

## Appendix I

**Table 1**  
**Calculation of Statistical Measurements of Actual Sales and Budgeted Sales (in RS '000')**

Year	Budgeted Sales (X)	Actual Sales(Y)	(X- $\bar{X}$ )	(Y- $\bar{Y}$ )	(X- $\bar{X}$ ) x (Y- $\bar{Y}$ )	(X- $\bar{X}$ ) <sup>2</sup>	(Y- $\bar{Y}$ ) <sup>2</sup>
2002/03	567000	535494	-132400	-67271.6	8906759840	17529760000	4525468167
2003/04	670000	609654	-29400	6888.4	-202518960	864360000	47450054.56
2004/05	740000	632114	40600	29348.4	1191545040	1648360000	861328582.6
2005/06	745000	614739	45600	11973.4	545987040	2079360000	143362307.6
2006/07	775000	621827	75600	19061.4	1441041840	5715360000	363336970
<b>Total</b>	<b>3497000</b>	<b>3013828</b>	<b>0</b>	<b>0</b>	<b>11882814800</b>	<b>27837200000</b>	<b>5940946082</b>

Source: Audit Report; BNL

$$\text{Mean Budgeted Sales } (\bar{X}) = \frac{\sum X}{N} = \frac{3497000}{5} = 699400 \approx \text{RS } 699400000$$

$$\text{Mean Actual Sales } (\bar{Y}) = \frac{\sum Y}{N} = \frac{3013828}{5} = 602765.6 \approx \text{RS } 602765600$$

$$\text{Standard Deviation of Budgeted Sales } (s_x) = \sqrt{\frac{\sum (X - \bar{X})^2}{N - 1}} = \sqrt{\frac{27837200000}{5 - 1}} = 83422.419 \approx \text{RS } 83422419$$

$$\text{Standard Deviation of Actual Sales } (s_y) = \sqrt{\frac{\sum (Y - \bar{Y})^2}{N - 1}} = \sqrt{\frac{5940946082}{5 - 1}} = 38538.766 \approx 38538766$$

$$\text{Coefficient of Variation of Budgeted Sales (C.V. } x) = \frac{s_x}{\bar{X}} \times 100\% = \frac{83422.419}{699400} \times 100\% = 11.92\%$$

$$\text{Coefficient of Variation of Actual Sales (C.V. } y) = \frac{s_y}{\bar{Y}} \times 100\% = \frac{38538.766}{602765.6} \times 100\% = 6.39\%$$

$$\text{Correlation Coefficient } (r_{xy}) = \frac{\sum (X - \bar{X})(Y - \bar{Y})}{\sqrt{\sum (X - \bar{X})^2 \sum (Y - \bar{Y})^2}} = \frac{11882814800}{\sqrt{27837200000 \times 5940946082}} = 0.9240$$

$$\text{Probable Error (P.E.)} = 0.6745 \times \frac{1 - r_{xy}^2}{\sqrt{N}} = 0.6745 \times \frac{1 - (0.9240)^2}{\sqrt{5}} = 0.0441$$

$$\text{Coefficient of Determination } (r^2) = (0.9240)^2 = 0.8538$$

**Regression Equation of Actual Sales (Y) on Budgeted Sales (X) is given by:**

$$Y - \bar{Y} = r_{xy} \frac{\sigma_y}{\sigma_x} (X - \bar{X})$$

$$Y - 602765.6 = 0.9240 \times \frac{38538.766}{83422.419} (X - 699400)$$

$$Y = 304219 + 0.426$$

**Calculation of Estimated Sales:**

2002/03	$\hat{Y} = 304219 + 0.4269X$	$\hat{Y} = 304219 + 0.4269 \times 567000 = 546271$
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2003/04	$\hat{Y} = 304219 + 0.4269X$	$\hat{Y} = 304219 + 0.4269 \times 670000 = 590242$
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2004/05	$\hat{Y} = 304219 + 0.4269X$	$\hat{Y} = 304219 + 0.4269 \times 740000 = 620125$
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2005/06	$\hat{Y} = 304219 + 0.4269X$	$\hat{Y} = 304219 + 0.4269 \times 745000 = 622260$
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2006/07	$\hat{Y} = 304219 + 0.4269X$	$\hat{Y} = 304219 + 0.4269 \times 775000 = 635067$
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## Appendix II

