



ANNUAL
REPORT
2020



bengal windsor
thermoplastics ltd.

(A Company of Bengal Group of Industries)



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Contents

	Page
Corporate Profile	
Our Mission, Goal	05
Corporate Directory	06
Corporate Chronicle	07
Board of Directors	08
Chairman's Statement	09
Directors' Report to the Shareholders	10
Audit Committee Report	32
Nomination and Remuneration Committee Report	35
Financial Report:	
Auditors' Report	39
Financial Statements	44
Membership Certificate BAPLC	66
Notice of 18 th Annual General Meeting:	67
Proxy Form:	68





Mission

To strive continuously to exceed customers' expectations for achieving unlimited excellence by providing greater value to our customers than our competitors.

Goal

To be the best Company in our industry and it is our policy to deliver total quality goods and services to all of our customers. We accomplish this by adopting a set of quality policy throughout the organization.

Quality Policy

Strive to satisfy and to exceed customers expectations and to be accurate and on time with all deliverables.



Focus on continuous improvement in all quality related activities and seek to prevent errors and eliminate the causes of problems.



Educate, train, and qualify our employees so that they can perform their tasks in accordance with establishment quality standards and strive for continue to improvement.



Develop and maintain mutually beneficial relations with suppliers to ensure a stable supply of quality materials and services.



Maintain competitive prices and superior financial performance by eliminating waste, wherever it occurs.



Corporate Directory

Board of Directors

Mr. Morshed Alam
Mr. Md. Jashim Uddin
Mr. Humayun Kabir Bablu
Ms. Bilqis Nahar
Mr. Firoz Alam
Mr. Shamsul Alam
Mr. Saiful Alam
Mr. Shahedul Islam
Mr. Abu Zafar Md. Kibria FCA

Chairman
Vice Chairman
Managing Director
Director
Director
Director
Director
Independent Director
Independent Director

Audit Committee

Mr. Shahedul Islam	Chairman
Mr. Firoz Alam	Member
Mr. Shamsul Alam	Member
Mr. Abu Zafar Md. Kibria FCA	Member
Mr. Darul Awam Tuhin FCS	Secretary

Nomination and Remuneration Committee

Mr. Abu Zafar Md. Kibria FCA	Chairman
Mr. Md. Jashim Uddin	Member
Mr. Shahedul Islam	Member
Mr. Darul Awam Tuhin FCS	Secretary

Chief Financial Officer

Mr. Biddut Chandra Gupta FCA

Company Secretary

Mr. Darul Awam Tuhin FCS

Head of Internal Audit

Mr. Abu Kamal Mohammad Pasha FCA

Legal Advisor

Mr. Chowdhury Mokimuddin K J Ali
Barrister-at-Law
Green Panorama (Apt. D-4)
House No. 6, Road No. 109
Gulshan-2, Dhaka.

Auditors

Islam Quazi Shafique & co.
Chartered Accountants
Al-Haj Shamsuddin Monsion
4th Floor, Room-C, 17 New Eskaton Road
Moghbazar, Dhaka

Registered Office

Bengal House
75 Gulshan Avenue,
Gulshan-1, Dhaka-1212
Phone: +880 2 988 8248
Fax: +880 2 9847507
E-mail: secretary@bengal.com.bd

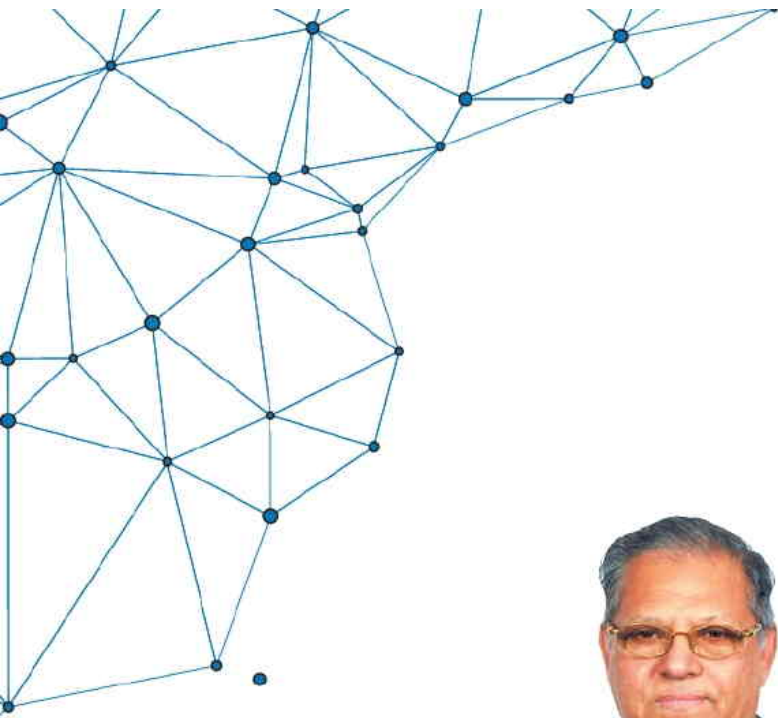
Factory Address

Plot 181-182,
DEPZ, Extension Area
Ashulia, Dhaka.
Tel: +88 7789134-8
Fax: +88 7 790317

Corporate Chronicle

Date of Incorporation	02 January 2002
Consent from BSEC for issuance of Public Share	17 October 2012
Publication of Prospectus	23 October 2012
IPO Subscription Opened	27 January 2013
IPO Subscription Closed	31 January 2013 and 09 February 2013 for NRB
IPO Lottery Date	28 February 2013
Listing with Dhaka Stock Exchange Ltd.	03 April 2013
Listing with Chittagong Stock Exchange Ltd.	07 April 2013
First Trading of Share in DSE & CSE	16 April 2013
National Productivity and Quality Excellence Award -2012	1st prize in Medium category
Authorized Capital	1,00,00,00,000
Paid-up Capital	91,47,60,000
Number of Shareholders as on 30 June 2020	5067





Board of Directors



1 Morshed Alam

Chairman

2 Md. Jashim Uddin

Vice Chairman

3 Humayun Kabir Bablu

Managing Director

4 Bilqis Nahar

Director

5 Firoz Alam

Director

6 Shamsul Alam

Director

7 Saiful Alam

Director

8 Mr. Shahedul Islam

Independent Director

9 Mr. Abu Zafar Md. Kibria FCA

Independent Director



Chairman's Statement



My dear Shareholders,

It gives me immense pleasure to welcome you all on behalf of the Board of Directors at this 18th Annual General Meeting (AGM) of the Bengal Windsor Thermoplastics Limited (BWTL).

I am grateful to you all for attending this AGM. I am happy to present before you the Annual Report 2020 of the Company along with Directors' Report, Auditors' Report together with Audited Financial Statements for the year ended on 30 June 2020 for your review and evaluation. Your valuable comments and suggestions will definitely strengthen us. We are greatly appreciative of the continued support of our valued shareholders and would look forward to continuation of the same.

We are passing through an unprecedented tough time, due to the COVID-19 health crisis which turned into economic, social and humanitarian crisis. By the grace of almighty Allah, I hope that you and your family members are safe and doing well. As a consequence of COVID-19 pandemic we have experienced a considerable fall in our business. During the year, our total business dropped as compared to the previous year and total comprehensive income also decreased as same. I hope the world will overcome this pandemic situation and 2020-21 will continue to be another good year for our Company. I remain confident that we are taking the right actions to continue to grow the business and deliver value for our shareholders.

I would like to carry my sincere thanks to my fellow directors for their support and cooperation. I would also like to recognize the dedication and unflinching service of the management team, employees and workers for their excellent performance that takes the Company forward. I thankfully acknowledge their contribution to the Company.

Once again, I would also like to thank all our valued shareholders and stakeholders for being with us in our journey towards a better future. Thank you for your continued support.

Best wishes

A handwritten signature in black ink, appearing to read 'Morshed Alam'.

Morshed Alam

Chairman

01 November 2020



DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 30 JUNE 2020

Bismillahir Rahmaner Rahim

Dear Shareholders,
Assalamu Alaikum,

It is a pleasure and a privilege on behalf of the Board of Directors of Bengal Windsor Thermoplastics Limited to present the Directors' Report and Auditor's Report along with the Audited Financial Statements of the Company for the year ended 30 June 2020.

The outbreak COVID-19 pandemic has globally disrupted people's lives, interrupted business and jeopardized the development of the decades. The global economy is in a synchronized slowdown, resulting from a variety of factors affecting the world. But Company always makes sincere efforts to enhance the value of all stakeholders and we continue to do so every year. I thank all the shareholders and employees for their efforts in making this journey successful.

PRINCIPAL ACTIVITIES

The Company has been carrying out the business of manufacturing and exporting of garment hangers and accessories which facilitate the export of garments to the world's largest retailers like WalMart, K-Mart, Khol's, J C Penny, C&A, Auchan, H&M etc. in the USA, Canada as well as in Europe.

MATERIAL CHANGE OR CHANGE IN THE NATURE OF BUSINESS

During the year under review, there are no material changes in the nature of business of the Company.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT

Ready Made Garments (RMG) is one of the fastest evolving segments in global trade. The developed economies such as United States, European Union, Canada and Japan among others are the major consuming countries. RMG is one of the oldest industries in Bangladesh economy and today one of largest contributors to Bangladesh's exports. But 2020 is going to be a crucial year for the global economy. The outbreak of Corona Virus effected negatively on the world's economy which has already touched in our RMG sector. The RMG sector is on the verge of an unprecedented humanitarian and business catastrophe. To flatten the corona virus spread curve, the government declared nation-wide holidays and business & industrial activities have come to a grinding halt except emergency services. Many international buyers are cancelling or postponing confirmed procurement orders as their retail outlets are substantially closed in Europe, North America, Asia and elsewhere. For increasing the locked down period, it is hitting badly by stopping production and cancellation of orders with some issues. As a result the country's RMG exports declined by 17.38 per cent in the just concluded fiscal year (FY 2019-20). As per Bangladesh Bureau of Statistics, the Ready Made Garments (RMG) export in the year 2019-20120 was Tk. 2,369,186 Million, which has been decreased by Tk.498,248 Million compare to the previous year.

But Bangladesh is surprisingly continuing its development trend even during this pandemic. Despite adverse effect of COVID-19, there are visible ample 'green shoots' in Bangladesh's economic recovery. RMG sector is the driver for growth of Bangladesh's economy. Still Bangladesh remains the world's second largest garment exporter. Though we have returned to our operation after locked down but future development absolutely depends on the COVID-19 pandemic and its consequence recovery of the world's economy. The Government announced stimulus packages to help mitigate the impact of the corona virus on the country's economy. The size of the Export Development fund has been increased which provides short facilities for importing raw materials for export oriented industries. Beside this, the central Bank will institute Pre-Shipment Credit Refinance Scheme for RMG and other export oriented industries. We are hopeful that the situation will return to normal as soon as vaccine development within



few months as the information indicate a positive shift in Bangladesh's RMG exports. Consequently, the garments accessories industry of the Country will continue its phenomenal growth same as before.

RISKS AND CONCERNS

Risks and concerns of the industries solely depends on the interest rate, exchange rate fluctuation, change of raw materials cost, management perception, industry risks, Technology related risks, labour unrest and upcoming changes of global and national policies & pandemic, which may have negative impact on the cost structure and profitability of the Company.

OPERATIONAL PERFORMANCE

The operational performance of the Company, such as Revenue, Cost of Goods Sold, Gross Profit and Net Profit after Tax for the last two years are given below:

(Figure in Thousand Taka)				
Financial Year	Revenue	Cost of Goods Sold	Gross Profit	Net Profit after Tax
2018-2019	805,948	616,475	189,474	96,713
2019-2020	497461	410977	86483	10922

FINANCIAL RESULT AND APPROPRIATION OF PROFIT

The Directors of the Company are pleased to report its shareholders the financial results of the Company for the year ended on 30 June 2020 and their recommendations for appropriation of earnings for the year under review are as follows:

Particulars	(Figure in Taka)	
	As on 30 June 2020	As on 30 June 2019
Opening Balance	816,921,942	765,946,224
Net Profit after Tax	10,922,400	96,713,718
Dividend Paid	45,738,000	45,738,000
Retained Earnings	782,106,342	816,921,942

DIVIDEND

In the view of the profit earned by the Company for the year ended 30 June 2020, the Board of Directors agreed to recommended no dividend for this year considering the Company's profitability, finance prudence and the long term interest of the shareholders.

EXTRA-ORDINARY GAIN OR LOSS

There is no extra-ordinary gain or loss in the financial statements under report.

