,169,238)
2,055,860,446	415,693,718
216,465,056	413,241,390
120,728,188	334,441,319
(260,400,021)	(531,217,652)
76,793,223	216,465,056
-	12,244,173
-	200,000
-	(12,444,173)
-	-
2,132,653,668	632,158,774

07.01 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.

08.00 INVESTMENT

Investment in shares (unquoted)

Total

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

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

09.00 INVENTORIES

Raw material

Finished goods

Stores and spare parts

Work-in-process

Material in transit

Total

3,466,210,893	3,898,770,328
1,203,395,704	1,215,595,253
1,803,362,231	1,308,267,084
1,432,960,812	1,473,807,724
743,883,939	373,460,567
8,649,813,578	8,269,900,957

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

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

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

09.04 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 .

10.00 TRADE & OTHER RECEIVABLES

		Amount in Taka	
		As At 30 June 2023	As At 30 June 2022
Trade receivables	NOTE: 10.01	822,818,688	722,461,018
Other receivables	NOTE: 10.02	576,200,040	292,185,103
Total		1,399,018,728	1,014,646,121

10.01 Trade receivables:

	822,818,688	722,461,018
Toiletries product	1,068,368	-
Paper product	506,215,938	333,146,678
Paper sack product	13,585,423	13,773,591
Tissue products	161,576,180	149,692,851
Hygiene product	47,674,033	20,019,068
Export	92,698,746	205,828,830

10.02 Other receivables:

	576,200,040	292,185,103
Other receivables	408,603,809	196,201,164
Cash incentive receivables	167,596,231	95,983,938

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

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

30-Jun-22	0-90 days past due	90-180 days past due	Dues over 6 months	Total
Paper products	143,893,836	98,231,109	91,021,733	333,146,678
Paper sack products	3,189,716	1,470,655	9,113,220	13,773,591
Tissue products	110,315,202	18,167,252	21,210,397	149,692,851
Hygiene products	13,551,893	403,330	6,063,845	20,019,068
Export	208,252,172	3,209,758	(5,633,101)	205,828,830
Total	479,202,819	121,482,104	121,776,094	722,461,018

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

Maturity within 3 months	556,758,167	479,202,819
Maturity over 3 months but within 6 months	74,673,429	121,482,104
Maturity more than 6 months	191,387,092	121,776,094
Total	822,818,688	722,461,018

Debts considered Good & Secured	527,345,095	589,000,177
Debts considered Good without security	-	-
Debts considered doubtful & bad	-	-
Debts due by directors or other officers & staffs	-	-
Debts due from companies under same management	295,473,593	133,460,841
Maximum debt due by directors or officers & staffs at any time	-	-
Total	822,818,688	722,461,018

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

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

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

11.00 ADVANCES, DEPOSITS AND PREPAYMENTS

		Amount in Taka	
		As At 30 June 2023	As At 30 June 2022
<u>Advances:</u>			
Advance against advertisement		2,279,896	3,194,721
Advance against Legal and consultancy		1,080,000	1,080,000
Advance against insurance premium		2,014,432	105,544
Advance against land and land development	NOTE: 11.08	75,101,339	47,101,339
Advance against motor vehicle		1,070,057	4,420,513
Advance to employee		2,057,262	1,510,540
Advance to other expense		38,839,039	14,346,146
Advance to suppliers	NOTE: 11.09	116,983,111	121,277,349
SD current account	NOTE: 11.10	60,072	80,784
VAT current account	NOTE: 11.10	13,019,762	38,754,057
Total advance		252,504,970	231,870,993
<u>Deposit:</u>			
Bank guarantee margin	NOTE: 11.11	16,075,457	17,459,335
Deposit to Bangladesh Bank	NOTE: 11.12	150,000,000	150,000,000
L/C margin deposit	NOTE: 11.13	264,783,285	213,556,112
Security deposit	NOTE: 11.14	82,077,145	82,893,179
Total deposits		512,935,887	463,908,627
Total		765,440,857	695,779,620
11.01	These include dues realizable/adjustable within one year from the balance sheet date	177,403,631	184,769,654
11.02	These include aggregate amount due by, executives, managers, officers and staffs	2,057,262	1,510,540
11.03	The maximum aggregated amount due by executives, managers, officers and staffs of the company at the end of any month during the year	400,000	400,000
11.04	Advance recoverable in cash	2,057,262	1,510,540
11.05	Advance outstanding for a year exceeding six months	75,101,339	47,101,339
11.06 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994			
Advance, deposits & prepayments considered good & secured		762,983,595	693,869,080
Advance, deposit & prepayments considered Good without security		-	-
Advance, deposit & prepayments considered doubtful & bad		-	-
Advance, deposit & prepayments due by directors or other officers & staffs		2,057,262	1,510,540
Advance, deposit & prepayments due from companies under same management		-	-
Maximum advance due by directors or officers & staffs at any time		400,000	400,000
Total		765,440,857	695,779,620
11.07	All advances and deposits amount are considered good and recoverable. There is no agreement amount due from directors or officers of the Company.		
11.08	This represent advance paid for earth and sand filling and land purchase.		
11.09	Advance to suppliers due to advances given to suppliers for local raw materials, packing materials, spare parts, construction materials etc.		
11.10	The company has no pending current liability for VAT and SD. VAT and SD current account showed positive balance (advance payment) as of 30 June 2023.		
11.11	This represents the guarantee margins with different banks against guarantee provided by them favoring suppliers and other parties.		
11.12	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.

11.13 L/C Margin Deposit:

Shahjalal Islami Bank Ltd.
Janata Bank Ltd.
First Security Islami Bank Ltd.
South East Bank Ltd.
National Bank Ltd.

Amount in Taka	
As At 30 June 2023	As At 30 June 2022
12,037,367	7,802,408
95,008,703	94,706,860
43,408,617	39,325,454
63,007,498	38,821,432
51,321,100	32,899,959
264,783,285	213,556,112

11.14 Security Deposit:

Name of Company/ Party	Purpose	30-Jun-23	30-Jun-22
Titas Gas Co. Ltd.	Supply of GAS	70,134,867	70,134,867
DESA	Supply of Electricity	3,600,000	3,600,000
BTCL	Telephone line	125,000	125,000
Rent-A-Car	Transport support	152,000	152,000
Narayanganj Polli Bidyut Samity	Supply of Electricity	464,000	464,000
Comilla polly Biddut Samity-1	Supply of Electricity	2,534,400	2,534,400
CSD Filling Station	Gas filling for vehicle	75,000	75,000
Bangladesh Oxygen Ltd.	Supply of Oxygen	40,000	40,000
Pacific Bangladesh Telecom Limited	Telecom Service	2,500	2,500
Ansar & VDP Munshigonj	Security Service	490,134	490,134
Aktel	Mobile Service	82,062	82,062
Different Institution	Tender purpose	4,377,182	5,193,216
Total		82,077,145	82,893,179

12.00 ADVANCE INCOME TAX

Opening balance	366,547,565	436,146,583
Add: Addition during the year, on:	124,259,791	113,250,655
Import of raw materials and machineries	51,989,614	41,445,734
Interest income	257,131	77,058
Sales	62,027,315	54,920,927
License, renewal and registration	8,018,000	7,864,487
Others	1,967,732	8,942,449
Less: Adjusted during the year	-	(182,849,673)
Closing balance	490,807,356	366,547,565

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

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

13.00 CASH AND BANK EQUIVALENTS

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

Cash in hand	13,732,500	9,615,316
Bkash Account	120,060	63,485
Cash at bank	339,476,188	403,258,835
Current deposit	292,933,390	335,995,821
Short term bank deposits (STD)	46,542,798	67,263,014
Cash and bank balances in the statement of cash flows	353,328,748	412,937,636

Note: 53.3.1 (b)

14.00 SHARE CAPITAL

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

Authorized share capital:

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

Issued, subscribed & paid up:

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

Total

Amount in Taka	
As At 30 June 2023	As At 30 June 2022
5,000,000,000	5,000,000,000
1,737,914,410	1,737,914,410
1,737,914,410	1,737,914,410
1,737,914,410	1,737,914,410
-	-
1,737,914,410	1,737,914,410

14.01 Movement of share capital:

Opening balance

Issuance of ordinary shares during the year

Closing balance

14.02 Position of shareholding

14.02.1 Percentage of Shareholders

Name of shareholders	30-Jun-23		30-Jun-22	
	Nos. of Shares	Percentages of holdings	Nos. of Shares	Percentages of holdings
Mr. Ahmed Akbar Sobhan	4,000,000	2.30%	4,000,000	2.30%
Mrs. Afroza Begum	5,885,200	3.39%	5,885,200	3.39%
Mr. Sadat Sobhan	8,203,000	4.72%	8,203,000	4.72%
Mr. Shafiat Sobhan	200,000	0.12%	8,203,000	4.72%
Mr. Sayem Sobhan	3,203,000	1.84%	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	39,044,666	22.47%	26,041,666	14.98%
Total	173,791,441	100%	173,791,441	100%

