

Annual Report

2 0 1 1

aftab automobiles limited



Contents

Company Information	02
Notice	03
Chairman's Statement (English)	04
Chairman's Statement (Bangla)	05
Directors' Report	06-14
Independent Auditors' Report	15
Financial Statement (AAL & its Subsidiaries)	16-19
Financial Statement (AAL)	20-23
Notes to the Financial Statement (AAL)	24-44
Financial Statement (Navana Batteries Limited)	45-57
Financial Statement (Navana Furniture Limited)	58-70
Financial Statement (Navana Paints Limited)	71-83



Company Information

Shafiul Islam
Chairman

Sajedul Islam
Director

Syed Masud Hasan
Independent Director

Saiful Islam
Managing Director

Farhana Islam
Director

Khaleda Islam
Director

Kazi Mostafa Alam
Director

Company Secretary
Tareq Enamur Rahim

Audit Committee
Syed Masud Hasan - Chairman
Sajedul Islam - Member
Kazi Mostafa Alam - Member

Registered Office
125/A, Motijheel C/A
Dhaka, Bangladesh

Legal Advisor
Abdur Razzaque & Associates
67, Naya Paltan (4th Floor)
Dhaka, Bangladesh

Main Banker
Bank Asia Limited
Agrani Bank Limited
Dhaka Bank Limited

Chief Financial Officer
Asadul Islam FCA
Sr. General Manager (Finance & Accounts)

Auditors
M. M. Rahman & Co.
Chartered Accountants
PRACHI-NIKET
54, Dilkusha C/A, Dhaka.

Commercial Office
House # 16/B, Road # 93
Gulshan-2, Dhaka-1212.

Plant
Fouzderhat Heavy Industrial Estate
Chittagong, Bangladesh.

Raj Fulbaria, Savar
Dhaka, Bangladesh.

Coatbari, Dipnagar, Gabtoli
Mirpur, Dhaka, Bangladesh.



aftab automobiles limited

125/A, Motijheel C/A, Dhaka, Bangladesh

Notice of the 31st annual general meeting

Notice is hereby given that the 31st Annual General Meeting (AGM) of the shareholders of the Company shall be held on Tuesday, 20 December 2011 at 9:30 AM at Bashundhara Convention Center-2, Baridhara, Dhaka to transact the following business: -

1. To consider the audited financial statements of the Company for the year ended 31 August 2011 together with auditors' and directors' reports thereon.
2. To declare dividend.
3. To elect directors.
4. To re-appoint Managing Director.
5. To appoint auditors and fix their remuneration.
6. To transact any other business with the permission of the Chair.

Dated : Dhaka
November 22, 2011

By order of the Board

Sd/-
(Tareq Enamur Rahim)
Company Secretary

Notes

1. The shareholders whose names will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date, i.e., December 5, 2011 will be entitled to attend the AGM and receive dividend.
2. Attendance to the AGM will be on production of the Attendance Slip sent with Annual Report.
3. The Proxy Form, sent with Annual Report-2011 affixed with requisite revenue stamp of Tk.10/- must be deposited at the Company's Registered Office atleast 48 hours prior to the AGM.
The Proxy Form & the Annual Report-2011 is also available in Company's website (www.aftabauto.com).
4. Registration counters at AGM venue will be opened from 8:00 a.m.

Dear Shareholders,
Assalamu Alaikum,

I take the privilege to welcome you all on behalf of the Board of Directors at the 31st Annual General Meeting of the Company.

I avail this opportunity to inform you that our ongoing BMRE program has been partially completed and as an integral part of which a new modern second vehicles Assembling Line has been set up at our Plant at Fouzdarhat, Chittagong. In this new assembling line, assembly of new model RM-2 buses are going on in full swing.

The Bus Body Building Unit of the Company has also been modernized by introducing high-tech equipments. In the body building unit, fully automatic machineries has been imported from Italy and has been converted into Automated Paint Booth, where vehicles including Hino RM-2(new model) buses are being painted with full automation ensuring international quality. Due to introduction of this newly fully automatic paint booth, the demand of our assembled vehicles with such quality paint is increasing in the local market.



Hon'ble Chairman's speech at the 30th AGM of the Company

It is important to mention here that due to earthquake and subsequent tsunami in Japan, the rest of BMRE program could not be completed in full for want of technological and supply support.

However, our Company will be able to produce more quality buses and obtain greater market share, thus contributing more revenues in the turnover of the Company.

You will be delighted to know that the three fully owned subsidiaries of Aftab Automobiles Limited; namely Navana Furniture Limited, Navana Batteries Limited and Navana Paints Limited's business has also increased during the year under review and also expected to increase in the coming years.

I would like to express our heartfelt gratitude and thanks to all our valued Shareholders, the Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, Central Depository Bangladesh Limited, patrons and well wishers for their continued support and confidence.

Sd/-
(Shafiul Islam)
Chairman



A view of hon'ble shareholders at the 30th AGM

প্রিয় শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম

আফতাব অটোমোবাইলস্ লিমিটেডের ৩১তম বার্ষিক সাধারণ সভায় আমি পরিচালকমন্ডলীর পক্ষ থেকে আপনাদের সবাইকে স্বাগত জানাচ্ছি।

আমি আপনাদের জানাচ্ছি যে, ইতিপূর্বে শুরু হওয়া কোম্পানীর BMRE কার্যক্রমটি আংশিকভাবে সম্পন্ন করা হয়েছে। যার অংশ হিসাবে চট্টগ্রামের ফৌজদারহাট প্রান্টে গাড়ী সংযোজনের নতুন দ্বিতীয় Assembling Line স্থাপন করা হয়েছে। সেখানে Hino RM-2 নতুন মডেলের বাসের সংযোজন পূর্ণগতিতে চলেছে।

কোম্পানীর বাস বডি নির্মান ইউনিটটিও উন্নত প্রযুক্তির বিভিন্ন যন্ত্রপাতি স্থাপনের মাধ্যমে আধুনিকায়ন করা হয়েছে। বডি নির্মান ইউনিটে ইটালীর তৈরী সর্বাধুনিক মেশিনারিজ স্থাপন করে Automatic Paint Booth চালু করা হয়েছে, যেখানে উন্নত প্রযুক্তি ব্যবহার করে সম্পূর্ণ অটোমেশনের মাধ্যমে Hino RM-2 সহ অন্যান্য যানবাহনের বডিতে আর্ন্তজাতিক মানের রং করা হচ্ছে। এর ফলে আমাদের কোম্পানীর নির্মিত ও অত্যাধুনিক Automatic Paint Booth- এ রং করা বাসের চাহিদা দেশীয় বাজারে উত্তরোত্তর বৃদ্ধি পাচ্ছে।



কোম্পানীর ৩১তম বার্ষিক সাধারণ সভায় চেয়ারম্যান মহোদয়ের বক্তব্য

উল্লেখ্য যে, জাপানের আকস্মিক ভূমিকম্প এবং তৎপরবর্তী সুনামির ফলে করিগরী সমর্থন ও সরবরাহের অভাবে কোম্পানীর অবশিষ্ট BMRE কার্যক্রম আপাতত স্থগিত রাখা হয়েছে।

আশা করছি, আগামী অর্ধ বছরে কোম্পানী আরো অধিক সংখ্যায় বাস উৎপাদন করতে পারবে এবং কোম্পানীর উৎপাদিত বাসের মার্কেট শেয়ার আরো বৃদ্ধি পাবে। যার ফলশ্রুতিতে কোম্পানীর আয় উল্লেখযোগ্য হারে বৃদ্ধি পাবে।

আপনারা আরো জেনে বুশি হবেন যে, আফতাব অটোমোবাইলস্ লিমিটেড-এর তিনটি সাবসিডিয়ারি কোম্পানী যথা: নাভানা ফার্নিচার লিমিটেড, নাভানা ব্যাটারীজ লিমিটেড ও নাভানা পেইন্টস লিমিটেডের ব্যবসাও বিগত বছরের চেয়ে বৃদ্ধি পেয়েছে এবং এই ধারা আগামী বছরগুলোতেও অব্যাহত থাকবে।

আমি সকল সম্মানিত শেয়ারহোল্ডারবৃন্দ, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লি:, চট্টগ্রাম স্টক এক্সচেঞ্জ লি:, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানীজ, সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লি:, সকল গ্রাহক, পৃষ্ঠপোষক ও শুভাকাঙ্খীদের তাদের সহযোগিতা ও আস্থার জন্য আন্তরিক কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছি।

স্বাঃ/-

(শফিউল ইসলাম)

সভাপতি

directors' report to the shareholders

Bismillahir Rahmanir Rahim

Dear Shareholders,

The Board of Directors of your Company is pleased to present before you the audited financial statements of the Company along with auditors' and directors' report thereon for the year ended 31 August 2011.

We now take the opportunity to highlight some of the activities of the Company for the year hereunder.

PERFORMANCE

PRODUCTION

In the assembling unit of the Company, the Plant has produced 340 units of vehicles consisting of 318 units Hino Diesel Bus chassis, 4 units of Hino mini-bus chassis and 18 units of Hino RM-2 bus chassis (New Model).

Further, the bus body building unit of the Company has fabricated 162 Units of Hino Bus body.

SALES

During the financial year, Tk.153.70 crore has been added to the Company's turnover against sale proceeds of 332 units of bus chassis.

On the otherhand, an amount of Tk.23.11 crore has been contributed to the turnover of the Company against sale proceeds of bus body fabrication.

Financial Result and Appropriation of Profit: for the year ended August 31, 2011

amount in '000' taka

Net Profit for the year (after tax)	920,255
Add: Previous year's surplus	600,132
Profit available for appropriation	1,520,387
Recommended for appropriations:	
Cash Dividend @20%	113,967
Stock Dividend @20%	113,967
Un appropriated profit carried forward	1,292,453
Total	1,520,387



A view of hon'ble shareholders at the registration counters at 30th AGM.

Subsidiary Operation

(a) Navana Batteries Limited

Navana Batteries Limited (NBL) was incorporated on 21 April 2009 which is a fully owned subsidiary Company of AAL. AAL is holding 99.95% share of NBL at present. The operating results of NBL for the year ended 31 August 2011 are given below comparing operating results for the year ended 31 August 2010 as follows:

Particulars	2011 (Taka)	2010 (Taka)
Turnover	716,587,341	498,689,132
Gross Profit	182,026,194	143,366,329
Net Profit after tax	72,187,980	56,384,692
Earnings Per Share (EPS)	3.93	3.07
Net Assets Value Per Share (NAVPS)	17.00	13.07

(b) Navana Furniture Limited

Navana Furniture Limited (NFL) was incorporated on 21 April 2009 which is a fully owned subsidiary Company of AAL. AAL is holding 99.95% share of NFL at present. The operating results of NFL for the year ended 31 August 2011 are given below comparing operating results for the year ended 31 August 2010 as follows:

Particulars	2011 (Taka)	2010 (Taka)
Turnover	465,344,383	395,283,898
Gross Profit	162,606,453	108,235,094
Net Profit after tax	46,594,241	26,727,380
Earnings Per Share (EPS)	2.14	1.23
Net Assets Value Per Share (NAVPS)	13.37	11.23

(c) Navana Paints Limited

Navana Paints Limited (NPL) was incorporated on 21 April 2009 which is a fully owned subsidiary Company of AAL. AAL is holding 99.88% share of NPL at present. The operating results of NPL for the year ended 31 August 2011 are given below comparing operating results for the year ended 31 August 2010 as follows:

Particulars	2011 (Taka)	2010 (Taka)
Turnover	116,193,683	93,063,517
Gross Profit	42,938,698	28,712,101
Net Profit after tax	12,478,888	5,747,009
Earnings Per Share (EPS)	1.38	0.63
Net Assets Value Per Share (NAVPS)	12.01	10.63

directors' report to the shareholders

Investments:

(a) Navana CNG Limited

Aftab Automobiles Limited is holding -67000- shares of Navana CNG Limited at present. The acquisition cost of the said shares was Tk.6.89 per share. However, the market price of the shares of Navana CNG Limited is Tk.127.90 as on 31 August 2011.

(b) Navana Real Estate Limited

Aftab Automobiles Limited is holding -6000000- shares of Tk.10/- each of Navana Real Estate Limited at present. The acquisition cost of the said shares was Tk.3.33 per share. As Navana Real Estate Limited is not listed, its market price cannot be determined. However, Navana Real Estate Limited's Earning per share(EPS) and Net asset value (NAV) as on 31 August 2011 stood at Tk.10.02 and Tk.64.43 per share respectively.

Next Year Plan

The Assembling Unit of the Company is expected to assemble 400 to 425 units of Diesel Hino Bus Chassis and 30 to 40 new model RM-2 Hino Bus Chassis in the next financial year.

The Bus Body Building Unit is expected to fabricate around 250 units of Hino Bus Body and 25 to 30 units of Hino RM-2 Air-conditioned Bus Body during the next financial year.

Dividend

The Board of Directors of your Company has recommended a stock dividend @ 20% and a cash dividend @ 20% ; totaling 40% for the year ended 31 August 2011, for the shareholder of the company whose names will appear in the share register of the Company and/or Depository Register of CDS of CDBL as on Record Date i.e., 05 December 2011 subject to approval of the Shareholders in their Annual General Meeting to be held on 20 December 2011.

Election of Directors

In terms of Article 125 and 126 of the Articles of Association of the Company, Mr. Sajedul Islam and Ms. Farhana Islam, Directors retire by rotation from the Board in the 31st Annual General Meeting. Being eligible under Article 127 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

Re-appointment of Managing Director

As per section 110 of the Companies Act, 1994 the term of office of Mr. Saiful Islam expired on 12 November 2011. The Board upon his consent recommended for his re-appointment as Managing Director of the Company for a further period of 5(Five) years with effect from 12 November 2011 subject to confirmation by the shareholders in the 31st Annual General Meeting.



A view of hon'ble shareholder delivering his speech at the 30th AGM.

directors' report to the shareholders

Audit Committee

The Audit committee consists of the following members:

Mr. Syed Masud Hasan, Independent Director	: Chairman
Mr. Sajedul Islam, Director	: Member
Mr. Kazi Mostafa Alam, Director	: Member

The scope of the Audit Committee is defined as under:

- a) Review and recommend the Board to approve the financial statements prepared for statutory purpose;
- b) Report to the Board on Internal Audit findings from time to time considering the significance of the issues;
- c) Carry on a supervision role to safeguard the system of governance and independence of statutory auditors; and
- d) Review and consider the internal report and statutory auditors' observations on internal control.

Audit Committee Report

The Board of Directors
Aftab Automobiles Limited
125/A, Motijheel C/A
Dhaka-1000.

The Committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observations in their reports. The Committee found adequate arrangement to present a true and fair view of the financial status of the Company; and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

Sd/-
(Syed Masud Hasan)
Chairman
Audit Committee

Dated: 22 November 2011.

Appointment of Auditors

The existing auditors of the Company, M/S. M. M. Rahman & Co., Chartered Accountants have completed their audit for the year under review. Being eligible, they have offered themselves for re-appointment for the year to be ended on 31 August 2012 as Auditors of the Company.

directors' report to the shareholders

BOARD MEETINGS

In accordance with directives of the regulatory authorities, the Board supervise, study and review the activities of the Company and make businesses decisions, etc. During the year nine board meetings were held.

CORPORATE & FINANCIAL REPORTING:

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance Guidelines of Securities & Exchange Commission. It has complied with all the requirements of Corporate Governance and the Directors are pleased to confirm the following:

- 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 preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- e) The systems of internal control are sound and have been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There are no significant deviations in operating result of the business of the company compared to last year.
- h) The key operating and financial data for the last five years is annexed.



View: Hino RM2 Bus & Interior Decoration



i) Pattern of Shareholding

Namewise details	No. of Shares held
i. <u>Parent/Subsidiary/Associated Companies and other related parties</u>	
Navana CNG Limited	44,694
Navava Real Estate Limited	13
Navana Textiles Limited	3,744
ii. <u>Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:</u>	
Mr. Shafiul Islam-Chairman	1,17,95,486
Mr. Saiful Islam- Managing Director	10,58,462
Mrs. Khaleda Islam-Director	8,77,513
Mr. Sajedul Islam- Director	10,58,380
Ms. Farhana Islam- Director	10,58,380
Mr. Kazi Mostafa Alam- Director	3,250
<u>Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children:</u>	nil
iii. Executives	nil
iv. <u>Shareholders holding ten percent (10%) or more voting interest in the Company:</u>	
Mr. Shafiul Islam	1,17,95,486

Key operating and financial data

The summarized key operating financial data of five years is annexed (Annexure :1).

Corporate Governance Compliance Report

In accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed (Annexure :2).