BASIS FOR RELATED PARTY TRANSACTIONS

The detail lists of the related parties with whom transactions have been taken place and their relationship for the year 2019-2020 are as follows:

Particulars	Nature of relationship	Types of transaction	Amount of addition during the financial year	Amount of adjustments during the financial year	Receivable/Payable as at 30 June 2020
Bergal Corrugated Carton Ind. Ltd.	Common Directors	Purchase of packing materials	24,268,112	24,087,212	528,024
Hamilton Metal Corporation Ltd.	Common Directors	Purchase of Accessories	16,637,251	16,637,251	-
Hamilton Mold and Engineering Ltd.	Common Directors	Purchase of Mold	30,000,000	-	31,280,344



SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

The effects of the COVID-19 pandemic have significant global implications for economies, markets and businesses, including volatility and possible material uncertainties. The Company manufactures and exports mainly hanger and related garment accessories which facilitates the export to the world's largest retailers in the USA and Canada as well as in Europe. In such unpredictable circumstances, the revenue has been affected by these conditions. On the other hand, various overheads including administrative, selling and distribution and finance costs remain unchanged as these are fixed in nature.

These, however, result in decrease of EPS, NAVPS and NOCFPS compare to last years audited financial statements and quarterly financial statements.

BOARD SIZE

The Board of Directors of the Company is comprised of 9 (Nine) members including 2 (Two) independent directors.

CODE OF CONDUCT OF ALL BOARD MEMBERS

In compliance with the corporate governance guidelines, the Board has laid down a code of conduct of all Board members and annual compliance of the code is recorded accordingly.

INTERNAL CONTROL

The Board has the ultimate responsibility of establishing effective systems of internal control. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, compliance with applicable legislations, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has also established an internal audit and compliance department that functions under an independent head of internal audit and compliance to ensure that internal control and compliances are in place.

BOARD MEETING AND ATTENDANCE

The Board of Directors of the Company met together 5 (Five) times for meeting during the year. The attendance record of the Directors is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Morshed Alam	Chairman	05	04
Mr. Md. Jashim Uddin	Vice Chairman	05	03
Mr. Humayun Kabir Bablu	Managing Director	05	04
Mrs. Bilqis Nahar	Director	05	03
Mr. Firoz Alam	Director	05	04
Mr. Shamsul Alam	Director	05	03
Mr. Saiful Alam	Director	05	03
Mr. Shahedul Islam	Independent Director	05	02
Mr. Abu Zafor Md. Kibria, FCA	Independent Director	05	03

The Directors who could not attend the meetings were granted leave of absence.

REMUNERATION TO DIRECTORS

The Company did not pay any remuneration to any director including independent director except board meeting attendance fee and Taka 200,000.00 as salary per month to Managing Director.

DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Md. Jashim Uddin (Vice Chairman), Mr. Firoz Alam (Director) and Mr. Saiful Alam (Director) will retire from the Board by rotation as per Article-127 of the Articles of Association of the Company and as per Article 128 of the Articles of Association of the Company, being eligible, have offered themselves for re-election. Brief resume and other information of the above mentioned directors as per clause 1.5(xx-iv)a, 1.5(xxiv)b, and 1.5(xxiv)c, of BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, 03 June 2018 are depicted in **Annexure-B** in this Annual Report.

APPOINTMENT OF AUDITORS

The directors hereby report that the existing auditors, M/s. Islam Quazi Shafique & Co., Chartered Accountants, who were appointed as auditors of the Company in the last Annual General Meeting of the Company has carried out the audit for the year ended 30 June 2020, will retire and being eligible offered themselves for reappointment as Auditors of the Company for the year 2020-2021. The Board also accepted the proposal and recommended to appoint M/s. Islam Quazi Shafique & Co., Chartered Accountants as statutory auditors which will be placed before Annual General Meeting (AGM) for shareholders approval. Remuneration of the auditor will also be approved by the shareholders at the AGM.

DIRECTORS STATEMENTS

The Directors, in accordance with BSEC's notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, 03 June 2018 confirms the following to the best of their knowledge:

- a) The financial statements prepared by the management of Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- g) There are no significant doubts of the Company's ability to continue as a going Concern.
- h) There are no significant deviations from the last year's operating results of the Company.
- i) No bonus share or stock dividend has been or shall be declared as interim dividend.

PATTERN OF SHAREHOLDING

In accordance with the condition of the corporate governance issued by the Bangladesh Securities and Exchange Commission (BSEC) on 03 June 2018, the shareholding pattern of the Company is disclosed in **Annexure-A** in this annual report.



FIVE YEAR'S FINANCIAL HIGHLIGHTS

The key operating and financial data for the last five years are as follows:

Figure in Thousand Taka

Particulars	2020	2019	2018	2017	2016
Turnover (Export sales)	97,461	05,948	887,740	904,792	23,749
Gross Profit	86,484	189,474	25,544	257,982	323,544
Operating Profit	19,030	123,153	160,461	189,266	270,242
Profit before Provision and Tax	11,514	111,042	147,180	173,971	233,105
Net profit after tax for the year	10,922	96,714	140,383	153,492	211,694
Property, Plant and Equipment at cost less accumulated depreciation	628,554	656,987	670,130	610,924	635,756
Intangible Assets	3,330	3,894	4,458	5,023	131
Current Assets	1,661,573	1,693,718	1,701,564	1,709,306	1,788,952
Share Capital	914,760	914,760	914,760	831,600	831,600
Retained Earnings	782,106	816,922	779,488	722,265	818,172
Equity	2,230,990	2,252,861	2,159,848	2,019,465	2,115,509
Current Liabilities	180,884	202,550	234,193	280,818	251,987
Figure in Taka					
Particulars	2020	2019	2018	2017	2016
Net Asset Value Per Share (NAVPS)	24.39	24.63	23.61	22.08	25.44
Earnings per Share	0.12	1.06	1.53	1.68	2.54
Net Operating Cash Flow Per Share (NOCFPS)	2.32	2.86	3.43	3.23	3.28

CONTRIBUTION TO THE NATIONAL EXCHAQUER

During the year under review, our Company paid Taka. 96,07,370.00 to the national exchequer in the form of corporate income tax, customs duties and value added tax.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the condition of corporate governance code, 'Management discussion and analysis' has been duly signed by the Managing Director of the Company and is included in **Annexure-C** of this annual report.

DECLARATION BY MD AND CFO

In accordance with the conditions of corporate governance code, a declaration on financial statements for the year ended 30 June 2020 duly signed by the MD and CFO is included in **Annexure-D** of this annual report.

CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, for inspiring confidence of all stakeholders. We have the pleasure to confirm that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. BSEC/CMR-RCD/2006-158/207/Admin/80, dated, 03 June 2018. The compliance report along with the necessary remarks/disclosures is appended in this Annual Report of the Company for the year 2019-2020 (**Annexure-E**). Further, a Certificate of Corporate Governance Compliance required under the said Code, as provided by M/S Itrat Hossain & Associates, Chartered Secretary in Practice, is also annexed to this report in (**Annexure- F**).

MEMBERSHIP WITH BAPLC

Bengal Windsor Thermoplastics Limited has membership with the Bangladesh Association of Publicly Listed Companies (BAPLC). A certificate of BAPLC membership has been included on page 66 of this annual report.

POST BALANCE SHEET EVENTS

There are no material events which have occurred after the balance sheet/reporting date, the nondisclosure of which could affect the ability of users of these financial statements to make an appropriate evaluation.

ACKNOWLEDGEMENT

The Board of Directors record with deep appreciation the performance of the management, the officers, staffs and workers whose relentless effort helped increase the productivity of the Company despite the natural and unnatural adverse factors throughout the country and the world. The Board of Directors humbly expresses its gratitude and acknowledges with satisfaction the cooperation and unflinching support it has received from various regulatory bodies and financial institutions.

For and on behalf of the Board of Directors,



Morshed Alam
Chairman
01 November 2020



ANNEXURE-A

PATTERN OF SHAREHOLDING AS ON 30 JUNE 2020

Name of the Shareholders	Status	Shares held	%
I. Parent/Subsidiary/Associated Companies and other related parties	-----	Nil	-----
II. Directors:			
Mr. Morshed Alam	Chairman	10,219,176	11.171
Mr. Md. Jashim Uddin	Vice Chairman	6,011,280	6.571
Mr. Humayun Kabir Bablu	Managing Director	22,242,905	24.316
Ms. Bilqis Nahar	Director	3,005,640	3.286
Mr. Firoz Alam	Director	2,404,512	2.629
Mr. Shamsul Alam	Director	2,404,512	2.629
Mr. Saiful Alam	Director	2,404,512	2.629
Mr. Shahedul Islam	Independent Director	Nil	-----
Mr. Abu Zafor Md. Kibria, FCA	Independent Director	Nil	-----
III. Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Children:	-----	Nil	-----
IV. Executives:	-----	Nil	-----
V. Shareholders holding 10% or more voting interest in the Company:			
Mr. Morshed Alam	Chairman	10,219,176	11.171
Mr. Humayun Kabir Bablu	Managing Director	22,242,905	24.316

ANNEXURE-B

INFORMATION OF DIRECTORS PROPOSED FOR RE-ELECTION

1 Mr. Jashim Uddin:

Jashim Uddin is younger brother of Morshed Alam. He has obtained his graduation as a Bachelor of Commerce. He has over 32 years of business experience with a specialized knowledge in plastic chemicals and cast polyester technology. With this vast experience, he is now the President of Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA). In addition, he is also the Vice Chairman of Bengal Media Corporation Limited and Director of other concerns of Bengal Group. He also holds the position of Managing Director of some other concerns of Bengal Group. Furthermore, he was the Senior Vice President of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI). The Government of Bangladesh awarded him as a CIP for the year 2011 for his large contribution to the economic development of Bangladesh.

2 Mr. Firoz Alam:

Firoz Alam is the Managing Director of Bengal Poly and Paper Sack Limited. He joined BPPSL in 2001. He obtained his BS in Business Administration from Los Angeles City College, Los Angeles, California, USA. He is also the director of Bengal Windsor Thermoplastics Limited, Bengal Media Corporation Limited and some other companies of Bengal Group. Firoz Alam is highly experienced and gathered deep knowledge in PP woven sack industry. He is directly involved in woven sack manufacturing unit of the group. Firoz Alam has also visited India, Europe, USA and many other countries due to business purpose and it enhances his professional experiences. He is the second son of Morshed Alam and Bilqis Nahar.

3 Mr. Saiful Alam:

Saiful Alam is the youngest son of Morshed Alam and Bilqis Nahar. He has completed his graduation in Bachelor of Commerce. With over 17 years of business experience, he is now the Managing Director of Bengal Concept and Holding Limited. To enhance his experience in business, he has visited India, USA, Europe and many other countries of different regions. Bengal Poly and Paper Sack Limited highly facilitated through his vast experience as he is one of the directors of Bengal Poly and Paper Sack Limited.

Directorship status of the aforesaid directors			
Name of Concern company	Mr. Jashim Uddin	Mr. Firoz Alam	Mr. Saiful Alam
Bengal Poly and Paper Sack Ltd	Director	Managing Director	Director
Bengal Media Corporation Limited (Rtv)	Vice Chairman & Director	Director	Director
Bengal Plastics Limited	Managing Director	Director	Director
Bengal Adhesive & Chemicals Products Ltd.	Director	Director	Director
Bengal Flexipak Limited	Director	Director	Director
Bengal Polymer Wares Ltd.	Managing Director	Director	Director
Bengal Plastic Pipes Ltd.	Managing Director	Director	Director
Romania Food and Beverage Ltd.	Director	Director	Director
Bengal Renewable Energy Ltd.	Managing Director	Director	Director
Power Utility Bangladesh Ltd.	Managing Director	-----	-----
Bengal Concept and Holding Ltd.	Director	Director	Managing Director
Bengal Corrugated Carton Industries Ltd.	Managing Director	-----	-----
Bengal Overseas Corporation Ltd.	Managing Director	-----	-----
Hamilton Metal Corporation Ltd.	Managing Director	-----	-----
Bengal Feed & Fisheries Ltd.	Managing Director	Director	Director
Designer Washing and Dyeing Ltd.	Managing Director	-----	-----
Bengal Hotels and Resorts Ltd.	Director	Director	Director
Romania Agrovat Limited	Managing Director	Director	Director
Bengal Cement Limited	Director	Director	Director
Hamilton Mold and Engineering Limited	Managing Director	-----	-----
Bengal Retails Limited	Managing Director	Director	Director
Designer Washing and Dyeing Limited	Managing Director	-----	-----
Designer Fashion Limited	Managing Director	-----	-----



ANNEXURE-C

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with the Condition No. 1(5)(xxv) of the Corporate Governance Code as issued by the BSEC vide its notification dated June 3, 2018; a brief Management analysis is given on the Company's position on the operations and financial statements for the year ended 30 June 2020 focusing, in particular, on the following issues:

1. Accounting Policies and estimation for preparation of financial statements: Accounting Policies and estimation for preparation of financial statements have been detailed under Note No. 3 of the Financial Statements.
2. Changes in accounting policies and estimation: The details of changes accounting policies and estimation are detailed under Note No. 3 of the Financial Statements.
3. Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flow for current year with immediate preceding five years: The comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flow for current year with immediate preceding five years of the Company has been shown in the page 14 of the Annual Report.
4. Compare such financial performance or results and financial position as well as cash flows with peer industry scenario: There is no comparable similar type of industries.
5. Briefly explain the financial and economic scenario of the country and the globe: The Directors' Report and the Chairman's Statement have explained the financial and economic scenario of the country and the global impact.
6. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company: This issue has been elaborated in the Directors' Report as well as in Note No. 36 of the Financial Statements.
7. Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e. actual position shall be explained to the shareholders in the next AGM: The Shareholders shall be updated of the future plans at the Annual General Meeting and also by communications time to time.

