ATLAS BANGLADESH LIMITED

265-267, TONGI INDUSTRIAL AREA, TONGI, GAZIPUR

3rd Quarter Un-Audited Financial Statements as at 31 March 2018

Please find below the provisional & un-audited 3rd Quarter Financial Statements for the period ended 31 March 2018 as per SEC Notification No.SEC/CMRRD/2008-183/Admin/03-34 dated September 27,2009 & SEC/CFD/Misc/233/2004/615, February 02, 2010.

Statement of Financial Position as at 31 March 2018 (Un-Audited)

(Amount in Taka)

Particulars	31 March 2018	30 June 2017
ASSETS		
Non Current Assets (A)		
Property,Plant and Equipment (At cost less depreciation)	3,803,371,371	3,805,295,842
Other Assets	-	-
Total	3,803,371,371	3,805,295,842
CURRENT ASSETS (B)		
Inventories	195,101,360	211,763,342
Trade and Other Receivables	38,811,014	77,441,345
Advance, Deposit & Prepayments	644,126,605	638,003,916
Cash & Cash Equivalents	446,234,289	448,114,092
Total Current Assets	1,322,273,268	1,376,322,696
Total Assets (A+B)	5,125,644,639	5,180,618,538
EQUITY & LIABILITIES		
SHARE HOLDERS EQUITY (A)		
Share Capital	301,155,530	273,777,750
Share Premium	158,182,500	158,182,500
General Reserve	18,000,000	18,000,000
Revaluation reserve	3,635,838,286	3,635,838,286
Capital Reserve	5,215,219	5,215,219
Retained Earnings	342,520,652	421,106,185
Total Shareholders Equity	4,460,912,187	4,512,119,940
NON CURRENT LIABILITY (B)		
Long Term Loan	2,184,296	2,184,296
Obligatory Employee Retairement Benefit (Gratuity)	90,699,456	91,221,381
Deferred Tax Liability	153,699,992	153,699,992
Total Non Current Liabilities	246,583,744	247,105,649
CURRENT LIABILITIES (C)		
Trade and Other Payables	48,885,974	52,400,952
Unpaid Dividend	57,233,631	57,477,709
Provision for Taxation	312,029,103	311,514,288
Total Current Liabilities	418,148,708	421,392,549
TOTAL EQUITY & LIABILITIES (A+B+C)	5,125,644,639	5,180,618,538
Net Assets Value (NAV) (Tk.)	4,460,912,187	4,512,119,940
Net Assets Value (NAV) per share (Basic)	148	165
Net Assets Value (NAV) per share (Restated)	148	150

Statement of Profit or Loss and other Comprehensive Income (Un-Audited) for the period ended 31 March 2018.

(Amount in Taka)

Particulars	For the period July 17 to March 18	Comparative period July 16 to March 17	For the Period January 18 to March 18	Comparative Period January 17 to March 17
Net Sales	69,889,278	82,094,928	24,147,715	49,027,942
Less: Cost of Sales	(84,123,291)	(90,061,970)	(28,737,874)	(44,184,898)
Gross Profit/(Loss)	(14,234,013)	(7,967,042)	(4,590,159)	4,843,044
Less: Admin, Selling & Distribution & Financial Exp.	(46,319,640)	(56,842,449)	(13,190,045)	(15,901,402)
Operating Income/(Loss)	(60,553,653)	(64,809,491)	(17,780,204)	(11,058,358)
Add: Non-Operating Income	15,913,305	18,578,719	6,513,564	5,580,472
Less: Profit cont. to W.P.P.F.	-	-	-	-
Net profit/(Loss) before Tax	(44,640,348)	(46,230,772)	(11,266,640)	(5,477,886)
Less: Income Tax Expenses	(514,815)	(604,042)	(183,968)	(327,650)
Current	514,815	604,042	183,968	327,650
Deferred	-	-	-	-
Net Profit/(Loss) after tax for the period	(45,155,163)	(46,834,814)	(11,450,508)	(5,805,536)
Earning per Share (EPS) Basic	(1.50)	(1.71)	(0.38)	(0.21)
Earning per Share (EPS) Restated	(1.50)	(1.56)	(0.38)	(0.19)

Statement of Cash Flows (Un-Audited) for the period ended 31 March 2018.

(Amount in Taka)

Particulars	31-Mar-18	31-Mar-17
CASH FLOW FROM OPERATING ACTIVITIES		
Collection from Turnover and other Income	85,802,583	100,673,647
Payment for Costs & Expenses	(78,402,151)	(219,222,428)
Income Tax paid and deducted at Source	(3,525,605)	(5,005,768)
Net cash used by operating activities	3,874,827	(123,554,549)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(34,998)	(12,000)
Disposal of Fixed Assets	-	-
Net cash used by investing activities	(34,998)	(12,000)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan Repaid	-	-
Dividend Paid	(5,719,632)	(13,568,801)
Net cash used by financing activities	(5,719,632)	(13,568,801)
Net Cash inflows/(outflows) for the period	(1,879,803)	(137,133,350)
Opening Cash and Bank Balances	448,114,092	580,729,508
Closing Cash and Bank Balances	446,234,289	443,596,158
Net Operating Cash Flow Per Share (NOCFPS) (Tk.) Basic	0.13	(4.51)
Net Operating Cash Flow Per Share (NOCFPS) (Tk.) Restated	0.13	(4.10)

Statement of changes in Equity (Un-Audited) for the period ended 31 March 2018.