On behalf of the Board of Directors

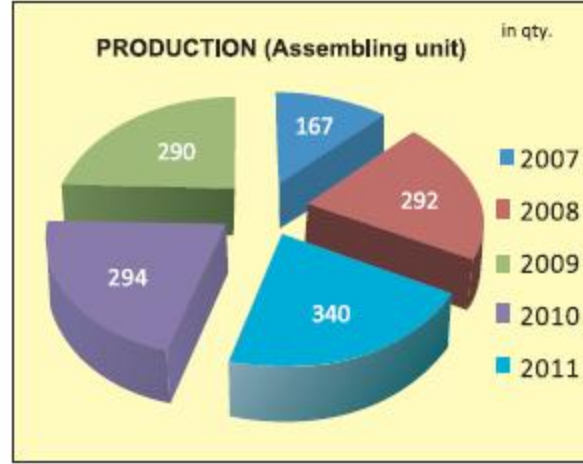
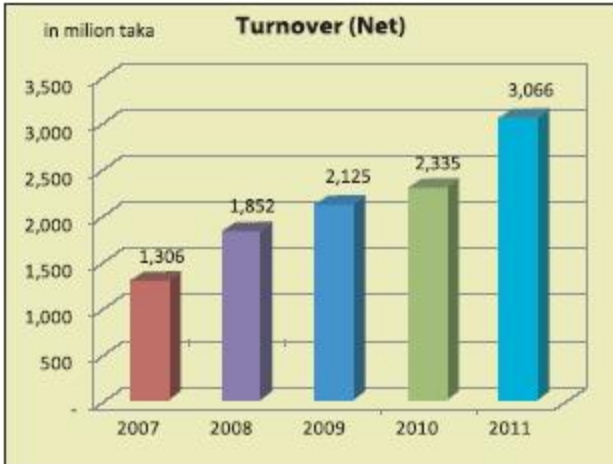
Sd/-

(Shafiul Islam)

Chairman

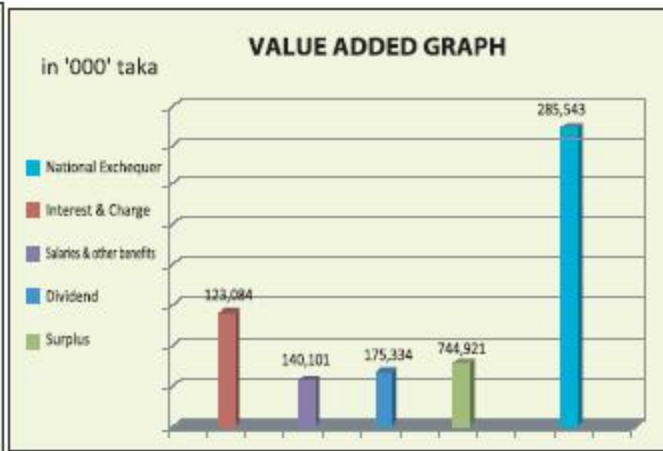
22 November 2011

Graphical Presentation



VALUE ADDED STATEMENT
For the year ended august 31, 2011

	Amount in '000' Taka
Sale / Turnover	3,066,223
Bought in- Material & Service	1,597,240
Value Added	1,468,983
Application to National Exchequer	285,543
to providers of Loan as Interest & Charges	123,084
to providers Emp. Salaries Wages & other benefits	140,101
to providers of Capital- as Dividend	175,334
Reserve & Surplus	744,921
	1,468,983



Annexure : 1

The Key Operating and Financial Data (Consolidated):

Amount in '000 Taka

Particulars	2011	2010	2009	2008	2007
Authorized capital	3,000,000	3,000,000	700,000	400,000	400,000
Paid-up capital	569,836	438,335	231,957	185,565	168,696
Face Value Per Share	Tk. 10/-	Tk.10/-	Tk.10/-	Tk.10/-	Tk.10/-
Pref. share capital (including premium)	-	-	9,828	100,000	100,000
Shareholders equity	4,083,419	3,207,347	905,519	621,051	585,815
Fixed asset	925,583	424,617	603,563	559,279	419,252
Turnover (Net)	3,066,223	2,334,640	2,124,638	1,851,769	1,305,809
Gross profit	787,332	531,129	391,327	259,774	215,978
Net profit after tax	920,330	693,786	316,617	57,424	30,471
Operating cash flow per share	2.20	3.06	13.75	2.02	11.74
Book value per share (restated)	71.66	73.16	40.2	32.9	34.7
Earning per share	16.15	19.61	13.65	3.10	1.8
Cash dividend	20%	10%	10%	-	6%
Stock dividend	20%	30%	40%	25%	10%
Number of shareholders	43,669	14,557	9,049	11,533	9,018

Annexure : 2

Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the SEC Notification no. SEC/CMRRCD/206/158/admin/02-08 dated 20th February 2006 issued under section 2CC of the Securities and Exchange Ordinance 1969.

Condition No.	Title	Compliance Status		Explanation for Compliance with the Condition
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1.1	Board's Size	✓		
1.2 (i)	Independent Director	✓		
1.2 (ii)	Appointment of Independent Director	✓		
1.3	Chairman of the Board and CEO	✓		
1.4(a)	Directors' Report on financial statements	✓		
1.4(b)	Keeping proper Books of accounts	✓		
1.4(c)	Appropriate accounting policies have been consistently applied..... and prudent judgment.	✓		
1.4(d)	International Accounting Standards as applicable in Bangladesh, have been followed.....	✓		
1.4(e)	has been and adequately disclosed. The system of internal control is sound and monitored.	✓		
1.4(f)	There are no significant doubts.... disclosed.	✓		
1.4(g)	Significant deviations from last year..... explained.	✓		

Condition No.	Title	Compliance Status		Explanation for Compliance with the Condition
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1.4(h)	Key operating and financial data..... be summarized.	✓		
1.4(i)	If the issuer Company has not declared dividendbe given.	✓		
1.4(j)	The number of Board meeting disclosed.	✓		
1.4(k)	The pattern of shareholding.	✓		
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary.....	✓		
2.2	Requirement to attended Board meetings.	✓		
3.00	Audit Committee.	✓		
3.1(i)	The Audit committee should be composed of at least 3 members.	✓		
3.1(ii)	The Board of Directors should appoint members and should include at least one Independent Director.	✓		
3.1(iii)	To fill-up the vacancy in the Audit Committee	✓		
3.2(i)	Selection of the Chairman of the Audit Committee.	✓		
3.2(ii)	Qualification of the Chairman of Audit Committee.	✓		
3.3.1(i)	Report by the Audit Committee on its activities to the Board of Directors.	✓		
3.3.1(ii) (a)	Report on conflicts of interests.	✓		
3.3.1(ii) (b)	Suspected or presumed control system.	✓		
3.3.1(ii) (c)	Suspected infringement of laws and resolutions	✓		
3.3.1(ii) (d)	Any other matter.....	✓		
3.3.2	Reporting to the authorities by the Audit Committee.	✓		
3.4	Reporting to the Shareholders and general investors.	✓		
4.00 (i)	Appraisal or valuation services or fairness opinions.	✓		
4.00 (ii)	Financial information systems design and implementation.	✓		
4.00 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
4.00 (iv)	Broker-dealer service.	✓		
4.00 (v)	Actuarial services.	✓		
4.00 (vi)	Internal Audit services.	✓		
4.00 (vii)	Any other service that the audit committee determines.	✓		



Independent Auditors' Report

To the shareholders of

Aftab Automobiles Limited and its subsidiaries

We have audited the accompanying financial statements of Aftab Automobiles Limited (the Company), which comprise the statement of financial position as at August 31, 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. We have also audited the attached financial statements of Aftab Automobiles Limited and its subsidiaries, which comprise the consolidated statement of financial position as at August 31, 2011, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements of 3 subsidiaries disclosed in notes 1 to 35 the financial statements, are also audited by us.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Financial Reporting Standards (BFRS) Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aftab Automobiles Limited and its subsidiaries as of August 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

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 account as required by the law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated : Dhaka
November 22, 2011

PRACHI-NIKET
54, Dilkusha C/A, Dhaka.

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

M. Obaidur Rahman, FCA

Aftab Automobiles Limited and its Subsidiaries**Consolidated Statement of Financial Position**

As at August 31, 2011

Assets	Notes	31/8/11	31/8/10
		BD Taka	BD Taka
Non-current assets			
Property, plant and equipment, net	3 (a)	925,582,840	424,616,670
Capital work in progress	4 (a)	280,952,372	594,033,470
Investments in shares	5 (a)	20,461,439	35,613,163
Preliminary expenses		-	778,955
Total non-current assets		1,226,996,651	1,055,042,258
Current assets			
Stock and stores	6 (a)	1,111,291,786	847,815,476
Trade debtors	7 (a)	1,306,734,843	623,279,266
Other debtors		-	232,391,641
Income tax deducted at source	9 (a)	235,736,796	125,714,447
Advances, deposits and prepayments	10 (a)	995,339,271	549,316,131
Cash and bank balances	11 (a)	794,796,426	748,236,855
Total current assets		4,443,899,123	3,126,753,816
Total assets		5,670,895,774	4,181,796,074
Equity and Liabilities			
Capital & reserves			
Share capital		569,835,850	438,335,270
Share premium		1,925,858,339	1,925,858,339
Reserves		67,338,231	67,338,231
Retained earnings	15 (a)	1,520,386,650	775,465,687
Equity attributable to owners of the Company		4,083,419,070	3,206,997,527
Non-controlling interests		423,810	349,322
Total equity		4,083,842,880	3,207,346,849
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310,440	25,310,440
Current liabilities			
Short-term loan	16 (a)	840,060,214	349,732,394
Accrued and other current liabilities	17 (a)	721,682,240	599,406,391
Total current liabilities		1,561,742,454	949,138,785
Total equity and liabilities		5,670,895,774	4,181,796,074
Net assets value per share (NAVPS)		71.66	73.16

The annexed notes 1 to 35 form an integral part of these financial statements.

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 22, 2011Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Aftab Automobiles Limited and its Subsidiaries**Consolidated Statement of Comprehensive Income**

For the year ended August 31, 2011

Particulars	Notes	Year ended 31/8/11	Year ended 31/8/10
		BD Taka	BD Taka
Revenues	18 (a)	3,066,223,102	2,334,640,308
Less: Cost of goods sold	19 (a)	2,278,890,871	1,803,511,447
Gross profit		787,332,231	531,128,861
Less: Operating expenses		289,379,875	240,998,968
Administrative expenses	20 (a)	76,314,985	74,416,040
Selling and distribution expenses	21 (a)	142,990,704	114,957,161
Financial charges	22 (a)	70,074,186	51,625,767
Operating profit		497,952,356	290,129,893
Add: Non-operating income		598,434,780	494,562,489
Less: Contribution to WPPF		24,908,038	13,815,709
Net profit before tax		1,071,479,096	770,876,673
Less: Income tax expense	24 (a)	151,149,536	77,090,272
Current tax		150,100,923	74,346,267
Deferred tax		1,048,613	2,744,004
Net profit for the year		920,329,560	693,786,402
Attributable to:			
Equity holders of the company		920,255,072	693,737,080
Non-controlling interests		74,488	49,322
Profit for the year		920,329,560	693,786,402
Earnings per share (EPS)	25 (a)	16.15	12.17

The annexed notes 1 to 35 form an integral part of these financial statements.

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 22, 2011Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Aftab Automobiles Limited and its Subsidiaries

Consolidated Statement of Cash Flows

For the year ended August 31, 2011

	Year ended 31/8/11	Year ended 31/8/10
	BD Taka	BD Taka
A. Cash flows from operating activities		
Receipts from customers	2,382,767,525	2,464,004,603
Receipts from others	598,434,780	503,074,478
Payments to suppliers and employees	(2,745,816,069)	(2,764,437,988)
Cash generated from operations	235,386,236	202,641,093
Income tax paid	(110,022,349)	(44,504,003)
Net cash generated by operating activities	125,363,887	158,137,090
B. Cash flows from investing activities		
Payments for acquisition of property, plant & equipment	(240,360,977)	(52,050,314)
Payments for capital work in progress	(230,015,164)	(594,033,470)
Investment in shares	15,151,724	(1,651,854)
Payments for preliminary expenses	-	(625,089)
Net cash used investing activities	(455,224,417)	(648,360,727)
C. Cash flows from financing activities		
Issue of convertible preference shares	-	1,800,000,000
Preference shares issue cost	-	(10,737,921)
Received/(Repayments) of bank loan	490,327,814	(457,861,191)
Bank interest paid	(70,074,186)	(50,014,130)
Dividend paid	(43,833,527)	(115,978,500)
Net cash provided by financing activities	376,420,101	1,165,408,258
D. Net changes in cash & cash equivalents for the year (A+B+C)	46,559,571	675,184,621
E. Cash & cash equivalents at beginning of the year	748,236,855	73,052,234
F. Cash & cash equivalents at end of the year (D+E)	794,796,426	748,236,855
Net operating cash flows per share (NOCFPS)	2.20	2.78

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Dated : Dhaka
November 22, 2011

Aftab Automobiles Limited and its Subsidiaries**Consolidated Statement of Changes in Equity**

For the year ended August 31, 2011

Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance as on August 31, 2009	231,957,000	250,191,730	67,338,231	287,707,107	837,194,068	-	837,194,068
Ordinary share capital	-	-	-	-	-	300,000	300,000
Issue of convertible preference shares	113,595,470	1,686,404,530	-	-	1,800,000,000	-	1,800,000,000
Preference shares issue cost	-	(10,737,921)	-	-	(10,737,921)	-	(10,737,921)
Payment of dividend on preference shares	-	-	-	(90,000,000)	(90,000,000)	-	(90,000,000)
Cash dividend on ordinary shares	-	-	-	(23,195,700)	(23,195,700)	-	(23,195,700)
Issue of bonus shares	92,782,800	-	-	(92,782,800)	-	-	-
Net profit for the year	-	-	-	693,737,080	693,737,080	49,322	693,786,402
Balance at August 31, 2010	438,335,270	1,925,858,339	67,338,231	775,465,687	3,206,997,527	349,322	3,207,346,849
Cash dividend on ordinary shares	-	-	-	(43,833,528)	(43,833,528)	-	(43,833,528)
Issue of bonus shares	131,500,580	-	-	(131,500,580)	-	-	-
Net profit for the year	-	-	-	920,255,072	920,255,072	74,488	920,329,560
Balance at August 31, 2011	569,835,850	1,925,858,339	67,338,231	1,520,386,650	4,083,419,070	423,810	4,083,842,880

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial OfficerDated : Dhaka
November 22, 2011

View : Hino AKIJ Diesel Bus

Aftab Automobiles Limited**Statement of Financial Position**

As at August 31, 2011

	Notes	31/8/11	31/8/10
		BD Taka	BD Taka
Assets			
Non-current assets :			
Property, plant and equipment, net	3	378,398,833	92,255,644
Capital work in progress	4	98,936,300	331,020,700
Investments in subsidiaries	5	732,037,124	616,002,228
Non-current assets :		1,209,372,257	1,039,278,572
Current account with Navana Paints Ltd.		843,122	820,622
Current account with Navana Batteries Ltd.		273,373,088	181,173,288
Current account with Navana Furniture Ltd.		218,230,099	29,169,099
Current assets :			
Stock and stores	6	566,800,853	551,866,626
Trade debtors	7	1,037,198,898	457,541,474
Other receivable	8	-	232,391,641
Income tax deducted at source	9	188,511,398	102,963,735
Advance, deposits and prepayments	10	767,559,149	457,451,491
Cash and bank balances	11	775,511,168	710,961,363
Total current assets :		3,451,226,176	2,513,176,330
Total Assets		5,153,044,742	3,763,617,911
Equity and Liabilities :			
Equity attributable to equity holders			
Share capital	12	569,835,850	438,335,270
Share premium	13	1,925,858,339	1,925,858,339
Reserve	14	67,338,231	67,338,231
Retained earnings	15	1,520,386,650	775,465,687
Total equity and liabilities		4,083,419,070	3,206,997,527
Non-current liabilities :			
Loan and deferred liabilities (unsecured)		25,310,440	25,310,440
Current liabilities :			
Short term loan	16	539,530,542	211,562,435
Accrued and other current liabilities	17	504,784,690	319,747,509
Total current liabilities :		1,044,315,232	531,309,944
Total liabilities		1,069,625,672	556,620,384
Total Equity and Liabilities		5,153,044,742	3,763,617,911
Net assets value per share (NAVPS)		71.66	73.16

The annexed notes 1 to 35 form an integral part of these financial statements.

