

# AFTAB AUTOMOBILES LIMITED

3RD QUARTER REPORT

2014-2015

## Dear Shareholders,

We are pleased to forward herewith the 3rd Quarter un-audited financial statements which consist of consolidated statement of financial position as at May 31, 2015, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows alongwith consolidated notes to the financial statements for the third quarter ended on that date.

Sd/-  
Chairman

Dated, Dhaka.  
June 29, 2015

## Aftab Automobiles Limited and its Subsidiary

*Un-Audited consolidated Statement of Comprehensive Income*

For the third quarter ended May 31, 2015

		(Amount in "000" Tk.)			
Particulars	Notes	Sep 01, 2014 to May 31, 2015	Sep 01, 2013 to May 31, 2014*	March 01, 2015 to May 31, 2015	March 01, 2014 to May 31, 2014
		9-Months	9-Months	3-Months	3-Months
		BD Taka	BD Taka	BD Taka	BD Taka
<b>Revenues</b>		<b>2,256,343</b>	<b>2,516,510</b>	<b>923,451</b>	<b>807,096</b>
Less : Cost of sales	3	1,694,939	1,977,976	696,674	658,247
<b>Gross profit</b>		<b>561,404</b>	<b>538,534</b>	<b>226,777</b>	<b>148,849</b>
<b>Less: Operating expenses</b>		<b>307,358</b>	<b>290,347</b>	<b>133,187</b>	<b>100,789</b>
Administrative expenses		69,125	67,961	30,819	24,837
Selling and distribution expenses		107,785	107,310	59,445	31,280
Financial charges		130,448	115,076	42,923	44,672
<b>Operating profit</b>		<b>254,046</b>	<b>248,187</b>	<b>93,590</b>	<b>48,060</b>
Add : Other income		16,152	18,890	374	1,650
Less : Contribution to WPPF		12,867	12,718	4,474	2,367
<b>Profit before tax</b>		<b>257,331</b>	<b>254,359</b>	<b>89,490</b>	<b>47,342</b>
<b>Less : Provision for Income tax</b>		<b>79,694</b>	<b>67,151</b>	<b>28,721</b>	<b>7,633</b>
Current tax		76,722	64,115	27,201	6,108
Deferred tax		2,972	3,036	1,520	1,525
<b>Net income for the Period</b>		<b>177,637</b>	<b>187,208</b>	<b>60,769</b>	<b>39,709</b>
Revaluation Gain/(Loss) on investment in share		(338)	2,199	674	844
<b>Total comprehensive income for the Period</b>		<b>177,299</b>	<b>189,407</b>	<b>61,443</b>	<b>40,553</b>
<b>Total comprehensive income for the Period</b>					
<b>Attributable to:</b>					
Equity holders		177,270	189,368	61,430	40,565
Non-controlling interests		29	39	13	(12)
<b>Total comprehensive income for the period</b>		<b>177,299</b>	<b>189,407</b>	<b>61,443</b>	<b>40,553</b>
<b>Earnings per share</b>		<b>1.86</b>	<b>1.96</b>	<b>0.63</b>	<b>0.41</b>

\*Consolidated financial statements of previous year consist of three subsidiaries and current year consist of one subsidiary.

Sd/-  
Chairman

Sd/-  
Company Secretary

# Aftab Automobiles Limited and its Subsidiary

## Un-Audited consolidated Statement of Financial Position

As at May 31, 2015

		Amount in '000' Tk	
		31/05/15	31/08/14
Notes		BD Taka	BD Taka
<b>Assets :</b>			
<b>Non-current assets</b>			
	Property, plant and equipment, net	1,032,383	785,502
	Capital work in progress	141,463	191,996
	Investments in shares	6,482	6,820
	Investments in associate	254,057	254,057
	Trade debtors -Long term	1,607,466	1,723,995
	<b>Total non-current assets</b>	<b>3,041,851</b>	<b>2,962,370</b>
<b>Current assets</b>			
	Stock and stores	1,225,715	1,212,224
	Trade debtors	1,156,722	1,074,836
	Income tax deducted at source	544,274	465,660
	Advance, deposits and prepayments	1,676,100	1,540,586
	Cash and bank balances	240,932	490,311
	<b>Total current assets :</b>	<b>4,843,743</b>	<b>4,783,617</b>
	<b>Total Assets</b>	<b>7,885,594</b>	<b>7,745,987</b>
<b>Equity and Liabilities :</b>			
<b>Capital &amp; reserve</b>			
	Share capital	957,324	957,324
	Share premium	1,925,858	1,925,858
	Reserve	67,338	67,338
	Retained earnings	2,116,594	2,088,569
	<b>Equity attributable to equity holders</b>	<b>5,067,114</b>	<b>5,039,089</b>
	<b>Non-controlling interest</b>	<b>302</b>	<b>273</b>
	<b>Total equity</b>	<b>5,067,416</b>	<b>5,039,362</b>
<b>Non-current liabilities</b>			
	Loan and deferred liabilities (unsecured)	25,310	25,310
	Long Term loan-Net of current portion	548,733	459,133
	Deferred tax liability	99,747	96,775
	<b>Total non-current liabilities</b>	<b>673,790</b>	<b>581,218</b>
<b>Current liabilities :</b>			
	Long Term loan-Current portion	182,911	153,044
	Short-term loan	1,210,643	1,246,027
	Accrued and other current liabilities	750,834	726,336
	<b>Total current liabilities :</b>	<b>2,144,388</b>	<b>2,125,407</b>
	<b>Total liabilities</b>	<b>2,818,178</b>	<b>2,706,625</b>
	<b>Total Equity and Liabilities</b>	<b>7,885,594</b>	<b>7,745,987</b>
	<b>Net assets value per share (NAVPS)</b>	<b>52.93</b>	<b>52.64</b>

