ANNUAL
REPORT 2020-21

BEXIMCO SYNTHETICS LTD.

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OPERATIONAL & FINANCIAL
HIGHLIGHTS

Particulars	1 July 2020 to 30 June 2021	1 July 2019 to 30 June 2020
Turnover	-	77,348
Gross Profit/(Loss)	-	(99,760)
Net Loss Before Tax	(119,570)	(798,178)
Net Loss After Tax	(119,570)	(798,125)
Earnings Per Share	(1.38)	(9.20)
Total Assets	1,202,271	1,293,407

all figures in thousand Taka except indicate otherwise.

PROFILE OF
THE COMPANY

Corporate Headquarters
17 Dhanmondi, Road No. 2, Dhaka-1205, Bangladesh Phone : 880-2-58611891 Email :beximchq@bol-online.com Web Site : www.beximco.com
Operational Headquarters
Kabirpur, Savar, Dhaka-1344, Bangladesh Email : beximsyn@bol-online.com Web Site : www.beximcosynthetics.com
Factory
Kabirpur, Savar, Dhaka
Year of Establishment
July 18, 1990
Commercial Production
July 01, 1994
Listing Status
Public Listed Company
Stock Exchange Listing
Dhaka & Chittagong
Authorized Capital
2,000 million Taka
Paid up Capital
867.123 million Taka
Number of Shareholders
15,438

CORPORATE
DIRECTORIES



Salman F Rahman, Vice Chairman (Left) and A S F Rahman, Chairman (Right)

Board of Directories	
Mr. A S F Rahman	Chairman
Mr. Salman F Rahman	Vice Chairman
Mr. Iqbal Ahmed	Director
Mr. O K Chowdhury	Director
Barrister Faheemul Huq	Independent Director
Mr. Mohammad Asad Ullah, FCS	Executive Director & Company Secretary

Management Committee	
O K Chowdhury	Director, Group Finance & Corporate Affairs
Syed Naved Husain	Chief Executive Officer
Md. Monibur Rahman	Chief Financial Officer

NOTICE
OF THE 30TH ANNUAL GENERAL MEETING

BEXIMCO SYNTHETICS LIMITED

17, Dhanmondi, Road No. 2, Dhaka-1205

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the Shareholders of Beximco Synthetics Limited will be held under Virtual Platform on Thursday, the 23rd December, 2021 at 1.30 p.m. to transact the following business:

AGENDA

1.	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 30th June, 2021 together with reports of the Auditors and the Directors thereon.
2.	To elect Director.
3.	To appoint Auditors for the year 2021-22 and to fix their remuneration.
4.	To appoint Corporate Governance Compliance Auditors for the year 2021-22 and to fix their remuneration.

By order of the Board,



(MOHAMMAD ASAD ULLAH, FCS)
Executive Director & Company Secretary

Dated : November 15, 2021

NOTES :

1. The Shareholders whose names will appear in the Share Register of the Company or in the Depository Register on the record date i.e. 22 November, 2021, will be entitled to attend at the Annual General Meeting.
2. A Member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting.
3. Annual Report for the year 2020-21 will be sent through e-mail address of the Shareholders and will be available in the Website of the Company at: **www.beximcosynthetics.com.**
4. The Shareholders will join the Virtual AGM through the link **https://bxsynth.bdvirtualagm.com**. The Shareholders will be able to submit their questions/comments and vote electronically 1 (one) hour before commencement of the AGM and also during the AGM. For logging into the system, the Shareholders need to put their 16-digit Beneficial Owner (BO) ID/Folio Number and other credential as proof by visiting the said link.
5. We encourage the Shareholders to login into the system prior to the meeting. Please allow ample time to login and establish your connectivity. For any IT related guidance, Shareholders may contact vide email : **monir@beximco.net** or **mazibur@beximco.net**.

CHAIRMAN'S **STATEMENT**



A S F RAHMAN
Chairman

I take this opportunity to welcome you on behalf of the Board of Directors to this 30th Annual General Meeting of your company and to present before you the Audited Financial Statements and the Auditors' and Directors' Report thereon of the company for the year ended 30th June 2021.

Operations

We like to inform you that since its establishment, the company operated in a single product market segment viz DTY. However, since there was sizable demand for DTY the company made good profit since 1996 to 2012 and declared handsome amount as dividend for seventeen years to the satisfaction of the shareholders of the company.

Since 2013 it could not make any profit and declare any dividend as the company passed through extremely difficult times since smooth business operations were hampered again and again due to reduction of duties on imported DTY by the Government. This allowed cheap Chinese products to take over the market and making the production of this type of yarn in Bangladesh completely unviable.

Unfortunately, despite its best efforts, the company could not maintain targeted production and profitability during last eight years which resulted in the company accumulating huge losses. This has resulted in the shares of the company being traded below face value for a number of years.

Finally, the company was forced to cease production and to close down the plant. It retrenched all the workers and most of the officers and staff after paying all their dues as per law as reported earlier year.

Also, the plant and machineries are twenty-seven years old and have only scrap value. Presently, the company's liabilities consist of outstanding tax payable to the Government and loans with Sonali Bank. The assets of the company are mortgaged to Sonali Bank against loan. The only assets of value which the company has the land on which the factory is located. However, it is unlikely that from sale of land alone the liabilities of the company will be met and alternate measures may be required which the Board of Directors are considering.

Under the above circumstances, although it is extremely painful but no other option, we feel that the company should delist itself from the DSE and CSE. Sine there is no clear rules for a company to delist from the stock exchanges. We have applied to Bangladesh Securities and Exchange Commission for their guidelines in order to proceed further in this connection.

Conclusion

I take this opportunity once again to express my deepest appreciation to the Banks, Govt. agencies and Financial Institutions for their co-operation and above all, to our most honored shareholders for demonstrating their continued interest in the well-being of the Company.

Once again, I convey my heartiest thanks to all our shareholders and look forward to their continued support and co-operation in future.

I would like to conclude my statement with prayer for all our shareholders their families and all our other stake holders and their family members that everyone remains healthy safe and well during this most unpredictable and difficult times in our life.

A S F Rahman
Chairman

21 October, 2021
Dhaka.

DIRECTORS' REPORT
TO THE SHAREHOLDERS

For the year 2020-2021

Dear Shareholders,

The Board of Directors of Beximco Synthetics Limited are pleased to present the Directors' Report and Audited Financial Statements of the Company for the year ended on 30 June 2021 together with the Auditor's report thereon.

As all of you know that since its establishment, the company operated in a single product market segment viz DTY. However, since there was sizable demand for DTY the company made good profit since 1996 to 2012 and declared handsome amount as dividend for seventeen years to the satisfaction of the shareholders of the company.

As stated in Chairman's Statement we would like to inform that Since 2013 it could not make any profit and declare any dividend as the company passed through extremely difficult times since smooth business operations were hampered again and again due to reduction of duties on imported DTY by the Government. This allowed cheap Chinese products to take over the market and making the production of this type of yarn in Bangladesh completely unviable.

Unfortunately, despite its best efforts, the company could not maintain targeted production and profitability during last 8/9 years which resulted in the company accumulating huge losses. This has resulted in the shares of the company being traded below face value for a number of years.

Finally, the company was forced to cease production and to close down the plant. It retrenched all the workers and most of the officers and staff after paying all their dues as per law.

1. Financial Results & Appropriations

The financial results and recommended appropriations are stated below:

Taka in Thousand

Particulars	2020-2021	2019-2020
Net loss after tax for the year	(119,570)	(798,125)
Loss brought forward	(1,768,972)	(970,846)
Loss carried forward	(1,888,542)	(1,768,972)

2. Dividend

No final/interim dividend is possible based on the Company's accounts for the period.

3. Director - Retirement And Re-Election

Mr. Salman F Rahman, Director of the Company retires by rotation as per Articles 124 and 125 of the Articles of Association of the Company and being eligible offers himself for re-election.

4. Director - Remuneration

No remuneration has been paid to any Director except Independent Director.

5. Auditors

The existing Auditors, M/S M. J. Abedin & Co., Chartered Accountants, National Plaza, 109, Bir Uttam C.R. Datta Road, Dhaka-1205 who were appointed as Auditors of the Company in the 29th Annual General Meeting of the Company has carried out the audit for the period ending 30 June 2021.

M/S M. J. Abedin & Co., Chartered Accountants, the Auditors of the Company retire at this meeting and have expressed their willingness to continue in office for the year 2021-2022.

