



Annual Report 2018

aftab automobiles limited

Letter of Transmittal

To
Hon'ble Shareholders
Regulatory Authorities and concerned

Sub : Annual Report for the year ended June 30, 2018.

Dear Sir(s):

We are pleased to enclose a copy of Annual Report together with the audited financial statements for the year ended June 30, 2018 for your kind information.

Sincerely yours,

Sd/-
(Tareq Enamur Rahim)
Company Secretary

CORPORATE PROFILE

Board of Directors

Chairman

SHAFIUL ISLAM

Managing Director

SAIFUL ISLAM

Directors

KHALEDA ISLAM

SAJEDUL ISLAM

FARHANA ISLAM

Independent Directors

M. OBAIDUR RAHMAN, FCA

EKRAMUL HAQ, FCA

Company Secretary

TAREQ ENAMUR RAHIM

Chief Financial Officer

KAZI EHSANUL HUQ FCA

Head of Internal Audit

MUHAMMAD ABIDUR RAHMAN FCA

Subsidiary Company

NAVANA BATTERIES LIMITED

Principal Bankers

BANK ASIA LIMITED

AGRANI BANK LIMITED

NRB COMMERCIAL BANK LIMITED

SOTHEAST BANK LIMITED

DUTCH BANGLA BANK LIMITED

Audit Committee

M. OBAIDUR RAHMAN, FCA- CHAIRMAN
(INDEPENDENT DIRECTOR)

SAJEDUL ISLAM- MEMBER
(DIRECTOR)

EKRAMUL HAQ, FCA- MEMBER
(INDEPENDENT DIRECTOR)

Auditors

MALEK SIDDIQUI WALI

CHARTERED ACCOUNTANTS

9-G, MOTIJHEEL C/A, (2ND FLOOR)

DHAKA, BANGLADESH

Legal Advisor

ABDUR RAZZAQUE & ASSOCIATES

BARRISTERS & ADVOCATES

SUITE # 5/ 1, CITY HEART (4TH FLOOR)

67, NAYA PALTAN

DHAKA, BANGLADESH

A] VEHICLE ASSEMBLING PLANT

B] NAVANA BATTERY PLANT

FOUZDERHAT HEAVY INDUSTRIAL ESTATE,
CHITTAGONG, BANGLADESH

C] BUS-BODY FABRICATION PLANT

COATBARI, DIPNAGAR, GABTOLI
MIRPUR, DHAKA, BANGLADESH

COMMERCIAL OFFICE

HOUSE# 16/B, ROAD#93,
GULSHAN-2, DHAKA, BANGLADESH

REGISTERED OFFICE

125/A, MOTIJHEEL C/A,
DHAKA, BANGLADESH

WEBSITE : WWW.AFTABAUTOBILES.COM

E-MAIL: INFO@AFTABAUTO.COM

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aftab automobiles limited

125/A, Motijheel C/A, Dhaka, Bangladesh

Notice of the 38th annual general meeting

Notice is hereby given that the 38th Annual General Meeting (AGM) of the shareholders of the Company shall be held on 09 December 2018 at 9:30 AM at International Convention City Bashundhara (Pushpoguscha, Hall-2), Kuril Bishwa Road, Purbachal Express Highway, Dhaka to transact the following businesses: -

1. To receive, consider and adopt the audited financial statements for the year ended 30 June 2018 together with auditors' and directors' reports thereon.
2. To declare dividend.
3. To re-elect directors.
4. To appoint new Independent Director and re-appoint existing Independent Director for further one term.
5. To appoint auditors and fix their remuneration.
6. Any other business with the permission of the Chair.

By order of the Board

Dated : Dhaka
28.10.2018

Sd/-
(Tareq Enamur Rahim)
Company Secretary

Notes

- a) The shareholders whose names will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date, i.e., 20 November 2018 will be entitled to attend the AGM and receive dividend.
- b) Attendance to the AGM will be on production of the Attendance Slip.
- c) The Proxy Form affixed with requisite revenue stamp of Tk.20/- must be deposited at the Company's Registered Office at least 48 hours prior to the AGM.
- d) Shareholders bearing BO ID are requested to update their 12 Digit e-TIN and address through their Depository Participant (DP) by 20 November 2018 (Record Date) and shareholders bearing Folio Numbers are requested to submit their 12 Digit e-TIN Certificate to the Share Department of the Company before 09.12.2018 (AGM Date).
- e) The Annual Report-2018 alongwith Attendance Slip and the Proxy Form will be available in the Company's website www.aftabautomobiles.com

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, Bangladesh Securities and Exchange Commission এর বিধি-নিষেধ থাকায় বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/আপ্যায়নের ব্যবস্থা থাকবে না।

চেয়ারম্যান-এর বিবৃতি

প্রিয় শেয়ারহোল্ডারবৃন্দ,
আসসালামু আলাইকুম

আমি আপনাদের সবাইকে কোম্পানীর ৩৮তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং বিগত ৩০শে জুন ২০১৮ সালে সমাপ্ত অর্থবছরে কোম্পানীর কার্যক্রমের একটি সংক্ষিপ্ত বিবরণ উপস্থাপন করছি।

কোম্পানীর সংযোজন ইউনিট আলোচ্য বছরে ৩৯৪ টি নন-এয়ারকন্ডিশনড হিনো ডিজেল বাস চেসিস সংযোজন করে যা আমাদের প্রত্যাশিত লক্ষ্যমাত্রার চেয়ে কম। এর একটি কারণ হল অন্যান্য পরিবহনের মাধ্যমে যাতায়াতের প্রবনতা বৃদ্ধি পাওয়ায় সড়ক পথে বাসের যাত্রীর সংখ্যা হ্রাস পায়। যার ফলে নতুন বাস ক্রয়ের চাহিদা হ্রাস পায়। এই পরিস্থিতি উপলব্ধি করে আলোচ্য বছরে কোম্পানী হিনো ডিজেল বাস চেসিস এর CKD যন্ত্রাংশ কম আমদানী করার সিদ্ধান্ত নেয়।

