Aftab Automobiles Limited

2nd Quarter (Half-yearly) Report
2018-2019

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, 2018, Consolidated Statement of Financial Position as at December 31, 2018, 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 30, 2019

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, 2018

(Amount in "000" Tk.)

Particulars	Notes	July ' 2018 to December' 2018	July ' 2017 to December' 2017	3-Months ended 01-10-18 to 31-12-18	3-Months ended 01-10-17 to 31-12-17
Revenues		**1,654,160**	**2,451,606**	**708,140**	**1,203,304**
Less : Cost of sales	**3**	1,245,507	1,948,181	**530,692**	**1,025,254**
Gross profit		**408,653**	**503,425**	**177,449**	**178,050**
Less: Operating expenses		**290,596**	**282,197**	**131,992**	**120,099**
Administrative expenses		47,430	50,008	17,069	21,068
Selling and distribution expenses		50,192	62,137	22,494	28,836
Financial charges		192,974	170,052	92,429	70,195
Operating profit		**118,057**	**221,228**	**45,457**	**57,951**
Add : Other income		7,009	1,065	4,591	573
Profit before contribution to WPPF		**125,066**	**222,293**	50,048	58,524
Less : Contribution to WPPF		5,956	10,585	2,383	2,787
Net profit before tax		**119,111**	**211,708**	47,665	55,737
Add : Share of profit from associate company		12,959	19,557	12,959	19,557
Profit before tax		**132,070**	**231,264**	60,624	75,294
Less : Provision for Income tax		**35,837**	**(69,982)**	15,877	(124,989)
Current tax		29,674	(62,873)	10,926	(103,443)
Deferred tax		6,163	(7,109)	4,951	(21,546)
Net income for the Period		**96,233**	**161,283**	44,747	60,319
Other comprehensive Income for the year :					
Investment Valuation surplus in share		-	**(493)**	-	275
Revaluation Gain/(Loss) on investment in share		-	(548)	-	306
Deferred tax		-	55	-	(31)
Total comprehensive income for the Period		**96,233**	**160,790**	44,747	60,595
Consolidated earnings per share		**1.01**	**1.68**	**0.47**	**0.63**

Sd/
Chairman

Sd/
Managing Director

Sd/
Director

Sd/
C F O

Sd/
Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at December 31, 2018

Amount in '000' Tk

	Notes	31-12-18	30-06-18
Assets :			
Non-current assets :			
Property, plant and equipment	4	2,039,232	2,012,034
Capital work-in-progress	5	46,520	104,848
Investments		57,896	57,896
Investments in associate		334,522	321,563
Receivables -Non-Current Maturity	6	2,276,559	2,460,242
Total non-current assets		**4,754,730**	**4,956,584**
Current assets:			
Receivables -Current Maturity	6	2,388,983	2,217,119
Stock and stores	7	2,156,538	1,930,448
Current account with Navana Group Companies		2,951,522	1,590,392
Advances, deposits and prepayments	8	2,759,881	2,546,181
Cash and bank balances	9	325,790	460,146
Total current assets :		**10,582,714**	**8,744,286**
Total Assets		**15,337,443**	**13,700,870**
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		2,860,350	2,878,999
Equity attributable to equity holders		**5,810,870**	**5,829,519**
Non-controlling interest		**416**	**412**
Total equity		**5,811,286**	**5,829,931**
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310	25,310
Long Term loan-Net of current maturity	10	1,875,235	2,612,735
Deferred tax liability	11	143,225	137,062
Total non-current liabilities		**2,043,770**	**2,775,107**
Current liabilities :			
Long Term loan-Current maturity	10	625,078	870,912
Short-term loan	12	5,439,234	3,020,668
Accrued and other current liabilities	13	1,418,075	1,204,252
Total current liabilities :		**7,482,388**	**5,095,832**
Total liabilities		**9,526,157**	**7,870,939**
Total Equity and Liabilities		**15,337,443**	**13,700,870**
Consolidated net assets value per share (NAVPS)		**60.70**	**60.89**

Sd/- **Sd/-** **Sd/-** Sd/- **Sd/-**

Chairman **'Managing Director** **Director** **C F O** **Company Secretary**

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Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Cash Flows

For the 2nd Quarter ended December 31, 2018

(Amount in "000" Tk.)

