# Financial Statements
# Of
# Bengal Windsor Thermoplastics Ltd.

*For the period from 01 July to 30 September 2018*

**First Quarter Financial Statements- (Un-audited)**

AMAR STOCK

**Bengal Windsor Thermoplastics Limited**
**Statement of Financial Position (Un-audited)**
**as at 30 September 2018**

| | Notes | Amount in Taka | |
|---|---|---|---|
| | | 30-Sep-18 | 30-Jun-18 |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment at cost less accumulated depreciation | 5 | 654,130,480 | 670,130,426 |
| Intangible assets | 6 | 4,317,122 | 4,458,198 |
| Investment in shares | | 77,000,000 | 77,000,000 |
| **Total non-current assets** | | **735,447,602** | **751,588,624** |
| **Current assets** | | | |
| Inventories | 7 | 429,737,429 | 394,283,355 |
| Advances and deposits | | 598,387,458 | 559,811,192 |
| Advance against share purchase | | 128,800,000 | 128,800,000 |
| Trade and other receivables | 8 | 416,803,509 | 428,477,557 |
| Cash and cash equivalents | | 199,047,983 | 190,192,179 |
| **Total current assets** | | **1,772,776,379** | **1,701,564,283** |
| **Total assets** | | **2,508,223,981** | **2,453,152,907** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | 10 | 914,760,000 | 914,760,000 |
| Share premium | 11 | 465,600,000 | 465,600,000 |
| Retained earnings | | 808,835,670 | 779,487,968 |
| **Total equity** | | **2,189,195,670** | **2,159,847,968** |
| **Non-current liabilities** | | | |
| Gratuity | | 12,374,410 | 12,077,337 |
| Long term loan - net off current portion | | 39,275,265 | 30,085,759 |
| Deferred tax liability | | 16,578,819 | 16,948,348 |
| **Total non-current liabilities** | | **68,228,494** | **59,111,444** |
| **Current liabilities** | | | |
| Bank overdraft | | 6,362,297 | 3,072,511 |
| Short term loan | | 152,842,152 | 127,895,751 |
| Long term loan - current portion | | 29,456,449 | 42,644,492 |
| Provision for taxation | | 25,129,759 | 23,374,728 |
| Trade and other payables | 9 | 32,179,309 | 32,384,824 |
| Payable to IPO applicants | | 4,829,851 | 4,821,189 |
| **Total current liabilities** | | **250,799,817** | **234,193,495** |
| **Total equity and liabilities** | | **2,508,223,981** | **2,453,152,907** |
| Net asset value per share (NAVPS) | | **23.93** | **23.61** |

*These financial statements should be read in conjunction with the annexed notes*

Chairman | Managing Director

Director | Cheaf Financial Officer | Company Secretary

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## Bengal Windsor Thermoplastics Limited
### Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
### For the period from 01 July to 30 September 2018