14.02.2 Classification of shareholder's by holding range

Holding range	No of Share holders		No of shares	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
1-500 shares	10,450	7,052	1,784,272	1,145,836
501 to 5,000 shares	5,314	2,656	9,085,153	4,848,491
5,001 to 10,000 shares	653	391	4,921,308	2,965,359
10,001 to 20,000 shares	321	219	4,620,407	3,100,981
20,001 to 30,000 shares	107	86	2,652,793	2,115,205
30,001 to 40,000 shares	54	36	1,884,248	1,244,086
40,001 to 50,000 shares	31	29	1,433,490	1,326,059
50,001 to 100,000 shares	47	35	3,442,983	2,559,279
100,001 to 1,000,000 shares	35	28	7,150,889	6,736,370
1,000,001 to 1,000,000,000 shares	7	7	136,815,898	147,749,775
Total	17,019	10,539	173,791,441	173,791,441

15.00 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

16.00 REVALUATION RESERVE

		Amount in Taka	
		As At 30 June 2023	As At 30 June 2022
Opening Balance		6,699,420,709	2,306,671,844
Add: Addition during the year		-	4,406,185,151
Increase arising on revaluation of freehold land		-	4,542,458,919
Related tax	NOTE 16.01	-	(136,273,768)
Adjustment for deferred tax liability		277,586,516	-
Less: Transferred to retained earnings		(12,783,890)	(13,436,286)
Depreciation on revaluation reserve		(15,979,862)	(16,795,358)
Deferred tax on revaluation reserve		3,195,972	3,359,072
Closing Balance		6,964,223,335	6,699,420,709

16.01 Tax rate, as per Section 125 of the Income Tax Act 2023 read with Income Tax Rule 17II

17.00 RETAINED EARNINGS

Opening balance	2,893,522,862	2,580,788,166
Add: Profit attributable to the owners of the Company	455,010,739	507,848,139
Transferred from properties revaluation reserve	12,783,890	13,436,286
Less: Payment of dividend	(173,791,441)	(208,549,729)
Closing balance	3,187,526,050	2,893,522,862

18.00 LONG TERM BORROWINGS

Long term borrowings	15,047,175,229	14,520,511,661
Other Finance	739,669,836	835,884,312
Total Long Term borrowings	15,786,845,065	15,356,395,973
Less: Current portion of long term borrowings	(2,009,642,491)	(1,981,213,717)
Due after one year	13,777,202,574	13,375,182,257

18.01 The details of bank loan arrangement is enumerated below:

Type of loan	Limit in Crore	Purpose	Security
Project loan	55.15	To establish and support the project.	2,135.25 decimal of project land at Sonargaon, Narayanganj and plant & machineries
Term loan	1,636.20	1. Importation of raw materials and spare parts. 2. To retire import documents. 3. To meet working capital requirements.	1. 718.4224 decimal plant land at Sonargaon, Narayanganj . 2. 5,319.54 decimal land at Bashundhara Baridhara Project. 3. 1,195.69 decimal of land at Bashundhara Riverview project. 4. 1,48,556.27sft. Floor space at Bashundhara City Development Ltd. 5. Project plant & machineries.

19.00 LEASE LIABILITIES

Islamic Finance & Investment Ltd.	-	16,153,364
First Security Islami Bank Ltd.	-	-
Total lease liabilities	-	16,153,364
Less: Current portion of lease liabilities	-	(16,153,364)
Due after one year	-	-

20.00 DEFERRED TAX (ASSETS) / LIABILITIES

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

		Amount in Taka	
		As At 30 June 2023	As At 30 June 2022
Opening balance		1,094,236,481	930,887,110
Provided during the year:		133,539,843	163,349,371
Deferred tax income		112,869,566	(110,462,244)
Deferred tax expense		20,670,277	380,301,667
Deferred tax income resulting from reduction in income tax rate		-	(106,490,052)
Adjustment made during the year		(277,586,516)	-
Closing balance		950,189,808	1,094,236,481

20.01 Temporary timing difference:

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

As at June 30, 2022	Accounting base Carrying Amount	Tax base Carrying Amount	Temporary Difference
Property, Plant and equipment	15,564,035,688	(8,472,646,171)	7,091,389,518
Right-of-use assets	15,293,590	(21,611,286)	(6,317,696)
Intangible assets	156,255,465	(111,453,604)	44,801,861
Pre-operating expenses	-	(51,299,323)	(51,299,323)
Unused tax loss carry forward	-	(2,148,409,933)	(2,148,409,933)
Difference for vehicle	-	(2,734,051)	(2,734,051)
Net taxable temporary difference	15,735,584,744	(10,808,154,368)	4,927,430,376
Applicable tax rate			20%
Deferred tax liability-30 June 2022			985,486,075
Less: Deferred tax liability-30 June 2021			(958,410,472)
Adjustment to opening deferred tax liability resulting from reduction in tax rate @ 2.50%			106,490,052
Deferred tax expense/ (income) for the year			133,565,656

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-23	Property, plant & equipment	1,327,525,473			
	Less: Adjustment with revaluation reserve	(278,303,144)	20,498,806	-	1,348,024,278
	Property, plant & equipment	1,049,222,329	20,498,806	-	1,069,721,134
	Difference for vehicle*	(546,810)	(1,091,271)	-	(1,638,081)
	Intangible assets	8,960,373	749,749	-	9,710,122
	Pre-operating expenses	(10,259,864)	512,993	-	(9,746,871)
	Unused tax loss	(429,681,986)	113,732,733	-	(315,949,253)
	Right-of-use assets	(1,263,539)	(863,167)	-	(2,126,706)
	Revaluation	199,502,836			
	Less: Adjustment with revaluation reserve	716,628	-	-	199,502,836
	Revaluation	200,219,463	-	-	200,219,463
	Total	1,016,152,801	133,539,843	-	950,189,809

Year	Particulars	Opening balance	Recognized in profit & loss	Recognized in Other Comprehensive Income	Closing balance
30-Jun-22	Property, plant & equipment	1,232,326,089	95,199,384	-	1,327,525,473
	Difference for vehicle	(768,952)	222,142	-	(546,810)
	Intangible assets	8,794,437	165,936	-	8,960,373
	Pre-operating expenses	(12,149,839)	1,889,975	-	(10,259,864)
	Unused tax loss	(360,578,074)	(69,103,912)	-	(429,681,986)
	Right-of-use assets	34,382	(1,297,921)	-	(1,263,539)
	Revaluation	63,229,068	-	136,273,768.00	199,502,836
	Total	930,887,109	27,075,604	136,273,768	1,094,236,481

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 the Income Tax Act 2023, depreciation on such cars is allowed only up to certain limit of cost (currently Tk. 3,000,000 per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

21.00 LONG TERM BORROWINGS-CURRENT PORTION

Bank loan
Finance Lease obligation
Total

Amount in Taka	
As At 30 June 2023	As At 30 June 2022
2,009,642,491	1,981,213,717
-	16,153,364
2,009,642,491	1,997,367,081

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

22.00 SHORT TERM BORROWINGS

Short term borrowings
Total

4,911,371,931	3,993,660,017
4,911,371,931	3,993,660,017

22.01 The details of bank loan arrangement is enumerated below:

Loan type	Limit in crore	Purpose	Security
Overdraft	171.00	1. Importation of raw materials and spare parts.	1. 718.4224 decimal plant land at Sonargaon, Narayanganj.
Time loan		2. To retire import documents.	2. 5,319.54 decimal land at Bashundhara Baridhara Project.
/Demand loan		3. To meet working capital requirements.	3. 1,195.69 decimal of land at Bashundhara Riverview project.
/Force loan/ UPAS/ LC/ ABP	1,900.00		4. 1,48,556.27sqft. Floor space at Bashundhara City Development Ltd.
			5. Project plant & machineries.
LTR	120.00		

23.00 TRADE AND OTHER PAYABLES

Trade Payable
Other Payable
Total

NOTE 23.01	1,426,834,637	519,303,467
NOTE 23.02	917,394,729	676,113,458
	2,344,229,365	1,195,416,925

23.01 Trade Payables

Unit - 1
Unit - 2
Unit - 3
Total

866,543,639	276,746,149
232,295,981	20,871,719
327,995,018	221,685,600
1,426,834,637	519,303,467

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

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

23.02 Other Payable for

	Amount in Taka		
	As At 30 June 2023	As At 30 June 2022 Restated	Reported
Advertisement	96,173,011	102,009,054	102,009,054
C & F bill	26,121,985	28,526,778	28,526,778
Consultancy	322,500	857,500	857,500
Insurance premium	2,243,902	1,309,422	1,309,422
Motor vehicle	4,620,794	2,091,278	2,091,278
Office rent	2,498,750	1,980,600	1,980,600
Provident fund	3,346,186	2,930,156	2,930,156
VAT and Tax & VAT at source	59,113,997	7,114,358	7,114,358
Workers' profit participation & welfare fund	91,573,525	80,088,733	80,088,733
Contractor	69,234,403	43,881,377	43,881,377
Utility bill	384,349,485	205,546,010	205,546,010
Other expenses	173,806,701	195,588,705	195,588,705
Unclaimed Dividend Account	-	-	3,373,341
Unclaimed Subscription	301,054	301,054	301,054
Security deposit dealer/ distributor	3,688,434	3,888,434	3,888,434
Total	917,394,729	676,113,458	679,486,799

23.2.1 All accrued expenses are paid on regular basis.

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

23.2.3 All the utility bills like gas, electricity and others for the month of June 2023 has been paid to the subsequent month.

