Aftab Automobiles Limited

2nd Quarter (Half-yearly) Report

2016-2017

Dear Shareholders,

We are pleased to forward herewith the un-audited Consolidated Statement of Profit or Loss and other Comprehensive Income for the 2nd Quarter (Half-yearly) ended December 31,2016. Consolidated Statement of Financial Position as at December 31,2016. Consolidated statement of cash flows , Consolidated statement of Changes in Equity and consolidated notes to the financial statements of the company for the period ended on that date.

Sd/-
Chairman

Dated, Dhaka.
January 29, 2017

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income

For the 2nd Quarter ended December 31, 2016

(Amount in "000" Tk.)

Particulars	Notes	July ' 2016 to December' 2016	July ' 2015 to December' 2015	3-Months ended 1/10/16 31/12/16	3-Months ended 1/10/15 31/12/15
Revenues		**1,814,072**	**1,533,487**	**893,571**	**740,084**
Less : Cost of sales	**3**	1,379,467	1,183,124	686,421	578,313
Gross profit		**434,605**	**350,363**	**207,150**	**161,771**
Less: Operating expenses		**249,190**	**172,749**	**136,263**	**76,390**
Administrative expenses		49,803	40,201	26,865	18,494
Selling and distribution expenses		59,967	45,142	34,781	21,307
Financial charges		139,420	87,405	74,617	36,588
Operating profit		**185,415**	**177,614**	**70,887**	**85,381**
Add : Other income		2,040	1,231	713	(1,016)
Less : Contribution to WPPF		8,926	8,516	3,410	4,018
Add : Share of profit from associate company		7,666	20,082	7,666	20,082
Profit before tax		**186,195**	**190,411**	**75,856**	**100,429**
Less : Provision for Income tax		**50,543**	**50,973**	**20,399**	**25,194**
Current tax		48,292	44,371	16,818	18,199
Deferred tax		2,251	(1,735)	3,581	(1,342)
Net income for the Period		**135,652**	**139,438**	**55,457**	**75,235**
Revaluation Gain/(Loss) on investment in share		2,815	(569)	896	(390)
Total comprehensive income for the Period		**138,467**	**138,869**	**56,353**	**74,845**
Consolidated earnings per share		**1.42**	**1.46**	**0.58**	**0.79**

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Chairman	**Managing Director**	**Director**	**C F O**	**Company Secretary**

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at December 31, 2016

	Notes	Amount in '000' Tk 31/12/16	30/06/16
Assets :			
Non-current assets			
Property, plant and equipment, net	4	1,561,959	1,265,524
Capital work in progress	5	135,020	103,416
Investments in shares		7,684	4,869
Investments in associate		295,201	287,535
Receivables -Long term	6	2,669,121	2,543,203
Total non-current assets		**4,668,985**	**4,204,547**
Current assets			
Trade debtors	6	1,299,350	1,326,788
Stock and stores	7	1,256,274	1,450,628
Income tax deducted at source		752,675	662,761
Advance, deposits and prepayments	8	1,434,725	1,214,045
Cash and bank balances	9	480,495	932,642
Total current assets :		**5,223,519**	**5,586,864**
Total Assets		**9,892,504**	**9,791,411**
Equity and Liabilities :			
Capital & reserve			
Share capital		957,324	957,324
Share premium		1,925,858	1,925,858
Reserve		67,338	67,338
Retained earnings		2,453,377	2,417,698
Equity attributable to equity holders		**5,403,897**	**5,368,218**
Non-controlling interest		**354**	**352**
Total equity		**5,404,251**	**5,368,570**
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310	25,310
Deferred tax liability	10	113,376	109,209
Long Term loan-Net of current portion	11	1,432,234	1,407,284
Total non-current liabilities		**1,570,920**	**1,541,803**
Current liabilities :			
Long Term loan-Current portion	11	477,411	469,095
Short-term loan	12	1,451,625	1,437,015
Accrued and other current liabilities	13	988,297	974,928
Total current liabilities :		**2,917,333**	**2,881,038**
Total liabilities		**4,488,253**	**4,422,841**
Total Equity and Liabilities		**9,892,504**	**9,791,411**
Consolidated net assets value per share (NAVPS)		**56.45**	**56.08**

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

AMAR STOCK

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Cash Flows

For the 2nd Quarter ended December 31, 2016

(Amount in "000" Tk.)

