

Annual Report
2016-2017

SUPER CNG

বাংলাদেশ অটোকারস্ লিমিটেড

BANGLADESH AUTOCARS LIMITED

BANGLADESH AUTOCARS LIMITED

NOTICE FOR THE 38TH ANNUAL GENERAL MEETING

Notice is hereby given to the shareholders of Bangladesh Autocars Ltd. that the 38th ANNUAL GENERAL MEETING of the Company to be held on 10th December 2017 at 11.00 am at the Company's Registered Office at 110, Tejgaon I/A, Dhaka-1208. All shareholders are requested to attend the meeting in time. The following business shall be transacted in the meeting.

AGENDA

1. To read and confirm the minutes of the 37th Annual General Meeting of the Company which was held on December 15, 2016.
2. To accept and adopt the Audited Balance Sheet and Accounts of the Company for the year ended 30th June, 2017 along with the detail Directors report and Auditors report thereon.
3. To approve the @ 3% Stock dividend for each share of Tk 10/- as recommended by the Board of Director for the year ended 30th June 2017.
4. To elect Directors in terms of Articles of Association of the Company and appoint the Independent Directors for next one year.
5. To appoint the Auditors of the Company for year 2017-2018 and fix their remuneration.
6. Miscellaneous (if any required)

Dated: November 20, 2017.

On behalf and by order of the
Board of Directors of the company
Sd/-

Anupam Kumer Mondol
Company Secretary.

NOTES:

1. The Record date of the Company was on November 16, 2017 and the name of shareholders in the Register of the Company or CDBL on the Record date will be eligible to attend the meeting
2. A member eligible to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf.
3. That person/ body to be entitled as shareholders of the Company who shall be recorded his/her name in the Company before the date Book closing.
4. If any Shareholder wants to appoint his/her Proxy then the 'PROXY FORM' must be submitted to the Registered Office of the Company at 110, Tejgaon I/A, Dhaka at least 48(Forty Eight) hours before the meeting with revenue Stamp of Tk.10/- (Ten) to be affixed on the proxy form.

CORPORATE DIRECTORY

Board of Directors

- | | |
|----------------------------|----------------------|
| 1. Mr. Mohammad Murad | Chairman |
| 2. Mrs. Rina Momtaj | Managing Director |
| 3. Mrs. Rehmat Banu | Director |
| 4. Mr. Rahim Murad | Director |
| 5. Ms. Fahra Murad | Director |
| 6. Mr. Mohammad Musa Meah | Independent Director |
| 7. Mr. Rafiqul Islam Dablu | Independent Director |

Management Team

- | | |
|----------------------------|-------------------------|
| 1. Mr. Mohammad Murad | Chairman |
| 2. Mrs. Rina Momtaj | Managing Director |
| 3. Mrs. Rehmat Banu | Director |
| 4. Mr. Anupam Kumer Mondol | Company Secretary |
| 5. Mr. Md. Mostaque Ahmed | Chief Financial Officer |

Other Information

Auditors

Malek Siddiqui Wali

Chartered Accountants,
9-G, Motijheel C/A, Dhaka-1000

Main Banker

Southeast Bank Ltd.
Bangladesh

Financed by

Bay Leasing & Investment Ltd.
Eunous Trade Center (level -18)
52-53, Dilkusha C/A, Dhaka-1000

Registered Office

110 Tejgaon I/A, Dhaka-1208
Phone : 880 2 8870467 / 8870468
Fax : 880 2 887069 web: www.bdautocars.com
Email: info@bdautocars110.com

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

It is my proud privilege to welcome you all, once again, to the 38th Annual General Meeting of your Company and to present before you my statement on affairs of the Company along with Auditors report & Audited Accounts for the year ended June 30, 2017 and its future plan.

Business Performance:

Unit- 1

This unit was stopped in the earlier financial year and reported in the previous Annual reports, as it was no longer viable. Due to discontinue of Unit -1 and its Assets & Liabilities to decided to transfer and merge with Unit-3 .

Unit -2

CNG Re-fueling Station of your Company has become popular amongst the new and old customers day by day. The importance of the location has enhanced due to the road linked with the existing road. We anticipate that the sales will improve in the near future provided the gas supply is stable. CNG Compressors and equipments are running satisfactorily.

In the current year ending 30th June, 2017 the Revenue has increased by 9.94% to Tk. 90.647 million because of increase in Gas supply to run all the CNG Compressors and increase in sale price from Tk. 35 to Tk. 38 from March, 2017 and Tk. 38 to Tk. 40 from June, 2017 per m3. As a result, the Company's revenue increased this financial year.

Unit- 3

The Demand in the market for CNG vehicles has increase and therefore the revenue has increased by 56.79% to Tk. 10.765 million during the year ending June 30, 2017.

Business Future Plan:

The Company is assessing the possibility of including LPG retail sale from the existing Unit- 2.

Business Risks and concerns:

The Company is concerned about regular gas supply from Titas Gas Transmission & Distributing Co. Ltd as we had disruption in supply to run all the CNG compressures.

In this year your Company's cost of goods sold has increased by 10.72% to Tk. 89.429 million because of the increase in gas purchase price from Tk. 27 - Tk. 30 from March, 2017 and Tk. 30 - Tk. 32 from June, 2017 per m3 & others expenditure has also increased. In this year your Company's financial expenses has also increased by 7.73% to Tk. 3.262 million. Your Company's Management Control of total expenses has resulted in increase of Net profit margin.

Electronic Share: Your Company has proportionately Completed the CDBL for de-matting the paper shares into electronic shares.

Face Value Change of Share: Your Company Share face Value Converted Tk 10 from Tk 100 on December 04, 2011 as per SEC Order No SEC/CMRRCD/2009-193/109 Dated 15.09.2011.

Unclaimed Dividend: Your Company has dispatched the 100% Dividend warrants in time by courier Service. Dividend warrant are in hand of Shareholders and some returned to your Company's office. Your Company's has requested honorable Shareholder to collect the pervious year dividend.

Financial Statements: (As per Compliance Report on Corporate Governance Policy No-1.5) The Financial statement of the Company was prepared complying the requirement of Bangladesh Accounting Standard (BAS) as adopted by the ICAB. The financial statement was audited by M/S. Malek Siddiqui Wali , Chartered Accountants.

Condition	Title	Answer
1.5	Inclusion of statements in Directors Report prepared Under Section 184 of the Company	Complied
1.5(i)	Industry outlook and possible future development	Complied
1.5(ii)	Product wise performance	Complied
1.5(iii)	Risks and concerns	Complied
1.5(iv)	Discussion on Cost of Goods sold GP Margin & Net profit Margin	Complied
1.5(v)	Any Extra ordinary Gain or loss	N/A
1.5(vi)	Related party Transaction	Complied and separately detail described in the annual report 2016-2017. Paragraph No-1.23.
1.5(vii)	Public issues & Rights issues	N/A
1.5(viii)	An Explanation IPO, RPO, Right offer	N/A
1.5(ix)	Significant Variance occurs Quarterly Financial performance & annual financial statement	There is no significant variance occurs between Quarterly Financial performance & annual financial statements. It is also maintain the continuity.
1.5(x)	Remuneration to director	There is no remuneration paid to Directors & Independent Directors.
1.5(xi)	Fairness of state of affairs	The audited financial statements reflect the correct & fair state of affairs of the Company.

Condition	Title	Answer
1.5(xii)	Proper books of Accounts	The Company has maintained proper books of accounts as applicable by Bangladesh law.
1.5(xiii)	Adoption of appropriate Accounting policies estimates	Appropriate Accounting policy has been adopted.
1.5(xiv)	IAS as applicable in Bangladesh has been followed.	IAS as applicable in Bangladesh has been followed and complied.
1.5(xv)	A sound Internal Control system	The Company has executed a sound internal control system.
1.5(xvi)	That the Company is a going concern	Complied and detail described in the following paragraph No-1.4.
1.5(xvii)	Significant deviations in operating results from last year should be highlighted	Complied and detail described in the following paragraph No-1.1.
1.5(xviii)	Key operating and financial data of at least last Five years should be summarized.	The financial data of previous 5 (five) years have been shown separately in the Annual report 2016-2017. Paragraph No-1.8
1.5(xix)	Declaration of Dividend	@ cash nil and @ 3% stock dividend have been declared in this financial year. Details describe in the following paragraph 1.2
1.5(xx)	Number of Board meetings held during the year and attendance of the Directors	Complied and detail described in the following paragraph No-1.3.
1.5(xxi)	The pattern of shareholding	The Pattern of the Shareholding Position have been shown separately in the annual report 2016-2017. Detail described in the paragraph No-1.5.
1.5(xxii)	Director appointment/re-appointment	Complied and separately detail described in the annual report 2016-2017. Paragraph No-1.6.