24.00 UNCLAIMED DIVIDEND ACCOUNT

Unclaimed Dividend	3,987,681	3,373,341
Total	3,987,681	3,373,341

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

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

Year	Dividend Rate	Gross Dividend Amount	Net Dividend Amount	Unclaimed Amount	Remarks
2017-2018	20%	347,582,882	290,094,559	1,112,702	Cash Dividend
2018-2019	15%	39,062,499	33,319,400	1,464,655	Cash Dividend
2019-2020	10%	26,041,666	22,347,982	249,780	Cash Dividend
2020-2021	12%	208,549,729	174,210,466	580,475	Cash Dividend
2021-2022	10%	173,791,441	155,001,937	580,070	Cash Dividend

25.00 PROVISION FOR EXPENSES

Audit fees	522,000	460,000
Other expense	1,147,846	701,873
Total	1,669,846	1,161,873

26.00 INCOME TAX PROVISION

Opening balance	123,271,488	173,216,625
Add: Current tax expense in respect of the current year	79,148,635	67,569,788
Less: Adjustment made during the year	-	(117,514,925)
Closing balance	202,420,124	123,271,488

26.01 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
2022-2023	2023-2024	-	Current year	-	202,420,124
2021-2022	2022-2023	83(2)/82C	Assessment is underway	5,678,108	123,271,488
2020-2021	2021-2022	83(2)/82C/156	Assessment is underway	17,730	55,701,700

27.00 REVENUE FROM CONTRACTS WITH CUSTOMERS

Gross Local Sales
Less: VAT
SD

Net Local Sales

Export Sales

Total Net Sales

Amount in Taka	
2022-2023	2021-2022
12,746,755,101	10,738,283,918
(763,379,480)	(655,017,487)
(50,158,549)	(42,699,995)
11,933,217,072	10,040,566,435
1,255,003,933	1,197,400,812
13,188,221,005	11,237,967,247

27.01 Segment revenues:

The following is an analysis of the Company's gross revenue including export sales from operations of its major products and services by reportable segment for the year ended 30 June 2023:

Products	UNIT-1	UNIT-2	UNIT-3	Total
Local Sales	5,156,198,156	692,250	7,589,864,695	12,746,755,101
Paper product	3,920,922,811	692,250	1,349,452,206	5,271,067,267
Tissue product	1,021,622,836	-	4,617,501,947	5,639,124,783
Paper Sack product	41,634,950	-	-	41,634,950
Toiletries product	172,017,559	-	-	172,017,559
Hygiene product	-	-	1,622,910,542	1,622,910,542
Export Sales	964,630,774	-	290,373,159	1,255,003,933
Paper product	112,572,141	-	178,646,194	291,218,335
Tissue product	852,058,633	-	111,726,965	963,785,598
Total	6,120,828,929	692,250	7,880,237,855	14,001,759,034

	In USD (\$)		In BDT (Taka)	
27.02 Revenue from export	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Paper product	2,783,795	3,255,423	291,218,335	281,089,511
Tissue paper product	9,212,955	10,612,210	963,785,598	916,311,301
Hygiene product	-	-	-	-
Total	11,996,749	13,867,633	1,255,003,933	1,197,400,812

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

Opening stock of finished goods	1,215,595,253	1,114,965,573
Add: Cost of goods manufactured	10,560,630,836	9,088,244,779
Cost of goods available for sale	11,776,226,089	10,203,210,352
Less: Closing stock of finished goods	(1,203,395,704)	(1,215,595,253)
Cost of Sales	10,572,830,386	8,987,615,098

28.01 Cost of goods manufactured

Material Consumption	7,566,269,259	6,588,543,228
Opening stock	3,898,770,329	3,987,540,727
Add: Purchase during the year	7,133,709,823	6,499,772,830
Less: Closing stock	(3,466,210,893)	(3,898,770,328)
Factory overhead	2,953,514,664	2,518,978,438
Salary and allowances	643,239,876	634,411,886
Gas bill	1,150,669,293	719,530,341
Electricity bill	19,136,620	15,108,111
Labour and wages	155,335,227	152,097,492
Repair and maintenance	76,510,743	101,051,018
Other direct expenses	46,156,973	60,540,495
Depreciation	862,465,931	836,239,095
Add: Opening work in process	1,473,807,725	1,454,530,838
Less: Closing work in process	(1,432,960,812)	(1,473,807,724)
Total	10,560,630,836	9,088,244,779

NOTE: 28.01

NOTE: 28.1.1
Annex.-A& C

28.1.1 Other direct expenses

	Amount in Taka	
	2022-2023	2021-2022
Carriage inwards	11,865,251	18,456,298
Conveyance	797,016	646,991
Entertainment	1,494,215	7,797,487
License, renewal and registration	765,333	3,166,198
Office expense	578,162	1,605,416
Office repair & maintenance	4,685	1,675,031
Vehicle Oil, fuel, CNG, lubricant & maintenance	16,171,541	13,665,810
Company's contribution to PF	12,394,836	11,038,906
Postage, telephone and fax	1,365,745	1,739,611
Rent, rates & taxes	622,550	676,410
Stationery	97,638	72,338
Total	46,156,973	60,540,495

28.02 Analysis of materials consumed

Category	Unit	Quantity		Value	
		30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Raw materials	MT	107,458	83,001	6,578,643,888	5,742,192,670
Chemicals	MT	4,177	3,497	719,263,812	512,170,550
Packing materials	Various	-	-	268,361,559	334,180,008
Total		111,635	86,498	7,566,269,259	6,588,543,228

28.03 Quantitative details of raw materials

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

Description	Unit	Opening Stock	Purchase	Consumption	Closing Stock
30-Jun-22					
Raw materials	MT	19,767	97,388	83,001	34,154
Chemicals	MT	4,184	2,661	3,497	3,348

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

28.04 Quantitative details of finished goods

Items	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-23					
Paper Products	MT	1,468.70	50,803.44	50,787.35	1,484.80
Tissue Products	MT	2,127.82	36,978.53	37,878.22	1,228.13
Hygiene Products	KG	415,091.78	4,319,205.27	4,548,774.14	185,522.91
	Various	96,405.15	1,990,023.60	2,006,806.60	79,622.15
Toiletries Products	Various	317,915.00	1,488,444.39	1,499,843.47	306,515.92

Items	Unit	Opening Stock	Production	Sales	Closing Stock
30-Jun-23					
Paper Products	MT	2,549.16	43,640.95	44,721.42	1,468.70
Tissue Products	MT	1,316.15	27,223.05	26,411.38	2,127.82
Hygiene Products	KG	465,704.78	5,379,938.00	5,430,551.00	415,091.78
	PKT	99,306.15	1,376,047.00	1,378,948.00	96,405.15
Toiletries Products	Various	246,443.00	4,924,306.00	4,852,834.00	317,915.00

29.00 ADMINISTRATIVE EXPENSES

		Amount in Taka	
		2022-2023	2021-2022
Audit fee		522,000	575,000
Credit Ratings Fees		300,000	300,000
Salaries and allowances		214,673,370	193,856,859
Director remuneration		62,000,000	18,000,000
Entertainment		3,038,502	3,436,280
Insurance premium		10,500,669	15,695,074
Advisory, legal and consultancy		542,400	881,270
License, renewal and registration		5,634,942	7,500,087
Corporate and Social responsibility expenses		17,383,798	10,253,917
Rent and rates		7,379,502	7,781,717
Office repair and maintenance		5,741,179	7,745,161
IT & computer expense		889,856	1,399,247
Annual General Meeting expense		645,564	656,555
Postage, telegram and fax		744,743	1,354,949
Company's contribution to Provident Fund		6,265,684	5,396,567
Stationery		18,320	49,926
Telecommunication expense		3,746,267	6,512,052
Travelling and Conveyance		1,486,674	1,280,654
Utilities		6,444,981	5,766,322
Vehicle running and maintenance		5,172,803	5,153,863
Vehicle oil, fuel & lubricant		7,153,760	6,101,320
Vehicle rent		-	524,622
Depreciation & Amortization	Annex.-A & C	53,832,346	51,192,148
Total		414,117,360	351,413,590

29.01 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. Mostafa Azad Mohiuddin	Independent Director	-	-	-
Mr. Khawaja Ahmedur Rahman	Independent Director	-	-	-
Mr. Safwan Sobhan	Managing Director	62,000,000	14,308,328	47,691,672
Total		62,000,000	14,308,328	47,691,672

30.00 SELLING AND DISTRIBUTION EXPENSES

Salaries and allowances	183,691,789	170,978,360
Advertisement	16,032,703	12,253,954
Carriage outwards	10,021,932	6,276,788
Company's contribution to Provident Fund	322,700	184,280
Commission on sales	11,611,275	8,275,531
Conveyance	1,401,363	1,065,408
Total	223,081,762	199,034,321

31.00 FINANCE COSTS

Interest on bank overdrafts and loans	1,361,603,167	1,129,804,948
Bank charges and commission	11,532,771	5,359,177
Interest on obligations under finance lease	1,198,462	18,165,579
Total financial expense	1,374,334,400	1,153,329,704
Less: Amounts included in the cost of qualifying assets	-	-
Total	1,374,334,400	1,153,329,704

32.00 OTHER INCOME

Scrap sales & other recoveries
Cash Incentive
Foreign Exchange gain
Other Income
Interest income
Total

Amount in Taka	
2022-2023	2021-2022
2,035,618	22,867,472
91,288,293	127,603,270
3,836,835	4,829,587
640,817	305,622
1,182,621	796,650
98,984,185	156,402,602

33.00 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

79,148,635	132,904,536
79,148,635	67,569,788
-	65,334,748

b. Deferred tax expense/ (income):

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

133,539,843	27,075,603
133,539,843	133,565,656
-	(106,490,052)

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

212,688,479	159,980,139
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33.01 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

667,699,217	667,828,279
-	-

Tax on accounting profits @ 20% (2021-2022 @ 20%)

667,699,217	667,828,279
133,539,843	133,565,656

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

-	-
-	-
-	-
-	-
79,148,635	67,569,788
-	-
-	-
-	-
-	(106,490,052)
-	-

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

212,688,479	94,645,392
-	65,334,748

Income tax expense recognized in profit or loss

212,688,479	159,980,140
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34.00 EARNINGS PER SHARE (EPS)

34.01 Basic Earnings per Share:

Profit attributable to the Ordinary Shareholders
Weighted Average Number of shares
Basic Earnings Per Share

455,010,739	507,848,139
173,791,441	173,791,441
2.62	2.92

34.02 Diluted Earnings Per Share:

As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

34.03 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.