6. Board Audit Committee

The Audit Committee held four meetings to cary out its business as per the provision of Corporate Governance Code issued by BSEC dated 03.06.2018 during this year. The membership of the Audit Committee together with their attendance at the meeting is given below:

Name of the Member	Repr-esenting in the Board	Position in the Committee	Atten-dance in Meeting
Barrister Faheemul Huq	Independent Director	Chairman	4
Mr. Iqbal Ahmed	Director	Member	4
Mr. O K Chowdhury, FCA	Director	Member	4
Mr. Mohammad Asad Ullah, FCS	Company Secretary	Secretary	4

7. Nomination and Remuneration Committee

The Nomination and Remuneration Committee held one meeting to carry out its business as per the provision of Corporate Governance Code issued by BSEC dated 03-06-2018 during this year. The membership of the Nomination and Remuneration Committee together with their attendance at the meeting is given below:

Name of the Member	Representing in the Board	Position in the Committee	Attendance in Meeting
Barrister Faheemul Huq	Independent Director	Chairman	1
Mr. Iqbal Ahmed	Director	Member	1
Mr. O K Chowdhury, FCA	Director	Member	1
Mr. Mohammad Asad Ullah, FCS	Company Secretary	Secretary	1

8. Board Meeting and Attendance

5 (Five) Board Meetings were held during the year 2020-2021. The attendance records of the Directors are as follows:

Name of Directors	Representing in the Board	Nos. of Meetings Attended
Mr. A S F Rahman	Chairman	4
Mr. Salman F Rahman	Vice-Chairman	5
Mr. Iqbal Ahmed	Director	5
Mr. O K Chowdhury	Director	5
Barrister Faheemul Huq	Independent Director	5

9. Corporate and Financial Reports

Directors are pleased to report that:

(a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.

(b) Proper books of accounts of the Company have been maintained.

(c) Appropriate Accounting Policies have been consistently applied in the preparation of financial statements except those referred to in the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

(d) The International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in the preparation of financial statements.

(e) Internal Control System is sound in design and has been effectively implemented and monitored.

10. Key Operating and Financial Data

The summarized key operating and financial data for 2020-2021 and immediately preceding four years are presented below:

Results of Operations

	2020 - 2021	2019 - 2020	2018 - 2019	2017-2018	2016-2017
Revenue (Turnover) Net	-	77,348	107,175	1,227,964	407,051
Gross Profit/(Loss)	-	(99,760)	(136,484)	(55,665)	(69,353)
Operating Profit/(Loss)	(518)	(106,397)	(146,218)	(70,557)	(86,868)
Net Loss before Tax	(119,570)	(798,178)	(299,515)	(264,206)	(226,348)
Net Loss after Tax	(119,570)	(798,125)	(299,673)	(270,699)	(227,459)
Basic Earnings per Share	(1.38)	(9.20)	(3.46)	(3.12)	(2.62)

Financial Position

	2020 - 2021	2019 - 2020	2018 - 2019	2017-2018	2016-2017
Total Assets	1,202,271	1,293,407	3,006,329	3,312,380	3,241,016
Fixed Assets-Gross	2,401,960	2,401,960	2,401,960	2,401,960	2,401,960
Fixed Assets-Net	671,074	671,074	1,252,095	1,287,028	1,322,050
Gross Working Capital	526,090	617,226	1,749,126	2,020,244	1,913,858
Net Working Capital	(735,512)	(299,215)	867,916	1,396,518	720,481
Authorized Capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Paid up Capital	867,123	867,123	867,123	867,123	867,123
Reserve & Surplus	(1,107,856)	(988,286)	358,490	658,163	928,862
Shareholders' Equity	(240,732)	(121,162)	1,225,613	1,525,287	1,795,985

all figures in thousand Taka except indicate otherwise.

11. The Pattern of Shareholding

Name wise details	No. of Shares held
i) Parent/Subsidiary/Associate Companies and other related parties:	
Beximco Holdings Ltd.	1,532,686
New Dacca Industries Limited	1,375,067
Shinepukur Ceramics Limited	65,716
ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:	
Mr. A S F Rahman, Chairman	14,518,467
Mr. Salman F Rahman, Vice-Chairman	13,441,800
Chief Executive Officer, spouse and minor children	Nil
Company Secretary, spouse and minor children	Nil
Chief Financial Officer, spouse and minor children	Nil
Head of Internal Audit, spouse and minor children	Nil
iii) Executives:	Nil
iv) Shareholders holding ten percent (10%) or more voting interest in the company	
Mr. A S F Rahman, Chairman (mentioned in Sl. No. (ii) above	14,518,467
Mr. Salman F Rahman, Vice-Chairman (mentioned in Sl. No. (ii) above	13,441,800

12. Corporate Governance Compliance Report

In accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed as Annexure- "C".

13. Conclusion

The directors wish to express their sincere appreciation to the valued shareholders for their support. We are also thankful to our bankers, government authorities and all concerned agencies for their continued support.

Thank you all.

On behalf of the Board



A S F Rahman
Chairman

21 October, 2021
Dhaka.

REPORT OF
THE CEO AND CFO

Annexure-A

Date: 21 October, 2021

The Board of Directors
BEXIMCO SYNTHETICS LIMITED

Subject: Declaration on Financial Statements for the year ended on 30th June 2021.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/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 the Company for the year ended 30 June 2021 have been prepared in compliance with International Accounting Standards (IASs) or International Financial Reporting Standards (IFRSs), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgment related to the financial statements were made on a 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) The company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records to ensure the above;

(5) Our internal auditors have conducted periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The Company ceased it's operation last year. For this reason, the management has not adopted the going concern basis of accounting in preparing the annual financial statements in compliance of para-14 of International Accounting Standards (IAS) - 10 (Events after the Reporting Period).

In this regards, we also certify that:

i) We have reviewed the financial statements of the Company for the year ended on 30 June 2021 and to the best of their 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 together present a 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 transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

Sincerely yours,

Syed Naved Husain
Chief Executive Officer

Md. Monibur Rahman
Chief Financial Officer

Date: 21 October, 2021
Dhaka.

CERTIFICATION ON COMPLIANCE
ON THE CORPORATE GOVERNANCE CODE

Annexure-B

Suraiya Parveen & Associates
(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

Report to the Shareholders of
Beximco Synthetics Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Beximco Synthetics Limited for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/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 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 b 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, Dated
November 10, 2021

For Suraiya Parveen & Associates
Chartered Secretaries

Suraiya Parveen, FCS
Chief Executive Officer

Avalon Serabella, (5th Floor), 09, Dilu Road, New Eskaton, Ramna, Dhaka- 1000
Cell : 01911 421 998, 01713 110 408
E-mail : suraiyaparveenfcs@gmail.com, musfiquefcs@@gmail.com