**Table 2**  
**Calculation of Statistical Measurements of Actual Production and Budgeted Production (in RS '000')**

Year	Budgeted Production(X)	Actual Production(Y)	(X- $\bar{X}$ )	(Y- $\bar{Y}$ )	(X- $\bar{X}$ ) x (Y- $\bar{Y}$ )	(X- $\bar{X}$ ) <sup>2</sup>	(Y- $\bar{Y}$ ) <sup>2</sup>
2002/03	320000	308341	-98600	-55367	5459186200	9721960000	3065504689
2003/04	405000	376174	-13600	12466	-169537600	184960000	155401156
2004/05	425000	371348	6400	7640	48896000	40960000	58369600
2005/06	460000	380282	41400	16574	686163600	1713960000	274697476
2006/07	483000	382395	64400	18687	1203442800	4147360000	349203969
<b>Total</b>	<b>2093000</b>	<b>1818540</b>	<b>0</b>	<b>0</b>	<b>7228151000</b>	<b>15809200000</b>	<b>3903176890</b>

**Source: Audit Report; BNL**

$$\text{Mean Budgeted Production } (\bar{X}) = \frac{\sum X}{N} = \frac{2093000}{5} = 418600 \approx \text{RS } 418600000$$

$$\text{Mean Actual Production } (\bar{Y}) = \frac{\sum Y}{N} = \frac{1818540}{5} = 363708 \approx \text{RS } 363708000$$

$$\text{Standard Deviation of Budgeted Production } (s_x) = \sqrt{\frac{\sum (X - \bar{X})^2}{N - 1}} = \sqrt{\frac{15809200000}{5 - 1}} = 62867 \approx \text{RS } 62867000$$

$$\text{Standard Deviation of Actual Production } (s_y) = \sqrt{\frac{\sum (Y - \bar{Y})^2}{N - 1}} = \sqrt{\frac{3903176890}{5 - 1}} = 31238 \approx 31238000$$

$$\text{Coefficient of Variation of Budgeted Production (C.V.}_x) = \frac{s_x}{\bar{X}} \times 100\% =$$

$$\frac{62867}{418600} \times 100\% = 15.02\%$$

$$\text{Coefficient of Variation of Actual Production (C.V.}_y) = \frac{s_y}{\bar{Y}} \times 100\% = \frac{31238}{363708} \times 100\% = 8.59\%$$

$$\text{Correlation Coefficient } (r_{xy}) = \frac{\sum (X - \bar{X})(Y - \bar{Y})}{\sqrt{\sum (X - \bar{X})^2 \sum (Y - \bar{Y})^2}} = \frac{7228151000}{\sqrt{15809200000 \times 3903176890}} =$$

$$0.9202$$

$$\text{Probable Error (P.E.)} = 0.6745 \times \frac{1 - r_{xy}^2}{\sqrt{N}} = 0.6745 \times \frac{1 - (0.9202)^2}{\sqrt{5}} = 0.0462$$

$$\text{Coefficient of Determination } (r^2) = (0.9202)^2 = 0.8468$$

**Regression Equation of Actual Production (Y) on Budgeted Production (X) is Given by:**

$$Y - \bar{Y} = r_{xy} \frac{\dagger_x}{\dagger_x} (X - \bar{X})$$

$$Y - 363708 = 0.9202 \times \frac{31238}{62867} (X - 418600)$$

$$Y = 172308 + 0.4572X$$

**Calculation of Estimated Production:**

2002/03	$\hat{Y} = 172308 + 0.4572X$	$\hat{Y} = 172308 + 0.4572 \times 320000 = 318612$
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2003/04	$\hat{Y} = 172308 + 0.4572X$	$\hat{Y} = 172308 + 0.4572 \times 405000 = 357474$
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2004/05	$\hat{Y} = 172308 + 0.4572X$	$\hat{Y} = 172308 + 0.4572 \times 425000 = 366618$
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2005/06	$\hat{Y} = 172308 + 0.4572X$	$\hat{Y} = 172308 + 0.4572 \times 460000 = 382620$
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2006/07	$\hat{Y} = 172308 + 0.4572X$	$\hat{Y} = 172308 + 0.4572 \times 483000 = 393136$
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### Appendix III