34.04 Total Number of Ordinary Share outstanding

Opening number of shares outstanding
Add: Ordinary shares issued during the year
Total

Amount in Taka	
2022-2023	2021-2022
173,791,441	173,791,441
-	-
173,791,441	173,791,441

34.05 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.

34.06 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.

35.00 CAPITAL COMMITMENT

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

-	-

36.00 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.	2,647,832,847	2,135,561,124
VAT claimed which is under jurisdiction of Hon'ble Supreme Court.	20,752,670	20,752,670
Claim of income tax against the company.	5,695,838	1,029,584
Guarantees issued by the Company's scheduled bank to third parties on counter indemnities given by the Company.	160,754,569	174,593,359
Claims against the Company acknowledge as debts.	-	-
Total	2,835,035,924	2,331,936,737
Capital commitment and Contingent liabilities	2,835,035,924	2,331,936,737

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

Shahjalal Islami Bank Ltd.	120,373,673	78,024,085
Janata Bank	950,087,026	947,068,598
First Security Islami Bank Ltd.	434,086,173	393,254,536
South East Bank Ltd.	630,074,975	388,214,315
National Bank Ltd.	513,211,000	328,999,590
Total	2,647,832,847	2,135,561,124

36.02 Bank Guarantee

Social Islami Bank Ltd.	-	13,312,030
Mercantile Bank Ltd.	300,000	300,000
Southeast Bank Ltd.	126,280,000	129,440,000
Shahjalal Islami Bank Ltd.	34,174,569	31,541,329
Total	160,754,569	174,593,359

36.03 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.

37.00 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.

		Amount in Taka	
		2022-2023	2021-2022
37.01 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		1,014,646,121	766,820,718
Add: Sales during the year		14,001,759,034	11,935,684,729
Closing trade and other receivables except receivable against cash Incentive		(1,470,631,021)	(1,039,126,531)
Total		13,545,774,133	11,663,378,917
37.02 Receipts from other income:			
Other income	NOTE: 32.00	98,984,185	156,402,602
Less: Increase/ (Decrease) in incentive receivables		71,612,293	24,480,410
Total		170,596,478	180,883,012
37.03 Cash payment to suppliers, employees and others:			
Purchase of raw materials		7,133,709,823	6,499,772,830
Administrative expense		414,117,360	351,413,590
Workers' profit participation & welfare fund		35,142,064	35,148,857
Selling & distribution expense		223,081,762	199,034,321
Factory overhead		2,953,514,664	2,518,978,438
Increase/ (decrease) in material in transit		370,423,372	63,274,238
Increase/ (decrease) in Stores and spare parts		495,095,147	310,231,334
(Increase)/ decrease in trade payables and other payable		(1,146,282,924)	(55,713,050)
Increase/ (Decrease) in Unclaimed dividend		(614,341)	-
(Increase)/ decrease in provision for expense		(507,973)	50,581,889
Increase/ (decrease) in advance, deposit & prepayments		45,011,693	(47,865,327)
Adjustment for non-cash item:			
Amortization of intangible assets		(8,439,402)	(7,179,564)
Depreciation expense		(907,858,875)	(880,251,679)
Total		9,606,392,372	9,037,425,875

38.00 SEGMENT REPORTING

BPML essentially provides similar products and services to customers across the country and its products and services essentially have similar risk profile. BPML's business is not organized in product or geographical components and its operating result is reviewed as a whole by its management. Hence, segment information is not relevant. However, based on the business segment, segment result for the year ended June 30, 2023 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	2022-2023	2021-2022
Revenue, net of VAT	13,188,221,005	11,237,967,247
Cost of sales	10,572,830,386	8,987,615,098
Gross Profit	2,615,390,619	2,250,352,148
Assets and Liabilities		
Segment Assets excludes Cash & Cash Equivalents	37,476,632,159	34,441,173,100
Segment Liabilities excludes tax liabilities	23,998,293,697	21,660,397,974

39.00 RELATED PARTY TRANSACTIONS

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

39.01 Loans to/from related parties:

Name of related Companies	Relationship	Nature of transaction	30-Jun-23	Compensation
East West Property Development (Pvt.) Ltd.	Shareholder & Sister Concern	Long term Loan	(1,120,010,109)	Market Price
East West Media Group Ltd.	Sister Concern	Short term Loan	171,078,846	Market Price
Bashundhara Steel and Engineering Ltd.	Sister Concern	Short term Loan	56,790,293	Market Price
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Short term Loan	(243,037,559)	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	(178,172,492)	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	25,417,465	Market Price
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Short term Loan	(10,434,169)	Market Price
Bashundhara Packaging & Accessories Industries Ltd.	Sister Concern	Short term Loan	1,371,500	Market Price
Bashundhara LP Gas Ltd.	Sister Concern	Short term Loan	(189,475,479)	Market Price
Bashundhara Airways Ltd.	Sister Concern	Short term Loan	236,739,701	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 Ltd.	Sister Concern	Short term Loan	192,989,776	Market Price
Bashundhara Chemical Industries Ltd.	Sister Concern	Short term Loan	12,220,000	Market Price
Toggi Services Ltd.	Sister Concern	Short term Loan	72,300,000	Market Price
Toggi Real Estate & Construction Ltd.	Sister Concern	Short term Loan	18,996,441	Market Price
Bashundhara Multi Trading Ltd.	Sister Concern	Short term Loan	(393,481)	Market Price
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Short term Loan	(56,793,720)	Market Price
Toggi Shipping & Logistics Ltd.	Sister Concern	Short term Loan	-	Market Price
Bashundhara Readymix & Construction Industries Ltd.	Sister Concern	Short term Loan	32,575,000	Market Price
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Short term Loan	110,007,000	Market Price
Millennium Media Ltd.	Sister Concern	Short term Loan	49,300,000	Market Price

39.1.1 The movement during the year under review is enumerated below:

Name of related Companies	Transaction during the year		30-Jun-23	30-Jun-22
	Provided	Adjusted		
East West Property Development (Pvt.) Ltd.	70,466,616	117,418,000	(1,127,616,109)	(1,080,664,726)
East West Media Group Ltd.	15,000,000	-	171,078,846	156,078,846
Bashundhara Steel and Engineering Ltd.	-	-	56,790,293	56,790,293
Bashundhara Multi-Paper Industries Ltd.	548,500,000	519,627,000	(243,037,559)	(271,910,559)
Bashundhara Infrastructure Development Ltd.	-	-	3,281,222	3,281,222
Bashundhara Industrial Complex Ltd.	-	-	(170,566,492)	(170,566,492)
Bashundhara Industrial Complex Ltd.	-	-	265,000,000	265,000,000
Bashundhara Cement Industries Ltd.	-	-	(1,681,564)	(1,681,564)
Sundarban Industrial Complex Ltd.	-	-	25,417,465	25,417,465
Bashundhara Food & Beverage Industries Ltd.	-	-	(10,434,169)	(10,434,169)
Bashundhara Packaging & Accessories Industries Ltd.	-	-	1,371,500	1,371,500
Bashundhara LP Gas Ltd.	-	-	(189,475,479)	(189,475,479)
Bashundhara Airways Ltd.	25,486,680	-	236,739,701	211,253,021
Bashundhara Amusement Park Ltd.	-	-	22,897,872	22,897,872
Meghna Cement Mills Limited	-	-	54,363,621	54,363,621
Bashundhara Industrial Economic Zone Ltd.	21,000,000	21,000,000	192,989,776	192,989,776
Bashundhara Chemical Industries Ltd.	2,500,000	21,000,000	12,220,000	30,720,000
Toggi Services Ltd.	-	-	72,300,000	72,300,000
Toggi Real Estate & Construction Ltd.	16,099,441	-	18,996,441	2,897,000
Bashundhara Multi Trading Ltd.	1,824,737	-	(393,481)	(2,218,218)
Bashundhara Multi Steel Industries Ltd.	330,900,000	448,400,000	(56,793,720)	60,706,280
Bashundhara Readymix & Construction Industries Ltd.	232,575,000	200,000,000	32,575,000	-
Bashundhara Fine Paper Mills Ltd.	156,007,000	46,000,000	110,007,000	-
Millennium Media Ltd.	59,300,000	10,000,000	49,300,000	-

39.02 Trading transactions:

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of related parties, nature of these transactions and their outstanding amount have been set out in accordance with the provisions of IAS 24 : Related Party Disclosure.

