

ATLAS BANGLADESH LIMITED

FINANCIAL YEAR 2018-2019

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHARE HOLDERS OF ATLAS BANGLADESH LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the financial statements of **Atlas Bangladesh Limited** (the Company), which comprise the statement of financial position as at 30 June 2019, and statement of Profit or Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, of the financial position of **Atlas Bangladesh Limited** as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

We have determined the following key audit matters to communicate in our report.

Sales

The Key Audit matter

The company has made net sales of Tk. 366,342,362 during the year. Sales have increased due to increased demand from the customers especially for different models of TVS and Z'S. Recognition of the revenue of Atlas has been considered complex due to several types of contracts from both individual customers, the government and Non-Government Organization (NGO) as well as high sales volume comparing to last few years' performances.

Please refer to **Note 24 "Sales (Net)"** of the notes to the financial statements for relevant details.



How the scope of our audit responded to the key audit matter:

We have reviewed the company's revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 "Revenue from Contracts with Customers". We have tested relevant internal control used to ensure the completeness, accuracy and timing of revenue recognized including sales during the year end to ensure cut off has been properly maintained. We have applied analytical and substantive procedures to establish, whether any revenue had been recognized where no corresponding accounts receivable or proceeds has been recorded in the general ledger.

Depreciable lives of property, plant and equipment

The key Audit Matter

The company has Tk. 3,801,931,087 as Written Down Value (WDV) at Property, Plant and Equipment which stands at 73% of its total assets with new acquisitions of Tk. 1,630,651 made during the year. The management reviews the estimated depreciable lives and the residual value of property, plant and equipment annually. It usually the company policy to charge depreciation when property, plant and equipment become available for use as described in note 3(a) of the notes to the financial statements. The management has used judgment to ascertain the timing and applicability of depreciation of the property, plant and equipment in few cases.

Depreciable lives of property, plant and equipment have been identified as a key audit matter because it requires the management to exercise significant judgment in relation to the estimate of depreciable lives of the assets considering the nature, timing and likelihood of changes to the technical factors which may affect the useful life expectancy of the assets and therefore could have a material impact on the depreciation expense for the year.

Please refer to **Note 4 "Property Plant and Equipment"** of the notes to the financial statements for relevant details.

How the scope of our audit responded to the key audit matter:

Our procedures in relation to the depreciable lives of the property, plant and equipment included:

- Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives of property, plant and equipment.
- Assessing the management's estimates on the useful lives of property, plant and equipment with reference to: (1) the consistency with the company's expected consumption pattern of economic benefits embodied in the respective assets and future operating plans including acquisitions and retirements of property, plant and equipment; (2) the comparison to the policies adopted by other comparable entities operating in this area; and (3) consideration of the company's historical experience.

Taxation

The key Audit Matter

The Statement of Profit & Loss and Other Comprehensive Income of the company shows amount of Tk. 2,392,508 as tax charged on current year's profit before tax. The company submits its income tax return under section 82BB "Universal Self-Assessment" of Income Tax Ordinance 1984. Assessment orders since Assessment year 2012-2013 is yet to be finalized. Moreover, the company has tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Given the company's exposure to complex tax issues, the high level of management judgment in estimating the amounts provision for tax and involvement with regulatory authorities, taxation was considered to be a key audit matter.

Please refer to **Note 21 "Provision for Taxation"**, **Note 17 "Deferred Tax Liability"** and **Note 29 "Provision for Current Tax"** to the financial statements for relevant disclosures regarding calculation and disclosure of taxation.



How the scope of our audit responded to the key audit matter:

We particularly focused on the impact of changes in tax regulations for provisions of the latest Finance Act. To assess whether the tax provision was appropriately recognized, we conducted interviews with the company's tax personnel in order to assess the taxable income of the company. We re-performed the calculations made by the management regarding tax liabilities to ensure compliance with the provisions of Income Tax Ordinance, 1984 and checked the arithmetical accuracy of the calculations. We reviewed the latest returns and assessment orders and confirmed whether any adjustments were needed in the provisions. We also carefully reviewed for any contingent liabilities to be included in the financial statements in this regard.

We also obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used thereon. We assessed key assumptions, controls, recognition and measurement of deferred tax assets. We also assessed the appropriateness of presentation of disclosures against IAS 12 "Income Tax".

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Company.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Atlas Bangladesh Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Atlas Bangladesh Limited's, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements of comprehensive income dealt with by the report are in agreement with the books of accounts and returns.
- d) the expenditure incurred and payments made were for the purposes of the company's business.

Dated, Dhaka
November 03, 2019

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



ATLAS BANGLADESH LIMITED

Statement of Financial Position

As at 30 June 2019

Particulars	Notes	AMOUNT (IN TAKA)	
		30.06.2019	30.06.2018
ASSETS:			
A. NON-CURRENT ASSETS:			
Property, Plant and Equipment	4.00	3,801,931,087	3,802,775,469
B. CURRENT ASSETS :			
		1,416,576,009	1,421,649,405
Inventories	5.00	155,384,117	138,961,293
Trade and Other Receivables	6.00	156,285,447	145,926,187
Inter Project Current Account	7.00	10,436,587	8,631,497
Advance, Deposits and Prepayments	8.00	35,868,933	21,555,571
Advance Income Tax	9.00	626,144,256	615,455,092
Cash and Cash Equivalents	10.00	432,456,669	491,119,765
TOTAL ASSETS (A+B)		5,218,507,096	5,224,424,874
EQUITY & LIABILITIES:			
C. SHARE HOLDERS EQUITY :			
		4,410,688,395	4,467,669,437
Share Capital	11.00	331,271,080	301,155,530
Capital Reserve	12.00	5,215,219	5,215,219
General Reserve		18,000,000	18,000,000
Share Premium		158,182,500	158,182,500
Retained Earnings	13.00	263,474,926	349,989,684
Revaluation Reserve	14.00	3,634,544,670	3,635,126,504
D. NON-CURRENT LIABILITIES :			
		257,654,244	253,742,723
Long Term Loan	15.00	2,184,296	2,184,296
Obligatory Employee Retirement Benefit (Gratuity)	16.00	102,215,390	98,100,172
Deferred Tax Liability	17.00	153,254,558	153,458,255
E. CURRENT LIABILITIES & PROVISIONS :			
		550,164,457	503,012,714
Trade and Other Payables	18.00	155,202,396	114,274,289
Workers' Profit Participation Fund and Welfare Fund	19.00	11,260,805	11,260,805
Inter Project Current Account	20.00	750,040	729,646
Provision for Taxation	21.00	315,444,672	313,042,412
BSEC Current Account		10,487,394	6,042,799
Unpaid Dividend	22.00	57,019,150	57,662,763
TOTAL EQUITY AND LIABILITIES (C+D+E)		5,218,507,096	5,224,424,874
Net Assets Value (NAV) per share	23.00	133	148

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


DEPUTY CHIEF ACCOUNTS OFFICER &
COMPANY SECRETARY

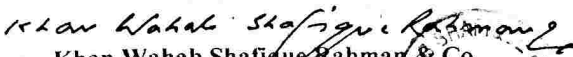

MANAGING DIRECTOR


DIRECTOR


DIRECTOR

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

November 03, 2019
Dhaka


Khan Wahab Shafiqul Rahman & Co.
Chartered Accountants

ATLAS BANGLADESH LIMITED
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2019

Particulars	Notes	AMOUNT (IN TAKA)	
		2018-2019	2017-2018
Sales	24.00	366,342,362	229,292,112
Less: Cost of sales	25.00	(367,905,356)	(220,379,359)
Gross Profit/(Loss) for the year		(1,562,994)	8,912,753
Less : Operating Expenses:	26.00	62,071,433	69,132,341
Managing Director's Remuneration	26.01	1,056,000	1,107,990
Auditor's Fees	26.02	69,000	69,000
Administrative Expenses	26.03	44,468,647	51,803,619
Selling Expenses	26.04	16,477,786	16,151,732
Operating Profit/(Loss)		(63,634,426)	(60,219,588)
Financial Expenses	27.00	(801,202)	(588,518)
		(64,435,628)	(60,808,106)
Add: Non Operating Income	28.00	34,034,328	25,395,235
Net Profit before contribution to workers profit participation and welfare fund		(30,401,300)	(35,412,871)
Less: Contribution to Workers' Profit Participation and Welfare Fund		-	-
Net Profit/(Loss) before Tax		(30,401,300)	(35,412,871)
Less: Income Tax Expenses		2,392,508	1,523,647
Current	29.00	2,402,260	1,528,124
Deferred		(9,752)	(4,477)
Net Profit/(Loss) for the year		(32,793,808)	(36,936,518)
Earnings per Share (EPS)	30.00	(0.99)	(1.11)

(Previous year's EPS has been restated)

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


DEPUTY CHIEF ACCOUNTS OFFICER &
COMPANY SECRETARY


MANAGING DIRECTOR


DIRECTOR


DIRECTOR

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

November 03, 2019
Dhaka

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co. *Pa*
Chartered Accountants




ATLAS BANGLADESH LIMITED
Statement of Changes in Equity
For the year ended 30 June 2019

2018-2019

Particulars	Share Capital Taka	Capital Reserve Taka	General Reserve Taka	Share Premium Taka	Revaluation Reserve Taka	Retained Earnings Taka	Total Taka
Balance at 1 July 2018	301,155,530	5,215,219	18,000,000	158,182,500	3,635,126,504	349,989,684	4,467,669,437
Profit/(Loss) for the year (after Tax)	-	-	-	-	-	(32,793,808)	(32,793,808)
Revaluation reserve Transfer for Dep.	-	-	-	-	(775,779)	775,779	-
Bonus share (2017-2018) (10%)	30,115,550	-	-	-	-	(30,115,550)	-
Adjustment for deferred tax	-	-	-	-	193,945	-	193,945
Prior years' Adjustment (Note-32)	-	-	-	-	-	(24,381,179)	(24,381,179)
Cash dividend (2017-2018)	-	-	-	-	-	-	-
Balance at 30 June 2019	331,271,080	5,215,219	18,000,000	158,182,500	3,634,544,670	263,474,926	4,410,688,395