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 22, 2011Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Aftab Automobiles Limited
Statement of Comprehensive Income
For the year ended August 31, 2011

Particulars	Notes	Year ended 31/8/11	Year ended 31/8/10
		BD Taka	BD Taka
Revenue	18	1,768,097,695	1,347,603,761
Cost of goods sold	19	1,368,336,810	1,096,788,424
Gross profit		399,760,885	250,815,337
Operating expenses:		102,919,016	91,476,204
Administrative expenses	20	43,075,581	44,397,245
Selling and distribution expenses	21	18,973,834	16,568,271
Financial charges	22	40,869,601	30,510,688
Operating Profit		296,841,869	159,339,133
Non-operating income	23	598,434,780	494,562,489
Profit before contribution to WPPF		895,276,649	653,901,622
Contribution to WPPF		15,331,349	7,587,578
Net profit before tax		879,945,300	646,314,044
Income tax expenses :	24	90,876,848	41,386,723
Current tax		89,828,235	38,642,719
Deferred tax		1,048,613	2,744,004
Other comprehensive income for the year :			
Share of profit from subsidiaries		131,186,620	88,809,760
Total comprehensive income for the year		920,255,072	693,737,081
Earnings per share (EPS)	25	16.15	12.17

The annexed notes 1 to 35 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 22, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Aftab Automobiles Limited**Statement of Cash Flows**

For the year ended August 31, 2011

	Year ended 31/8/11	Year ended 31/8/10
	BD Taka	BD Taka
A. Cash flows from operating activities		
Receipts from customers	1,188,440,270	1,459,313,985
Receipts as other income	598,434,780	503,074,478
Payments to suppliers and employees	(1,467,340,888)	(1,877,886,831)
Cash generated from operations	319,534,162	84,501,632
Income tax paid	(83,284,937)	(31,686,655)
Net cash generated by operating activities	236,249,225	52,814,977
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(83,748,423)	(6,284,031)
Payments for capital work in progress	(65,084,400)	(331,020,700)
Investment in shares	15,151,724	(1,651,854)
Net cash used investing activities	(133,681,099)	(338,956,585)
C. Cash flows from financing activities		
Issue of convertible preference shares	-	1,800,000,000
Preference shares issue cost	-	(10,737,921)
Receive of bank loan	327,968,107	(495,995,728)
Inter company payments	(281,283,300)	(211,163,009)
Bank interest paid	(40,869,601)	(30,510,688)
Dividend paid	(43,833,527)	(115,978,500)
Net cash provided by financing activities	(38,018,321)	935,614,154
D. Net changes in cash & cash equivalents for the year (A+B+C)	64,549,805	649,472,546
E. Cash & cash equivalents at beginning of the year	710,961,363	61,488,817
F. Cash & cash equivalents at end of the year (D+E)	775,511,168	710,961,363
Net operating cash flows per share (NOCFPS)	4.15	0.93

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial OfficerDated : Dhaka
November 22, 2011

Aftab Automobiles Limited

Statement of Changes in Equity

For the year ended August 31, 2011

Particulars	Share capital	Share premium	Reserves	Retained earnings	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance at August 31, 2009	231,957,000	250,191,730	67,338,231	287,707,106	837,194,067
Issue of convertible preference shares	113,595,470	1,686,404,530	-	-	1,800,000,000
Preference shares issue cost	-	(10,737,921)	-	-	(10,737,921)
Issue of bonus shares	92,782,800	-	-	(92,782,800)	-
Payment of dividend on preference shares	-	-	-	(90,000,000)	(90,000,000)
Cash dividend on ordinary shares	-	-	-	(23,195,700)	(23,195,700)
Total comprehensive income for the year	-	-	-	693,737,081	693,737,081
Balance at August 31, 2010	438,335,270	1,925,858,339	67,338,231	775,465,687	3,206,997,527
Issue of bonus shares	131,500,580	-	-	(131,500,580)	-
Cash dividend on ordinary shares	-	-	-	(43,833,528)	(43,833,528)
Total comprehensive income for the year	-	-	-	920,255,072	920,255,072
Balance at August 31, 2011	569,835,850	1,925,858,339	67,338,231	1,520,386,650	4,083,419,070

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Dated : Dhaka
November 22, 2011



View : Hino RM2 Engine

Aftab Automobiles Limited**Accounting Policies and Explanatory Notes to the Financial Statements**

As at and for the year ended August 31, 2011

1. Corporate Information and Mode of Business**1.1 Corporate Information**

Aftab Automobiles Limited (the "company"), was incorporated in Bangladesh in 1967 as a Private Limited Company. In 1981 the company registered itself as a Public Limited Company which is one of the largest automobile assembling plants in the private sector. The Registered Office of the Company is located at 125/A, Motijheel Commercial Area, Dhaka-1000. The Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1987 and 1996 respectively.

1.2 Mode of Business

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser soft top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus / Truck Chassis with a production Capacity of 2400 units of vehicles in 3 shifts in Assembling Unit. The Company has three subsidiary companies namely Navana Batteries Ltd, Navana Furniture Ltd. and Navana Paints Ltd. that produce and market Batteries, Furniture and Paints respectively.

2. Significant Accounting Policies and basis of preparation of the financial statements**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Companies Act 1994, The Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of the company have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

2.3 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1- "Presentation of Financial Statements".

2.4 Reporting Period

These financial statements cover one accounting year from September 1, 2010 to August 31, 2011.

2.5 Regulatory and Legal Compliance

The company complied with the requirements of the following regulatory and legal authorities:

- i) The Companies Act, 1994;
- ii) The Securities and Exchange Rules, 1987;
- iii) The Securities and Exchange Ordinance, 1969;
- iv) The Securities and Exchange Commission Act, 1993;
- v) The Securities and Exchange (Public Issues) Rules, 2006;
- vi) The Income Tax Ordinance, 1984,
- vii) The Value Added Tax (VAT), 1991,
- viii) Dhaka Stock Exchange (DSC), Chittagong Stock Exchange (CSE), and Central Depository Limited (CDBL) rules and regulations,

Notes to the Financial Statements

2.6 Functional and Presentation Currency

Financial statements are prepared in Bangladeshi Taka which is the company's functional currency.

2.7 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS-16). The cost of the Assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

On retirement or otherwise disposed off, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the Profit and Loss Account which is determined with reference to net book value of the assets and net sale proceeds.

No revaluation of fixed assets has been made by the Company.

Depreciation

No depreciation has been charged on Land and Land Development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful lives using the diminishing balance method of depreciation. All the assets acquired or disposed off during the period have been depreciated for the period of its use. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since the inception of the company which are given below :

Name of the Assets	Rate of Depreciation in (%)
Land and land development	Nil
Building	2.5
Shades	20
Plant & Machinery	10
Tools & Equipments	20
Office Equipments	10
Furniture & Fixtures	10
Transport Vehicles	20

The whole amount of depreciation has been charged off partly to cost of sales and partly as expense in consistent with practice followed in the earlier years.

2.8 Financial Instruments and Derivatives

The company is not a party to any derivative contract at the balance sheet date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligations of foreign currency loans.

2.9 Inventories

In compliance with the requirements with BAS 2 "Inventories" Raw materials and stores are valued at the lower of average cost and the net realizable value. Stock of finished vehicles, Bus body building unit are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

Notes to the Financial Statements

2.10 Cash and Cash Equivalent

Cash and Cash Equivalents includes cash in hand, cash at banks, which are held and available for use by the company without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same.

2.11 Taxation

Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the company is 27.50% as the company qualifies as a "publicly traded company" it is entitled to a 10% rebate if dividend declared is more than 20% of the paid up capital. Provision for taxation has been made on the basis of the Finance Act 2011.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit. Considering the practices generally followed in Bangladesh the company have been reserved deferred tax assets or deferred tax liabilities in accordance with BAS 12 "Income Tax".

2.12 Borrowing Costs

In compliance with the requirements of BAS 23 "Borrowing Costs" borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

2.13 Revenue Recognition

In compliance with the requirements of BAS 18 "Revenue", revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding Vat, discounts, commission, rebates, and other sales taxes where applicable.

Revenue from the sale of goods is recognized when the following conditions are satisfied:

- i) the enterprise has transferred to the buyer the significant risk and rewards of ownership of the goods;
- ii) the enterprise retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii) the amounts of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the enterprise; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the Financial Statements

2.14 Provident Fund Scheme

The company operates a Contributory Provident Fund Scheme for its permanent employees. The company's contribution to the fund is charged off as revenue expenditure during the year to which the contribution relates. The fund is operated by a Board of Trustees consisting 5 (Five) members. All confirmed employees of the company are contributing 10% of their basic salary as subscription to the fund. The company also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members account on yearly basis.

Gratuity Scheme

The company operates an unfunded gratuity scheme, provision in respect of which is made annually for the company's permanent eligible employees as per BAS-19, "Employee Benefits".

Group Term Insurance Scheme

The company has Group Term Insurance Scheme for its permanent employees and the provision for premium of the same is made annually.

2.15 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with BAS 7 "Cash Flow Statements" and cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules, 1987.

2.16 Provisions

The preparation of the financial statements in conformity with the Bangladesh Accounting Standards BAS-37 "Provision, Contingent Liabilities and Contingent Assets" requires management to make estimates and assumptions that affect of the reported amounts of revenue and expenses, assets and liabilities and the disclosure requirements for contingent assets and liabilities at the date of the financial statements.

In accordance with the guidelines as prescribed by BAS 37, provisions were recognized in the following situations :

- i) when the company has a present obligation as a result of past event;
- ii) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii) reliable estimates can be made of the amount of obligation.

The provisions have been made in the accounts at an appropriate level with regard to an adequate risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the balance sheet date.

2.17 Liabilities for Expenses

While the provision for certain standing charges and known liabilities is made at the balance sheet date based on estimate, the difference arising there from on receipts of bills/ demands and / or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.18 Earnings Per Share

Basic Earnings Per Share

The company calculates Earning Per Share (EPS) in accordance with BAS 33. Basic earnings per share have been calculated taking a capital base of 56,983,585 Ordinary shares of Tk. 10 each as on August 31, 2011 which is shown in the face of the Statement of Comprehensive Income and the computation of EPS is stated in note # 25.

Diluted Earnings Per Share

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

Notes to the Financial Statements

2.19 Event after the Reporting Period

As per BAS - 10, Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- i) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- ii) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

These financial statements were authorized for issued by the Board of Directors on November 22, 2011. No material event had occurred after the balance sheet date of issue of these financial statements, which could affect the values stated in the financial statement.

2.20 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) and Worker Welfare Fund (WWF) has been made @ 5% on net profit as per provision of The Bangladesh Labour Law, 2006 and payable to workers as defined in the said law.

2.21 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the balance sheet date when the entity has become a party to a contractual provision of the instruments.

i) Receivables

Trade receivables are stated their real value and consider good. No provision has been made for doubtful debts and no amount was written off as bad.

ii) Payable

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

iii) Related party disclosure

As per BAS -24 parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company has carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

iv) Borrowings

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Financial charges are accounted for on an accrual basis.

2.22 Foreign Currency Transactions

Transactions in foreign currencies are converted into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are converted into BDT at the rate of exchange ruling at the balance sheet date. Gain or losses resulting from foreign currency transitions are taken to the profit & loss account complying with BAS 21.

2.23 General

- i) Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
- ii) Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

Notes To The Financial Statements

Schedule- A

Aftab Automobiles Limited

3. Property, plant and equipment, net

Aftab Automobiles Ltd	Cost				Rate of Dep.	Depreciation			Carrying amount	
	As at 01.09.2010	Add. For the year	Adj. during the year	As at 31.08.2011		As at 01.09.2010	Charged during the year	Adj. during the year	As at 31.08.2011	As at 31.08.2011
Land & Land Development	10,957,082	122,452,305		133,409,387	-	-	-	-	133,409,387	10,957,082
Building	64,558,573	45,267,009		109,825,582	2.5%	18,735,186	1,711,422	-	20,446,608	89,378,974
Shades				5,665,715	20%	1,192,496	490,890	-	1,683,386	3,982,329
	1,628,175	4,037,540								473,850
Plant & Machinery	79,605,709	104,535,699		184,141,408	10%	57,943,566	7,392,999	-	65,336,565	118,804,843
Tools & Equipments	9,512,605	4,589,520		14,102,125	20%	5,904,016	1,180,670	-	7,084,686	7,017,439
Office Equipment	5,420,950	6,241,098		11,662,048	10%	2,506,601	603,490	-	3,110,091	8,551,957
Furniture & Fixture	3,786,158	2,588,180		6,374,338	10%	1,537,345	354,290	-	1,891,635	4,482,703
Transport Vehicles	20,366,127	8,603,926		28,970,053	20%	14,081,540	2,117,312	-	16,198,852	12,771,201
Total	195,835,379	298,315,277		494,150,656		101,900,750	13,851,073	-	115,751,823	378,398,833
										92,255,644

Schedule- B

Aftab Automobiles Limited and its Subsidiaries

3 (a). Property, plant and equipment, net

Consolidated	Cost				Rate of Dep.	Depreciation			Carrying amount	
	As at 01.09.2010	Add. during the year	Adj. during the year	As at 31.08.2011		As at 01.09.2010	Charged during the year	Adj. during the year	As at 31.08.2011	As at 31.08.2011
Land & Land Development	60,361,642	179,694,128		240,055,770	-	-	-	-	240,055,770	60,361,642
Building	189,653,643	86,859,422		276,513,065	2.5%	18,735,186	38,633,048	-	43,494,306	233,018,758
Shades	1,628,175	4,037,540		5,665,715	20%	1,192,496	1,192,496	-	1,683,386	3,982,329
Electrical line installation	2,205,125	1,469,359		3,674,484	20%		681,867	-	1,133,455	2,541,028
Plant & Machinery	233,442,996	231,085,011		464,528,007	10%	57,943,566	119,750,974	-	142,674,426	321,853,581
Tools & Equipments	48,702,623	23,068,917		71,771,540	20%	5,904,016	27,391,813	-	33,960,866	37,810,673
Office Equipment	35,664,461	11,034,903		46,699,364	10%	2,506,601	11,654,221	-	14,606,989	32,092,374
Furniture & Fixture	20,280,090	9,607,818		29,887,908	10%	1,537,345	5,469,524	-	7,430,970	22,456,938
Transport Vehicles	62,010,153	10,637,446		72,647,599	20%	14,081,540	34,263,040	-	40,876,210	31,771,389
Total	653,948,908	557,494,544		1,211,443,452		101,900,750	239,036,983	-	285,860,608	925,582,840
										424,616,670



View: Navana Furniture

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
3 Property, plant and equipment, net		
Land & Land Development	133,409,387	10,957,082
Building	89,378,974	38,477,568
Shades	3,982,329	473,850
Plant & Machinery	118,804,843	27,455,840
Tools & Equipments	7,017,439	3,231,052
Office Equipment	8,551,957	2,811,239
Furniture & Fixture	4,482,703	2,221,800
Transport Vehicles	12,771,201	6,627,213
	378,398,833	92,255,644
3 (a) Consolidated property, plant and equipment, net		
Land & Land Development	232,398,762	60,361,642
Building	240,675,766	151,528,118
Electrical line installation	2,541,029	1,417,924
Shades	3,982,329	473,850
Plant & Machinery	321,853,581	123,121,442
Tools & Equipments	37,810,673	20,933,273
Office Equipment	32,092,374	23,907,130
Furniture & Fixture	22,456,937	14,783,553
Transport Vehicles	31,771,389	28,089,739
	925,582,840	424,616,670
4 Capital work in progress		
Opening balance	331,020,700	-
Addition during the year	65,084,400	331,020,700
	396,105,100	331,020,700
Less: Transfer to property, plant & equipment	297,168,800	-
Closing balance	98,936,300	331,020,700
Capital work in progress represents Land and Land Development , civil constructions, Plant and Machinery for BMRE Assembling unit and Body building unit		
4 (a) Consolidated capital work in progress		
Opening balance	594,033,470	-
Addition during the year	126,860,208	594,033,470
	720,893,678	594,033,470
Less: Transfer to property, plant & equipment	439,941,306	-
Closing balance	280,952,372	594,033,470
5 Investments		
Investment in subsidiaries (Note: 5.1)	711,575,685	580,389,065
Investment in shares (Note: 5.2)	20,461,439	35,613,163
	732,037,124	616,002,228

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
5.1 Investment in subsidiaries		
Navana Batteries Limited	108,653,747	96,188,642
Navana Furniture Limited	312,105,373	239,956,689
Navana Paints Limited	290,816,565	244,243,734
	711,575,685	580,389,065

The Computation of Investments (as per purchase consideration) are given below :

Investment in subsidiaries	No. of shares	Face value per share BD Taka	Paid up capital per share	Shareholding %	31/8/2010 Value BD Taka
Navana Batteries Limited	18,360,269	10	10	99.95%	183,602,690
Navana Furniture Limited	21,752,864	10	10	99.95%	217,528,635
Navana Paints Limited	9,044,798	10	10	99.89%	90,447,980
Total	49,157,931				491,579,305