CORPORATE GOVERNANCE CODE
COMPLIANCE STATUS REPORT

Annexure-C

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange 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:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1	**BOARD OF DIRECTORS:**			
1.1	Board's Size [number of Board members to be 5 – 20].	√		
1.2	**Independent Directors**			
1(2) (a)	Independent Director(s) (at least one fifth of total number of directors shall be Independent Director);	√		
1(2)(b)	Independent Director (ID) 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 and is not connected with the company's any sponsor or director or shareholder who holds 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) fin ancial 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 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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of the Code	√		
1(2)(b)(viii)	Who is not 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 or any advance to a Bank or a Non-Bank Financial Institution (NBFI); and	√		
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 and approved by the shareholders in the AGM;	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and	√		
1(2)(e)	The tenure of office on an independent director shall be for a period of 3(three) years, which may be extended for 1 tenure only.	√		
1.3	**Qualification of Independent Director**			
1(3)(a)	Independent director shall be a knowledgeable Individual with Integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
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 member of any national or international chamber of commerce or business association;	N/A		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Hear of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company;	N/A		
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	N/A		
1(3)(b)(iv)	University teacher who has educational background in Economics or Commerce or Business Studies or Law; or	N/A		
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 or experiences 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 MD and/or 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 MD and/or CEO;	√		
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 Boards meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**The directors' Report to Shareholders**			
1(5)(i)	Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment;	√		
1(5)(iv)	Discussion on COGS, Gross Profit and Net Profit Margins;	√		
1(5)(v)	Discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	N/A		
1(5)(vi)	Detail 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;	N/A		
1(5)(vii)	Statement of utilization of proceeds raised through public issues, rights issues, and/or any other instruments;	N/A		
1(5)(viii)	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)	Explanation on any significant variance that occurs between quarterly Financial performances and Annual Financial Statements;	√		
1(5)(x)	Statement of remuneration paid to the directors including independent directors;	N/A		
1(5)(xi)	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;	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xii)	Statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	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)	Statement that IAS or 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)	Statement that the system in internal control is sound in design and has been effectively Implemented and monitored;	√		
1(5)(xvi)	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)	Statement that there Is no significant doubt upon the issuer company's ability to continue 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)	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)	Statement where key operating and financial data of at least preceding 5 years shall be summarized;	√		
1(5)(xx)	Explanation on the reasons if the issuer company has not declared dividend (Cash or stock) for the year;	√		No dividend is possible based on the company's accounts for the period.
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	N/A		
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director;	√		
1(5)(xxiii)	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;	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, Head of Internal Audit and Compliance and their spouses and minor children;	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company;	√		
1(5)(xxiv)	in case of appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	Brief resume of the director;	√		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	√		
1(5)(xxiv)(c)	Names of company in which the person also holds the directorship and the membership of committees of the Board;	√		
1(5)(xxv)	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	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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.	√		
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 CEO			
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 CEO 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	**MD or CEO, CFO, Head of Internal Audit & Compliance and Company Secretary**			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a MD or CEO, CS, CFO and a Head of Internal Audit and Compliance;	√		
3(1)(b)	The position of the MD or CEO, CS, CFO and 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;	√		
3 (1)(d)	The Board shall clearly define respective roles, res ponsibilities and duties of the CFO, HIAC and 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**			
3(3)	**Duties of MD or CEO and 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 applicable laws;	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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	√		
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 sub-committee 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;	√		
5(2)(d)	When the term of service of any Committee members 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;	N/A		
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 Eexternal auditor ;	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 quarterly and half yearly 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;	N/A		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	N/A		
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 IPO or 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;	N/A		
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 find 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 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.	√		5(6)(a)(ii) N/A
6	**Nomination and Remuneration Committee (NRC)**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a NRC as a subcommittee 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).	√		
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;	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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 staffs 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;	√		
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;	To be complied		No such list as yet
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;	√		

Condition No.	Title	Compliance Status ("√") in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
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.	√		

REPORT ON THE ACTIVITIES **OF THE AUDIT COMMITTEE**

For the year ended on 30th June 2021

Dear Shareholders,

I am pleased to present the Report of the Audit Committee for the year ended on 30 June 2021.

The Audit Committee Report presented under condition No.5 of the Bangladesh Securities and Exchange Commission(BSEC) Corporate Governance Code provides an insight on the functions of the Audit Committee for the year ended on 30th June 2021.

Composition of the Audit Committee

The Audit Committee of Beximco Synthetics Limited, a prime Board sub-committee, assists the Board in discharging its governance responsibilities. The Board has formed the Audit Committee, required under Codes of Corporate Governance of BSEC with some specific assignments under its Terms of Reference. The existing Audit Committee of the Company is as follows:

Committee Members	Board Members	Position
Barrister Faheemul Huq	Independent Director	Chairman
Mr. Iqbal Ahmed	Non-Executive Director	Member
Mr. O K Chowdhury, FCA	Non-Executive Director	Member
Mr. Mohammad Asad Ullah, FCS	Company Secretary	Secretary

The Audit Committee is appointed by the main Board and all the Members are Non-Executive Directors and the Chairman is an Independent Director.

As required, all Members of the Audit Committee are 'financially literate' and are able to analysis and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee.

Role of Audit Committee

The Audit Committee performs in coherence and consistency and ensures compliance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review when appropriate, make recommendations to the main Board on business risk, internal controls and compliance and audit. The committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control system are in place to identify and contain business risk and that the Company's business is conducted in a proper and economically sound manner. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The role of the Audit Committee includes the following:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- 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;
- Oversee hiring and performance of external Auditors.
- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review statement of all related party transactions submitted by the management;
- Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.
- 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;
- To review whether all the applicable Rules, Regulations, Guidelines, Notifications, Directives, etc. framed/issued by the regulatory authorities have been complied with.
- Other matters as per Terms of Reference (ToR) of the Audit Committee and also as directed by the Board, from time to time.

Authority

In terms of Corporate Governance Code issued by BSEC, the Audit Committee is authorized by the Board to review any activity within the business as per its Terms of Reference(ToR). It is authorized to seek any information it requires from, and requires the attendance at any of its meeting of any Director or Member of Management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorized to have information and advice from the Company Legal Advisor, Tax Consultant and Statutory Auditor if required. The ToR of the Audit Committee may be amended from time to time as required for the business in line with BSEC Notifications, subject to approval by the Board of the Company.

Responsibilities and Duties

The responsibilities and duties of the Audit Committee are:

Financial Reporting

- To review the quarterly and annual financial statements of the Company, focusing particularly on :
  - Any significant changes to accounting policies and practices;
  - Significant adjustments arising from the audits;
  - Compliance with applicable financial reporting standards and other legal and regulatory requirements, and
  - The going concern assumption.

Related Party Transactions

- To review any related party transactions and conflict of interest situations that may arise within the Company, including any transaction, procedure or course of conduct that may arise questions of management integrity.

Audit Committee Reports

- To prepare the annual Audit Committee Report and submit it to the Board which includes: the composition of the Audit Committee, its terms of reference, number of meetings held and attendance thereat, a summary of its activities and the performance of internal audit services for inclusion in the Annual Report, and to review the Board's statements on compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report.

Internal Control

- To consider annually the risk management framework adopted within the Company and to be satisfied that the methodology deployed allows the identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Company to minimize losses and maximize opportunities;
- To ensure that the system of internal control is thoroughly conceived and in place, effectively administered and regularly monitored;
- To review the extent of compliance with established internal policies, standards, plans and procedures, including, for example, the Company's Standards of Business Conduct;
- To obtain assurance that proper plans for control has been developed prior to the commencement of major areas of change within the Company; and
- To recommend to the Board about steps needed to improve the system of internal control derived from the findings of the internal and external auditors, and from the consultations of the Audit Committee itself.

Internal Audit

- To be satisfied that the plan, methodology and resource for internal auditing are communicated down through the Company. Specifically :
- To review the internal audit plans and to be satisfied as to their consistency with the risk management framework used and adequacy of coverage;
- To be satisfied that Internal Audit has the competency and qualifications to complete its mandates and approved audit plans.
- To review status reports from internal audit and ensure that appropriate actions have been taken to implement the audit recommendations;
- To recommend any broader review deemed necessary as a consequence of the issues or concerns identified;
- To ensure that internal audit has full, free and unrestricted access to all activities, records, property and personnel necessary to perform its activities; and
- To request and review any special audit which it deems necessary.

External Audit

- To review the external auditor's audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and coordination of the external auditor. The Audit Committee will consider a consolidated opinion on the quality of external auditing at one of its meetings;
- To review with the external auditor, the Statement on Risk Management and Infernal Control of the Company for inclusion in the Annual Report;
- To review any matter concerning the appointment and re-appointment, audit fee and resignation or dismissal of the external auditor;
- To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence;
- To be advised of and decide to or not to make significant use

of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as auditor is not deemed to be compromised; and

- To review the external auditor's findings arising from audits, particularly and comments and responses in management letters, as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.

Other Matters

- To act on any other matters as may be directed by the Board.

Reporting of the Audit Committee:

Reporting to the Board of Directors: The Audit Committee reports on its activities to the Board of Directors. The Audit Committee immediately reports to the Board of Directors on the following findings, if any:

- Report on conflicts of interests;
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
- Suspected infringement of laws, including securities related laws, rules and regulations;
- Any other matter which the Audit Committee deems necessary shall be disclosed to the board immediately.

The Audit Committee further ensures that, in compliance with condition No.5 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission dated 3 June 2018 the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have certified before the Board that they have thoroughly reviewed the Financial Statements of the Company for the year ended 30th June 2021, and they state that:

(i) They have reviewed the financial statements for the year ended on 30th June, 2021 and that to the best of their 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 statement collectively present a 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 their 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 of the Company's Board of Directors or its Members.

Such joint certificate of the CEO and CFO is thoroughly reviewed by the Audit Committee before submission to the Board.

Reporting to the Authorities

The Audit Committee reports to the Board of Directors about anything which has a material impact on the financial condition and results of operation. The Committee also discusses with the Board of Directors and the management if any rectification is necessary. If the Audit Committee finds that such rectification has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities and Exchange Commission upon reporting of such matters to the Board of Directors for three times or completion of a period of six months from the date of first reporting to the Board of Directors, whichever is earlier.