2017-2018

Particulars	Share Capital Taka	Capital Reserve Taka	General Reserve Taka	Share Premium Taka	Revaluation Reserve Taka	Retained Earnings Taka	Total Taka
Balance at 1 July 2017	273,777,750	5,215,219	18,000,000	158,182,500	3,635,838,286	421,106,185	4,512,119,940
Profit/(Loss) for the year (after Tax)	-	-	-	-	-	(36,936,518)	(36,936,518)
Revaluation reserve Transfer for Dep.	-	-	-	-	(949,043)	949,043	-
Bonus share (2016-2017) (10%)	27,377,780	-	-	-	-	(27,377,780)	-
Adjustment for deferred tax	-	-	-	-	237,260	-	237,260
Prior years' Adjustment (Note-32)	-	-	-	-	-	(2,275,691)	(2,275,691)
Cash dividend (2016-2017) (2%)	-	-	-	-	-	(5,475,555)	(5,475,555)
Balance at 30 June 2018	301,155,530	5,215,219	18,000,000	158,182,500	3,635,126,504	349,989,684	4,467,669,437


DEPUTY CHIEF ACCOUNTS OFFICER &
COMPANY SECRETARY


MANAGING DIRECTOR


DIRECTOR


DIRECTOR

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

November 03, 2019
Dhaka

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



ATLAS BANGLADESH LIMITED

Statement of Cash Flows

For the year ended 30 June 2019

PARTICULARS	Notes	AMOUNT (IN TAKA)	
		2018-2019	2017-2018
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>			
<u>Receipts</u>			
Collection from Sales		452,486,910	192,911,206
Others		32,348,680	32,431,597
Total receipts		484,835,590	225,342,803
<u>Payments</u>			
Purchase of Raw Materials and Others		356,432,956	62,120,271
Manufacturing and Operating Expenses		114,736,196	90,668,245
Value Added Tax		58,564,904	18,430,847
Bank Charges		801,202	588,518
Income tax paid		10,689,164	5,135,180
Total Payment		541,224,422	176,943,061
Net cash Provided/ (used) by operating activities		(56,388,832)	48,399,742
<u>CASH FLOW FROM INVESTMENT ACTIVITIES:</u>			
Acquisition of fixed assets		(1,630,651)	(103,568)
Net cash used by investing activities		(1,630,651)	(103,568)
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>			
Dividend paid		(643,613)	(5,290,501)
Net cash used by financing activities		(643,613)	(5,290,501)
Increase/(Decrease) in cash and cash equivalents		(58,663,096)	43,005,673
Cash and cash equivalents at opening		491,119,765	448,114,092
Cash and cash equivalents at closing		432,456,669	491,119,765
Net Operating Cash Flow per Share (NOCFPS)	31.00	(1.70)	1.46
(Previous year's NOCFPS has been restated)			


DEPUTY CHIEF ACCOUNTS OFFICER &
COMPANY SECRETARY


MANAGING DIRECTOR


DIRECTOR


DIRECTOR

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

November 03, 2019
Dhaka

ATLAS BANGLADESH LIMITED

Notes to the Financial Statements

For the year ended 30 June 2019

1.00 (a) ABOUT THE COMPANY

Atlas Bangladesh Limited was incorporated as a private Limited Company in 1966 and thereafter as per Government's decision it was converted into a public limited company in 1987. The Company assembles motor cycle and imports spare parts. It also manufactures and markets some of these parts locally. In Bangladesh, Atlas Bangladesh Limited was the sole distributor of Honda Motor Company Limited, Japan; Hero Honda Motors Limited, India; HMSI, India and Atlas Honda Limited, Pakistan. After separation of business relation with Hero Honda Motors Ltd., ABL engaged Distribution and Technical Assistance Agreement with Chongqing Zongshen Group I/E Corp, China. ABL is marketing the assembled Motorcycles under this agreement under the trade mark of ZONGSHEN-ATLAS. ABL also engaged a Memorandum of Understanding (MoU) on 24th May 2018, after that sign an agreement for five years on 11th February 2019 with TVS AUTO BANGLADESH LIMITED as a "Corporate Partner". Now ABL is engage in assembling and marketing TVS brand Motorcycles to the Corporate sector beside ZONGSHEN-ATLAS brand.

The shares of the Company are listed in the Dhaka Stock Exchange Limited, Bangladesh. The registered office of the Company is situated at 265-267 Tongi Industrial Area, Tongi, Gazipur.

(b) Components of the Financial Statements:

- (i) Statement of Financial Position as at 30 June, 2019
- (ii) Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June, 2019
- (iii) Statement of Changes in Equity for the year ended 30 June, 2019
- (iv) Statement of Cash Flows for the year ended 30 June, 2019
- (v) Accounting Policies and Explanatory Notes to the Financial Statements.

2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

(a) i Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by IAS-1 and IFRS for fair presentation of financial statements.

(a) ii Going Concern

The company had an agreement with Hero Honda Motors Ltd. to assemble and market "Hero Honda" brand motor cycle. Due to separation of business relation with Hero Honda Motors Ltd. in 2013. After the engagement of Distribution and Technical Assistance Agreement with Chongqing Zongshen Group I/E Corp, China, ABL started the business with a new brand ZONGSHEN-ATLAS and is trying to capture the motorcycle market but sales of the new brand did not increase as our expectation. ABL also engaged a Memorandum of Understanding (MoU) on 24th May 2018, after that sign an agreement for five years on 11th February 2019 with TVS AUTO BANGLADESH LIMITED as a "Corporate Partner". Now ABL is engage in assembling and marketing TVS brand Motorcycles to the Corporate sector beside ZONGSHEN-ATLAS brand. The directors of the company expect better performance in the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. Moreover they believe that the company has adequate resources to continue the operation in the foreseeable future. For these reasons the directors continue to adopt going concern basis in preparing the Financial Statements.

(b) Use of estimation and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

(c) Comparative Information:

Comparative information have been disclosed in respect of the year 2018-2019 for all numerical information in the financial statements and also the narrative and descriptive information where relevant for understanding the current year's financial statements. Figures of 2018-2019 have been re-arranged wherever considered necessary to conform to current year's presentation.

(d) Compliance with Local Laws:

The financial statements have been prepared in compliance with requirements of the Companies Act, 1994, Securities and Exchange Ordinance 1993, Securities and Exchange Rules 1987, Listing regulations of Dhaka Stock Exchange Limited (DSE) and other relevant local laws and regulations.



(e) **Reporting currency and Level of Precision:**

The figures in the financial statements have been presented in Bangladesh taka (BDT/Tk.) currency and have been rounded off to the nearest taka where necessary.

(f) **Reporting period:**

Financial statements have been prepared covering one fiscal year from 1 July 2018 to 30 June 2019.

3.00 SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, changes in Accounting Estimates and Errors
IAS 10	Events after the Balance Sheet Date
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 24	Related Party Disclosures
IAS 33	Earnings Per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 39	Financial Instruments: Recognition and Measurement

The related IFRSs are also complied for the preparation of these financial statements.

(a) Property, plant and equipment

(i) **Recognition and measurement**

Property, plant and equipment have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non operating income and reflected in the Statement of Profit or Loss and other Comprehensive Income.

(ii) **Depreciation:**

Depreciation has been charged on all property, plant and equipment except land and land development on reducing balance method. Depreciation has been charged on addition on the basis of when it is available for use. Rates of depreciation of different category of assets are as under:

<u>Category of assets</u>	<u>Rate</u>
Building and other construction	18%
Machinery	18%
Furniture and fixtures	10%
Vehicles	20%
Office equipment	20%
Generator	10%
Other factory assets	10%
Other assets	20%
Gas line installation	5%

(iii) **Impairment of assets**

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.



(b) Inventories:

The stocks of spares and raw materials have been valued at average prices and the stock of finished goods have been valued at cost or net realizable value whichever is lower.

Work-in-process have been valued at prices which include cost of materials plus all conversion costs.

Physical inventory of stocks at the year end at 30 June 2019 was taken by a team comprising of employees of Atlas Bangladesh Limited and the auditors.

(c) Provisions

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- (i) when the company has an obligation (legal or constructive) as a result of past events;
- (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 the obligation.

(d) Revenue recognition policy

(i) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per IAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

- (ii) Interest income is recognized when it is accrued by respective bank.

(e) Income Tax Expenses

Current Tax:

Provision for Taxation has been made during the year applying the applicable rate as per Income Tax Ordinance

Deferred Tax:

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

(f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

(ii) Cash and cash equivalents:

According to IAS-7 'Statement of Cash Flows ' cash comprises of cash in hand, demand deposits and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that Cash and cash equivalents are not restricted in use. Considering the provision of IAS-7 & IAS-1, Cash in Hand & Bank Balances including FDR have been treated as Cash & cash equivalents. ABL has no foreign currency bank account. So, There was no unrealised Gain/Loss arising from change in foreign currency exchange rate.



(iii) **Available for Sale of Financial Assets:**

During the year the company had no financial asset for sale.

(iv) **Trade Receivable**

Trade receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review

(v) **Financial Liabilities**

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transaction cost. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

(g) **Financial expenses**

Financial Expenses incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowing Cost." Financial expenses comprise bank charges.

(h) **Related Party Disclosures**

There is no transaction with related parties carried out in the normal course of business in accordance with the requirements of IAS 24: Related Party Disclosures.

(i) **Statement of Cash Flows**

Statement of Cash Flows has been prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.

(j) **Net Income before Tax**

Net Income before Tax for the year were not materially affected by:

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years ; and
- (d) Changes in accounting policies.

(k) **Segmental Reporting:**

No segmental reporting is applicable for the company as required by IAS-14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

(l) **Earning per share**

This has been calculated in compliance with the requirements of IAS-33: Earnings Per Share has been calculated by the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

(m) **Diluted Earnings per Share**

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

(n) **Employee Benefit Plan**

(i) **Short Term Employee Benefits**

Short-term employee benefits include salaries, bonuses etc.

(ii) **Post-employment benefits:**

The Company operates a contributory provident fund scheme, an unfunded gratuity scheme and a group insurance scheme for its permanent employees. Provisions have been made as per rules. The provident fund is administered by the Board of Trustees. The gratuity is calculated based on 2 (two) months of last basic pay multiplied by the number of years served. Separate fund created for the gratuity. Separate pension scheme is administered by Bangladesh Steel and Engineering Corporation for Central Cadre Officer (Grad-9 & above) who are entitled for pension and the company contributes monthly 35% of basic salary of central cadre officer for this fund.