**Table 3**  
**Calculation of Statistical Measurements of Actual Sales and Actual Profit (in RS '000')**

Year	Actual sales (X)	Actual profit (Y)	(X- $\bar{X}$ )	(Y- $\bar{Y}$ )	(X- $\bar{X}$ )x(Y- $\bar{Y}$ )	(X- $\bar{X}$ ) <sup>2</sup>	(Y- $\bar{Y}$ ) <sup>2</sup>
2002/03	535494	48610	-67271.6	35211.4	-2368727216	4525468167	1239842690
2003/04	609654	19372	6888.4	5973.4	41147168.56	47450054.56	35681507.56
2004/05	632114	21595	29348.4	8196.4	240551225.8	861328582.6	67180972.96
2005/06	614739	34735	11973.4	21336.4	254701141.4	143362307.6	455241965
2006/07	621827	-57319	19061.4	-70717.6	-1347976461	363336970	5000978950
<b>Total</b>	<b>3013828</b>	<b>66993</b>	<b>0</b>	<b>0</b>	<b>-3180304141</b>	<b>5940946082</b>	<b>6798926085</b>

Source: Audit Report; BNL

$$\text{Mean Actual Sales } (\bar{X}) = \frac{\sum X}{N} = \frac{3013828}{5} = 602765.6 \approx \text{RS } 602765600$$

$$\text{Mean Actual Profit } (\bar{Y}) = \frac{\sum Y}{N} = \frac{66993}{5} = 13398.6 \approx \text{RS } 13398600$$

**Standard Deviation of Actual Sales (  $\sigma_x$  ) =**

$$\sqrt{\frac{\sum (X - \bar{X})^2}{N - 1}} = \sqrt{\frac{5940946082}{5 - 1}} = 38538.766 \approx 38538766$$

$$\text{Standard Deviation of Actual Profit (  $\sigma_y$  ) = } \sqrt{\frac{\sum (Y - \bar{Y})^2}{N - 1}} = \sqrt{\frac{6798926085}{5 - 1}} = 41228 \approx 41228000$$

$$\text{Coefficient of Variation of Actual Sales (C.V.}_x\text{)} = \frac{\sigma_x}{\bar{X}} \times 100\% = \frac{38538.766}{602765.6} \times 100\% = 6.39\%$$

$$\text{Coefficient of Variation of Actual Profit (C.V.}_y\text{)} = \frac{\sigma_y}{\bar{Y}} \times 100\% =$$

$$\frac{41228}{13398.6} \times 100\% = 307.7\%$$

$$\text{Correlation Coefficient (r}_{xy}\text{)} = \frac{\sum (X - \bar{X})(Y - \bar{Y})}{\sqrt{\sum (X - \bar{X})^2 \sum (Y - \bar{Y})^2}} = \frac{-3180304141}{\sqrt{5940946082 \times 6798926085}} = -$$

0.500

$$\text{Probable Error (P.E.)} = 0.6745 \times \frac{1 - r_{xy}^2}{\sqrt{N}} = 0.6745 \times \frac{1 - (-0.500)^2}{\sqrt{5}} = 0.2262$$

$$\text{Coefficient of Determination (r}^2\text{)} = (-0.500)^2 = 0.25$$

**Regression Equation of Actual Profit (Y) on Actual Sales (X) is given by:**

$$Y - \bar{Y} = r_{xy} \frac{\sigma_y}{\sigma_x} (X - \bar{X})$$

$$Y - 13398.6 = -0.500 \times \frac{41228}{38538.766} (X - 602765.6)$$

$$Y = 335812 - 0.5349X$$

**Calculation of Estimated Profit:**

2002/03	$\hat{Y} = 335812 - 0.5349X$	$\hat{Y} = 335812 - 0.5349 \times 535494 = 49376$
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2003/04	$\hat{Y} = 335812 - 0.5349X$	$\hat{Y} = 335812 - 0.5349 \times 609654 = 9708$
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2004/05	$\hat{Y} = 335812 - 0.5349X$	$\hat{Y} = 335812 - 0.5349 \times 632114 = (2306)$
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2005/06	$\hat{Y} = 335812 - 0.5349X$	$\hat{Y} = 335812 - 0.5349 \times 614739 = 6988$
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2006/07	$\hat{Y} = 335812 - 0.5349X$	$\hat{Y} = 335812 - 0.5349 \times 621827 = 3197$
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## Appendix IV