Reporting to the Shareholders and General Investors:

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition No.5(6)(a)(i) of the BSEC's Corporate Governance Code mentioned above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

Meeting Attendance

The Audit Committee met four times during the year ended on 30 June 2021. All the Members were present in all meetings of the Committee.

The Managing Director, Chief Financial Officer, Head of Internal Audit and Compliance of the Company and representatives of the external Auditors had attended the meetings upon invitation by the Audit Committee. From time to time, relevant stakeholders and other senior members of the management have also been invited by the Audit Committee to attend Audit Committee meetings. The Audit Committee met with the external Auditors separately, and with the Internal Auditors, on an annual basis without any Executive Director being present. The Company Secretary, being the Secretary of the Audit Committee, facilitates the Chairman and other Members for effective functioning of the Committee, as per its terms of reference as well as Corporate Governance Code of BSEC.

Summary of activities and recommendations of the Audit Committee for the year ended on 30th June 2021:

Financial Reporting

In terms of reference, the Committee in its first meeting held on October 25, 2020 reviewed the Annual Financial Statements for the year ended on 30 June 2020. During the meeting the Chief Financial Officer presented the draft annual accounts along with the independent auditors' report to the Committee and briefed the committee regarding the financial performance of the Company.

The Audit Committee in its aforesaid meeting also had detailed discussion with the Members of the accounts and finance department on various aspects of the financial statements and accounts. The Committee also reviewed the financial reporting process, discussed the adequacy of the internal control processes

in place to prevent errors and fraudulent activities and thoroughly scrutinized the related party transactions carried out during the year. The committee was fully satisfied that the related party transactions were made on an arm length basis as part of normal course of business and the transactions have been adequately disclosed in the financial statements. The Independent Auditors' report also did not contain any material audit observation that warranted the Boards' attention. The Committee being satisfied, authorized for onward submission of the Audited Financial Statements to the Board for approval.

In addition to the above meeting, the Audit Committee met three times during the year ended on 30 June 2021. All the Members were present in all meetings of the Committee.

The second meeting of the Committee was held on November 11, 2020, prior to release of the un-audited First Quarter Financial Statements of the Company for the quarter ended on September 30, 2020. The Committee reviewed the financial progress during the first quarter and examined in detail and recommended the same for approval by the Board to release to the Shareholders of the Company.

The third meeting of the Committee was held on January 25, 2021 to review the un-audited second quarter financial Statements of the Company. The Committee being satisfied recommended for issue of the financial statements for the half-year ended on December 31, 2020.

The fourth meeting of the Committee was held on April 27, 2021 during pandemic situation of Covid-19 to release of the un-audited third quarter financial statements of the Company for the quarter ended March 31, 2021. The detailed review of the financial statements was made by the Committee and recommended to the Board for approval of the financial statements for release to the Shareholders of the Company.

The Chief Executive Officers of concerned Divisions, Chief Financial Officer, Internal Auditors of the Company and representatives of the External Auditors had attended all the meetings upon invitation by the Audit Committee. From time to time, other senior Members of Management have also been invited by the Audit Committee to attend in the above Audit Committee meetings. The Audit Committee met with the External Auditors and separately, with the internal Auditors on an annual basis.

The Audit Committee also reviewed, approved and monitored the procedures and task of the internal audit, financial report preparation and the external audit reports. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company and did not find any material deviation, discrepancies or any adverse findings/ observation in the areas of reporting.

Annual Reporting

Reviewed disclosures required by the statement on corporate governance, audit committee report, standards of business conduct, statement on risk management and internal control for the financial year ended 30th June 2021 for inclusion in the Annual Report, 2020-21, and recommended their adoption to the Board.

External Auditors'

The Audit Committee conducted a formal evaluation of the effectiveness of the external audit process. The Committee has considered the tenure, quality and fees of the auditors, considered and made recommendations to the Board on the appointment and remuneration of external Auditors, M/s. M. J. Abedin & Company, Chartered Accountants for the year 2021-2022, subject to the approval of shareholders in the 30th AGM of the Company, who had carried out the audit of the Company for the year ended on 30 June 2021.

Report Authorization

This Audit Committee Repot is made in accordance with the resolution of the Board of Directors on 21 October, 2021.

On behalf of Audit Committee,



(BARRISTER FAHEEMUL HUQ)
Chairman

CORPORATE **GOVERNANCE**

The maintenance of effective Corporate Governance remains a key priority to the Board of Beximco Synthetics Ltd.

Internal Financial Control

The Directors are responsible for the Company's system of internal financial control. Although no system of internal control can provide absolute assurance against material misstatement and loss, the Company's system is designed to provide the directors with reasonable assurance that problems are timely identified and dealt with appropriately.

Statement of Director's Responsibilities for Preparation and Presentation of the Financial Statements

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditors in relation to the financial statements.

The Companies Act 1994 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit for the year to the date. In preparing those financial statements the directors are required:

- to select suitable accounting policies and the apply them in a consistent manner;
- to make reasonable and prudent judgements and estimates where necessary;
- to state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the notes to the financial statements;
- to take such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with disclosure requirements to the Companies Act 1994 and the Securities and Exchange Rules 1987; and
- to prepare the financial statements on a going concern basis unless it is inappropriate to presume the Company will continue in business.

Board Committees

The Board – The board is responsible to the shareholders for the strategic development of the Company, the management of the Company's assets in a way that maximizes performance and the control of the operation of the business.

The board of directors is responsible for approving Company policy and responsible to shareholders for the Company's financial and operational performance. Responsibility for the development and implementation of Company policy and strategy.

Board Structure and Procedure – The membership of the board during the period ended 30 June 2021 stood at five directors. All directors are equally accountable at law to the shareholders for the proper conduct of the business.

The Company's Board currently comprises the Chairman, Vice-Chairman, one Independent Director and other two directors. The name of the Directors appears on page 4.

Audit Committee

The Board of Directors of Beximco Synthetics Limited has constituted the Audit Committee in terms of the conditions of Bangladesh Securities and Exchange Commission's (BSEC) guidelines which is appended with the Compliance Report and also enclosed with the Director's report. The Committee comprised of Barrister Faheemul Huq, Mr. O K Chowdhury, FCA and Mr. Iqbal Ahmed, of whom Barrister Faheemul Huq is an Independent Director and also the Chairman of the Committee. The Audit Committee appointed by the main Board and all the members are non-executive Directors. All members of the Audit Committee are financially literate are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. The details of the Audit Committee has been provided in "Report of the Audit Committee" on page 18.

Going Concern

The Company ceased it's operation last year. For this reason, the management has not adopted the going concern basis of accounting in preparing the financial statements in compliance of Para-14 of International Accounting Standard (IAS–10) (Events after the Reporting Period).

The impact on the financial statements of non-going concern basis are as follows:

a) Property, Plant and Equipment has been written down to Net Realizable Value (NRV) by Taka 548,649,901 which has been adjusted against corresponding Revaluation Surplus.

b) Accounts and Other Receivables has been written down to Net Realizable Value (NRV) which has been charged to Profit and Loss Account by Taka 552,670,800.

Rights and Relations with Shareholders

Control Rights of Shareholders – At annual general meeting, shareholders have rights of participation and supervision. They have the right to ask questions of and request of information from the board regarding item on the agenda to the extent necessary to make an informed judgment of the Company's affairs.

Relations with Shareholders – The annual general meeting are used as an important opportunity for communication with both institutional and general shareholders. In addition, the Company maintains relations with shareholders through the corporate affairs secretarial department.

The following information can be addressed through the secretarial department:

- Dividend payment enquires
- Dividend mandate instruction
- Loss of share certificate/dividend warrants
- Notification of change of address
- Transfer of shares

The board believes that it is important to respond adequately to all the queries of both institutional and general shareholders. At the AGM the shareholders are offered an opportunity to raise with the board any specific question they have concerning the Company. In addition, meetings are also held between individual directors and institutional shareholders at various times during the year.

TWENTY-NINTH
ANNUAL GENERAL MEETING (AGM)

The Twenty-Ninth Annual General Meeting of the Shareholders of Beximco Synthetics Limited was held under virtual platform on 19th December, 2020 at 1.30 pm. A good number of Shareholders attended the meeting. Mr. Salman F Rahman presided over the meeting in absence of Chairman of the Board of Directors of the Company. Verses from the Holy Quran along with its translation in Bengali were recited at the very outset of the meeting.