(iii) **Workers' profit participation fund and workers welfare fund:**

Allocation to workers' profit participation fund has been made at 5% on net profit before tax in terms of chapter-15 of the labor Law-2006. Of which 80% relates to Workers' Profit Participation Fund and 20% relates to Welfare Funds & workers welfare foundation Fund.



(o) Events after the reporting period (IAS 10):

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material. No such events came to the attention of management of the Company.

(p) Key Management Personnel Compensation:

- i) Atlas Bangladesh limited is off loaded State own national organization and the Company's compensation packages has been provided as per the National Pay Scale approved by the Govt. We disclosed the *Managing Director* compensation which is included in Note No-26.01.
- ii) no amount was spent by the company for compensating any member of the Board of Directors except *Managing Director*.
- iii) other management personnel's compensation included in the administrative salary (Note No-26.03).

(q) Authorization of Financial Statements :

The financial statements were authorized for issue by the Board of Directors on November 03, 2019



ATLAS BANGLADESH LIMITED

Notes to the Financial Statements As at & for the year ended 30 June 2019

		AMOUNT (IN TAKA)	
		30.06.2019	30.06.2018
4.00	<u>PROPERTY, PLANT AND EQUIPMENT: TK. 3,801,931,087</u>		
	At cost (A)		
	Opening balance	3,931,991,141	3,931,887,573
	Addition during the year	1,630,651	103,568
		<u>3,933,621,792</u>	<u>3,931,991,141</u>
	Accumulated depreciation (B)		
	Opening balance	129,215,672	126,591,731
	Charge during the year	2,475,033	2,623,941
		<u>131,690,705</u>	<u>129,215,672</u>
	Balance (A-B)	<u>3,801,931,087</u>	<u>3,802,775,469</u>

Property, Plant and Equipment have also been shown in Annexure-1 (a).

5.00 **INVENTORIES: TK. 155,384,117**

The above figure is comprises as under:

Raw materials	36,527,947	63,684,053
Finished goods	114,560,033	71,372,837
Store & spares	4,296,137	3,904,403
	<u>155,384,117</u>	<u>138,961,293</u>

Atlas-Zongshen motorcycle sales were not increasing gradually as our expectation for this reason inventory holding period has enhanced in comparison to previous year. The details break up of above inventory figure are shown in Annexure- 2.

6.00 **TRADE AND OTHER RECEIVABLES : TK. 156,285,447**

The break up of the above amounts is given below:

Trade Receivables	(Note 6.01)	134,257,369	129,700,216
Other Receivable	(Note 6.02)	15,464,036	14,774,219
Accrued Interest on FDR	(Note 6.03)	7,104,572	1,992,282
		<u>156,825,977</u>	<u>146,466,717</u>
Less: Provision on bad and doubtful debts		540,530	540,530
		<u>156,285,447</u>	<u>145,926,187</u>

6.01 **Trade Receivables : Tk. 134,257,369**

ABL Employees	467,749	571,463
Government Sector	132,307,594	126,231,727
NGO/Individuals	1,482,026	2,897,026
	<u>134,257,369</u>	<u>129,700,216</u>

6.02 **Other Receivables : Tk. 15,464,036**

ABL - Workers, Staff & Officers	6,635	6,635
(1 day's Salaries to be realized subsequently from employees)		
Custom Duty (2008-09)	1,579,025	1,579,025
Washing allowance	293,545	354,810
	<u>1,879,205</u>	<u>1,940,470</u>
Debit Balance of Creditors for goods supply	30,137	14,295
Debit Balance of Subscription CBA	-	1,741
Debit Balance of advance from customers	13,554,694	12,817,713
	<u>15,464,036</u>	<u>14,774,219</u>



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

6.03 Accrued Interest on FDR: Tk. 7,104,572

This is made up as follows:

Sonali Bank Ltd., Tongi Branch	-	254,616
Janata Bank Ltd. Uttara Branch	-	7,127
National Bank Ltd. Tongi Branch	1,160,487	818,968
Sonali Bank Ltd., Shilpa Bhaban Branch		41,125
IDLC, Gazipur	414,407	240,560
DBH Finance, Uttara Branch	1,298,365	235,089
Standered Bank, Uttara Branch	134,507	42,392
Agrani Bank Ltd., Tongi Branch	700,443	-
Basic Bank Ltd. Uttara Branch	480,822	-
Brac Bank Ltd. Uttara Branch	58,671	-
AB Bank Ltd. Tongi Branch	128,232	-
Commercial Bank of Celoy, Tongi Branch	119,789	-
IPDC Finance, Uttara Branch	262,685	-
IPDC Finance, Gazipur Branch	2,225,342	-
Southeast Bank, Tongi Branch	-	127,694
Trust Bank Ltd., Tongi Branch	120,822	224,711
	<u>7,104,572</u>	<u>1,992,282</u>

Aging of Trade and other Receivables:

Within 30 days	66,993,134	59,782,056
Within 31-60 days	47,910,850	46,231,819
Within more than 60 days	41,381,463	39,912,312
	<u>156,285,447</u>	<u>145,926,187</u>

7.00 INTER-PROJECT:
CURRENT ACCOUNT (DEBIT): TK. 10,436,587

This is made up as follows:

Inter Project:

Eastern Cables Limited	6,301	14,277
National Tubes Limited	147,981	132,004
Bangladesh Blade Factory	7,518,581	6,558,542
Eastern Tubes Limited	1,507,013	850,790
Gazi Wares Ltd.	169,629	-
Progoti Industries Ltd.	11,198	-
	<u>9,360,703</u>	<u>7,555,613</u>

Disinvested Project:

B.M.T.F Limited	32,332	32,332
Dockyard and Engineering Works Limited	167,974	167,974
Ispahani Marshal Limited	6,824	6,824
Omar Sons Limited	16,060	16,060
Metalex Corporation Limited	852,694	852,694
	<u>1,075,884</u>	<u>1,075,884</u>
	<u>10,436,587</u>	<u>8,631,497</u>

8.00 ADVANCES, DEPOSITS AND PREPAYMENTS: TK. 35,868,933

The break up of the above amounts is given below:

Advance against 5% H/R recovery	800	800
Advance against salary/wages	2,716,231	3,500,073
Advance against TA/DA	267,589	393,727
Advance against Purchases/expenses	1,802,951	3,144,277
Advance to Suppliers/Contractors	7,912,013	1,424,045



		AMOUNT (IN TAKA)	
		30.06.2019	30.06.2018
Advance against canteen		178,410	316,067
Advance against VAT	(Note 8.01)	14,748,577	9,409,513
		<u>27,626,571</u>	<u>18,188,502</u>
DEPOSITS:			
Sundry deposits	(Note 8.02)	8,291,862	3,416,569
Less: Provision for bad and doubtful debts		49,500	49,500
		<u>8,242,362</u>	<u>3,367,069</u>
		<u>35,868,933</u>	<u>21,555,571</u>
8.01	<u>Advance against VAT : Tk. 14,748,577</u>		
Balance at 1 July 2018		9,409,513	18,854,961
Paid during the year		58,564,904	18,430,847
Adjust during the year		(53,225,840)	(27,876,295)
Balance at 30 June 2019		<u>14,748,577</u>	<u>9,409,513</u>
8.02	<u>Sundry Deposits: Tk. 8,291,862</u>		
This is made up as follows:			
Balance at 1 July 2018		3,416,569	4,211,383
Paid during the year		6,708,354	1,069,319
Realization during the year		(1,833,061)	(1,864,133)
Balance at 30 June 2019		<u>8,291,862</u>	<u>3,416,569</u>
9.00	<u>ADVANCE INCOME TAX : TK. 626,144,256</u>		
This is made up as follows:			
Balance at 1 July 2018		615,455,092	610,319,912
Advance taxes paid and taxes deducted at source during the year		10,689,164	5,135,180
Add: Adjustment for financial year		-	-
Balance at 30 June 2019		<u>626,144,256</u>	<u>615,455,092</u>
Advance income tax and provision for taxation have also been shown in Annexure-3.			
10.00	<u>CASH AND CASH EQUIVALENTS: TK. 432,456,669</u>		
Cash in hand		112,309	34,882
Imprest account (Preliberation)		100	100
Sub Total (A)		<u>112,409</u>	<u>34,982</u>
<u>Current and short term deposits</u>			
<u>Name and Branch</u>	<u>A/c. No.</u>		
Sonali Bank Ltd., Tongi Bazar Branch, Gazipur	SND # 79	11,597,466	5,368,873
Sonali Bank Ltd., Tongi Bazar Branch, Gazipur	SB # 9171	427,701	415,257
Pubali Bank Limited, Tongi Branch, Gazipur	SND # 367	233,110	338,264
Sonali Bank, Shilpa Bhaban Br., Dhaka	SND # 156	465,267	108,596
Prime Bank Ltd., Tongi Br.	SND # 3848	29,144	29,191
AB Bank Ltd. Kawran Bazar Br., Dhaka	SND # 071676-430	945,540	1,377,363
Sonali Bank Ltd., Shilpa Bhaban Br. Dhaka	CC # 2606	3,441	3,441
Sonali Bank Ltd., Shilpa Bhaban Br. Dhaka	CC # 2597	8,957	8,957
The Trust Bank Ltd., Tongi Br, Gazipur	SND # 57	19,210,609	30,648,966
The Trust Bank Ltd., Tongi Br, Gazipur	SND # 66	5,700,497	1,268,444
The Trust Bank Ltd., Tongi Br, Gazipur	SND # 93	202,159	140,768
Southeast Bank Ltd., Tongi Bazar Br. Gazipur	SND # 19	36,864	70,240
National Bank Ltd. Tongi Bazar Br.	SND#144	92,311	155,533
Brac Bank, Uttara Cor. Br.	SB # 3001	3,536,399	154,248

South Bangla Agri. & Comm. Bank,Uttara Br. SND#4306
 Janata Bank,Uttara corp. Br. SND#976
Sub Total (B)

AMOUNT (IN TAKA)	
30.06.2019	30.06.2018
142,351	146,116
898,503	849,562
43,530,319	41,083,819

Fixed Deposits:

ABL Employees Leave pay & Gratuity Fund Trust:

Sonali bank, Tongi Br	-	35,830,827
Trust Bank, Tongi Br.	16,453,026	15,247,272
Agrani Bank,Tongi Br.	25,675,000	-
National Bank, Tongi Br.	39,567,493	36,484,592
Sub Total (C)	81,695,519	87,562,691

ABL Own Fund:

Sonali Bank Ltd. Tongi Bazar Br.	30,726,879	109,585,907
Sonali Bank Ltd, Shilpa Bhaban Corp. Br.	-	60,041,766
Janata Bank Ltd. Uttara Br.	-	11,561,607
Trust Bank, Tongi Br.	9,000,000	37,002,239
Commercial Bank of Celoy,Tongi Br.	8,328,222	-
AB Bank,Tongi Br.	4,140,159	-
Agrani Bank,Tongi Br.	49,784,636	-
Brac Bank,Tongi Br.	16,955,831	-
Basic Bank,Uttara Br.	36,000,000	-
IPDC,Gazipur Br.	50,000,000	-
IPDC,Uttara Br.	24,000,000	-
Southeast Bank Ltd.,Tongi Br.	-	24,533,700
IDLC	29,937,332	46,369,843
DBH	38,297,000	46,389,492
Standerd Bank Ltd.,Uttara Br.	9,948,363	9,210,125
National Bank Ltd. Tongi Bazar Branch	-	17,743,594
Sub Total (D)	307,118,422	362,438,273
Total Fixed Deposits (E)	388,813,941	450,000,964
Grand Total (A+B+C+D)	432,456,669	491,119,765

11.00 SHARE CAPITAL : TK. 331,271,080

Authorized

100,000,000 Ordinary Shares of Taka 10/= each	1,000,000,000	1,000,000,000
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Issued, subscribed and paid up:

Opening Share Capital	301,155,530	273,777,750
Add: Bonus share (2017-2018) (10%)	30,115,550	27,377,780
Closing Share Capital	331,271,080	301,155,530

Group - A

16,894,825 Ordinary Shares of Taka 10/- each	168,948,250	153,589,320
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Group - B

16,232,283 Ordinary Shares of Taka 10/- each	162,322,830	147,566,210
	331,271,080	301,155,530



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

Shareholding position of the Company at 30 June 2019 was as follows:

Share Holders	No. of shares	%	Face value Taka
Group - A			
Bangladesh Steel and Engineering Corporation	16,894,825	51.00	15,358,932
Group - B			
Investment Corporation of Bangladesh	4,330,531	13.07	4,476,032
Bangladesh Fund	1,999,387	6.04	1,817,625
Institutions	1,052,805	3.18	905,630
Officers and Employees of ABL	105,030	0.32	95,474
Shareholder Director	375,742	1.13	341,585
General Public	8,368,788	25.26	7,120,275
Sub-Total	16,232,283	49.00	14,756,621
Grand Total	33,127,108	100.00	30,115,553

Issued, subscribed and paid up capital includes bonus share issued as follows:

Year	Stock Ratio	No. of Share
1991-1992	1 : 5	200,000
1995-1996	1 : 4	300,000
2001-2002	1 : 2	750,000
2002-2003	1 : 3	750,000
2003-2004	1 : 3	1,000,000
2004-2005	1 : 2	2,000,000
2005-2006	1 : 3	2,000,000
2006-2007	1 : 4	2,000,000
2008-2009	1 : 3	3,333,333
2009-2010	1 : 3	4,444,444
2010-2011	1 : 3	5,925,925
2014-2015	1 : 10	2,370,370
2015-2016	1 : 20	1,303,703
2016-2017	1 : 10	2,737,778
2017-2018	1 : 10	3,011,555

11.01 Classification of Shareholders by Holding :

Holdings	Numbers of Holders		Shareholdings %	
	2019	2018	2019	2018
Less than 500 Shares	3,988	5,599	69.36	72.80
500 to 5,000	1,591	1,951	27.67	25.37
5,001 to 10,000	81	68	1.41	0.88
10,001 to 20,000	31	23	0.54	0.30
20,001 to 30,000	7	13	0.12	0.17
30,001 to 40,000	12	7	0.21	0.09
40,001 to 50,000	10	4	0.17	0.05
50,001 to 100,000	9	8	0.16	0.10
100,001 to 1,000,000	17	13	0.30	0.17
Over 1,000,000	4	5	0.07	0.07
Total	5750	7691	100.00	100.00

12.00 CAPITAL RESERVE : TK. 5,215,219

This amount is as per last account and it is being carried forward in the account from many years ago.



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

13.00 RETAINED EARNINGS : TK. 263,474,926

This is made up as follows:

Balance at 1st July 2018	349,989,684	421,106,185
Cash dividend paid for the year 2017-2018	-	(5,475,555)
10% Stock dividend paid for the year 2017-2018	(30,115,550)	(27,377,780)
Balance after 10% Stock dividend	319,874,134	388,252,850
Net profit/(Loss) for the year	(32,793,808)	(36,936,518)
Revaluation reserve Transfer for Deprecation	775,779	949,043
Prior years' Adjustment	(24,381,179)	(2,275,691)
Balance at 30 June 2019	263,474,926	349,989,684

14.00 REVALUATION RESERVE : TK. 3,634,544,670

Balance at 1st July 2018	3,635,126,504	3,635,838,286
Transferred to Retained earning for difference of Deprecation	(775,779)	(949,043)
Adjustment for deferred tax	193,945	237,260
Balance at 30 June 2019	3,634,544,670	3,635,126,504

Property, Plant and Equipments were revalued on 30 June 2011 by A Matin & Co. Chartered Accountants. Revaluation reserve has been transferred to Retained earning for difference of Deprecation being showed in **Annexure-1 (b)**.

15.00 LONG TERM LOAN : TK. 2,184,296

Quasi-equity loan (Note 15.01)	55	55
Interest free Government loan (Note 15.02)	2,184,241	2,184,241
	2,184,296	2,184,296

15.01 Quasi-equity loan ; Tk. 55

This loan was obtained from Government of Bangladesh and is repayable in 20 (twenty) semi-annual installments starting from the 6th year of sale of shares to the public i.e. from 1 January 1994.

15.02 Interest free government loan: Tk. 2,184,241

Employees of the Company who opted for voluntary retirement under manpower equalization scheme were paid the requisite benefits by Bangladesh Steel and Engineering Corporation and the payments are treated as loan from the government. The loan is interest free and there is no time limit for repayment of the loan. The loan will pay after requisition for repayment of loan from Government. There is no current portion of this loan.

16.00 OBLIGATORY EMPLOYEE RETAIREMENT BENEFIT (GRATUITY): TK. 102,215,390

This is made up as follows :-

Leave pay and gratuity (Note 16.01)	102,215,390	98,100,172
	102,215,390	98,100,172

16.01 Leave-pay and gratuity: Tk. 102,215,390

Balance at 1 July 2018	98,100,172	91,221,361
Provided during the year	21,147,349	17,340,314
Paid during the year	(17,032,131)	(10,461,503)
Balance at 30 June 2019	102,215,390	98,100,172

Provision was made during the year is equal to 2 (two) months basic pay multiplied by the number of years served by the junior officers, staff and workers of the Company upto 30 June 2019.

17.00 DEFERRED TAX LIABILITY: TK. 153,254,558

Calculation of Deferred Tax :

A. Temporary difference:

Carrying value other than land	9,203,552	9,272,155
Tax base	7,915,284	7,944,878
Taxable temporary difference	1,288,268	1,327,277

	AMOUNT (IN TAKA)	
	30.06.2019	30.06.2018
Income Tax rate	25%	25%
Deferred Tax Liabilities at the end of the year	322,067	331,819
Closing Deferred Tax Liabilities	322,067	331,819
Opening Deferred Tax Liabilities	(331,819)	(336,296)
D.Tax (income) / expenses:	(9,752)	(4,477)
B. Revaluation:		
Carrying Value		
Land	3,788,005,000	3,788,005,000
Other than land	5,649,163	6,424,942
Tax rate:		
Land	4%	4%
Other than land	25%	25%
Deferred Tax Liabilities at the end of the year:		
Land	151,520,200	151,520,200
Other than land	1,412,291	1,606,236
	152,932,491	153,126,436
Closing Deferred Tax Liabilities	152,932,491	153,126,436
Opening Deferred Tax Liabilities	(153,126,436)	(153,363,696)
D.Tax (income) / expense:	(193,945)	(237,260)
Deferred Tax Liabilities at the end of the year (A+B)	153,254,558	153,458,255
18.00 TRADE AND OTHER PAYABLES: TK. 155,202,396		
This is made up as follows :		
For goods supplied (Note-18.01)	110,569,014	78,645,206
For expenses (Note-18.02)	15,397,072	7,838,897
For other finance (Note-18.03)	23,800,407	22,437,096
Advance against sales (Note-18.04)	5,251,853	5,169,040
Advance against shares	184,050	184,050
	155,202,396	114,274,289
18.01 For Goods Supplied: Tk. 110,569,014		
Local goods	98,512,404	66,475,500
Liability for imported goods	12,056,610	12,169,706
	110,569,014	78,645,206
Local goods include TVS Brand Raw Materials (CKD Motorcycle) purchase from TVS Auto Bangladesh Ltd.		
18.02 For Expenses: Tk. 15,397,072		
Liability for wages	2,330,414	1,857,074
Liability for feasibility study	417,000	417,000
Liability for miscellaneous expenses (Note-18.02.1)	12,649,658	5,564,823
	15,397,072	7,838,897
18.02.1 For miscellaneous expenses: Tk. 12,649,658		
Electricity and gas	73,389	38,114
Auditors' fees	180,250	180,250
Telephone	-	29,675
Motorcycle Accesories	2,217,615	-
Overtime	130,917	121,644
Registration cost of Motorcycle (Sales)	9,677,437	5,049,371
Legal fees	30,000	30,000
Others	340,050	115,769
	12,649,658	5,564,823



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

18.03 For other finance: Tk. 23,800,407

The break up of the above amounts is given below:

Creditors	3,333,905	3,333,905
Security deposits	7,700,000	7,775,000
Earnest money	675,561	794,415
Tax deducted at source from suppliers	60,583	43,060
ABL Officers Association subscription	32,580	20,630
Provident fund	968,846	24,752
VAT deduction from customers	197,538	131,368
Subscription (CBA)	1,386	-
Deduction of house rent	583,087	583,087
Others (Note 18.03.1)	10,246,921	9,730,879
	<u>23,800,407</u>	<u>22,437,096</u>

18.03.1 Others : Tk. 10,246,921

Trade debtors (Credit balances)	5,792,006	4,874,444
Overtime payable (Deduction from final payment)	137,993	908,467
Advances, deposits and prepayments (Credit balances)	90,949	61,961
Credit balance of welfare fund	1,419,454	1,281,486
Sale proceeds of fraction shares	2,806,519	2,604,521
	<u>10,246,921</u>	<u>9,730,879</u>