Particulars	July ' 2016 to December' 2016	July ' 2015 to December' 2015
A. Cash flows from operating activities		
Receipts from customers	1,715,592	1,695,122
Receipts as other income	2,040	1,231
Payments to suppliers and employees	(1,536,497)	(1,412,265)
Cash generated from operations	**181,135**	**284,088**
Income tax paid	(90,894)	(25,586)
Net cash generated by operating activities	**90,241**	**258,502**
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(232,873)	(116,254)
Capital work in progress	(135,020)	(153,926)
Net cash used investing activities	**(367,893)**	**(270,180)**
C. Cash flows from financing activities		
Received of bank loan	47,877	152,023
Financial charges paid	(139,420)	(87,405)
Dividend paid	(82,952)	(152,032)
Net cash used in financing activities	**(174,495)**	**(87,414)**
D. Net changes in cash & cash equivalents for the period (A+B+C)	**(452,147)**	**(99,092)**
E. Cash & cash equivalents at beginning of the period	932,642	385,598
F. Cash & cash equivalents at end of the period (D+E)	**480,495**	**286,506**
Net operating cash flows per share (NOCFPS)	**0.94**	**2.70**

AMAR STOCK

Sd/-
Chairman

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Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity

For the 2nd Quarter ended December 31, 2016

(Amount in "000" Tk.)

Purticulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
Balance as on July 01, 2015	**957,324**	**1,925,858**	**67,338**	**2,088,569**	**5,039,089**	**273**	**5,039,362**
Cash Dividend paid	-	-	-	(152,032)	(152,032)	-	**(152,032)**
Comprehensive income for the period		-	-	138,862	138,862	6	**138,869**
Balance at December 31, 2015	**957,324**	**1,925,858**	**67,338**	**2,075,399**	**5,025,919**	**279**	**5,026,199**
Balance as on July 01, 2016	**957,324**	**1,925,858**	**67,338**	**2,417,698**	**5,368,218**	**352**	**5,368,570**
Cash Dividend paid	-	-	-	(102,786)	(102,786)	-	**(102,786)**
Comprehensive income for the period		-	-	138,465	138,465	2	**138,467**
Balance at December 31, 2016	**957,324**	**1,925,858**	**67,338**	**2,453,377**	**5,403,897**	**354**	**5,404,251**

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

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Aftab Automobiles Limited and its Subsidiary

Consolidated notes to the Financial Statements

As at and for the 2nd Quarter ended December 31, 2016

1. Corporate Information and Mode of Business

Aftab Automobiles Limited (the company), is a Public Limited Company which is one of the largest automobile assembling plants in the private sector.

The principal activities of the Company were assembling of Hino Bus, Hino Mini Bus / Truck Chassis with a production Capacity of 2400 units of vehicles in 3 shifts in Assembling Unit**.** The company has a Bus body buliding units,The Company has setup a Motorcycle Unit with a capacity of 10,000 units of Motorcycle per year.**The** Company has one subsidiary company namely Navana Batteries Ltd, that produce and market Batteries.

2. Significant Accounting Policies and basis of preparation of the financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS)- 34 Interim Financial Reporting Standards.

2.3 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1- "Presentation of Financial Statements".

2.4 Reporting Period

These financial statements cover 1st Quarter of accounting year of the company for the period from July 01, 2016 to December 31, 2016

Amount in '000' Tk

		July ' 2016 to December' 2016	July ' 2015 to December' 2015
3	**Cost of sales**		
	Materials	1,281,222	1,094,913
	Factory Overhead	58,391	53,190
	Depreciation	39,854	35,021
		1,379,467	**1,183,124**