The Chairman welcomed the Shareholders in the AGM. With the permission of the Chair meeting started and the Shareholders expressed their valued opinion on the Audited Financial Statements of the Company for the period of 12 months from 1 July 2019 to 30 June 2020 and also on other affairs.

Mr. Salman F Rahman, Chairman of the Meeting replied to the queries and explained various comments of distinguished Shareholders.

After electing Director, approving the Audited Financial Statements, appointing Auditors and fixing their remuneration by the Shareholders, the meeting ended with a vote of thanks to and from the Chair.

FINANCIALS
STATEMENTS



M. J. ABEDIN & CO
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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ***BEXIMCO SYNTHETICS LIMITED***

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Beximco Synthetics Limited (the "Company"), which comprise the Statement of Financial Position as at 30 June, 2021 and Statement of Profit and 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.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations..

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 Auditors' 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 ethical 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.

Emphasis of Matters/ Non-Going Concern Basis of Preparation

We draw attention to Note-2.2 which discloses the fact that the financial statements are now not prepared on going concern basis, the reason for such change and the impact thereof on the financial statements. Our opinion is not modified in respect of this matter.

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. Apart from the matter stated in Emphasis of Matters Paragraph the following 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.

IT systems and controls	
Our audit procedures have a focus on information technology systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	• We tested the design and operating effectiveness of the company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and inspects of IT operational controls).this included testing that requests for access to systems were appropriately reviewed and authorized. • We tasted the company's periodic review of access rights. We inspect requests of changes to system for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

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 auditors' 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.

If, based on such work we perform, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

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 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company 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 internal controls of the Company.
- 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 the 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, The Securities and Exchange Rules 2020 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

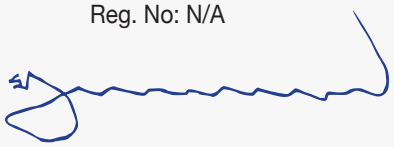
a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;

c) The company's Statement of Financial Position (Balance sheet) and Statement of Profit or Loss and Other Comprehensive Income (Profit & Loss Account) dealt with by this report are in agreement with the books of accounts and;

d) The expenditures incurred and payment made were for the purpose of the company's business for the year.

M. J. Abedin & Co.
Chartered Accountants
Reg. No: N/A



Hasan Mahmood FCA, Partner
Enrollment No: 564
DVC: 2110270564AS239032

Dated, Dhaka
21 October, 2021

STATEMENT OF FINANCIAL POSITION

As at 30 June, 2021

	Notes	Amount in Taka As at 30 June, 2021	 As at 30 June, 2020
ASSETS			
Non-Current Assets		**676,180,824**	**676,180,824**
Property, Plant and Equipment - Carrying Value	4	671,073,526	671,073,526
Long Term Security Deposits	5	5,107,298	5,107,298
Current Assets		**526,090,060**	**617,226,468**
Accounts & Other Receivables	6	522,564,621	613,715,945
Advances, Deposits & Prepayments	7	2,619,741	2,619,741
Cash and Cash Equivalents	8	905,698	890,782
Total Assets		**1,202,270,884**	**1,293,407,292**
EQUITY AND LIABILITIES			
Shareholders' Equity		**(240,732,041)**	**(121,162,045)**
Issued Share Capital	9	867,123,590	867,123,590
Revaluation Surplus	10	780,685,982	780,685,982
Retained Earnings		(1,888,541,613)	(1,768,971,617)
Non-Current Liabilities		**181,400,811**	**498,128,140**
Long Term Borrowing-Net off Current Maturity	11	84,133,844	187,719,758
Interest Bearing Long Term Blocked Account	12	90,418,967	303,560,382
Deferred Tax Liabilities	13	6,848,000	6,848,000
Current Liabilities		**1,261,602,114**	**916,441,197**
Debentures-Current Maturity (Secured)		-	41,532,000
Interest Free Block Account-Current Maturity	14	350,099,962	320,013,834
Long Term Borrowing-Current Maturity	15	395,090,733	232,949,464
Long Term Interest Bearing Block Account-Current Maturity	16	436,195,766	146,646,484
Accounts & Other Payables	17	28,903,594	123,987,356
Accrued Expenses	18	51,312,059	51,312,059
Total Equity and Liabilities		**1,202,270,884**	**1,293,407,292**

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

Approved and authorized for issue by the board of directors on 21 October, 2021 and signed for and on behalf of the Board:

Iqbal Ahmed
Director

O K Chowdhury
Director

Md. Monibur Rahman
Chief Financial Officer

As per our report of even date.

M. J. Abedin & Co.
Chartered Accountants
Reg. No: N/A

Hasan Mahmood FCA,Partner
Enrollment No: 564
DVC : 2110270564AS239032

Dated, Dhaka
21 October, 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June, 2021

	Notes	Amount in Taka	
		July 2020 - June 2021	July 2019 - June 2020
Revenue	19	**-**	**77,348,173**
Cost of Revenue	20	-	(177,108,082)
Gross (Loss)		**-**	**(99,759,909)**
Operating Expenses		**(517,500)**	**(6,637,464**
Administrative Expenses	21	(517,500	(6,087,304)
Selling Expenses	22	-	(550,160)
Loss from Operations		**(517,500**	**(106,397,373)**
Finance Cost	23	(119,052,496)	(139,110,103)
Accounts & other receiveable-write off	6	-	(552,670,800)
Net Loss before Tax		**(119,569,996)**	**(798,178,276)**
Income Tax Expense	24	-	52,854
Loss After Tax for the year		**(119,569,996)**	**(798,125,421)**
Other Comprehensive Income		-	-
Total Comprehensive Loss for the year		**(119,569,996)**	**(798,125,421)**
Earning Per Share (EPS)	25	**(1.38)**	**(9.20)**
Number of Shares used to compute Earning Per Share (EPS)		86,712,359	86,712,359

The notes are an integral part of the Financial Statements.

Approved and authorized for issue by the board of directors on 21 October, 2021 and signed for and on behalf of the Board:

Iqbal Ahmed
Director

O K Chowdhury
Director

Md. Monibur Rahman
Chief Financial Officer

As per our report of even date.

M. J. Abedin & Co.
Chartered Accountants
Reg. No: N/A

Hasan Mahmood FCA,Partner
Enrollment No: 564
DVC : 2110270564AS239032

Dated, Dhaka
21 October, 2021

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June, 2021

Amount in Taka

Particulars	Share Capital	Revaluation Surplus	Retained Earnings	Total Equity
Balance as on 01-07-2020	**867,123,590**	**780,685,982**	**(1,768,971,617)**	**(121,162,045)**
Loss for the year	-	-	(119,569,996)	**(119,569,996)**
Other Comprehensive Income	-	-	-	**-**
Balance on 30-06-2021	**867,123,590**	**780,685,982**	**(1,888,541,613**	**(240,732,041)**
Balance as on 01-07-2019	**867,123,590**	**1,329,335,883**	**(970,846,196)**	**1,225,613,277**
Loss for the year	-	-	(798,125,421)	**(798,125,421)**
Other Comprehensive Income	-	-	-	**-**
Adjustment against written down of related assets (Note-4 &10)	-	(548,649,901)	-	(548,649,901)
Balance on 30-06-2020	**867,123,590**	**780,685,982**	**(1,768,971,617)**	**(121,162,045)**
Number of Shares				86,712,359
Net Assets Value (NAV) Per Share (Note: 26)				**(2.78)**

Approved and authorized for issue by the board of directors on 21 October, 2021 and signed for and on behalf of the Board:

Iqbal Ahmed
Director

O K Chowdhury
Director

Md. Monibur Rahman
Chief Financial Officer

As per our report of even date.