18.04 Advance received from customers against sales: Tk. 5,251,853

Dealers	3,083,360	3,179,616
Government agencies and NGOs	2,168,493	1,989,424
	<u>5,251,853</u>	<u>5,169,040</u>

19.00 WORKERS' PROFIT PARTICIPATION FUND AND WELFARE FUND: TK. 11,260,805

This is made up follows:

Balance at 1 July 2018	11,260,805	11,260,805
Contribution during the year	-	-
Paid during the year	-	-
Balance at 30 June 2019	<u>11,260,805</u>	<u>11,260,805</u>

20.00 INTER PROJECT CURRENT ACCOUNT (CREDIT) : TK. 750,040

The break up of the above amounts is given below:

Progati Industries Ltd.	-	58,382
Meher Industries Ltd.	6,830	6,830
Dacca Steel Works Ltd.	436,129	626,722
General Electric Mfg.Co.Ltd.	281,348	-
Gazi Wires Limited	-	11,979
	<u>724,307</u>	<u>703,913</u>

Disinvested project:

Rahim Group of Industries	21,588	21,588
Bangladesh Diesel Plant Ltd.	4,145	4,145
	<u>25,733</u>	<u>25,733</u>
	<u>750,040</u>	<u>729,646</u>



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

21.00 PROVISION FOR INCOME TAX: TK. 315,444,672

The break up of the above amounts is given below:

Balance at 1 July 2018	313,042,412	311,514,288
Provision made during the year	2,402,260	1,528,124
Balance at 30 June 2019	315,444,672	313,042,412

Year wise provision for income tax liability showing the position up to accounting year 2018-2019 had been accounted on the basis of accounting profit are shown at **Annexure-3**. Against above provision, total sum of Tk. 626,144,256 has been paid and shown as advance income tax.

22.00 UNPAID DIVIDEND : TK. 57,019,150

The break up of the above amounts is given below:

Balance at 1 July 2018	57,662,763	57,477,709
Cash dividend for the year 2017-2018	-	5,475,555
Paid during the year	(643,613)	(5,290,501)
Balance at 30 June 2019	57,019,150	57,662,763

23.00 NET ASSET VALUE (NAV) PER SHARE : TK. 133

The break up of the above amounts is given below:

Total Assets	5,218,507,096	5,224,424,874
Total Liabilities	(807,818,701)	(756,755,437)
Net Assets Value	4,410,688,395	4,467,669,437
Total Number of Shares	33,127,108	30,115,553
Net Asset Value (NAV) per Share	133	148

24.00 SALES (NET) : TK. 366,342,362

The break up of the above amounts is given below:

Motor cycle	415,958,026	252,038,869
Spare parts	3,610,176	8,129,538
Gross sales	419,568,202	260,168,407
VAT	(53,225,840)	(30,876,295)
Net Sales	366,342,362	229,292,112

25.00 COST OF SALES : TK. 367,905,356

Raw materials consumed (Note 25.01)	354,447,928	168,174,448
Stores and spares	8,158,254	-
Production overhead (Note 25.02)	48,486,370	42,137,493
Opening stock of work-in-process	-	-
	411,092,552	210,311,941
Closing stock of work-in-process	-	-
Cost of production	411,092,552	210,311,941
Opening stock of finished goods	73,595,344	83,662,762
	484,687,896	293,974,703
Closing stock of finished goods	(116,782,540)	(73,595,344)
Cost of sales	367,905,356	220,379,359

Due to higher purchase (local purchase) price of CKD (raw material) of TVS brand from TVS Auto Bangladesh Ltd. in comparison with Zongshen brand (import from China) during the year cost of sales is increase from previous year and gross profit margin is decreased from previous year.



		AMOUNT (IN TAKA)	
		30.06.2019	30.06.2018
25.01	Raw materials consumed: Tk. 354,447,928		
	Opening stock	63,684,053	111,624,165
	Purchased during the year	327,291,822	120,234,336
	Closing stock	(36,527,947)	(63,684,053)
		<u>354,447,928</u>	<u>168,174,448</u>
25.02	Production overhead: Tk. 48,486,370		
	Factory salary and wages	42,908,345	36,730,135
	Power and fuel	813,756	731,366
	Repairs and maintenance (factory)	608,505	305,474
	Factory insurance	294,659	690,803
	Factory overhead (Note 25.02.1)	2,747,340	2,498,941
	Depreciation	1,113,765	1,180,774
		<u>48,486,370</u>	<u>42,137,493</u>
	Wages commission-2015 was published during the year but implemented from 1 July 2015, for this reason current year factory wages increased substantially in comparison to previous year.		
25.02.1	Factory overhead: Tk. 2,747,340		
	This is made up as follows :-		
	Uniform and liveries	527,090	492,772
	Group Insurance	368,346	332,748
	Welfare expenses to workers	537,756	656,204
	Canteen subsidy	1,236,768	996,697
	Others	77,380	20,520
		<u>2,747,340</u>	<u>2,498,941</u>
26.00	OPERATING EXPENSES: TK. 62,071,433		
	Managing Directors' remuneration (Note-26.01)	1,056,000	1,107,990
	Auditors' fees (Note-26.02)	69,000	69,000
	Administrative expenses (Note-26.03)	44,468,647	51,803,619
	Selling expenses (Note-26.04)	16,477,786	16,151,732
		<u>62,071,433</u>	<u>69,132,341</u>
26.01	Managing Directors' remuneration TK. 1,056,000		
	Basic	702,000	762,350
	Other allowances	354,000	345,640
		<u>1,056,000</u>	<u>1,107,990</u>
26.02	Auditors' fees: Tk. 69,000		
	Statutory audit	69,000	69,000
		<u>69,000</u>	<u>69,000</u>
26.03	Administrative expenses: Tk. 44,468,647		
	Salary (Officers)	13,026,081	17,708,682
	Salary (Staff)	15,428,890	17,792,107
	Legal expenses	91,100	-
	Head office overhead	6,000,000	6,000,000
	Games and sports	120,020	120,000
	Directors Fee	1,137,114	1,350,002
	Honorarium	225,885	59,955
	Printing and stationery	674,621	761,098
	A.G.M expenses	482,075	659,575
	Postage, telegram and telephone	70,412	133,541
	Maintenance of vehicle	632,020	665,735
	Fuel - vehicle and CNG	647,563	892,146
	Transport hiring charge	15,000	6,870
	Travelling and conveyance	238,829	232,848
	Group term & Other Admin Insurance	236,717	288,067



	AMOUNT (IN TAKA)	
	30.06.2019	30.06.2018
Rent, rates and taxes	1,248,916	1,262,638
Repairs and maintenance	174,491	232,100
Newspaper and periodicals	36,810	43,622
Training expenses	167,155	54,000
CDBL, Dhaka Stock Exchange & bonus share demet fee	486,779	326,079
Uniform and liveries	250,000	223,696
Canteen subsidy	516,418	448,891
Scholarship	145,200	75,000
Entertainment	571,541	548,082
Subscription & Donation	10,000	5,000
Advertisement	293,515	252,635
Electricity & Gas	41,800	74,000
Depreciation	1,361,268	1,443,167
Miscellaneous expenses (cleaning sanitation, plantation etc.)	138,427	144,083
	<u>44,468,647</u>	<u>51,803,619</u>

(i) During the year the company paid to the directors Tk. 1,137,114 as honorarium for board & committee meeting attendance fee.

26.04 Selling expenses : Tk. 16,477,786

Salary (Officers)	4,531,406	4,438,655
Salary (Staff)	1,628,430	1,515,770
Display & exhibition	30,200	309,043
Advertisement	620,701	2,976,138
Sales promotion	3,767,762	2,883,082
Tender form purchase	44,320	20,150
After sales services	272,030	268,433
Canteen subsidy	68,151	94,152
Travelling and conveyance	943,877	253,981
Postage and telephone	23,667	26,984
Uniform and liveries	80,000	87,296
Group Term Insurance Premium	53,833	52,504
Carriage outward	4,123,691	850,400
R&D Expenses for Motor cycle	289,718	67,980
Bad Debts	-	2,307,164
	<u>16,477,786</u>	<u>16,151,732</u>

Various govt. institute paid carrying cost with motorcycle sales price during the year as per sales contract for delivery motorcycle to their premises. For this reason, current year carriage outward expenses increased substantially in comparison to previous year.

27.00 FINANCIAL EXPENSES: TK. 801,202

Bank charges and others	801,202	588,518
	<u>801,202</u>	<u>588,518</u>

28.00 NON OPERATING INCOME: TK. 34,034,328

The break up of the above amounts is given below:

Sale of tender forms	6,500	-
Servicing	137,239	274,647
Interest on FDR & Operational Accounts	33,404,618	25,005,747
Others	485,971	114,841
	<u>34,034,328</u>	<u>25,395,235</u>

Due to increase the rate of interest on FDR, current year non operating income is increased from the previous year.



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

29.00 INCOME TAX EXPENSES (CURRENT) : Tk. 2,402,260

Provision for income tax has been calculated as under:

Net profit/(Loss) before tax	(30,401,300)	(35,412,871)
Tax @ 0.6% on gross receipts / 25% on net profit	2,402,260	1,528,124

30.00 EARNINGS PER SHARE (EPS) : TK. (0.99)

The break up of the above amounts is given below:

Net Profit/ (Loss) for the Year	(32,793,808)	(36,936,518)
Weighted Average Number of Ordinary Shares	33,127,108	33,127,108
Earning Per Share (EPS)	(0.99)	(1.11)

Weighted Average Number of Ordinary Shares outstanding:

No. of Shares	Days	Factor	W.A. No. of Shares (30.06.19)	W.A. No. of Shares (30.06.18)
30,115,553	365	1.00	30,115,553	27,377,775
3,011,555	365	1.00	3,011,555	2,737,778
Total			33,127,108	30,115,553

31.00 NET OPERATING CASH FLOW PER SHARE (NOCFPS) : TK. (1.70)

The break up of the above amounts is given below:

Net Cash Flows from Operating Activities	(56,388,832)	48,399,742
Total Number of Shares	33,127,108	33,127,108
Net Operating Cash Flow per Share (NOCFPS)	(1.70)	1.46

Payment of trade payable, advance & Gratuity increased in comparison to previous period & half of arrear wages paid to the workers as per wages commission 2015 for this reason negative significant deviation has occurred in NOCFPS.

