Half Yearly Report

31 December, 2018

NATIONAL TUBES LIMITED
Registered Office : National Tubes Ltd.,
131-142 Tongi Industrial Area
Gazipur-1710.

Dear Sir,

We forward herewith the Un-Audited Financial Statements of the Company for the Half Year ended on December 31, 2018 as per Securities & Exchange Commission Notification No.BSEC/CMRRCD/ 2006-158/208/ Admin/81 dated June 20, 2018.

(Engr.Md.Abul Khayer Sardar)
Managing Director

N.B:

Selected explanatory notes to the accounts for the period Half year ended 31 December 2018 shown in note no1 to 15 (Page no.2-4)

NATIONAL TUBES LIMITED

Statement of Financial Position (Un-Audited)
As at 31 December, 2018

Particulars	31 Dec.,2018 (Taka)	30 June,2018 (Taka)
Assets		
A) Non Current Assets :	**5,249,576,435**	**5,254,539,412**
Property, Plant & Equipment note-2	5,249,576,435	5,254,539,412
B) Current Assets :	**733,098,664**	**771,426,154**
Inventories -3	402,614,625	431,707,239
Debtors -4	24,874,057	44,218,018
Advances, deposits and prepayments -5	298,999,832	294,831,377
Cash and bank balances - 6	6,610,150	669,520
C) Total assets (A+B)	**5,982,675,099**	**6,025,965,566**
D) Shareholders Equity :	**5,543,313,566**	**5,572,181,683**
Share capital	316,561,850	287,783,500
General reserve	15,000,000	15,000,000
Revaluation reserve	5,201,734,993	5,205,552,000
Retained earnings	10,016,723	63,846,183
Total shareholders		
E) Non-Current Liabilites	**61,843,154**	**62,030,294**
Long-term loans	59,469,473	59,469,473
Deferred tax liability-14	2,373,681	2,560,821
F) Current Liabilities :	**377,518,379**	**391,753,589**
Bank loans, overdrafts and credits -7	162,378,059	216,581,402
Creditors and accruals - 8	119,391,802	117,158,297
Other current liabilities - 9	95,748,518	58,013,890
Total equity and liabilities (D+E+F)	**5,982,675,099**	**6,025,965,566**
Net assets	5,543,313,566	5,572,181,683
Net asset value (NAV) per share	**175.11**	**193.62**

NATIONAL TUBES LIMITED

Statement of Cash Flows (Un-Audited)
For the Half year ended on 31 December, 2018

Particulars	31 Dec.,2018 (Taka)	31 Dec.,2017 (Taka)
Cash flows from operating activities :	(3,876,547)	(46,131,823)
Collections from turnover and others-13	134,714,325	192,682,602
Payments for costs and expenses	(135,386,984)	(233,134,106)
Income-tax paid and/or deducted	(3,203,888)	(5,680,319)
Cash flows from investing activities :	-	(1,290,000)
Acquisition of fixed assets	-	(1,290,000)
Acquisition of long-term assets	-	-
Sale proceeds of long-term assets	-	-
Cash flows from financing activities :	9,817,177	39,871,175
Issue of shares at par/premium	-	-
Loans received	111,936,677	39,871,175
Loans repaid	(102,119,500)	-
Dividend paid	-	-
Net cash inflows / (outflows) for the period	5,940,630	(7,550,648)
Opening cash and bank balances	669,520	10,428,112
Closing cash and bank balances	6,610,150	2,877,465
Net Operating Cash Flow Per Share(NOCFPS)	**(0.12)**	**(1.60)**

Statement of Changes in Equity (Un-audited)
For the Half year ended on 31 December, 2018

Particulars	Share Capital	General Reserve	Revaluation Reserve	Retained Earnings	Total
Balance 1 July 18	287,783,500	15,000,000	5,205,552,000	63,846,183	5,572,181,683
Net Profit/(Loss) after Tax				(28,876,179)	(28,876,179)
Dep charged on revalued amount			(3,817,007)	3,817,007	
10% Bonus Share 17-18	28,778,350			(28,778,350)	-
Prior years adjustment				8,062	8,062
Balance 31 December 2018	**316,561,850**	**15,000,000**	**5,201,734,993**	**10,016,723**	**5,543,313,566**
Balance 31 December 2017	**287,783,500**	**15,000,000**	**5,214,720,333**	**112,628,576**	**5,584,388,876**

Statement of Profit or Loss and other comprehensive income (Un-audited)
for the Half Year ended on 31 December, 2018