(Amount in Taka)

Particulars	Share Capital	Capital Reserve	General Reserve	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance at 1st 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
Balance for the period	-	-	-	-	-	(45,155,163)	(45,155,163)
Less/Add: Prior year's Exp / Income	-	-	-	-	-	(577,035)	(577,035)
Bonus Share (2016-2017)	27,377,780	-	-	-	-	(27,377,780)	-
Cash Dividend (2016-2017)	-	-	-	-	-	(5,475,555)	(5,475,555)
Balance as at 31 March 2018	301,155,530	5,215,219	18,000,000	158,182,500	3,635,838,286	342,520,652	4,460,912,187

Statement of changes in Equity (Un-Audited) for the comparative period ended 31 March 2017.

(Amount in Taka)

Particulars	Share Capital	Capital Reserve	General Reserve	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance at 1st July, 2016	260,740,720	5,215,219	18,000,000	158,182,500	3,636,708,850	531,581,632	4,610,428,921
Balance for the period	-	-	-	-	-	(46,834,814)	(46,834,814)
Less/Add: Prior year's Exp./ Income						(529,125)	(529,125)
Bonus Share (2015-2016)	13,037,030	-	-	-	-	(13,037,030)	-
Cash Dividend (2015-2016)	-	-	-	-	-	(26,074,072)	(26,074,072)
Balance as at 31 March 2017	273,777,750	5,215,219	18,000,000	158,182,500	3,636,708,850	445,106,591	4,536,990,910

(Md. Abul Kalam Azad)
Deputy Chief Accounts Officer
& Company Secretary

(A N M Kamrul Islam)
Managing Director

(M Akbar Ali)
Director

(Mizanur Rahman)
Chairman

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ATLAS BANGLADESH LIMITED

Notes to the 3rd Quarter un-audited & provisional Financial Statements

For the period ended 31 March 2018

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 engage Distribution and Technical Assistance Agreement with Chongquing Zongshen Group I/E Crop, China. The assembled Motorcycle under this agreement, ABL is marketing under the trade mark of ZONGSHEN-ATLAS.

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
(ii) Statement of Profit or Loss and other Comprehensive Income
(iii) Statement of Changes in Equity
(iv) Statement of Cash Flows
(v) Accounting Policies and Explanatory Notes to the Financial Statements.

2.00 **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

(a) **Fundamental Accounting Concepts/ Assumption**

The 3rd Quarter un-audited & provisional financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1 & BAS-34 "Interim financial reporting"and BFRS for fair presentation of financial statements.

(b) **Comparative Information:**

Comparative information have been disclosed in respect of the 3rd Quarter for the year 2017-2018 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statement.

(c) **Compliance with Local Laws:**

The 3rd Quarter un-audited & provisional 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.

(d) **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 it found necessary.

(e) **Reporting period:**

3rd Quarter un-audited & provisional financial statements have been prepared covering 3rd quarter from 01 July 2017 to 31 March 2018.

(f) **Foreign currency translation:**

Foreign currencies have been translated into Bangladesh taka currency at rates ruling on the dates the transactions were effected.

(g) **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.

(h) **Income Tax Expenses**

Current Tax:

Provision for Taxation has been made during the period applying the applicable rate as per Income Tax Ordinance 1984.

Deferred Tax:

Deferred Tax have not been considered in the 3rd Quarter un-audited financial statements.

(i) **Cash and cash equivalents:**

According to BAS 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. BAS 1 ``Presentation of Financial Statements" provides that Cash and cash equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balances including FDR have been treated as Cash & cash equivalents.

(j) **Related Party Disclosures**

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

(k) **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 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 entitle for pension and the company contribute 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.

(l) **Key Management Personnel Compensation:**

i) Atlas Bangladesh limited is offloaded State own national organization and the Companies compensation packages has been provided as per the National Pay Scale approved by the Government.

ii) no amount was spent by the company for compensating any member of the Board of Directors except Managing Director.

iii) management personnel's compensation included in the Admin,Selling & Distribution & Financial Expenses.

(m) Revaluation surplus/Deficit have not been considered in the 3rd Quarter un-audited & provisional financial statements.

(n) There is no current portion of long-term loan.

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	AMOUNT (IN TAKA)	
	31.03.2018	30.06.2017

3.00 PROPERTY, PLANT AND EQUIPMENT : TK. 3,803,371,371

This is made up as follows:

At cost (A)		
Opening balance	3,931,887,573	3,931,875,573
Addition during the period	34,999	12,000
	3,931,922,572	3,931,887,573
Accumulated depreciation (B)		
Opening balance	126,591,731	123,439,677
Charge during the period	1,959,470	3,152,054
	128,551,201	126,591,731
Balance (A-B)	3,803,371,371	3,805,295,842

4.00 INVENTORIES : TK. 195,101,360

This is made up as follows:

Raw materials	110,843,003	111,624,165
Work-in progress	2,500,000	-
Finished goods	76,802,000	81,440,255
Store & spares	4,956,357	3,416,157
Store -in-transit	-	15,282,765
	195,101,360	211,763,342

5.00 CASH AND CASH EQUIVALENTS : TK. 446,234,289

This is made up as follows:

Cash in hand	82,757	8,533
Cash at bank	446,151,532	448,105,559
	446,234,289	448,114,092

	AMOUNT (IN TAKA)	
	31.03.2018	31.03.2017

6.00 SALES (NET) : TK. 69,889,278

This is made up as follows:

Motor cycle	72,912,766	91,098,777
Spare parts	6,242,237	2,389,055
Gross sales	79,155,003	93,487,832
VAT	9,265,725	11,392,904
Net Sales	69,889,278	82,094,928

(Md. Abul Kalam Azad)
Deputy Chief Accounts Officer
& Company Secretary

(A N M Rahmul Islam)
Managing Director

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