Particulars	July ' 2018 to December' 2018	July ' 2017 to December' 2017
A. Cash flows from operating activities		
Receipts from customers	1,665,979	2,316,426
Receipts as other income	7,009	1,065
Payments to suppliers and employees	(1,617,019)	(2,121,111)
Cash generated from operations	**55,969**	**196,380**
Income tax paid	(41,322)	(83,257)
Net cash generated by operating activities	**14,647**	**113,123**
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(21,935)	(35,317)
Capital work in progress	(1,672)	(39,563)
Net cash used investing activities	**(23,607)**	**(74,880)**
C. Cash flows from financing activities		
Received of bank loan	1,435,232	367,731
Financial charges paid	(192,974)	(170,052)
Inter company transaction	(1,361,130)	(55,747)
Dividend paid	(6,523)	(88,529)
Net cash used in financing activities	**(125,395)**	**(174,495)**
D. Net changes in cash & cash equivalents for the period (A+B+C)	**(134,356)**	**91,646**
E. Cash & cash equivalents at beginning of the period	460,146	481,144
F. Cash & cash equivalents at end of the period (D+E)	**325,790**	**572,790**
Consolidated net operating cash flows per share (NOCFPS)	**0.15**	**1.18**

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

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Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity

For the 2nd Quarter ended December 31, 2018

(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, 2017	**957,324**	**1,925,858**	**67,338**	**2,722,946**	**5,673,466**	**395**	**5,673,861**
Dividend	-	-	-	(88,529)	(88,529)	-	**(88,529)**
Comprehensive income for the period		-	-	160,774	160,774	16	**160,790**
Balance at December 31, 2017	**957,324**	**1,925,858**	**67,338**	**2,795,191**	**5,745,711**	**411**	**5,746,122**
Balance as on July 01, 2018	**957,324**	**1,925,858**	**67,338**	**2,878,999**	**5,829,519**	**412**	**5,829,931**
Dividend	-	-	-	(114,878)	(114,878)	-	**(114,878)**
Comprehensive income for the period		-	-	96,229	96,229	4	**96,233**
Balance at December 31, 2018	**957,324**	**1,925,858**	**67,338**	**2,860,350**	**5,810,870**	**416**	**5,811,286**

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, 2018

1. Corporate Information and Mode of Business

Aftab Automobiles Limited (the company), was incorporated in erstwhile East pakistan in year 1967 as East pakistan Automobiles Limited under the Companies Act, 1913. Subsequently, after liberation, the Company changed the name as Aftab Automobiles Limited and was certified by the Register of Joint Stock Companies, Bangladesh on the 11th day of March, 1972. It was incorporated as a Private Limited Company since inception. However, in 1981 it was transformed into Public Limited Company under the Companies Act, 1913. The Registered Office of the Company is located at 125/A, Motijheel Commercial Area,Dhaka-1000. The Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1987 and 1996 respectively.

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser soft top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus / Truck Chassis with a production Capacity of 2400 units of vehicles in 3 shifts in Assembling Unit. At present the plant is running single shift .The Company has recently setup a Motor Cycle Unit with a capacity of 10,000 units of Motor Cycle per year. Sales of Motor Cycle have been started in the year 2013-2014. The Company has one subsidiary company namely Navana Batteries Ltd, that produces and markets 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 2nd Quarter of accounting year of the company for the period from July 01, 2018 to December 31, 2018

Amount in '000' Tk

	July ' 2018 to December' 2018	July ' 2017 to December' 2017
3. Cost of sales		
Materials	1,120,256	1,839,140
Factory Overhead	70,514	64,104
Depreciation	54,737	44,937
	1,245,507	**1,379,467**

		Amount in '000' Tk
	31-12-18	30-06-18
4 Property, plant and equipment, net		
Opening Balance	**2,650,464**	**2,284,422**
Add : Addition for the Period	21,935	117,046
Add : Transferred from Capital W-I-P	60,000	248,996
	2,732,399	**2,650,464**
Less : Depreciation	693,167	638,430
Closing Balance	**2,039,232**	**2,012,034**
5 Capital work-in-progress		
Opening balance	**104,848**	**289,002**
Add : Addition during the Period	1,672	64,843
	106,520	353,845
Less: Transfer to property, plant & equipment	60,000	248,997
Closing balance	**46,520**	**104,848**
Receivables		
6 Receivable Non-Current (Maturity over 12 months)	**4,677,360**	**4,782,120**
Less : Bad debts	11,818	104,760
	4,665,542	4,677,360
Receivable current (Maturity less than 12 months)	2,388,983	2,217,119
	2,276,559	**2,460,242**
7 Stock and stores		
Finished products	1,278,551	804,838
Raw materials	395,912	597,801
Work-in-process	24,998	117,224
Stores and spares	31,183	3,080
Sundry Stock	5,689	
Goods in transit	420,205	407,505
	2,156,538	**1,930,448**
8 Advances, deposits and prepayments		
Advance to suppliers	217,681	778,216
Advance to employees	23,982	49,883
Advance to others	1,292,146	186,145
Current Account with VAT	106,517	99,522
Deposits	47,255	401,438
Advance Income tax (note-8.1)	1,072,299	1,030,977
	2,759,881	**2,546,181**
8.1 Advance Income tax		
Opening balance	**1,030,977**	**881,762**
Add : Addition during the Period	**41,322**	149,215
	1,072,299	1,030,977
Less : Adjustment made during the period	-	-
Closing Balance	**1,072,299**	**1,030,977**
9 Cash and bank balances		
Cash in hand	**12,728**	**60,996**
Cash at bank :		
Current & STD Accounts	102,869	257,621
FDR AC	210,194	141,529
	325,790	**460,146**