5.2 Investment in shares		
Acquisition of shares of Navana CNG Ltd.	35,613,163	33,961,309
Less: shares sale during the year	15,151,724	18,348,146
	20,461,439	15,613,163
Acquisition of shares of Navana Real Estate Ltd.	-	20,000,000
	20,461,439	35,613,163
5 (a) Consolidated investments		
Investment in shares of Navana CNG Ltd (Note: 5 (a) 1)	461,439	15,613,163
Investment in shares of Navana Real Estate Ltd (Note: 5 (a) 2)	20,000,000	20,000,000
	20,461,439	35,613,163
Details of investment in shares:		
5 (a) 1 Acquisition of shares of Navana CNG Ltd.	15,613,163	33,961,309
Less: shares sale during the year	15,151,724	18,348,146
	461,439	15,613,163
Opening Balance	2,267,000	-
Number of shares purchased	-	4,109,300
Number of bonus shares received during the year	-	544,500
Total number of shares	2,267,000	4,653,800
Less: sales during the year	2,200,000	2,386,800
Balance of shares	67,000	2,267,000
5 (a) 2 Acquisition of shares of Navana Real Estate Ltd.	20,000,000	20,000,000
Less: shares sale during the year	-	-
	20,000,000	20,000,000
Opening Balance	6,000,000	-
Number of shares purchased	-	2,000,000
Number of bonus shares received during the year	-	4,000,000
Total number of shares	6,000,000	6,000,000
Less: sales during the year	-	-
Balance of shares	6,000,000	6,000,000

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
6 Stock and stores		
Finished products	386,323,300	401,237,700
Work-in-process	14,039,433	24,018,976
Raw materials	75,017,933	82,081,562
Stores and spares	1,577,230	1,050,793
Goods in transit	207,750,392	43,477,595
	684,708,288	551,866,626
<p>The Stock and stores include -36- units Hino bus ,10 units RM2 Bus and -3-.units Hino Mini Bus chassis .</p>		
6 (a) Consolidated stock and stores		
Finished products	498,525,846	478,268,762
Work-in-process	77,531,076	88,170,767
Raw materials	235,546,305	133,878,247
Stores and spares	1,577,230	1,050,793
Goods in transit	298,111,329	146,446,907
	1,111,291,786	847,815,476
7 Trade debtors		
Below six months	898,508,226	234,708,054
Over six months	138,690,672	222,833,420
	1,037,198,898	457,541,474
<p>Trade Debtors are considered good and as such no provision has been made in the accounts for doubtful debts. Company holds no security other than debtors' personal security in the form of work orders.</p>		
7 (a) Consolidated trade debtors		
Below six months	1,079,126,762	362,339,666
Over six months	227,608,082	260,939,600
	1,306,734,844	623,279,266
8 Other debtors		
Sharp Securities Ltd.	-	232,391,641
	-	232,391,641

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
9 Income tax deducted at source		
Opening balance	102,963,735	81,457,080
Addition during the year	83,284,937	21,506,655
	186,248,672	102,963,735
Adjustment made during the year	-	-
	186,248,672	102,963,735
The above amount was deducted at the import point as well as from the Bills in different times at delivery point.		
9 (a) Consolidated Income tax deducted at source		
Opening balance	125,714,447	93,002,081
Addition during the year	110,022,349	32,712,366
	235,736,796	125,714,447
Adjustment made during the year	-	-
	235,736,796	125,714,447
10 Advances, deposits and prepayments		
Advance to suppliers	720,313,500	426,345,814
Advance to employees	2,290,740	1,784,127
Deposits	44,954,909	29,321,550
	767,559,149	457,451,491
Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary releasable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.		
10 (a) Consolidated advances, deposits and prepayments		
Advance to suppliers	963,951,297	499,969,955
Advance to employees	2,425,195	2,939,849
Deposits	28,962,779	46,406,327
	995,339,271	549,316,131
11 Cash & bank balances		
Cash in hand	2,847,943	8,004,664
Cash at bank	772,663,225	702,956,699
	775,511,168	710,961,363
11 (a) Consolidated cash & bank balances		
Cash in hand	5,512,787	10,113,497
Cash at bank	789,283,639	738,123,358
	794,796,426	748,236,855

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
12 Share capital		
Authorized capital:		
120,000,000 Ordinary shares of Tk. 10 each	1,200,000,000	1,200,000,000
180,000,000 Cum. redeemable preference shares of Tk. 10 each	1,800,000,000	1,800,000,000
	3,000,000,000	3,000,000,000
Ordinary Share capital:		
Issued, subscribed and paid up		
5,698,385 Ordinary shares of Tk. 10 each		
Sponsors	174,850,078	134,500,060
General Public	394,985,772	303,835,210
	569,835,850	438,335,270

The Position of Ordinary Shareholders as on August 31,2010 was as follows :

Type of investors	No. of investors	No. of shares	Holding % 2011	Holding % 2010
Sponsors	14	17,380,607	30.50%	30.69%
General public	585	16,688,252	29.29%	28.48%
Financial Instutations including ICB	43,070	22,914,726	40.21%	40.83%
Total	43,669	56,983,585	100.00%	100.00%

Type of investors	No. of investors	No. of shares	Holding % 2011
Less than 500 To -	35336	3,564,042	6.25%
501 To 5,000	7665	10,474,076	18.38%
5,001 To 10,000	324	2,304,371	4.04%
10,001 To 20,000	151	2,194,851	3.85%
20,001 To 30,000	55	1,374,811	2.41%
30,001 To 40,000	28	967,603	1.70%
40,001 To 50,000	18	808,751	1.42%
50,001 To 100,000	45	3,188,969	5.60%
100,001 To 1,000,000	39	11,932,891	20.94%
1,000,001 To Above	8	20,173,220	35.40%
	43,669	56,983,585	100.00%

13 Share premium		
374,880 ordinary shares @ Tk.150 per share in the year 1996	56,232,000	56,232,000
1,124,640 ordinary shares @ Tk. 200 per share in the year 2006	224,928,000	224,928,000
	281,160,000	281,160,000
Opening Balance of share premium	250,191,730	281,160,000
Less : Deferred expenses written off during the year	-	(30,968,270)
	250,191,730	250,191,730
Opening Balance of Convertable ordinary share premium.	1,675,666,609	-
Add : 11,359,547 Pref. Share Coverted to Ordinary Shares @ Tk. 158.46	-	1,686,404,530
Less : Pref. share Issue cost	-	(10,737,921)
	1,675,666,609	1,675,666,609
Total Balance of share premium	1,925,858,339	1,925,858,339

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
14 Reserves		
Tax holiday reserve	12,338,231	12,338,231
Dividend equalisation fund	4,000,000	4,000,000
General reserve	51,000,000	51,000,000
	67,338,231	67,338,231
15 Retained earnings		
Opening Balance	775,465,685	287,707,103
Total comprehensive income for the year	789,068,453	604,927,322
Add : Comprehensive income from subsidiaries	131,186,620	88,809,760
	1,695,720,758	981,444,185
Payment of dividend on preference shares	-	(90,000,000)
Payments of cash dividend on ordinary shares	(43,833,528)	(23,195,700)
Issue of bonus shares	(131,500,580)	(92,782,800)
Closing balance	1,520,386,650	775,465,685
15 (a) Consolidated retained earnings		
Opening Balance	775,465,687	287,707,106
Share of profits in subsidiaries	131,186,620	88,809,759
Total comprehensive income for the year	789,068,451	604,927,322
	1,695,720,758	981,444,187
Payment of dividend on preference shares	-	(90,000,000)
Payments of cash dividend on ordinary shares	(43,833,528)	(23,195,700)
Issue of bonus shares	(131,500,580)	(92,782,800)
Closing balance	1,520,386,650	775,465,687



View: Navana Furniture

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
16 Short-term loan		
Bank Asia Ltd.	136,143,450	44,009,242
Dhaka Bank Ltd.	48,895,850	49,282,312
Agrani Bank	298,204,128	-
Agrani Bank Ltd.(FDL AC)	29,667,312	-
Mutual Trust Bank Ltd. (LTR AC)	26,619,802	18,341,622
Bangladesh Krishi Bank	-	99,929,258
	539,530,542	211,562,434
16 (a) Consolidated short-term loan		
Bank Asia Ltd.	136,143,450	44,009,242
Dhaka Bank Ltd.	48,895,850	49,282,312
Agrani Bank	298,204,128	-
Bangladesh Krishi Bank	-	99,929,258
Agrani Bank Ltd.(FDL AC)	29,667,312	-
Mutual Trust Bank Ltd. (LTR AC)	26,619,802	18,341,622
Bank loan of Navana Batteries Ltd	84,091,763	77,981,071
Bank loan of Navana Furniture Ltd	185,250,901	34,458,815
Bank loan of Navana Paints Ltd	31,187,008	25,730,074
	840,060,214	349,732,394
17 Accrued and other current liabilities		
For goods supplied	207,229,464	126,810,239
For expenses	63,438,173	62,517,552
For income tax	184,631,651	93,754,803
For workers profit participation fund	21,454,103	12,477,404
For gratuity	21,826,140	20,098,946
Unclaimed dividend	6,205,159	4,088,565
	504,784,690	319,747,509
17 (a) Consolidated accrued and other current liabilities		
For goods supplied	263,788,065	156,890,684
For expenses	77,115,662	79,936,759
For income tax	288,389,854	150,707,906
For other finance	33,326,567	148,593,619
For workers profit participation fund	31,030,794	19,159,296
For gratuity	21,826,140	20,098,946
Unclaimed dividend	6,205,159	4,088,565
Advance against sale	-	19,930,616
	721,682,240	599,406,391

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
18 Revenues (Net Sales)		
Automobiles assembling unit	1,537,036,855	1,095,064,000
Body building unit	231,060,840	252,539,761
	1,768,097,695	1,347,603,761
<p>The quantity of sales of Assembling unit during the year are Hino Bus chassis -315- units,Hino Mini Bus chassis-7 - units & RM2 AC Bus-10. The quantity of sales of Body building unit during the year are -151- units Hino Bus body,-8- units HINO RM2 AC bus body and 3 units Mini bus body.</p>		
18 (a) Consolidated revenues		
Aftab automobiles Ltd.	1,768,097,695	1,347,603,761
Navana Batteries Limited	716,587,341	498,689,132
Navana Furniture Limited	465,344,383	395,283,898
Navana Paints Limited	116,193,683	93,063,517
	3,066,223,102	2,334,640,308
19 Cost of goods sold		
	2011 Total	2010 Total
Opening stock of direct raw materials	82,081,562	74,532,679
Purchases of direct raw material	1,259,812,171	1,058,466,381
Direct raw materials available for consumption	1,341,893,733	1,132,999,060
Closing stock of direct raw materials	(75,017,933)	(82,081,562)
Direct raw materials consumed	1,266,875,800	1,050,917,498
Indirect materials	14,268,380	10,352,322
Total consumption of materials	1,281,144,180	1,061,269,820
Opening works in process	24,018,976	14,490,000
Closing works in process	(14,039,433)	(24,018,976)
Factory overhead (Note :19.01)	62,298,687	54,696,796
Cost of production	1,353,422,410	1,106,437,640
Opening finished goods	401,237,700	391,588,484
Closing finished goods	(386,323,300)	(401,237,700)
	1,368,336,810	1,096,788,424

Navana Batteries Ltd.: Careful Delivery from Factory



	31/8/11	31/8/10
	BD Taka	BD Taka
19.1 Factory overhead		
Salary and allowances	11,520,846	10,843,009
Wages	16,654,766	16,166,227
Contribution to P.F.	342,935	925,927
Overtime	4,457,789	4,789,684
Bonus	2,868,297	2,471,045
Leave pay	385,307	392,167
Gratuity	325,960	320,730
Liveries and Uniform	189,960	180,952
Telephone, Fax, Mobile	107,240	115,947
Fuel and Lubricants	2,255,745	1,823,790
Travelling and Conveyance	411,018	851,194
Entertainment	1,489,979	1,523,991
Office Expenses	96,978	181,010
Maintenance expenses	2,029,039	1,921,085
Electric Expenses	3,057,223	2,396,787
Duty and Allowance	19,720	159,200
Canteen Subsidies	420,187	390,257
Eid greeting	105,730	95,230
Rent Rates & Taxes	1,542,000	1,542,000
Insurance	1,902,816	920,758
Gas	67,657	90,465
Welfare expenses	285,230	277,923
Carrying & handling	56,450	141,760
Papers & periodical	6,563	6,194
General charges	142,725	38,052
Repairs and maintenance (vehicle)	255,198	340,576
Printing & Stationary	220,470	368,241
Depreciation	11,080,859	5,422,595
	62,298,687	54,696,796

The number of employees received annual salary and wages above Tk. 36,000 during the year are 162.

19 (a) Consolidated cost of sales

Opening stock of direct raw materials	159,098,380	126,800,894
Purchases of direct raw material	2,205,069,670	1,692,095,362
Direct raw materials available for consumption	2,364,168,050	1,818,896,256
Closing stock of direct raw materials	(235,546,305)	(159,098,380)
Direct raw materials consumed	2,128,621,745	1,659,797,876
Indirect materials	55,677,340	52,018,572
Total consumption of materials	2,184,299,085	1,711,816,448
Opening works in process	88,170,767	59,934,138
Closing works in process	(105,333,466)	(88,170,767)
Factory overhead	157,231,701	133,746,005
Cost of production	2,324,368,087	1,817,325,824
Opening finished goods	453,048,629	439,234,252
Closing finished goods	(498,525,846)	(453,048,629)
	2,278,890,870	1,803,511,447

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
20 Administrative expenses		
Salary and allowances	15,110,053	13,152,783
Wages	1,530,960	1,123,547
Cont. to C.P.F.	490,629	963,391
Bonus	1,244,754	1,013,652
Overtime	51,662	198,575
Welfare expenses	403,119	320,730
Medical Expenses	32,720	30,720
Gratuity	1,522,068	1,891,733
Leave pay	816,429	546,142
Entertainment	764,082	206,742
AGM expenses.	3,574,217	2,299,180
TA and Conveyance	674,917	507,560
Travelling Exp - Foreign	930,300	1,400,511
Car maintenance	1,620,713	1,416,111
Stationery supplies	397,336	351,171
Fees and Registration	1,719,035	2,085,721
Telephone	476,179	496,255
Electric expenses	240,700	225,256
Rent, rates and taxes	204,325	501,346
Insurance premium	99,318	85,720
Liveries and Uniform	30,183	37,250
Bank charges	1,185,300	723,788
Bank Guarantee & Charge documents	1,748,561	3,325,655
Audit fees	70,000	70,000
Duty allowance	185,230	400,280
Paper and periodicals	19,022	15,547
Postage and telegram	249,722	279,298
Night allowances	27,683	35,820
Advertisement and Publicity	120,330	640,350
Directors fee	22,500	45,750
Office maintenance	100,735	85,247
Maintenance expenses	263,955	432,587
General Expenses	82,983	1,248,550
WASA Bill	10,725	6,927
Bond Establishment	483,543	172,028
Carrying & Handling	230,785	370,254
EGM expenses	-	1,277,790
Gas expenses	75,579	54,444
Canteen Subsidy	288,000	293,000
Share capital Increase Fee	-	1,035,000
Security Exps	11,495	210,785
Donation	7,500	104,520
Promotional Exp.	1,567,320	1,910,400
DGDP Exps	1,500,000	-
Other expenses	120,700	1,449,480
Depreciation	2770214	1,355,649
	43,075,581	44,397,245

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 85.