1.1-Financial Highlight:

The financial result of the Company for the year ended as on 30.06.2017 is shown below with comparative figure of last year. The audited financial statements reflect the correct & fair state of affairs of the Company.

Particulars	As on. 30.06.17 Tk,000	As on. 30.06.16 Tk,000
Sales Revenue	101,412	89,313
Cost of goods Sold	(89,429)	(80,769)

Gross Profit	11,983	8,544
Fixed / Operating Expenses	(7,242)	(7,229)
Net Profit	4,741	1,315
W. P.P fund	(226)	(62)
Profit Before Tax	4,515	1,253
Provision for Tax	(1,129)	(487)
Surplus for the year	3,386	766

Activity:

The number of vehicles re-fueling in your CNG re-fueling Station has increased because the gas pressure has remained constant to run the CNG Compressors. As a result of your Company revenue has increase. The financial position of the Company is shown as under:

	<u>2016-2017</u>	<u>2015-2016</u>
Net Asset against each share Value	Tk 2.85	Tk 1.96
Earnings Per share	Tk 0.95	Tk 0.22
Net operating Cash flow per share	Tk 2.72	Tk 2.68

1.2 Dividend:

The Statement and Accounts with Audited Balance Sheet has been showed that during the financial year 2016-2017 become in profit. The Company to have been declared @ cash nil & 3% stock dividend for Tk. 10/- each share of each for the year 2016-2017.

1.3 Board Meeting:

The Board of Directors meets 4 (four) times during the year and the following Directors were attend those meetings as their following attendance:

Name	Title	Attendance
Mr. Mohammad Murad	Chairman	In the 4 meetings
Mrs. Rina Momtaj	Managing Director	In the 4 meetings
Mrs. Rehmat Banu	Director	In the 4 meetings
Mr. Rahim Murad	Director	In the 1 meetings
Ms. Fahra Murad	Director	In the 1 meetings
Mr.Mohammad Musa Meah	Independent Director	In the 1 meetings
Mr. Rafiqul Islam Dablu	Independent Director	In the 3 meetings

1.4. Accounting Policy:

The audited financial statements reflect the correct & fair state of affairs of the Company. These Accounts has been prepared on going concern basis under generally accepted accounting principals based on the historical Cost.

Corporate Governance:

The status of the Compliance of Securities & Exchange Commission's Notification No-SEC/CMRRCD/2006-158/134/ADMIN/44 dated 07.08.2012 is attached with annual Report for kind information of valued shareholders & other holders.

Election of Directors:

In accordance with the Provisions of the Articles of Association of the Company, Ms. Fahra Murad and Mrs. Rehmat Banu as Director will retire by rotation and being eligible, offers here for re-election.

Independent Director: As per BSEC Notification and for fulfill the Compliance of Corporate Governance Policy, the Company to be re-appointed as independent Directors of Mr. Mohammad Musa Meah & Mr. Rafiqul Islam Dablu both to be appointed as independent Directors for a period of one year which is required to confirmation from the shareholders in the next Annual General Meeting.

Appointment of Auditors:

The tenure of the Auditors, M/S Malek Siddiqui Wali , Chartered Accountants, expires at the 38th Annual General Meeting and M/S Malek Siddiqui Wali , Chartered Accountants, 9-G Motijheel C/A, Dhaka-1000, offer for re-appointment as Auditor of the Company for the year 2017-2018. It is here by requested to shareholders for re-appointment M/S Malek Siddiqui Wali, Chartered Accountants, as Auditors of the Company and fixes their remuneration for the year 2017-2018.

Acknowledgement:

The success was only possible to achieve because of the collective effort of the valuable Shareholder, Employees of the Company, Financial Institution, Government Agencies, Regulatory Bodies, the general people-buyer of our product and everyone of the company interacted with in conducting its business. We are grateful to our shareholders for extending at all times the invaluable support and co-operation to bring the Company to the level it has reached today.

I avail this opportunity to express my sincere thanks to all concerned and look forward for the continued support and co-operation in the future as well.

Dhaka
November 04, 2017

On behalf of the Board
Sd/-
Mr. Mohammad Murad
Chairman



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, 0088-02-9673597
Mobile : 01552-638228, 01711-520770
01922-117370, 01920-719463
E-mail : shirazkhanbasak@yahoo.com

*Certificate on compliance of conditions of corporate governance
guidelines to the Shareholders of
Bangladesh Autocars Ltd.*

We have examined the compliance status of **Bangladesh Autocars Ltd.** for the year ended 30th June, 2017 regarding conditions of corporate governance guidelines issued by the **Bangladesh Securities and Exchange Commission** as stipulated in condition no. 7(i) of the BSEC notification No. SEC/CMRRCE/2006-158/134/Admin/44 dated August 7, 2012.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the company's management. Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the company for ensuring the compliance of conditions of corporate governance guidelines and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, the company has complied with the conditions of corporate governance guidelines stipulated in the above mentioned BSEC notification dated August 7, 2012.

Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants



Dhaka, November 2, 2017

Compliance Report on Corporate Governance Policy

The Securities & Exchange Commission Vide Notification No. SEC/CMRRCD/2006-158/134 Admin/44 dated 07.08.2012 advised to Public Limited Company and as per said notification. Our explanation is given below:

Board Size: As per above mentioned Notification the Company has been reformed its Board size and as a result the existing Board size as follows:

Sl. no	Name of Director	Designation
1	Mr. Mohammad Murad	Chairman
2	Mrs. Rina Momtaj	Managing Director
3	Mrs. Rehmat Banu	Director
4	Mr. Rahim Murad	Director
5	Ms. Fahra Murd	Director
6	Mr. Mr. Rafiqul Islam Dablu	Independent Director
7	Mr. Mohammad Musa Meah	Independent Director

Independent Director: As per BSEC Notification and for fulfill the Compliance of Corporate Governance Policy, the Company to be re-appointed as independent Directors of Mr. Mohammad Musa Meah & Mr. Rafiqul Islam Dablu both to be appointed as independent Directors for a period of one year which is required to confirmation from the shareholders in the next Annual General Meeting.

Chairman & CEO: Mr. Mohammad Murad and Mrs.Rina Momtaj are continued their responsibilities as Chairman and Managing Director and CEO of the Company respectively.

CFO, Head of Internal Audit & Company Secretary: Mr. Mostaque Ahmed & Mr. Anupam Kumer Mondol continued their responsibilities as CFO; Head of Internal Audit & as the Company Secretary respectively.

Audit Committee: As per above mentioned Notification the Company has been formed the Audit Committee and sub Committee through the Board of Directors Meeting on 17.12.2016 as follows:

(A) Audit Committee :

- | | |
|---|---------------------------------|
| (1) Mr. Rafiqul Islam Dablu
(Independent Director) | Chairman of the Audit Committee |
| (2) Mrs. Rehmat Banu
(Director) | Member of the Audit Committee |
| (3) Mr Rahim Murad
(Director) | Member of the Audit Committee |

Constitution of Audit Committee: As per Board of Director's Meeting of the Company on 14.09.17. As per Notification No. SEC/CMRRCD/2006-158/134 Admin/44 dated 07.08.2012 and the Audit Committee has been formed by the Company which described in above.

Chairman of the Audit Committee: Mr. Rafiqul Islam Dablu executes his responsibilities as Chairman of the Audit Committee.

Internal Control and Compliance: The Board has ultimate responsibility for establishing an effective system of internal control. The internal control system holds all business risks, including financial, operational and strategic risks.