| | Notes | Amount in Taka | | | Amount in Taka | | |
|---|---|---|---|---|---|---|---|
| | | July 18 -September 18 | | | July 17 -September 17 | | |
| | | Taxable Unit | Tax Exempted Unit | Total | Taxable Unit | Tax Exempted Unit | Total |
| Turnover (export sales) | | 71,282,041 | 94,621,551 | 165,903,592 | 66,910,493 | 111,506,582 | 178,417,075 |
| Cost of goods sold | 12 | (56,820,869) | (59,815,595) | (116,636,464) | (54,813,360) | (69,641,848) | (124,455,208) |
| **Gross profit** | | **14,461,172** | **34,805,956** | **49,267,128** | **12,097,133** | **41,864,734** | **53,961,867** |
| Administrative expenses | | (5,967,956) | (1,663,302) | (7,631,258) | (5,699,740) | (1,028,532) | (6,728,272) |
| Selling and distribution expenses | | (1,909,582) | (2,568,931) | (4,478,513) | (1,025,191) | (1,384,537) | (2,409,728) |
| **Operating profit** | | **6,583,634** | **30,573,723** | **37,157,357** | **5,372,203** | **39,451,664** | **44,823,867** |
| Other income | | 2,938,010 | 1,051,083 | 3,989,093 | 2,573,886 | 145,796 | 2,719,682 |
| Finance costs | | (4,359,801) | (4,159,308) | (8,519,109) | (2,169,132) | (6,898,231) | (9,067,363) |
| **Profit before provision and tax** | | **5,161,843** | **27,465,498** | **32,627,341** | **5,776,957** | **32,699,229** | **38,476,187** |
| Provision for WPPF and welfare fund | | (258,092) | (1,373,275) | (1,631,367) | (288,848) | (1,634,961) | (1,923,809) |
| **Profit before tax** | | **4,903,751** | **26,092,223** | **30,995,974** | **5,488,109** | **31,064,268** | **36,552,377** |
| **Income tax expenses** | | **(1,385,502)** | **(262,771)** | **(1,648,272)** | **(1,924,191)** | **(4,975)** | **(1,929,166)** |
| Current tax expense | | 1,755,031 | 262,771 | 2,017,801 | 1,525,307 | 4,975 | 1,530,282 |
| Deferred tax expense / (income) | | (369,529) | - | (369,529) | 398,884 | - | 398,884 |
| **Net profit after tax for the period** | | **3,518,249** | **25,829,453** | **29,347,701** | **3,563,919** | **31,059,293** | **34,623,212** |
| **Other comprehensive income** | | - | - | - | - | - | - |
| **Total comprehensive income for the period** | | **3,518,249** | **25,829,453** | **29,347,701** | **3,563,919** | **31,059,293** | **34,623,212** |
| **Earnings per share (Taka)** | | | | | | | |
| Basic and diluted | 13 | | | **0.32** | | | **0.38** |

*These financial statements should be read in conjunction with the annexed notes*

Chairman

Managing Director

Director

Chead Financial Officer

Company secratery

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**Bengal Windsor Thermoplastics Limited**

**Statement of Changes in Equity (un-audited)**

**For the period from 01 July to 30 September 2018**

**Amount in Taka**

| Particulars | Share capital | Share premium | Retained earnings | Total |
|---|---|---|---|---|
| **Balance at 01 July 2017** | **831,600,000** | **465,600,000** | **888,553,300** | **2,185,753,300** |
| Total comprehensive income for the period | - | - | 34,623,212 | 34,623,212 |
| **Balance at 30 September 2017** | **831,600,000** | **465,600,000** | **923,176,512** | **2,220,376,512** |
| **Balance at 01 July 2018** | **914,760,000** | **465,600,000** | **779,487,968** | **2,159,847,968** |
| Total comprehensive income for the period | - | - | 29,347,701 | 29,347,701 |
| **Balance at 30 September 2018** | **914,760,000** | **465,600,000** | **808,835,670** | **2,189,195,669** |

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

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**Bengal Windsor Thermoplastics Limited**
**Statement of Cash Flows (Un-audited)**
**For the period from 01 July to 30 September 2018**

| | Amount in Taka | |
|---|---|---|
| | **July 18 - Sep. 18** | **July 17 - Sep. 17** |
| **A. Cash flows from operating activities** | | |
| Collection from customers | 170,088,056 | 203,423,326 |
| Payment for goods and services | (150,344,002) | (191,564,219) |
| Other operating expenses | (11,511,280) | (8,243,103) |
| Interest income from FDR and IPO | 10,435,613 | 9,897,221 |
| **Cash generated from operation** | **18,668,387** | **13,513,225** |
| Payment of tax | (2,119,089) | (1,182,120) |
| **Net cash generated from operating activities** | **16,549,298** | **12,331,105** |
| **B. Cash flows from investing activities** | | |
| Acquisition of property, plant and equipment and intangible assets | (699,768) | (70,050) |
| Advance against land purchase | (25,000,000) | - |
| **Net cash used in investing activities** | **(25,699,768)** | **(70,050)** |
| **C. Cash flows from financing activities** | | |
| Bank overdraft received | 3,289,787 | 17,459,648 |
| Short term loan received | 24,946,401 | 5,210,213 |
| Long term loan received paid | (3,998,537) | (8,138,536) |
| Finance costs paid | (7,283,104) | (9,827,020) |
| **Net cash received in financing activities** | **16,954,547** | **4,704,305** |
| **D. Net effect of foreign currency transaction on cash and cash equivalents** | **1,051,727** | **194,646** |
| **E. Net cash inflow during the period (A+B+C+D)** | **8,855,804** | **17,160,006** |
| Cash and cash equivalents at 01 July | 190,192,179 | 160,774,849 |
| **Cash and cash equivalents at 30 September** | **199,047,983** | **177,934,855** |
| **Net operating cash flow per share (NOCFPS)** | **0.18** | **0.13** |