**Table 4**  
**Income Statement (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Sales	535494	609654	632114	614739	621827
Less; cost of production	<u>306480</u>	<u>376263</u>	<u>358377</u>	<u>357350</u>	<u>351080</u>
<b>Gross profit</b>	<b>229014</b>	<b>233391</b>	<b>273737</b>	<b>257389</b>	<b>270747</b>
Other income	1611	1263	90	1161	859
<b>Business expenses :</b>					
Distribution expenses	25051	24156	24199	19736	16955
Administration expenses	<u>103272</u>	<u>127854</u>	<u>144572</u>	<u>137461</u>	<u>155663</u>
<b>Profit from operation</b>	<b><u>102302</u></b>	<b><u>82644</u></b>	<b><u>105056</u></b>	<b><u>101353</u></b>	<b><u>98988</u></b>
Interest	663	284	4	265	1329
Depreciation and amortization	51566	58868	63372	55777	64668
Dividend received from subsidiary company	(16447)	(10985)	(10985)	(5492)	
(profit)/ loss on sale of fixed assets	-	1	638	-	(2861)
Provision for staff quarter	3328	1724	2574	2540	1793
Provision for bonus	<u>5717</u>	<u>2977</u>	<u>4445</u>	<u>4387</u>	<u>3096</u>
<b>Total expenditure</b>	<b><u>44827</u></b>	<b><u>52869</u></b>	<b><u>60048</u></b>	<b><u>57477</u></b>	<b><u>68025</u></b>
<b>Profit before tax</b>	<b><u>57475</u></b>	<b><u>29775</u></b>	<b><u>45008</u></b>	<b><u>43876</u></b>	<b><u>30963</u></b>
Provision for tax	8865	4103	7208	8503	5539
Provision for special fees	=	=	=	<u>638</u>	<u>462</u>
<b>Net profit after tax</b>	<b><u>48610</u></b>	<b><u>25672</u></b>	<b><u>37800</u></b>	<b><u>34735</u></b>	<b><u>24962</u></b>
Balance brought forward	304834	333955	343583	365178	399913
Provision for tax in respect to earlier year	-	6300	16205	-	24332
Depreciation expenses for earlier year	-	-	-	-	<u>57949</u>
<b>Profit for distribution</b>	<b><u>353444</u></b>	<b><u>353327</u></b>	<b><u>365178</u></b>	<b><u>399913</u></b>	<b><u>342594</u></b>
Proposed dividend	<u>19489</u>	<u>9744</u>	-	-	-
<b>Balance of profit transferred to balance sheet</b>	<b><u>333955</u></b>	<b><u>343583</u></b>	<b><u>365178</u></b>	<b><u>399913</u></b>	<b><u>342594</u></b>

Source: Audit Report; BNL

**Table 5**  
**Budgeted Sales and Actual Sales (in RS '000')**

<b>Year</b>	<b>Budgeted sales</b>	<b>Actual sales</b>
2002/03	567000	535494
2003/04	670000	609654
2004/05	740000	632114
2005/06	745000	614739
2006/07	775000	621827

Source: Audit Report; BNL

**Table 6**  
**Budgeted Production and Actual Production at Cost (in RS '000')**

<b>Year</b>	<b>Budgeted Production</b>	<b>Actual Production</b>
2002/03	320000	308341
2003/04	405000	376174
2004/05	425000	371348
2005/06	460000	380282
2006/07	483000	382395

**Source: Audit Report; BNL**

**Table 7**  
**Other Incomes (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
sales of post mix cup	35	6			
Recovery of insurance claims	169			366	
Interest income	149	94	6	33	143
Exchange gain/(loss)	191	(102)	(1068)	(807)	74
Sale of scrap and other incomes	<u>1067</u>	<u>1265</u>	<u>1152</u>	<u>1569</u>	<u>642</u>
<b>Total</b>	<b>1611</b>	<b>1263</b>	<b>90</b>	<b>1161</b>	<b>859</b>

**Source: Audit Report; BNL**

**Table 8**  
**Revised Statement of Other Incomes (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Sales of post mix cup	35	6			
Recovery of insurance claims	169			366	
Interest income	149	94	6	33	143
Exchange gain/(loss)	191	(102)	(1068)	(807)	74
Sale of scrap and other incomes	1067	1265	1152	1569	642
Dividend received from subsidiary company	16447	10985	10985	5492	
Profit/(loss) on sale of fixed assets		(1)	(638)		<u>2861</u>
<b>Total</b>	<b>18058</b>	<b>12247</b>	<b>10437</b>	<b>6653</b>	<b>3720</b>