01 November 2020

To
 The Board of Directors
 Bengal Windsor Thermoplastics Limited
 Bengal House
 75 Gulshan Avenue,
 Gulshan-1, Dhaka-1212.

Subject: Declaration on Financial Statements for the year ended on 30 June 2020.

Dear Sirs,

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

- 1) The Financial Statements of Bengal Windsor Thermoplastics Limited for the year ended on 30 June, 2020 have been prepared in compliance with Bangladesh Accounting Standards (BAS) or Bangladesh Financial Reporting Standards (BFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30 June, 2020 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Biddut Chandra Gupta FCA
Chief Financial Officer (CFO)



Humayun Kabir Bablu
Managing Director



Annexure: E

Corporate Governance Compliance Report

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1	Board of Directors:			
1(1)	Size of the Board of Directors	✓		
1(2)	Independent Directors:			
1(2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors;	✓		
1(2) (b)	For the purpose of this clause 'Independent directors' means a director-			
1(2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2) (b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2) (b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2) (b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2) (b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2) (b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2) (b)(vii)	Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
1(2) (b)(viii)	Who shall not be an independent director in more than 5 (five) listed companies;	✓		
1(2) (b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1(2) (b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2) (c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	✓		
1(2) (e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	✓		

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(3)	Qualification of Independent Directors:			
1(3) (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1(3) (b)	Independent director shall have following qualifications:			
1(3) (b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3) (b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of k. 100.00 million or of a listed company; or	✓		
1(3) (b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
1(3) (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1(3) (b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3) (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:	✓		
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		



Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;			N/A
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:	✓		
1(5)(xxiv)(a)	A brief resume of the director	✓		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No.3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		



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

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee:			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee:			
5(5)(a)	oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.			N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors:			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:	✓		
5(6)(a)(ii)(a)	report on conflicts of interests;			N/A
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓		
5(6)(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6	Nomination and Remuneration Committee (NRC):			
6(1)	Responsibility to the Board of Directors:			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	✓		



Condition No.	Title	Status		Remarks
		Complied	Not Complied	
6(2)	Constitution of the NRC:			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓		
6(4)	Meeting of the NRC:			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	✓		
6(5)	Role of the NRC:			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors:			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓		
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓		



Condition No.	Title	Status		Remarks
		Complied	Not Complied	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



Annexure: F



REPORT TO THE SHAREHOLDERS OF BENGAL WINDSOR THERMOPLASTICS LIMITED ON COMPLIANCE OF CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by Bengal Windsor Thermo-plastics Limited for the year ended 30 June 2020. This Code relates to the Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.


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

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

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

Dhaka, 05 November 2020



Itrat Husain FCMA, FCS
Chief Executive

“THE GLASS HOUSE” (13TH FLOOR). 38 GULSHAN AVENUE, GULSHAN-1, DHAKA-1212. BANGADESH
CELL: 01713092222; 01819259703 EMAIL: itratshahed@gmail.com



AUDIT COMMITTEE REPORT

The Audit Committee is a sub-committee of the Board of Directors. The Committee assists the Board in ensuring that the financial statements reflect a true, fair and accurate view of the state of affairs of the Company, and also in ensuring robust monitoring systems and internal controls within the business.

Terms of Reference

The terms of reference of the Audit Committee have been determined by the Board, as per the Corporate Governance Code 2018 (CG Code 2018) of the Bangladesh Securities and Exchange Commission, dated June 03, 2018.

Composition

In accordance with the CG Code 2018, the Audit Committee comprises four members, which include two Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary is the member secretary of the Committee.

The current members of the Audit Committee include:

- Mr. Shahedul Islam, Chairman
- Mr. Firoz Alam, Member
- Mr. Shamsul Alam, Member
- Mr. Mr. Abu Zafor Md. Kibria FCA, Member
- Mr. Darul Awam Tuhin FCS, Member Secretary

All members of the Committee have strong business acumen, robust insights and are knowledgeable individuals with uncompromising integrity, and are able to ensure compliance with financial, regulatory and corporate laws that support meaningful contribution to the business as well.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee are clearly defined in the Audit Committee Charter. The Audit Committee shall assist the Board in fulfilling its oversight responsibilities. To recognize the importance of oversight responsibilities of the Board with special emphasis on ensuring compliance with all applicable legislations and regulations, the core responsibilities of the Audit Committee, among others, are as follows:

- a) Oversee the financial reporting process;
- b) Monitor the choice of accounting policies and principles;
- c) Monitor internal audit and compliance processes to ensure that it is adequately resourced, including approval of the internal audit and compliance plan and review of the internal audit and compliance report;
- d) Oversee hiring and performance of external auditors;
- e) Hold meetings with external/statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- f) Review, along with the management, the annual financial statements before submission to the Board for approval;
- g) Review, along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval;
- h) Review the adequacy of the internal audit function;
- i) Review the Management's Discussion and Analysis before disclosing it in the annual report;
- j) Review statements of all related party transactions submitted by the management;
- k) Review management letters or letters of internal control weakness issued by statutory auditors;
- l) Oversee the determination of audit fees based on the scope and magnitude, level of expertise and time required for effective audit, while also evaluating the performance of external auditors; and
- m) Perform other activities related to the Audit Committee Charter, as requested by the Board of Directors



Committee Meetings and Attendance

During 2020, the Committee held 04 (four) meetings, complying with the requirement of at least one meeting to be held every quarter, in which the Committee reviewed issues relating to business operations, compliance and finance and accounts, among others. The Managing Director, Chief Financial Officer and Head of Internal Audit and Compliance (HIAC) were permanent invitees to the meeting.

The proceedings of the meetings are properly recorded in minutes and regularly reported to the Board of Directors. The number of Audit Committee meetings held and the attendance by each member during the year 2020 comprise the following:

Name	Status	Meeting Held	Attended
Mr. Shahedul Islam	Chairman	04	03
Mr. Firoz Alam	Member	04	03
Mr. Shamsul Alam	Member	04	03
Mr. Abu Zafor Md. Kibria FCA	Member	04	03

Internal Control and Risk Management Process

The system of internal control covers financial, operational and compliance controls and risk management procedures. The importance of risk management and internal controls includes the establishment of an appropriate control environment and framework, as well as reviewing its adequacy, integrity and competence. The risk management process at Bengal Windsor Thermoplastics Limited comprises the alignment of resources to ensure the attainment of strategy and business plans, including the exploitation of available opportunities that meet the risk appetite criteria set by the Board.

Committee's Report Summary

The Committee has the following opinions regarding corporate and financial affairs of the Company:

- Overseen the financial reporting process;
- Monitored the choice of accounting policies and principles;
- Monitored internal audit and compliance processes to ensure that it is adequately resourced, including approval of the internal audit and compliance plan and review of the internal audit and compliance report;
- Overseen hiring and performance of external auditors;
- Hold meetings with external/statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- Reviewed, along with the management, the annual financial statements before submission to the Board for approval;
- Reviewed, along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval;
- Reviewed the adequacy of the internal audit function;
- Reviewed the Management's Discussion and Analysis before disclosing it in the annual report;
- Reviewed statements of all related party transactions submitted by the management;
- Reviewed management letters or letters of internal control weakness issued by statutory auditors;
- Overseen the determination of audit fees based on the scope and magnitude, level of expertise and time required for effective audit, while also evaluating the performance of external auditors;
- Overseen the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;
- The state of compliance with corporate governance code and other regulations, as per the requirements of the Bangladesh Securities and Exchange Commission, were ensured.



Statutory Auditor

The Audit Committee is satisfied through its own process of review that the statutory auditor of the Company is independent, as defined by the related act. The Audit Committee of the Board recommended the re-appointment of M/s. Islam Quazi Shafique & Co., Chartered Accountants, as the statutory auditors of the Company for the year ended 30 June 2021.

Internal Audit

Internal Audit is regarded as one of the four pillars of corporate governance. Internal audit is conducted under the supervision of Mr. Abu Kamal Mohammad Pasha FCA, Head of Internal Audit and Compliance (HIAC), in accordance with the approved roles and responsibilities of HIAC and corporate governance code/best practices.

Financial Management

The financial management/activities of the Company are supervised by Mr. Biddut Chandra Gupta FCA, Chief Financial Officer of the Company. The Audit Committee is satisfied that Mr. Biddut Chandra Gupta FCA has the appropriate expertise and knowledge to fulfill his role efficiently.

Quarterly Financial Statements

As per the CG Code 2018, the Audit Committee reviewed quarterly financial statements of the Company and its subsidiaries, and found that these statements reflected a true and fair view of the state of affairs of the companies.

Annual Financial Statements

The Committee has tabled the annual financial statements for approval by the Board. The Board has subsequently approved the financial statements, which will be opened for discussion at the forthcoming Annual General Meeting.

Appreciation

The Audit Committee expresses its sincere thanks to the members of the Board, the management and the statutory and internal auditors for their support and assistance in enabling it to carry out its duties and responsibilities effectively.



Shahedul Islam
Chairman
Audit Committee
01 November 2020

NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board of Directors of Bengal Windsor Thermoplastics Limited has duly constituted a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board. The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC fulfills a guiding role to the management to identify the Company's needs for human resources at different levels and to determine their selection, transfer or replacement and promotion criteria.

Terms of Reference

The terms of reference of the NRC have been determined by the Board, as per the Corporate Governance Code 2018 (CG Code 2018) of Bangladesh Securities and Exchange Commission, dated June 03, 2018.

Composition

In accordance with CG Code 2018, the NRC of Bengal Windsor Thermoplastics Limited comprises three members, which include two Independent Directors. The Chairperson of the Committee is an Independent Director of the Company. The Company Secretary is the Member Secretary of the Committee. The current members of the NRC are as follows:

- Mr. Abu Zafor Md. Kibria, FCA, Chairperson
- Mr. Shahedul Islam, Member
- Mr. Md. Jashim Uddin, Member
- Mr. Darul Awam Tuhin FCS, Member Secretary

Roles and responsibilities

The roles and responsibilities of the NRC are clearly defined in the terms of reference (ToR). The prime responsibilities of the NRC, among others, are as follows:

- (1) NRC shall be independent and responsible or accountable to the Board and to shareholders;
- (2) NRC shall oversee, among others, the following matters and make a report with recommendations to the Board:
 - a) Formulating the criteria for determining qualifications, positive attributes and independence of a Director, and recommending a policy to the Board relating to the remuneration of Directors and top-level executives, considering the following:
 - i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to steward the company successfully;
 - ii. The alignment of remuneration to performance is clear and meets appropriate performance benchmarks;
 - iii. Remuneration to Directors and top-level executives involves a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the working of the company and its goals;
 - b) Devising a policy on the Board's diversity, taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 - c) Identifying persons who are qualified to become Directors and who may be appointed in top-level executive positions, in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - d) Formulating the criteria for evaluation of performance of Independent Directors of the Board;
 - e) Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria



- f) Developing, recommending and reviewing annually the Company's human resources and training policies; and
- g) Developing a succession plan for the Board and for top-level executives, and regularly reviewing the plan.

Nomination Policy

The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of the diversity policy of the Board, and recommend to the Board his/her appointment. For the appointment of top level executives, a person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. Further, for administrative convenience, the appointment of top level executives, the Managing Director is authorised to identify and appoint a suitable person for such a position. However, if necessary, the Managing Director may consult the Committee/Board for further directions/guidance.

Remuneration Policy

The level and composition of remuneration to be paid to Directors, top-level executives and other employees shall be reasonable and sufficient to attract, retain and motivate suitable individuals. The relationship of remuneration to performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive/performance related pay, reflecting achievement of short and long-term performance objectives appropriate to the working of the Company and meeting its goals.

Evaluation Criteria

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify the evaluation criteria which will evaluate Directors based on their knowledge to perform the role, time and level of participation, performance of duties, level of oversight and professional conduct and independence. The appointment/re-appointment/continuation of Directors on the Board shall be subject to the outcome of the annual evaluation process. The Committee shall evaluate performance of top-level executives of the Company. Decisions pertaining to promotion/continuation of top-level executives shall be subject to the outcome of the annual evaluation process based on appropriate performance benchmarks.

Committee Meetings and Attendance

During the financial year 2020, the NRC held one meeting, complying with the requirement of at least one meeting to be held during the year. The proceedings of the meeting was recorded in proper minutes and reported to the Board of Directors. The number of NRC meetings held and the attendance by each member during the financial year 2020 is given below:

Name	Status	Meeting Held	Attended
Mr. Abu Zafor Md. Kibria, FCA	Chairman	01	01
Mr. Shahedul Islam	Member	01	Nil
Mr. Md. Jashim Uddin	Member	01	01



Activities of NRC

The NRC carried out the following activities during the financial year 2020:

- Reviewed issues related to the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top-level executives;
- Reviewed the performance of top-level executives;
- Reviewed the criteria for evaluation of performance of Independent Directors and the Board;
- Reviewed the Company's need for employees at different levels and determined their selection, transfer or replacement and promotion criteria;
- Reviewed human resources and training policies.