The Compliance statuses of other points are giving below

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.0	Board of Directors			
1.1	Boards Size: Board members shall not be less than 5 (Five) and more than 20 (Twenty)	Complied	-	-
1.2	Independent Director			
1.2(i)	Independent Director: At least 1/5 th	Complied	-	-
1.2 (ii)	For the purpose of this clause independent Director means a Director	Complied	-	-
1.2(ii)(a)	Independent Directors do not hold any share or hold less than one percent (1%) shares	Complied	-	-
1.2 (ii)(b)	Independent Directors do not connected with the companys sponsor or director or shareholder who holds 1% or more shares	Complied	-	-
1.2 (ii)(c)	Independent Directors do not have any other relationship whether pecuniary or otherwise, with the company or its subsidiary/associated Company	Complied	-	-
1.2 (ii)(d)	Independent Directors are not the members, Directors or officers of any stock exchange	Complied	-	-
1.2 (ii)(e)	Independent Directors are not the members, Directors or officers of any stock exchange or an intermediary of the capital market	Complied	-	-
1.2 (ii)(f)	Independent Directors are/were not the partners or executives during preceding 3 (three) years of any statutory audit firm	Complied	-	-
1.2 (ii)(g)	They are not the Independent Directors in more than 3 (three) listed companies	Complied	-	-
1.2 (ii)(h)	They are not convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a non bank financial institution (NBFI)	Complied	-	-
1.2 (ii)(i)	They are not been convicted for a criminal of fence involving moral turpitude	Complied	-	-
1.2 (iii)	The independent Directors shall be nominated by the board of directors	Complied	-	-
1.2 (iv)	Post of independent Directors cannot remain vacant for more than 90 days	Complied	-	-
1.2 (v)	The board shall lay down a code of conduct of all board members and annual compliance of the code to be recorded	Complied	-	-

Condition No.	Title	Complied	Not Complied	Remarks
1.2 (vi)	Tenure of office of an independent Directors shall be for a period of 3 (three) years which may be extended for 1 (one) term only.	Complied	-	-
1.3 (i)	Independent Director shall be knowledgeable individual with integrity	Complied	-	-
1.3 (ii)	The independent Director must have at least 12 (twelve) years of corporate management/ professional experience	Complied	-	-
1.3 (iii)	In special cases above qualification may be relaxed by the commission	Complied	-	-
1.4	Positions of Chairman of the Board and Chief Executive Officer shall be filled by different individuals	Complied	-	-
1.5	Directors' Report to Shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry	Complied	-	-
1.5 (ii)	Segment-wise or product-wise performance	Complied	-	-
1.5 (iii)	Risks and concerns	Complied	-	-
1.5 (iv)	A discussion on cost of goods sold, gross profit margin and net profit margin	Complied	-	-
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	N/A	-	-
1.5 (vi)	Basis for related party transaction - a statement of all related party transactions should be disclosed in the annual report	Complied	-	-
1.5 (vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	N/A	-	-
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.	N/A	-	-
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	N/A	-	-
1.5 (x)	Remuneration to directors including independent directors	Complied	-	-
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the results of its operation, cash flows and changes in equity	Complied	-	-
1.5 (xii)	Proper books of account of the issuer company have been maintained	Complied	-	-
1.5 (xiii)	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.	Complied	-	-
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there - from has been adequately disclosed.	Complied	-	-
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	Complied	-	-
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	Complied	-	-

Condition No.	Title	Complied	Not Complied	Remarks
1.5 (xvii)	Significant deviations from the last years operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Complied	-	-
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	Complied	-	-
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Complied	-	-
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed	Complied	-	-
1.5 (xxi)	Pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	Complied	-	-
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	Complied	-	-
1.5 (xxi) c)	Executives;	N/A	-	-
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	-	-
1.5(xxii)	In case of appointment/re-appointment of a director the company shall disclose the following information to the shareholders:			
1.5(xxii) a)	a brief resume of the director;	Complied	-	-
1.5(xxii) b)	nature of his/her expertise in specific functional areas;	Complied	-	-
1.5(xxii) c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	-	-
2.00	Chief Financial Officer, Head of Internal Audit & Company Secretary			
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties	Complied	-	-
2.2	Attendance of CFO and the Company Secretary at Board of Directors meeting	Complied	-	-
3	Audit Committee:			
3 (i)	Audit Committee shall be the sub -committee of the Board of Directors	Complied	-	-
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	Complied	-	-
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	-	-
3.1	Constitution of the Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	Complied	-	-
3.1 (ii)	Constitution of Audit Committee with Board Members including one Independent Director	Complied	-	-
3.1 (iii)	All members of the Audit Committee should be financially literate and at least 1 (one) member shall have accounting or related financial management experience.	Complied	-	-
3.1 (iv)	Filling of Casual Vacancy in Committee	Complied	-	-

Condition No.	Title	Complied	Not Complied	Remarks
3.1 (v)	The Company Secretary shall act as the secretary of the Committee.	Complied	-	-
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	Complied	-	-
3.2	Chairman of the Audit Committee		-	-
3.2 (i)	Chairman of the Audit Committee shall be an Independent Director	Complied	-	-
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	-	-
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process	Complied	-	-
3.3 (ii)	Monitor choice of accounting policies and principles.	Complied	-	-
3.3 (iii)	Monitor Internal Control Risk management process.	Complied	-	-
3.3 (iv)	Oversee hiring and performance of external auditors.	Complied	-	-
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	-	-
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	Complied	-	-
3.3 (vii)	Review the adequacy of internal audit function.	Complied	-	-
3.3(viii)	Review statement of significant related party transactions submitted by the management	Complied	-	-
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	Complied	-	-
3.3 (x)	When money is raised through Initial Public Offering (IPO)/	N/A	-	-
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	Complied	-	-
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:	N/A	-	-
3.4.1 (ii) a)	Report on conflicts of interests;	N/A	-	-
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	N/A	-	-
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations;	N/A	-	-
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.	N/A	-	-
3.4.2	Reporting to the Authorities	N/A	-	-
3.5	Reporting to the Shareholders and General Investors	Complied	-	-
4	External/Statutory Auditors:			
4 (i)	Appraisal or valuation services or fairness opinions.	N/A	-	-
4 (ii)	Financial information systems design and implementation	N/A	-	-
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	N/A	-	-
4 (iv)	Broker-dealer services.	N/A	-	-
4 (v)	Actuarial services.	N/A	-	-
4 (vi)	Internal audit services.	N/A	-	-
4 (vii)	Any other service that the Audit Committee determines.	N/A	-	-

Condition No.	Title	Complied	Not Complied	Remarks
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	N/A	-	-
5	Subsidiary Company			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable	N/A	-	-
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board.	N/A	-	-
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board.	N/A	-	-
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A	-	-
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A	-	-
6	Duties of Chief Executive Officer(CEO) and Chief Financial Officer (CFO):			
6 (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6 (i) a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	-	-
6 (i) b)	these statements together present a true and fair view of the companys affairs and are in compliance with existing accounting standards and applicable laws.	Complied	-	-
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the companys code of conduct.	Complied	-	-
7	Reporting and Compliance of Corporate Governance:			
7 (i)	The company shall obtain a certificate from a Professional Accountant/Secretary (Chartered Accountant/Cost Management accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	Complied	-	-
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	Complied	-	-

1.5. Share holding position of Directors & Chief Executive with Sponsor:

SL. No	Name	Share position
1	Mr. Mohammad Murad	343,335
2	Mrs. Rehmat Banu	319,874
3	Mrs. Rina Momtaj	75,794
4	Mr. Rahim Murad	83,915
5	Ms. Fahra Murad	178,960
6	Mrs. Rozina Murad	194,734
7	Late. Mrs. Shirin Banu	39,094
8	Late. Habib Charania	39,094
9	Late. Murad Ali Habib	159,931

(c) List of Executive:

SL. No	Name	Designation
1	Mr. Md. Mostaque Ahmed	CFO
2	Mr. Anupam Kumer Mondol	Company Secretary
3	Mr. Shariful Islam	Office Executive
4	Mr. Jenarul Islam	Asst. Engineer

(d) List of 10% above Share of the Company as under:

SL. No	Name	Share position
1	Mr. Mohammad Murad	343,335

1.6 Appointment the Independent Director:-

A. (i) Name: Mr. Rafiqul Islam Dablu, Father's Name: Late M.A Rahim , Address: 24, MUNICIPAL TANK ROAD, Khulna. Nationality: Bangladeshi, profession: Business, Education Qualification: H.S.C, Date of Brith 01.03.1963. Experience: 26 yrs.

(ii) Nature his Enterprise: Deepto Enterprise.

B. (i) Name: Mr.Mohammad Musa Meah , Father's Name: Late Alhaj Md. Kanchan Meah, Address: H#1/B, R#113, Gushan Dhaka Nationality: Bangladeshi, profession: Business, Education Qualification: B.Com, Date of Brith 05.03.1953. Experience: 28 yrs.