**Source: Audit Report; BNL**

**Table 9**  
**Detailed Administrative and General Expenses (in RS '000')**

<i>Particulars</i>	<i>2003/04</i>	<i>2004/05</i>	<i>2005/06</i>	<i>2006/07</i>	<i>2006/07</i>
Salaries, wages and other employees cost	23156	26691	26560	27881	32743
Contribution to provident fund, gratuity	3814	2906	2876	976	2543
Rent	626	1007	628	402	1381
Repair and maintenance	2892	4063	4793	5001	6764
Security expenses	1570	32	12	382	
Electricity, fuel and water	172	155	103	118	156
Traveling expenses	1717	1363	1847	3240	6790
SAP related expenses					6291
Audit fees	220	220	220	220	220
Legal and professional fees and expenses	533	521	7775	648	1131
Rates and taxes	492	133	182	187	352
Bank charges	4853	153	672	307	288
Trade discount	18959	44572	52573	51340	56673
General meeting expenses	25	21	35	48	52
Insurance premium	215	274	941	87	180
Communication	5075	3305	3690	6844	5493
Printing and stationary	713	680	813	715	1313
Advertisement	7563	7534	5360	3933	2790
Sales promotion expenses	17205	18607	13195	5955	4628
Training	11	157	717	1316	8110
Charity and donation	33	47	94	124	139
Uniform	505	307	517	476	613
Rejection and breakages	7897	4201	6710	6638	1902
Obsolete stock and fixed assets written off	397	556	2655	5805	717
Product transfer fees	1367	6502	5945	7774	6780
Management fees	1425	2817	4421	6276	6643
Miscellaneous expenses	1837	1031	1238	768	971
<b>Total</b>	<b>103272</b>	<b>127855</b>	<b>144572</b>	<b>137461</b>	<b>155663</b>

**Source: Audit Report; BNL**

**Table 10**  
**Cost of Goods Sold (in RS '000')**

Particulars	2002/03		2003/04		2004/05		2005/06		2006/07	
	Rs	Total Rs	Rs	Total Rs	Rs	Total Rs	Rs	Total Rs	Rs	Total Rs
<b>Opening stock ;</b> Raw material	50992		85288		122780		79958		142773	
Work in progress			640		1023		1576		1379	
Finished goods	5979		7840		7751		10722		7466	
Production of co2 gas	5840	63383	6166	99934	6606	138160	5862	98118	5878	157496
<b>Add;</b> purchase of raw material during the year	284041		350780		232947		347870		224047	
<b>Add/(less);</b> transfer from/(to)BNTL	(323)	283718	(8753)	342027	13430	246377	(8555)	339315	(11167)	212880
		347101		441961		384537		437433		370376
<b>Less; closing stock:</b> Raw material	85288		122780		79958		142773		81601	
Work in progress	640		1023		1576		1379		1075	
finished goods	7840		7751		10722		7466		7133	
Damaged stock written off	-	93768	-	131554	1308	93564	-	151618	-	89809
Material cost		253333		310407		290973		285815		280567
<b>Add;</b> production expenditure		53147		65856		67404		71535		70512
<b>Cost of production</b>		306480		376263		358377		357350		351079

**Source: Audit Report; BNL**

**Table 11**  
**Details of Cost Variability and Segregation of Semi Variable Cost (in RS '000')**

Cost heads	Cost variability	2002/03			2003/04			2004/05			2005/06			2006/07		
		Total	FC	VC	Total	FC	VC	Total	FC	VC	Total	FC	VC	Total	FC	VC
Direct material	Variable	255194		255194	310318		310318	293944		293944	282559		282559	280234		280234
Production cost	30% fixed	53147	15944	37203	65856	19757	46099	67404	20221	47183	71535	21460	50075	70512	21154	49358
Distribution expenses	30% fixed	25051	7515	17536	24156	7247	16902	24199	7260	16939	19736	5921	13815	16955	5086	11869
Interest expenses	Fixed	663	663		284	284		4	4		265	265		1329	1329	
Depreciation and amortization	Fixed	51566	51566		58868	58868		63372	63372		55777	55777		64668	64668	
Accommodation expenses	Fixed	3328	3328		1724	1724		2574	2574		2540	2540		1793	1793	
Staff bonus	Fixed	5717	5717		2977	2977		4445	4445		4387	4387		3096	3096	
Salaries, wages and allowances	Fixed	23156	23156		26691	26691		26560	26560		27881	27881		32743	32743	
Contribution to provident fund, gratuity	Fixed	3814	3814		2906	2906		2876	2876		976	976		2543	2543	
Security expenses	Fixed	1570	1570		32	32		12	12		382	382				
Trade discount	Variable	18959		18959	44572		44572	52573		52573	51340		51340	56673		56673
Rent	fixed	626	626		1007	1007		628	628		402	402		1381	1381	
Repair and maintenance	50% fixed	2892	1446	1446	4063	2032	2031	4793	2396	2397	5001	2500	2501	6764	3382	3382
Electricity, fuel and water	20% fixed	172	34	138	155	31	124	103	21	82	118	24	94	156	31	125
Traveling expenses	Variable	1717		1717	1363		1363	1847		1847	3240		3240	6790		6790
Audit fees	Fixed	220	220		220	220		220	220		220	220		220	220	
Legal and professional fees and expenses	50% fixed	533	266	267	521	261	260	7775	3887	3888	648	324	324	1131	566	565
Rates and taxes	Fixed	492	492		133	133		182	182		187	187		352	352	
Bank charges	Fixed	4853	4853		153	153		672	672		307	307		288	288	
General meeting expenses	Fixed	25	25		21	21		35	35		48	48		52	52	