আমি আপনাদেরকে আরো অবগত করতে চাই যে, কোম্পানীর আমদানীকৃত হিনো নতুন মডেল RN8J সম্পূর্ণ তৈরী বিলাসবহুল এয়ারকন্ডিশনড বাস ৩০ শে জুন ২০১৮ তারিখে সমাপ্ত অর্থবছরে ২৯টি বাস বিক্রয় হয়েছে এবং আগামীতে এই বাসটির বিক্রয় আরো বৃদ্ধি পাবে বলে আমি আশা করছি।

আলোচ্য বছরে যদিও নতুন বাসের চাহিদা কিছুটা হ্রাস পায়, তথাপি কোম্পানীর বাস-বডি নির্মাণ ইউনিটটিতে উৎপাদন তুলনামূলকভাবে হ্রাস পায় নাই। তবে, আগামী বছরে পরিস্থিতি উন্নতি হবে বলে আমি আশাবাদী।

অপরদিকে, কোম্পানীর মোটর সাইকেল ইউনিটটিতে আলোচ্য বছরে উৎপাদন ও বিক্রয় বৃদ্ধি পায়।

সাবসিডিয়ারী কোম্পানী “নাভানা ব্যাটারীজ লিমিটেড”-এ আলোচ্য বছরে বিক্রয় খাতে ১৪৫.৪০ কোটি টাকা যোগ হয়েছে। বাজারে অসম প্রতিযোগিতা ও বিদেশ থেকে প্রচুর কমদামী ব্যাটারী আমদানী ও বাজারজাত হওয়ার কারণে এ বছরে প্রত্যাশিত ফলাফল পাওয়া যায় নাই। আশাকরি আগামী বছরে এ অবস্থার উন্নতি হবে।

আমি কোম্পানীর শেয়ারহোল্ডারবৃন্দ, গ্রাহক, রেগুলেটরী কর্তৃপক্ষ, পৃষ্ঠপোষক, শুভাকাজীদের অব্যাহত সমর্থন ও তাদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি। আশাকরি আগামীতেও তাদের সহযোগিতা অব্যাহত থাকবে।

স্বাঃ/-
(শফিউল ইসলাম)
চেয়ারম্যান

Message from the Chairman

Dear shareholders,

Assalamu Alaikum

I am pleased to welcome you all at the 38th Annual General Meeting of the Company and place before you a summarized statement of the activities of the Company for the financial year ended June 30, 2018.

The Assembling Unit of the Plant has produced 394 units of non-air-conditioned Hino Diesel Bus Chassis during the year under review which is less than our desired target. One reason for this is we have noted that the passengers have opted to switchover to other mode of transport causing decline in travelling by roads. This has ultimately created less demand for new buses. Due to such, the Company has decided to import less CKD components of Hino Diesel Bus Chassis.

As far as Hino new model RN8J completely built-up Luxurious Airconditioned Bus is concerned, the company have already sold 29 units of bus during the year ended June 30, 2018. The demand for this luxurious bus is encouraging and the Company hopes to increase it's sales in the next financial year.

Although there has been a marginal decline in demand for new buses during the year under review but body fabrication In the Bus Body Fabrication Unit has not declined comparatively. I hope situation will improve in the next financial year.

In the Motorcycle Unit of the Company production and sales of motorcycles has increased.

In the subsidiary Company "Navana Batteries Limited" Tk. 145.40 crore has been added to the sales of the Company. It may be mentioned here that due to import of low cost batteries from abroad, which had a negative impact on the market, the Company could not achieve its desired target. We hope market will improve in the next year.

I would like to express deep appreciation to the shareholders, customers, regulatory bodies, patrons and well-wishers for their continuous support and co-operation extended to the Company. I expect support from them will continue in the years to come.

Sd/-
(Shafiul Islam)
Chairman

Snapshots of 37th Annual General Meeting



directors' report to the shareholders

Dear Shareholders,

Dear Shareholders,

The Board of Directors is please to present before you the Directors' Report and the Auditors' Report alongwith the audited financial statements of the Company for the year ended June 30, 2018.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year is summarized hereunder :

In the Assembling Unit of the Company, 394 units of Hino Diesel Bus Chassis (Model: AK1JMKA) were produced and 29 units CBU Hino Luxurious Airconditioned Buses (Model: RN8J) were sold. These have contributed an amount of Tk. 237 crore to the Company's turn-over.

In the Bus Body Fabrication Unit of the Company, the Unit has fabricated 180 units of Hino air-conditioned and non-air-conditioned bus body. This Unit has contributed an amount of Tk. 28 crore to the sales of the Company.

The Motorcycle Unit has assembled 7015 units of motorcycles and contributed an amount of Tk. 71 crore to the Company's sales.

Consolidated Financial Result and Appropriation of Profit:

(The financial results for the year ended June 30, 2018 is given hereunder comparing with the results of the previous year ended on June 30, 2017)

	amount in taka	
	2018	2017
Retained Earnings Brought Forward	2,720,243,834	2,416,847,684
Add: Net Profit for the year after tax	249,296,756	396,639,231
Recommended for appropriations:		
<u>2018</u> <u>2017</u>		
Cash Dividend @ 12 % 16%(Without Sponsors)	(114,878,906)	(93,243,081)
In appropriated profit carried forward	2,854,661,684	2,720,243,834

Aftab Automobiles Limited (AAL)

The operating results of AAL for the year ended June 30, 2018 is given hereunder compared to results of the previous year ended on June 30, 2017

Particulars	2018	2017
Turnover	3,359,756,688	3,703,934,655
Gross Profit	668,259,731	793,756,137
Net Profit for the year after tax	256,456,025	394,492,235
Earnings Per Share (EPS)	2.68	4.12
Net Assets Value Per Share (NAVPS)	60.89	59.26
Net Operating Cash Flow Per Share (NOCFPS)	(0.63)	(3.72)

The performance of the subsidiary company – Navana Batteries Limited (NBL)

The Performance of Navana Batteries Limited for the year ended June 30, 2018 is given hereunder comparing with results of the previous year ended on June 30, 2017.

