

3rd Quarter Report

31 March, 2023



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

Dear Sir,

We forward herewith the Un-Audited Financial Statements of the Company for the 3rd Quarter ended on 31 March'2023 as per Securities & Exchange Commission Notification No.BSEC/ CNMRCD/ 2006-458/ 208/ Admin/ 81 dated June 20, 2018.

(A K M Anwar Morshed)
Managing Director

N.B: Selected explanatory notes to the accounts for the period Third Quarter ended 31 March'2023 shown in note no1 to 23 (Page no.2-6)

NATIONAL TUBES LIMITED Statement of Financial Position (Un-Audited) As at 31 March'2023

Particulars	Notes	31 Mar'2023 (Taka)	30 June,2022 (Taka)
Assets			
A) Non Current Assets:			
Property, Plant & Equipment note	2.00	5,223,091,201	5,227,098,345
		5,223,091,201	5,227,098,345
B) Current Assets :			
Inventories	3.00	774,229,871	777,388,153
Debtors	4.00	330,750,648	376,864,263
Advances, deposits and prepayments	5.00	81,638,557	22,569,906
Cash and bank balances	6.00	359,190,988	349,579,123
		2,649,677	28,374,861
C) Total assets (A+B)		5,997,321,071	6,004,486,498
D) Shareholders Equity :			
Share capital		5,245,234,012	5,243,317,949
Revaluation reserve	7.00	348,218,030	348,218,030
Retained earnings		4,968,755,813	4,971,754,539
		(71,739,831)	(76,654,620)
E) Non-Current Liabilities			
Long-term loans		270,641,112	269,763,936
Deferred tax liability	8.00	59,469,473	59,469,473
		211,171,639	210,294,463
F) Current Liabilities :			
Bank loans, overdrafts and credits	9.00	481,445,947	491,404,613
Creditors and accruals	10.00	226,559,540	245,096,555
Other current liabilities	11.00	135,641,139	124,611,593
Unclaimed Dividend Account	12.00	5,569,004	8,231,305
Total equity and liabilities (D+E+F)		5,997,321,071	6,004,486,498
Net assets		5,245,234,012	5,243,317,949
Net asset value (NAV) per share	13.00	150.63	150.58

Statement of Profit or Loss and other comprehensive income (Un-audited) for the 3rd Quarter ended on 31 March'2023

Particulars	Notes	July'22-Mar'23	Jan'23-Mar'23	Jan'22-Mar'22
Net Sales	14.00	264,456,534	236,887,996	113,829,766
Cost of goods sold	15.00	207,285,045	203,642,048	88,043,244
A) Gross profit/(loss)		57,171,489	33,245,948	25,786,522
B) Operating Expenses				
Administrative expenses	16.00	36,263,697	36,295,260	12,344,102
Selling and distribution expenses	17.00	32,031,837	33,472,467	10,912,343
C) Operating profit/(Loss)(A-B)		20,907,792	(3,049,312)	13,442,420
Financial/Interest expenses		(19,473,320)	(19,459,645)	(6,182,642)
Non operating Income		3,196,218	1,244,408	379,672
D) Net profit/(loss) before wpp fund & Tax		4,630,690	(21,264,549)	7,639,450
Workers profit participation fund		231,535	-	231,535
E) Net profit/(loss) before tax		4,399,156	(21,264,549)	7,407,916
Income Tax expenses	18.00	2,259,086	1,668,254	709,277
Current Tax		1,605,917	1,428,794	685,257
Deferred Tax		653,169	239,460	24,021
G) Net profit/(Loss) after tax(E-F)		2,140,070	(22,932,803)	6,698,638
Earning per Share(EPS)	19.00	0.06	(0.66)	0.19

NATIONAL TUBES LIMITED Statement of Cash Flows (Un-Audited) For the Third Quarter ended on 31 March'2023