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
20 (a) Consolidated administrative expenses		
Salary and allowances	15,110,053	13,152,783
Wages	1,530,960	1,123,547
Cont. to C.P.F.	490,629	963,391
Bonus	1,244,754	1,013,652
Overtime	51,662	198,575
Welfare expenses	403,119	320,730
Medical Expenses	32,720	30,720
Gratuity	1,522,068	1,891,733
Leave pay	816,429	546,142
Entertainment	764,082	206,742
AGM expenses.	3,574,217	2,299,180
TA and Conveyance	674,917	507,560
Travelling Exp - Foreign	930,300	1,400,511
Car maintenance	1,620,713	1,416,111
Stationery supplies	397,336	351,171
Fees and Registration	1,719,035	2,085,721
Telephone	476,179	496,255
Electric expenses	240,700	225,256
Rent, rates and taxes	204,325	501,346
Insurance premium	99,318	85,720
Liveries and Uniform	30,183	37,250
Bank charges	1,185,300	723,788
Bank Guarantee & Charge documents	1,748,561	3,325,655
Audit fees	70,000	70,000
Duty allowance	185,230	400,280
Paper and periodicals	19,022	15,547
Postage and telegram	249,722	279,298
Night allowances	27,683	35,820
Advertisement and Publicity	120,330	640,350
Directors fee	22,500	45,750
Office maintenance	100,735	85,247
Maintenance expenses	263,955	432,587
General Expenses	82,983	1,248,550
WASA Bill	10,725	6,927
Bond Establishment	483,543	172,028
Carrying & Handling	230,785	370,254
EGM expenses	-	1,277,790
Gas expenses	75,579	54,444
Canteen Subsidy	288,000	293,000
Share capital Increase Fee	-	1,035,000
Security Exps	11,495	210,785
Donation	7,500	104,520
Promotional Exp.	1,567,320	1,910,400
DGDP Exps	1,500,000	-
Other expenses	120,700	1,449,480
Depreciation	2,770,214	1,355,649
Administrative expenses of Navana Batteries Ltd	9,562,890	8,887,858
Administrative expenses of Navana Furniture Ltd	19,719,044	18,072,124
Administrative expenses of Navana Paints Ltd	3,957,470	3,058,813
	76,314,985	74,416,040

Notes To The Financial Statements

	31/8/11	31/8/10
	BD Taka	BD Taka
21 Selling and distribution expenses		
Salary & Allowance	395,720	370,835
Fuel & Lubricant	2,757,147	2,347,775
Transit Insurance	580,372	512,470
Promotional Exps	3,247,319	2,867,390
Trade fare Exp.	1,191,390	1,052,000
Training Exp.	1,828,058	1,477,667
Driving Charge	839,772	736,905
Toll Charge	235,746	201,356
Delivery Exps	2,205,569	1,956,211
Escorting	741,005	640,487
Recovery Dept. Exp.	4,584,269	4,047,920
Inspection	338,327	331,525
Others	29,139	25,730
	18,973,834	16,568,271
21 (a) Consolidated selling and distribution expenses		
Salary & Allowance	395,720	370,835
Fuel & Lubricant	2,757,147	2,347,775
Transit Insurance	580,372	512,470
Promotional Exps	3,247,319	2,867,390
Trade fare Exp.	1,191,390	1,052,000
Training Exp.	1,828,058	1,477,667
Driving Charge	839,772	736,905
Toll Charge	235,746	201,356
Delivery Exps	2,205,569	1,956,211
Escorting	741,005	640,487
Recovery Dept. Exp.	4,584,269	4,047,920
Inspection	338,327	331,525
Others	29,139	25,730
Selling & distribution Expense of Navana Batteries Ltd	46,102,356	32,554,197
Selling & distribution Expense of Navana Furniture Ltd	61,047,351	49,271,744
Selling & distribution Expense of Navana Paints Ltd	16,867,163	16,562,949
	142,990,704	114,957,161
22 Financial charges		
Interest on bank loan	40,869,601	30,510,688
	40,869,601	30,510,688
22 (a) Consolidated financial charges		
Aftab Automobiles Limited	40,869,601	30,510,688
Navana Batteries Ltd	15,133,389	15,381,235
Navana Furniture Ltd	9,768,123	3,160,979
Navana Paints Ltd	4,303,073	2,572,865
	70,074,186	51,625,767

Notes To The Financial Statements

aftab automobiles limited

	31/8/11	31/8/10
	BD Taka	BD Taka
23 Non-operating income		
FDR Interest	60,552,210	11,794,995
Cash Dividend	-	2,178,000
Other Income	25,116,453	-
Profit on investment in shares	512,766,117	480,589,494
	598,434,780	494,562,489
24 Income tax expense		
Current tax	89,828,235	38,642,719
Deferred tax	1,048,613	2,744,004
	90,876,848	41,386,723
24 (a) Consolidated Income tax expense		
Current tax		
Aftab Automobiles Ltd.	89,828,235	38,642,719
Navana Batteries Ltd	33,743,029	26,037,251
Navana Furniture Ltd	22,045,697	9,206,189
Navana Paints Ltd	4,483,962	460,109
	150,100,923	74,346,268
Deferred tax		
Aftab Automobiles Ltd.	1,048,613	2,744,004
	151,149,536	77,090,272
25 Earnings per share (EPS)		
Total comprehensive income	920,255,072	693,737,081
Weighted average number of ordinary shares outstanding during the year	56,983,585	56,983,585
	16.15	12.17
25 (a) Consolidated earnings per share (EPS)		
The calculation of consolidated basic earnings per share at 31 August 2011 was based on the consolidated profit attributable to ordinary shareholders as follows:		
Total comprehensive income	920,255,072	693,737,080
Weighted average number of ordinary shares outstanding during the year	56,983,585	56,983,585
	16.15	12.17

Notes To The Financial Statements

- 26 Long Term Loan :**
Long- term interest free loan from sponsors is carried forward since 1982
- 27 Claims against the Company :**
There is no known claim against the Company.
- 28 Amount Due by Directors:**
There is no advance in the name of directors or Associates undertaking of the company.
- 29 Amount paid to Directors:**
The Directors have been paid only the meeting attendance fee during the year
- 30 General Nature of Credit Facilities:**
There is no other Credit facility available to the Company other than the credit facilities shown in this account.
- 31 Contingent liability :**
The Company has issued guarantee to the tune of Tk. 35.15 crores against sale of Aftab Assembled vehicles under lease finance of different parties.
- 32 Production Capacity :**
The production capacity of the company is 2400 units Toyota & Hino vehicles in Assembling unit under three shifts and 360 units Hino buses in Body Building unit. Actual production for the year -340- units bus assembled in Assembling unit -162-units body fabrication in Body Building Unit.
- 33 Related Parties Disclosure:**
As per agreement with Toyota Tsusho Corporation, Japan, all Assembled vehicles of Aftab Automobiles Ltd. are distributed through Navana Ltd.(distributor of Toyota & Hino Vehicles). During the year, the company sold vehicles worth Tk. 153.70 crore through Navana Ltd. No other transaction has been made with any other related party.
- 34 Event after the Reporting Period**
The Board of Directors of your Company has recommended a stock dividend @ 20% and a cash dividend @ 20% ; totaling 40% for the year ended 31 August 2011, for the shareholder of the company whose names will appear in the share register of the Company and/or Depository Register of CDS of CDBL as on Record Date i.e., 05 December 2011 subject to approval of the Shareholders in their Annual General Meeting to be held on 20 December 2011.
- "Except the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment or disclosure in the financial statements or notes thereto."

35 Payment / Perquisites to Directors and officers :

The aggregate amount paid / provided during the period in respect of " Directors " and " Officers " of the Company as defined in the Securities and Exchange Commission Rules 1987 are disclosed below :

	<u>Directors</u>	<u>Officers</u>
Board meeting attendance fee	22,500	-
Managerial remuneration	787,467	581,807
Gratuity	275,613	203,632
Company's contribution to P / F	78,747	58,181
Bonus	131,245	96,968
Perquisites :		
Housing	669,347	494,536
Transport	157,493	116,361
Medical	47,248	34,908
Entertainment	165,368	122,179
Telephone	675,230	65,750
Others	45,800	23,500
	<u><u>3,056,059</u></u>	<u><u>1,797,824</u></u>

during the year under review :

- i) no compensation was allowed by the company to the Chief executive officer of the company who is also a Director.
- ii) the rate at which Directors have drawn Board meeting attendance fees @ Tk.750/- per Director per meeting. The total Board meeting attendance fee incurred during the year under review was Tk. 22,500/- and
- iii) no amount of money was spent by the company for compensating any member of the board for special services rendered.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

AUDITORS' REPORT**TO THE SHAREHOLDERS OF NAVANA BATTERIES LIMITED**

We have audited the accompanying Statement of Financial Position of the Navana Batteries Limited as on August 31, 2011 and the related Statement of Comprehensive Income, Statement of Cash Flows, Statement of changes in Shareholders' Equity and notes to the financial statements for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of Opinion:

We conducted our audit in accordance with Bangladesh Financial Reporting Standards (BFRS) Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of August 31, 2011 and the results of its operations and its cash flow for the year then ended and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c) the company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditures incurred was for the purpose of the company's business

Dated : Dhaka
November 03, 2011

PRACHI-NIKET
54, Dilkusha C/A, Dhaka.

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

M. Obaidur Rahman, FCA

Navana Batteries Limited
Statement of Financial Position

As at August 31, 2011

	Notes	31.08.2011 BD Taka	31.08.2010 BD Taka
Assets :			
Non-current assets :			
Property, plant and equipment, net	3	218,741,215	127,650,378
Capital work in progress	4	107,917,856	214,369,352
Preliminary expenses		-	238,925
Total non-current assets :		326,659,071	342,258,655
Current assets :			
Stock and stores	5	192,275,462	111,150,844
Trade debtors	6	104,685,063	58,582,418
Income tax deducted at source	7	40,081,164	16,452,311
Advance, deposits and prepayments	8	101,597,452	31,766,320
Cash and bank balances	9	13,639,378	27,426,959
Total current assets :		452,278,519	245,378,852
Total Assets		778,937,590	587,637,507
Equity and Liabilities :			
Equity attributable to equity holders			
Share capital	10	183,702,690	183,702,690
Retained earnings	11	128,572,672	56,384,692
Total Equity		312,275,362	240,087,382
Current liabilities :			
Short term loan	12	84,091,763	77,981,071
Inter company liabilities		273,373,088	181,173,288
Accrued and other current liabilities		109,197,377	88,395,766
Total liabilities		466,662,228	347,550,125
Total Equity and Liabilities		778,937,590	587,637,507
Net assets value per share (NAVPS)		17.00	13.07

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Batteries Limited
Statement of Comprehensive Income
 As at August 31, 2011

Particulars	Notes	Year ended	Year ended
		31.08.2011	31.08.2010
		BD Taka	BD Taka
Revenues (Net)	13	716,587,341	498,689,132
Cost of goods sold	14	534,561,147	355,322,803
Gross profit		182,026,194	143,366,329
Operating expenses:		70,798,635	56,823,290
Administrative expenses	15	9,562,890	8,887,858
Selling and distribution expenses	16	46,102,356	32,554,197
Financial charges		15,133,389	15,381,235
Profit before contribution to WPPF		111,227,559	86,543,039
Contribution to WPPF		5,296,550	4,121,097
Net profit before tax		105,931,009	82,421,942
Income tax expenses :	17	33,743,029	26,037,250
Net profit after tax		72,187,980	56,384,692
Earning per share (EPS)	18	3.93	3.07

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Batteries Limited

Statement of Cash Flows

As at August 31, 2011

Particulars	Year ended 31.08.2011 BD Taka	Year ended 31.08.2010 BD Taka
Cash Flows from Operating Activities		
Cash Collection from Sales	670,484,696	510,315,177
Cash Paid to Suppliers and Employees	(659,176,984)	(420,403,080)
Cash generated from operations	11,307,712	89,912,097
Income tax Paid	(23,628,853)	(8,572,887)
Net Cash used in Operating Activities	(12,321,141)	81,339,210
Cash Flows from Investing Activities		
Acquisition of Fixed Assets	(32,067,823)	(24,363,095)
Payment for acquisition of Fixed Assets	(52,575,720)	-
Capital work in progress	-	(214,369,352)
Preliminary expenses	-	(238,925)
Net Cash used in Investing Activities	(84,643,543)	(238,971,372)
Cash Flows from Financing Activities		
Proceeds from bank loan	6,110,692	11,918,950
Inter company receipts	92,199,800	181,173,288
Bank Interest Paid	(15,133,389)	(15,381,235)
Net Cash provided by Financing Activities	83,177,103	177,711,003
Net Changes in Cash & Cash Equivalents	(13,787,581)	20,078,841
Cash & Cash Equivalents at Beginning of the Year	27,426,959	7,348,118
Cash & Cash Equivalents at End of the Year	13,639,378	27,426,959
Net operating cash flows per share (NOCFPS)	(0.67)	4.43

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial OfficerDated : Dhaka
November 03, 2011

Navana Batteries Limited
Statement of Changes in Equity

As at August 31, 2011

Particulars	Share capital	Reserves	Current Account	Retained earnings	Total Equity
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance as on August 31, 2009	-	4,907,353	158,079,757	56,384,692	219,371,802
Sponsor's Share Capital at August 31, 2009	100,000	-	-	-	100,000
Issue of ordinary Share Capital against - purchase consideration	183,602,690	(4,907,353)	(158,079,757)	(56,384,692)	(35,769,112)
Profit for the year	-	-	-	56,384,692	56,384,692
Balance as on August 31, 2010	183,702,690	-	-	56,384,692	240,087,382
Surplus for the year	-	-	-	72,187,980	72,187,980
Balance as on August 31, 2011	183,702,690	-	-	128,572,672	312,275,362

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Dated : Dhaka
November 03, 2011



View : Battery production process

Navana Batteries Limited**Accounting Policies and Explanatory Notes to the Financial Statements**

As at and for the year ended August 31, 2011

1. Corporate Information and Mode of Business**1.1 Corporate Information**

The company incorporated on 21st April, 2009 vide registration # C76441/09.

1.2 Mode of Business

The principal activities of the company are manufacturing of Automotive, Industrial and Solar Batteries in the plant located at Fouzdarhat Industrial Area, Chittagong, Bangladesh.

2. Significant Accounting Policies and Basis of Preparation of Financial Statement**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of this unit have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

2.3 Basis of Reporting

The financial statements of this unit is prepared and presented for external users in accordance with the identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1 "Presentation of Financial Statements."

2.4 Reporting Period

This report has been prepared as of August 31, 2011.

2.5 Functional and Presentation Currency

Financial Statements are prepared in Bangladeshi Taka which is the functional currency.

2.6 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS 16). The cost of the assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation

No depreciation has been charged on land development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful life lives using the diminishing balance method of depreciation. All the assets acquired or disposed of during the period have been depreciated for the period of its uses. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since inception of the Unit which are given below.

Notes To The Financial Statements

Name of the Assets	Rate of Depreciation in (%)
Building	2.5
Plant & Machinery	10
Tools & Equipment	20
Office Equipment	10
Furniture & Fixtures	10
Vehicles	20

2.7 Inventories

In compliance with the requirements with BAS 2 "Inventories" Raw Materials and Stores are valued at the lower of average cost and the net realizable value. Stocks of finished goods are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

2.8 Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, cash at banks, which are held and available for use by the unit without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same.

2.9 Liabilities for Expenses

While the provision for certain standing charges and know liabilities is made at the Statement of Financial Position date based on estimate, the difference arising there from on receipts of bills/demands and/or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.10 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) has been made @5% on net profit as per provision of the Companies Profit (Bangladesh Labour Law, 2006) and payable to workers as defined in the said laws.

2.11 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the Statement of Financial Position date when the unit has become a party to a contractual provision of the instruments

- I) **Receivables:** Trade receivables are stated their real value and consider good. No provision has been made doubtful debts and no amount was written off as bad.
- II) **Payables:** Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Unit.
- III) **Borrowings:** Interest bearing bank loans are recorded at the proceeds received net of direct issue costs.

2.12 General

1. Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
2. Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

Notes To The Financial Statements

Navana Batteries Limited

3. Property, plant and equipment, net

Particulars	Cost			Rate of Dep.	Depreciation				Carrying amount	
	As at 01.09.2010	Add./adj during the year	As at 31.08.2011		As at 01.09.2010	Charged during the year	Adj. during the year	As at 31.08.2011	As at 31.08.2011	As at 01.09.2010
Land & Land Development	3,769,758	627,750	4,397,508	-	-	-	-	-	4,397,508	3,769,758
Building	56,386,845	13,876,251	70,263,096	2.50%	5,164,108	1,454,023	-	6,618,131	63,644,965	51,222,737
Plant & Machinery	69,958,918	80,338,481	150,297,399	10%	26,435,130	8,369,303	-	34,804,433	115,492,966	43,523,787
Tools & Equipments	21,838,680	6,520,048	28,358,728	20%	11,397,917	2,740,157	-	14,138,074	14,220,654	10,440,763
Office Equipment	12,448,540	3,228,885	15,677,425	10%	2,949,533	1,111,345	-	4,060,878	11,616,547	9,499,007
Furniture & Fixture	3,611,740	1,586,481	5,198,221	10%	1,014,562	339,042	-	1,353,604	3,844,617	2,597,178
Transport Vehicles	12,084,507	273,600	12,358,107	20%	5,487,359	1,346,790	-	6,834,149	5,523,958	6,597,148
Total	180,098,988	106,451,496	286,550,484		52,448,609	15,360,660	-	67,809,269	218,741,215	127,650,378

Depreciation charged to :	Taka
Cost of goods sold	12,288,528
Administrative	1,536,066
Selling & distribution	1,536,066
T O T A L	15,360,660



View : New Automatic Assembly Line

Notes To The Financial Statements

		31.08.2011	31.08.2010
		BD Taka	BD Taka
4 Capital work in progress	Tk 107,917,856		
Opening balance		214,369,352	-
Less: Addition made during the year		-	214,369,352
		<u>214,369,352</u>	<u>214,369,352</u>
Less: written off during the year		106,451,496	-
Closing balance		<u>107,917,856</u>	<u>214,369,352</u>

Capital work in progress on account of acquisition of Land and Land Development , Work in progress of civil constructions, and acquisition of Machinery not installed.

5 Stock and stores	Tk 192,275,462		
Raw materials		105,009,010	20,616,060
Goods in transit		26,710,864	72,316,628
Work-in-process		27,123,471	14,038,273
Finished stock		33,432,117	4,179,883
		<u>192,275,462</u>	<u>111,150,844</u>

The quantity of closing stock are 12 Volts NS - 970 Pcs, N - 504 Pcs, NX - 123 Pcs, PNE- 1967 Pcs, NKP- 1399 Pcs, 6NSP- 61 Pcs Automotive, Home Appliance & Solar Batteries.