Particulars	2018	2017
Turnover	1,453,951,709	1,067,274,041
Gross Profit	276,601,512	271,233,334
Net Profit After Tax	32,231,423	78,202,537
Earning Per Share (EPS)	1.75	4.26
Net Assets Value Per Share (NAVPS)	41.22	39.47

directors' report to the shareholders

Mission & Vision

The mission of the Board of Directors is engaged in market change feasibility study on different types of vehicles and Battery products in Bangladesh so as to boost up sales and increase our market share protecting the investment of shareholders.

Risks and concerns

The profitability of the Company may be affected in future due to increase of essential ingredients like electricity, labor cost etc. and other factors.

A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin (Consolidated).

amount in '000" taka

Particulars	June 30, 2018	June 30, 2017
Revenues (Turnover)	4,813,708	4,771,209
Cost of goods sold	3,868,847	3,706,219
Gross profit	944,861	1,064,989
Net profit for the year after Tax	256,474	394,535

Margin Analysis

Gross profit margin and Net profit margin compare.

	<u>2018</u>	<u>2017</u>
Gross Profit	19.63%	22.32%
Net Profit	5.33%	8.27%

Extra-Ordinary Events

No events of extra ordinary gain or loss which would require adjustment or disclosure in the financial statements occurred during the reporting period.

Related Party Transaction

As per agreement with Toyota Tsusho Corporation, Japan, the assembled vehicles of Aftab Automobiles Limited are distributable through Navana Limited (distributor of Toyota & Hino vehicles). No other transaction has been made with any other related party. Disclosed on notes 36.

Variance within the Financial Year

There was no significant variance between quarterly financial performances during the year under review.

Board meeting attendance fee for Directors

The Directors of the Company including Independent Directors are receiving Taka 5000/- (Five thousand) only as board meeting attendance fee. During the year the Company paid Tk. 1,71,000/- deducting tax at source.

Fairness of Financial Statements

The financial statements fairly present the Company's state of affairs, the results of its operations, cash flow and changes in equity. In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) notification dated August 7, 2012 Managing Director and Chief Financial Officer have given the certification about the fairness of the financial statements which is shown on page 22 of the report.

Books of Accounts

Proper books of accounts of the Company were maintained.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

Application of BAS and BFRS

Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) have been followed in preparation of the financial statements and any deviation there-from has been adequately disclosed.

Internal Control

The systems of internal controls were sound and were implemented and monitored effectively.

directors' report to the shareholders

Going Concern

There are no significant doubts about the Company's ability to continue as a going concern. The Board of Directors has reviewed the Company's business plan and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements are prepared on the going concern basis.

Significant Variance over the Last year's Operating Result

There are no significant deviations from last year in the operating results of the Company.

Investment in the associated company

Navana Real Estate Limited

Aftab Automobiles Limited is holding =60,00,000= shares of Tk.10/- each of Navana Real Estate Limited at present. The acquisition cost of the said shares was Tk.3.33 per share. As Navana Real Estate Limited is not listed, its market price cannot be determined. However, Navana Real Estate Limited's Earning per share (EPS) and Net asset value (NAV) as on 30 June 2017 stood at Tk.4.07 and Tk.53.59 per share respectively.

Next Year Plan

The Assembling Unit of the Company have planned to assemble 400 units of Diesel Hino Bus Chassis in the next financial year. The Bus Body Building Unit have planned to fabricate around 150 units of Hino Bus Body during the next financial year. The Company have planned to market around 50 units of RN8J Hino Air-Conditioned luxurious Bus in the next financial year. The Motorcycle unit have planned to assemble 12,000 units of various type of Mahindra Brand motorcycles as per trend of present market demand.

Dividend

The Board of Directors of your Company has recommended cash dividend @ 12% to the shareholders of the Company for the year ended June 30, 2018.

The shareholders whose names will appear in the share register of the Company and/or Depository Register of CDBL as on Record Date i.e., November 20, 2018 will be entitled to the dividend (subject to approval in the Annual General Meeting of the Company scheduled to be held on 09 December 2018).

Board Meetings Attendance :

In accordance with directives of the regulatory authorities, the Board supervise and review the activities of the Company and make businesses decisions, etc. During the year the Board of Directors met eight(8) times.

Board meeting attendance during the year 2018

<u>Name of Directors</u>	<u>No. of Board Meeting attended</u>
Mr. Shafiul Islam	6
Mrs. Khaleda Islam	4
Mr. Saiful Islam	5
Mr. Sajedul Islam	8
Ms. Farhana Islam	4
Mr. M. Obaidur Rahman (Independent Director)	6
Mr. Ekramul Haq	5

directors' report to the shareholders

Pattern of Shareholding:

Namewise details		No. of Shares held
i.	<u>Parent/Subsidiary/Associated Companies and other related parties</u>	
	Navana CNG Limited	75,084
	Navana Real Estate Limited	20
	Navana Engineering Limited	44,750
ii.	<u>Directors, Chief Executive Officer(CEO), Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:</u>	
	Mr. Shafiul Islam-Chairman	1,86,26,415
	Mr. Saiful Islam- Managing Director	19,88,215
	Mrs. Khaleda Islam-Director	26,03,467
	Mr. Sajedul Islam- Director	19,88,078
	Ms. Farhana Islam- Director	19,88,078
	Mr. M. Obaidur Rahman - Independent Director	nil
	Mr. Ekramul Haq- Independent Director	nil
	<u>Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children:</u>	nil
iii.	<u>Executives</u>	nil
iv.	<u>Shareholders holding ten percent (10%) or more voting interest in the Company:</u>	
	Mr. Shafiul Islam	1,86,26,415

Recommendations for Re-election

In terms of Article 125 and 126 of the Articles of Association of the Company, Mr. Shafiul Islam and Mrs. Khaleda Islam, Directors retire by rotation from the Board in the 38th Annual General Meeting. Being eligible under Article 127 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