*Complying with notification No. **BSEC/CMRRCD/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 note no 14.*

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

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# BENGAL WINDSOR THERMOPLASTICS LTD.

## Notes to the Financial Statements

## For the period from 01 July 2018 to 30 September 2018

### 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

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 etc. in the USA as well as in Europe. The Company's manufacturing units are situated at Dhaka Export Processing Zone (DEPZ).

### 3. Summary of significant accounting policies

These financial statements have been prepared based on "Going Concern" assumption. Accrual concept and such other convention as required by BAS-1 for fair presentation of financial statements were also followed.

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

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## 4. Corporate Accounting Standards Practiced

The following BAS is applicable to the financial statements for the year under review:

| | |
|---|---|
| BAS 1 | Presentation of Financial Statements |
| BAS 2 | Inventories |
| BAS 7 | Statement of Cash Flows |
| BAS 8 | Accounting Policies, Changes in Accounting Estimates and Errors. |
| BAS 10 | Events after the Reporting period |
| BAS 12 | Income Taxes |
| BAS 16 | Properties, Plant & Equipment |
| BAS 18 | Revenue |
| BAS 19 | Employee Benefits |
| BAS 23 | Borrowing Costs |
| BAS 27 | Separate Financial Statements |
| BAS 33 | Earnings per Share |
| BAS 34 | Interim Financial Reporting |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets |
| BAS 38 | Intangible Assets |
| BAS 39 | Financial Instruments: Recognition and Measurement |

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| | | Notes | Amount in Taka | |
|---|---|---|---|---|
| | | | 30-Sep-18 | 30-Jun-18 |
| 5 | **Property, plant and equipment at cost less accumulated depreciation** | | | |
| | Plant and machinery | | 325,121,956 | 325,121,956 |
| | Factory building | | 229,908,384 | 229,908,383 |
| | Office equipment | | 5,416,811 | 5,142,811 |
| | Furniture and fixture | | 1,852,370 | 1,831,950 |
| | Motor vehicles | | 39,891,953 | 39,891,953 |
| | Mould | | 364,450,835 | 364,450,833 |
| | Electric equipment | | 54,797,834 | 54,797,335 |
| | IT equipment | | 11,299,429 | 11,028,129 |
| | Factory equipment | | 37,776,542 | 37,642,993 |
| | | | 1,070,516,114 | 1,069,816,343 |
| | Less: Accumulated depreciation | | (416,385,634) | (399,685,917) |
| | | | **654,130,480** | **670,130,426** |
| 6 | **Intangible assets** | | | |
| | **Cost** | | | |
| | Balance as at 01 July | | 5,643,060 | 5,643,060 |
| | Addition during the period | | - | - |
| | Balance as at 30 September | | **5,643,060** | **5,643,060** |
| | **Accumulated amortization** | | | |
| | Balance as at 01 July | | 1,184,862 | 620,556 |
| | Amortization for the period @ 10% | | 141,077 | 564,306 |
| | Balance as at 30 September | | **1,325,939** | **1,184,862** |
| | Written-down value | | **4,317,122** | **4,458,198** |
| 7 | **Inventories** | | | |
| | Raw materials | | 163,805,479 | 112,939,582 |
| | Work-in-process | | 29,086,588 | 26,149,346 |
| | Finished goods | | 81,409,270 | 75,891,563 |
| | Goods in transit | | - | 22,071,490 |
| | Packing materials, spares parts, accessories and consumables | | 155,436,092 | 157,231,374 |
| | | | **429,737,429** | **394,283,355** |
| 8 | **Trade and other receivables** | | | |
| | Trade receivables | | 414,261,886 | 418,446,349 |
| | FDR interest receivable | | 2,541,623 | 10,031,208 |
| | | | **416,803,509** | **428,477,557** |