Insurance premium	Fixed	215	215		274	274		941	941		87	87		180	180	
Communication	90% Fixed	5075	4568	507	3305	2974	331	3690	3321	369	6844	6160	684	5493	4944	549
Printing and stationary	70% Fixed	713	499	214	680	476	204	813	569	244	715	500	215	1313	919	394
Advertisement	50% Fixed	7563	3781	3782	7534	3767	3767	5360	2680	2680	3933	1967	1966	2790	1395	1395
Production promotion expenses	70% Fixed	17205	12043	5162	18607	13025	5582	13195	9237	3958	5955	4168	1787	4628	3240	1388
Training	70% Fixed	11	8	3	157	110	47	717	502	215	1316	921	395	8110	5677	2433
Charity and donation	Variable	33		33	47		47	94		94	124		124	139		139
Uniform	Fixed	505	505		307	307		517	517		476	476		613	613	
Rejection and breakages	Variable	7897		7897	4201		4201	6710		6710	6638		6638	1902		1902
Management fees	Fixed	1425	1425		2817	2817		4421	4421		6276	6276		6643	6643	
Obsolete stock and fixed assets written off	Fixed	397	397		556	556		2655	2655		5805	5805		717	717	
Product transfer fees	Variable	1367		1367	6502		6502	5945		5945	7774		7774	6780		6780
Miscellaneous expenses	50% fixed	1837	918	919	1031	516	515	1238	619	619	768	384	384	971	485	486
SAP related expenses	Variable													6291		6291
<b>Total</b>		<b>497938</b>	<b>145594</b>	<b>352344</b>	<b>592038</b>	<b>149166</b>	<b>442872</b>	<b>600514</b>	<b>160827</b>	<b>439687</b>	<b>574260</b>	<b>150345</b>	<b>423915</b>	<b>594250</b>	<b>163497</b>	<b>430753</b>

**Source: Audit Report; BNL**

**Appendix V**

**Table 12  
Balance Sheet (in RS '000')**

<b>Capital and liabilities</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>	<b>Assets</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Capital and reserves;						Fixed assets	416993	377394	326096	409427	323573
Share capital	194889	194889	194889	194889	194889	Capital work in progress					176107
Reserve and retained earning	501042	510670	532265	567000	509681	Investment	112628	112628	112628	112628	112628
						Current assets;					
Bank loan					72000	Inventories	185341	226861	184980	224070	176936
Current liabilities and provisions;						Trade & other receivables	115210	88039	124178	80845	63657
Current liabilities	189995	184099	117199	164399	210702	Cash & bank balances	29456	5335	13755	1917	35926
Provision	150120	148749	56823	64592	64781	Prepaid, advances, loan & deposits	176418	212148	124918	146379	159526
						Deferred expenses		16002	14621	15614	3700
<b>Total</b>	<b>1036046</b>	<b>1038407</b>	<b>901176</b>	<b>990880</b>	<b>1052053</b>	<b>Total</b>	<b>1036046</b>	<b>1038407</b>	<b>901176</b>	<b>990880</b>	<b>1052053</b>

**Source: Audit Report; BNL**

**Table 13**  
**Calculation of Cash Fixed Cost (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Total fixed cost	<u>145594</u>	<u>149166</u>	<u>160827</u>	<u>150345</u>	<u>163497</u>
Less; non cash fixed cost					
Depreciation	51566	58868	63372	55777	64668
Obsolete stock and fixed assets written off	<u>397</u>	<u>556</u>	<u>2655</u>	<u>5805</u>	<u>717</u>
	<u>51963</u>	<u>59424</u>	<u>66027</u>	<u>61582</u>	<u>65385</u>
<b>Total cash fixed cost</b>	<b>93631</b>	<b>89742</b>	<b>94800</b>	<b>88763</b>	<b>98112</b>