6 Trade debtors	Tk 104,685,063		
Below six months		84,117,654	48,717,188
Over six months		20,567,409	9,865,230
		<u>104,685,063</u>	<u>58,582,418</u>

Trade Debtors are considered good and as such no provision has been made in the accounts for doubtful debts. Company holds no security other than debtor's personal security in the form of work orders.

7 Income tax deducted at source	Tk 40,081,164		
Opening balance		16,452,311	7,879,424
Add: during the year		23,628,853	8,572,887
Closing balance		<u>40,081,164</u>	<u>16,452,311</u>

The above amount was deducted at the import point as well as from the Bills in different times at delivery point.

8 Advance, deposits and prepayments	Tk 101,597,452		
Advance to suppliers		31,329,635	16,296,975
Advance to other units		58,124,978	6,507,920
Advance to employees		87,119	325,725
Deposits		12,055,720	8,635,700
		<u>101,597,452</u>	<u>31,766,320</u>

Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary releasable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.

Notes To The Financial Statements

		31.08.2011	31.08.2010
		BD Taka	BD Taka
9	Cash & bank balances Tk 13,639,378		
	Cash in Hand Factory	991,090	417,397
	Cash Balance Dhaka Sales Center	639,025	432,943
	Cash Balance CTG. Sales Center	8,317	7,100
	Cash at Bank	12,000,946	26,569,519
		13,639,378	27,426,959
10	Share capital.		
	Authorised :		
	50,000,000 ordinary shares of Taka 10/- each	500,000,000	500,000,000
		500,000,000	500,000,000
	Issued, Subscribed and Paid up capital Tk 183,702,690		
	Ordinary shares 18,370,269 shares of Taka 10 each		
	Non-controlling Interest (sponsors)	100,000	100,000
	Aftab Automobiles Ltd.	183,602,690	183,602,690
		183,702,690	183,702,690
11	Retained earnings Tk 128,572,672		
	Opening Balance	56,384,692	20,615,580
	Add : Profit for the year	72,187,980	56,384,692
		128,572,672	77,000,272
	Less.adjustment with Capital / Dividend	-	20,615,580
	Closing balance	128,572,672	56,384,692
12	Short term loan Tk 84,091,763		
	NCC Bank Ltd (CC Hypo)	25,479,741	24,728,443
	NCC Bank (LTR)	15,078,466	7,759,729
	Standard Bank (LTR)	-	12,689,369
	Mercantile Bank (LTR)	17,526,758	5,148,695
	International Leasing	3,320,000	9,545,000
	Premier Leasing Co. Ltd.	-	3,046,410
	Bank Asia Ltd. (LTR)	22,686,798	15,063,425
		84,091,763	77,981,071
13	Revenues (Net) Tk 716,587,341		
		716,587,341	498,689,132
		716,587,341	498,689,132
	The quantity of Sales during the year are 12 Volts NS - 26112 Pcs, N - 5860 Pcs, NX - 3041 Pcs, PNE - 43873 Pcs, NKP - 11685 Pcs, GNSP - 1606 Pcs Automotive, Home Appliance & Solar Batteries.		
14	Cost of goods sold Tk 534,561,147		
	Raw materials cosumed	516,208,725	315,848,598
	Indirect materials	11,454,387	10,367,616
	Total consumption	527,663,112	326,216,214
	Add : Opening wip	14,038,273	7,904,791
		541,701,385	334,121,005
	Less : Closing wip	27,123,471	14,038,273
		514,577,914	320,082,732
	Factory overhead	49,235,467	33,152,041
	Cost of production	63,813,380	353,234,773
	Finished products (opening)	4,179,883	6,267,913
		567,993,263	359,502,686
	Finished products (closing)	33,432,117	4,179,883
		534,561,147	355,322,803

Notes To The Financial Statements

Navana Batteries Limited

		31.08.2011	31.08.2010
		BD Taka	BD Taka
14.1 Raw materials consumed	Tk 516,208,725		
Opening stock		20,616,060	16,737,259
Purchases	14.1.1	600,601,675	319,727,399
		621,217,735	336,464,658
Closing stock	5	105,009,010	20,616,060
		516,208,725	315,848,598
14.1.1 Purchases	Tk 600,601,675		
C & F price		509,780,396	228,906,121
Insurance premium		1,049,110	1,049,110
L/C opening charges		1,555,341	1,555,341
C & F charges		13,138,239	13,138,239
Custom duty		15,582,228	15,582,228
Local purchase		59,496,361	59,496,361
		600,601,675	319,727,399
14.1.2. Factory overhead	Tk 49,235,467		
Salary and allowances		2,366,077	2,265,720
Wages		3,562,720	3,176,992
Bonus		1,147,008	650,800
Overtime		2,215,567	455,305
Earned Leave		114,518	225,730
PF (Company Contribution)		350,128	-
Welfare expenses		485,230	455,870
Eid Gratia		155,360	225,692
Entertainment		16,552	1,267,930
Office exp.		522,149	350,820
Electricity Expenses		8,329,427	5,217,410
Store & spares		945,028	285,782
Fuel & Lubricants for Generator		4,289,689	530,472
Carrying & Handling		351,250	225,692
Generator Maintenance		286,301	1,993,600
Repairs & Maintenance		792,513	1,042,191
Car Maintenance		606,987	380,768
Travelling & Conveyance		116,681	142,769
Gas bill		742,474	436,298
Telephone & Mobile		212,387	194,542
Screen Printing		71,880	1,834,707
Liveries & Uniform		320,786	305,741
Chemicals		1,672,249	832,195
Night allowance		150,510	105,692
Labour Charges		666,650	438,720
Security Expenses		861,927	675,000
Canteen Subsidy		2,506,901	385,975
Laboratory Exps		162,990	35,723
Gratuity		425,000	-
Foreign Technician Remu.		2,500,000	720,000
Depreciation		12,288,528	8,293,905
		49,235,467	33,152,041

The number of employees received annual salary and wages above Tk. 36,000 during the year are 120.

Notes To The Financial Statements

	31.08.2011	31.08.2010
	BD Taka	BD Taka
15 Administrative expenses. Tk 9,562,890		
Salary and allowances	1,108,167	828,660
Bonus	141,625	88,110
Welfare Expenses	42,500	38,320
Entertainment	167,820	55,758
Conveyance	225,800	203,870
Repairs and Maintenance	582,260	820,741
Printing & stationary	522,680	425,870
Hotel bill & House Rent	874,743	830,720
Fees & Registration	406,136	36,500
Audit Fee	25,000	25,000
Tours & Travelling	916,816	725,821
Bank Charge	9,253	6,029
Carrying & Handling	720,787	607,141
Car maintenance	882,471	652,830
Telephone & Truckle	66,469	180,370
Office Maintenance	385,300	225,860
Postage & stamp	8,958	85,271
BSTI	105,000	920,700
Advertisement	320,187	421,789
Preliminary expenses W/O	238,925	-
Gratuity	275,927	671,760
Depreciation	1,536,066	1,036,738
	9,562,890	8,887,858

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 59.

16 Selling and distribution expenses. Tk 46,102,356		
Salary & Allowances	17,649,135	15,113,718
Wages	458,270	325,885
Bonus	2,158,340	349,424
Welfare /Medical Expenses	115,405	27,333
PF (Company Contribution)	799,170	-
Gratuity	446,163	-
Rent Rates & Taxes	1,367,850	507,890
Export Expense	-	53,720
Travelling & Conveyance	1,802,692	932,229
Entertainment	1,120,244	663,939
Printing & Stationery	1,096,643	554,897
Telephone	1,049,321	845,876
Publicity Exp.	1,057,200	1,120,790
Fees & Registration	285,091	143,640
Repairs & Maintenance	179,883	347,713
Car Maintenance	1,356,829	531,872
Electrical Expenses	447,858	402,547
Fuel	1,087,415	1,092,091
Postage & Telegram	224,058	34,687
Papers & Periodicals	17,163	10,987
Delivery Expenses	1,330,805	1,256,581
Bank Charges	168,097	88,210
Other Expenses	120,500	25,700
Security Expenses	524,740	350,352
Office Maintenance	32,535	15,700
Canteen Subsidy	225,550	75,820
Showroom Exps	2,113,060	150,240
Transportation Charges	2,068,160	1,314,480
Utility Bill (WASA)	80,414	87,020
Gift & Donation	504,096	220,300
Chemical & Packing exps	692,793	657,442
Dealer conference Exp.	3,036,380	2,537,698
Promotional Expenses	950,430	1,678,678
Depreciation	1,536,066	1,036,738
	46,102,356	32,554,197

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 54.

Notes To The Financial Statements

	31.08.2011 BD Taka	31.08.2010 BD Taka
17 Income tax expenses Tk 33,743,029		
Profit before Tax	105,931,009	82,421,942
Add: Accounting Depreciation	15,360,660	10,367,381
Less: Tax Depreciation	31,310,257	23,356,656
Adjusted Profit for tax calculation	89,981,412	69,432,667
Tax @ 37.50% (transferred to Comprehensive Income)	33,743,029	26,037,250
18 Earning per share (EPS)		
Net profit after tax	72,187,980	56,384,692
Number of ordinary share	18,370,269	18,370,269
Earning per share (EPS)	3.93	3.07

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer



View : New Automatic Oxide Mill



View : Latest Technology Machines in New Shed

AUDITORS' REPORT**TO THE SHAREHOLDERS OF NAVANA FURNITURE LIMITED**

We have audited the accompanying Statement of Financial Position of the Navana Furniture Limited as on August 31, 2011 and the related Statement of Comprehensive Income, Statement of Cash Flows, Statement of changes in Shareholders' Equity and notes to the financial statements for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of Opinion:

We conducted our audit in accordance with Bangladesh Financial Reporting Standards (BFRS) Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of August 31, 2011 and the results of its operations and its cash flow for the year then ended and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c) the company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditures incurred was for the purpose of the company's business.

Dated : Dhaka
November 03, 2011

PRACHI-NIKET
54, Dilkusha C/A, Dhaka.

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

M. Obaidur Rahman, FCA

Navana Furniture Limited
Statement of Financial Position

As at August 31, 2011

	Notes	31.08.2011 BD Taka	31.08.2010 BD Taka
Assets			
Non-current assets			
Property, plant and equipment, net	3	267,394,543	162,358,444
Capital work in progress	4	70,528,143	23,823,940
Preliminary Expenses		-	238,925
Total non-current assets :		337,922,686	186,421,309
Current assets :			
Stock and stores	5	215,408,489	167,045,219
Trade debtors	6	103,888,801	54,977,945
Income tax deducted at source	7	5,215,518	3,505,421
Advance, deposits and prepayments	8	85,604,087	38,637,922
Cash and bank balances	9	4,076,839	6,126,311
Total current assets :		414,193,734	270,292,818
Total Assets		752,116,420	456,714,127
Equity and Liabilities :			
Equity attributable to equity holders			
Share capital	10	217,628,630	217,628,630
Retained earnings	11	73,321,621	26,727,380
Total Equity		290,950,251	244,356,010
Current liabilities :			
Short term loan	12	185,250,901	34,458,820
Inter company liabilities		218,230,099	29,169,099
Accrued and other current liabilities		57,685,169	148,730,198
Total liabilities		461,166,169	212,358,117
Total Equity and Liabilities		752,116,420	456,714,127
Net assets value per share (NAVPS)		13.37	11.23

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Furniture Limited
Statement of Comprehensive Income

As at August 31, 2011

Navana Furniture Limited

Particulars	Notes	Year ended	Year ended
		31.08.2011	31.08.2010
		BD Taka	BD Taka
Revenue (Net)	13	465,344,383	395,283,898
Cost of goods sold	14	302,737,930	287,048,804
Gross profit		162,606,453	108,235,094
Operating expenses:		90,534,518	70,504,847
Administrative expenses	15	19,719,044	18,072,124
Selling and distribution expenses	16	61,047,351	49,271,744
Financial charges		9,768,123	3,160,979
Profit before contribution to WPPF		72,071,935	37,730,247
Contribution to WPPF		3,431,997	1,796,678
Net profit before tax		68,639,938	35,933,569
Income tax expenses :	17	22,045,697	9,206,189
Net profit after tax		46,594,241	26,727,380
Earning per share (EPS)	18	2.14	1.23

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Furniture Limited**Statement of Cash Flows**

As at August 31, 2011

Particulars	Year ended 31.08.2011	Year ended 31.08.2010
	BD Taka	BD Taka
Cash Flows from Operating Activities		
Cash Collection from Sales	416,433,527	389,855,073
Payment for Cost & Expenses	(503,587,668)	(365,766,824)
Cash generated from operations	(87,154,141)	24,088,249
Income Tax paid	(1,710,097)	(1,549,342)
Net Cash used in Operating Activities	(88,864,238)	22,538,907
Cash Flows from Investing Activities		
Acquisition of property, plant & equipment	(123,024,031)	(21,265,854)
Payment for Acquisition of property, plant & equipment	(62,063,417)	-
Capital work in progress	(61,740,808)	(23,823,940)
Preliminary Expenses	-	(186,545)
	(246,828,256)	(45,276,339)
Net Cash used in Investing Activities		
Cash Flows from Financing Activities		
Proceeds from bank loan & Other Finance	150,792,081	29,169,099
Inter company receipts	189,061,000	485,513
Bank Interest Paid	(9,768,123)	(3,160,979)
Net Cash provided by Financing Activities	330,084,958	26,493,633
Net Changes in Cash & Cash Equivalents	(2,049,472)	3,756,201
Cash & Cash Equivalents at Beginning of the Year	6,126,311	2,370,110
Cash & Cash Equivalents at End of the Year	4,076,839	6,126,311
Net operating cash flows per share (NOCFPS)	(4.08)	1.04

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial OfficerDated : Dhaka
November 03, 2011

Navana Furniture Limited
Statement of Changes in Equity
 As at August 31, 2011

Particulars	Share capital BD Taka	Reserves BD Taka	Current Account BD Taka	Retained earnings BD Taka	Total BD Taka
Balance as on August 31, 2009	-	29,185,053	181,359,610	6,983,967	217,528,630
Sponsor's Share capital at August 31,2009	100,000	-	-	-	100,000
Issue Ordinary shares against Purchase Consideration	217,528,630	(29,185,053)	(181,359,610)	(6,983,967)	-
Profit for the year	-	-	-	26,727,380	26,727,380
Balance as on August 31, 2010	217,628,630	-	-	26,727,380	244,356,010
Profit for the year	-	-	-	46,594,241	46,594,241
Balance as on August 31, 2011	217,628,630	-	-	73,321,621	290,950,251

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Dated : Dhaka
November 03, 2011



View : Interior Office Decoration by Navana Furniture

Navana Furniture Limited**Accounting Policies and Explanatory Notes to the Financial Statements**

As at and for the year ended August 31, 2011

1. Corporate Information and Mode of Business**1.1 Corporate Information**

The company incorporated on 21st April, 2009 vide registration # C76450/09.

1.2 Mode of Business

The principal activities of the company are manufacturing of world class home, office, industrial and medical furniture in the plant located at Savar, Dhaka, Bangladesh.

2. Significant Accounting Policies and Basis of Preparation of Financial Statements**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of this unit have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

2.3 Basis of Reporting

The financial statements of this unit is prepared and presented for external users in accordance with the identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1 "Presentation of Financial Statements."

2.4 Reporting Period

This report has been prepared as on August 31, 2011.

2.5 Functional and Presentation Currency

Financial Statements are prepared in Bangladeshi Taka which is the functional currency.

2.6 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS 16). The cost of the assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation

No depreciation has been charged on land development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful life lives using the diminishing balance method of depreciation. All the assets acquired or disposed of during the period have been depreciated for the period of its uses. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since inception of the Unit which are given below.

Notes to the Financial Statements

Name of the Assets	Rate of Depreciation in (%)
Building	2.5
Electric line Installation	20
Plant & Machinery	10
Tools & Equipment	20
Office Equipment	10
Furniture & Fixtures	10
Transport Vehicles	20

2.7 Inventories

In compliance with the requirements with BAS 2 "Inventories" Raw Materials and Stores are valued at the lower of average cost and the net realizable value. Stocks of finished goods are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

2.8 Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, cash at banks, which are held and available for use by the unit without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same.

2.9 Liabilities for Expenses

While the provision for certain standing charges and know liabilities is made at the Statement of Financial position date based on estimate, the difference arising there from on receipts of bills/demands and/or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.10 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) has been made @5% on net profit as per provision of the Companies Profit (Bangladesh Labour Law, 2006) and payable to workers as defined in the said laws.