Disclosure of information of the directors who are willing to be re-elected:

Mr. Shafiul Islam

A Bachelor of Science, Mr. Shafiul Islam joined the Islam Group, a reputed business conglomerate in Bangladesh in 1968 and started his career with automobile business as well as in the construction, real estate business. In the early years, he gained valuable experience by being involved in the management of the Group's diverse business operations. He played a major role in establishing "Navana" as the Toyota brand car trading company in Bangladesh, and finally set up Aftab Automobiles Ltd. He was also responsible for the construction company named Bengal Development Corporation (BDC) where he was directly responsible for the construction work of BDC in the Middle East and from 1981, he was also taking care of Eastern Housing Limited, then the largest real estate development company in Bangladesh. In 1996, the then Chairman of Islam Group, he separated from Islam Group with Navana Limited and Aftab Automobiles Ltd. and formed Navana Group. He has a very good relationship with all business key persons of the country.

Mr. Shafiul Islam is the Chairman of Navana Group, consisting of companies involved amongst others in vehicles assembling, bus body fabrication, trading; real estate; construction; CNG conversion and CNG stations; electronics; petroleum and renewable energy

Names of companies in which Mr. Shafiul Islam also holds the directorship:

Navana Limited, Navana CNG Limited, Navana Real Estate Limited, Navana Construction Ltd., Navana Foods Ltd., Navana Building Products Ltd., Navana Interlinks Ltd., Navana Electronics Ltd., Navana Batteries Ltd., Navana Furniture Ltd., Navana Engineering Ltd., Navana Welding Electrode Limited, Navana Plastic Products Ltd., Navana Power Generation Ltd., Navana Toyota Service Center Ltd., Essential Industries Ltd., Eastern Printing Press Ltd., Orion Complex Ltd., Kenhill Paper Mills Ltd., Navana Computers & Tech Ltd., Navana Services Ltd., Road Linkers Ltd., Navana Taxi Cab Co. Ltd., Navana Power Co. Ltd., Navana Denims Ltd., Navana Knitting Ltd., Navana Feed Mills Ltd., Navana Software Ltd., Navana Plantation Ltd., Navana Exports Ltd., Navana Logistics Ltd., Navana Renewable Energy Ltd., Navana Lingerie Ltd., Navana Fabrics Ltd., Navana Gas Co. Ltd., Navana Paints Ltd., Navana Equities Ltd., Navana Electrical & Energy Saving Products Ltd., Navana Properties Ltd., and Navana LPG Limited.

Membership in committees of the Board of other Companies – None.

Mrs. Khaleda Islam

Mrs. Khaleda Islam is the wife of Mr. Shafiul Islam, Chairman of the Navana Group.

She has experienced in business for more than 37 years. She traveled many countries of the world.

At present, Mrs. Khaleda Islam is a Director of Navana Group, involved, amongst others, in vehicles assembling, bus body fabrication, trading; real estate; construction; CNG conversion and CNG stations; electronics; petroleum and renewable energy.

Names of companies in which Mrs. Khaleda Islam also holds the directorship:

Navana Limited, Navana Real Estate Limited, Navana Construction Ltd., Navana Foods Ltd., Navana Electronics Ltd., Navana Batteries Ltd., Navana Toyota Service Center Ltd., Navana Engineering Ltd., Navana Welding Electrode Limited, Navana Furniture Ltd., Navana Interlinks Ltd., Essential Industries Ltd., Eastern Printing Press Ltd., Orion Complex Ltd., Kenhill Paper Mills Ltd., Biponon Ltd., Navana Computers & Tech Ltd., Navana Services Ltd., Road Linkers Ltd., Navana Taxi Cab Co. Ltd., Navana Plastic Products Ltd., Navana Power Generation Ltd., Navana Power Co. Ltd., Navana Denims Ltd., Navana Knitting Ltd., Navana Feed Mills Ltd., Navana Software Ltd., Navana Plantation Ltd., Navana Exports Ltd., Navana Logistics Ltd., Navana Renewable Energy Ltd., Navana Lingerie Ltd., Navana Fabrics Ltd., Navana Gas Co. Ltd., Navana Paints Ltd., Navana Building Products Ltd., Navana Equities Ltd., Navana Electrical and Energy Saving Products Ltd., Navana Properties Ltd., and Navana LPG Limited.

Membership in committees of the Board of other Companies – None.

Appointment of Auditors

The existing auditors of the Company Malek Siddiqui Wali, Chartered Accountants has completed their audit for three consecutive years. As per Listing Regulation No. 15(2)&15(3) of Dhaka Stock Exchange (Listing) Regulations, 2015, no auditors be eligible for performing the auditing of the financial statements of the issuer of listed securities for a consecutive period of three years. In this connection, three audit firms e.g., Ata Khan & Co., Chartered Accountants, Ashraf Uddin & Co., Chartered Accountants and Rahman Mostafa Alam & Co., Chartered Accountants has expressed their willingness to conduct audit for the year ending on June 30, 2019.

The Board has recommended to appoint Rahman Mostafa Alam & Co., Chartered Accountants to audit the financial statements of Aftab Automobiles Limited for the year ending on June 30, 2019 and fix their remuneration at Tk. 3,00,000/- only, subject to approval by the shareholders of the Company in the ensuing Annual General Meeting scheduled to be held on December 09, 2018.

Highlights of Financial and Key Operating Data

The summarized key operating financial data of five years.