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	Amount in '000' Tk	
	31/12/16	30/06/16
4 Property, plant and equipment, net		
Opening Balance	**1,265,524**	**1,033,688**
Add : Addition for the Period	232,873	31,290
Add : Transferred from Capital W-I-P	103,416	266,817
	1,601,813	**1,331,795**
Less : Depreciation	39,854	66,271
Closing Balance	**1,561,959**	**1,265,524**
5 Capital work-in-progress		
Opening balance	**103,416**	**266,817**
Addition during the Period	135,020	103,416
	238,436	370,233
Less: transfer to property, plant & equipment	103,416	266,817
Closing balance	**135,020**	**103,416**
6 Receivables		
Long Term receivable	2,669,121	2,543,203
Short Term receivable	1,299,350	1,326,788
	3,968,471	**3,869,991**
7 Stock and stores		
Finished products	626,512	691,272
Raw materials	255,714	483,718
Work-in-process	182,316	92,694
Stores and spares	51,382	14,134
Goods in transit	140,350	168,810
	1,256,274	**1,450,628**
8 Advances, deposits and prepayments		
Advance to suppliers	756,297	560,162
Advance to employees	63,062	40,029
Deposits for motor Cycle Unit	69,476	69,476
Advance to others	138,036	125,449
Current Account with VAT	95,267	38,598
Deposits	312,587	380,331
	1,434,725	**1,214,045**
9 Cash and bank balances		
Cash in hand	**21,315**	**26,866**
Cash at bank :		
Current & STD Accounts	341,783	799,816
FDR AC	117,397	105,960
	480,495	**932,642**

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		Amount in '000' Tk	
		31/12/16	30/06/16
10	**Deferred tax liability**		
	Opening Balance	**109,209**	**102,534**
	Add : Addition for the Period	2,251	3,326
	Add : For Associate Company	1,916	3,349
	Closing Balance	**113,376**	**109,209**
11	**Long Term loan-Net of current portion**		
	Agrani Bank Ltd.	311,452	341,006
	Meghna bank Ltd.	117,809	72,179
	South-bangla Agricultural & Commerce bank ltd.	98,650	109,774
	Uttara Finance & Investment Ltd.	71,233	130,577
	Prime bank Ltd. HP loan	145,833	44,996
	Peoples Leasing & Financial services Ltd.	146,337	190,751
	Mercantile bank Ltd. Term loan	108,221	218,810
	One Bank Lease Loan	29,376	8,395
	Al-Arafah Islami Bank Ltd.	34,506	35,059
	Trust Bank Ltd.	282,529	252,955
	Dutch-bangla Bank Ltd.	355,059	416,749
	Social Islami Bank Ltd.	54,182	52,327
	IDLC Finance Ltd.	-	1,522
	National finance Ltd	1,123	1,278
	BD FINANCE & INVESTMENT CO.LTD	45,918	-
	Midas Financing	44,733	-
	Union Capital Ltd.	62,684	-
		1,909,645	**1,876,378**
	less: Long Term loan-Current portion	**477,411**	**469,095**
	Long Term loan-Net of current portion	**1,432,234**	**1,407,284**
12	**Short-term loan**		
	Bank Asia Ltd.	450,212	465,515
	Standard Bank Ltd CC AC	57,801	40,986
	NRB Commercial Bank Ltd.	162,047	155,407
	Dhaka Bank Ltd.	52,187	51,477
	Mercantile Bank Ltd.	63,314	83,330
	The City Bank Ltd O/D Ac	29,814	30,989
	Midland Bank Ltd. O/D AC	20,622	21,009
	Prime bank Ltd. SOD A/C	50,736	50,731
	One bank Ltd. SOD A/C	-	31,270
	Southeast Bank Ltd . OD AC	180,315	149,723
	National Bank Ltd. CC AC	220,932	219,747
	Modhumoti Bank Ltd.	110,075	82,762
	Mutual trust bank ltd.	51,601	51,849
	Social Islami bank ltd.	1,969	2,220
		1,451,625	**1,437,015**
13	**Accrued and other current liabilities**		
	For goods supplied	65,231	82,953
	For expenses	128,734	145,301
	For Income tax	644,814	597,502
	For gratuity	41,326	39,326
	For Workers' P.P.F. and W.F.	53,649	44,723
	For other finance	21,394	31,669
	Unclaimed dividend	33,148	33,454
		988,297	**974,928**

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