Appreciation

The NRC expresses their sincere thanks to the members of the Board and the management of the Company for their outstanding support and co-operation extended in helping discharge its duties and responsibilities effectively.



Abu Zafor Md. Kibria, FCA
Chairman

Nomination and Remuneration Committee
01 November 2020





**Auditors' Report
&
Audited Financial Statements
for the year ended 30 June 2020
of
Bengal Windsor Thermoplastics Limited**

**FINANCIAL
REPORT
2020**





INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Bengal Windsor Thermoplastics Ltd.
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bengal Windsor Thermoplastics Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2020, 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 of the financial position of the Company as at 30 June 2020, 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 Standards 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial 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 for the audit of financial statements are as under:

Carrying value of Property, Plant and Equipment (PPE)

With reference to note no. 06 to the financial statements, PPE includes the Company's long-term assets, which flow economic benefits for the entities more than one year. PPE is measured at cost less accumulated depreciation and accumulated impairment losses, if any. PPE comprises major portion of total assets of the company, which is amounting to Tk. 628,554,444 at the reporting date.

Apparently, the carrying value of PPE represents significant portion of the Company's assets which is a function of depreciation charges that involved estimation. Therefore, it has been considered as a significant area of auditor's judgement and requires special attention. There is also a risk that the impairment charges may not have been recognized.



How our audit addressed the key audit matter

We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.

Followings are our audit procedures on the carrying value and impairment risk of PPE:

- Reviewing basis of recognition, measurement and valuation of assets;
- Observing procedures of assets acquisition, depreciation and disposal;
- Checking ownership of the major assets;
- Performing due physical asset verification at the year-end;
- We critically challenged the Company's assumptions in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment; and
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

Our testing did not identify any issues with regard to carrying value of PPE and any indicators that would cause impairment.

Valuation of Inventories

Referring to note no. 09 to the financial statements, the inventory of Tk. 355,663,685 as at 30 June 2020 held in factory. Inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate values for slow-moving or obsolete items. Since the value of Inventory is significant to the Financial Statements and there is significant measurement uncertainty involved in this valuation, the valuation of inventory was significant to our audit.

How our audit addressed the key audit matter

We verified the appropriateness of management's assumptions applied in calculating the value of the inventory by:

- Evaluating the design and implementation of key inventory controls operating across the factory;
- Attending inventory counts and reconciling the count results to the inventory listing to test the completeness of data;
- Reviewing the requirement of inventory provisioning and action there upon by the management;
- Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; and
- reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year.

The procedures performed and mentioned above did not find any issues to mention as regard to valuation of inventories.

Advances and deposits

With reference to note no.10 to the financial statements, advances and deposits represent the amount paid to parties from where economic benefit will flow to the entity in future time period. The company reported Tk. 607,779,218 which includes Tk. 371,733,940 for Advance to suppliers and Tk. 210,000,000 for Advance against land purchase.

Advance to suppliers Tk. 371,733,940 being significant amount of the "Advances and deposits", it has been considered as key audit matter as it might have been misstated due to non-recognition of required provision/impairment.

Further, there is a significant Advance against land purchase Tk. 210,000,000 which has been considered as key audit matter in order to assess if these advances have been made prudently.

How our audit addressed the key audit matter

We have obtained an understanding and also assessed the processes and controls put in place by the company over advances and deposits. Our substantive procedures are as under:

Advance to suppliers:

- Understanding the nature and reason for advances given;
- Discussing with the management as to the recoverability / adjustability and required provision thereof;
- Checking the list of the parties left with advances as on reporting date;
- Analyzing the aging of the advances.

Advance against land purchase:

- Reviewing the Board meeting minutes;
- Reviewing the agreements;
- Reviewing the source documents like Deeds, Khatiyans, Mutation, Khajna Rashid etc;
- Checking the payment procedures as per agreement; and
- Discussion with the management as to the title transfer of the land.

However, management has given detailed disclosure regarding advance against land purchase reference to note no.10.1 to the financial statements where they described the steps will be taken immediately to transfer the title of land in favor of the company.

Based on the procedures applied as mentioned above, we did not find any indications that advance to suppliers and advance against land purchase have not been presented fairly.

Advance against share purchase

Referring to note no.11 to the financial statements, the company has made an investment amounting to Tk. 128,800,000 against the purchase of ordinary shares of Bengal Plastics Limited (BPL) in 2011, a non-listed public limited company that carry out the business of manufacturing and exporting of hangers. These are presented as "Share Money Deposit" in BPL's books of accounts.

Evidently, this advance amount has been carried since 2011 and therefore, it has been considered as key audit area.

How our audit addressed the key audit matter

Our audit procedures are noted below:

- Reviewing the financial statements of Bengal Plastics Limited (BPL) and confirmed the investment in BPL's books;
- Discussion with the company's Corporate Affairs Department regarding non-issuance of shares from BPL;
- Communicating with those charged with the governance to look into the matter closely;
- Obtaining management representation and decision of Board of Directors regarding this investment during our audit period; and
- Finally, assessing the appropriateness and presentation of disclosures for advance made against share purchase.

Here it may be noted that as per note no.10 to the audited financial statements for the year ended on 30th June 2019, shares should have been issued within 30th June 2020 but this has not been completed yet. The management has explained the status of investment against the purchase of ordinary shares of Bengal Plastics Ltd as described in note no.11 to the financial statements for the year ended 30th June 2020.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The 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 express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the companies Act 1994, the Securities and Exchange Rules, 1987 and for 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that 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.

Other matter

We were not engaged to audit, review, or apply any procedures to the financial statements for the year ended 30th June 2019 as well as for prior period financial statements also of the company other than with respect to the adjustment described in Note no.04 to the financial statements which is appropriate and has been properly applied. Accordingly, we do not express an opinion or any other form of assurance on those prior period financial statements, were audited by another auditor.

Report on other Legal and Regulatory Requirements

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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (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 those books;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes 1 to 42 dealt with by the report are in agreement with the books of account; and
- (iv) the expenditures incurred were for the purpose of the Company's business.

Place: Dhaka
Date: November 01, 2020



Abu Nasser FCA
Islam Quazi Shafique & Co.
Chartered Accountants

Bengal Windsor Thermoplastics Limited
Statement of Financial Position
as at 30 June 2020

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19 Restated
ASSETS			
Non-current assets			
Property, plant and equipment at cost less accumulated depreciation	6	628,554,444	656,986,720
Intangible assets	7	3,329,586	3,893,892
Investment in shares	8	153,137,600	138,754,000
Total non-current assets		785,021,630	799,634,612
Current assets			
Inventories	9	355,663,685	390,953,341
Advances and deposits	10	607,779,218	586,063,324
Advance against share purchase	11	128,800,000	128,800,000
Trade and other receivables	12	320,947,419	399,909,113
Cash and cash equivalents	13	248,382,787	187,991,744
Total current assets		1,661,573,109	1,693,717,522
Total assets		2,446,594,739	2,493,352,134
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	914,760,000	914,760,000
Share premium	15	465,600,000	465,600,000
Retained earnings		782,106,342	816,921,942
Fair value adjustment	16	68,523,840	55,578,600
Total equity		2,230,990,182	2,252,860,542
Non-current liabilities			
Gratuity	17	17,639,674	14,488,929
Deferred tax liability	19	17,080,700	23,452,530
Total non-current liabilities		34,720,374	37,941,459
Current liabilities			
Bank overdraft	20	13,120,583	18,720,734
Short term loan	21	89,306,562	84,202,358
Long term loan - current portion	18	-	39,275,265
Provision for taxation	22	31,265,631	27,161,105
Trade and other payables	23	42,366,072	28,367,043
Payable to IPO applicants	24	4,825,335	4,823,628
Total current liabilities		180,884,183	202,550,133
Total equity and liabilities		2,446,594,739	2,493,352,134
Net Asset Value Per Share (NAVPS)	32	24.39	24.63


The annexed notes 1 to 42 form an integral part of these financial statements.


Company Secretary

B. Nahar,
Director


Managing Director

As per our annexed report of same date


Islam Quazi Shafique & Co.
Chartered Accountants

Dhaka, 01 November 2020

ISLAM QUAZI SHAFIQUE & Co.
Chartered Accountants

Bengal Windsor Thermoplastics Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2020

Notes	Amount in Taka					
	30-Jun-20		30-Jun-19		Total	Total
	Taxable Unit	Tax Exempted Unit	Taxable Unit	Tax Exempted Unit		
25	251,935,845	245,525,227	497,461,072	357,498,585	448,449,795	805,948,380
	(218,374,112)	(192,602,976)	(410,977,088)	(278,619,071)	(337,855,747)	(616,474,818)
	33,561,733	52,922,251	86,483,984	78,879,514	110,594,048	189,473,562
26	(27,312,870)	(7,968,233)	(35,281,103)	(30,364,744)	(7,990,406)	(38,355,150)
27	(15,752,086)	(16,420,982)	(32,173,068)	(12,090,851)	(15,874,335)	(27,963,386)
	(9,503,223)	28,533,036	19,029,813	36,423,919	86,729,107	123,153,026
28	11,631,344	3,556,841	15,188,185	14,401,621	3,456,044	17,857,665
29	(8,207,274)	(14,496,641)	(22,703,915)	(12,422,644)	(17,545,988)	(29,968,632)
	(6,079,153)	17,593,236	11,514,083	38,402,896	72,639,163	111,042,059
	-	(575,704)	(575,704)	(1,920,145)	(3,631,958)	(5,552,103)
	(6,079,153)	17,017,532	10,938,379	36,482,751	69,007,205	105,489,956
30	873,231	(889,210)	(15,979)	(7,912,227)	(864,011)	(8,776,238)
	6,936,959	889,210	7,826,169	7,583,445	864,011	8,447,456
19	(7,810,190)	-	(7,810,190)	328,782	-	328,782
	(5,205,922)	16,128,322	10,922,400	28,570,524	68,143,194	96,713,718
	(5,205,922)	16,128,322	10,922,400	28,570,524	68,143,194	96,713,718
16	12,945,240	-	12,945,240	-	-	55,578,600
	14,383,600	-	14,383,600	61,754,000	-	61,754,000
	(1,438,360)	-	(1,438,360)	(6,175,400)	-	(6,175,400)
	7,739,318	16,128,322	23,867,640	84,149,124	68,143,194	152,292,318
31			0.12			1.06

The annexed notes 1 to 42 form an integral part of these financial statements.


Company Secretary

B. Nahar,
Director


Managing Director

As per our annexed report of same date



Islam Quazi Shafique & Co.
Chartered Accountants

Dhaka, 01 November 2020

Bengal Windsor Thermoplastics Limited
Statement of Changes in Equity
For the year ended 30 June 2020

Amount in Taka

Particulars	Notes	Share capital	Share premium	Fair value adjustment	Retained earnings	Total
Balance at 01 July 2018		914,760,000	465,600,000	-	779,487,968	2,159,847,968
Prior year's adjustment	4	-	-	-	(13,541,744)	(13,541,744)
Balance at 01 July 2018 (Restated)		914,760,000	465,600,000	-	765,946,224	2,146,306,224
Net profit after tax for the year ended June 30, 2019		-	-	-	96,713,718	96,713,718
Cash dividend (for 2017-2018)		-	-	-	(45,738,000)	(45,738,000)
Unrealized gain on investment in shares of Bengal Poly And Paper Sack Ltd., net of tax (Note-16)		-	-	55,578,600	-	55,578,600
Balance at 30 June 2019		914,760,000	465,600,000	55,578,600	816,921,942	2,252,860,542
Balance at 01 July 2019		914,760,000	465,600,000	55,578,600	816,921,942	2,252,860,542
Net profit after tax for the year ended June 30, 2020		-	-	-	10,922,400	10,922,400
Cash dividend (for 2018-2019)		-	-	-	(45,738,000)	(45,738,000)
Unrealized gain on investment in shares of Bengal Poly And Paper Sack Ltd., net of tax (Note-16)		-	-	12,945,240	-	12,945,240
Balance at 30 June 2020		914,760,000	465,600,000	68,523,840	782,106,342	2,230,990,182

B. Nahar,

Company secretary

Director

Managing Director

Statement of Cash Flows
For the year ended 30 June 2020

	Amount in Tk.	
	30-Jun-20	30-Jun-19
A. Cash flows from operating activities		
Collection from customers	573,315,316	837,814,747
Payment for goods and services	(300,585,657)	(508,573,132)
Other operating expenses	(65,368,769)	(63,870,133)
Interest income from FDR and IPO	16,845,026	12,517,394
Cash generated from operation	224,205,916	277,888,876
Payment of tax	(5,756,539)	(8,198,251)
WPPF paid	(5,552,103)	(7,359,009)
Gratuity paid	(556,416)	(404,725)
Net cash generated from operating activities	212,340,858	261,926,891
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(49,435,456)	(68,633,647)
Advance against land purchase	-	(60,000,000)
Net cash used in investing activities	(49,435,456)	(128,633,647)
C. Cash flows from financing activities		
Dividend paid	(42,641,650)	(45,438,741)
Bank overdraft received/(paid)	(5,600,151)	15,648,223
Short term loan received	222,143,520	419,560,578
Repayment of short term loan	(217,039,316)	(463,253,971)
Long term loan received	-	69,159,970
Repayment of long term loan	(39,275,265)	(102,614,956)
Finance costs paid	(21,553,813)	(30,599,569)
Net cash used in financing activities	(103,966,675)	(137,538,466)
D. Net effect of foreign currency transaction on cash and cash equivalents	1,452,316	2,044,787
E. Net cash inflow during the year (A+B+C+D)	60,391,043	(2,200,435)
Cash and cash equivalents at 01 July	187,991,744	190,192,179
Cash and cash equivalents at 30 June	248,382,787	187,991,744
Net Operating Cash Flow Per Share (NOCFPS)	2.32	2.86

Complying with the notification No. BSEC/CMRCD/2006-158/208/Admin/81 dated 08 August 2018, of Bangladesh Securities and Exchange Commission (BSEC) a reconciliation of net income or net profit with cash flows from operating activities is given under note no 33.