31.01 RECONCILIATION OF NET (LOSS) WITH CASH FLOWS FROM OPERATING ACTIVITIES: TK. (56,388,832)

Profit/(Loss) before Tax	(30,401,300)	(35,412,871)
Adjustment for:		
Add: Depr. on Property, Plant and Equipment	2,475,033	2,623,941
Add/(Less): (Incr.) / Decr. in Inventories	(16,422,824)	72,802,049
Add / (Less): (Incr.) / Decr. in Trade and Other Receivables	(12,164,350)	(77,116,338)
Add / (Less): (Incr.) / Decr. Adv., Deposits & Prepayment	(25,002,526)	993,253
Add / (Less): Incr. / (Decr.) in Trade and Other Payables/Liab.(Gratu.)/Prov.	51,910,574	88,313,522
Cash Provided/(used) by Operations	(29,605,393)	52,203,556
Less: Previous years expenses & others	(26,783,439)	(3,803,814)
Net Cash Provided/(used) by Operating Activities	(56,388,832)	48,399,742

32.00 PRIOR YEARS' ADJUSTMENT (DEBIT) : TK. 24,381,179

The amount adjusted previous year advance with expenses bill.	1,609,351	2,526,375
The amount adjusted against previous year short provision for rent	-	236,809
The amount adjusted against previous years wages & gratuity for worker as per wages commission-2015	23,385,690	-
The amount adjusted against previous year excess payment	(613,862)	(487,493)
	24,381,179	2,275,691

Prior year's adjustment included payment of 1st half of arrear wages to the workers and provision for gratuity as per wages commission 2015 which was published during the financial year but implemented from 01.07.2015. 2nd half of arrear wages will be paid on the financial year 2019-2020 as per instruction of wages commission gazette.



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

33.00 CONTRIBUTION TO NATIONAL EXCHEQUER: TK. 692.87 (Figure in Lac)

The break up of the above amounts is given below:

Customs duty	13.97	72.22
Supplementary duty	1.71	120.62
Regulatory Duty	1.68	8.67
Value Added Tax (VAT)	596.63	184.57
Income Tax	78.88	51.35
	<u>692.87</u>	<u>437.43</u>

34.00 INFORMATION RELATING TO PURCHASE, PRODUCTION, SALES AND STOCK ON QUANTITY BASIS

Particulars	30.06.2019 (Units)	30.06.2018 (Units)
<u>Opening Stock</u>		
Raw Materials	825	1382
Finished Goods	382	359
Sample	26	48
Total	1233	1789

Particulars	30.06.2019 (Units)	30.06.2018 (Units)
<u>Purchase</u>		
Raw Materials	3101	1276
Sample	3	0
Production	3448	1833
Sales	3066	1810
Sample Sales	11	22
<u>Closing Stock</u>		
Raw Materials	478	825
Finished Goods	764	382
Sample	18	26
Total	1260	1233

35.00 PRODUCTION CAPACITY (SINGLE SHIFT) AND ACTUAL PRODUCTION:

Production capacity and actual production of the company for 2018-2019 are as under:

Name of product	2018-2019			2017-2018		
	Production capacity	Actual production	Excess/ (Shortage)	Production capacity	Actual production	Excess/ (Shortage)
Motorcycle	7,000	3,448	(50.74%)	7,000	1,833	(73.81%)

36.00 PRODUCTION TARGET AND UTILIZATION :

Production target and utilization of the Company for 2018-2019 are as under:

Name of product	2018-2019			2017-2018		
	Production target	Utilization	Excess/ (Shortage)	Production target	Utilization	Excess/ (Shortage)
Motorcycle	4,600	3,448	(25.04%)	3,000	1,833	(38.90%)

36.01 Sales target and achievement (In Qty.)

Sales target and achievement of the Company for the year 2018-2019 are as under:

Name of product	2018-2019			2017-2018		
	Sales target	Achievement	Excess/ (Shortage)	Sales target	Achievement	Excess/ (Shortage)
Motorcycle	4,600	3,066	(33.35%)	3,000	1,810	(39.66%)

AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

37.00 COMMITMENT FOR CAPITAL EXPENDITURE:

At the balance sheet date, there was a commitment for Tk.3.64 crores to improve the infrastructure quality, new assembly line for efficiency CKD assembly or to adapt new technology with TVS Auto Bangladesh Ltd.

38.00 MISCELLANEOUS:

- (a) There is no claim against the accepted liability of the Company as at 30 June 2019.
 (b) No loan facility was received or is receivable under any agreement excepting the loans obtained in the ordinary course of business as at 30 June 2019.

39.00 NUMBER OF OFFICERS, STAFF AND WORKERS:

The officers, staff and workers are listed below:

(a) Officers	36
(b) Staff	45
(c) Workers	88
	169

40.00 NON-RESIDENT SHAREHOLDERS:

There is no non-resident shareholder of this company.

41.00 FINANCIAL RISK MANAGEMENT:

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

- (a) Credit risk
 (b) Liquidity risk
 (c) Market risk

41.01 Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables.

All the sales are made in cash. Trade receivables arise due to the time difference between submission of bill to govt. organization for collection of sales proceeds and the actual date of realisation of the proceeds and income tax (IT) challah which amount was deducted at source by this govt. organization.

a) Exposure of Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Amount in Taka	
	30-Jun-19	30-Jun-18
Trade and Other Receivables	156,285,447	145,926,187
Advances, Deposits & Prepayments	35,868,933	21,555,571
Cash and Cash Equivalents	432,456,669	491,119,765
	624,611,049	658,601,523

b) Impairment Losses:

No impairment loss on the above receivables was recognised as management of the company assumed that no impairment occurred during the period.

41.02 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.



AMOUNT (IN TAKA)	
30.06.2019	30.06.2018

41.03 Market Risk

a) Currency Risk

The company exposed to currency risk on payments made for raw materials purchase as well. All of the company's foreign currency transactions are denominated in USD.

b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

42.00 Events after the reporting period

Following events occurred since the balance sheet date:

- (a) The board of directors recommended 5% Cash dividend at the Board meeting held on November 03, 2019 for the year ended June 30, 2019. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.
- (b) Except for the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



ATLAS BANGLADESH LIMITED

Schedule of Property, Plant and Equipment (Revalued Price)

ANNEXURE- I (a)

As at 30 June 2019

Sl. No.	Particulars	COST				DEPRECIATION				Written down value as at 30.06.2019	Written down value as at 30.06.2018	
		Balance as at 01.07.2018	Addition during the year	Adjustment during the year	Balance as at 30.06.2019	Balance as at 01.07.2018	Rate	Charged for the year	Adjustment during the year			Balance as at 30.06.2019
1	Land & Land Development	3,788,005,000	-	-	3,788,005,000	-	-	-	-	3,788,005,000	3,788,005,000	
2	Tree Plant	1,303,140	-	-	1,303,140	-	-	-	-	1,303,140	1,303,140	
3	Bldg. & Other Construction	62,895,320	995,313	-	63,890,633	59,078,227	18%	866,233	-	59,944,460	3,946,173	
4	Plant & Machineries	41,775,811	-	-	41,775,811	38,343,234	18%	617,864	-	38,961,098	2,814,713	
5	Office Equipment	5,389,722	450,944	-	5,840,666	4,673,524	20%	233,428	-	4,906,952	933,714	
6	Furniture & Fixtures	2,834,230	38,200.00	-	2,872,430	2,055,610	10%	81,682	-	2,137,292	735,138	
7	Transport & Vehicles	21,475,515	-	-	21,475,515	19,803,108	20%	334,481	-	20,137,589	1,337,926	
8	Power Installation	1,277,900	-	-	1,277,900	813,531	10%	46,437	-	859,968	417,932	
9	Generator	4,275,360	-	-	4,275,360	2,236,797	10%	203,856	-	2,440,653	1,834,707	
10	Water Line Installation (Tubewell)	784,000	-	-	784,000	719,898	10%	6,410	-	726,308	57,692	
11	Dies. Jigs & Tools	1,169,500	-	-	1,169,500	775,909	10%	39,359	-	815,268	354,232	
12	Gas Line Installation	91,280	-	-	91,280	78,488	5%	640	-	79,128	12,152	
13	Racks	131,720	-	-	131,720	110,093	20%	4,325	-	114,418	17,302	
14	Books	95,804	-	-	95,804	91,762	20%	809	-	92,570	3,234	
15	Crockeries & Others	486,839	146,194	-	633,033	435,492	20%	39,508	-	475,000	158,033	
		3,931,991,141	1,630,651	-	3,933,621,792	129,215,672		2,475,033	-	131,690,705	3,801,931,087	3,802,775,469

Note: The Company has total land measuring 9.6157 acres located at 265-267 Tongi Industrial Area, Gazipur.

ALLOCATION OF DEPRECIATION

	2018-2019	2017-2018
Administrative	55%	1,361,268
Factory	45%	1,113,765
		2,475,033
		2,623,941



ATLAS BANGLADESH LIMITED

Schedule of Property, Plant and Equipment (Cost Price)

ANNEXURE-1 (b)

As at 30 June 2019

Sl. No.	Particulars	COST			DEPRECIATION				Written down value as at 30.06.2019	Written down value as at 30.06.2018	
		Balance as at 01.07.2018	Addition during the year	Adjustment during the year	Balance as at 30.06.2019	Balance as at 01.07.2018	Rate	Charged for the year			Adjustment during the year
1	Land & Land Development	6,177,004	-	-	6,177,004	-	-	-	-	6,177,004	6,177,004
2	Tree Plant	1,303,140	-	-	1,303,140	-	-	-	-	1,303,140	1,303,140
3	Bldg. & Other Construction	28,492,658	995,313	-	29,487,971	26,063,593	18%	616,388	-	2,807,990	2,429,066
4	Plant & Machineries	9,343,080	-	-	9,343,080	8,823,421	18%	93,539	-	426,120	519,659
5	Office Equipment	6,197,030	450,944	-	6,647,974	5,462,769	20%	237,041	-	948,164	734,261
6	Furniture & Fixtures	3,641,539	38,200	-	3,679,739	2,821,725	10%	85,801	-	772,213	819,815
7	Transport & Vehicles	17,062,086	-	-	17,062,086	15,524,936	20%	307,430	-	1,229,720	1,537,150
8	Power Installation	1,822,439	-	-	1,822,439	1,353,676	10%	46,876	-	421,887	468,763
9	Generator	4,251,840	-	-	4,251,840	2,299,853	10%	195,199	-	1,756,789	1,951,988
10	Water Line Installation (Tubewell)	637,280	-	-	637,280	417,667	10%	21,961	-	197,652	219,614
11	Dies. Jigs & Tools	4,683,215	-	-	4,683,215	4,209,304	10%	47,391	-	426,520	473,911
12	Gas Line Installation	131,489	-	-	131,489	96,841	5%	1,732	-	32,916	34,648
13	Racks	190,526	-	-	190,526	164,503	20%	5,205	-	20,818	26,023
14	Books	47,415	-	-	47,415	43,350	20%	813	-	3,252	4,065
15	Crockeries & Others	877,602	146,194	-	1,023,796	824,409	20%	39,877	-	159,510	53,193
		84,858,343	1,630,651	-	86,488,994	68,106,044		1,699,254	-	69,805,298	16,752,299

Note: The Company has total land measuring 9.6157 acres located at 265-267 Tongi Industrial Area, Gazipur.