The Key Operating and Financial Data (Consolidated):

Amount in '000 Taka

Particulars	2018	2017	2016	2015	2014
Authorized capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Paid-up capital	957,324	957,324	957,324	957,324	957,324
Face Value Per Share	Tk.10/-	Tk.10/-	Tk.10/-	Tk.10/-	Tk.10/-
Shareholders equity	5,829,520	5,673,466	5,367,358	5,198,109	5,039,089
Fixed asset	2,012,035	1,742,323	1,265,524	1,033,688	785,500
Turnover (Net)	4,813,708	4,771,209	3,051,578	3,459,065	2,709,873
Gross profit	944,861	1,064,989	763,416	840,812	705,854
Net profit after tax	256,474	394,535	267,707	291,928	268,297
Total comprehensive income for the period/year	249,297	396,736	276,763	311,101	268,297
Other Information					
Operating cash flow per share	(4.24)	1.32	10.44	-8.29	-9.99
Book value per share	60.89	59.26	56.07	54.3	52.64
Earning per share	2.68	4.12	2.89	3.05	4.01
Cash dividend	12%	16%	15%	16%	17%
Number of shareholders	22,682	25,898	34,403	39,159	48,055

Conclusion

The Board wishes to express its sincere appreciation to all employees of Aftab Automobiles Limited for their contribution and at the same time, thanks to all the stakeholders and concern for their continued support and confidence.

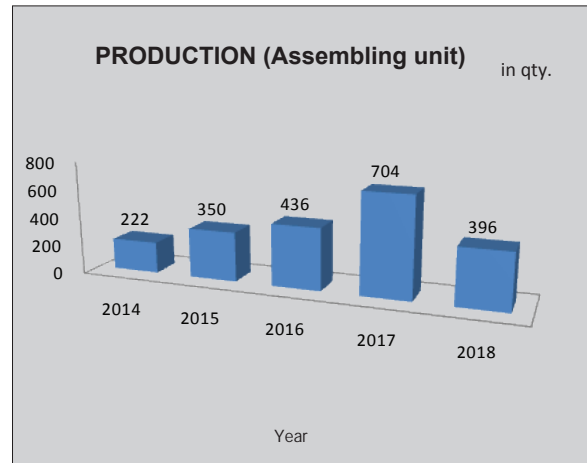
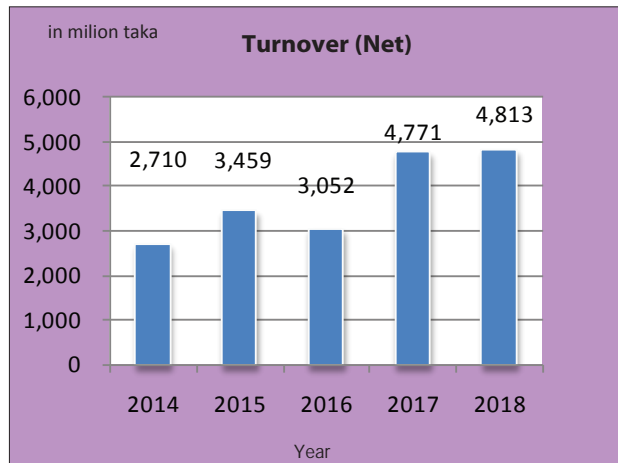
On behalf of the Board of Directors

Sd/-

(Saiful Islam)

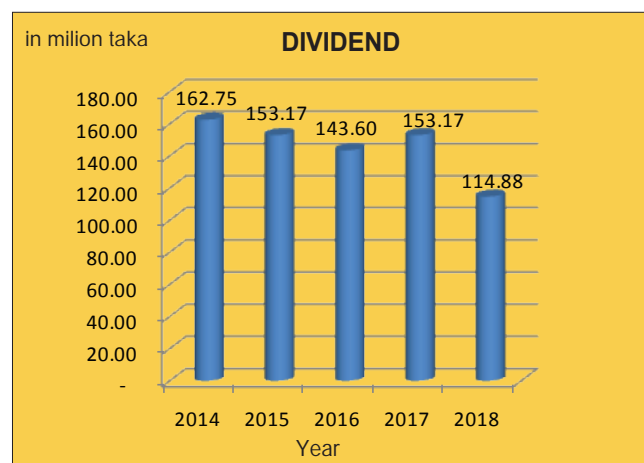
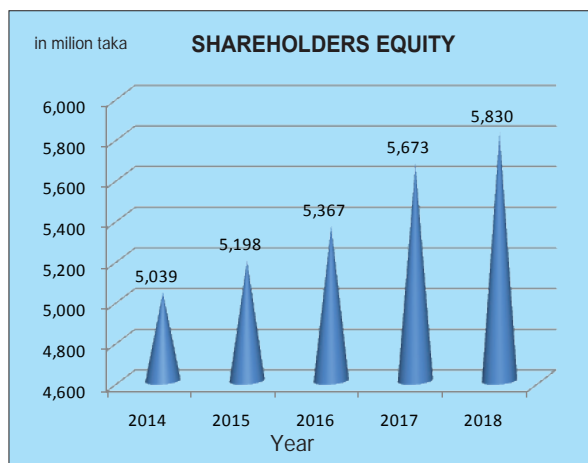
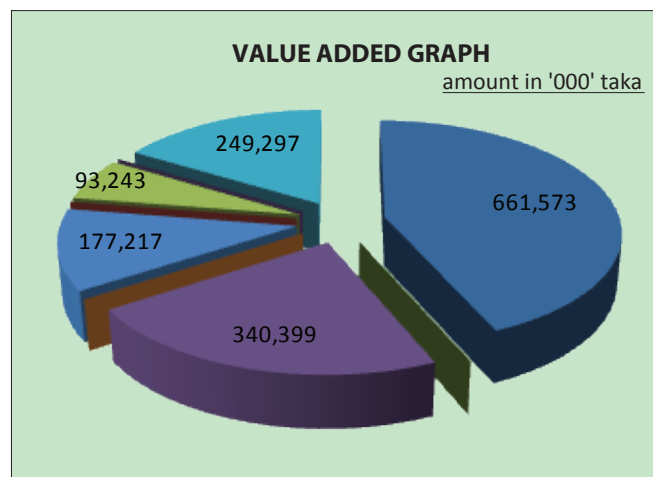
Managing Director

Graphical PRESENTATION



VALUE ADDED STATEMENT
For the period ended June 30, 2018

	Amount in '000' Taka
Sale / Turnover	4,813,708
Bought in- Material & Service	3,291,979
Value Added	1,521,729
Application to National Exchequer	661,573
to providers of Loan as Interest & Charges	340,399
to providers Emp. Salaries Wages & other benefits	177,217
to providers of Capital- as Dividend	93,243
Reserve & Surplus	249,297
	1,521,729



Corporate Governance Compliance [F. Y. ended 30 June 2018]

CORPORATE & FINANCIAL REPORTING:

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission. It has complied with all the requirements of Corporate Governance and the Directors are pleased to confirm the following:

- a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- e) The systems of internal control are sound and have been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There are no significant deviations in operating result of the business of the company compared to last year.