M. J. Abedin & Co.
Chartered Accountants
Reg. No: N/A

Hasan Mahmood FCA,Partner
Enrollment No: 564
DVC : 2110270564AS239032

Dated, Dhaka
21 October, 2021

STATEMENT OF CASH FLOWS

For the year ended 30 June, 2021

	Notes	Amount in Taka As at 30 June, 2021	 As at 30 June, 2020
Cash Flows From Operating Activities:			
Collections		91,151,324	650,244,114
Paid to Suppliers & Employees		(95,601,262)	(308,056,303)
Cash Generated from/(Used In) Operations		**(4,449,938)**	**342,187,811**
Interest Paid		(119,052,496)	(151,921,462)
Net Cash Generated from/(Used in) Operating Activities	27	(123,502,434)	190,266,349
Cash Flows From Investing Activities :			
Acquisition of property, plant and equipment		-	-
Net Cash Used In Investing Activities		-	-
Cash Flows From Financing Activities :			
Increased in Long Term Interest Bearing Block Account		106,493,995	286,850,795
Increased Long Term Loan-Phoenix		58,555,355	(476,949,397)
Paid Debenture- Current Maturity		(41,532,000)	-
Net Cash (Used in) /Generated from Financing Activities		123,517,350	(190,098,602)
Increased/(Decrease) in Cash & Cash Equivalents		**14,916**	**167,747**
Cash & Cash Equivalents at the beginning of the year		**890,782**	**723,035**
Effect of Exchange Rate Changes on Cash & Cash Equivalents	27	-	-
Cash & Cash Equivalents at End of the year	8	**905,698**	**890,782**
Net Operating Cash Flow Per Share	28	**(1.42)**	**2.19**
Number of Shares used to compute Net Operating Cash Flow Per Share		86,712,359	86,712,359

The notes are an integral part of the Financial Statements.

Approved and authorized for issue by the board of directors on 21 October, 2021 and signed for and on behalf of the Board:

Iqbal Ahmed
Director

O K Chowdhury
Director

Md. Monibur Rahman
Chief Financial Officer

As per our report of even date.

M. J. Abedin & Co.
Chartered Accountants
Reg. No: N/A

Hasan Mahmood FCA,Partner
Enrollment No: 564
DVC : 2110270564AS239032

Dated, Dhaka
21 October, 2021

1 The background and activities of the Company

1.1 Status of the Company

Beximco Synthetics Limited (the Company) is a Public Limited Company incorporated in Bangladesh in 1990 under the Companies Act, 1913. It launched its manufacturing operation in 1994. The company became a listed company in 1993. The shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh and the debentures of the company were listed with Dhaka Stock Exchange of Bangladesh.

The registered office of the company is located at House No. 17, Road No. 2, Dhanmondi R/A, Dhaka. The industrial units are located at Kabirpur, Savar, Dhaka.

1.2 Principal Activities

The company operates in a single industry segment. It was engaged in manufacturing and marketing of Polyester Filament Yarn namely, Partially Oriented Yarn (POY) and Drawn Texturized Yarn (DTY) which it sells in the local market.

During the reporting period, the company ceased production and closed down the plant and retrenched all the workers and most of the officers and staff after paying all their dues as per law.

2 Bases of Financial Statements – Preparation and Presentation

2.1 Measurement Bases

The financial statements have been prepared on the Historical Cost basis, as modified to include the revaluation of land, building and plant & machinery which are stated at revalued amount.

2.2 Going Concern

The Company ceased operation during the reporting period. For this reason, the management has not adopted the going concern basis of accounting in preparing the annual financial statements form the year 2019-2020.

The impact on the financial statements of non-going concern basis are as follows:

(a) Property, Plant and Equipment has been written down to Net Realizable Value (NRV) by Taka 548, 649,901 (Note-4) which has been adjusted against corresponding Revaluation Surplus (Note-10) for the year 2019-2020.

(b) Accounts and Other Receivables has been written down to Net Realizable Value (NRV) which has been charged to profit & loss by Taka 552,670,800 (Note-6) for the year 2019-2020.

On 27th August 2020 the Chairman of the company sought permission of the Bangladesh Securities and Exchange Commission (BSEC) to delist the company from Dhaka and Chittagong Stock Exchanges and also informed that the company ceased production and closed down the plant during the reporting period.

Subsequently on 07th September 2020 the trading of the company's shares in the stock exchanges was suspended as directed by the BSEC.

On 08th September 2020, the company issued a Press Release stating the same information.

2.3 Reporting Framework and Compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 2020, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws and regulations as applicable and in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs).

2.4 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The Financial Statements Comprises:

(a) a statement of financial position as at the end of the 30 June 2021;

(b) a statement of profit or loss and other comprehensive income for the year ended 30 June 2021;

(c) a statement of changes in equity for the year ended 30 June 2021;

(d) a statement of cash flows for the year ended 30 June 2021; and

(e) notes, comprising a summary of significant accounting policies and other explanatory information

2.5 Reporting Period

The financial statements cover one financial year from 1st July 2020 to 30th June 2021 consistently.

2.6 Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 21 October 2021.

2.7 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.8 Comparative Information

Figures for earlier periods have been re-arranged wherever considered necessary to ensure better comparability with the current year.

2.9 Use of Estimates and Judgments

The preparation of financial statements in conformity with the Bangladesh Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particulars, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payables.

3. Significant Accounting Policies

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.

3.1 Revenue Recognition

In compliance with the requirements of IAS 18: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

No Revenue has been showed during the Period.

3.2 Property, Plant and Equipment

3.2.1 Recognition and Measurement

This was written down to net realizable value form the year 2019-2020 as the going concern basis is not appropriate due to closing down of plant and cessation of production during the reporting period.

3.2.2 Depreciation on Fixed Assets

No Depreciation is provided during the Period.

3.3 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.

3.3.1 Financial Assets

Financial assets of the company include cash equivalents, accounts receivable and other receivables.

The company initially recognizes receivables on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

(a) Accounts Receivable

Accounts Receivables are recognized at cost which is the fair value of the consideration given for them.

(b) Advances, Deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to the statement of profit or loss and other comprehensive income.

(c) Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost and includes cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.3.2 Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.4 Impairment

(a) Financial Assets

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy etc.

(b) Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.5 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: Inventories. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.6 Provisions

A provision is recognized in the statement of financial position when the company has 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. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation.

3.7 Income Tax Expenses

Current Tax

No Current Tax is Provision during the Period.

Deferred Tax

The Company's policy of recognition of deferred tax assets/liabilities is based on temporary differences (Taxable or deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purposes and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per share (EPS).

3.8 Borrowing Costs

This has been dealt with the requirements of IAS 23: Borrowing Costs.

Borrowing costs relating to projects in commercial operation are recognized as expenses in the year in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

3.9 Earnings per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings (Numerator)

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Ordinary Shares Outstanding during the year (Denominator)

Current Year

The total number of shares has been considered as the Weighted Average number of Shares outstanding during the year.

Earlier Periods

The total number of shares has been considered as the Weighted Average Number of Shares outstanding during the earlier periods.

The basis of computation of number of shares as stated above is in line with the provisions of IAS 33: "Earnings Per Share".

Diluted Earnings per Share

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

3.10 Foreign Currency Transactions

The financial records of the company are maintained and the financial statements are stated in Bangladesh Taka. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in compliance with the provisions of IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.11 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows.

The cash generating from operating activities has been reported using the Direct Method as the benchmark treatment of IAS 7: whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.12 Related Party Disclosures

The company did not carry out any transaction with related parties during the year under review.

Therefore, disclosure of information as required by IAS 24: Related Party Disclosures is not applicable.

3.13 Segmental Reporting

No segmental 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.

3.14 Financial Risk Management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

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 other financial assets, i.e. Cash at bank and other external receivables are nominal.

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. In extreme stressed conditions, the company may get support from the related company in the form of short-term financing.

Market risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings 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 certain purchases such as import of raw material, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relates to procurement of raw materials, machineries and equipment from abroad.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. 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.