Particulars	Notes	July'22-Mar'23 (Taka)	July'21-Mar'22 (Taka)
Cash flows from operating activities:			
Collections from turnover and others	20.00	(4,525,869)	53,805,915
Payments for costs and expenses		208,584,101	207,125,484
Income-tax paid and/or deducted		(205,469,401)	(151,754,663)
		(7,640,567)	(1,564,906)
Cash flows from investing activities :			
Acquisition of fixed assets		-	(1,084,500)
Acquisition of long-term assets		-	(1,084,500)
Sale proceeds of long-term assets		-	-
Cash flows from financing activities :			
Issue of shares at par/premium		(21,199,316)	(30,768,756)
Loans received		-	-
Loans repaid		(18,537,015)	(26,862,207)
Dividend paid		(2,662,301)	(3,906,549)
Net cash inflows / (outflows) for the period		(25,725,184)	21,952,659
Opening cash and bank balances		28,374,861	3,980,584
Closing cash and bank balances		2,649,677	25,933,243
Net Operating Cash Flow Per Share(NOCFPS)	21.00	(0.13)	1.55

Statement of Changes in Equity (Un-audited) For the 3rd Quarter ended on 31 March'2023

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance 1 July 22	348,218,030	4,971,754,539	(76,654,620)	5,243,317,950
Net Profit/(Loss) after Tax	-	(2,774,719)	2,140,070	2,140,070
Depreciation transfer for revaluation	-	(554,944)	-	(554,944)
Deferred Tax Income / (Expense) on Revaluation Reserve of Depreciable Assets	-	330,937	-	330,937
Deferred Tax Income / (Expense) on Depreciation of Revalued Asset	-	-	-	-
Balance 31 March'2023	348,218,030	4,968,755,813	(71,739,831)	5,245,234,012
Balance 31 March'2022	348,218,030	4,971,597,098	(17,919,064)	5,301,896,064

N.B:

Selected explanatory notes to the accounts for the period Third Quarter ended 31 March'2023 shown in note no1 to 23 (Page no.2-6)

(A K M Anwar Morshed)
Managing Director

(P. Anwar Paul)

(A K M Anwar Morshed)
Managing Director

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Managing Director

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Managing Director

(A K M Anwar Morshed)
Managing Director

(A K M Anwar Morshed)
Managing Director

NATIONAL TUBES LIMITED

Tongi, Gazipur.

Selected explanatory notes to the accounts for the period 3rd Quarter ended 31 March 2023

Notes

1.00

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) The Half yearly un-audited & provisional financial statements have been prepared under historical cost convention on accrual basis and such other convention as required in accordance with IAS-1 & IAS-34 "Interim financial reporting" and IFRS for fair presentation of financial statements.

(2) Comparative information have been disclosed in respect of the 3rd Quarter ended 31 March 2023 for all numerical information in the financial statements and also the narrative & descriptive information when it is relevant for understanding of the current period financial statements.

(3) While preparing the Financial statements, attention has been given to the requirements of the Securities and Exchange Rules 1987, 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 3rd Quarter (Q-3) financial statements ended on 31 March, 2023.

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 breakup included in note no-16.

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.

2.00 **Property, Plant & Equipment : Tk. 5,223,091,201**

This is made up as follows:

Particulars

A. Cost:

Opening Balance	355,654,594	354,569,106
Add: Addition during the period	-	1,085,488
Less: Transfer/ Disposal during the period	-	-
Closing Balance	355,654,594	355,654,594

B. Accumulated depreciation:

Opening Balance	310,374,220	308,526,771
Add: Charged during the period	1,232,425	1,847,448
Less: Transfer/ Disposal during the period	-	-
Closing Balance	311,606,645	310,374,220

C. Written down value on cost (A-B)

44,047,949	45,280,374
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2. Based on Revaluation:

Opening Balance	5,325,455,011	5,325,455,011
Add: Addition during the period	-	-
Less: Transfer/ Disposal during the period	-	-
Closing Balance	5,325,455,011	5,325,455,011

B. Accumulated depreciation:

Opening Balance	143,637,040	139,207,640
Add: Charged during the period	2,774,719	4,429,400
Less: Transfer/ Disposal during the period	-	-
Closing Balance	146,411,759	143,637,040

C. Written down value on revaluation (A-B)

5,179,043,252	5,181,817,971
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3. Written down value on cost and revaluation (1+2)