Particulars	July-Dec.18	July-Dec. 17	Oct-Dec.18	Oct-Dec.17
Net Sales -10	115,995,291	119,220,128	61,912,097	64,412,202
Cost of goods sold - 11	110,574,663	131,004,899	53,727,129	60,159,745
A) Gross profit/(loss)	**5,420,628**	**(11,784,771)**	**8,184,968**	**4,252,457**
B) Operating Expenses	**25,044,952**	**27,015,982**	**12,531,293**	**13,590,274**
Administrative expenses	22,731,356	23,708,447	11,359,386	11,741,616
Selling and distribution expenses	2,313,596	3,307,535	1,171,907	1,848,658
C) Operating profit/(Loss)(A-B)	(19,624,324)	(38,800,753)	(4,346,325)	(9,337,817)
Financial/Interest expenses	(10,024,318)	(8,076,543)	(4,824,318)	(6,076,543)
Non operating Income	1,289,029	1,638,373	1,130,293	1,410,495
D) Net profit/(loss) before tax	**(28,359,613)**	**(45,238,923)**	**(8,040,350)**	**(14,003,865)**
E) Income Tax expenses	**516,566**	**827,183**	**378,254**	**445,679**
Current Tax	703,706	827,183	378,254	445,679
Deferred Tax	(187,140)	-	-	-
F) Net profit/(Loss) after tax(D-E)	**(28,876,179)**	**(46,066,106)**	**(8,418,604)**	**(14,449,544)**
Earning per Share(Basic)	(0.91)	(1.60)	(0.27)	(0.50)
Earning per Share(Restated)	(0.91)	(1.46)	(0.27)	(0.46)

Company Secretary

Chief Financial Officer

Managing Director

Director

Director

NATIONAL TUBES LIMITED

Tongi, Gazipur.

Selected explanatory notes to the accounts for the period half year ended 31 December 2018

Note-1) About the Company:

National Tubes Ltd. was established in the private sector in 1964. It was nationalized and placed under BSEC in 1972. The enterprise was transformed into a public company in 1989 by off-loading 49 percent shares to the general public. The company is now being managed by the independent Board of Directors. Its factory is situated on the Dhaka-Mymensing highway on 14.31-acre land at 131-142 Tongi Industrial Area-20 km North of the Capital City.

a) NATURE OF BUSINESS:

The Company manufactures G.I; A.P.I. & M.S.Pipes ranging from ½" to 8" dia.

b) BASIS OF ACCOUNTING:

(1) These Financial statements have been prepared under Historical cost convention in accordance with Bangladesh Accounting Standards (BAS).

(2) While preparing the Financial statements, attention has been given to the requirements of the Securities and Exchange Rules 1987, International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), Companies Act 1994 and other relevant laws where applicable.

c) FIXED ASSETS:

Fixed Assets are stated at cost of revalued price less accumulated depreciation.

d) DEFERRED TAX :

Deferred tax has been considered in half year (Q-2) financial statements ended on 31 December, 2018.

e) PROVISION FOR EXPENSES :

Recurring expenses are provided based on estimation if the bills are not received and are adjusted subsequently with actual bills when received.

f) INCOME TAX

Provision for income tax calculated as applicable income tax laws which breadkup included in note no-12.

g) USE OF CREDIT FACILITIES :

All credit facilities are used with bank loan.

h) Figures in the accounts have been rounded off to the nearest taka.

Note-2) Property, Plant & Equipment Tk.5,249,576,435

Fixet Assets	5,675,722,707
Less: Accumulated Depreciation	426,146,272
Total :	**5,249,576,435**

Note-3) Inventories Tk.402,614,625

Stock of Raw materials	84,311,944
Stores & Spares	34,286,681
Store In Transit	-
Stock of working process	46,042,000
Stock of finishet goods	237,974,000
Total :	**402,614,625**

Note-4) Debtors Tk.24,874,057

Bakhrabad Gas system Ltd.	617,989
GEM Co. Ltd.	49,520
Titas Gas T & D Co. Ltd.	1,308,674
Karnafuli Gas Co.Ltd.	472,908
Western Gas Distribution Project	2,132,852
Dhaka Washa	20,838,876
Less provision for bad debt	(546,762)
Total :	**24,874,057**

Note-5) Advances, deposits and prepayments Tk. 298,999,832

TA / DA Advance	68,892
Advance for Purchase	1,472,551
Advance for Expense	1,359,423
Advance for Canteen/Mess Expense	84,198
Loans to Employees	6,341,720
Advance Corporate Tax	269,801,166
Current account with Enterprises	15,057,076
Advance to Suppliers and Contractors	158,423
Security Deposites	3,629,874
VAT	1,026,509
Total :	**298,999,832**

