

BALANCE SHEET

AS AT 31 DECEMBER 2006

<i>Taka in thousand</i>			
	Notes	Year Ended 31 Dec. 06	Year Ended 31 Dec. 05
Fixed Assets	2	271,885	243,817
Current Assets			
Inventories	3	752,256	671,567
Trade debtors	4	536,502	170,051
Advances, deposits and prepayments	5	126,558	91,485
Investment CDBL		1,000	1,000
Cash & Bank balances	6	84,289	26,392
		1,500,605	960,495
Less: Current Liabilities			
Working capital loan	7	865,731	738,619
Sundry creditors	8	567,933	151,655
Provision for income-tax	17	34,064	24,307
Proposed dividend		18,750	16,500
		1,486,478	931,081
Net Current Assets		14,127	29,414
Net Assets		286,012	273,231
Financed by:			
Shareholders' equity:			
Share Capital	9	75,000	75,000
Share Premium		68,805	68,805
Tax Holiday Reserve		12,206	12,206
Retained Earnings		94,740	63,574
Total Shareholders' Equity		250,751	219,585
Loan Funds:			
Term Loan (Secured)	10	35,261	53,646
		286,012	273,231

Sd/-
(Syed Nasim Manzur)
Managing Director

Sd/-
(Syed Gias Hussain)
Deputy Managing Director

Sd/-
(S.M. Shahjahan)
Company Secretary

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

Sd/-
(M.A Malek Siddiqui Wali & Co.)
Chartered Accountants
March 15, 2007

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2006

Taka in thousand

	<u>Notes</u>	Year Ended 31 Dec. 06	Year Ended 31 Dec. 05
I Sales	11	2,939,715	2,191,504
Less: VAT and Duty		35,229	12,329
		2,904,486	2,179,175
II Cost of Sales			
Cost of Goods Sold	12	2,605,040	1,931,736
Freight & Forwarding	13	35,431	31,307
		2,640,471	1,963,043
III Gross Profit		264,015	216,132
IV Fixed Expenses			
Marketing & Administration	14	93,307	76,646
Bank Interest & Charges	15(a)	104,944	80,955
Directors' Remuneration	15(b)	2,160	1,200
Legal & Audit Fees	16	948	690
Total		201,359	159,491
V Profit before WP & WF		62,656	56,641
VI Provision for Contribution to WP&WF		(2,984)	(2,697)
VII Pre-tax Profit		59,672	53,944
VIII Provision for Tax (Export Sales)	17	(8,145)	(7,687)
IX Provision for Tax (Local Sales)	17	(1,611)	(809)
X Net Profit after Tax		49,916	45,448
XI Appropriations			
Previous Year's Retained Earnings		63,574	34,626
Dividend		(18,750)	(16,500)
Total		44,824	18,126
XII Retained Earnings		94,740	63,574
XIII Earning per Share (Par value Tk. 100/-)		66.56	60.60

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Company Secretary

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

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(M.A Malek Siddiqui Wali & Co.)
Chartered Accountants
March 15, 2007



CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

	<i>Tk in thousand</i>	
	<u>Year Ended 31 Dec. 06</u>	<u>Year Ended 31 Dec. 05</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Collections from turnover/bills receivable and other income	2,573,264	2,148,003
Payments for purchase of leather, accessories, components & Payments of creditors and other expenses	(2,549,489)	(2,084,124)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(58,106)	(28,871)
CASH FLOW FROM FINANCING ACTIVITIES		
Term loan received/(repaid)	(18,385)	(17,143)
Loan received/(repaid)	127,113	(11,611)
Dividend paid	(16,500)	(15,000)
Net cash inflow/(outflow) for the period	57,897	(8,746)
Opening cash and bank balances	26,392	35,138
Closing cash and bank balances	84,289	26,392

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Chartered Accountants
March 15, 2007



STATEMENT OF CHANGES IN EQUITY

As at 31 December 2006

Particulars	Share Capital Taka	Share Premium Taka	Reserve for Re-investment Taka	Retained Earnings Taka	Total Taka
As at January 01, 2006	75,000,000	68,804,919	12,206,339	63,574,221	219,585,479
Net Profit after tax this year	-	-	-	49,916,211	49,916,211
Proposed Dividend	-	-	-	(18,750,000)	(18,750,000)
As at December 31, 2006	75,000,000	68,804,919	12,206,339	94,740,432	250,751,690

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