Company secretary

B. Nahar.

Director



Managing Director



Bengal Windsor Thermoplastics Limited
Notes to the Financial Statements
For the year ended 30 June 2020

1 Background of the Company

Bengal Windsor Thermoplastics Limited (the "Company" or "Bengal Windsor") was incorporated on 02 January 2002 as a private limited company in Bangladesh under the Companies Act, 1994 with the name of Bengal Build-up Bangladesh Ltd. and subsequently changed its name to Windsor Plastics (BD) Ltd. on 17 May 2005. Further, on 14 December 2010 Windsor Plastics (BD) Ltd. has been renamed as Bengal Windsor Thermoplastics Limited and converted from private to public limited company.

Shares of Bengal Windsor are quoted in the Dhaka and Chittagong Stock Exchanges since 16 April 2013. The Company's registered office is situated at Dhaka, Bangladesh.

2 Nature of the business

The Company manufactures and exports mainly hanger and related garment accessories which facilitates the export of garments to the world's largest retailers including Wal-Mart, K-Mart, Kohl's, J C Penny, C&A, Auchan, H&M etc. in the USA, Canada as well as in Europe. The Company's manufacturing units are situated at Dhaka Export Processing Zone (DEPZ).

3 Summary of significant accounting policies

3.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), The Companies Act, 1994, The Securities and Exchange Rules, 1987, The Securities and Exchange Ordinance, 1969 and other applicable laws and regulations in Bangladesh. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.2 Use of estimates and judgements

The preparation of financial statements in conformity with the IFRS recognition and measurement of principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and of revenues and expenses. Such estimates are prepared on the assumption of going concern and are established based on currently available information. Changes in facts and circumstances may result in revised estimates, and actual results could differ from the estimates. Significant estimates made by management in the preparation of these financial statements include assumptions used for depreciation, deferred taxes, provisions for employees' benefits and fair valuation of investment in shares in Private Limited Companies.

The accounting for certain provisions and the disclosure of contingent liabilities and claims at the date of financial statements is judgemental.

3.3 Reporting Period

The financial year of the Company covers one year from 1 July to 30 June consistently.

3.4 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on 1st November, 2020.

3.5 Functional and presentation currency

The Company's functional and presentation currency both are in Bangladesh Taka (BDT). These financial statements are presented in Bangladesh Taka (BDT) and figures have been rounded off to the nearest Taka, unless stated otherwise.

3.6 Foreign currency translation

Transactions denominated in foreign currency have been translated in Bangladesh Taka (BDT) at the exchange rates prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated in Bangladesh Taka at prevailing rates ruling at the financial position date. Non-monetary assets and liabilities are reported using the exchange rates at the date of respective transactions. Foreign exchange fluctuation gain/losses are reflected in the statement of profit and loss and other comprehensive income.

3.7 Property, plant and equipment (PPE)

Recognition and measurement

- 3.7.1 Items of property, plant and equipment are recognized where it is probable that future economic benefits will flow to the entity and their costs can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment.

3.7.2 Subsequent costs

Repair and maintenance expenditure is recognised as expenditure when incurred. Replacement parts are capitalised, provided the original cost of the items they replace is derecognised at the time of the replacement.

3.7.3 Depreciation

Depreciation on PPE is charged using straight-line method. Depreciation on addition to PPE during the period is charged when those are available for use. Depreciation on these assets disposed of are made up to the date of disposal. Depreciation rates applied to the principal asset categories are shown below:

Asset category	Rate of depreciation
Plant and machinery	5%
Factory building	3%
Office equipment	20%
Furniture and fixture	10%
Motor vehicles	20%
Moulds	10%
Electrical equipment	10%
IT equipment	33.33%
Factory equipment	10%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. No significant adjustments in respect of estimated useful lives were required in this accounting period.

3.8 Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

Software represents the value of computer application software licensed for use of the Company. Intangible assets are carried at its cost, less accumulated amortization and impairment loss, if any.

Initial cost includes license fees paid at the time of purchase and other directly attributable expenditure that are incurred in customizing the software for its intended use.

3.8.1 Amortization of intangible asset

Intangible asset is amortized using the straight line method over its estimated useful life of 10 years.

3.9 Impairment

The carrying value of assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment loss is recognized in the statement of profit or loss and other comprehensive income.

3.10 Inventories

Inventories are measured at the lower of cost and net realizable value. Inventories comprise of raw materials, work in process, finished goods, stores and spares. The Company follows weighted average method for valuing inventories. The cost of inventories includes expenditure incurred in acquiring the raw materials, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Work in process has been valued at cost of raw materials with proportionate addition of conversion cost.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sales.

3.11 Employees' benefit schemes

The Company maintains both defined benefit plan and defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the Company policy manual.



3.11.1 Defined benefit plan (gratuity)

The Company operates an unfunded gratuity scheme for its all permanent employees as its defined contribution benefit. The employees are entitled to get one month's latest basic pay for every year of service when fraction of year above six month is considered as full year as per Company policy. Gratuity so calculated is transferred to the fund and charged to expenses of the Company representing the annual obligation under the scheme. No actuarial valuation has been done as the management believes that the provision for gratuity in the year end is sufficient to meet the obligation.

3.11.2 Defined contribution plan (provident fund)

The Company operates an approved Contributory Provident Fund Scheme (CPF) with an equal contributions @ 8.33% for workers and local staff made by both employer and employees. Forfeited fund, if any, arising from departure or discontinuation of employees and workers as per provident fund rules will be adjusted with the employer's contribution upon completing of all formalities as per the guideline issued by Financial Reporting Council (FRC) vide notification no: 179/FRC/FRM/Notification/2020/2 dated July 07, 2020.

3.11.3 Workers' profit participation and welfare fund (WPPF)

The Company recognises a provision for Workers' Profit Participation and Welfare Fund @ 5% of profit before tax before charging such expenses as per the Bangladesh Labour Act (amended in 2013), 2006.

3.12 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.

Until 30 June 2018, the Company was following IAS-39: 'Financial Instruments: Recognition and Measurement' and IAS-32: 'Financial Instruments: Presentation' for recognition and presentation of financial instruments including trade receivables, trade payables, cash and cash equivalents and others. However, the management has completed its assessment of IFRS-9: 'Financial Instruments', effective from 1 January 2018 and concluded that adoption and application of this new standard does not have any material impact on recognition and presentation of the Company's financial instruments. The management has assessed that no restatement is required in year of initial adoption. As a result, the comparative information provided will, continue to be accounted for in accordance with the Company's previous accounting policy.

3.12.1 Investment in shares

Investment in shares are classified as fair value through other comprehensive income and initially measured at the fair value of the consideration given (i.e. cost) plus (in most cases) transaction costs that are directly attributable to the acquisition of the financial asset. Investments in shares are re-measured to fair value, without any deduction for transaction costs that may be incurred on sale or other disposal. Any gain/loss at final settlement will be directly transferred to retained earnings.

3.12.2 Trade and other receivables

Trade receivable are initially recognized at invoice amounts which is the fair value of the consideration given in return. Provisions for doubtful debts are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience as well as general economic conditions and ultimately the prospects of realizability.

3.12.2.1 Expected Credit Loss (ECL)

Expected Credit Loss (ECL) has been calculated applying the simplified approach permitted by IFRS-9, which requires the use of lifetime expected loss provision for all receivables. There is no material change to the bad debt provisioning of the receivables.

The Company's sales are made through irrecoverable LC and there is no past history of default. Hence, no provision on receivables has been made.

3.12.3 Loans

Principal amounts of the long term and short term loans are stated at their amortized cost. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of long term and short term loans repayable within twelve months from the date of statement of financial position are classified as current liabilities.

3.13 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position.

3.14 Revenue

Sale of goods

Until 30 June 2018, the Company was following IAS-18 : 'Revenue' for recognizing its export sales, interest income and others. However, the management has completed its assessment of IFRS-15: 'Revenue from contracts with customers', effective from 01 July 2018 for the Company and concluded that adoption and application of this new standard does not have any impact on the timing of revenue recognition based on the Company's current revenue streams. Hence, no restatement in this respect is required in the year of initial adoption. As a result, the comparative information provided will continue to be accounted for in accordance with the Company's previous accounting policy.

Revenue is recognized when a performance obligation is satisfied by transferring goods or services to a customer, either at a point in time or over time.

Interest income

Interest income is recognized on time proportionate basis and calculated using the effective interest method.

3.15 Income tax

a) Current tax

The Company has two units - Taxable Unit and Tax Exempted Unit. Provision for income tax on taxable unit has been made as per the Income Tax Ordinance, 1984 and the Finance Act, 2020. Tax Exempted Unit, Bengal Petro chem, has been enjoying tax exemption for 10 years effective from 28 December 2011 to 27 December 2021 as per SRO No. 289-L/89 dated August 19, 1989.

b) Deferred tax

Deferred tax is provided on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the financial statements in accordance with IAS 12: "Income Taxes". Tax rate is used @ 12.50% for determining deferred tax as the same rate is expected to be applicable at the time of settlement / adjustments of deferred tax assets or liabilities.

3.16 Earnings Per Share (EPS)

The Company calculates its earnings per share in accordance with IAS 33: "Earnings Per Share", which has been shown on the face of statement of profit or loss and other comprehensive income.

3.16.1 Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.16.2 Diluted earnings per share

No diluted earnings per share is required to be calculated as there was no scope for dilution during the year.

3.17 Dividends

Final dividend distributions to the Company's shareholders are recognized as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders at the Annual General Meeting.

3.18 Related party transactions

Disclosures have been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies / decisions over the other, irrespective of whether a price is charged.

3.19 Segment reporting

No segment reporting is applicable for the Company as required by IFRS 8: "Operating Segments" as the Company operates in a single industry segment and within a single geographical segment.

3.20 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.

3.21 Events after the reporting period

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



4 Prior years' adjustment

4.1 Errors occurred in charging depreciation of some assets

Inadvertently errors occurred in charging depreciation of some assets in previous years' financial statements due to mathematical mistakes occurred in calculating the amount of depreciation which resulted in the overstatement of the carrying amount of assets and profits by Tk 13,541,744. Had the errors not been occurred, the profits and the carrying amount of the property, plant & equipment of that particular years would decrease to that extent. The error is material error and a retrospective application is required as per the International Accounting Standards (IAS) 8: "Accounting Policies, Changes in Accounting Estimates and Errors". However, as the errors occurred before 01 July 2018 (i.e. the earliest prior period), the opening balances of property, plant and equipment with a corresponding adjustment in retained earnings as on 01 July 2018 have been made as per the guidance of IAS 8.

4.2 Disclosure given on restatement instead of a third statement of financial position

Prior years' adjustment has been given due to errors in prior periods (Note 4.1) and thus restating those years. The financial statements have been prepared with the intention of making the presentation simple and user-friendly without affecting the numbers. A third financial position (as per IAS-1 Paragraph 40) has not been presented because this would be confusing to the general shareholders and potential investors in making their economic decision. It is also supported by the Paragraph 19 of IAS-1 which states that in extremely rare circumstances an entity can depart from the requirements of an accounting standard if the management concludes that it will achieve fair presentation. NAVPS for 2018-2019 financial year has been changed from BDT. 24.78 to BDT. 24.63 as a result of restatement.

5 General

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative information have been re-arranged, wherever considered necessary, to ensure better presentation and comparability with the current period.