Name of related Companies	Relationship	Nature of transaction	30-Jun-23	30-Jun-22
East West Property Development Ltd.	Shareholder/ Sister Concern	Trade payable/ receivable	34,362,292	(19,760,711)
Bashundhara Airways Ltd.	Sister Concern	Do	4,542,390	4,424,407
Bashundhara Amusement Park Ltd.	Sister Concern	Do	10,426,494	9,600,614
Bashundhara LP Gas Ltd.	Sister Concern	Do	10,270,155	(131,702,567)
Bashundhara Oil & Gas Company Ltd.	Sister Concern	Do	103,612	11,041
Bashundhara Multi-Paper Industries Ltd.	Sister Concern	Do	42,976,732	(154,132,864)
East West Media Group Ltd.	Sister Concern	Do	41,817,623	(3,722,980)
Sundarban Industrial Complex Ltd.	Sister Concern	Do	12,249,640	525,674
Meghna Cement Mills Ltd.	Sister Concern	Do	498,659	-
International Convention City Bashundhara	Sister Concern	Do	1,470,103	(7,660)
Bashundhara Food & Beverage Industries Ltd.	Sister Concern	Do	8,580,906	25,688,566
Bashundhara Infrastructure Development Ltd.	Sister Concern	Do	106,540	106,540
Toggi Services Ltd.	Sister Concern	Do	7,512,096	7,512,096
Bashundhara Industrial Complex Ltd.	Sister Concern	Do	(445,889)	(95,288)
Bashundhara Multi Food Industries Ltd.	Sister Concern	Do	3,345,697	6,087,723
Toggi Services Ltd.	Sister Concern	Do	(4,584,049)	(189,285)
Bashundhara Industrial Economic Zone Ltd.	Sister Concern	Do	14,289,877	14,282,163
Bashundhara Chemical Industries Ltd.	Sister Concern	Do	28,244,848	28,059,777
Toggi Real Estate Company Limited	Sister Concern	Do	2,823,202	2,823,202
Bashundhara Multi Trading Ltd.	Sister Concern	Do	3,439,082	3,358,847
Bashundhara Multi Steel Industries Ltd.	Sister Concern	Do	263,077,668	222,804,299
Toggi Shipping & Logistics Ltd.	Sister Concern	Do	709,094	530,255
Millennium Media Ltd.	Sister Concern	Do	(55,218,416)	(54,298,415)
Bashundhara Readymix & Construction Limited	Sister Concern	Do	38,122,345	36,852,849
Bashundhara Fine Paper Mills Ltd.	Sister Concern	Do	(365,114,032)	
Bashundhara Prefabricated Building Manufacturing Industries Ltd.	Sister Concern	Do	(1,448,059)	1,127,349

39.03 As per Company Act, 1994 part-II, Schedule-XI(4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-

Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager	62,000,000	18,000,000
Expenses reimbursed to Managing Agent	-	-
Commission or Remuneration payable separately to a managing agent or his associate	-	-
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	-	-
The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	-	-
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-	-
Other allowances and commission including guarantee commission Pensions etc.	-	-
(i) Pensions	-	-
(ii) Gratuities	-	-
(iii) Payments from a provident funds, subscription and interest thereon	-	-
(iv) Share Based payments	-	-

		Amount in Taka	
		2022-2023	2021-2022
39.04 Compensation of key management personnel during the year as follows:			
Short-term benefits		62,000,000	18,000,000
Post-employment benefits		-	-
Other long term benefits		-	-
Termination benefits		-	-
Share-based payments		-	-
Total		62,000,000	18,000,000

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

a) The amount of transaction	62,000,000	18,000,000
b) The amount of outstanding balance, including commitments, and:	(412,669,836)	(552,884,311)
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 year in respect of bad or doubtful debts due from related parties	Nil	Nil

39.06 Aggregated amount of Remuneration, Fess, Salary & Wages of employees are given below:

Directors Remuneration	62,000,000	18,000,000
Board Meeting Attendance Fees	-	-
Wages & Allowance	155,335,227	152,097,492
Salary & Allowance	1,041,605,035	999,247,105
Total	1,258,940,263	1,169,344,597

- 39.07 Transactions with related parties were carried out on commercial terms and conditions and at prices agreed based on intercompany prices.
- 39.08 Sales of goods to related parties were made at the Company's usual list price. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.
- 39.09 The amounts outstanding are unsecured and will be settled in cash without any appalling experience. No guarantees have been given or received. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by the Company and its related parties.

40.00 EMPLOYEES

Number of employees whose salary below Tk 3,000 per month	-	-
Number of employees whose salary above Tk 3,000 per month	4,445	3,670
Total	4,445	3,670

41.00 PRODUCTION CAPACITY & UTILIZATION

Machine production capacity and its utilization as on June 30, 2023 is as follows:

Product	UoM	Machine Origin Capacity	Machine Installed Capacity	Actual Production	Capacity utilized
Paper & Tissue	MT	143,909	98,289	61,828	63%
Paper & Tissue-Converting	MT	70,260	52,740	25,954	49%
Hygiene Products	KG	11,872,397	11,872,397	4,323,803	36%

		Amount in Taka	
		2022-2023	2021-2022
42.00 NET ASSET VALUE (NAV) PER SHARE			
Total Assets		37,829,960,907	34,854,110,736
Less: Intangible Assets		(154,131,537)	(156,255,465)
Total Liabilities		(24,200,713,820)	(21,783,669,463)
Net Asset Value (NAV)		13,475,115,550	12,914,185,808
Weighted Average Number of Ordinary shares outstanding during the year		173,791,441	173,791,441
Net Asset Value (NAV) Per Share (per value Tk. 10 each)		77.54	74.31
43.00 NET OPERATING CASH FLOW (NOCFPS) PER SHARE			
Net Operating Cash Flows		3,160,647,648	1,990,508,740
Weighted Average Number of Ordinary shares outstanding		173,791,441	173,791,441
Net Operating Cash Flows per share (per value Tk. 10 each)		18.19	11.45
44.00 RECONCILIATION OF OPERATING CASH FLOW WITH NET PROFIT			
Total Comprehensive Income for the year		455,010,739	507,848,139
Adjustment for:			
Income tax expense recognized in profit and loss		212,688,479	159,980,139
Workers' profit participation & welfare fund		35,142,064	35,148,857
Amortization of intangible assets		8,439,402	7,179,564
Depreciation of non-current assets		907,858,875	880,251,679
		1,619,139,559	1,590,408,378
Adjustment for separate consideration			
Finance cost recognized in profit and loss		1,362,801,629	1,147,970,527
Movements in working capital:			
(Increase)/decrease in inventories		(379,912,621)	(404,641,739)
(Increase)/decrease in trade and other receivables		(384,372,608)	(247,825,402)
(Increase)/decrease in advance, deposit and prepayment		(45,011,693)	47,865,327
Increase/(decrease) in trade payables & other payables		1,111,140,860	20,564,193
Increase/ (Decrease) in Unclaimed dividend		614,341	-
Increase/(decrease) in provision for expense		507,973	(50,581,889)
Cash generated from operations		302,966,251	(634,619,510)
Income taxes paid		(124,259,791)	(113,250,655)
Net cash (used in)/ generated by operating activities		3,160,647,648	1,990,508,740

45.00 SIGNIFICANT DEVIATIONS AND OUTLOOK

In the year 2022-23, economic activities continued to recover to a certain extent. Meanwhile, uncertainties remained high over matters such as prolongation of the situation. Under these circumstances, the Company worked to improve productivity by maintaining production systems in line with demand trends in each business and, in term of sales, strived to revise product prices and expand sales of new products.

Demand for paper and hygiene products are expected to remain stable in the company's main market. The seasonal impact in demand for tissue and hygiene products may increase delivery volumes to some extent. The average prices of all products are expected to increase slightly. Revenue is increased by 17.35% during the year 2022-2023 from the year of 2021-2022. The Company has invested for diversified hygiene and toiletries portfolio in recent years. Capacity of production is increased significantly as well as price of products in 2022-2023.

Earnings per share (EPS):

Management of the Company has taken responsive business strategy as a result sales increased by 17.35% which resulting increase in operating income 11.90%. But increase in interest rate resulted decrease in earnings per share from Tk. 2.92 to Tk. 2.62.

Net Operating cash flow per share (NOCFPS):

Net Operating cash flow per share (NOCFPS) increased from same year previous year because of increased in collection of trade and other receivables.

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

The Board of Directors in its meeting held on 29 October 2023 approved the financial statements of the company for the year ended 30 June 2023 and authorised the same for issue. The Board of Directors also recommended cash dividend @11% for the year ended 30 June 2023 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

No circumstances have arisen since the date of statement of financial position, which would require adjustment to or disclosure in the financial statement or notes thereto.

51.00 STATUS OF INCOME TAX ASSESSMENT

From the inception of the Company to the income Year 2019-2020 (Assessment year 2020-2021) has been completed. The status of income tax assessment of the Company is as under:

Income Year	Demand/ (Refund)	Status
IY: 2021-22 AY: 2022-23	5,678,108	The DCT has completed the assessment under Section 83(2)/82C on 21 June 2023 and issued a demand notice of Tk. 5,678,108/- against which the Company filled an appeal to the Commissioner of Taxes Appeals (CAT).
IY: 2020-21 AY: 2021-22	17,730	The DCT has completed the assessment under Section 83(2)/82C of ITO 1984 and issued a demand notice of Tk. 10,29,584/- against which the Company filed an appeal to the Taxes Commissioner (Appeal). The Learned CT (Appeal) has completed the appeal proceedings U/S 83(2)/82C/156 on 31.08.2022 and issued a revised demand notice of Tk. 17,730/- against which the Company further filed an appeal to The Taxes Appellate Tribunal.