(ii) Nature his Enterprise: Packaging & Sea Food.

1.7 Transaction with related Parties:

The Company has Paid Tk. 240,000 to the Allied Motors, Proprietor Mohammad Murad against rent for use of the premises at 110 Tejgaon Dhaka. There has been no other transaction with related parties in the normal course of business

1.8 Statement of Key Operating for 5 Years:

Particulars	30.06.2017 TK,000	30.06.2016 TK,000	30.06.2015 TK,000	30.06.2014 TK,000	30.06.2013 TK,000
Paid up Capital	37,500	36,407	36,407	36,407	36,407
Reserve, Surplus & Other	9,944	9,944	9,944	9,944	9,944
Tax Holiday reserve	6,583	6,583	6,583	6,583	6,583
Shareholder Equity	10,700	7,150	22,153	20,877	20,671
Sales	101,412	89,313	77,813	57,113	82,307
Gross profit/Loss	11,983	8,544	10,665	11,907	11,075
Net profit/Loss	4,741	1,315	2,040	761	(1,567)
Provision for WPPF	226	62	132	72	0
Total Surplus	(43,328)	(45,786)	(30,782)	(32,058)	(32,264)
Provision for Tax	1,129	487	630	482	0
Number of shares	375	364	364	364	364
Earnings per Share-EPS	0.95	0.22	0.351	0.057	(0.43)

Certification of Chief Executive Officer and Chief Financial Officer to the Board.

In terms of the Notification of Bangladesh Securities and Exchange Commission (BSEC) bearing No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August 2012, we, the undersigned Chief Executive officer and Chief Financial Officer (CFO) do hereby certify that we have reviewed the financial statements for the year ended 30 June 2017 of Bangladesh Autocars Ltd. to the best of our knowledge and belief:

- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
- (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- No transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sd/

Md. Mostaque Ahmed
Chief Financial Officer

Sd/

Mrs Rina Momtaj
Chief Executive Officer



মালেক সিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

Partners: Md. Waliullah, FCA

Mr. SwadeshRanjanSaha, FCA

Md. Habibur Rahman Sarker, FCA

Mr. AnjanMallik, FCA

PHONE: OFF: +88029513471

PABX: 9576128; 9576118-9

FAX: 880-2-9516236

Email: wali@satcombd.com

9-G, MOTIHEEL C/A,

Dhaka-1000, Bangladesh

Auditors' Report To The Shareholders Of Bangladesh Autocars Limited

We have audited the accompanying Statement of Financial Position of **Bangladesh Autocars Limited**, as at June 30, 2017 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements:

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standard (BAS)/Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, Bangladesh Securities & Exchange Commission Rules 1987 and other applicable laws and regulation and for such internal control as management determines, which is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

Auditor's Responsibility:

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance where 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation of 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.

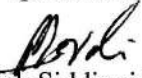
Opinion :

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standard (BAS)/ Bangladesh Financial Reporting Standards (BFRS), gives a true and fair view of the state of the company's affairs as at June 30, 2017 and of the results of its operations and its cash flows for the period then ended and comply with the Companies Act, 1994, relevant schedule of Bangladesh Securities & Exchange Commission Rules 1987 and other applicable laws and regulations.

We also report that:

- 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;
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;
- The Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of accounts;
- The expenditures incurred and payments made were for the purpose of the company operations.

Dated : Dhaka
26 October, 2017


Malek Siddiqui Wali
Chartered Accountants



মালেক সিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Bangladesh Autocars Limited
Statement of Financial Position As at 30 June 2017

Particulars	Note	Unit - 2	Unit - 3	As at 30 June,	Restated*
				2017	As at 30 June,
				Taka	2016
					Taka
ASSETS:					
Non-Current Assets:					
Property, Plant & Equipment	2	29,817,472	18,685,831	48,503,303	53,032,441
		<u>29,817,472</u>	<u>18,685,831</u>	<u>48,503,303</u>	<u>53,032,441</u>
Current Assets:					
Inventories	3	4,412,934	3,704,621	8,117,555	5,336,124
Trade debtors	4	605,467	-	605,467	457,959
Advance, deposits and pre-payments	5	2,407,194	9,929,372	12,336,566	12,992,337
Cash and Cash equivalents	6	2,528,069	206,534	2,734,603	2,175,684
		<u>9,953,664</u>	<u>13,840,527</u>	<u>23,794,191</u>	<u>20,962,104</u>
Total Asset		<u>39,771,136</u>	<u>32,526,358</u>	<u>72,297,494</u>	<u>73,994,545</u>
Equity and Liabilities:					
Equity:					
Share capital	11	4,851,562	32,648,558	37,500,120	36,407,890
General reserve		-	9,944,188	9,944,188	9,944,188
Tax holiday reserve		5,230,968	1,353,011	6,583,979	6,583,979
Retained earning		3,313,815	(46,642,006)	(43,328,192)	(45,785,897)
		<u>13,396,345</u>	<u>(2,696,249)</u>	<u>10,700,095</u>	<u>7,150,160</u>
Non-Current Liabilities:					
Long Term Loan	12	3,245,450	701,000	3,946,450	7,019,198
Deferred Tax	18	3,477,513	4,221,600	7,699,113	7,862,504
Temporary Loan	13	-	10,157,761	10,157,761	10,157,761
		<u>6,722,963</u>	<u>15,080,361</u>	<u>21,803,324</u>	<u>25,039,463</u>
Current Liabilities:					
Liabilities for expenses	7	10,445,495	501,389	10,946,884	7,492,094
Bank Overdraft		-	6,782,970	6,782,970	7,557,868
Others liabilities	8	3,596,989	1,533,555	5,130,545	4,694,398
Finance Lease- Current maturity	9	5,958,917	4,876,397	10,835,314	16,628,422
Provision for income tax	10	3,058,160	3,040,202	6,098,361	5,432,140
		<u>23,059,561</u>	<u>16,734,513</u>	<u>39,794,074</u>	<u>41,804,922</u>
Inter Unit balance		(3,407,733)	3,407,733	-	-
Total Equity and Liabilities		<u>39,771,136</u>	<u>32,526,358</u>	<u>72,297,494</u>	<u>73,994,545</u>
Net Assets Value (NAV) per share				2.85	1.96

*The details of restatement were presented in Note # 19

The accounting policies and other explanatory notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors as on 26 October 2017 and were signed on its behalf by:

Sd/
Director

Sd/
Managing Director

Sd/
Chairman

Signed as per our separate report of even date annexed.

Dated: Dhaka
26 October, 2017

Sd/
Malek Siddiqui Wali
Chartered Accountants



মালেক সিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Bangladesh Autocars Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 30 June 2017

Particulars	Notes	Unit - 2	Unit - 3	For the year	Restated*
				ended 30 June, 2017	For the year ended 30 June, 2016
				Taka	Taka
Sales Revenue	14	90,646,965	10,765,329	101,412,294	89,313,905
Cost of goods sold	15	(81,724,356)	(7,704,875)	(89,429,231)	(80,768,931)
Gross Profit		8,922,609	3,060,454	11,983,063	8,544,974
Administrative expenses	16	2,870,349	1,109,162	3,979,511	4,200,903
Financial expenses	17	2,531,707	730,682	3,262,389	3,028,252
		5,402,056	1,839,844	7,241,900	7,229,155
Net Profit / (Loss) before WPPF and Tax		3,520,553	1,220,611	4,741,163	1,315,819
Provision for WPPF		(167,645)	(58,124)	(225,770)	(62,658)
Net Profit/(Loss) before Tax		3,352,907	1,162,486	4,515,393	1,253,161
Income Tax Expenses:					
Current Tax Provision		(838,227)	(290,622)	(1,128,848)	(486,976)
Deferred Tax		(171,251)	334,642	163,391	53,746
Net Profit/(Loss) after Tax		2,343,429	1,206,507	3,549,935	819,931
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		2,343,429	1,206,507	3,549,935	819,931
Basic EPS				0.95	0.22

*The details of restatement were presented in Note # 19

The accounting policies and other explanatory notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors as on 26 October 2017 and were signed on its behalf by:

Sd/
Director

Sd/
Managing Director

Sd/
Chairman

Signed as per our separate report of even date annexed.