6 Property, plant and equipment at cost less accumulated depreciation

Particulars	COST		Rate	DEPRECIATION			Written down Value as on 30-Jun-20
	As on 1-Jul-19	Addition during the year		As on 30-Jun-20	Opening Balance As on 1-Jul-19	Charge During the year	
Plant and machinery	325,121,956	-	5%	117,167,926	16,256,098	133,424,024	191,697,932
Factory building	229,908,383	-	3%	42,788,768	6,897,252	49,686,020	180,222,363
Office equipment	5,546,903	37,367	20%	5,134,628	140,808	5,275,436	308,834
Furniture and fixture	1,897,115	48,089	10%	811,826	187,701	999,527	945,677
Motor vehicles	39,891,953	75,000	20%	38,584,837	913,213	39,498,050	468,903
Moulds	407,022,011	49,084,756	10%	219,145,468	42,139,229	261,284,697	194,822,070
Electric equipment	54,845,335	-	10%	24,637,705	5,484,533	30,122,238	24,723,097
IT equipment	11,487,728	180,975	33.33%	10,939,650	315,990	11,255,640	413,063
Factory equipment	62,728,606	9,270	10%	22,252,462	5,532,909	27,785,371	34,952,505
As on 30-Jun-20	1,138,449,990	49,435,456		481,463,270	77,867,733	559,331,003	628,554,444
As on 30-Jun-19	1,069,816,343	68,633,647		413,227,661	68,235,609	481,463,270	656,986,720

6.1

Particulars	Factory overhead	Administrative overhead	Total
Plant and machinery	16,256,098	-	16,256,098
Factory building	6,897,252	-	6,897,252
Office equipment	-	140,808	140,808
Furniture and fixture	150,161	37,540	187,701
Motor vehicles	730,570	182,643	913,213
Mould	42,139,229	-	42,139,229
Electric equipment	4,387,626	1,096,907	5,484,533
IT equipment	252,792	63,198	315,990
Factory equipment	5,532,909	-	5,532,909
Total	76,346,637	1,521,096	77,867,733

ISLAM QUAZI SHAFIQUE & Co.
Chartered Accountants

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
7 Intangible assets			
Cost			
Balance as at 01 July		5,643,060	5,643,060
Addition during the year		-	-
Balance as at 30 June		5,643,060	5,643,060
Accumulated amortization			
Balance as at 01 July		1,749,168	1,184,862
Amortization for the year @ 10%		564,306	564,306
Balance as at 30 June		2,313,474	1,749,168
Written-down value		3,329,586	3,893,892
8 Investment in shares			
Investment in Bengal Poly And Paper Sack Ltd. at cost		77,000,000	77,000,000
Add: Fair value adjustment		76,137,600	61,754,000
		153,137,600	138,754,000

The Company has acquired 3,080,000 ordinary shares of Taka 25 (including premium of Taka 15) each, totaling Taka 77,000,000. The investment represents 10.96% of total ordinary shares in Bengal Poly And Paper Sack Limited. Net asset value per share (NAVPS) stood at Taka 49.72 as per unaudited financial statements as at 30 June 2020.

"The Company does not have a quoted price in an active market, there is no comparable transaction in recent times and the shares are not also freely transferable. Hence, as per IFRS-13: "Fair Value Measurement", fair value measurement of those shares has been categorized within Level-3 of the fair value hierarchy due to significant unobservable inputs and valuation has been done using the entity's own assumptions about market exit value. Management has estimated that NAVPS Tk 49.72 approximates the fair value of the share at the reporting date.

As per the requirements of IFRS-09: "Financial Instruments", the fair valuation of the above equity shares has been done at the reporting date and it has been classified as Fair Value through Other Comprehensive Income (FVOCI). Further, application of fair value model as per IFRS-13: "Fair Value Measurement" is prospective and therefore, comparative information need not to be disclosed/reported for the period before initial application.

9 Inventories			
Raw materials (quantities of raw materials are given below)	9.1	104,035,830	95,387,861
Work-in-process		27,266,458	25,012,785
Finished goods		83,814,749	81,187,879
Goods in transit		22,415,015	34,779,316
Packing materials, spares parts, accessories and consumables		136,215,290	154,585,500
		373,747,342	390,953,341
Less: Inventory write off	9.2	(18,083,657)	-
		355,663,685	390,953,341
9.1 Raw materials		Kgs	Kgs
Polypropylene (PP)		240,100	171,575
General purpose polystyrene (GPPS)		318,725	257,200
High impact polystyrene (HIPS)		309,000	191,200
K-Resin		13,150	14,175
Elastomer Rubber/ TPR		15,725	13,750
PS-Recycle		300,900	266,450
GPPS - Recycle		-	-
PP Recycle		2,575	20,050
Masterbatch (White)		14,700	125
Masterbatch (Black)		24,375	20,725
Masterbatch (Bige)		3,764	3,750
Masterbatch (Orange)		1,600	1,600
PP - Filler		13,525	18,125
Masterbatch (Dessicant)		11,550	9,710
Masterbatch (Beige 2024)		-	-
Masterbatch (Blue)		33	15
Masterbatch (Crate Green)		5	16
Masterbatch (Parrot Green)		45	9
Masterbatch (Pink 003)		53	6
Masterbatch (Yellow)		-	10
Masterbatch (Violet)		-	5
Masterbatch (Golden yellow)		11	-
Masterbatch (Grey)		23	-
Masterbatch (Silver)		23	-
Masterbatch (Optical White)		5	12,402
		1,269,887	1,000,899



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Chartered Accountants

9.2 During the year, some accessories and spare parts become obsolete and the management has decided to write off those items totaling Taka 18,083,657.

		Amount in Taka	
		30-Jun-20	30-Jun-19
10	Advances and deposits		
	Advances		
	Advance to suppliers	371,733,940	351,683,887
	Advance against land purchase	210,000,000	210,000,000
	Advance to employees	357,366	836,743
	Advance income tax	19,986,815	17,951,919
		602,078,121	580,472,549
	Deposits		
		5,701,097	5,590,775
		607,779,218	586,063,324

10.1 This represents advance given to the owner of the land to be acquired. According to the Agreement (Bainanama Deed), all necessary formalities of the land acquisition including the payment of the balance amount of the land and transfer of ownership were supposed to be completed by the reporting period but due to the pandemic situations, the land acquisition process could not be completed in time. However, all necessary formalities of the land acquisition will be observed immediately and upon completion of those formalities, the advance against land purchase will be adjusted with/ transferred to the property, plant and equipment.

		Amount in Taka	
		30-Jun-20	30-Jun-19
	Notes		
10.2	Advance income tax		
	Balance as on 01 July	17,951,919	14,414,747
	Tax paid during the year	5,756,539	3,537,172
		23,708,458	17,951,919
	Adjusted against final tax assessment	(3,721,643)	-
		19,986,815	17,951,919
10.3	Deposits		
	BEPZA for electric line purpose	4,127,036	4,127,036
	BEPZA for land purpose	1,546,401	230,945
	Export margin	-	651,075
	L/C margin deposits	27,660	581,719
		5,701,097	5,590,775
11	Advance against share purchase		
	Bengal Plastics Ltd.	128,800,000	128,800,000
	The Company paid aforesaid amount in 2011 for investment in ordinary shares in Bengal Plastics Limited (BPL), a public limited company that carry out the business of manufacturing and exporting of hangers. The management of BPL has been considering restructuring of its share capital for some strategic reasons for last few years but due to some regulatory compliances, the process of issuing shares is being delayed. However, both the managements of Bengal Windsor and BPL are currently making their joint efforts to complete the process of issuing shares immediately. Further, the management of Bengal Windsor considers the investment as good and profitable.		
12	Trade and other receivables		
	Trade receivables	310,725,738	386,579,982
	FDR interest receivable	10,221,681	13,329,131
		320,947,419	399,909,113
12.1	Trade receivables		
	Balance as at 01 July	394,319,647	426,186,014
	Export sales for the year	497,461,072	805,948,380
		891,780,719	1,232,134,394
	Collection during the year	(573,315,316)	(837,814,747)
	Balance as at 30 June 2020	318,465,403	394,319,647
	Provision for doubtful debt	(7,739,665)	(7,739,665)
		310,725,738	386,579,982
12.2	Trade receivable disclosure as per Schedule-XI, Part-I, of the Companies Act, 1994		
	Receivable due below six months	310,725,738	386,579,982
	Receivable due over six months	7,739,665	7,739,665
		318,465,403	394,319,647

The trade receivables occurred in the ordinary course of business and are fully secured by letter of credit and thereby considered realizable.



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Chartered Accountants

13 Cash and cash equivalents

Cash in hand

Head office

Factory premises

	22,085	52,649
	88,646	135,767
	110,731	188,416

Cash at banks

Current accounts

Dutch Bangla Bank Ltd.

Eastern Bank Ltd.

Mutual Trust Bank Ltd.

United Commercial Bank Ltd.

Agrani Bank Ltd.

Bank Asia Ltd.

	1,270,865	-
	8,668	9,818
	178,060	893,811
	39,053	39,743
	342,500	-
	68,520	136,163
	1,907,666	1,079,535

Short notice deposit accounts

Mutual Trust Bank Ltd.

National Credit and Commerce Bank Ltd.

	4,957,697	2,211,037
	1,129,382	-
	6,087,079	2,211,037

Foreign currency accounts

Eastern Bank Ltd.

Bank Asia Ltd.

Standard Chartered Bank (MOB Account)

	502,540	500,833
	8,257,389	1,932,050
	39,318,505	5,532,306
	48,078,434	7,965,189

High performance account

Eastern Bank Ltd. - HPA

	5,131,726	4,998,329
	5,131,726	4,998,329

Amount in Taka	
30-Jun-20	30-Jun-19

Term deposit (Fixed Deposit Receipts)

National Finance Ltd.

Bank Asia Ltd.

	145,133,019	132,624,960
	41,934,132	38,924,278
	187,067,151	171,549,238

	248,382,787	187,991,744
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14 Share capital (Ordinary shares)

Authorized capital

100,000,000 ordinary shares of BDT 10 each

	1,000,000,000	1,000,000,000
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Issued, subscribed and paid up capital

Opening paid up capital:

(54,000,000 ordinary shares of BDT 10 each)

	540,000,000	540,000,000
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Increased through IPO:

(16,000,000 ordinary shares of BDT 10 each)

	160,000,000	160,000,000
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Increased through bonus stock issue of 8% fiscal year 2012-2013:

(5,600,000 ordinary shares of BDT 10 each)

	56,000,000	56,000,000
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Increased through bonus stock issue of 10% fiscal year 2014-2015:

(75,60,000 ordinary shares of BDT 10 each)

	75,600,000	75,600,000
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Increased through bonus stock issue of 10% fiscal year 2016-2017:

(83,16,000 ordinary shares of BDT 10 each)

	83,160,000	83,160,000
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	914,760,000	914,760,000
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Shareholding position

Name of Shareholders	Nationality / Incorporated in	Holdings		Amount in Taka	
		% Holding	Numbers of Shares	2020	2019
Mr. Morshed Alam	Bangladeshi	11.17%	10,219,176	102,191,760	102,191,760
Mrs. Bilqis Nahar	Bangladeshi	3.29%	3,005,640	30,056,400	30,056,400
Mr. Md. Jashim Uddin	Bangladeshi	6.57%	6,011,280	60,112,800	60,112,800
Mr. Humayun Kabir Bablu	Bangladeshi	24.32%	22,242,905	222,429,050	242,429,050
Mr. Firoz Alam	Bangladeshi	2.63%	2,404,512	24,045,120	24,045,120
Mr. Saiful Alam	Bangladeshi	2.63%	2,404,512	24,045,120	24,045,120
Mr. Shamsul Alam	Bangladeshi	2.63%	2,404,512	24,045,120	24,045,120
Institutional shareholders	Bangladesh	29.99%	27,432,403	274,324,030	260,425,450
General public:					
Resident shareholders	Bangladeshi	16.73%	15,304,556	153,045,560	146,824,590
Non resident shareholders	Bangladeshi	0.05%	46,504	465,040	584,590
Total		100%	91,476,000	914,760,000	914,760,000



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Chartered Accountants

Classification of shareholders by shareholdings:

Holdings	Number of share holders	Total Number of shares (2020)
Less than 500 shares	2801	448,098
500 to 5,000 shares	1596	3,030,605
5,001 to 10,000 shares	288	2,125,100
10,001 to 20,000 shares	184	2,509,852
20,001 to 30,000 shares	66	1,682,280
30,001 to 40,000 shares	26	926,909
40,001 to 50,000 shares	23	1,039,159
50,001 to 1,00,000 shares	37	2,545,659
1,00,001 to 10,00,000 shares	33	9,294,834
Over 10,00,000 shares	13	67,813,504
Total	5067	91,476,000

Amount in Taka	
30-Jun-20	30-Jun-19

15 Share premium

465,600,000	465,600,000
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The Company received Tk. 30 and Tk. 15 through private placement and Initial public offering (IPO) respectively as premium on each issued share.

16 Fair value adjustment

Opening balance	61,754,000	-
Add: Increase in fair value - Unrealized gain in investment on shares of Bengal Poly And Paper Sack Ltd.	14,383,600	61,754,000
	76,137,600	61,754,000
Less: Tax @ 10%	7,613,760	6,175,400
	68,523,840	55,578,600

The Company has acquired 3,080,000 ordinary shares of Taka 25 (including premium of Taka 15) each, totaling Taka 77,000,000. As per the requirement of IFRS-09: "Financial Instruments", this equity instrument requires fair valuation at the reporting date. Accordingly, valuation has been done as per guidance under IFRS-13: "Fair Value Measurement", the assumptions of which have been detailed in note-8. This instrument has been considered as Fair Value through Other Comprehensive Income (FVOCI).