52.00 GOING CONCERN BASIS OF ACCOUNTING

The development in the global economy is of vital importance for consumer spending, and this impacts the publication paper and packaging industry. The global economy is expected to remain weak in 2023-2024.

The economic impact of the 2022 Russian invasion of Ukraine began in late February 2022, in the days after Russia recognized two breakaway Ukrainian republics and launched an invasion of Ukraine. The subsequent economic sanctions have targeted large parts of the Russian economy, Russian oligarchs, and members of the Russian government. Both the conflict and the sanctions have had a strongly negative impact on the world economic recovery during the COVID-19 recession. Solid demand and supply chain disruptions in the post-COVID-19 environment before Russia's invasion of Ukraine.

The economic pressure came from high global commodity prices, high imported inflation, and supply chain disruptions. But Bangladesh is not the only country feeling the pressure. Furthermore, considering that ongoing austerity measures including power cuts, restricted use of foreign currency, and fuel rationing are yet to make any major dent in the crisis. The economy faces shrinking foreign exchange reserves, a growing trade deficit, record inflation, daily depreciation of the local currency, increase in interest rate and an intense energy crisis.

Sharp rises in the prices of fuels, affected the Company significantly. Under these circumstances, the Company worked to improve productivity by maintaining production systems in line with demand trends in each business and, in term of sales, strived to revise product prices and expand sales of new products.

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

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet the mandatory repayment terms of the banking facilities as disclosed in Note 18, 21 and 22 respectively.

The Companies retained earning stand at Tk. 3,187,526,050 as on June 30, 2023 which includes Tk.455,010,739 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 RISK MANAGEMENT

53.01 Basis of fair value measurement

As fair value is a market - based measurement, when measuring the fair value of an asset or a liability, BPML uses market observable data as far as possible though entity's intention to hold an asset or to settle or otherwise fulfil a liability is not relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

BPML recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

53.02 Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Reconciliation of carrying amount	Note	Carrying amount								Fair value			
		Held for trading	Designated at fair value	Fair value - hedging instruments	Held -to- maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2023:													
Financial assets measured at fair value		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value													
Trade receivables and Other receivables	10	-	-	-	-	1,399,018,728	-	-	1,399,018,728	-	-	-	-
Advances, deposits and prepayments	11	-	-	-	-	765,440,857	-	-	765,440,857	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	353,328,748	-	-	353,328,748	-	-	-	-
		-	-	-	-	2,517,788,333	-	-	2,517,788,333	-	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value													
Long term borrowings-current portion	21	-	-	-	-	-	-	2,009,642,491	-	-	-	-	-
Short term borrowings	22	-	-	-	-	-	-	4,911,371,931	-	-	-	-	-
Trade and other payables	23	-	-	-	-	-	-	2,344,229,365	-	-	-	-	-
		-	-	-	-	-	-	9,265,243,787	-	-	-	-	-
30 June 2022:													
Financial assets measured at fair value		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value													
Trade receivables and Other receivables	10	-	-	-	-	1,014,646,121	-	-	1,014,646,121	-	-	-	-
Advances, deposits and prepayments	11	-	-	-	-	695,779,620	-	-	695,779,620	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	412,937,636	-	-	412,937,636	-	-	-	-
		-	-	-	-	2,123,363,376	-	-	2,123,363,376	-	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value													
Long term borrowings-current portion	21	-	-	-	-	-	-	1,997,367,081	-	-	-	-	-
Short term borrowings	22	-	-	-	-	-	-	3,993,660,017	-	-	-	-	-
Trade and other payables	23	-	-	-	-	-	-	1,195,416,925	-	-	-	-	-
		-	-	-	-	-	-	7,186,444,023	-	-	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, trade and other payables, and other non-current liabilities because their carrying amounts are a reasonable approximation of fair values.

53.03 Financial Risk Management

The Company has exposure to the following risks:

- Credit risk
- liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework:

The Company's Board of Directors has overall responsibility for the establishment, developing, oversight and monitoring of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and system are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has established Internal Audit Department to oversee how management monitors compliance with the Company's risk management policies and procedures, compliance with operational and legal requirements, identification of foreseeable trends and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the Board of Directors.

The Company's financial liabilities mainly comprise trade and other payables and short term running finance. The main purpose of financial liabilities is to raise finance for the Company's operation. The Company's financial assets comprise loans to employees, trade and other receivables, bank balances. The Company is exposed to credit risk, liquidity risk and market risk.

53.3.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The management of the Company has established a credit policy under which each new customer is analyzed individually creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Purchase limit are established for each customer, these limits are reviewed regularly. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis. More than 80 percent of the Company's customers have been transacting with the Company since long, and no impairment loss has been recognized against these customers. Trade and other receivable relate mainly to the Company's Wholesale customer. The Company's maximum exposure to credit risk at the reporting date is as follows:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Amount in Taka	
	2022-2023	2021-2022
a) Exposure to credit risk:		
Trade receivables		
Local customer	730,119,942	516,632,188
Foreign customer	92,698,746	205,828,830
Advance, deposit and prepayments	765,440,857	695,779,620
Due/ (payable) from/to inter companies	(739,669,836)	(835,884,312)
Cash and bank balances	353,328,748	412,937,636
<i>The maximum exposure to credit risk for accounts receivable by geographic regions was:</i>		
Bangladesh	730,119,942	516,632,188
Asia	24,538,029	197,195,913
Europe	66,901,577	211,500
Australia	59,595	186,373
Africa	1,161,797	8,178,890
North America	37,749	56,154

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

Trade receivables	Amount in Taka	
	2022-2023	2021-2022
0-90 days past due	556,758,167	479,202,819
90-180 days past due	74,673,429	121,482,104
above 180 days past due	191,387,092	121,776,094
	822,818,688	722,461,018

c) Credit exposure by credit rating:

Trade receivables	822,818,688	722,461,018
Advance, deposit and prepayments	765,440,857	695,779,620
Other receivables	576,200,040	292,185,103

Cash and Bank balances:

Cash in hand	13,732,500	9,615,316
Bkash Account	120,060	63,485

Cash at bank:

Bank name & branch	Account No.	339,476,188	403,258,835
Agrani Bank Ltd., Principal Branch, Dhaka	CD: 11217-8	69,544	486,655
Al-Arafa Islami Bank Ltd., Motijheel Branch, Dhaka	CD-3059	10,613	11,303
Bank Asia Ltd., Bashundhara Branch	CD: 404, 568, 569	43,781,774	135,209,647
Bank Asia Ltd., Bashundhara Branch	SND: 0135	2,876,543	3,493,529
Bank Asia Ltd., Principal Branch	CD: 00333005904	251,813	305,103
Bank Asia Ltd., Bashundhara Branch	Dividend A/c - 02336000157	540,423	-
Bank Asia Ltd., Bashundhara Branch	Dividend A/c - 02336000163	625,837	-
Basic Bank Ltd., Bashundhara Br.	STD: 057	18,459	82,252
City Bank Ltd., Gulshan Avenue	CD-1263843958001	1,766,194	-
City Bank Ltd., Gulshan Avenue	ERQ-5123843958001	1,116,896	-
City Bank Ltd., Gulshan Avenue	DAD-1000241001362	1,608,199	-
Dutch Bangla Bank Ltd., Bashundhara Branch	SND: 147.120.1895	17,927,396	44,557,173
Dutch Bangla Bank Ltd., Local Office	CD: 10111012348	3,971,335	1,892,091
First Security Islami Bank Ltd., Banani Branch	CD: 2215	1,916	383
IFIC Bank Ltd., Kawranbazar Branch	CD: 313926-001	88,499.36	-
Islami Bank Bangladesh Ltd., Head Office Complex Br.	CD: 87816	17,903,074	10,095,626
Janata Bank Ltd., Janata Bhaban Corp. Br.	STD: 004001006	78,267	95,163
Janata Bank Ltd., JBCB,Dhaka	CD: 001022542	25,710,580	28,622,550
Janata Bank Ltd., JBCB,Dhaka	FC: 402000464	1,436,689	1,436,689
Mercantile Bank Ltd., Main Branch, Dhaka	CD: 81042	4,560,124	4,957,836
Mutual Trust Bank Ltd., Bashundhara City Br.	CD: 15608,1015, 15617	9,677,989	15,692,823
Mutual Trust Bank Ltd., Sonargaon Branch	CD: 10258,10427,10294,10267	58,762	55,429
Mutual Trust Bank Ltd., Sonargaon Branch	CD:	11,923	-
National Bank Ltd., Dilkusha Branch	CD: 233137485	14,665,177	8,601,431
National Bank Ltd.-	SND accounts	188,898	187,383
NCC Bank Ltd., Motijheel Branch	CD: 22785	9,244	9,244
The Premier Bank Ltd., Banani Branch	CD: 1604-0	263,554	-
The Premier Bank Ltd.-Dilkusha Branch	CD: 019010	1,665	2,355
Prime Bank Ltd. Gulshan Br.	CD: 2118116023883	10,000	10,000
Rupali Bank Ltd.-Local Office, Dhaka.	CD: 0018020010093	198,939	15,269
Shahjalal Islami Bank Ltd., Gulshan Branch	CD: 4061	8,939,664	4,886,939
Sonali Bank Ltd.	SND: 000025	6,883,821	5,129,262
Social Islami Bank Ltd., Bashundhara Branch	CD: 1330000079	17,354,964	21,954,773
Social Islami Bank Ltd., Panthapath Branch	CD: 12885, 16735,16741	12,540,627	30,435,593
Social Islami Bank Ltd., Sonargaon Branch	CD: 64,6459, 6718,6661	693,109	354,588
Southeast Bank Ltd., Principal Branch, Dhaka	CD: 7935	2,822,168	1,867,887
Southeast Bank Ltd., Principal Branch, Dhaka	FC: 0462	9,374,198	1,241,997
Southeast Bank Ltd., Principal Branch, Dhaka	DAD Account-588	13,709,632	7,358,370
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_BDT_197	952	9,178
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_GBP_552	14,162	14,162
Southeast Bank Ltd., Principal Branch, Dhaka	IPO_USD_066	265,096	265,096
Standard Bank Ltd., Principal Branch	CD: 00233009262	62,860	83,829
Standard Bank Ltd., Principal Branch	STD: 00236001976	43,045	43,539
Trust Bank Ltd., Senakallyan Bhaban Branch	CD: 0003-0210011205	-	269,103
Union Bank Ltd., Gulshan Branch	CD: 1623	82,009	82,871
United Commercial Bank Ltd., Bashundhara Br.	STD: 119/198	46,446,072	67,085,599
United Commercial Bank Ltd., Gulshan Branch	CD: 1360	70,813,488	6,356,118