Note-6) Cash and bank balances Tk. 6,610,150

Cash in Hand	381,383
Bank Deposit	6,228,767
Total :	**6,610,150**

Note-7) Bank loans, overdrafts and credits Tk. 162,378,059

CC Loan	42,119,082
LTR Loan	120,258,977
Total :	**162,378,059**

Note-8) Creditors and accruals Tk. 119,391,802

Sundry creditors for goods	553,137
Provision for expenses and Interests	40,852,617
Pension fund	-
Tax liabilities	58,150,599
Current A/C with BSEC	-
Advance received from customers	19,835,449
Total :	**119,391,802**

Note-9) Other current liabilities Tk. 95,748,518

Leave pay & Gratuity	78,252,323
Liability for other finances	17,496,195
Total :	**95,748,518**

Note-10) Net sales Tk. 115,995,291

Gross Sale	133,425,296
Less : VAT	(17,430,005)
Total :	**115,995,291**

Note-11) Cost of goods sold Tk.110,574,663

Direct Materials		42,465,210
Direct Labour		32,633,674
Power, Fuel &Oil		4,496,656
Production Overhead		7,794,015
Total		**87,389,555**
Opening Stock Of WIP		40,685,256
Closing Stock Of WIP		46,042,000
Production Cost		**82,032,811**
Opening Stock Of Finished Goods		266,515,852
Closing Stock Of Finished Goods		237,974,000
	Total :	**110,574,663**

Note-12) Turnover and other income Tk. 117,284,320

Net sales		115,995,291
Non-operating income		1,289,029
	Total :	**117,284,320**
Provision for Income tax@0.60% due to loss		703,706

Note-13) Collection fromTurnover and others Tk. 134,714,325

Gross sales		133,425,296
Non-operating income		1,289,029
Debtors decrease/(increase)		19,343,962
Advance from customer increase/(decrease)		19,835,450
	Total :	**134,714,325**

Note-14) Deferred tax liability : Tk. 2,373,681

This is made up as follows:

Particulars	
Opening Balance	2,560,821
Add/(Less): Deferred Tax expenses/(income) during the year	(187,140)
Closing Balance:	2,373,681

Note-15) Significant deviation:

a) The EPS of Q-2 ended on 31 December 2018 is Tk.(0.91) where as Tk.(1.60) for the previous year same period. Because the company earned gross profit as compared with the previous gross loss and reduces the operating expenses as well as reduced net loss for the period 37.32%.

b) On the other hand Oct-Dec'18 EPS is Tk.(0.27) where as Tk. (0.50) for the previous same period. Because the compnay earned gross profit more than 92.48% for the same previous period and reduced the operating & financial expenses.

c) The NOCFPS of Q-2 ended on 31 December 2018 is Tk.(0.12) where as Tk.(1.60) for the previous year same period. Because payment for cost & expenses & income tax reduces as compared with the previous period as well as NOCFPS more then better from the said period.

NATIONAL TUBES LIMITED
(An Enterprise of BSEC)
131-142 Tongi Industrial Area,
TONGI, GAZIPUR.

Financial position for the Half year (Q-2)
Ended on 31 December, 2018

In compliance with the Gazette Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission. The Board has approved in its 512th Board Meeting held on 29 January, 2019 the Provisional & Un-audited Financial Statements for the Half year (Q-2) ended on 31 December 2018.

Summarized Financial Position are as follows:

Particulars	July-Dec,2018 (Taka)		30 June, 2018 (Taka)	
Net Assets Value	5,54,33,13,566		5,57,21,81,683	
Net Assets Value (NAV) Per Share	175.11		193.62	
Particulars	**July-Dec.18**	**July-Dec.17**	**Oct-Dec.18**	**Oct-Dec.17**
Net sales	11,59,95,291	11,92,20,128	6,19,12,097	6,44,12,202
Net Profit/(Loss) after tax	(2,88,76,179)	(4,60,66,106)	(84,18,604)	(1,44,49,544)
Earning per share (EPS) (Basic)	(0.91)	(1.60)	(0.27)	(0.50)
Earning per share (EPS) (Restated)	(0.91)	(1.46)	(0.27)	(0.46)
Particulars	**July-Dec.18**		**July-Dec.17**	
Net operating cash flow (NOCFPS) per share	(0.12)		(1.60)	

By order of the Board

Date: 29 January 2019.

(Md.Abul Kalam Azad)
Company Secretary

N.B. The details 0f the published quarterly (Q2) financial statements are available in the website of the company. The address of the website is **www.ntl.gov.bd.**