Dated: Dhaka
26 October, 2017

Sd/
Malek Siddiqui Wali
Chartered Accountants



মালেক সিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Bangladesh Autocars Limited
Statement of Changes in Equity For the year ended 30 June 2017

Particulars	Share capital	General reserve	Tax holiday reserve	Retained earning	Total
Balance (01.07.2016)	36,407,890	9,944,188	6,583,979	(45,785,897)	7,150,160
Net profit/(loss) for this year	-	-	-	3,549,935	3,549,935
Bonus Share(2015-2016)	1,092,230			(1,092,230)	-
Balance (30.06.2017)	<u>37,500,120</u>	<u>9,944,188</u>	<u>6,583,979</u>	<u>(43,328,192)</u>	<u>10,700,095</u>

Bangladesh Autocars Limited
Statement of Changes in Equity
For the year ended 30 June 2016

Particulars	Share capital	General reserve	Tax holiday reserve	Restated*	
				Retained earning	Total
Balance (01.07.2015)	36,407,890	9,944,188	6,583,979	(30,782,122)	22,153,935
Prior year adjustment: (Note-19)		-	-	(15,775,668)	(15,775,668)
Restated Opening Balance	36,407,890	9,944,188	6,583,979	(46,557,790)	6,378,267
Prior year adjustment				(48,038)	(48,038)
Net profit/(loss) for this year	-	-	-	819,931	819,931
Balance (30.06.2016)	<u>36,407,890</u>	<u>9,944,188</u>	<u>6,583,979</u>	<u>(45,785,897)</u>	<u>7,150,160</u>

*Note: The details of prior year adjustment is presented in note # 19.

The accounting policies and other explanatory notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors as on 26 October 2017 and were signed on its behalf by:

Sd/
Director

Sd/
Managing Director

Sd/
Chairman

Signed as per our separate report of even date annexed

Dated: Dhaka
26 October, 2017

Sd/
Malek Siddiqui Wali
Chartered Accountants



মালেক সিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Bangladesh Autocars Limited
Statement of Cash Flows For the year ended on 30 June 2017

	For the year ended June 30, 2017	Restated * For the year ended June 30, 2016
	Taka	Taka
Cash Flows From Operating Activities:		
Collection from sale and other income	101,309,786	91,315,547
Payments against purchases, supplies, employees & others	(86,893,999)	(78,476,916)
Finance cost paid	(3,262,389)	(2,277,488)
Tax paid	(953,725)	(809,848)
Net cash generated/(used) in operation	10,199,673	9,751,295
Cash Flows From Investment Activities:		
Acquisition of Property, Plant & Equipment		(137,630)
Net cash generated/(used) in investing activity	-	(137,630)
Cash flows From Financing Activities:		
Bank Overdraft	(774,898)	4,169,732
Loans & advance received/(Repaid)	(8,865,856)	(13,235,314)
Net cash generated/(used) financing activity	(9,640,754)	(9,065,582)
Net Cash Inflow / (Outflow) for the period	558,919	548,083
Cash & Bank balance at opening	2,175,684	1,627,601
Cash & Bank balance at closing	2,734,603	2,175,684
Net operating cash flow per share (NOCFPS)	2.72	2.68

* Note: The details of prior year adjustment is presented in note # 19.

The financial statements were approved by the Board of Directors as on 26 October 2017 and were signed on its behalf by:

Sd/
Director

Sd/
Managing Director

Sd/
Chairman

Signed in terms of our separate report the annexed date even.

Dated: Dhaka
26 October, 2017

Sd/
Malek Siddiqui Wali
Chartered Accountants

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

1.0 Significant accounting policies and other material information:

1.1 Legal form of Enterprise:

The Bangladesh Autocars Ltd. was incorporated on 01 August, 1979 in Bangladesh as a Public Limited Company under the Companies Act, 1913 (subsequently replaced in 1994) and its shares are listed in the Dhaka Stock Exchange Ltd.

1.2 Nature of Business Activities:

The Company was engaged in producing Three Wheelers Auto Tempo (two strokes) under technical collaboration with Piaggio & C s.p.a. (manufacturer of world famous Vespa Brand). The company had to stop production of Three Wheelers Auto Tempo (two strokes) since 1999 due to imposition of ban in producing such vehicles in Bangladesh by the Government. Now, the company has been only carrying out the business of CNG Conversion and CNG Refueling of Vehicles.

1.3 Basis of Accounting:

These accounts have been prepared on going concern basis under generally accepted accounting principles based on Bangladesh Financial Reporting Standard (BFRS) and relative interpretation concern there to.

1.4 Responsibility for preparation and presentation of financial Statement:

The Board of Director is responsible for the preparation and presentation of financial Statements in compliance with the Companies Act 1994, the Securities and Exchange Rules 1987, Listing Regulation of Dhaka Stock Exchange Limited (DSE), International Accounting Standard (IAS), International Financial Reporting Standard (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), being Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS).

1.5 Risk and uncertainties for use of estimates in preparation of financial statement:

The preparation of financial statements in conformity with the Bangladesh Accounting Standard requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities on the date of financial statements and revenues and expenses. Actual results could differ from those estimates which are used for certain items, such as, long term contracts, depreciation, taxes, reserves, contingencies etc.

1.6 Components of the Financial Statements:

According to the Bangladesh Accounting Standard (BAS) 1 "Presentation of Financial Statement" the complete set of Financial Statement includes the following components:

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

- i. Statement of Financial Position as at 30 June 2017.
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year end 30 June 2017.
- iii. Statement of Cash Flows for the year ended 30 June 2017.
- iv. Statement of Changes in Equity for the ended 30 June 2017.
- v. Accounting policies and Explanatory notes.

1.7 Comparative information:

Comparative information has been disclosed in respect of the year 2015- 2016 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current periods financial statements.

Figures of the year 2015- 2016 have been rearranged/restated whenever considered necessary to ensure comparability with the current period.

1.8 Reporting currency and precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

1.9 Foreign Currency:

Foreign currencies are translated into Bangladesh Taka currency at the rates prevailing on the date of transaction and the balances in hand at the close of business at the rate prevailing on the cut-off date.

1.10 Statement of Cash Flows:

The cash flow statement has been presented under direct method following the provisions of respective BAS.

1.11 Recognition of Property, Plant and Equipment and Depreciation:

Property, Plant and Equipment are stated at cost less accumulated depreciation in accordance with respective BAS. Cost represents cost of acquisition of construction and include purchases price and other directly attributable costs for bringing the assets to working conditions for its intended use, but do not include any capitalized borrowing cost. No depreciation was charged on land and land development.

Expenditure for major replacements, renewals and betterment are capitalized. Depreciation has been charged on assets, where applicable, at the rates varying from 6% to 20% applying reducing balance method excepting the additions from the date of its operation which is allocated to Factory Overhead and Administrative Expenses proportionately.

Impairment losses/gains of assets are not provided, as these have been performing as per intended use of such assets assessed by the management. The annual depreciation rates are applied on principal category of assets as below:

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

Item	Rate of Depreciation	Item	Rate of Depreciation
Plant and Machinery	8% and 10%	Transport and Vehicles	10%
Office Equipments	10%	Furniture and Fixtures	6%
Electrical Equipment	20%		

1.7 Lease:

The company's policy is to account for lease payment in accordance the requirement of BAS 17 Lease. The operating lease rental payment charged to the Profit or Loss statement when they arise. No asset is recognized in the financial statements asset acquired under operating lease.

Asset acquired under finance lease agreement is included in non current asset of the financial statement and depreciated over the economic life of asset. Present value of minimum lease payment is recognized as finance lease liability at the inception of the lease. Financial expense is charged to the Profit or Loss statement at the lessor's interest rate charged to this finance lease agreement.

1.13 Inventories:

Inventories are valued at lower of average cost and net realizable value on 30 June 2017.

1.14 Trade Debtors and Advance, Deposits and Prepayments:

These are recognized at original invoice amount, but remain unsecured. The amounts are considered good and collectible/adjustable.

1.15 Loan to/from Inter Units:

These are recognized as inter unit transaction within the company.

1.16 Cash and Cash Equivalents:

Cash in hand, bank current accounts, other bank deposits have been considered as cash and cash equivalents in accordance with the provisions of respective BAS.

1.17 Liabilities for Expenses:

These are recognized for the amounts to be paid in the future for goods and services received whether or not billed.

1.18 Other Liabilities:

These are recognized for the amounts to be paid or refunded in future for keeping security deposit, finance expenses and others.