The Company's maximum exposure to credit risk at the reporting date is trade receivable. To mitigate the credit risk against trade receivables, the Company has a system of specific credit line year to the distributor which is regularly monitored.

53.3.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Therefore, managing sufficient cash, the availability of funding through an adequate amount of committed bank facilities, the company manages the liquidity risk. The Company's maximum exposure to financial liabilities as at the reporting date is as follows:

Non-derivative financial liabilities	Year	Carrying Amount	Contractual Cash Flows		
			Within 12 months	1 to 5 years	More than 5 years
Finance Lease		-	-	-	-
Long term bank loan		15,047,175,229	2,009,642,491	13,037,532,738	-
Short term bank loan	2022-23	6,921,014,421	6,921,014,421	-	-
Trade and other payables		2,344,229,365	2,344,229,365	-	-
Provision for expenses		1,669,846	1,669,846	-	-
Finance Lease		16,153,364	16,153,364	-	-
Long term bank loan		14,520,511,661	1,981,213,717	12,539,297,945	-
Short term bank loan	2021-22	5,991,027,098	5,991,027,098	-	-
Trade and other payables		1,195,416,925	1,195,416,925	-	-
Provision for expenses		1,161,873	1,161,873	-	-

53.3.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchanges rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Currency risk:

The company is exposed to currency risk on sales, purchase that are denominated in a currency other than the respective functional currencies of the entities BDT Tk. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to Company's operating activities with the foreign suppliers.

i) Exposure to currency risk:

		Amount in (US\$D)	
Foreign currency monetary assets and liabilities:		30-Jun-23 (US\$D)	30-Jun-22 (US\$D)
Assets:			
Trade receivables		\$ 886,120	\$ 2,383,796
Cash at bank		\$ 260,444	\$ 16,639
Liabilities:			
Trade and other payables		-	-
Net exposure:			
The following significant average exchange rates are applied during the year:			
Average exchange rate of US Dollar		\$ 104.61	\$ 86.35

(ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures:

A strengthening or weakening of the Taka, as indicated below, against the US\$D at 30 June 2023 would have increased/(decreased) equity and profit or loss. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

b) Interest rate risk:	c) Other price risk:
<p>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.</p>	<p>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.</p>

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, 2023.

55.00 COMPARATIVES, RECLASSIFICATION AND RESTATEMENT

- 55.01 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith;
- 55.02 Figures appearing in these accounts have been rounded off to the nearest taka;
- 55.03 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.

Bashundhara Paper Mills Limited

Schedule of Property, Plant & Equipment

As at 30 June 2023

Annexure-A

PARTICULARS	COST					DEPRECIATION				Written down value
	Opening balance	Addition	Transfer from CWIP	Adjustment/ Disposal	Closing balance	Opening balance	Depreciation/ Amortization	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:	23,168,458,181	685,322,475	801,465,169	(128,000)	24,655,117,825	7,197,119,831	883,240,920	(81,067)	8,080,279,684	16,574,838,141
Land and land development	811,460,803	2,429,077	-	-	813,889,880	-	-	-	-	813,889,880
Plant and machinery	15,803,475,818	617,242,982	541,367,241	-	16,962,086,041	5,855,101,943	688,716,864	-	6,543,818,808	10,418,267,233
Office equipment	131,002,559	20,313,707	-	-	151,316,266	80,493,694	12,319,528	-	92,813,222	58,503,044
Furniture and fixture	35,618,836	117,070	-	-	35,735,906	23,872,367	2,251,308	-	26,123,675	9,612,230
Factory apparatus and loose tools	215,811,062	4,267,177	-	-	220,078,239	105,125,988	10,617,815	-	115,743,803	104,334,436
Motor Vehicles	632,261,042	38,461,362	-	(128,000)	670,594,404	431,061,207	38,890,339	(81,067)	469,870,479	200,723,926
Factory building and other constructions	5,344,894,612	-	260,097,928	-	5,604,992,540	636,286,731	122,375,314	-	758,662,044	4,846,330,496
Sundry assets	193,933,449	2,491,100	-	-	196,424,549	65,177,902	8,069,751	-	73,247,653	123,176,896
b) Based on Revaluation:	7,390,796,896	-	-	-	7,390,796,896	336,544,238	15,979,862	-	352,524,100	7,038,272,796
Land and land development	6,650,094,517	-	-	-	6,650,094,517	-	-	-	-	6,650,094,517
Plant and machinery	115,317,906	-	-	-	115,317,906	105,014,130	1,824,610	-	106,838,740	8,479,166
Office equipment	1,733,807	-	-	-	1,733,807	1,524,976	55,720	-	1,580,696	153,111
Furniture and fixture	1,036,791	-	-	-	1,036,791	813,841	53,371	-	867,212	169,579
Factory apparatus and loose tools	4,160,493	-	-	-	4,160,493	2,460,882	179,655	-	2,640,537	1,519,956
Motor Vehicles	7,767,090	-	-	-	7,767,090	7,767,090	-	-	7,767,090	-
Building and other constructions	604,376,645	-	-	-	604,376,645	212,802,597	13,856,743	-	226,659,339	377,717,306
Sundry assets	6,309,647	-	-	-	6,309,647	6,160,722	9,764	-	6,170,486	139,161
Total (a+b)	30,559,255,077	685,322,475	801,465,169	(128,000)	32,045,914,721	7,533,664,069	899,220,782	(81,067)	8,432,803,785	23,613,110,937
1 Software	202,271,878	6,315,474	-	-	208,587,352	46,016,412	8,439,402	-	54,455,815	154,131,537
Grand Total	30,761,526,955	691,637,949	801,465,169	(128,000)	32,254,502,073	7,579,680,482	907,660,184	(81,067)	8,487,259,599	23,767,242,474
Total (2021-2022)	24,051,332,674	5,525,393,333	1,185,386,891	(585,942)	30,761,526,956	6,704,389,404	875,557,917	(266,840)	7,579,680,481	23,181,846,475

Allocation of depreciation:

Administrative overhead @ 5%

Factory overhead @ 95%

Total

45,383,009
862,277,175
907,660,184

Name of valuer: S.F. Ahmed & Co., Chartered Accountants (Representative of ERNST & YOUNG GLOBAL in Bangladesh), in 2010 and followed by Mahfel Huq & Co., Chartered Accountants in 2015, Ahmed Zaker & Co., Chartered Accountants in 2022.

Valuation Method: Net Assets Value Method and Current Fair Market Value Method.

Date of Capitalization: 30 June 2010, 05 July 2015 and 29 June 2022 respectively.