Sd/-  
Chairman

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Company Secretary

Aftab Automobiles Limited and its Subsidiary  
*Un-audited consolidated Statement of Cash Flows*  
**For the third quarter ended May 31,2015**

(Amount in "000" Tk. )

<b>Particulars</b>	<b>Sep 01, 2014 to May 31, 2015</b>	<b>Sep 01, 2013 to May 31, 2014*</b>
	<b>9-Months</b>	<b>9-Months</b>
	<b>BD Taka</b>	<b>BD Taka</b>
<b>A. Cash flows from operating activities</b>		
Receipts from customers	2,290,986	2,671,016
Receipts as other income	16,152	18,890
Payments to suppliers and employees	(2,041,501)	(2,599,200)
<b>Cash generated from operations</b>	<b>265,637</b>	<b>90,706</b>
Income tax paid	(78,614)	(70,609)
<b>Net cash generated by operating activities</b>	<b>187,023</b>	<b>20,097</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant & equipment	(33,953)	(22,049)
Capital work in progress	(206,839)	-
<b>Net cash used investing activities</b>	<b>(240,792)</b>	<b>(22,049)</b>
<b>C. Cash flows from financing activities</b>		
Repayment of bank loan	84,083	(335,027)
Financial charges paid	(130,448)	(96,352)
Repayment of other Finance	-	(115,076)
Dividend paid	(149,245)	(59,269)
<b>Net cash used in financing activities</b>	<b>(195,610)</b>	<b>(605,724)</b>
<b>D. Net changes in cash &amp; cash equivalents for the period (A+B+C)</b>	<b>(249,379)</b>	<b>(607,676)</b>
<b>E. Cash &amp; cash equivalents at beginning of the period</b>	<b>490,311</b>	<b>915,016</b>
<b>F. Cash &amp; cash equivalents at end of the period (D+E)</b>	<b>240,932</b>	<b>307,340</b>
<b>Net operating cash flows per share (NOCFPS)</b>	<b>1.95</b>	<b>0.21</b>

\*Consolidated financial statements of previous year consist of three subsidiaries and current year consist of one subsidiary.

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Company Secretary

# Aftab Automobiles Limited and its Subsidiary

## Un-audited consolidated Statement of Changes in Equity

For the third quarter ended May 31, 2015

(Amount in "000" Tk.)

Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
<b>Balance as on 1st September , 2013</b>	<b>854,754</b>	<b>1,925,859</b>	<b>67,338</b>	<b>2,016,363</b>	<b>4,864,314</b>	<b>508</b>	<b>4,864,822</b>
Issue of bonus share	102,570	-	-	(102,570)	-	-	-
Cash Dividend paid				(68,380)	(68,380)		(68,380)
Comprehensive income for the period		-	-	189,368	189,368	39	189,407
<b>Balance at May 31, 2014</b>	<b>957,324</b>	<b>1,925,859</b>	<b>67,338</b>	<b>2,034,781</b>	<b>4,985,302</b>	<b>547</b>	<b>4,985,849</b>
<b>Balance as on 1st September , 2014</b>	<b>957,324</b>	<b>1,925,858</b>	<b>67,338</b>	<b>2,088,569</b>	<b>5,039,089</b>	<b>273</b>	<b>5,039,362</b>
Cash Dividend paid	-	-	-	(149,245)	(149,245)	-	(149,245)
Comprehensive income for the period		-	-	177,270	177,270	29	177,299
<b>Balance at May 31, 2015</b>	<b>957,324</b>	<b>1,925,858</b>	<b>67,338</b>	<b>2,116,594</b>	<b>5,067,114</b>	<b>302</b>	<b>5,067,416</b>

Sd/-  
Chairman

Sd/-  
Company Secretary

# Aftab Automobiles Limited and its Subsidiary

## Consolidated notes to the Financial Statements

As at and for the third quarter ended May 31, 2015

### 1 Corporate Information and Mode of Business

#### 1.1 Corporate Information

Aftab Automobiles Limited (the company), was incorporated in Bangladesh in 1967 as a Private Limited Company. In 1981 the company registered itself as a Public Limited Company which is one of the largest automobile assembling plants in the private sector. 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.