**Source: Audit Report; BNL**

**Table 14**  
**Inventory Consideration (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Stores, spares and loose tools	41664	48826	57613	62035	69117
Raw material	85288	122780	79958	142773	81601
Work in progress	1000	1023	1576	1379	1075
Finished goods	7840	7751	10722	7466	7133
Goods in transit	14692	1271	2213	3594	12253
Consumables	3706	5765	6207	6017	4834
Advertising materials	1793	2985	1361	806	923
Bottles and shells	<u>29358</u>	<u>36460</u>	<u>25330</u>		
<b>Total</b>	<b>185341</b>	<b>226861</b>	<b>184980</b>	<b>224070</b>	<b>176936</b>

**Source: Audit Report; BNL**

**Table 15**  
**Calculation of Current Assets (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Inventories	185341	226861	184980	224070	176936
Trade and other receivables	115210	88039	124178	80845	63657
Cash and bank balances	29456	5335	13755	1917	35926
Prepaid, advances, loans and deposits	<u>176418</u>	<u>212148</u>	<u>124918</u>	<u>146379</u>	<u>159526</u>
<b>Total current assets</b>	<b>506425</b>	<b>532383</b>	<b>447831</b>	<b>453211</b>	<b>436045</b>

**Source: Audit Report; BNL**

**Table 16**  
**Calculation of Quick Assets (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Trade and other receivables	115210	88039	124178	80845	63657
Cash and bank balances	<u>29456</u>	<u>5335</u>	<u>13755</u>	<u>1917</u>	<u>35926</u>
<b>Total quick assets</b>	<b>144666</b>	<b>93374</b>	<b>137933</b>	<b>82762</b>	<b>99583</b>

**Source: Audit Report; BNL**

**Table 17**  
**Calculation of Total Fixed Assets (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Fixed assets	416993	377394	326096	409427	323573
Capital work in progress					176107
Investment	<u>112628</u>	<u>112628</u>	<u>112628</u>	<u>112628</u>	<u>112628</u>
<b>Total fixed assets</b>	<b>529621</b>	<b>490022</b>	<b>438724</b>	<b>522055</b>	<b>612308</b>

Source: Audit Report; BNL

**Table 18**  
**Calculation of Current Liabilities (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Current liabilities	189995	184099	117199	164399	210702
Provisions	<u>150120</u>	<u>148749</u>	<u>56823</u>	<u>64592</u>	<u>64781</u>
<b>Total current liabilities</b>	<b>340115</b>	<b>332848</b>	<b>174022</b>	<b>228991</b>	<b>275483</b>

Source: Audit Report; BNL

**Table 19**  
**Calculation of Equity Shareholders Fund (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Share capital	194889	194889	194889	194889	194889
Reserve and retained earning	501042	510670	532265	567000	509681
Less; deferred expenses		<u>(16002)</u>	<u>(14621)</u>	<u>(15614)</u>	<u>(3700)</u>
<b>Equity shareholders fund</b>	<b>695931</b>	<b>689557</b>	<b>712533</b>	<b>746275</b>	<b>700870</b>

Source: Audit Report; BNL

**Table 20**  
**Calculation of Capital Employed (in RS '000')**

<b>Particulars</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
Share capital	194889	194889	194889	194889	194889
Reserve and retained earning	501042	510670	532265	567000	509681
Bank loan					72000
Less; deferred expenses		<u>(16002)</u>	<u>(14621)</u>	<u>(15614)</u>	<u>(3700)</u>
<b>Capital employed</b>	<b>695931</b>	<b>689557</b>	<b>712533</b>	<b>746275</b>	<b>772870</b>

Source: Audit Report; BNL

## Appendix VI

**Table 21**  
**Calculation of Gross Profit Ratio (in RS '000')**

Year	Gross profit	Sales	Gross profit ratio = $\frac{\text{gross profit}}{\text{Sales}} \times 100$
2002/03	229014	535494	42.76%
2003/04	233391	609654	38.28%
2004/05	273737	632114	43.31%
2005/06	257389	614739	41.87%
2006/07	270747	621827	43.54%