1.19 Revenue Recognition:

The company recognizes revenue when risk of ownership has been transferred to the buyer, which satisfied all the condition for the revenue recognition as provided in the respective BAS.

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

1.20 Current Tax:

Tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income, because it excludes items of income or expenses that are taxable or deductible in other years and it further excluded items that are never taxable or deductible. Current tax is usually applicable at the rate applicable for public limited company in accordance with the provisions of ITO 1984.

1.21 Deferred Tax Assets/Liabilities:

The entity is suppose to recognize the deferred tax on the differences between the carrying amount of assets and liabilities in the financial statements and the corresponding carrying amount at tax bases.

1.22 Transaction with related parties:

The company has been operating CNG plant unit-2 and unit-3 and paid Tk. 240,000 as rent to Mr. Mohammad Murad against uses his premises at 110 Tejgaon Dhaka. There has been no other transaction with related parties in the normal course of business during the year.

1.23 Earning Per Share:

Basic EPS

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS

Diluted EPS is only be calculated where the company has commitment to issue ordinary share at future date at reporting date. No such commitment is hold by the company at reporting date.

1.0 Property, Plant & Equipment:

The details are given in Annexure - 1. This is arrived at as under:

	30 June 2017	30 June 2016
Cost:		
Opening balance (01.07.2016)	103,927,856	103,790,226
Add: Cost incurred during the year	-	137,630
	103,927,856	103,927,856
Less: Accumulated Depreciation		
Opeing balance (01.07.2016)	50,895,415	45,914,511
Add: Charged during the year	4,529,138	4,980,904
Closing balance (30.06.2017)	55,424,553	50,895,415
Written down value as on 30.06.2017	48,503,303	53,032,441

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

3.0 Inventories:

Particulars	Unit-1	Unit-2	Unit-3	30 June, 2017	30 June, 2016
Spare parts and Raw Materials	0	4,412,934	3,704,621	8,117,555	5,336,124

Inventories are valued at average cost price and net realizable value whichever is less. Physical Inventory of UNIT - 2 and 3 was carried out at the cut-off date of year end by the inventory verification team and found in order.

4.0 Trade Debtors:

Details are shown in Note 4.1. This is arrived at as below:

Particulars		30 June, 2017	30 June, 2016
	Opening balance	457,959	2,235,601
Add:	Addition during the year	6,702,419	5,320,939
		7,160,378	7,556,540
Less:	Received/Adjusted during the year	6,554,911	7,098,581
	Closing balance	605,467	457,959

It is relevant to note that the balances remain unsecured, but considered good.

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

4.1 Trade debtors Name	Unit-2	Unit-3	For the year ended 30 June, 2017	For the year ended 30 June, 2016
			Taka	Taka
DPDCL	31,497	-	31,497	31,497
P.W.D	97,585	-	97,585	78,013
RTV	13,859	-	13,859	13,859
Best Clean	31,270	-	31,270	31,270
Continental Insurance Co. Ltd.	9,079	-	9,079	8,497
European Union	56,751	-	56,751	28,207
Karnafuli Gas Dis. Company Limited	35,153	-	35,153	35,920
GDS Chemical	68,988	-	68,988	82,268
Kuliarchar group	-	-	-	24,568
Mr. Lutfor Rahman (Bay Leasing)	78,535	-	78,535	31,341
Berger Paints	164,221	-	164,221	92,519
Uniqlo	18,529	-	18,529	-
Total	605,467	-	605,467	457,959

4.2 Maturity Analysis

Within 30 Days	343,642	179,460
More than 30 Days	97,585	92,519
Within 60 to 90 days	78,535	78,013
More than 90 Days	85,705	107,967
	605,467	457,959

The directors of the company assessed that the above balance good and collectable in due time.
There is no security is maintained other than personal security.

5. Advance, deposits and pre-payments :

Advances :

Advance against VAT	-	2,886,988	2,886,988	2,886,988
Advance against income tax	1,122,257	6,693,059	7,815,316	7,324,218
Advance against Letter of Credit	-	-	-	883,010
Advance against capital expenditure	183,631	-	183,631	183,631
Advance against security bill	79,457	-	79,457	-
Advance against salary	-	-	-	41,700
Advance against raw materials purchase	-	102,325	102,325	403,941

Deposit :

Security deposit - CDBL	50,000	50,000	100,000	100,000
Security deposit – T&T	-	11,000	11,000	11,000
Security deposit- Titas Gas	354,173	-	354,173	354,173
Deposit with PDB	-	1,000	1,000	1,000
Deposit for demand note - ISD line	-	85,000	85,000	85,000
Bank guarnatee margin - Titas Gas	517,676	-	517,676	517,676
Security Money for office rent	100,000	100,000	200,000	200,000
	2,407,194	9,929,372	12,336,566	12,992,337

Maturity Analysis

Adjustable/realisable within 12 Months	1,068,849	1,068,849
Adjustable/realisable after 12 Months	11,267,717	11,923,488
	12,336,566	12,992,337

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

			For the year ended 30 June, 2017	For the year ended 30 June, 2016
	Unit-2	Unit-3	Taka	Taka
i. Deposits are lying with the statutory authorities being security.				
ii. No amount was due by the Directors and other officers of the company or by any associated undertaking.				
iii. Advance against VAT and Income Tax represents amount paid at the time of import of 3-wheeler vehicles for UNIT - 1 . Refund was claimed from the respective authorities vide letter dated 28.11.2007 and 22.07.2008 which is yet to be settled.				
06. Cash and bank balances :				
Cash in hand	91,264	64,923	156,187	187,912
Cash at bank :				
✓ Pubali Bank Limited-1531	2,381,974	-	2,381,974	1,783,787
✓ Agrani Bank - A/c CD – 33001870	46,015	-	46,015	47,390
✗ Mutual Trust Bank Limited - A/c No. -9190		17,726	17,726	17,726
✗ Prime Bank Limited - A/c-14378	-	17,935	17,935	17,935
✗ United Commercial Bank Limited A/C-637	-	62,546	62,546	63,846
✗ Al-Falah Islami Bank Ltd A/c- 200891-201	-	42,512	42,512	42,512
✓ Southeast Bank Ltd. CD A/C - 30355	-	892	892	2,042
✓ Southeast Bank Ltd., Gulshan br.13532	702	-	702	3,270
✗ Shahjalal Islami Bank Ltd. CD A/C - 1911	8,114	-	8,114	9,264
	<u>2,528,069</u>	<u>206,534</u>	<u>2,734,603</u>	<u>2,175,684</u>

- i. Physical cash in hand was certified by the management and bank balances were reconciled and found in order.
- ii. Some bank balances of UNIT - 1 have been carried forward since long which is write off and some a/c transfer to unit-3. Annx-2 as per Management Meeting Decision.

07. Liabilities for expenses :

Salaries and allowances	78,953	26,318	105,270	118,640
Telephone and mobile bill	2,139	713	2,852	3,071
CNG gas bill	8,941,327	-	8,941,327	5,629,425
Electricity bill	218,186	72,729	290,915	137,006
Generator gas bill	1,021,547	340,516	1,362,063	1,245,952
Audit fees	86,250	28,750	115,000	115,000
DSE listing fees	37,500	12,500	50,000	50,000
Office rent	-	-	-	193,000
Security Bill	59,593	19,864	79,457	-
	<u>10,445,495</u>	<u>501,389</u>	<u>10,946,884</u>	<u>7,492,094</u>

- i. Liabilities for expenses represents the amount payable in respect of various outstanding expenses as on 30 June 2017
- ii. No current liabilities are due for more than 12 months.
- iii. In the opinion of the Directors, no liabilities in the Statement of Financial Position at a value equal to the amount which are payable on the Statement of Financial Position.

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

	Unit-2	Unit-3	For the year	For the year
			ended 30 June, 2017	ended 30 June, 2016
			Taka	Taka
08. Other Payable :				
Unclaimed dividend	1,644,375	472,251	2,116,626	1,951,249
Jumana bridge levy	-	192,909	192,909	192,909
Development levy	-	240,169	240,169	240,169
Income tax deduction	-	194,253	194,253	194,253
TDS - payable	-	9,930	9,930	9,930
WPPF	1,292,887	424,043	1,716,931	1,491,161
Security for trade Debtors	659,727	-	659,727	614,727
	<u>3,596,989</u>	<u>1,533,555</u>	<u>5,130,545</u>	<u>4,694,398</u>

- i. Jumana bridge levy and development levy represents the amount deducted from dividend from 1987 - 88 to 1990 - 91 and one portion deposited into Government Treasury and other portion not deposited on due time.
- ii. Income tax deduction represents the amount deducted @ 10% from dividend of 1990 - 91 and the amount was yet to deposit to Government Treasury on due time.
- iii. Security for trade debtors represents amount taken from customer being security against credit sale of CNG gas.