Amount in Taka	
30-Jun-20	30-Jun-19

17 Gratuity

Opening balance	14,488,929	12,077,337
Add: Provision made during the year	3,707,161	2,816,317
	18,196,090	14,893,654
Less: Payments made during the year	(556,416)	(404,725)
	17,639,674	14,488,929

18 Long term loan- net off current portion

Standard Chartered Bank	-	39,275,265
	-	39,275,265
Less: Long term loan - current portion	-	(39,275,265)
Long term loan net off current portion	-	-



19 Deferred tax liability

Particulars	Carrying amount on reporting date	Tax base	Taxable temporary difference / (deductible temporary difference)
For the year 2020			
Property, plant and equipment	281,720,781	182,789,757	98,931,024
Provision for gratuity	15,455,842	-	(15,455,842)
Provision for doubtful debt	7,739,665	-	(7,739,665)
Net taxable temporary difference			75,735,517
Applicable tax rate			12.50%
			9,466,940
Unrealized gain on investment in shares	76,137,600	-	76,137,600
Applicable tax rate			10.00%
			7,613,760
Deferred tax liability at the end of the year			17,080,700
Deferred tax liability at the beginning of the year			23,452,530
Deferred tax income for the year			(6,371,830)
For the year 2019			
Property, plant and equipment	381,453,525	222,186,284	159,267,241
Provision for gratuity	13,310,534	-	(13,310,534)
Provision for doubtful debt	7,739,665	-	(7,739,665)
Net taxable temporary difference			138,217,042
Applicable tax rate			12.50%
			17,277,130
Unrealized gain on investment in shares	61,754,000	-	61,754,000
Applicable tax rate			10.00%
			6,175,400
Deferred tax liability at the end of the year			23,452,530
Deferred tax liability at the beginning of the year			16,948,348
Deferred tax expense for the year			6,504,182

Allocation of deferred tax income during the year

Unrealized gain on un-quoted shares	1,438,360
Profit or loss account	(7,810,190)
	<u>(6,371,830)</u>

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
20 Bank overdraft			
Bank Asia Ltd.	20.1	413,533	7,126,285
Standard Chartered Bank	20.2	12,707,050	11,307,973
Dutch Bangla Bank Ltd.		-	46,162
National Credit and Commerce Bank Ltd.		-	240,314
		<u>13,120,583</u>	<u>18,720,734</u>
20.1 Purpose	: To meet up operational, utilities and administrative and other overhead expenses.		
Facility limit	: Tk. 7.50 million.		
Nature of security	: i) Post dated cheque along with approach letter covering the overdraft limit. ii) Personal guarantee of all the directors of the Company. iii) Hypothecation of stocks, plant, machinery, equipment, receivables of the Company. iv) Notarized IGPA favouring the bank.		
20.2 Purpose	: To meet up operational utilities and administrative and other overhead expenses.		
Facility limit	: Tk. 20 Million		
Nature of security	: i) Demand Promissory Note. ii) Registered hypothecation over stocks, plant and machinery and book debts. iii) Personal guarantee from Directors.		

ISLAM QUAZI SHAFIQUE & Co.
Chartered Accountants

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
21 Short term loan			
Loan against trust receipt (LATR)			
Standard Chartered Bank	21.1	60,761,663	52,391,058
		<u>60,761,663</u>	<u>52,391,058</u>
Usance payable at sight (UPAS)			
Standard Chartered Bank	21.2	28,544,899	31,811,300
		<u>28,544,899</u>	<u>31,811,300</u>
		<u>89,306,562</u>	<u>84,202,358</u>
21.1 Purpose	: For making payment of sight L/C.		
Facility limit	: Tk. 200.00 million.		
Teure	: Maximum 180 days.		
21.2 Purpose	: To provide acceptance against L/C.		
Facility limit	: Tk. 200.00 million.		
Teure	: Maximum 150 days.		
22 Provision for taxation			
Opening balance		27,161,105	23,374,728
Add: Provision made during the year		7,826,169	8,447,456
		<u>34,987,274</u>	<u>31,822,184</u>
Less: Adjustment during the year		(3,721,643)	(4,661,079)
		<u>31,265,631</u>	<u>27,161,105</u>
23 Trade and other payables			
Accounts payable - service		6,684,165	5,085,698
Dividend payable	23.1	6,074,772	2,978,422
Sales commission		664,263	641,352
Salary and wages		6,876,111	5,633,378
Utilities payable		4,888,881	2,744,970
Medical expenses payable		50,546	50,278
Provident fund		504,237	455,717
Audit fee		348,000	373,750
Accrued interest		2,221,789	1,071,687
TDS payable		3,944,447	947,558
Provision for WPPF		575,704	5,552,103
Workers' Welfare Fund (DEPZ)		21,238	21,125
Royalty payable		4,804,285	-
Other payables		4,707,634	2,811,005
		<u>42,366,072</u>	<u>28,367,043</u>
23.1 Dividend paid and payable			
Unclaimed dividend as at 01 July		2,978,422	2,679,163
Final dividend declared		45,738,000	45,738,000
Dividend paid		(42,641,650)	(45,438,741)
Unclaimed dividend as at 30 June		<u>6,074,772</u>	<u>2,978,422</u>
24 Payable to IPO applicants			
Bangladeshi residents		4,322,795	4,322,795
Non resident Bangladeshi		502,540	500,833
		<u>4,825,335</u>	<u>4,823,628</u>



ISLAM QUAZI SHAFIQUE & Co.
Chartered Accountants

Notes	Amount in Taka						
	2019-2020			2018-2019			
	Taxable Unit	Tax Exempted Unit	Total	Taxable Unit	Tax Exempted Unit	Total	
25 Cost of goods sold							
Raw materials consumed	25.1	46,512,207	101,261,338	147,773,545	118,968,353	252,346,436	371,314,789
Packing materials consumed	25.2	36,872,576	21,770,739	58,643,315	29,284,068	27,132,844	56,416,852
Other direct expenses		12,031,244	3,190,626	15,221,870	10,527,115	3,599,406	14,126,521
Factory overhead	25.3	127,896,051	66,322,850	194,218,901	117,775,254	61,001,157	178,776,411
Manufacturing cost		213,312,078	191,545,553	415,857,631	276,554,730	344,079,843	620,634,573
Add: Opening work-in-progress		15,233,414	9,779,371	25,012,785	15,830,846	10,318,500	26,149,346
		238,545,492	202,324,924	440,870,416	292,385,576	354,398,343	646,783,919
Less: Closing work-in-progress		(16,389,423)	(10,877,035)	(27,266,458)	(15,233,414)	(9,779,371)	(25,012,785)
Cost of production		212,156,069	191,447,889	413,603,958	277,152,162	344,618,972	621,771,134
Add: Opening stock of finished goods		33,525,965	47,661,914	81,187,879	34,992,874	40,898,689	75,891,563
Cost of goods available for sale		245,682,034	239,109,803	494,791,837	312,145,036	385,517,661	697,662,697
Less: Closing stock of finished goods		(37,307,922)	(46,506,827)	(83,814,749)	(33,525,965)	(47,661,914)	(81,187,879)
		218,374,112	192,602,976	410,977,088	278,619,071	337,855,747	616,474,818
25.1 Raw materials consumed							
Opening stock		51,054,391	44,333,470	95,387,861	55,552,401	57,387,181	112,939,582
Add: Purchase during the year		48,907,224	107,514,290	156,421,514	114,470,343	239,292,725	353,763,068
Raw materials available		99,961,615	151,847,760	251,809,375	170,022,744	296,679,906	466,702,650
Less: Closing stock		(53,449,408)	(50,586,422)	(104,035,830)	(51,054,391)	(44,333,470)	(95,387,861)
		46,512,207	101,261,338	147,773,545	118,968,353	252,346,436	371,314,789
25.2 Packing materials consumed							
Opening stock		99,185,567	7,298,130	106,483,697	102,794,742	6,631,748	109,426,490
Add: Purchase during the year		18,549,294	22,356,069	40,905,363	25,674,833	27,799,226	53,474,059
Packing materials available		117,734,861	29,654,199	147,389,060	128,469,575	34,430,974	162,900,549
Less: Closing stock		(80,862,285)	(7,883,460)	(88,745,745)	(99,185,567)	(7,298,130)	(106,483,697)
		36,872,576	21,770,739	58,643,315	29,284,068	27,132,844	56,416,852
25.3 Factory overhead							
Salary and allowances		36,020,763	20,619,594	56,640,357	33,194,854	18,263,245	51,458,099
Gratuity expense		2,412,013	1,295,148	3,707,161	2,410,687	405,630	2,816,317
EPZ rental expenses		754,304	1,329,791	2,084,095	739,979	1,316,849	2,056,828
Insurance premium		1,228,700	1,194,302	2,423,001	2,086,209	-	2,086,209
Utility expenses		18,275,155	16,500,921	44,776,076	29,041,022	16,548,224	45,589,246
Fuel, oil and lubricants		18,096	193,951	212,047	156,034	88,672	244,706
Entertainment		475,709	264,780	740,489	578,907	646,931	1,225,838
Repair and maintenance		477,286	479,566	956,852	337,471	61,635	399,106
Security services		1,583,400	1,583,505	3,166,905	1,722,600	1,722,600	3,445,200
Legal and consultancy fee		395,002	-	395,002	142,388	-	142,388
Telephone and mobile		216,233	50,883	267,116	165,080	55,979	221,059
Travelling and conveyance		62,330	143,115	205,445	92,277	112,315	204,592
Renewal and registration fee		31,880	36,953	68,833	49,236	39,839	89,075
Medical expenses		305,536	337,610	643,146	443,338	281,189	724,527
Other factory overheads		1,077,533	508,205	1,585,738	1,216,657	507,052	1,723,709
Depreciation	6.1	54,562,111	21,784,526	76,346,637	45,398,515	20,950,997	66,349,512
		117,896,051	66,322,850	194,218,901	117,775,254	61,001,157	178,776,411
26 Administrative expenses							
Salaries and allowances		14,188,963	1,753,049	15,942,012	15,185,258	3,606,714	18,791,972
Director's remuneration		2,400,000	-	2,400,000	2,640,000	-	2,640,000
Board attendance fee		268,324	-	268,324	297,073	-	297,073
Printing, stationery and courier		9,384	1,252	10,636	27,959	-	27,959
Travelling and conveyance		197,215	22,920	220,135	212,860	202,052	414,912
Telephone and mobile		231,128	49,606	280,734	320,891	115,011	435,902
Entertainment		481,336	46,785	528,121	577,429	325,372	902,801
Repair and maintenance		554,552	-	554,552	631,084	122,768	753,852
AGM expenses		196,858	-	196,858	189,472	-	189,472
Audit fees		375,250	-	375,250	422,500	-	422,500
Consultancy, registration and renewal fee		1,301,115	-	1,301,115	1,468,942	-	1,468,942
Insurance premium		49,564	15,328	64,892	138,541	50,664	189,205
Other administrative expenses		3,053,396	2,719,448	5,772,844	3,625,868	629,511	4,255,379
Bank charge and commission		2,674,136	2,606,092	5,280,228	2,841,104	2,173,674	5,114,778
Amortization		564,306	-	564,306	564,306	-	564,306
Depreciation	6.1	767,343	753,753	1,521,096	1,121,457	764,640	1,886,097
		17,312,870	7,968,233	35,281,103	30,364,744	7,990,406	38,355,150