5,223,091,201	5,227,098,345
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	31-Mar-23	30-Jun-22
3.00 Inventory : Tk. 330,750,648		
Stock of Raw materials	42,966,820	48,964,104
Stores & Spares	34,398,258	35,528,798
Stock of working process	32,870,025	28,345,020
Stock of finishet goods	217,947,735	234,274,462
Stores in Transit	2,567,811	29,751,879
	330,750,648	376,864,263
4.00 Debtors : Tk. 81,638,557		
Bakhrabad Gas T & D Co. Ltd.	8,890,290	330,737
Titas Gas T & D Co. Ltd.	18,158,610	684,356
Dhaka WASA	33,349,244	14,315,029
GEMCO. Ltd	-	96,710
Dealers	6,717	6,717
Private Parties	-	13,116
Karnafully Gas T&D Co. Ltd.	19,308,478	1
Jalalabad Gas Trans. & Distrbution Co. Ltd	72,302	2,632,196
Western Gas distribution co. Ltd	2,201,532	5,057,630
Other Receivable (Al Razie Enterprice)	279,044	
	82,266,217	23,136,492
Less: Excess received	61,074	-
GEMCO Ltd.	61,074	-
Less: provision for bad debt	566,586	566,586
	81,638,557	22,569,906
5.00 Advances, deposits and prepayments : Tk. 359,190,988		
Advance against Purchase	540,965	210,894
Advance against traveling	5,953	24,308
Advance against Expenses	501,999	423,197
Advance against Canteen & Mess	16,447	16,316
Advance Income Tax	337,571,391	329,930,824
Advance to Suppliers/Contractors	86,620	1,996
Security Deposits	2,878,375	1,545,375
Advances Service	40,000	10,000
Salary Advances	38,200	-
	341,679,950	332,162,910
Current account with BSEC Head office,Enterprises & disinvested mills	5.01	17,511,038
	359,190,988	349,579,123
5.01 Advances, deposits and prepayments(Current account) : Tk. 17,511,038		
Current account with BSEC Enterprises	6,869,021	6,869,021
Current account with BSEC Head office	1,909,526	1,814,701
Current account with disinvested BSEC mills	8,732,491	8,732,491
	17,511,038	17,416,213
6.00 Cash and bank balances : Tk. 2,649,677		
Cash in Hand	45,284	14,260
Bank Deposit	2,604,392	28,360,601
	2,649,677	28,374,861
7.00 Revaluation Reserve : Tk. 4,968,755,813		
This is made up as follows:		
Opening Balance	4,971,754,539	4,974,920,960
Deferred Tax Income / (Expense) on Revaluation Reserve of Depreciable Assets	(554,944)	1,571,083
Less: Depreciation adjusted during the year	(2,774,719)	(4,429,400)
Deferred Tax Income / (Expense) on Depreciation of Revalued Asset	330,937	(308,104)
	4,968,755,813	4,971,754,539
(a) Depreciation on revaluation of assets have been duly charged at the prevailing rates by following of diminishing method.		
(b) Depreciation on revaluation for the current year has been adjusted with revaluation reserve as per clause 41 of IAS-16.		
8.00 Deferred tax liability : Tk. 211,171,639		
This is made up as follows:		
Particulars		
Opening Balance	210,294,463	211,489,149
Deferred tax for the priod	653,169	68,293
Deferred Tax on land revaluation	224,007	(1,262,979)
Closing Balance:	211,171,639	210,294,463