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| | Notes | Amount in Taka | |
|---|---|---|---|
| | | 30-Sep-18 | 30-Jun-18 |
| **9 Trade and other payables** | | | |
| Accounts payable - service | | 4,580,423 | 7,000,678 |
| Dividend payable | | 2,679,163 | 2,679,163 |
| Sales commission | | 1,928,928 | 1,241,136 |
| Salary and wages | | 5,155,810 | 5,262,875 |
| Utilities payable | | 3,950,576 | 3,129,542 |
| Medical expenses payable | | 34,604 | 64,069 |
| Provident fund | | 436,245 | 1,507,388 |
| Audit fee | | 325,000 | 325,000 |
| Accrued interest | | 2,938,629 | 1,702,624 |
| TDS payable | | 99,376 | 101,044 |
| Provision for WPPF | | 8,990,376 | 7,359,009 |
| Workers' Welfare Fund (DEPZ) | | 25,156 | 25,126 |
| Other payables | | 1,035,022 | 1,987,170 |
| | | **32,179,309** | **32,384,824** |
| **10 Share capital (Ordinary shares)** | | | |
| **Authorized capital** | | | |
| 100,000,000 ordinary shares of BDT 10 each | | **1,000,000,000** | **1,000,000,000** |
| **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 |
| **Increased through IPO:** (16,000,000 ordinary shares of BDT 10 each) | | 160,000,000 | 160,000,000 |
| **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 |
| **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 |
| **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 |
| | | **914,760,000** | **914,760,000** |
| **11 Share premium** | | **465,600,000** | **465,600,000** |