4.00 Property, Plant and Equipment

As at 30 June 2021

Amount in Taka

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Office Fixture	Motor Vehicle	Total
Cost or Valuation:							
At 01 July, 2020	**583,658,435**	**466,289,887**	**1,280,447,284**	**45,683,253**	**21,512,206**	**4,369,033**	**2,401,960,098**
Addition/adjustment for the year 2020-21	-	-	-	-	-	-	-
At 30 June, 2021	**583,658,435**	**466,289,887**	**1,280,447,284**	**45,683,253**	**21,512,206**	**4,369,033**	**2,401,960,098**
Depreciation:							
At 01 July, 2020	**-**	**217,994,860**	**896,092,410**	**42,268,162**	**21,512,206**	**4,369,033**	**1,182,236,672**
Depreciation for the year 2020-21	-	-	-	-	-	-	-
Written down (Note- 3.2.1 & 10) for 2019-2020	-	211,795,027	336,854,874	-	-	-	548,649,901
At 30 June, 2021	**-**	**429,789,887**	**1,232,947,284**	**42,268,162**	**21,512,206**	**4,369,033**	**1,730,886,572**
Carrying amount	583,658,435	36,500,000	47,500,000	3,415,091	-	-	671,073,526
As at 30 June 2020	**1,882,071,406**	**1,397,415,903**	**1,859,106,127**	**3,488,881**	**2,513,216**	**1,339,462**	**5,145,934,995**

As at 30 June 2020

Amount in Taka

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Office Fixture	Motor Vehicle	Total
Cost or Valuation:							
At 01 July, 2019	**583,658,435**	**466,289,887**	**1,280,447,284**	**45,683,253**	**21,512,206**	**4,369,033**	**2,401,960,098**
Addition for the year 2019-20	-	-	-	-	-	-	-
At 30 June, 2020	**583,658,435**	**466,289,887**	**1,280,447,284**	**45,683,253**	**21,512,206**	**4,369,033**	**2,401,960,098**
Depreciation:							
At 01 July, 2019	**-**	**206,838,448**	**876,797,973**	**40,347,174**	**21,512,206**	**4,369,033**	**1,149,864,835**
for the year 2019-20	-	11,156,412	19,294,437	1,920,988	-	-	32,371,837
At 30 June, 2020	**-**	**217,994,860**	**896,092,410**	**42,268,162**	**21,512,206**	**4,369,033**	**1,182,236,672**
Written down (Note- 3.2.1 & 10)		(211,795,027)	(336,854,874)	-	-	-	(548,649,901)
Carrying amount	583,658,435	36,500,000	47,500,000	3,415,091	-	-	671,073,526
Carrying Amount At 30 June, 2020	**583,658,435**	**36,500,000**	**47,500,000**	**3,415,091**	**-**	**-**	**671,073,526**

A. DISCLOSURE ON REVALUATION IN THE YEAR 2004

In compliance with the requirements of International Accounting Standard (IAS) - 16 "Property, Plant and Equipment, following information have been disclosed on revaluation of land:

(a) The effective date of revaluation is 27.12.2004

(b) An independent professional valuer, M/S G. K. Adjusters Ltd. (Insurance Surveyors, Loss Adjusters, Controllers and Valuers) of Chand Mansion (5th floor), 66, Dilkusha Commercial Area, was involved to carry out the said revaluation.

(c) The revaluation surplus was Tk. 173,718,295.

B. DISCLOSURE ON REVALUATION IN THE YEAR 2008

In compliance with the requirements of International Accounting Standard (IAS) - 16 "Property, Plant and Equipment, following information have been disclosed on revaluation of land:

(a) The effective date of revaluation is 27.12.2008

(b) An independent professional valuer, M/S S. F. Ahmed & Co., Chartered Accountants, House 25, Road 13A, Block D, Banani, Dhaka-1213, Bangladesh have revalued the land, building and plant & machinery of the Company as of 31 Dec. 2008.

(c) The revaluation surplus was Tk. 1,155,617,588.

C. DISCLOSURE ON REVALUATION REDUCED IN THE YEAR 2020

During the period revaluation surplus of factory building & other construction and plant & machinery has been reduced by TK. 211,795,027 and TK. 336,854,874 respectively to writen down the said amounts to net realisable value.

	Amount in Taka as at	
	30 June 2021	30 June 2020
5. Long-Term Security Deposits		
This represents the amount deposited with utility providers in respect of:		
Bangladesh Telegraph & Telephone Board for Telephone	864,000	864,000
Titas Gas Transmission & Distribution Co. Ltd. for Gas Connection	4,243,298	4,243,298
	5,107,298	**5,107,298**
6.00 Accounts & Other Receivables		
This is arrived as follows:		
AS on 01.07.2020	613,715,945	1,739,282,686
Add: Sales for the year	-	77,348,173
	613,715,945	**1,816,630,859**
Less: Realized during the year	(91,151,324)	(650,244,114)
	522,564,621	**1,166,386,745**
Less: Written-off to profit & loss	-	(552,670,800)
	522,564,621	**613,715,945**

This is unsecured but considered good, and is falling due within one year.

No amount was due by the directors (including Managing Director), Managing Agent, Managers and other officers of the company and any of them severally or jointly with any other person.

		Amount in Taka as at	
		30 June 2021	30 June 2020
7.00	**Advances, Deposits & Prepayments**		
	This represents :		
	Advance Income Tax	2,619,741	2,619,741
		2,619,741	**2,619,741**
8.00	**Cash and Cash Equivalents**		
	This consists of :		
(i)	Cash at Banks :	453,842	445,374
	(i) In Current Account	451,856	445,408
	(ii) In STD Account	905,698	890,782
		905,698	**890,782**
9.00	**Issued Share Capital**		
(a)	**Authorised :**		
	200,000,000 Ordinary Shares of Tk.10/-each	**2,000,000,000**	**2,000,000,000**
(b)	**Issued, subscribed and paid -up:**		
	29,900,000 Ordinary Shares of Tk. 10/- each fully paid up in cash	299,000,000	299,000,000
	100,000 Ordinary Shares of Tk. 10/- each issued in consideration of value of land acquired (issued in 1993)	1,000,000	1,000,000
	56,712,359 Bonus shares of Tk. 10 each	567,123,590	567,123,590
		867,123,590	**867,123,590**

(c) Compositions of share holdings:

	30 June 2021		30 June 2020	
Name of the Shareholders	**No. of Shares**	**Holding %**	**No. of Shares**	**Holding %**
A. Sponsors:				
1. A S F Rahman	14,518,467	16.74	14,518,467	17
2. Salman F Rahman	13,441,800	15.50	13,441,800	16
B. Associates	2,973,469	3.43	2,973,469	3
	30,933,736	**35.67**	**30,933,736**	**36**
C. Governments	-	-	-	-
D. Foreign Investors	13,607	0.02	13,607	-
E. Institutions	20,891,203	24.09	10,983,140	13
F. General Public	34,873,813	40.22	44,805,747	52
	86,712,359	**100**	**86,712,359**	**100**

(d) Distribution Schedule -Disclosures Under the Listing Regulations of the Stock Exchange :

The distribution schedule showing the number of shareholders and their share holdings in percentage has been disclosed below as :

	Amount in Taka as at	
	30 June 2021	30 June 2020

Share holdings Range in number of shares	Number of Holders		% of Total Holders		Number of Shares		% of Share Capital	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
1 to 499	7,476	7,923	1.16%	1.25%	1,007,799	1,080,309	1.16%	1.25%
500 to 5,000	5,152	5,856	9.44%	11.14%	8,184,778	9,658,500	9.44%	11.14%
5,001 to 10,000	624	787	5.46%	6.88%	4,731,971	5,969,069	5.46%	6.88%
10,001 to 20,000	360	464	5.94%	7.68%	5,147,935	6,660,485	5.94%	7.68%
20,001 to 30,000	116	172	3.36%	5.03%	2,916,479	4,363,633	3.36%	5.03%
30,001 to 40,000	50	65	2.04%	2.65%	1,764,901	2,298,013	2.04%	2.65%
40,001 to 50,000	29	35	1.50%	1.82%	1,299,223	1,575,024	1.50%	1.82%
50,001 to 100,000	65	86	5.17%	6.96%	4,486,880	6,038,436	5.17%	6.96%
100,001 to 1,000,000	37	42	9.41%	10.65%	8,159,210	9,234,761	9.41%	10.65%
Over 1,000,000	8	8	56.52%	45.94%	49,013,183	39,834,129	56.52%	45.94%
	13,917	**15,438**	**100.00%**	**100.00%**	**86,712,359**	**86,712,359**	**100.00%**	**100.00%**

(e) Market Price:

The shares of the Company are listed with in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 8.40 (in 2020: Tk. 6.70) per share in the Dhaka Stock Exchange and Tk. 8.00 (in 2020: Tk. 6.60) per share in the Chittagong Stock Exchange Last day Trade on 7th September 2020.

(f) Option on unissued shares :

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid up capital through the issuance of new shares.

(g) Voting Rights :

The rights and privileges of the shares are stated in the Bye-laws (Articles of Association) of the Company.

10.00 Revaluation Surplus

The details of revaluation has been stated in Note-4.