ALLOCATION OF DEPRECIATION

	2018-2019	2017-2018
Administrative	934,590	921,194
Factory	764,664	753,704
	1,699,254	1,674,898

Transferred to Retained Earnings

Depreciation based on Revalued Price

Depreciation based on Cost Price

	2018-2019	2017-2018
	2,475,033	2,623,941
	1,699,254	1,674,898
	775,779	949,043



ATLAS BANGLADESH LIMITED
Stock Position as on 30 June 2019

Sl. No.	Particulars	Q'ty.	Rate	30 June 2019	Q'ty.	Rate	30 June 2018
A RAW MATERIALS:							
<u>Motorcycle:</u>							
	ZS-80 (80 cc)	130	61,088.19	7,941,464.70	240	61,088.19	14,661,165.60
	ZS-100-27 (100 cc) HE	150	62,535.97	9,380,395.50	190	62,535.97	11,881,834.30
	ZS-100-27 (100 cc) VE	1	66,796.70	66,796.70	1	66,796.70	66,796.70
	ZS-125-68 (125 cc)	55	85,698.96	4,713,442.80	231	85,698.96	19,796,459.76
	ZS-110-56 (110CC)	0	73,679.25	-	0	73,679.25	-
	ZS-110-72 (110CC)	80	75,552.45	6,044,196.00	80	75,552.45	6,044,196.00
	ZS-150-58 (150CC)	0	126,128.88	-	0	126,128.88	-
	Z One T 48A (150CC)	0	138,616.88	-	0	138,616.88	-
	Z -One-48 (150CC)	59	135,807.08	8,012,617.72	80	135,807.08	10,864,566.40
	Karizma	3	-	369,033.88	3	-	369,033.88
	Total (A)	478		36,527,947.30	825		63,684,052.64
B WORK-IN-PROCESS:							
<u>MOTORCYCLE:</u>							
	ZS-100-27 (100 cc)	0	-	0	0	-	-
	Total (B)	0		0.00	0		0.00
C FINISHED GOODS:							
<u>MOTORCYCLE:</u>							
	ZS-80 (80 cc)	59	67,704.94	3,994,591.46	45	67,704.94	3,046,722.30
	ZS-100-27 (100 cc)	83	78,422.79	6,509,091.57	61	78,422.79	4,783,790.19
	ZS-125-68 (125 cc)	74	92,315.70	6,831,361.80	150	92,315.70	13,847,355.00
	ZS-110-56 (110CC)	14	80,296.00	1,124,144.00	14	80,296.00	1,124,144.00
	ZS-110-72 (110CC)	18	82,169.20	1,479,045.60	20	82,169.20	1,643,384.00
	ZS-150-58 (150CC)	31	132,745.63	4,115,114.53	34	132,745.63	4,513,351.42
	Z One T 48A (150CC)	5	145,233.63	726,168.15	6	145,233.63	871,401.78
	Z -One-48 (150CC)	41	142,423.83	5,839,377.03	24	142,423.83	3,418,171.92
	TVS Stryker (125 CC)	137	98,475.00	13,491,075.00	11	103,674.00	1,140,414.00
	TVS Apache (160 CC)	26	141,500.00	3,679,000.00	4	144,109.00	576,436.00
	TVS Metroes ES (100 CC)	4	83,870.00	335,480.00	5	83,870.00	419,350.00
	TVS Metroes Plus (110 CC)	35	94,304.00	3,300,640.00	-	-	-
	TVS Max (125 CC)	228	106,283.00	24,232,524.00	-	-	-
	TVS Wego (110 CC)	1	118,652.00	118,652.00	-	-	-
	Unicorn-150cc	1	166,373.00	166,373.00	1	166,373.00	166,373.00
	Shine-125cc	1	140,455.00	140,455.00	1	140,455.00	140,455.00
	Stunner-125cc	1	135,233.00	135,233.00	1	135,233.00	135,233.00
	CD-Twister	2	167,419.00	334,838.00	2	167,419.00	334,838.00
	CD-100 Splendor Plus	1	95,775.00	95,775.00	1	95,775.00	95,775.00
	CD-100 Splendor NXG Kick 100cc	1	89,623.00	89,623.00	1	89,623.00	89,623.00
	CD-100 Passion Kick 100cc	1	93,113.00	93,113.00	1	93,113.00	93,113.00
		764		76,831,675.14	382		36,439,930.61
Sample							
	ZS-100-27-Soo1 100CC "	0	65,252.75	0.00	1	65,252.75	65,252.75
	ZS-100-67 B-100CC "	1	116,219.20	116,219.20	1	116,219.20	116,219.20
	Z-ii-150CC "	0	216,006.62	0.00	1	216,006.62	216,006.62
	ZS-125-68-125CC "	1	107,451.23	107,451.23	1	107,451.23	107,451.23
	Z-ONE S -150CC "	0	186,703.14	0.00	1	186,703.14	186,703.14
	Z-ONE-T 48A-150CC "	1	167,095.25	167,095.25	1	167,095.25	167,095.25
	ZS-150-6D-150CC "	1	118,011.02	118,011.02	1	118,011.02	118,011.02
	GPR -200CC "	1	168,174.34	168,174.34	1	168,174.34	168,174.34
	RX 3- 250CC "	1	398,225.03	398,225.03	1	398,225.03	398,225.03
	Glamour- 125cc "	0	26,530.00	0.00	1	26,530.00	26,530.00

Splendor NXG	0	39,471.00	0.00	1	39,471.00	39,471.00
CD -100 Deluxe	1	17,513.00	17,513.00	1	17,513.00	17,513.00
Passion Pro	0	40,341.00	0.00	1	40,341.00	40,341.00
CD-70 Pakistan	1	93,000.00	93,000.00	1	93,000.00	93,000.00
Wave 100 Thailand	0	106,500.00	0.00	1	106,500.00	106,500.00
Jet 4 125cc SYM China	0	141,987.00	0.00	1	141,987.00	141,987.00
XS-125K 125cc SYM China	0	122,015.00	0.00	1	122,015.00	122,015.00
X-Wolf 125cc SYMChina	1	112,935.00	112,935.00	1	112,935.00	112,935.00
Wolf Spoke125cc SYM China	0	105,673.00	0.00	1	105,673.00	105,673.00
Police Bike125cc SYM China	1	194,641.00	194,641.00	1	194,641.00	194,641.00
XS-150 6A 150cc SYM China	1	129,277.00	129,277.00	1	129,277.00	129,277.00
XS-125M 125cc SYMChina	0	131,092.00	0.00	1	131,092.00	131,092.00
XS-125-2H 125cc SYM China	1	122,013.00	122,013.00	1	122,013.00	122,013.00
JS125-6H 125cc Jianshe China	1	205,856.00	205,856.00	1	205,856.00	205,856.00
JS125-7F 125cc Jianshe China	1	220,461.00	220,461.00	1	220,461.00	220,461.00
JS150-3C 150cc Jianshe China	1	235,318.00	235,318.00	1	235,318.00	235,318.00
ZS-125-42-125 cc,China	1	108,708.48	108,708.48	-	-	-
ZS-150-48A-150 cc,China	1	160,298.97	160,298.97	-	-	-
ZS-100-27-(FL 100),China	1	90,283.33	90,283.33	-	-	-
	18	2,765,480.85		26	3,587,761.58	
	782	79,597,155.99		408	40,027,692.19	
Provision of finished goods		(1,106,000.00)			(1,106,000.00)	
Total of finished goods		78,491,155.99			38,921,692.19	
MISHUK:						
CNG-3 Wheeler	1	270,634.00	270,634.00	1	270,634.00	270,634.00
	1	270,634.00		1	270,634.00	
Saleable Spare Parts	Lot	36,914,749.92		Lot	33,297,018.00	
		36,914,749.92			33,297,018.00	
Provision for spare parts		(1,116,507.00)			(1,116,507.00)	
		35,798,242.92			32,180,511.00	
Total (C) With Provision		114,560,032.91			71,372,837.19	
Total (C) Without Provision		116,782,539.91			73,595,344.19	
D STORE AND SPARES:						
Mishuk & Others		4,296,137.00			3,904,402.70	
Total (D)		4,296,137.00			3,904,402.70	
E STORE IN TRANSIT:						
L/C No:		-			-	
Total (E)		-			-	
Grand Total (A+B+C+D+E)		155,384,117.21			138,961,292.53	



ATLAS BANGLADESH LIMITED

Statement of advance income tax and provision
for the period from 01 July 2018 to 30 June 2019