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under condition number 7.00)

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors:			
1.1	Board's Size (Number of Directors – minimum 5 and maximum 20)	✓		
1.2	Independent Directors:			
1.2 (i)	At least one fifth of Directors should be Independent Directors;	✓		
1.2.(ii)	"Independent Director" means a director-	✓		
1.2 (ii) a)	Independent Director does not hold any share or holds less than 1% shares of the total paid-up capital;	✓		
1.2 (ii) b)	Non connectivity with the Company's sponsor or director or shareholder who holds one percent or more shares on the basis of family relationship;	✓		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated companies;	✓		
1.2 (ii) d)	Not a member, director or officer of any member of stock exchange;	✓		
1.2 (ii) e)	Not a shareholder, Director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) f)	Not is or was a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm;	✓		
1.2 (ii) g)	Shall not be an Independent Director in more than 3 listed companies;	✓		
1.2 (ii) h)	Not convicted by court of competent jurisdiction for defaulting any loan payment to a bank / non bank financial institution;	✓		
1.2 (ii) i)	Non convicted for a criminal offence involving moral turpitude;	✓		
1.2 (iii)	Appointment of Independent Director shall be by board of Directors and subsequently approved by shareholders in the Annual General Meeting;	✓		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.			No such incidence
1.2 (v)	Code of conduct for all Board members and compliance matter;	✓		
1.2 (vi)	Tenure of office of an Independent Director for a period of 3 (three) years, may be extended for 1 (one) term only.	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.3	Qualification of Independent Director :			
1.3 (i)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;	✓		
1.3 (ii)	Should be a Business /Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants and Chartered Secretaries. Must have at least 12 (twelve) years of corporate management/ professional experiences;	✓		
1.3 (iii)	Relaxation of qualifications of Independent Directors subject to prior approval of the Commission;			Not applicable
1.4	Chairman of the Board & Chief Executive Officer (CEO) Chairman to the Board and the Chief Executive Officer shall be different individual with clearly defined respective roles and responsibilities;	✓		
1.5	The Director's Report to shareholders:			
1.5 (i)	Industry outlook and possible future developments in the industry;	✓		
1.5 (ii)	Segment-wise or product-wise performance;	✓		
1.5 (iii)	Risks and concerns;	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss;	✓		
1.5 (vi)	Disclosure on related party transactions;	✓		
1.5 (vii)	Utilization from public issues, rights issues and/or through any others instruments;			Not applicable
1.5 (viii)	Explanation if the financial results deteriorate after going for IPO, RPO, Rights Offer, Direct Listing, etc;			Not applicable
1.5 (ix)	Significant variance between Quarterly Financial Performance and Annual Financial Statements and explanation thereon;			Not applicable
1.5 (x)	Remuneration to Directors including Independent Directors;	✓		
1.5 (xi)	Fairness of Financial Statements;	✓		
1.5 (xii)	Maintenance of proper books of account;	✓		
1.5 (xiii)	Application of appropriate accounting policies and estimates;	✓		
1.5 (xiv)	Application of International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS),	✓		
1.5 (xv)	Efficiency of Internal control system;	✓		
1.5 (xvi)	Going concerns (ability to continue as going concern);	✓		
1.5 (xvii)	Deviations in operating results (highlighting significant deviations from last year in operating result);	✓		
1.5 (xviii)	Key operating and financial data (summarized financial data at least preceding five years);	✓		
1.5 (xix)	Reason for non declaration of dividend ;			Not applicable
1.5 (xx)	Number of Board meetings (number of Board Meetings held and attendance by each Director;	✓		
1.5 (xxi)	The pattern of shareholding:	✓		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
1.5 (xxi) c)	Executives;	✓		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	✓		
1.5 (xxii)	In case of the appointment/ re-appointment of a director the company shall disclose the following information to the shareholders:-	✓		
1.5 (xxii) a)	Brief resume of the Director;	✓		
1.5(xxii) b)	Nature of his/her expertise in specific functional areas;	✓		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
2.	Chief Financial Officer(CFO), Head of Internal Audit (HIA) and Company Secretary (CS)			
2.1	Appoint of CFO, HIA and CS. The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the HIA and the CS.	✓		
2.2	Presence of the CFO and CS in the Board Meeting;	✓		
3.	Audit Committee			
3 (i)	Should have an Audit Committee as a sub-committee of the Board of Directors;	✓		
3 (ii)	Assisting Board of Directors in ensuring true and fair presentation of financial statements and also to monitor systems;	✓		
3 (iii)	Reporting and duties of the Audit Committee;	✓		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1	Constitution of the Audit Committee			
3.1 (i)	Composition of Audit Committee (should be composed at least 3 [three] members.)	✓		
3.1 (ii)	Audit Committee Members Appointment (members should appointed by the Board with at least one Independent Director);	✓		
3.1 (iii)	Financially literacy of committee members (members should be financially literate;	✓		
3.1 (iv)	Terms of Service of Audit Committee (Board to ensure continuity of minimum prescribed number of members);	✓		
3.1 (v)	Secretary of the committee;	✓		
3.1 (vi)	Quorum of the Audit Committee meeting (at least one Independent Director must present);	✓		
3.2	Chairman of the Audit Committee			
3.2 (i)	Chairman of Audit Committee(Board to select Chairman from audit committee who shall be an Independent Director);	✓		
3.2 (ii)	Presence of Chairman of the audit committee Annual General Meeting;	✓		
3.3	Role of the Audit Committee			
3.3 (i)	Oversee the financial reporting process;	✓		
3.3 (ii)	Monitor choice of accounting policies and principles;	✓		
3.3 (iii)	Monitor Internal Control Risk management process;	✓		
3.3 (iv)	Oversee hiring and performance of external auditors;	✓		
3.3 (v)	Review of annual financial statements before submission to the board;	✓		
3.3 (vi)	Review of quarterly and half yearly financial statements before submission to the board;	✓		
3.3 (vii)	Review the adequacy of internal audit function;	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management;	✓		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	✓		
3.3 (x)	Declaration to Audit Committee by the Company regards utilization of IPO/RPO, Right issue money			Not applicable