This has been arrived as follows:

Opening Balance	780,685,982	1,329,335,883
Less: Adjustment against written down of plant & machinery, factory building and other construction	-	(548,649,901)
Closing Balance	**780,685,982**	**780,685,982**

	Amount in Taka as at	
	30 June 2021	30 June 2020

11.00 Long Term Loans- Net-Off Current Maturity

This represents loan from Phoenix Finance & Investments Ltd. which is arrived as follows:

Balance as on July 01, 2020	187,719,758	285,020,549
Amount capitalized & Restutructure as principal	-	7,866,514
	187,719,758	**292,887,063**
Less: Principal paid during the year	-	-
Balance as on June 30, 2021	187,719,758	292,887,063
Less: Tranferred to Current Maturity (Note-15)	103,585,914	105,167,305
	84,133,844	**187,719,758**

12.00 Long Term Interest Bearing Block Account- Net off Current Maturity

This amount is consist as follows

Balance as on July 01, 2020	303,560,382	607,120,764
Less: Transfer to Current Maturity Account (Note-16)	213,141,415	303,560,382
	90,418,967	**303,560,382**

13.00 Deferred Tax Liability

This is as Per last Year accounts.

14.00 Long Term Interest Bearing Block Account- Net off Current Maturity

This is payable to Sonali Bank Ltd. at Interest Bearing Block Account.

Balance as on July 01, 2020	320,013,834	320,013,834
Add:Amount capitalized & Restutructure as principal	30,086,128	-
	350,099,962	**320,013,834**

15.00 Long Term Borrowings-Current maturity

Balance as on July 01, 2020	232,949,464	136,862,525
Add:Amount capitalized & Restutructure as principal	58,555,355	-
Add: Transferred from long term portion (Note-11)	103,585,914	105,167,305
	395,090,733	**242,029,830**
Less: Paid paid during the year	-	9,080,366
	395,090,733	**232,949,464**

16.00 Interest Bearing Long Term Block Account-Current Maturity

Balance as on July 01, 2020	146,646,484	273,846,720
Add:Amount capitalized & Restutructure as principal	76,407,867	-
Add: Transferred from long term portion (Note-12)	213,141,415	303,560,382
	436,195,766	**577,407,102**
Less: Paid during the year	-	430,760,618
	436,195,766	**146,646,484**

		Amount in Taka as at	
		30 June 2021	30 June 2020
17.00	**Accounts & Other Payables**		
	Gas and Services	20,560,687	115,644,449
	Others	8,342,907	8,342,907
		28,903,594	**123,987,356**
18.00	**Accrued Expenses**		
	Provision for Taxation	51,312,059	51,312,059
		51,312,059	**51,312,059**
19.00	**Revenue (Net)**		
	Sales	-	75,848,173
	Sales of Inventory	-	1,500,000
		-	77,348,173
	Sales of Wastage	-	-
		-	**77,348,173**
20.00	**Cost of Goods Sold : Tk. 1,019,217,711**		
	Raw Material Consumed (Note - 20.1)	-	59,978,555
	Packing Material Consumed (Note- 20.2)	-	2,818,992
	Manufacturing Overhead (Note - 20.3)	-	81,272,828
	Depreciation	-	32,371,837
	Manufacturing Costs for the year	**-**	**176,442,212**
	Opening WIP	-	665,870
	Manufacturing Costs to date	**-**	**177,108,082**
	Closing WIP	-	-
	Cost of Goods manufactured	**-**	**177,108,082**
	Opening Finished Goods	-	-
	Cost of Goods available for revenue	**-**	**177,108,082**
	Closing Finished Goods	-	-
	Cost of Revenue	**-**	**177,108,082**
20.1	**Raw Material Consumed**		
	Opening Stock	-	2,982,957
	Purchases	-	56,995,598
		-	**59,978,555**
	Closing Stock	-	-
		-	**59,978,555**
20.2	**Packing Material Consumed**		
	Opening Stock	-	201,621
	Purchases	-	2,617,371
		-	**2,818,992**
	Closing Stock	-	-
		-	**2,818,992**

	Notes	Amount in Taka as at 30 June 2021	Amount in Taka as at 30 June 2020
20.3 Manufacturing Overhead			
Salary and wages		-	24,763,159
Power & Gas		-	35,626,785
Indirect Material (Stores & Spares)		-	19,917,160
Other Manufacturing Overhead		-	965,724
		-	**81,272,828**
21.00 Administrative Expenses			
Salary		-	3,512,422
Repairs & Maintenance		-	45,420
Entertainment		-	96,535
Stationery Items		-	20,100
Books, News Papers & Periodicals		-	27,304
Medical Expenses		-	37,260
Renewals, Rates & Registrations		-	23,220
Subscription & Membership Fees		-	718,582
Travelling and Conveyance		-	88,276
Telephone, Telex, Fax		-	33,908
Vehicles Fuel & Maintenance Cost		-	255,082
Bank Charges & Commission		-	17,820
Utilities-Electricity, Water & Gas		-	85,420
Audit Fee (Including 15% VAT)		517,500	517,500
Independent Directors Fees		-	100,000
Group Insurance Premium		-	101,873
A G M Expenses		-	380,433
Security Guard Hire Expenses		-	16,679
Other Administrative Overhead		-	9,470
		517,500	**6,087,304**
22.00 Selling Expenses			
This consists of as follows :			
Transport		-	538,800
Market Research		-	11,360
		-	**550,160**
23.00 Finance Cost			
Interest on Long Term Interest Bearing Block Account		106,488,237	76,589,448
Interest on Long Term Loan-Phoenix		12,564,259	62,520,655
		119,052,496	**139,110,103**

24.00 Income Tax Expenses/(Income)

This Represents Current tax Expense.

	Notes	Amount in Taka as at 30 June 2021	Amount in Taka as at 30 June 2020
25.00 Earnings Per Share (EPS)			
The relevant accounting policies have been stated in Note 3.09			
(a) Net loss after tax (Numerator)		(119,569,996)	(798,125,421)
(b) Weighted average number of shares in issue (Denominator)		86,712,359	86,712,359
(c) Earning Per Share (EPS)		(1.38)	(9.20)
26.00 Net Asset Value (NAV) per share			
Total Assets		1,202,270,884	1,293,407,292
Less: Total Liabilities		1,443,002,925	1,414,569,337
Net Assets		**(240,732,041)**	**(121,162,045)**
Number of Ordinary Shares of Tk. 10 each at Financial Position date.		86,712,359	86,712,359
Net Asset Value (NAV) per share		**(2.78)**	**(1.40)**
27.00 Reconciliation of Net profit with cash flows from operating activities			
Net profit after tax		**(119,569,996)**	**(798,125,421)**
Adjustments for noncash items, non-operating items and for the net changes in operating accruals			
Depreciation		-	32,371,837
(Increase)/Decrease in Inventories		-	3,850,448
(Increase)/Decrease in Accounts & other Receivables		91,151,324	1,125,566,741
(Increase)/Decrease in Advances, Deposits & Pre-payments		-	2,650,455
Increase/(Decrease) in Deferred Tax Liability		-	(516,943)
Increase/(Decrease) in Accrued Expenses		-	(61,230,481)
Increase/(Decrease) in Accounts & Other Payables		(95,083,762)	(133,467,356)
		(123,502,434)	**171,099,279**

There was no Unrealized Foreign Exchange Gain or Loss During the Year.

28.00 Net Operating Cash Flows Per Share (NOCFPS)			
Net cash flows from operating activities		(123,502,434)	190,266,349
Number of Ordinary Shares of Tk. 10 each at Financial Position date		86,712,359	86,712,359
		(1.42)	**2.19**

29.00 Contingent Liabilities

There was no contingent liability as on 30 June, 2021.

30.00 Capital Expenditure Commitment

(a) There was no capital expenditure commitment but not incurred or provided at 30 June, 2021.

(b) There was no material capital expenditure authorized by the Board but not contracted for at 30 June, 2021.

31.00 Un-availed Credit Facility

There was no credit facility available to the Company under any contract, but not availed of as on 30 June, 2020 and 2021 other than trade credit available in the ordinary course of business.

32.00 Foreign Exchange Received & Paid

No foreign exchange was received and paid by the Company during the year.

33.00 Events After The Reporting Period

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

Iqbal Ahmed
Director

O K Chowdhury
Director

Md. Monibur Rahman
Chief Financial Officer

Dated, Dhaka
21 October, 2021

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Chartered Accountants
National Plaza (3rd Floor), 109, Bir Uttam
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Compliance Auditors
Suraiya Parveen & Associates
Chartered Secretaries
Avalon Serabella (5th Floor), 09, Dilu Road,
New Eskaton, Ramna, Dhaka-1000

Legal Advisers
M/S Huq & Co.
Barristers & Advocates
47/1 Purana Paltan, Dhaka-1000

Bankers
Sonali Bank Limited
IFIC Bank Limited.