Source: Audit Report; BNL

**Table 22**  
**Calculation of Operating Profit Ratio (in RS '000')**

Year	Operating profit	Sales	Operating profit = $\frac{\text{operating profit}}{\text{Sales}} \times 100$
2002/03	102302	535494	19.10%
2003/04	82644	609654	13.56%
2004/05	105056	632114	16.62%
2005/06	101353	614739	16.49%
2006/07	98988	621827	15.92%

Source: Audit Report; BNL

**Table 23**  
**Calculation of Net Profit Ratio (in RS '000')**

Year	Net profit	Sales	Net profit ratio = $\frac{\text{net profit}}{\text{sales}} \times 100$
2002/03	48610	535494	9.08%
2003/04	19372	609654	3.18%
2004/05	21595	632114	3.42%
2005/06	34735	614739	5.65%
2006/07	(57319)	621827	(9.22)%

Source: Audit Report; BNL

**Table 24**  
**Calculation of Return on Equity Shareholders Fund Ratio (in RS '000')**

<b>Year</b>	<b>Net profit</b>	<b>Equity share - holder fund</b>	<b>Return on equity shareholders fund = <math>\frac{\text{net profit}}{\text{Equity share holders fund}} \times 100</math></b>
2002/03	48610	695931	6.98%
2003/04	19372	689557	2.80%
2004/05	21595	712533	3.03%
2005/06	34735	746275	4.65%
2006/07	(57319)	700870	(8.18)%

**Source: Audit Report; BNL**

**Table 25**  
**Calculation of Return on Total Assets (in RS '000')**

<b>Year</b>	<b>Net profit</b>	<b>Total assets</b>	<b>Return on total assets = <math>\frac{\text{net profit}}{\text{Total assets}} \times 100</math></b>
2002/03	48610	1036046	4.69%
2003/04	19372	1038407	1.87%
2004/05	21595	901176	2.40%
2005/06	34735	990880	3.51%
2006/07	(57319)	1052053	(5.45)%

**Source: Audit Report; BNL**

**Table 26**  
**Calculation of Current Ratio (in RS '000')**

<b>Year</b>	<b>Current assets</b>	<b>Current liabilities</b>	<b>Current ratio = <math>\frac{\text{current assets}}{\text{Current liabilities}}</math></b>
2002/03	506425	340115	1.49
2003/04	532383	332848	1.60
2004/05	447831	174022	2.57
2005/06	453211	228991	2
2006/07	436045	275483	1.58

**Source: Audit Report; BNL**

**Table 27**  
**Calculation of Quick Ratio (in RS '000')**

<b>Year</b>	<b>Quick assets</b>	<b>Current liabilities</b>	<b>Quick ratio = <math>\frac{\text{quick assets}}{\text{Current liabilities}}</math></b>
2002/03	144666	340115	0.43
2003/04	93374	332848	0.28
2004/05	137933	174022	0.79
2005/06	82762	228991	0.13
2006/07	99583	275483	0.36

**Source: Audit Report; BNL**

**Table 28**  
**Calculation of Fixed Assets to Capital Employed Ratio (in RS '000')**

<b>Year</b>	<b>Fixed assets</b>	<b>Capital employed</b>	<b>Fixed assets to capital employed ratio = <math>\frac{\text{fixed assets}}{\text{Capital employed}}</math></b>
2002/03	529621	695931	0.76
2003/04	490022	689557	0.71
2004/05	438724	712533	0.62
2005/06	522055	746275	0.70
2006/07	612308	772870	0.79

**Source: Audit Report; BNL**

**Table 29**  
**Calculation of Current Assets to Fixed Assets Ratio (in RS '000')**

<b>Year</b>	<b>Current assets</b>	<b>Fixed assets</b>	<b>Current assets to fixed assets ratio = <math>\frac{\text{current assets}}{\text{Fixed assets}}</math></b>
2002/03	506425	529621	0.96
2003/04	532383	490022	1.09
2004/05	447831	438724	1.02
2005/06	453211	522055	1.04
2006/07	436045	612308	0.88

**Source: Audit Report; BNL**

**Table 30**  
**Calculation of Proprietary Ratio (in RS '000')**

<b>Year</b>	<b>Equity share - holder fund</b>	<b>Total assets</b>	<b>Proprietary ratio = <math>\frac{\text{equity shareholders fund}}{\text{Total assets}}</math></b>
2002/03	695931	1036046	0.67
2003/04	689557	1038407	0.66
2004/05	712533	901176	0.79
2005/06	746275	990880	0.75
2006/07	700870	1052053	0.67

**Source: Audit Report; BNL**