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.4	Reporting of the Audit Committee:			
3.4.1	Reporting to the Board of Directors;			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
3.4.1 (ii) a)	Report on conflicts of interests;	✓		
3.4.1 (ii) b)	Report on defect in the internal control system to the Board of Directors;	✓		
3.4.1 (ii) c)	Suspected infringement of laws to the Board of Directors;	✓		
3.4.1 (ii) d)	Any other matter (out of the above a-c).	✓		
3.4.2	Reporting to the Authorities- BSEC (if any material impact on the financial condition & results of operation, unreasonably ignored by the management).			
3.5	Reporting to the shareholders (disclosure of the activities of the audit committee in the annual report).	✓		
4.	External/Statutory Auditors			
4 (i)	Appraisal or valuation services (none by the external/ statutory auditor);	✓		
4 (ii)	Financial information system (none by the external/ statutory auditor);	✓		
4 (iii)	Book-keeping or other services (none by the external/ statutory auditor);	✓		
4 (iv)	Broker-dealer services; (none by the external/ statutory auditor);	✓		
4 (v)	Actuarial services (none by the external/ statutory auditor);	✓		
4 (vi)	Internal audit services (none by the external/ statutory auditor);	✓		
4 (vii)	Any other services (none by the external/ statutory auditor);	✓		
4 (viii)	Not to possess any share of the company (none by the external/ statutory auditor);	✓		
5.	Subsidiary Company:			
5 (i)	Composition of the Board of Directors of the subsidiary Company;	✓		
5 (ii)	Presence of Independent Director of holding company in the Board of subsidiary company;	✓		
5 (iii)	Review the Board meeting minutes of subsidiary company in the Board meeting of the holding company;	✓		
5 (iv)	Reflection in the holding company's Board meeting minutes about review of the affairs of subsidiary company;	✓		
5 (v)	Review the financial statements of subsidiary company, in particular the investments made by the subsidiary company.	✓		
6.	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
6 (i) a)	Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
6 (i) b)	Financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
6 (ii)	No transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7.	Reporting and Compliance of Corporate Governance:			
7 (i)	Certification on compliance of condition of Corporate Governance Guidelines of BSEC and reporting to the shareholders;	✓		
7 (ii)	Directors' report should state about the compliance with the conditions of the Corporate Governance Guideline of the Commission.	✓		

ATIK KHALED CHOWDHURY
Chartered Accountants

Hasan Court (1st Floor)
23/1 Motijheel C/A,
Dhaka, Bangladesh

**Certificate of Compliance of Conditions of
Corporate Governance Guidelines to the Shareholders of
Aftab Automobiles Limited**

We have examined the compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission(BSEC) by Aftab Automobiles Limited for the yearended on June 30, 2018 as stipulated in clause 7(i) of the BSEC notification no BSEC/CMRRCD/2006-158/134/Admin/44, dated 07 August 2012.

The Compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of Aftab Automobiles Limited. Our examination for issuing this certification was limited to the checking of procedure and implementations thereof, adopted by Aftab Automobiles Limited for ensuring the compliance of conditions of Corporate Governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, Aftab Automobiles Limited has complied with condition of corporate governance stipulated in the above mentioned BSEC notification dated August 07, 2012.

Dated: Dhaka
October 18, 2018

Sd/-
Atik Khaled Chowdhury
Chartered Accountants

Audit Committee

The Audit committee consists of the following members:

Mr. M. Obaidur Rahman FCA, Independent Director	: Chairman
Mr. Sajedul Islam, Director	: Member
Mr. Ekramul Haq FCA, Independent Director	: Member

Scope of work of Audit Committee

Audit Committee works as a sub-committee of the Board of Directors. The Committee shall assist the Board of Directors to ensure that the financial statements reflect true and fair view of the state of affairs of the Company and ensure a good monitoring system within the business and they will be responsible to the Board of Directors. The Chairman of the Audit Committee shall remain present in the Annual General Meeting.

Internal Audit

- Audit Committee will observe the functions of internal audit department and its structure and confirm that no barrier/limitation make hindrance against the work of the internal audit department.
- Audit Committee will examine the capabilities and effectiveness of internal audit department.
- Audit Committee will observe the management's function regarding the implementation/elimination of the recommendations/errors/irregularities etc. found by the internal audit department.
- Audit Committee will submit their recommendation to the Board of Directors regarding the change of any accounting principle if they think necessary.

External Audit

- Audit Committee will examine the audit report and audit procedure of the external auditor of the company.
- Audit Committee will examine the implementation/elimination of the recommendation/observation/irregularities as provided by the external auditor in their report by the management properly.
- Audit Committee will submit their recommend to the Board of Directors regarding appointment of external auditor of the company.
- Implementation/existence of practice of acts, rules and regulations
- Audit Committee will examine the implementation/existence of practice of the acts, rules and regulation enforced by the Regulatory Authority like BSEC and other organizations and also adopted by the Board of Directors of the company on regular basis.

Review of financial statements by the Audit Committee

Audit Committee reviewed the annual financial statements for the year ended June 30, 2018 and placed its recommendation to the Board of Directors.

