

Bengal Windsor Thermoplastics Limited

Last Update: 25/03/2013

No. of Shares : 16,000,000 Ordinary Shares @ Tk. 25.00
(Including Tk. 15.00 as Premium)
Issue Manager : ICB CAPITAL MANAGEMENT LIMITED
Auditor : Hoda Vasi Chowdhury & Co.
IPO Proceeds : Tk. 400 Million

Usage of IPO Proceeds:

Particulars	Amount (In Million)
Bank liabilities pay off	Tk. 100.00
Building Expansion Cost	Tk. 97.63
Working Capital Requirements	Tk. 81.70
Injection Moulding machine	Tk. 43.92
Mould	Tk. 32.67
Auxiliary Equipment	Tk. 20.53
IPO Expenses	Tk. 23.55
Total	Tk. 400.00

Company Snapshots:

Sector : Engineering
Paid Up Capital : Tk. 540.00 Million (Pre IPO)
Paid Up Capital : Tk. 700.00 Million (Post IPO)
EPS (Pre IPO) : Tk. 3.56
EPS (Post IPO) : Tk. 2.50
Sector P/E : 15.59
NAV : 19.45
No. of Placement Shares : **8,768,000**
Lock-In Period : 1 Year
Year End : June

Company Insight:

Bengal Windsor Thermo Plastics (BD) Ltd. 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. The status of the company was converted from Private to Public limited company with effect from 29 December, 2010.

The company is engaged in manufacturing and exporting of garments accessories (hanger and related accessories) which facilitate the export of garments to the world largest retailers like **Wall Mart, K - Mart, Khol's J C Penny etc.** in USA as well as in Europe.

Financial Position:

Figure in ML

Particulars	June'11	June'10	June'09	June'08	June'07
Sales	638.89	606.09	478.33	469.81	459.37
Gross Profit	215.20	197.06	152.84	152.07	151.48
Operating Income	177.17	165.64	122.66	120.98	121.53
Net Income	169.12	156.27	109.21	114.60	115.70
Financial Expenses	15.41	9.37	13.45	13.94	12.77
Non-Operating Income	10.50	-	-	-	-
Total Shareholder Equity	1053.09	561.05	404.78	295.57	180.97
Total Assets	1348.03	638.01	481.82	403.61	350.86
Total Liabilities	294.94	76.58	76.94	108.03	169.88

Ratio:

Figure in ML

Particulars	June'11	June'10	June'09	June'08	June'07
Sales Growth	5.4%	26.7%	1.8%	2.3%	-
Gross Profit Ratio	34%	33%	32%	32%	33%
Operating Income Ratio	28%	27%	26%	26%	26%
Net Income Ratio	26%	26%	23%	24%	25%
Return on Assets	17.3%	27.9%	24.7%	30.4%	38.7%
EPS	3.62	3.40	-	-	-
Return on Equity	21.3%	32.4%	31.2%	48.1%	94.0%
Current Ratio	3.63	7.42	5.28	2.99	1.58
Cash Conversion Cycle	220	163	149	114	38
Times Interest Earned	11.68	17.67	9.12	9.22	10.06
Total Debt-Total Asset	0.22	0.12	0.16	0.27	0.48
Debt-Equity Ratio	0.20	0.10	0.11	0.27	0.18
Cash Flow from Operation	106.89	(7.23)	40.23	(55.39)	52.03

Investment Highlights:

1. BWTL is an apparel hanger manufacturer which is a concern of Bengal Group.
2. Current capacity of the company is 0.4 million pieces per day with 10 production lines.
3. After the establishment of its subsidiary – Bengal Petrochem & Synthetic Textiles Ltd., BWTL can source major portion of its raw materials from it rather than importing from Middle East countries, Korea, Singapore, China, India etc.
The company will enjoy 100% Tax exemption up to April, 2014 and will enjoy 50% tax exemption upon applicable tax from the tax exemption expiration date as per IRD SRO No. 267-L/86, dated 1 July, 1986.

Dividend:

20% Cash Dividend (Date of AGM – 26/12/2012, for the year 2011-2012)