Income year	Assessment year	Profit as per Profit and Loss Account Taka	Provision for Taxation Taka	Assessed income Taka	Tax According to DCT's Demand Taka	Advance Tax paid Taka	Balance (Payable)/ refundable Taka	Rate of Tax %	Rebate	Remarks
Miscellaneous		-	13,665,180	-	-	114,758,153	114,758,153	-	-	When cases completed advance tax and provision should be adjusted
1997-1998	1998-1999	54,851,984	19,198,194	62,196,669	21,768,834	15,989,040	(5,779,794)	35%		Settled at the level of the Taxes Appellate Tribunal but revised A/O not issued.
1998-1999	1999-2000	44,571,389	15,599,986	-	28,904,262	15,247,262	(13,657,000)	35%		do
1999-2000	2000-2001	19,191,246	6,045,553	20,468,771	7,164,090	19,013,410	11,849,320	35%	10%	do
2000-2001	2001-2002	46,004,851	14,491,528	50,775,236	15,994,200	13,893,809	(2,100,391)	35%	10%	do
2002-2003	2003-2004	121,252,274	32,738,114	-	-	26,734,600	-	30%	10%	do
2011-2012	2012-2013	377,446,740	93,418,068	384,722,973	95,045,810	150,853,323	55,807,513	27.5%	10%	Assessment Complete
2012-2013	2013-2014	287,547,421	71,167,987	298,626,278	73,910,004	147,055,055	73,145,051	27.5%	10%	Assessment Complete but reopen again as per Income Tax Ordinance Section-120.
2013-2014	2014-2015	159,397,603	39,450,907	172,624,474	42,724,557	62,782,868	20,058,311	27.5%	10%	do
2014-2015	2015-2016	12,480,100	3,056,629	-	-	14,587,344	-	25%	N/A	Appell at the Taxes Appellate Tribunal
2015-2016	2016-2017	(30,930,556)	1,695,293	-	-	21,963,961	-	25%	N/A	do
2016-2017	2017-2018	(70,898,925)	986,849	-	-	7,441,087	-	25%	N/A	do
2017-2018	2018-2019	(35,412,871)	1,528,124	-	-	5,135,180	-	25%	N/A	do
2018-2019	2019-2020	(30,401,300)	2,402,260	-	-	10,689,164	-	25%	N/A	Due for submission on or before 15 January 2020
			315,444,672	989,414,401	285,511,757	626,144,256	254,081,163			



ATLAS BANGLADESH LIMITED
Statement of Budget Variance
For the year ended 30 June 2019

(Taka in lac)						
Sl No.	Particulars	Budget Taka	Actual Taka	Variance Taka	Variance %	Remarks
1.	<u>INCOME:</u>					
	Net sales	5488.79	3663.42	1825.37	33.26	Unfavorable
2.	<u>COST OF SALES:</u>					
	Raw materials	4775.79	3626.06	1149.73	24.07	Favorable
	Production overhead	603.00	484.86	118.14	19.59	Favorable
	Changes in stock	(324.62)	(431.87)	107.25	(33.04)	Unfavorable
		<u>5,054.17</u>	<u>3,679.05</u>	<u>1,375.12</u>	<u>27.21</u>	
	Gross Profit/(Loss) (1-2)	434.62	(15.63)	450.25	103.60	Unfavorable
	Other Income	400.00	340.34	59.66	14.91	Unfavorable
		<u>834.62</u>	<u>324.71</u>	<u>509.91</u>	<u>61.09</u>	
	<u>Less: Expenses:</u>					
	Directors remuneration	13.00	11.37	1.63	12.53	Favorable
	Auditors' fees	0.95	0.69	0.26	27.37	Favorable
	Legal expenses	0.50	0.91	(0.41)	(82.20)	Unfavorable
		<u>14.45</u>	<u>12.97</u>	<u>1.48</u>	<u>10.23</u>	
	<u>Administrative, selling and other expenses:</u>					
	Salaries and allowances	310.00	295.11	14.89	4.80	Favorable
	Repairs & Maintenance of vehicles	5.00	6.32	(1.32)	(26.40)	Unfavorable
	Fuel-vehicle, CNG & hiring bus	8.50	6.63	1.87	22.05	Favorable
	Conveyance and travelling	3.00	2.39	0.61	20.39	Favorable
	Printing and stationery	6.00	6.75	(0.75)	(12.44)	Unfavorable
	Canteen subsidy and allowance	6.00	5.16	0.84	13.93	Favorable
	Newspapers	0.50	0.37	0.13	26.38	Favorable
	Repairs & Maintenance	1.00	1.74	(0.74)	(74.49)	Unfavorable
	Head Office overhead	85.00	60.00	25.00	29.41	Favorable
	Postage, telegram and telephone	1.60	0.70	0.90	55.99	Favorable
	Uniform and liveries	2.50	2.50	0.00	0.00	Favorable
	Training expenses	1.50	1.67	(0.17)	(11.44)	Unfavorable
	Rent, rates and taxes	8.00	12.49	(4.49)	(56.11)	Unfavorable
	A.G.M and EGM expenses	7.00	4.82	2.18	31.13	Favorable
	Advertisement	2.50	2.94	(0.44)	(17.41)	Unfavorable
	Entertainment	6.00	5.72	0.28	4.74	Favorable
	Other expenses	19.90	14.05	5.85	29.41	Favorable
	Depreciation	13.75	13.61	0.14	1.00	Favorable
		<u>487.75</u>	<u>442.96</u>	<u>44.79</u>	<u>9.18</u>	
	<u>Selling expenses:</u>					
	Salary and allowances	63.20	61.60	1.60	2.53	Favorable
	Advertisement	25.00	6.21	18.79	75.17	Favorable
	Sales promotion	50.00	37.68	12.32	24.64	Favorable
	Other expenses	54.70	59.29	(4.59)	(8.40)	Unfavorable
		<u>192.90</u>	<u>164.78</u>	<u>28.12</u>	<u>14.58</u>	
	Financial expenses	6.00	8.01	(2.01)	(33.53)	Unfavorable
	Workers' P.P. fund/Welfare Fund	6.67	0.00	6.67	100.00	Favorable
		<u>12.67</u>	<u>8.01</u>	<u>4.66</u>	<u>36.76</u>	
	Total expenses	<u>707.77</u>	<u>628.73</u>	<u>79.04</u>	<u>11.17</u>	Favorable
	Net Profit/(Loss) before tax	<u>126.85</u>	<u>(304.01)</u>	<u>430.86</u>	<u>339.66</u>	

ATLAS BANGLADESH LIMITED**Statement of Assets and Liabilities and Income and Expenditure for the last 5 (five) years**

Sl. No.	Particulars	Amount in crore Taka					
		2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
1	Authorized Share Capital	100.00	100.00	100.00	100.00	100.00	100.00
2	Issued, subscribed & paid up capital	23.70	23.70	26.07	27.38	30.12	33.13
3	Reserve and surplus	468.08	443.87	426.03	423.83	416.65	407.94
4	Long term loan	0.21	0.21	0.22	0.22	0.22	0.22
5	Deferred liability (Gratuity)	8.13	8.27	10.08	9.12	9.81	10.22
6	Deferred income	-	-	-	-	-	-
7	Advance against share	0.02	0.02	0.02	0.02	0.02	0.02
8	Total Income (Net sales and miscellaneous income)	216.05	23.18	28.25	16.45	25.47	40.04
9	Total Expenditure	200.12	21.94	31.35	23.54	29.01	43.08
10	Profit before tax	15.94	1.25	(3.09)	(7.09)	(3.54)	(3.04)
11	Net Profit after tax	12.00	0.94	(3.26)	(7.19)	(3.69)	(3.28)
12	Dividend paid	12.97	8.06	2.37	2.6	0.55	0.06
13	Total Assets	581.79	553.57	511.13	518.06	522.44	521.85
14	Fixed Assets	381.60	381.21	380.84	380.53	380.28	380.19
15	No. of Shareholders	11,356	9,787	10,084	7,865	7,691	5,750
16	(a) Workers	117	111	107	104	84	88
	(b) Staffs	67	66	62	54	63	45
	(c) Officers	43	37	34	31	27	36
	Total	227	214	203	189	174	169

17 Ratio Analysis :

a	Gross Profit ratio	8.88%	(4.31%)	0.19%	(9.89%)	(3.89%)	(0.43%)
b	Profit on sales	7.36%	8.04%	(13.12%)	(50.80%)	(15.44%)	(8.30%)
c	Return on investment	2.40%	0.20%	(0.71%)	(1.59%)	(0.83%)	(0.74%)
d	Income per share	Tk.5.07	Tk.0.36	Tk.(1.25)	Tk.(2.63)	Tk.(1.23)	(0.99)
e	Current ratio	2.45:1	2.78:1	5.68:1	3.26:1	2.83:1	2.57:1
f	Quick ratio	2.33:1	2.65:1	4.73:1	2.76:1	2.55:1	2.29:1
g	Debt equity ratio	0.18:1	0.18:1	0.11:1	0.15:1	0.17:1	0.18:1
h	Dividend per share	3.50	1.00	1.00	0.20	-	



Statement of Ratio Analysis

17.A Gross Profit Ratio	$= \frac{\text{Gross Profit/(Loss)}}{\text{Net sales}} \times 100$ $= \frac{(1,562,994)}{366,342,362} \times 100$ $= (0.43\%)$ <p>The company has earned (0.43%) gross profit/(Loss) on sales which is 4.31% less than the previous year.</p>
17.B Profit on Sales	$= \frac{\text{Net profit before tax}}{\text{Net sales}} \times 100$ $= \frac{(30,401,300)}{366,342,362} \times 100$ $= (8.30\%)$ <p>The company has earned (8.30%) profit/(Loss) on sales which is 7.15% more than that the previous year.</p>
17.C Return on investment	$= \frac{\text{Net profit after tax}}{\text{Net assets}} \times 100$ $= \frac{(32,793,808)}{4,410,688,395} \times 100$ $= (0.74\%)$ <p>The company has earned (0.74%) return on investment which is 0.08% more than previous year.</p>
17.D Earning per Share (EPS)/ Yield per share	$= \frac{\text{Net profit after tax}}{\text{Number of Shares}}$ $= \frac{(32,793,808)}{33,127,108}$ $= (0.99)$ <p>Earning per share is Taka (0.99) during this year which is 0.13 more than the previous year.</p>
17.E Current Ratio	$= \frac{\text{Current Assets}}{\text{Current Liabilities}}$ $= \frac{1,416,576,009}{550,164,457}$ $= 2.57:1$ <p>Current ratio for the year is 2.57:1 in contrast to the standard ratio 2:1 which is satisfactory.</p>
17.F Quick ratio	$= \frac{\text{Current Assets - Inventories}}{\text{Current Liabilities}}$ $= \frac{1,261,191,892}{550,164,457}$ $= 2.29:1$ <p>Quick ratio for the year is 2.29:1 which is satisfactory.</p>
17.G Debt-Equity Ratio	$= \frac{\text{Current liabilities + Other liabilities}}{\text{Shareholder's Equity}}$ $= \frac{550,164,457 + 257,654,244}{4,410,688,395}$ $= 0.18:1$