Notes	Amount in Taka					
	2019-2020			2018-2019		
	Taxable Unit	Tax Exempted Unit	Total	Taxable Unit	Tax Exempted Unit	Total
27 Selling and distribution expenses						
Salaries and allowances	7,313,680	7,130,665	14,444,345	5,278,762	7,666,639	12,945,401
Travelling and conveyance	341,455	24,910	366,365	391,345	167,070	558,415
Telephone and mobile	109,834	109,400	219,234	62,622	97,914	160,536
Entertainment	126,380	57,898	184,278	103,354	43,384	146,738
Carriage outward	2,867,051	2,794,098	5,661,149	3,060,342	3,838,924	6,899,266
Sales commission	1,060,227	1,033,249	2,093,476	1,030,558	1,292,742	2,323,300
Royalty Expense	2,551,905	2,252,380	4,804,285	-	-	-
Advertisement	-	210,000	210,000	-	175,000	175,000
Distribution expenses	1,381,554	2,308,332	4,189,936	2,161,868	2,592,862	4,754,730
	15,752,086	16,420,982	31,173,068	12,096,851	15,874,535	27,965,386
28 Other income						
Exchange fluctuation gain	695,864	754,745	1,450,609	994,091	1,048,257	2,042,348
Interest on FDR and STD	10,712,859	2,802,096	13,514,955	13,214,913	2,407,787	15,622,700
Interest on IPO	151,763	-	151,763	147,019	-	147,019
Interest on dividend account	70,858	-	70,858	43,398	-	43,398
	11,631,344	3,556,841	15,188,185	14,401,621	3,456,044	17,857,665
29 Finance costs						
Interest on loans and overdraft	5,840,172	14,299,119	20,139,331	11,386,982	16,642,365	28,029,347
Bank charge and commission	2,367,102	197,482	2,564,584	1,035,662	903,623	1,939,285
	8,207,274	14,496,641	21,703,915	12,422,644	17,545,988	29,968,632
29.1 Interest on loans and overdraft						
Interest on short term loan	876,737	521,944	1,398,681	1,278,907	675,654	1,954,560
Interest on loan against trust receipts (LATR)	3,117,306	6,884,290	10,001,596	6,270,932	7,106,340	13,377,472
Interest on local documentary bills purchased (LDEP)	517,402	1,137,421	1,654,823	739,808	801,922	1,540,830
Interest on usance payable at sight (UPAS)	1,328,727	2,926,982	4,255,709	3,097,335	2,825,905	5,923,240
Interest on term loan	-	2,828,522	2,828,522	-	5,233,245	5,233,245
	5,840,172	14,299,119	20,139,331	11,386,982	16,642,365	28,029,347
30 Income tax expenses/(income)						
Current tax expense	6,936,959	889,210	7,826,169	7,583,445	864,011	8,447,456
Deferred tax expense / (income)	(7,810,190)	-	(7,810,190)	328,782	-	328,782
	(873,231)	889,210	15,979	7,912,227	864,011	8,776,238

	30-Jun-20	30-Jun-19
31 Basic and diluted earnings per share		
The computation of basic earnings per share for the year ended from 30 June 2020 is as follows:		
<i>Numerator</i>		
Income for the year (Taka)	10,922,400	96,713,718
<i>Denominator</i>		
Weighted average number of shares outstanding	91,476,000	91,476,000
Basic and diluted earnings per share (Taka)	0.12	1.06
32 Net Asset Value Per Share (NAVPS)		
Net assets (Taka)	2,230,990,182	2,252,860,542
Number of shares	91,476,000	91,476,000
	24.39	24.63
33 Reconciliation of net operating cash flow		
Profit before tax	10,938,379	105,489,956
<i>Adjustments for:</i>		
Finance costs (considered under financing activities)	22,703,915	29,968,632
Exchange fluctuation gain	(1,450,609)	(2,042,348)
Depreciation charges	77,867,733	68,235,609
Amortisation charge	564,306	564,306
<i>Changes in working capital:</i>		
Decrease in inventories	110,623,724	202,216,155
Decrease/(increase) in advances and deposits (other than Advance income tax)	35,289,656	3,330,014
Decrease in trade and other receivables	(19,680,998)	37,285,040
Increase in gratuity	78,961,694	28,568,444
Increase/(decrease) in trade and other payables:	3,150,745	2,411,592
	9,752,576	(3,686,103)
Income tax paid	107,473,673	67,908,987
<i>Net cash flow from operating activities</i>	(5,756,539)	(8,198,251)
	212,340,858	261,926,891



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Chartered Accountants

34 Annual Capacity

Installed capacity
Actual production
Capacity utilization in percentage (%)

in PCs	
1st July 2019 - 30 June 2020	1st July 2018 - 30 June 2019
315,000,000	315,000,000
97,517,000	113,170,028
31%	36%

Currently, the production capacity per day is 348,275 pcs. whereas the production capacity per day was 358,133 pcs. in FY 2018-2019.

35 Consumption of imported and local raw materials

Imported
Local
Total
Consumption

Amount in Taka	
1st July 2019 - 30 June 2020	1st July 2018 - 30 June 2019
147,773,545	371,314,788
-	-
147,773,545	371,314,788
147,773,545	371,314,788

36 Financial risk management

i) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from financial assets are as under:

Exposure to credit risk

Particulars	Note	Amount in Taka	
		30-Jun-20	30-Jun-19
Trade receivables	12	310,725,738	386,579,982
FDR interest receivable	12	10,221,681	13,329,131
Cash and Cash Equivalents	13	248,382,787	187,991,744
Total		569,330,206	587,900,857

ii) Liquidity risk

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



	Note	Amount in Taka	
		Below 12 Months	Above 12 Months
July 2019 - June 2020			
Bank overdraft	20	13,120,583	-
Short term bank loan	21	89,306,562	-
Long term loan - current portion	18	-	-
Long term loan - net off current portion	18	-	-
Trade and other payables	23	42,366,072	-
As at 30 June 2020		144,793,217	-
July 2018 - June 2019			
Bank overdraft	20	18,720,734	-
Short term bank loan	21	84,202,358	-
Long term loan - current portion	18	39,275,265	-
Long term loan - net off current portion	18	-	-
Trade and other payables	23	28,367,043	-
As at 30 June 2019		170,565,400	-

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates 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.

a) Currency risk

The Company is exposed to currency risk on maximum revenues and purchases such as revenue from customers and import of raw material, machines and equipment. Majority of the Company's foreign currency transactions are denominated in Euro and USD and relate to export, procurement of raw materials, machineries and equipment from abroad.

Particulars	Currency Name	July 2019 - June 2020	July 2018 - June 2019
Materials & Others	USD	2,068,344	4,511,897
Export Earnings	USD	5,878,710	9,690,182

Exchange rate as at		
Currency Name	30-Jun-20	30-Jun-19
	Taka	Taka
USD	83.6702	83.2217

b) Interest rate risk

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

37 Related Party Transactions - Disclosure Under IAS 24

During the year, the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Name of those related parties, nature of those transactions and their total value have been shown in the below table in accordance with the provisions of IAS 24: "Related Party Disclosures" :

a) Related Party Transactions:

Name of the party	Relationship	Nature of transaction	Amount in Taka			
			Transactions in 2019-2020			
			Opening balance	Addition	Adjustment	Closing balance
Bengal Corrugated Carton Ind. Ltd.	Common directors	Purchase of packing materials	347,124	24,268,112	24,087,212	528,024
Hamilton Metal Corporation Ltd.	Common directors	Purchase of accessories	-	16,637,251	16,637,251	-
Hamilton Mold and Engineering Ltd	Common directors	Purchase of Mould	1,280,344.00	30,000,000	-	31,280,344

b) Remuneration of Directors & officers:

The aggregate amounts paid/provided during the year in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 1987 are disclosed below:

Directors:

Remuneration
Board attendance fee

Officers:

Salary & allowances

Amount in Taka	
2020	2019
2,400,000	2,640,000
268,324	297,073
2,668,324	2,937,073
34,912,825	34,229,402

38 Details of factory leased land

The Company has been occupying 4081.16 Sq. M. and 7,129 Sq. M. of leased factory land from Bangladesh Export Processing Zone Authority (BEPZA) for taxable unit and tax exempted unit respectively. Details of which are as under:

Taxable unit:

Agreement date	Expiry date	Plot No.	Area (Sq. M.)	Yearly rent	
				2020	2019
29-Jan-2002	28-Jan-2032	181 & 182	4,006.00	\$ 8,813.20	\$ 8,813.20
4-Feb-2020	3-Feb-2050	East side of plot no. 181 & 182 in DEPZ Extension area	75.16	\$ 83.12	-

Tax exempted unit:

Agreement date	Expiry date	Plot No.	Area (Sq. M.)	Yearly rent	
				2020	2019
7-Apr-2011	6-Apr-2041	295, 296, 297 (Half), 298 (Half)	7,129	\$ 15,683.80	\$ 15,683.80

39 Events after the reporting period

The Board of Directors in its 105th meeting held on 1st November 2020 has recommended no dividend, subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company.

There are no other material events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.

ISLAM QUAZI SHAFIQUE & Co.
Chartered Accountants

	30/Jun/20	30/Jun/19
40 Number of employees		
a) Officers and staff	71	68
b) Workers	263	261
	<u>334</u>	<u>329</u>

All employees receive total remuneration in excess of Tk. 36,000 per annum per employee.

	Amount in Taka	
	2020	2019
41 Commitment and contingent liabilities		
a) Guarantee outstanding	Nil	Nil
b) Outstanding letter of credit	63,491,234	98,421,973

Outstanding letter of credit is representing figure consolidation of as follows:

Name of Bank	Limit (Taka)	Outstanding balance (Taka)	
		2020	2019
Standard Chartered Bank	350,000,000	63,491,234	98,421,973

c) Capital expenditure commitments (Agreements for Land Purchase)	43,500,000	43,500,000
d) Contracted but not accounted for	Nil	Nil
e) Approved but not contracted for	Nil	Nil

42 Impact of COVID-19 in business (Additional Disclosure)

The effects of the COVID-19 pandemic have significant global implications for economies, markets and businesses, including volatility and possible material uncertainties. The Company manufactures and exports mainly hanger and related garment accessories which facilitates the export to the world's largest retailers in the USA and Canada as well as in Europe. In such unpredictable circumstances, the revenue has been affected by these conditions.

Revenue has reduced by 38%, net profit after tax has reduced by 89% during the year as a result EPS has also reduced by 89% corresponding to previous period. There have been no material effect due to this impact that may affect company's going concern.



Company secretary

B. Nahar.

Director



Managing Director



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: **CI-2020/237**

BAPLC

Date of issue : **September 13, 2020**

Renewed Certificate

This is to certify that

BENGAL WINDSOR THERMOPLASTICS LIMITED

is an Ordinary Member of **Bangladesh Association of Publicly Listed Companies** and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2020.




Secretary-General

NOTICE OF THE 18TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 18th AGM of the shareholders of Bengal Windsor Thermoplastics Limited will be held on Thursday, 24 December 2020 at 12:30 P.M. The AGM will be held virtually by using digital platform through the link "https://bengal.hisoftcloud.com" to transact the following businesses:

AGENDA

1. To receive, consider, and adopt the Audited Financial Statements of the Company for the year ended 30 June 2020 together with the Reports of Directors' and Auditors' thereon;
2. To declare Dividend for the year ended 30 June 2020;
3. To elect/re-elect Director(s) of the Company;
4. To appoint Auditors for the year 2020-2021 and fix their remuneration;
5. To appoint professional for obtaining certificate on compliance of Corporate Governance Code for the year 2020-2021 and fix their remuneration;

By order of the Board,



Darul Awam Tuhin FCS
Company Secretary

Dated: 08 December 2020

- The Board unanimously recommended No Dividend.
- Shareholders whose names appeared in the Share Depository Register of the Company on the record date i.e. 22 November 2020 will be eligible to attend and vote in the AGM and to receive dividend as approved in the AGM.
- Members entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his or her behalf. The proxy form must be affixed with requisite revenue stamp of Tk. 20/- and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- Pursuant to the Bangladesh Securities and Exchange Commission's Order No.SEC/SRMIC/94-231/25, dated 08 July 2020, the AGM will be conducted via live webcast by using digital platform.
- Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, dated 20 June 2018, soft copy of the Annual Report 2020 will be sent to the Members' respective email address as available with us. The Annual Report 2020 will also be available in the Company's website at: www.windsor.bengalgroup.com
- Members will able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM. For logging into the system, members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the link "https://bengal.hisoftcloud.com"
- Members are requested to log into the system prior to the meeting start time of 12:30 PM on 24 December 2020. Please allow ample time to login and establish your connectivity. The webcast will start at 12:30 PM. Please contact: +8801797093279 for any technical difficulties in accessing the virtual meeting.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বিএসইসি নটিফিকেশন নং SEC/SRMI/2000-953/1950, dated 24th October 2000 এবং circular no. এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪, তারিখ ২৪ অক্টোবর ২০১৩ এর পরিপালনার্থে আসন্ন বার্ষিক সাধারণ সভা চলাকালীন সময় ও পরবর্তিতে কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।



Bengal Windsor Thermoplastics Limited
Registered Office: Bengal House, 75 Gulshan Avenue, Gulshan-1, Dhaka-1212

PROXY FORM

I/weof.....
.....being member of Bengal Windsor Thermoplastics Limited
.....do hereby appoint Mr./Ms.of
.....as my/our PROXY to attend and vote on my/our behalf at
the 18th Annual General Meeting of the Company to be held on 24 December 2020 at Digital Platform and
any adjournment thereof.

Signed this.....day of.....2020

.....
Signature of the Member

Revenue
Stamp
Tk. 20.00

.....
Signature of the Proxy

Number of Shares held.....

BO ID No.																				
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Bengal Windsor Thermoplastics Limited
Registered Office: Bengal House, 75 Gulshan Avenue, Gulshan-1, Dhaka-1212

Attendance Slip

I/we hereby record my/our attendance at the 18th Annual General Meeting of the Company being held on
Thursday, 24 December 2020 at 12:30 pm at Digital Platform

Name of the Member (In Block Letter)																				
Name of the Proxy (In Block Letter)																				
BO ID No.																				

Signature Verified by

.....
Signature of the Member/Proxy

.....
Authorized Signatory of the Company





bengal windsor
thermoplastics ltd.

(A Company of Bengal Group of Industries)

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