#### 1.2 Mode of Business

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. The Company has recently 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.

#### 2.2 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".

#### 2.3 Reporting Period

These financial statements cover third quarter of accounting year of the company for the period from September 1, 2014 to May 31, 2015.

### 3 Cost of sales

Materials  
Factory Over Head  
Depreciation

<b>Amount in '000' Tk</b>	
<b>Period ended</b>	<b>Period ended</b>
<b>31/05/15</b>	<b>31/05/14*</b>
<b>BD Taka</b>	<b>BD Taka</b>
1,576,958	1,856,622
82,425	90,624
35,556	30,730
<b>1,694,939</b>	<b>1,977,976</b>

\*Consolidated financial statements of previous year consist of three subsidiaries and current year consist of one subsidiary.

	Amount in '000' Tk	
	31/05/15	31/08/14
	BD Taka	BD Taka
<b>4 Property, plant and equipment, net</b>		
<b>Opening Balance</b>	<b>785,502</b>	<b>703,329</b>
Add : Addition for the Period	33,953	9,854
Add : Transferred from Capital WIP	257,373	123,535
	<b>1,076,828</b>	<b>836,718</b>
Less: Depreciation	44,445	51,216
<b>Closing Balance</b>	<b>1,032,383</b>	<b>785,502</b>
<b>5 Capital work in progress</b>		
Opening balance	191,996	168,362
Addition during the Period/ year	206,840	147,169
	<b>398,836</b>	<b>315,531</b>
Less: transfer to property, plant & equipment	257,373	123,535
<b>Closing balance</b>	<b>141,463</b>	<b>191,996</b>
<b>6 Stock and stores</b>		
Finished products	648,514	767,976
Raw materials	383,649	245,825
Work-in-process	90,421	79,947
Stores and spares	9,043	6,675
Goods in transit	94,088	111,801
	<b>1,225,715</b>	<b>1,212,224</b>
<b>7 Trade debtors</b>		
Below six months	1,156,722	1,074,836
Trade debtors -Long term	1,607,466	1,723,995
	<b>2,764,188</b>	<b>2,798,831</b>
<b>8 Advances, deposits and prepayments</b>		
Advance to suppliers	958,967	820,259
Advance to employees	30,567	23,853
Deposits for Motor Cycle Unit	82,067	84,066
Advance to others	105,942	122,080
Current Account with VAT	79,866	58,854
Deposits	418,691	431,474
	<b>1,676,100</b>	<b>1,540,586</b>
<b>9 Cash and bank balances</b>		
<b>Cash in hand</b>	<b>15,790</b>	<b>9,956</b>
<b>Cash at bank :</b>		
Current & STD Account	120,846	351,955
FDR AC	104,296	128,400
	<b>240,932</b>	<b>490,311</b>

	Amount in '000' Tk	
	31/05/15	31/08/14
	BD Taka	BD Taka
<b>10 Long Term loan-Net of current portion</b>		
Agrani Bank Ltd.	320,626	341,081
Meghna bank Ltd.	168,493	96,692
South-bangla Agricultural & commerce bank Ltd.	97,512	101,020
Standard bank Ltd.	40,922	21,178
Mutual trust bank Ltd.	49,999	52,206
The city bank Ltd.	54,092	-
	<b>731,644</b>	<b>612,177</b>
<b>less: Long Term loan-Current portion</b>	<b>182,911</b>	<b>153,044</b>
<b>Long Term loan-Net of current portion</b>	<b>548,733</b>	<b>459,133</b>
<b>11 Short-term loan</b>		
Bank Asia Ltd.	437,447	348,449
Standard Bank Ltd.	32,190	41,918
NRB Commercial bank Ltd.	-	49,889
NCC Bank Ltd.	86,182	76,172
Dhaka Bank Ltd.	52,015	54,745
The city bank Ltd.	29,700	-
Mercantile Bank	57,629	45,712
National Bank Ltd.	208,673	497,080
Dutch-Bangla bank Ltd.	180,538	-
Others	126,269	132,062
	<b>1,210,643</b>	<b>1,246,027</b>
<b>12 Accrued and other current liabilities</b>		
For goods supplied	58,229	53,453
For expenses	82,067	72,950
For Income tax	519,637	439,943
Others	90,901	159,990
	<b>750,834</b>	<b>726,336</b>