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

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| | Notes | Amount in Taka | | | | | |
|---|---|---|---|---|---|---|---|
| | | July 18 - September 18 | | | July 17 - September 17 | | |
| | | Taxable Unit | Tax Exempted Unit | Total | Taxable Unit | Tax Exempted Unit | Total |
| **12 Cost of goods sold** | | | | | | | |
| Raw materials consumed | 12.1 | 22,397,841 | 40,895,673 | 63,293,514 | 26,289,776 | 67,969,421 | 94,259,197 |
| Packing materials consumed | 12.2 | 7,303,343 | 7,181,658 | 14,485,001 | 5,381,923 | 9,307,282 | 14,689,205 |
| Other direct expenses | | 3,915,072 | 1,033,516 | 4,948,588 | 3,063,552 | 3,173,131 | 6,236,684 |
| Factory overhead | | 27,558,360 | 14,805,950 | 42,364,310 | 28,301,615 | 11,473,684 | 39,775,299 |
| Manufacturing cost | | 61,174,616 | 63,916,797 | 125,091,413 | 63,036,866 | 91,923,518 | 154,960,385 |
| Add: Opening work-in-progress | | 15,830,846 | 10,318,500 | 26,149,346 | 16,664,048 | 8,598,750 | 25,262,798 |
| | | 77,005,462 | 74,235,297 | 151,240,759 | 79,700,914 | 100,522,268 | 180,223,183 |
| Less: Closing work-in-progress | | (15,672,538) | (13,414,050) | (29,086,588) | (16,997,329) | (8,770,725) | (25,768,054) |
| Cost of production | | 61,332,924 | 60,821,247 | 122,154,171 | 62,703,585 | 91,751,543 | 154,455,129 |
| Opening stock of finished goods | | 34,992,874 | 40,898,689 | 75,891,563 | 32,054,976 | 20,047,726 | 52,102,702 |
| Cost of goods available for sale | | 96,325,798 | 101,719,936 | 198,045,734 | 94,758,561 | 111,799,269 | 206,557,831 |
| Less: Closing stock of finished goods | | (39,504,929) | (41,904,341) | (81,409,270) | (39,945,201) | (42,157,422) | (82,102,623) |
| | | **56,820,869** | **59,815,595** | **116,636,464** | **54,813,360** | **69,641,848** | **124,455,208** |
| **12.1 Raw materials consumed** | | | | | | | |
| Opening stock | | 55,552,401 | 57,387,181 | 112,939,582 | 50,570,657 | 53,092,472 | 103,663,129 |
| Add: Purchase during the period | | 42,943,254 | 71,216,157 | 114,159,411 | 38,615,558 | 65,851,497 | 104,467,055 |
| Raw materials available | | 98,495,655 | 128,603,338 | 227,098,993 | 89,186,215 | 118,943,969 | 208,130,184 |
| Less: Closing stock | | (76,097,814) | (87,707,665) | (163,805,479) | (62,896,439) | (50,974,548) | (113,870,987) |
| | | **22,397,841** | **40,895,673** | **63,293,514** | **26,289,776** | **67,969,421** | **94,259,197** |
| **12.2 Packing materials consumed** | | | | | | | |
| Opening stock | | 102,794,742 | 6,631,748 | 109,426,490 | 112,961,254 | 6,028,862 | 118,990,116 |
| Add: Purchase during the period | | 9,359,238 | 5,497,540 | 14,856,778 | 1,993,085 | 3,923,700 | 5,916,785 |
| Packing materials available | | 112,153,980 | 12,129,288 | 124,283,268 | 114,954,339 | 9,952,562 | 124,906,901 |
| Less: Closing stock | | (104,850,637) | (4,947,630) | (109,798,267) | (109,572,416) | (645,280) | (110,217,696) |
| | | **7,303,343** | **7,181,658** | **14,485,001** | **5,381,923** | **9,307,282** | **14,689,205** |

| | 30-Sep-18 | 30-Sep-17 |
|---|---|---|
| **13 Basic and diluted earnings per share** | | |
| The computation of basic earnings per share for the period ended from 30 September is as follows: | | |
| ***Numerator*** | | |
| **Income for the period (Taka)** | 29,347,701 | 34,623,212 |
| ***Denominator*** | | |
| **Weighted average number of shares outstanding** | 91,476,000 | 91,476,000 |
| **Basic and diluted earnings per share (Taka)** | **0.32** | **0.38** |

| | Amount in Taka | |
|---|---|---|
| | July 18 - Sep. 18 | July 17 - Sep. 17 |
| **14 Reconciliation of net operating cash flow** | | |
| **Profit before tax** | 30,995,974 | 36,552,377 |
| ***Adjustments for:*** | | |
| Finance costs (considered under financing activities) | 8,519,109 | 9,067,363 |
| Exchange fluctuation gain | (1,051,727) | (194,646) |
| Depreciation charges | 16,699,715 | 15,948,606 |
| Amortisation charge | 141,077 | 141,077 |
| | **55,304,148** | **61,514,777** |
| ***Changes in working capital:*** | | |
| Increase in inventories | (35,454,074) | (71,933,732) |
| Increase in advances and deposits | (11,457,177) | (10,351,338) |
| Decrease in trade and other receivables | 11,674,048 | 32,385,581 |
| Increase in gratuity | 297,073 | 886,226 |
| Increase/ (decrease) in trade and other payables | (1,695,630) | 1,011,711 |
| | **(36,635,760)** | **(48,001,552)** |
| Income tax paid | (2,119,089) | (1,182,120) |
| ***Net cash flow from operating activities*** | **16,549,298** | **12,331,105** |