2.11 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the Statement of Financial position date when the Unit has become a party to a contractual provision of the instruments

- I) **Receivables:** Trade receivables are stated their real value and consider good. No provision has been made doubtful debts and no amount was written off as bad.
- II) **Payables:** Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Unit.
- III) **Borrowings:** Interest bearing bank loans are recorded at the proceeds received net of direct issue costs.

2.12 General

1. Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
2. Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

Notes to the Financial Statements

Navana Furniture Limited

3. Property, plant and equipment, net

Particulars	Cost			Rate of Dep.	Depreciation			Carrying amount		
	As at 01.09.2010	Addi./adj during the year	As at 31.08.2011		As at 01.09.2010	Charged during the year	Adj. during the year	As at 31.08.2011	As at 31.08.2011	As at 01.09.2010
Land & Land Development	42,493,292	47,771,725	90,265,017	-	-	-	-	90,265,017	42,493,292	
Building	49,599,464	16,530,703	66,130,167	2.50%	4,650,105	1,330,368	-	5,980,473	60,149,694	
Electric line installation	2,205,125	1,469,359	3,674,484	20%	681,867	451,588	-	1,133,455	2,541,029	
Plant & Machinery	55,558,841	40,270,769	95,829,610	10%	24,774,640	5,091,959	-	29,866,599	65,963,011	
Tools & Equipments	15,912,843	10,943,649	26,856,492	20%	9,617,501	2,353,433	-	11,970,934	14,885,558	
Office Equipment	14,459,738	531,035	14,990,773	10%	4,723,378	1,000,188	-	5,723,566	9,267,207	
Furniture & Fixture	11,792,920	5,025,420	16,818,340	10%	2,509,721	1,179,591	-	3,689,312	13,129,028	
Transport Vehicles	21,885,300	203,960	22,089,260	20%	8,122,256	2,773,005	-	10,895,261	11,193,999	
Total	213,907,523	122,746,620	336,654,143		55,079,468	14,180,132		69,259,600	267,394,543	

Depreciation charged to :	Taka
Cost of goods sold	11,344,105
Administrative O/H	2,836,027
T O T A L	14,180,132



View : Navana Furniture

Notes to the Financial Statements

Navana Furniture Limited

	31.08.2011	31.08.2010
	BD Taka	BD Taka
4 Capital work in progress Tk 70,528,143		
Opening Balance	23,823,940	-
Add: addition made during the year	61,740,808	23,823,940
	85,564,748	23,823,940
Less: Transferred to Property ,plant & equipment	15,036,605	-
Closing balance	70,528,143	23,823,940
Capital work in progress on account of acquisition of Land and Land Development , Work in progress of civil constructions etc.		
5 Stock and stores Tk 215,408,489		
Raw materials	44,933,921	45,200,991
Work-in-process	63,010,670	48,660,381
Goods in transit	35,208,280	29,893,759
Finished stock	72,255,618	43,290,088
	215,408,489	167,045,219
6 Trade debtors Tk 103,888,801		
Below six months	51,722,160	42,390,224
Over six months	52,166,641	12,587,721
	103,888,801	54,977,945
Trade Debtors are considered good and as such no provision has been made in the accounts for doubtful debts. Company holds no security other than debtor's personal security in the form of work orders.		
7 Income tax deducted at source Tk 5,215,518		
Opening balance	3,505,421	1,956,079
Add: during the year	1,710,097	1,549,342
	5,215,518	3,505,421
Less: adjustment	-	-
Closing balance	5,215,518	3,505,421
8 Advance, deposits and prepayments Tk 85,604,087		
Advance to suppliers	31,888,125	22,130,611
Advance to employees	4,517	745,320
Advance to other units	1,273,531	11,516,121
Deposits	23,475,135	4,245,870
Other Advance	28,962,779	-
	85,604,087	38,637,922
Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary releasable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.		

Notes to the Financial Statements

Navana Furniture Limited

	31.08.2011	31.08.2010
	BD Taka	BD Taka
9 Cash & bank balances Tk 4,076,839		
Cash at plant	645,162	547,959
National Bank, Gulshan	3,666	845,265
National Bank, Motijheel	10,988	1,027
IFIC Bank, Motijheel A/c-449-001	128,436	1,606,750
IFIC Bank, Lalmatia	111,015	111,015
Exim Bank, Panthapath A/c- 11988	3,732	150,946
Exim Bank, A/C-117822	35,939	-
IFIC Agrabad A/c-2751-001	215,461	10,000
Mutual Trust-Ctg	2,036	627,581
Prime Bank-Mirpur CD-6414	11,039	2,223,268
Prime -NFL-IBBL,Mirpur A/c. 16972	187,314	-
IFIC-NFL-Motijheel Br.26-001	1,828,357	-
Dutch Bangla Bank	2,500	2,500
National Bank-NFL-Motijheel Br. 111-79	694,876	-
United Commercial Bank, Bijoyagar-0769	10,000	-
National Bank-Uttara Branch A/c-243506	19,058	-
BKB CD-Motijheel Br.A/c-38397	162,778	-
Uttara Bank A/c.2271, Corp Br. Motijheel	4,482	-
	4,076,839	6,126,311
10 Share capital.		
Authorised Capital :		
50,000,000 ordinary shares of Taka 10/- each	500,000,000	500,000,000
	500,000,000	500,000,000
Issued, Subscribed and Paid up capital Tk 217,628,630		
Ordinary shares - 2,17,62,863 shares of Taka 10 each		
Non-controlling Interest (sponsors)	100,000	100,000
Aftab Automobiles Ltd.	217,528,630	217,528,630
	217,628,630	217,628,630
11 Retained earnings Tk 73,321,621		
Opening Balance	26,727,380	6,983,967
Add : Profit for the year	46,594,241	26,727,380
	73,321,621	33,711,347
Less. Purchase consideration/Dividend	-	6,983,967
Closing balance	73,321,621	26,727,380
12 Short term loan Tk 185,250,901		
Bangladesh Krishi Bank	153,062,200	27,301,166
Bangladesh Krishi Bank-L.A.T.R.	10,238,043	-
National Bank Ltd. L.A.T.R.	16,911,566	-
National Finance Ltd.	2,678,917	3,867,385
Navana Toyota 3s Centre	1,798,461	2,374,869
Uttara Finance & Investment Co. Ltd.	561,714	915,400
	185,250,901	34,458,820
13 Revenue (Net) Tk 465,344,383		
Net Sales	465,344,383	395,283,898
	465,344,383	395,283,898

Notes to the Financial Statements

Navana Furniture Limited

		31.08.2011	31.08.2010
		BD Taka	BD Taka
14	Cost of goods Sold Tk 302,737,930		
	Raw materials consumed	285,199,056	241,778,280
	Indirect materials	25,090,042	26,434,103
	Total consumption	310,289,098	268,212,383
	Add : Opening WIP	48,660,381	36,398,117
		358,949,479	304,610,500
	Less : Closing WIP	63,010,670	48,660,381
		295,938,809	255,950,119
	Factory overhead	35,764,651	36,273,609
	Cost of production	331,703,460	292,223,728
	Finished products (opening)	43,290,088	38,115,164
		374,993,548	330,338,892
	Finished products (closing)	72,255,618	43,290,088
		302,737,930	287,048,804
14.1	Raw materials consumed. Tk 285,199,056		
	Opening stock	45,200,991	24,548,106
	Purchases	284,931,986	262,431,165
		330,132,977	286,979,271
	Closing stock	44,933,921	45,200,991
		285,199,056	241,778,280
14.1.1	Purchases. Tk 284,931,986		
	C & F price	11,293,941	13,648,861
	Insurance premium	103,492	104,079
	L/C opening charges	117,114	174,462
	C & F charges	-	4,249,984
	Custom duty & others	20,316,173	21,460,619
	Local purchase	253,101,266	222,793,160
		284,931,986	262,431,165
14.2	Factory overhead. Tk 35,764,651		
	Salary and allowances	11,379,776	10,179,469
	Wages	1,525,735	7,569,128
	Bonus	2,771,502	1,800,126
	Welfare Exp.	205,487	195,260
	Rent Rates & Taxes	165,706	84,000
	Printing & stationary	195,390	266,069
	Travelling & Conveyance	178,978	129,900
	Entertainment	205,782	343,366
	Car Repairs & Maintenance	180,336	220,785
	Repairs & Maintenance	2,440,052	2,198,991
	Electricity expenses	2,498,082	2,035,937
	Gas expenses	552,854	494,450
	Telephone, Mobile & Others	160,228	179,381
	Carrying & Handling	883,361	883,361
	Papers Periodicals	4,230	5,412
	Charges General	5,200	6,820
	Fuel-for Generator & Car	956,478	1,014,049
	Computer Consumable	111,369	77,830
	Depreciation	11,344,105	8,589,275
		35,764,651	36,273,609

The number of employees received annual salary and wages above Tk. 36,000 during the year are 282 .

Notes to the Financial Statements

Navana Furniture Limited

	31.08.2011	31.08.2010
	BD Taka	BD Taka
15 Administrative expenses. Tk 19,719,044		
Salary and allowances	7,442,158	6,154,591
Overtime	802,274	614,570
Bonus	654,556	549,680
Rent rates & taxes	232,781	193,812
Entertainment	106,607	256,358
Travelling & conveyance	282,872	228,484
Car Repairs & maintenance	965,782	1,082,720
Repairs & maintenance	603,447	279,803
Printing & stationary	124,849	608,382
Electric charges	347,662	283,286
WASA	23,150	22,500
Telephone, mobile & internet	412,185	182,131
Bank Charges & Interest	5,820	87,620
Renewal	171,258	391,818
Carrying & handling	350,887	867,787
Papers & periodical	8,220	2,096
Tender Schedule	-	520,763
Advertisement	230,887	1,346,700
Audit fee	25,000	25,000
Fuel	272,253	752,112
Charges General	13,433	83,284
Insurance Premium	834,506	114,279
ifter	83,167	108,077
Festival expenses	834,506	59,788
ISO Expense	42,938	31,000
Security Guard	38,500	891,600
Gratuity	1,529,012	-
Earned Leave	205,382	186,564
Preliminary Expenses W/O	238,925	-
Depreciation	2,836,027	2,147,319
	19,719,044	18,072,124

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 89.

16 Selling & Distribution Overhead Tk 61,047,351		
Salary & Allowances	22,426,697	17,560,972
Wages	2,653,323	1,810,509
Bonus	2,450,899	2,141,430
Rent Rates & Taxes	9,859,322	9,394,076
Travelling & Conveyance	2,597,169	1,328,040
Entertainment	1,212,815	1,013,997
Office Exp.	85,003	150,287
Printing & Stationery	860,243	448,091
Telephone, Mobile & Internet	924,635	1,049,246
Papers & Periodicals	27,476	24,010
Fees & Registration	51,447	530,720
Repairs & Maintenance	594,047	803,210
Car Maintenance	1,165,231	1,012,871
Electrical Expenses	1,618,713	1,689,990
Wasa bill	107,119	69,500
Fuel	449,787	1,122,985
Postage & Telegram	193,660	130,296
Delivery Expenses	4,548,396	3,385,340
Earn Leave	232,789	358,434
General Expenses	228,000	751,600
Office Maintenance	228,000	207,293
Publicity Exp.	317,900	325,959
Trade Fair Pavilion Expenses	913,495	830,140
Business Promotion Exp.	7,120,403	2,812,008
Charges General	180,782	320,740
	61,047,351	49,271,744

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 88.

Navana Furniture Limited

	31.08.2011 BD Taka	31.08.2010 BD Taka
17 Income tax expenses : Tk 22,045,697		
Profit before Tax	68,639,938	35,933,569
Add: Accounting Depreciation	14,180,132	10,736,594
Less: Tax Depreciation	(24,031,546)	(22,120,324)
Adjusted Profit for tax calculation	58,788,524	24,549,839
Tax @ 37.50% (transferred to Comperhensive Income)	22,045,697	9,206,189
18 Earning per share (EPS) Tk 2.14		
Net profit after tax	46,594,241	26,727,380
Number of ordinary share	21,762,863	21,762,863
Earning per share (EPS)	2.14	1.23

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer



View : Navana Furniture LUXURY MDF Bedset

AUDITORS' REPORT**TO THE SHAREHOLDERS OF NAVANA PAINTS LIMITED**

We have audited the accompanying Statement of Financial Position of the Navana Paints Limited as on August 31, 2011 and the related Statement of Comprehensive Income, Statement of Cash Flows, Statement of changes in Shareholders' Equity and notes to the financial statements for the year then ended. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of Opinion:

We conducted our audit in accordance with Bangladesh Financial Reporting Standards (BFRS) Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of August 31, 2011 and the results of its operations and its cash flow for the year then ended and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c) the company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditures incurred was for the purpose of the company's business.

Dated : Dhaka
November 03, 2011

PRACHI-NIKET
54, Dilkusha C/A, Dhaka.

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

M. Obaidur Rahman, FCA

Navana Paints Limited
Statement of Financial Position
As at August 31, 2011

	Notes	31.08.2011 BD Taka	31.08.2010 BD Taka
Assets :			
Non-current assets :			
Property, plant and equipment, net	3	61,048,248	42,352,204
Capital work in progress	4	3,570,073	24,819,478
Preliminary Expenses		-	301,105
Total non-current assets :		64,618,321	67,472,787
Current assets :			
Stock and stores	5	18,899,547	17,752,787
Trade debtors	6	60,962,081	52,177,429
Income tax deducted at source	7	4,191,442	2,792,980
Advance, deposits and prepayments	8	40,578,583	21,460,398
Cash and bank balances	9	1,569,041	3,722,222
Total current assets :		126,200,694	97,905,816
Total Assets		190,819,015	165,378,603
Equity and Liabilities :			
Equity attributable to equity holders			
Share capital	10	90,547,980	90,547,980
Retained earnings	11	18,225,897	5,747,009
Total Equity		108,773,877	96,294,989
Current liabilities :			
Short term loan	12	31,187,008	25,730,074
Inter company liabilities		843,122	820,622
Accrued and other current liabilities		50,015,008	42,532,918
Total liabilities		82,045,138	69,083,614
Total Equity and Liabilities		190,819,015	165,378,603
Net assets value per share (NAVPS)		12.01	10.63

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Paints Limited
Statement of Comprehensive Income
 As at August 31, 2011

Particulars	Notes	Year ended 31.08.2011	Year ended 31.08.2010
		BD Taka	BD Taka
Revenue	13	116,193,683	93,063,517
Cost of goods sold	14	73,254,985	64,351,416
Gross profit		42,938,698	28,712,101
Operating expenses:		25,127,706	22,194,627
Administrative expenses	15	3,957,470	3,058,813
Selling and distribution expenses	16	16,867,163	16,562,949
Financial charges		4,303,073	2,572,865
Profit before contribution to WPPF		17,810,992	6,517,474
Contribution to WPPF		848,142	310,356
Net profit before tax		16,962,850	6,207,118
Income tax expenses	17	4,483,962	460,109
Net profit after tax		12,478,888	5,747,009
Earning per share (EPS)	18	1.38	0.63

The annexed notes 1 to 18 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Signed in terms of our separate report of even date.