09. Finance Lease Liability- current portion

Current Maturity of lease finance (1750)	4,876,397	4,876,397	9,752,794	12,934,900
Current Maturity of lease finance (2297)	1,082,520	-	1,082,520	-
Lease installment payable (1750)			-	3,693,522
	<u>5,958,917</u>	<u>4,876,397</u>	<u>10,835,314</u>	<u>16,628,422</u>

10. Provision for income tax :

Opening balance			5,432,140	5,123,853
Less: Adjustment/paid during the year			(462,627)	(178,689)
Add: Addition during the year			1,128,848	486,976
			<u>6,098,361</u>	<u>5,432,140</u>

11. Share capital :

Authorised: 10,000,000 ordinary shares of taka 10 each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up 37,500,120 shares of Tk. 10 each	<u>37,500,120</u>	<u>36,407,890</u>
	<u>37,500,120</u>	<u>36,407,890</u>
Composition of share holding as on 30.06.2017		
Sponsors and Director	38.25%	41.99%
Investment corporation of Bangladesh	7.46%	7.27%
ICB capital management	0.19%	0.19%
Public shareholders	54.10%	50.55%
	<u>100.00%</u>	<u>100.00%</u>

Face value of share has been converted into Tk 10 from Tk 100 on 04 December 2011 as per SEC order no SEC/CMRRCD/2009-193/109 dated 15.09.2011.

Category-wise shareholding in number and percentage is as follows:

Holdings	Total holding	Percentage
Less than and equal 50 shares	120,667	3.32%
51 shares to 100 shares	53,136	1.45%
101 shares to 500 shares	221,018	6.08%
501 shares to 1000 shares	150,342	4.13%
1001 shares to 10000 shares	609,806	16.74%
10001 shares to 20000 shares	268,932	7.39%
20001 shares to 30000 shares	69,513	1.90%
Over 30000 shares	2,256,598	58.99%
	<u>3,750,012</u>	<u>100.00%</u>

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

			For the year	For the year
	Unit-2	Unit-3	ended 30 June, 2017	ended 30 June, 2016
			Taka	Taka
12. Long term loan : (Non- Current Maturity)				
Customs Debenture:	-	701,000	701,000	701,000
Lease Finance(1750) 12.01	-	-	-	6,318,198
Lease Finance(2297)12.02	3,245,450	-	3,245,450	-
Non-Current maturity	<u>3,245,450</u>	<u>701,000</u>	<u>3,946,450</u>	<u>7,019,198</u>

12.1 Lease Finance(1750)

Opening balance		22,946,620	31,993,816
Prior year Adjustment (19.00)		-	3,437,354
Restated balance		22,946,620	35,431,170
Add. Interest for the year		2,129,394	2,131,740
Add. Uurecognized delinquent charge		-	450,350
Less. Paid during the year		(15,323,220)	(15,066,640)
Closing Balance		<u>9,752,794</u>	<u>22,946,620</u>

Maturity analysis of above loan:

Installment due for the year			3,693,522
Current (Fall due within one year)		9,752,794	12,934,900
Non-Current (Fall due after one year)		-	6,318,198
		<u>9,752,794</u>	<u>22,946,620</u>

12.2 Lease Finance(2297)

Opening balance		-	-
Addition during the year		4,900,000	-
Balance		4,900,000	-
Add: Interest for the year		339,664	-
Less: Paid during the year		(911,694)	-
Balance		<u>4,327,970</u>	<u>-</u>

Maturity analysis of above loan:

Installment due for the year		-	-
Current (Fall due within one year)		1,082,520	-
Non-Current (Fall due after one year)		3,245,450	-
		<u>4,327,970</u>	<u>-</u>

i. Custom debenture was issued for custom duty of imported machinery of UNIT - 1.

ii. Lease Finance was taken for CNG machinery and generator spare parts.

13. Temporary loan :

Outstanding balance		10,157,761	10,157,761	10,157,761
Balance	-	10,157,761	10,157,761	10,157,761
Current maturity	-	-	-	-
Non-Current maturity	-	10,157,761	10,157,761	10,157,761

Long term loan description:	Temporary Loan	Finance Lease 1750	Finance Lease 2297
Name of the loan holder	Mr. Giuliano Vallini	Bay Leasing and Investment Ltd.	
Payment Term	N/A	Monthly Installment	Monthly Installment
Rate of Interest	N/A	12.50%	12.50%
Installment size	N/A	1,276,935	130,242
Mortgage	N/A	Directors' personal property	Directors' personal property
Total and outstanding installment	N/A	Total 60 and Outstanding 8	Total 48 and Outstanding 41

This represents the interest free temporary loan taken against repayment of BSRS loan.

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

	Unit-2	Unit-3	For the year ended 30 June, 2017 Taka	For the year ended 30 June, 2016 Taka
14. Sales Revenue				
Sale of goods and services	<u>90,646,965</u>	<u>10,765,329</u>	<u>101,412,294</u>	<u>89,313,905</u>
Sales represent the sale of CNG refueling station and CNG materials and services.				
15. Cost of goods sold :				
Opening stock	350,153	4,985,971	5,336,124	6,479,000
Purchase - import and local	<u>5,511,090</u>	<u>1,698,650</u>	<u>7,209,740</u>	<u>1,024,522</u>
	5,861,243	6,684,621	12,545,864	7,503,522
Factory overhead (Note 15.1)	<u>80,276,047</u>	<u>4,724,875</u>	<u>85,000,922</u>	<u>78,601,533</u>
	86,137,290	11,409,496	97,546,786	86,105,055
Closing stock	<u>(4,412,934)</u>	<u>(3,704,621)</u>	<u>(8,117,555)</u>	<u>(5,336,124)</u>
Total	<u>81,724,356</u>	<u>7,704,875</u>	<u>89,429,231</u>	<u>80,768,931</u>
15.1 Factory overhead				
Wages and salaries	1,548,501	516,168	2,064,668	2,146,385
Bonus to workers	129,876	43,292	173,168	168,048
Electric bill	202,500	67,500	270,000	1,068,046
Diesel Mobile, Oil fuel, and lubricants	7,087	2,363	9,450	286,600
Repairs and maintenance	932,692	5,180	937,872	422,251
Gas bill (CNG)	70,841,430	-	70,841,430	63,653,167
Gas bill (generator)	4,168,931	2,768,932	6,937,863	6,086,832
Depreciation	2,445,031	1,321,440	3,766,471	4,769,704
Labour charge	-	-	-	500
	<u>80,276,047</u>	<u>4,724,875</u>	<u>85,000,922</u>	<u>78,601,533</u>
16. Administrative and selling expenses				
Salary and allowances	516,195	172,066	688,260	715,462
Bonus	43,291	14,431	57,722	56,016
Traveling and conveyance	11,147	3,716	14,863	24,900
Entertainment	3,716	1,239	4,954	5,994
Internet line Exp	54,000	18,000	72,000	72,000
Telephone, mobile and fax charges	15,892	5,297	21,189	24,961
Stamp, postage and telegram	6,460	2,153	8,613	9,166
Legal fees and expenses	13,125	4,375	17,500	19,000
Office expenses	13,405	4,468	17,873	14,241
Insurance	247,313	82,438	329,751	330,426
Tiffin bill for workers	30,537	10,179	40,716	146,990
Advertisement	59,194	19,732	78,926	37,400
Printing	10,840	3,613	14,453	25,806
Stationery	6,304	2,102	8,406	31,708
CDBL annual fees	24,203	8,068	32,271	25,482
CDBL line Charge	63,375	21,125	84,500	71,500
License renewal fees	31,143	10,381	41,524	267,538
Annual general meeting expenses	15,150	5,050	20,200	22,500
Medical expenses	2,060	687	2,746	1,712
Security bill	726,575	242,192	968,766	662,400
Cleaning charge	2,250	750	3,000	3,640
Listing fees - DSE	75,400	25,133	100,533	55,000
Paper bill	3,296	1,099	4,395	5,890
DCC Membership fees	-	-	-	19,700
BAPLC Annual fees	11,250	3,750	15,000	-