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	31-Mar-23	30-Jun-22
9.00 Bank loans, overdrafts and credits : Tk. 226,559,540		
CC Loan	50,094,382	100,776,951
LTR's & SOD Loan	176,465,158	144,319,605
	226,559,540	245,096,555
10.00 Creditors and accruals : Tk. 135,641,139		
Sundry creditors for goods	190,405	78,762
Provision for expenses and Interests	60,094,481	44,770,370
Pension fund	8,566,281	13,851,019
Tax liabilities	66,491,386	64,885,469
Advance received from customers	298,587	1,025,973
	135,641,139	124,611,593
11.00 Other current liabilities : Tk. 113,676,264		
Leave pay & Gratuity	85,399,144	85,244,038
Liability for other finances	28,045,586	28,221,122
WPPF fund	11.01	-
	113,676,264	113,465,160
11.01 Workers profits participation Fund : Tk. 185,228		
This is made up as follows:		
Net profit/(loss) before wpp fund & Tax	4,630,690	-
Workers profits participation Fund 5%	231,535	-
Particulars		
Participation fund 80%	185,228	-
Workers welfare foundation fund 10%	23,153	-
Welfare fund 10%	23,153	-
Total	231,535	-
12.00 Unclaimed Dividend Account : Tk. 5,569,004		
This is made up as follows:		
Particulars		
Opening Balance as on 01.07.2022	8,231,305	8,030,677
Add: 2% Cash Dividend	-	6,964,361
	8,231,305	14,995,038
Less: Paid during the year	(2,662,301)	(6,763,733)
Un-paid Dividend	5,569,004	8,231,305
13.00 Net Asset Value (NAVs): Tk. 150.63		
This made up as follows:		
Net Asset Value (NAVs)	5,245,234,012	5,243,317,950
Number of Shares	34,821,803	34,821,803
Net Asset Value (NAVs) :	150.63	150.58
14.00 Net sales : Tk. 264,456,534		
Gross Sale	304,145,289	272,628,135
Less : VAT	(39,688,756)	(35,740,139)
	264,456,534	236,887,996
15.00 Cost of goods sold : Tk. 207,285,045		
Direct Materials	129,648,642	35,619,319
Direct Labour	46,118,506	44,649,934
Power, Fuel & Oil	4,129,305	3,453,043
Production Overhead	15,586,869	10,546,287
Total	195,483,322	94,268,583
Opening Stock Of WIP	28,345,020	29,460,937
Closing Stock Of WIP	32,870,025	28,345,020
Production Cost	190,958,318	95,384,500
Opening Stock Of Finished Goods	234,274,462	378,842,371
Closing Stock Of Finished Goods	217,947,735	270,584,823
	207,285,045	203,642,048
16.00 Administrative Expenses : Tk. 32,031,837		
Salaries & Allowances	21,607,005	24,688,317
Others Administrative Expensers	10,424,832	8,784,150
	32,031,837	33,472,467

17.00 Selling and distribution expenses : Tk. 4,231,860

Salaries & Allowances
Others Selling and distribution Expensers

July'22-Mar'23	July'21-Mar'22
2,327,049	1,955,896
1,904,811	866,897
4,231,860	2,822,793

18.00 Income Tax Expenses: Tk. 2,259,086

This made up as follows:

Current year Tax

Deferred Tax expense/Income

Total:

18.01	1,605,917	1,428,794
18.02	653,169	239,460
	2,259,086	1,668,254

18.01 Current year Tax provision: Tk. 1,605,917

This made up as follows:

Particulars

Minimum Tax

Regular Tax

Higher One

1,605,917	1,428,794
879,831	(4,784,524)
1,605,917	1,428,794

A) Minimum Tax

Turnover

Other income

264,456,534	236,887,996
3,196,218	1,244,408
267,652,752	238,132,404
1,605,917	1,428,794

Minimum Tax (0.6%) on turnover & other income

B) Regular Tax

The above balance is made up as follows:

Net profit/(loss) before tax

Tax Rate

Regular Tax

4,399,156	(21,264,549)
20%	22.50%
879,831	(4,784,524)

18.02 Deferred Tax Expenses/ (Income) : Tk. 653,169

This is made up as follows:

Particulars**Temporary Difference**

Written down value of fixed assets as per financial statements (excluding land) as on 31.03.2023

Written down value of fixed assets as per Tax depreciation (excluding land) as on 31.03.2023

Taxable temporary difference

Applicable tax rate

Deferred Tax Liability

Opening Deferred Tax Liability

Closing Deferred Tax Liability

Deferred Tax expense/(Income)

29,563,944	35,070,437
25,142,949	32,347,714
4,420,995	2,722,723
20%	22.50%
884,199	612,613
231,030	373,153
884,199	612,613
653,169	239,460