BPML (UNIT-1)

Annexure-A.1

PARTICULARS	COST					DEPRECIATION				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:	11,607,586,593	627,845,014	253,061,250	(12,798,497)	12,475,694,359	2,311,374,048	444,945,669	(746,579)	2,755,573,138	9,720,121,221
i) Own assets:	11,607,586,593	627,845,014	253,061,250	(12,798,497)	12,475,694,359	2,311,374,048	444,945,669	(746,579)	2,755,573,138	9,720,121,221
Land and land development	551,090,185	2,429,077	-	-	553,519,262	-	-	-	-	553,519,262
Plant and machinery	6,340,789,840	600,960,460	-	(12,798,497)	6,928,951,803	1,648,862,724	311,162,001	(746,579)	1,959,278,147	4,969,673,656
Office equipment	68,087,873	4,302,200	-	-	72,390,073	41,124,065	6,035,918	-	47,159,983	25,230,090
Furniture and fixture	17,894,130	-	-	-	17,894,130	10,106,955	1,306,702	-	11,413,657	6,480,473
Factory apparatus and loose tools	190,110,598	4,267,177	-	-	194,377,775	86,945,244	9,314,307	-	96,259,551	98,118,224
Motor Vehicles	287,174,337	13,395,000	-	-	300,569,337	178,444,933	15,344,180	-	193,789,113	106,780,224
Factory building and other constructions	4,000,971,680	-	253,061,250	-	4,254,032,930	319,141,610	94,259,344	-	413,400,954	3,840,631,976
Sundry assets	151,467,949	2,491,100	-	-	153,959,049	26,748,517	7,523,216	-	34,271,733	119,687,316
ii) Leased assets:	-	-	-	-	-	-	-	-	-	-
Plant and machinery	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
b) Based on Revaluation:	2,299,460,051	-	-	-	2,299,460,051	91,763,058	2,180,146	-	93,943,204	2,205,516,847
Land and land development	2,182,875,135	-	-	-	2,182,875,135	-	-	-	-	2,182,875,135
Plant and machinery	83,051,356	-	-	-	83,051,356	74,312,458	1,570,829	-	75,883,287	7,168,068
Office equipment	423,389	-	-	-	423,389	366,113	19,826	-	385,939	37,450
Furniture and fixture	354,654	-	-	-	354,654	274,688	18,953	-	293,641	61,013
Factory apparatus and loose tools	2,523,455	-	-	-	2,523,455	1,463,725	110,902	-	1,574,627	948,828
Motor Vehicles	6,493,899	-	-	-	6,493,899	6,493,899	-	-	6,493,899	-
Building and other constructions	21,226,067	-	-	-	21,226,067	6,479,240	459,636	-	6,938,876	14,287,191
Sundry assets	2,512,096	-	-	-	2,512,096	2,372,935	-	-	2,372,935	139,161
Total (a+b)	13,907,046,643	627,845,014	253,061,250	(12,798,497)	14,775,154,410	2,403,137,105	447,125,815	(746,579)	2,849,516,342	11,925,638,068
Total (2020-2021)	11,335,076,075	1,978,755,122	593,215,447	-	13,907,046,643	1,988,464,598	414,672,508	-	2,403,137,106	11,503,909,537

Allocation of depreciation:

Administrative overhead @ 5%
Factory overhead @ 95%
Total

22,356,291
424,769,525
447,125,815

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:	3,188,684,596	16,574,082	5,083,029	-	3,210,341,707	1,476,697,130	78,708,985	-	1,555,406,115	1,654,935,593
i) Own assets:	3,188,684,596	16,574,082	5,083,029	-	3,210,341,707	1,476,697,130	78,708,985	-	1,555,406,115	1,654,935,593
Land and land development	86,439,658	-	-	-	86,439,658	-	-	-	-	86,439,658
Plant and machinery	2,635,205,597	7,058,732	-	-	2,642,264,329	1,346,419,739	68,229,040	-	1,414,648,779	1,227,615,550
Office equipment	10,199,276	5,964,520	-	-	16,163,796	8,988,294	670,025	-	9,658,319	6,505,477
Furniture and fixture	2,167,061	50,830	-	-	2,217,891	2,036,736	52,800	-	2,089,536	128,355
Factory apparatus and loose tools	13,407,000	-	-	-	13,407,000	9,709,574	516,761	-	10,226,335	3,180,665
Motor Vehicles	8,674,692	3,500,000	-	-	12,174,692	7,803,432	560,096	-	8,363,528	3,811,164
Factory building and other constructions	411,578,753	-	5,083,029	-	416,661,782	81,422,926	8,637,812	-	90,060,738	326,601,044
Sundry assets	21,012,559	-	-	-	21,012,559	20,316,428	42,451	-	20,358,879	653,680
ii) Leased assets:	-	-	-	-	-	-	-	-	-	-
Plant and machinery	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
b) Based on Revaluation:	2,816,210,003	-	-	-	2,816,210,003	152,102,702	9,360,781	-	161,463,483	2,654,746,519
Land and land development	2,440,760,342	-	-	-	2,440,760,342	-	-	-	-	2,440,760,342
Plant and machinery	5,301,867	-	-	-	5,301,867	3,754,000	244,905	-	3,998,905	1,302,962
Office equipment	645,079	-	-	-	645,079	645,079	-	-	645,079	-
Furniture and fixture	47,843	-	-	-	47,843	47,118	725	-	47,843	-
Factory apparatus and loose tools	290,522	-	-	-	290,522	185,137	12,817	-	197,954	92,568
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
Building and other constructions	366,026,540	-	-	-	366,026,540	144,333,559	9,102,334	-	153,435,893	212,590,647
Sundry assets	3,137,809	-	-	-	3,137,809	3,137,809	-	-	3,137,809	-
Total (a+b)	6,004,894,599	16,574,082	5,083,029	-	6,026,551,710	1,628,799,832	88,069,766	-	1,716,869,598	4,309,682,112
Total (2020-2021)	4,361,493,364	1,642,833,501	567,734	-	6,004,894,599	1,518,741,700	110,058,132	-	1,628,799,832	4,376,094,767

Allocation of depreciation:

Administrative overhead @ 5%
Factory overhead @ 95%
Total

4,403,488
83,666,278
88,069,766

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: 8,372,186,992 40,903,379 543,320,890 12,670,497 8,969,081,758 3,409,048,654 359,586,266 665,512 3,769,300,432 5,199,781,327

i) Own assets: 8,372,186,992 40,903,379 543,320,890 12,670,497 8,969,081,758 3,409,048,654 359,586,266 665,512 3,769,300,432 5,199,781,327

Land and land development	173,930,960	-	-	-	173,930,960	-	-	-	-	173,930,960
Plant and machinery	6,827,480,381	9,223,790	541,367,241	12,798,497	7,390,869,909	2,859,819,480	309,325,823	746,579	3,169,891,882	4,220,978,027
Office equipment	52,715,409	10,046,987	-	-	62,762,396	30,381,335	5,613,585	-	35,994,919	26,767,477
Furniture and fixture	15,557,645	66,240	-	-	15,623,885	11,728,677	891,806	-	12,620,482	3,003,403
Factory apparatus and loose tools	12,293,465	-	-	-	12,293,465	8,471,170	786,747	-	9,257,917	3,035,548
Motor Vehicles	336,412,014	21,566,362	-	(128,000)	357,850,376	244,812,842	22,986,063	(81,067)	267,717,838	90,132,538
Factory building and other constructions	932,344,179	-	1,953,649	-	934,297,828	235,722,194	19,478,158	-	255,200,352	679,097,476
Sundry assets	21,452,940	-	-	-	21,452,940	18,112,957	504,084	-	18,617,041	2,835,899

ii) Leased assets:	-	-	-	-	-	-	-	-	-	-
Plant and machinery	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-	-	-	-	-

b) Based on Revaluation: 2,275,126,843 - - - 2,275,126,843 92,678,478 4,438,935 - 97,117,413 2,178,009,430

Land and land development	2,026,459,040	-	-	-	2,026,459,040	-	-	-	-	2,026,459,040
Plant and machinery	26,964,683	-	-	-	26,964,683	26,947,672	8,877	-	26,956,548	8,135
Office equipment	665,339	-	-	-	665,339	513,784	35,895	-	549,678	115,661
Furniture and fixture	634,294	-	-	-	634,294	492,036	33,693	-	525,728	108,566
Factory apparatus and loose tools	1,346,516	-	-	-	1,346,516	812,021	55,936	-	867,957	478,560
Motor Vehicles	1,273,191	-	-	-	1,273,191	1,273,191	-	-	1,273,191	-
Building and other constructions	217,124,038	-	-	-	217,124,038	61,989,798	4,294,773	-	66,284,570	150,839,468
Sundry assets	659,742	-	-	-	659,742	649,978	9,764	-	659,742	-

Total (a+b) 10,647,313,836 40,903,379 543,320,890 12,670,497 11,244,208,602 3,501,727,132 364,025,201 665,512 3,866,417,845 7,377,790,757

Total (2020-2021) 8,165,135,531 1,891,160,537 591,603,710 (585,942) 10,647,313,835 3,158,346,258 343,647,713 (266,840) 3,501,727,132 7,145,586,704

Allocation of depreciation:

Administrative overhead @ 5%	18,201,260
Factory overhead @ 95%	345,823,941
Total	364,025,201

Bashundhara Paper Mills Limited

Schedule of Right-of-use assets

As at 30 June 2023

Annexure-C

PARTICULARS	COST				DEPRECIATION				Written down value
	Opening balance	Reclassification	Addition	Closing balance	Opening balance	Reclassification	Depreciation	Closing balance	
1 Motor Vehicles	111,791,600	-	-	111,791,600	96,498,010	-	8,638,093	105,136,103	6,655,498
Total	111,791,600	-	-	111,791,600	96,498,010	-	8,638,093	105,136,103	6,655,498
Total (2021-2022)	111,791,600	-	-	111,791,600	84,624,684	-	11,873,326	96,498,010	15,293,590

Allocation of depreciation:

Administrative overhead @ 5%

Factory overhead @ 95%

Total

431,905
8,206,188
8,638,093

Glossary

Accounting policies	Specific principles, bases, conventions, rules and practices adopted by an enterprise in preparing and presenting financial statements.
AIT	Advance Income Tax
AY	Assessment Year
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
BG	Bashundhara Group
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
ITA 2023	The Income Tax Act, 2023
IY	Income Year

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