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		Amount in '000' Tk
	31-12-18	**30-06-18**
10 Long Term loan-Net of current portion		
Agrani Bank Transport Loan	844,532	-
Bank Asia Ltd.	-	200,119
City Bank Ltd.	-	64,991
Dutch Bangla bank Ltd.	-	621,385
Meghna Bank Ltd. TL	39,108	56,570
Mercantile Bank ltd.TL	147,827	76,496
Midland Bank Ltd.TL	20,793	99,146
Modhumoti Bank Ltd.	-	62,595
Mutual Trust Bank.TL	176,413	264,304
NCC Bank Ltd. TL AC	138,587	152,931
NRB Commercial Bank ltd.	-	25,229
One Bank Ltd. Lease finance	71,591	400,341
Prime Bank Ltd. HP AC	43,804	63,903
SBAC Bank Ltd. LF AC	127,527	71,049
Social Islami Bank Ltd	-	51,958
Southeast Bank Ltd.TL	48,532	127,806
Standed bank Ltd.TL	129,286	141,903
Trust Bank Ltd.	-	387,296
Bay Leasing	108,272	89,239
BD FINANCE & INVESTMENT CO.LTD	51,068	-
GSP Finance	235,435	187,429
Midas financing	36,216	31,226
PEOPLE LEASING & FINANCE	137,951	162,637
Union Capital	143,371	145,094
	2,500,313	**3,483,647**
less: Long Term loan-Current portion	**625,078**	**870,912**
Long Term loan-Net of current portion	**1,875,235**	**2,612,735**
11 Deferred tax liability		
Opening Balance	**137,062**	**77,816**
Add : Addition for the Period	3,571	54,357
Add : For Associate Company	2,592	4,889
Closing Balance	**143,225**	**137,062**
12 Short-term loan		
AGRANI BANK Ltd. CC-AC	1,035,570	1,027,162
Al-Arafah Islami bank	63,808	31,863
Bank Asia Ltd. OD AC	529,897	465,038
Bond Liability	25,632	-
Brac Bank Ltd. LATR AC	214,939	-
City Bank Ltd. OD AC	-	31,897
Deferred Liabilities in IFIC	48,174	-
Deferred Liabilities in Modhumoti	2,634	20,833
Dhaka Bank Ltd.	-	51,388
Dutch Bangla bank Ltd. SOD A/C	850,287	199,999
IFIC Bank, Principal Br. SOD A/C	391,377	39,895
Jamuna Bank Ltd. - CC	49	2,339
Mercantile Bank Ltd. SOD, LTR AC	339,742	72,054
Midland Bank Ltd. OD AC	-	21,352
Modhumoti Bank Ltd. STL, LTR & CC	98,981	-
MTB Ltd. CC(hypo) AC	51,724	52,706
MTB Ltd. LG AC	40,099	-
NCC Bank Ltd. CC, LTR AC	56,516	134,657
NRB Comm. Bank Ltd. OD AC	243,392	228,024
NRB Comm. Bank Ltd. TL AC	216,193	-
Prime Bank Ltd. SOD AC	51,671	51,554
SBAC Bank Ltd. CC AC	31,115	34,207
SBAC Bank Ltd. TL AC	15,992	-

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		Amount in '000' Tk
	31-12-18	30-06-18
Shahjalal Islami Bank	169,421	166,444
Social Islami Bank Ltd	55,548	-
Southeast Bank Ltd. LTR AC	338,942	-
Southeast Bank Ltd. OD AC	124,095	346,462
Standard Bank Ltd. CC, LTR- AC	53,550	42,794
Trust Bank Ltd.	389,887	-
	5,439,234	**3,020,668**

13 Accrued and other current liabilities

For goods supplied	77,756	78,571
For expenses	497,532	60,842
For Income tax	300,697	817,244
For gratuity	49,309	63,177
For Workers' P.P.F. and W.F.	37,533	31,577
Provision for bad debts		6,149
For other finance	223,131	76,421
Liabilities for dividend	178,625	70,270
Advance against Sales	29,172	
TDS and VDS payable	24,322	
	1,418,075	**1,204,251**

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