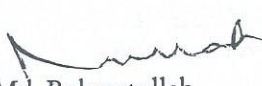


BALANCE SHEET

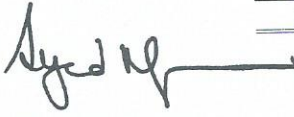
As at December 31, 1996

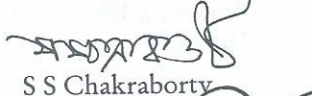
Tk in thousands

	Notes	Year Ended Dec. 31, 96	Year Ended Dec. 31, 95
SOURCES OF FUNDS:			
<i>Share Capital</i>			
I	Authorised		
	1 Million ordinary shares @ Tk 100 each	<u>100,000</u>	<u>100,000</u>
<i>Shareholders Funds:</i>			
II	Issued, subscribed and paid up		
	750,000 ordinary shares @ Tk 100 each	2 75,000	75,000
	Share Premium	3 68,805	87,085
	Tax Holiday Reserve	4 2,819	1,894
	Retained Earnings	<u>11,121</u>	<u>8,549</u>
		157,745	172,528
<i>Loan Funds :</i>			
III	Term Loan (Secured)	5 <u>68,743</u>	<u>66,334</u>
		<u>226,488</u>	<u>238,862</u>
APPLICATIONS OF FUNDS:			
I	Fixed Assets (Net Block) :	6	
	i) Gross Block	277,680	271,750
	ii) Less : Depreciation	<u>75,517</u>	<u>46,849</u>
		202,163	224,901
II	Other Assets	7 00	18,280
III	Current Assets		
	Inventories	8 263,591	226,949
	Trade debtors	9 70,509	77,419
	Advances, deposits & prepayments	10 17,581	28,901
	Cash & Bank balances	11 <u>3,521</u>	<u>1,754</u>
		355,202	335,023
IV	Current Liabilities		
	Trade creditors	12 49,624	39,654
	Sundry creditors	13 19,209	15,204
	Provision for income-tax	5,160	5,072
	Unpaid dividend	00	1,316
	Proposed dividend	00	18,750
	Short term loan	14 00	7,089
	Working capital loan	15 <u>256,884</u>	<u>252,257</u>
		330,877	339,342
V	Net Current Assets (III-IV)	<u>24,325</u>	<u>(4,319)</u>
VI	Net Assets (I+II+V)	<u>226,488</u>	<u>238,862</u>

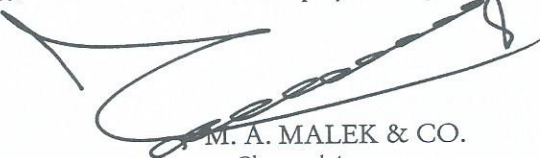

Md. Rahmatullah
Managing Director


AKM Barkatullah
Director


Syed Nasim Manzur
Director


S S Chakraborty
Company Secretary

*This is the Balance Sheet referred to in our report of same date.
The annexed notes form part of these accounts*



M. A. MALEK & CO.
Chartered Accountants
August 20, 1997


PROFIT AND LOSS ACCOUNT

For the year ended December 31, 1996


Tk in thousands

	Notes	Year Ended Dec. 31, 96			Year Ended Dec. 31, 95	
		Unit I	Unit II	Total		
I	Turnover	16	191,074	124,383	315,457	314,116
II	Cost of Sales					
	Cost of Goods Sold	17	157,628	95,128	252,756	246,207
	Freight & Forwarding	18	<u>7,645</u>	<u>6,296</u>	<u>13,941</u>	<u>13,690</u>
			165,273	101,424	266,697	259,897
III	Gross Profit (I - II)		25,801	22,959	48,760	54,219
IV	Duty Draw Back	19	1,844	2,036	3,880	5,981
V	Trading Profit (III + IV)		27,645	24,995	52,640	60,200
VI	Fixed Expenses					
	Marketing & Administration	20	9,787	5,045	14,832	10,220
	Bank Interest & charges	21	16,429	15,791	32,220	14,810
	Directors' Remuneration		474	633	1,107	1,107
	Legal & Audit fees	22	430	287	717	578
	Amortization		<u>0</u>	<u>00</u>	<u>00</u>	<u>6,000</u>
			27,120	21,756	48,876	32,715
VII	Profit before PF&WF (V - VI)		525	3,239	3,764	27,485
VIII	Contribution to PF&WF		25	155	180	1,308
IX	Pre-tax Profit		500	3,084	3,584	26,177
X	Provision for tax	23	87	00	87	3,476
XI	Net profit after tax		413	3,084	3,497	22,701
XII	Appropriations					
	Previous Year's Retained Earnings				8,549	6,492
	Tax Holiday Reserve				(925)	(1,894)
	Dividend				<u>00</u>	<u>(18,750)</u>
					7,624	(14,152)
XIII	Retained earnings (XI+XII)				11,121	8,549


Md. Rahmatullah
Managing Director


AKM Barkatullah
Director


Syed Nasim Manzur
Director


S S Chakraborty
Company Secretary

This is the Profit & Loss Account referred to in our report of same date. The annexed notes form part of these accounts.


M. A. MALEK & CO.

Chartered Accountants
August 20, 1997

CASHFLOW STATEMENT

For the year ended December 31,1996

Figures in Taka

	Year Ended Dec. 31, 96	Year Ended Dec. 31, 95
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	3,584,545	26,176,627
Adjustment to reconcile Net Profit to Net Cash Provided by Operating activities :		
Depreciation	28,668,141	10,959,974
Amortization	00	6,000,000
Working Capital Loan	4,627,730	135,156,888
Inventories	(36,641,628)	(98,144,070)
Trade debtors	6,910,130	(44,319,885)
Advance, deposits & prepayments	11,319,940	(17,935,185)
Trade Creditors	9,970,549	28,694,666
Sundry Creditors	<u>4,004,286</u>	<u>(23,384,263)</u>
	28,859,148	(2,971,875)
CASH FLOW FROM INVESTMENT ACTIVITIES :		
Acquisition of Fixed Assets	(5,929,863)	(62,137,052)
CASH FLOW FROM FINANCING ACTIVITIES :		
Term Loan	2,409,000	66,333,853
Short Term Loan	(7,088,795)	(11,951,205)
Dividend paid	<u>(20,066,364)</u>	<u>(14,484,647)</u>
	(24,746,159)	39,898,001
Increase in Cash & Bank Balances	1,767,671	965,701
Cash & Bank balance at opening	1,753,465	787,764
Cash & Bank balances at closing	3,521,136	1,753,465