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

	Unit-2	Unit-3	For the year ended 30 June, 2017 Taka	For the year ended 30 June, 2016 Taka
Documentation charge	33,937	11,313	45,250	
Miscellaneous expenses	3,326	1,109	4,434	8,926
Electricity expenses	67,500	22,500	90,000	267,012
Fire frighting expenses	6,000	2,000	8,000	7,000
Compliance Audit Fees	22,500	7,500	30,000	6,900
Audit fees (Note 16.1)	86,250	28,750	115,000	115,000
Offiice rent	207,000	69,000	276,000	261,600
Bank guarantee commission	-	-	-	673,833
Depreciation	457,719	304,948	762,667	211,200
	<u>2,870,349</u>	<u>1,109,162</u>	<u>3,979,512</u>	<u>4,200,903</u>
16.1 Auditors remuneration	86,250	28,750	115,000	115,000
	<u>86,250</u>	<u>28,750</u>	<u>115,000</u>	<u>115,000</u>
17. Financial expenses				
Lease rental interest(1750)	1,597,046	532,349	2,129,394	2,582,091
Lease rental interest(2297)	339,664	-	339,664	-
Bank overdraft interest	471,505	157,169	628,674	336,732
LTR interest	97,828	32,610	130,438	
L/C Charge	10,160	3,386	13,546	20,005
Bank charges	15,505	5,168	20,673	89,424
	<u>2,531,707</u>	<u>730,682</u>	<u>3,262,389</u>	<u>3,028,252</u>

18 Deffered Tax

The company previously did not recognize the deferred tax and going to recognize in the current year under BAS-12 . The opening balance of the last year financial statement has been restated. Deferred Tax upto 30 June 2015 has been adjusted through Equity. This statement is as follows:

	DT. At 30 June 2015	DT. At 30 June 2017	DT. At 30 June 2016
Property,Plan & Equipment at Tax base	26,210,714	17,706,849	21,582,425
Property,Plan & Equipment at Tax accounting base	57,875,714	48,503,303	53,032,441
	(31,665,000)	(30,796,454)	(31,450,016)
Tax Rate	25%	25%	25%
Deferred Tax	<u>(7,916,250)</u>	<u>(7,699,113)</u>	<u>(7,862,504)</u>
Movement during the year		163,391	53,746

19. Restated Statement

The prior period financial statements of the Company contained some materials errors. In order to correct those material prior period errors retrospectively, the financial statements are now restated in accordance with Para 42 of BAS 8, Accounting Policies, changes in Accounting estimates and errors. The errors up to June 30, 2015 are corrected by respecting of opening balance of retained earnings and related asset and liability of comparative (2016) financial statements. The restatements of opening balance of comparative statements are as follows:

Delinquent charge Bay leasing Investment Corporation Ltd. (19.01)	3,437,354
Deferred Tax (19.02)	7,916,250
Written off (19.03)	<u>4,422,064</u>
Total	<u>15,775,668</u>

- 19.1 The interest charge on Bay Leasing and Investment Ltd. loan were not correctly recognized by the company resulting the interest charged in previous financial statements were understatement. The under charge of these interest up to June 30, 2015 is now adjusted with opening retained earnings and lease liability of comparative financial statements.

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

- 19.2 The financial statements of the Company were not recognized deferred tax on temporary difference between Accounting based net asset and Tax based net asset. The deferred tax up to June 30, 2015 was recognized by restating the opening balance of retained earnings and deferred tax liability of comparative financial statements. Details are as follows:

Net at accounting based 30.06.2015	57,875,714
Net at tax based 30.06.2015	<u>26,210,714</u>
Temporary difference	31,665,000
Tax Rate	<u>25%</u>
	<u>7,916,250</u>

- 19.3 The Company wrongly recognized preliminary expense, deferred revenue expenditure; un allocated expenditure as intensive as set which is specially prohibited in accordance with Para 69(a) of BAS 38, Intangible Asset. Moreover the financial statements contain some balance which is not permitted by BAS/BFRS to carry forward or recognized in financial statements. So the financial statements are now corrected in this respect. The details of balances are as follows:

Particulars	Last Year	Write off
	Balance	Amount
Assets:		
Preliminary Exps (Unit-1)	694,753	694,753
Deffered Revenue Exps(Unit-1)	4,539,604	4,539,604
Un-allocated expenditure (Unit-2)	302,565	302,565
Un-allocated expenditure (Unit-3)	129,373	129,373
Advance for dies and gigs mfg	46,000	46,000
Advance to Bangladesh oxygen ltd.	9,519	9,519
Security Deposit BGIC	100,000	100,000
Security Deposit BOC	14,000	14,000
Total	5,835,814	5,835,814
Liabilities:		
Earnest Money	1,413,750	1,413,750
Total	1,413,750	1,413,750
Net Assets		4,422,064

- 19.04 Restatement of profit for the year 2016

Accounting profit before restatement	1,477,085
Deferred Tax income for the 2016	53,746
Interest on Bayleasing Loan:	
Interest	300,414
Delinquent charge	450,350
	<u>(750,764)</u>
	780,067
Decreased WPPF as result of decreased profit	<u>39,864</u>
	<u>819,931</u>

Bangladesh Autocars Limited

Notes to the financial statements For the year ended on 30 June 2017

20. Director's remuneration

The directors of the company is considered key management emplyees and they have not paid any benefit in terms of remuneration or fees for his/her services rendered to the company during the year.

21. Contingent Liability disclosure

The company does not hold any claim that meets definition of contingent liability in accordance with BAS 37 Provision, Contingent Liability and Contingent Asset exists at reporting date.

22. Related Party disclosure

The company, in normal course of business, carried out following of transaction with other entities that fall within the definition of related party contained in BAS 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates, other than Loan from Mr. Giuliano Vallini which is interest free, on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at 30 June 2017 were as follows:

Name	Nature of Relationship	Nature of Transaction	Transaction			
			Debit	Credit		
Mr. Mohammed Murad	Chairman	Rent	276,000	276,000	-	-
Mr. Giuliano Vallini	Investor	Loan	-	-	10,157,761	10,157,761
			<u>276,000</u>	<u>276,000</u>	<u>10,157,761</u>	<u>10,157,761</u>

23. Earning Per Share (EPS)

Basic EPS

Earning for the year	3,549,935	819,931
Weighted Average No. of share outstanding at year end	3,750,012	3,750,012
Earning Per Share	0.95	0.22

Restated EPS for 2016	Restated Earnings	819,931	0.22
	No. of share	3,750,012	

Restated NAV per Share	Restated net asset	7,150,160	1.91
	No. of share	3,750,012	

24 Employees minimum pay

Employees earn over or equal Tk. 3,500 but less than 5,000

-

21

Employees earn over or equal Tk. 5,000

21

-

25 Operating Segment

25.1 These financial statements have been prepared on the basis of three reportable segment until 2016. During the year, the Board of Directors have decided to close down the Unit 1 as there has no commercial operation since 2016 and any asset and related liability has been transfer to Unit 3.

25.2 All non current assets of the Company as at June 30, 2017 are located in Bangladesh.

26 Event after reporting period

The Board of Directors of the company has approved the financial statements were approved as on 26.10.2017 and recommended cash nil and 3% stock dividend for the financial year June 30, 2017. Except the fact stated above, no circumstances have arisen that to be disclosed as note or adjusted in the financial statements.

27 Compliance of Securities and Exchange Rule - 1987

- i. All shares have been fully called up and paid up.
- ii. The company did not issue preference shares.
- iii. No expenses was paid as royalty and salaries to technical experts etc. in foreign currencies as per para - 8 (KHA) of part - 11 .
- iv. No brokerage was paid against sales during the year under audit.
- v. No amount was payable being contingent liabilities of the Company as on 30.06.2017.
- vi. 4 (Four) Nos. Board Meeting were held during the year under audit.
- vii. Auditors are paid only statutory audit fee approved by the shareholders in the last AGM.
- viii. The company did not earn any foreign currency during the year.
- ix. There are no non - resident shareholders of the company and hence no amount is required to be remitted being dividend
- x. There is no claim against the company which is being acknowledged as debt.
- xi. No amount was expended by the company for compensating any member of the board for special services rendered.

Running Project

SUPER CNG

FILLING STATION & CONVERSION WORKSHOP