Dated : Dhaka
November 03, 2011

Sd/-
M.M. RAHMAN & CO.
Chartered Accountants

Navana Paints Limited**Statement of Cash Flows**

As at August 31, 2011

Particulars	Year ended 31.08.2011	Year ended 31.08.2010
	BD Taka	BD Taka
Cash Flows from Operating Activities		
Cash Collection from Sales	107,409,031	104,520,368
Payment for Cost & Expenses	(107,784,411)	(100,332,893)
Cash generated from operations	(375,380)	4,187,475
Income Tax paid	(1,398,462)	(1,083,482)
Net Cash used in Operating Activities	(1,773,842)	3,103,993
Cash Flows from Investing Activities		
Acquisition of Fixed Assets	-	(137,334)
Preliminary Expenses	-	(247,979)
Payment for Acquisition of Fixed Assets	(1,520,700)	-
Capital work in progress	(35,000)	(24,819,478)
Net Cash used in Investing Activities	(1,555,700)	(25,204,791)
Cash Flows from Financing Activities		
Inter company receipts	22,500	820,622
Proceeds from bank loan	5,456,934	25,730,074
Bank Interest Paid	(4,303,073)	(2,572,865)
Net Cash provided by Financing Activities	1,176,361	23,977,831
Net Changes in Cash & Cash Equivalents	(2,153,181)	1,877,033
Cash & Cash Equivalents at Beginning of the Year	3,722,222	1,845,189
Cash & Cash Equivalents at End of the Year	1,569,041	3,722,222
Net operating cash flows per share (NOCFPS)	(0.20)	0.34

Sd/-
ChairmanSd/-
DirectorSd/-
Chief Financial OfficerDated : Dhaka
November 03, 2011

Navana Paints Limited
Statement of Changes in Equity
 As at August 31, 2011

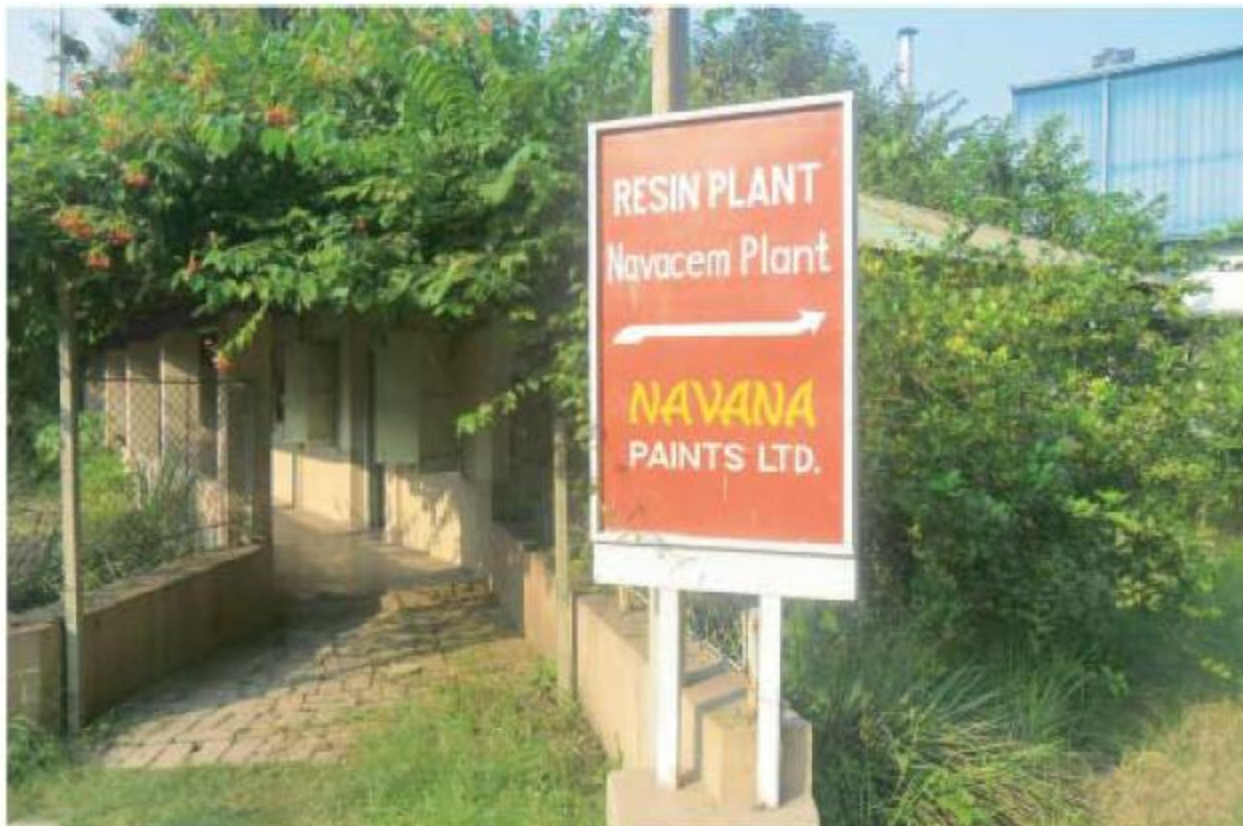
Particulars	Share capital	Reserves	Current Account	Retained earnings	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance as on August 31, 2009	-	5,670,090	83,814,520	963,370	90,447,980
Sponsor's Share Capital at August 31, 2009	100,000				100,000
Issue of ordinary Share Capital against - purchase consideration	90,447,980	(5,670,090)	(83,814,520)	(963,370)	-
Profit for the year	-	-	-	5,747,009	5,747,009
Balance as on August 31, 2010	90,547,980	-	-	5,747,009	96,294,989
Profit for the year	-	-	-	12,478,888	12,478,888
Balance as on August 31, 2011	90,547,980	-	-	18,225,897	108,773,877

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer

Dated : Dhaka
November 03, 2011



View : Plant of Navana Paints Ltd.

Navana Paints Limited**Accounting Policies and Explanatory Notes to the Financial Statements**

As at and for the year ended August 31, 2011

1. Corporate Information and Mode of Business**1.1 Corporate Information**

The company incorporated on 21st April, 2009 vide registration # C76442/09.

1.2 Mode of Business

The principal activities of the company are manufacturing of paint products which consists of distemper, enamel paint, weather coat, plastic emulsion, A.C Primer, Navacem, Thinner etc in the plant located at Fouzdarhat Industrial Area, Chittagong, Bangladesh.

2. Significant Accounting Policies and Basis of Preparation of Financial Statement**2.1 Statement of Compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of this unit have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

2.3 Basis of Reporting

The financial statements of this unit is prepared and presented for external users in accordance with the identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1 "Presentation of Financial Statements."

2.4 Reporting Period

This report has been prepared as of August 31, 2011.

2.5 Functional and Presentation Currency

Financial Statements are prepared in Bangladeshi Taka which is the functional currency.

2.6 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS 16). The cost of the assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation

No depreciation has been charged on land development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful life lives using the diminishing balance method of depreciation. All the assets acquired or disposed of during the period have been depreciated for the period of its uses. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since inception of the Unit which are given below.

Notes to the Financial statements

Name of the Assets	Rate of Depreciation in (%)
Building	2.5
Plant & Machinery	10
Tools & Equipment	20
Office Equipment	10
Furniture & Fixtures	10
Transport Vehicles	20

2.7 Inventories

In compliance with the requirements with BAS 2 "Inventories" Raw Materials and Stores are valued at the lower of average cost and the net realizable value. Stocks of finished goods are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

2.8 Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, cash at banks, which are held and available for use by the unit without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same.

2.9 Liabilities for Expenses

While the provision for certain standing charges and know liabilities is made at the Statement of Financial position date based on estimate, the difference arising there from on receipts of bills/demands and/or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.10 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) has been made @5% on net profit as per provision of the Companies Profit (Bangladesh Labour Law, 2006) and payable to workers as defined in the said laws.

2.11 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the Statement of Financial position date when the Unit has become a party to a contractual provision of the instruments

- I) **Receivables:** Trade receivables are stated their real value and consider good. No provision has been made doubtful debts and no amount was written off as bad.
- II) **Payables:** Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Unit.
- III) **Borrowings:** Interest bearing bank loans are recorded at the proceeds received net of direct issue costs.

2.12 General

- i) Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
- ii) Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

Notes to the Financial statements

Navana Paints Limited

3. Property, plant and equipment, net

Particulars	Cost			Rate of Dep.	Depreciation			Carrying amount		
	As at 01.09.2010	Add./adj during the year	As at 31.08.2011		As at 01.09.2010	Charged during the year	Adj. during the year	As at 31.08.2011	As at 31.08.2011	As at 01.09.2010
Land & Land Development	3,141,510	1,185,340	4,326,850	-	-	-	-	4,326,850	3,141,510	
Building	19,108,761	11,185,459	30,294,220	2.50%	2,230,307	561,780	-	2,792,087	16,878,454	
Plant & Machinery	28,319,528	5,940,062	34,259,590	10%	10,597,638	2,069,192	-	12,666,830	17,721,890	
Tools & Equipments	1,438,495	1,015,700	2,454,195	20%	472,379	294,793	-	767,172	966,116	
Office Equipment	3,335,233	1,033,885	4,369,118	10%	1,474,709	237,747	-	1,712,456	1,860,524	
Furniture & Fixture	1,089,272	407,737	1,497,009	10%	407,896	88,524	-	496,420	681,376	
Transport Vehicles	7,674,219	1,555,960	9,230,179	20%	6,571,885	376,063	-	6,947,948	1,102,334	
Total	64,107,018	22,324,143	86,431,161		21,754,814	3,628,099	-	25,382,913	42,352,204	

Depreciation charged to :	Taka
Cost of goods sold	2,176,859
Administrative	362,810
Selling & distribution	1,088,430
T O T A L	3,628,099



View : Navana Paints Lab

Notes to the Financial statements

Navana Paints Limited

	31.08.2011 BD Taka	31.08.2010 BD Taka
4 Capital work in progress Tk 3,570,073		
Opening balance	24,819,478	-
Addition during the year	35,000	24,819,478
	24,854,478	24,819,478
Less: transfer to property, plant & equipment	21,284,405	-
Closing balance	3,570,073	24,819,478
Capital work in progress on account of Work in progress of civil constructions, and partial acquisition of Machinery .		
5 Stock and stores Tk 18,899,547		
Raw materials	10,585,441	11,199,767
Goods in transit	639,403	758,925
Work-in-process	1,159,892	1,453,137
Finished stock	6,514,811	4,340,958
	18,899,547	17,752,787
Value of stock of finished product of paints are Enamal-7,550 ltr.,Spd-5,056 ltr.,Ape-5,926 ltr.,Weather Care-9,756 ltr., marin-226 ltr.under coat-313 ltr, gp thinner-435 ltr.,aqua wall primer sealer-400.,a.c.primers-1,055 ltr.,Epoxy- 880 ltr., Navacem-9,920 ltr. and other -1,703 ltr.		
6 Trade debtors Tk 60,962,081		
Below six months	44,778,721	36,524,200
Over six months	16,183,360	15,653,229
	60,962,081	52,177,429
Trade Debtors are considered good and as such no provision has been made in the accounts for doubtful debts. Company holds no security other than debtor's personal security in the form of work orders.		
7 Income tax deducted at source Tk 4,191,442		
Opening balance	2,792,980	1,709,498
Add: during the year	1,398,462	1,083,482
	4,191,442	2,792,980
Less: adjustment	-	-
Closing balance	4,191,442	2,792,980
8 Advance, deposits and prepayments Tk 40,578,583		
Advance to suppliers	33,125,993	17,172,514
Advance to employees	42,818	84,677
Deposits	7,409,772	4,203,207
	40,578,583	21,460,398
Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary releasable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.		

Notes to the Financial statements

Navana Paints Limited

	31.08.2011	31.08.2010
	BD Taka	BD Taka
9 Cash & bank balances Tk 1,569,041		
Cash in hand	381,250	703,434
Cash at bank	1,187,791	3,018,788
	1,569,041	3,722,222
10 Share capital.		
Authorised :		
2,000,000 ordinary shares of Taka 10/- each	200,000,000	200,000,000
	200,000,000	200,000,000
Issued, Subscribed and Paid up capital Tk 90,547,980		
Ordinary shares - 9,054,798 shares of Taka 10/- each		
Non-controlling Interest (sponsors)	100,000	100,000
Aftab Automobiles Ltd.	90,447,980	90,447,980
	90,547,980	90,547,980
11 Retained earnings Tk 18,225,897		
Opening Balance	5,747,009	963,375
Add : Profit for the year	12,478,888	5,747,009
	18,225,897	6,710,384
Less. Transferred Purchase cons./ Dividend	-	963,375
Closing balance	18,225,897	5,747,009
12 Short term loan Tk 31,187,008		
Shahjalal Islami Bank Ltd., Main Br. Dhaka	2,529,766	6,523,366
Pubali Bank Ltd., B B Avnue	14,789,572	7,723,748
Prime Finance & Investing Ltd., Dhaka	13,867,670	11,455,460
State Bank Of India, Agrabad, Ctg.	-	27,500
	31,187,008	25,730,074
13 Revenues (Net) Tk 116,193,683		
Net sales	116,193,683	93,063,517
	116,193,683	93,063,517

The quantity of sales during the year are SPD-95,428 Ltr., APE-65,325 Ltr., Enamel-1,06,805 Ltr., Weather Care- 74,996Ltr., GP Thinner-71,028 Ltr., Under Coat-9,628 Ltr., Aqua wall sealer-41,380 Ltr., Marine-4,023 ltr., A.C.Primer-20, 571 Ltr., Epoxy paint-4,672 Ltr., Navacem-71,000 Kg., Synthetic Alkyd Resin-1,62,000 Ltr., Jhilmil -9,953 Ltr. and other Paints-12,735 Ltr.

Notes to the Financial statements

Navana Paints Limited

		31.08.2011	31.08.2010
		BD Taka	BD Taka
14	Cost of goods sold Tk 73,254,985		
	Raw materials consumed	14.1 60,032,422	51,253,500
	Indirect materials	5,170,273	4,864,531
	Total consumption	65,202,695	56,118,031
	Add : Opening WIP	1,453,137	1,141,230
		66,655,832	57,259,261
	Less : Closing WIP	5 1,159,892	1,453,137
		65,495,940	55,806,124
	Factory overhead	14.2 9,932,898	9,623,559
	Cost of production	75,428,838	65,429,683
	Finished products (opening)	4,340,958	3,262,691
		79,769,796	68,692,374
	Finished products (closing)	5 6,514,811	4,340,958
		73,254,985	64,351,416
14.1	Raw materials consumed. Tk 60,032,422		
	Opening stock	11,199,767	10,982,850
	Purchases	14.1.1 59,418,096	51,470,417
		70,617,863	62,453,267
	Closing stock	5 10,585,441	11,199,767
		60,032,422	51,253,500
14.1.1	Purchases. Tk 59,418,096		
	C & F price	24,457,997	24,703,320
	Insurance premium	279,299	295,380
	L/C opening charges	207,200	276,416
	C & F charges	1,400,182	1,483,256
	Custom duty	2,339,420	2,472,853
	Local purchase	30,733,998	22,239,192
		59,418,096	51,470,417
14.1.2	Factory overhead. Tk 9,932,898		
	Salary and allowances	2,603,327	2,326,876
	Wages	1,064,018	998,968
	Bonus	288,989	286,178
	Overtime	148,215	120,326
	Gratuity	101,830	165,058
	Welfare	1,850	2,943
	Eid Gratia	92,890	115,075
	Entertainment	321,960	245,579
	Electricity Expenses	1,431,871	1,450,189
	Carrying & Handling	210,747	285,351
	Repairs & Maintenance	540,557	618,492
	Gas bill	319,691	334,359
	Machinery Maintenance	95,617	197,218
	Printing & Stationary	450,759	492,395
	Telephone	83,718	60,831
	Depreciation	2,176,859	1,923,722
		9,932,898	9,623,560

The number of employees received annual salary and wages above Tk. 36,000 during the year are 57.

Notes to the Financial statements

Navana Paints Limited

	31.08.2011	31.08.2010
	BD Taka	BD Taka
15 Administrative expenses. Tk 3,957,470		
Salary and allowances	1,763,300	1,583,417
Bonus	270,079	144,505
Welfare Expenses	111,583	23,222
Entertainment	226,465	159,673
Travelling & conveyance	85,450	65,437
Printing & stationary	85,853	87,042
Fees & Registration	36,844	31,494
Financial Charge & Intt.	9,375	25,446
Car Maintenance	139,934	149,549
Telephone & truckle	76,300	71,816
Office Maintenance	297,590	228,523
Audit Fee	25,000	25,000
Preliminary Exps W/O	301,105	-
Other Exp.	165,247	142,364
Postage & Courier	535	705
Depreciation	362,810	320,620
	3,957,470	3,058,813

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 59 .

16 Selling and distribution expenses. Tk 16,867,163		
Salary & Allowances	7,342,485	7,175,363
Bonus	981,160	614,405
Travelling & Conveyance	512,406	189,000
Entertainment	82,299	86,643
Printing & Stationery	314,782	256,155
Telephone	375,735	379,350
Publicity Exp.	63,150	65,813
Promotional Exp.	285,970	1,188,394
Repairs & Maintenance	72,222	27,628
Car Maintenance	842,861	929,004
Electrical Expenses	142,258	121,294
Launch Expenses	420,590	397,626
Postage & Telegram	18,349	25,521
Delivery Expenses	1,502,001	1,397,909
Bank Charges	56,697	84,189
Other Expenses	396,488	55,419
Office Maintenance	185,370	220,765
Rent, Rates & Taxes	525,000	610,000
Security Expenses	182,667	172,935
Transportation Charges	697,697	866,808
WASA	177,098	135,419
Carriage & Handling	601,448	601,448
Depreciation	1,088,430	961,861
	16,867,163	16,562,949

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 66 .

Notes to the Financial statements

Navana Paints Limited

	31.08.2011 BD Taka	31.08.2010 BD Taka
17 Income Tax Expenses Tk 4,483,962		
Profit before Tax	16,962,850	6,207,118
Add: Accounting Depreciation	3,628,099	3,206,203
	20,590,949	9,413,321
Less: Tax Depreciation	8,633,716	8,186,362
Adjusted Profit for tax calculation	11,957,233	1,226,959
Tax @ 37.50% (Transferred to Comprehensive Income)	4,483,962	460,109
18 Earning per share (EPS) Tk. 1.38		
Net profit after tax	12,478,888	5,747,009
Number of ordinary share	9,054,798	9,054,798
Earning per share (EPS)	1.38	0.63

Sd/-
Chairman

Sd/-
Director

Sd/-
Chief Financial Officer



View : Navana Paints Plant



aftab automobiles limited

Islam Chamber

125/A, Motijheel Commercial Area

Dhaka, Bangladesh