

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

Particulars	Notes	(Amount in "000" Tk.)			
		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/-
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, 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/-
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Director

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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

Sd/-
Chairman

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Managing Director

Sd/-
Director

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C F O

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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

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Chairman

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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

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Cost of sales

Materials
Factory Overhead
Depreciation

Amount in '000' Tk	
July ' 2016 to December' 2016	July ' 2015 to December' 2015
1,281,222	1,094,913
58,391	53,190
39,854	35,021
1,379,467	1,183,124

	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

	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