19.00 Earning per share (EPS): Tk. 0.06

This made up as follows:

Profit/Loss after tax for the period

Weighted average number of shares

Earning per share(EPS)

2,140,070	(22,932,803)
34,821,803	34,821,803
0.06	(0.66)

20.00 Reconciliation of Net Income/(Loss) with cash flows from operating activities: Tk. -4,525,868

Profit(Loss) before Tax

Adjustment for;

Add/(deduct) for non cash items:

Financial expenses

Depreciation

(Increase)/Decrease in inventories

(Increase)/Decrease in trade & other receivable

(Increase)/Decrease in advance deposit & prepayments/Adv from customer

Increase/(Decrease) in trade & other payable/liability/provision

Increase/(Decrease) in Other current liabilities (Gratuity & others)

Cash Generate From Operation

Tax paid

Financial expenses & interest paid

Net Cash provided/(used) by Operating Activities

4,399,156	(21,264,549)
19,473,320	
4,007,144	4,776,512
46,113,614	143,216,947
(59,068,651)	(57,653,300)
(1,971,298)	(1,246,169)
9,423,631	(2,903,704)
211,104	(32,144,373)
22,588,020	
(7,640,567)	1,564,906
(19,473,320)	19,459,645
(4,525,868)	53,805,915

21.00 Net Operating Cash Flow per share(NOCFPS):Tk. -0.13

This made up as follows:

Cash flow from Operative activities	(4,525,868)	53,805,915
Weighted average number of shares	34,821,803	34,821,803
Net Operating Cash Flow per share(NOCFPS)	(0.13)	1.55


22.00 Related Party Disclosures:

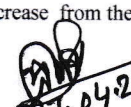
As per Bangladesh Accounting Standards IAS-24: "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Specially this transactions are occurred inter organization employees transfer & purchasing the products of the company under the control by the corporation (BSEC).

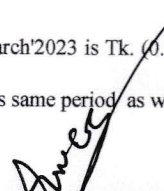
Particulars	Opening 1st July 2022	Debit	Credit	Balance as on 31 March'2023
Pragati Industries Ltd.	(46,495)	-	14,850	(61,345)
General Electric Manufacturing Co. Ltd.	394,564	16,500	-	411,064
Bangladesh Blade Factory Ltd.	144,277	134,980	-	279,257
Estern Tubes Ltd.	166,040	-	90,635	75,405
M/S. Prantic Traders	6,104,653	-	-	6,104,653
Eastern Cables Ltd.	59,487	-	-	59,487
Gazi Wires Ltd.	(15,676)	-	-	(15,676)
Atlas Bangladesh Ltd.	(147,981)	-	38,636	(186,617)
Chittagong Dry Dock Ltd.	(466,630)	-	-	(466,630)
Dockyard and Engineering Works Ltd.	3,660,099	-	-	3,660,099
Bangladesh Diesel Plant Ltd.	843,890	-	-	843,890
Chittagong Steel Mills Ltd.	1,099,398	-	-	1,099,398
Metalex Corporation Ltd.	951,103	-	-	951,103
Bangladesh Cycle Industries Ltd.	2,178,001	-	-	2,178,001
Bangladesh Steel & Engineering orporation(BSEC)	1,814,701	94,825	-	1,909,526

23.00 Significant deviation:

- a) The EPS of 3rd Quarter ended on 31 March'2023 is Tk. 0.06 where as Tk. (0.66) for the previous year same period, Due to increase turnover the company as compared with the previous period i.e 11.64%. As a result the Company increase profit for the previous year same period.
- b) The NOCFPS of 3rd Quarter ended on 31 March'2023 is Tk. (0.13) where as Tk. 1.55 for the previous year same period. Because of cost & expenses increase from the previous same period as well as NOCFPS is decreases from the previous same period.


27.04.23
(Ganash Chandra Biswas)
Chief Financial Officer


27.04.23
(Pranjit Paul)
Company Secretary


(A K M Anwar Morshed)
Managing Director


27/04/23
Director


Director