Role of Audit Committee

Role of audit committee shall include the following:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor internal control risk management `process.
- Performance of external auditors.
- Review alongwith the management, the annual financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function etc.
- Review the quarterly and annual audited financial statements.
- Review statement of significant related party transaction submitted by the management.

The Audit Committee meeting:

The Committee met four times during last financial year ended on June 30, 2018 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the year ended June 30, 2018;
- Reviewed and discussed the management letter, by external auditor Malek Siddiqui Wali, Chartered Accountants for the year ended June 30, 2018 on the annual audit on financial statements of Aftab Automobiles Limited;
- Reviewed reports of Internal Control & Compliance on operational/financial activities;
- Reviewed the Quarterly and Annual financial statements.

Based on the review and above discussions, the Audit Committee found that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial statements of the company and to ensure that its assets are safeguarded properly.

Audit Committee Report to the Board:

28 October 2018

The Board of Directors
Aftab Automobiles Limited

Subject: Audit Committee Report

The Committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observations in their reports on the financial statements of Aftab Automobiles Limited for the year ended 30 June 2018. The Committee found adequate arrangement to present a true and fair view of the financial statements of the Company and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

The Committee also reviewed the financial statements of the subsidiary company 'Navana Batteries Limited' for the year ended 30 June 2018 and found adequate arrangement to present a true and fair view of the financial statements.

Sd/-
(M. Obaidur Rahman)
Chairman
Audit Committee
Aftab Automobiles Limited

Certification of Managing Director and Chief Financial Officer to the Board

The Board of Directors
Aftab Automobiles Limited

Subject : Certification of Managing Director and Chief Financial Officer to the Board.

Dear Sirs

Pursuant to Condition No 6 of the Bangladesh Securities and Exchange Commission Notification No. BSEC/ CMRRCD/ 2006-158/134/Admin/44, dated August 07, 2012, we, do hereby certify that :

- (i) We have reviewed financial statements for the year ended June 30, 2018 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sd/-
(Kazi Ehsanul Huq, FCA)
Chief Financial Officer

October 18, 2018

Sd/-
(Saiful Islam)
Managing Director

Hino AK1J AC Bus



Hino RN8J Luxurious Bus



Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

Partners: Md. Waliullah, FCA
Mr. Swadesh Ranjan Saha, FCA
Md. Habibur Rahman Sarker, FCA
Mr. Anjan Mallik, FCA

PHONE: OFF: +88029513471

PABX: 9576128; 9576118-9

FAX: 880-2-9516236

Email: wali@satcombd.com

9-G, MOTIJHEEL C/A,

Dhaka-1000, Bangladesh

Auditors' Report to the Shareholders of

Aftab Automobiles Limited and its Subsidiary

We have audited the accompanying consolidated financial statements of Aftab Automobiles Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the consolidated statement of Profit or Loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period/ year then ended, and a summary of significant accounting policies and other explanatory information disclosed in Notes and Schedule-A. We have also audited the attached financial statements of Aftab Automobiles Limited which comprise the statement of financial position as at June 30, 2018 and statements of cash flows for the period/ year then ended and a summary of significant accounting policies and other explanatory notes. The financial statements of one subsidiary disclosed in note 2.7 to the financial statements are audited by Rahman Mostafa Alam & Co.

Management's responsibility for the financial statements

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aftab Automobiles Limited and its subsidiary as of June 30, 2017, and its financial performance and its cash flows for the period/ year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

Emphasis of Matter:

In our opinion financial statements give a true and fair view of the financial position of Aftab Automobiles Limited and its subsidiary as of June 30, 2018, and its financial performance and its cash flows for the period/ year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- In our opinion, proper books of account as required by the law have been kept by the Company so far as it appeared from our examination of those books;
- The company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- The expenditure incurred was for the purposes of the company's business.

Dated : Dhaka
November 07, 2018

Sd/-
Malek Siddiqui wali
Chartered Accountants

Aftab Automobiles Limited and its Subsidiary
Consolidated Statement of Financial Position

As at June 30, 2018

		Amount in Taka	Amount in Taka
	Notes	As at June 30, 2018	As at June 30, 2017
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	2,012,034,921	1,742,323,001
Capital work-in-progress	4 (a)	104,848,039	289,001,994
Investments	5.2	57,895,758	38,592,330
Investments in associate	5.3	321,562,941	297,116,955
Receivables -Non-Current Maturity	6 (a)	2,460,241,751	1,954,611,446
Total non-current assets		4,956,583,410	4,321,645,726
Current assets			
Receivables -Current Maturity	6 (a)	2,217,118,700	1,647,745,470
Stock and stores	7 (a)	1,930,448,231	2,131,143,582
Current account with Navana Group Companies	8 (a)	1,590,392,444	1,066,437,396
Advances, deposits and prepayments	9 (a)	2,546,181,187	2,158,585,558
Cash and bank balances	10 (a)	460,146,251	481,143,486
Total current assets		8,744,286,812	7,485,055,492
Total assets		13,700,870,223	11,806,701,218
Equity and Liabilities			
Capital & reserves			
Share capital	11	957,324,220	957,324,220
Share premium	12	1,925,858,339	1,925,858,339
Reserves	13	67,338,231	67,338,231
Retained earnings		2,878,999,350	2,722,945,676
Equity attributable to owners of the Company		5,829,520,140	5,673,466,466
Non-controlling interests		412,223	394,678
Total equity		5,829,932,364	5,673,861,144
Non-current liabilities			
Loan and deferred liabilities (unsecured)	25	25,310,440	25,310,440
Long Term loan-Non current Maturity	14 (a)	3,383,107,848	2,362,003,289
Deferred tax liability	23 (b)	137,062,262	121,594,814
Total Non-current liabilities		3,545,480,550	2,508,908,544
Current liabilities			
Long Term loan-Current Maturity	14 (a)	1,127,702,615	787,334,430
Short-term loan	15 (a)	1,993,503,690	1,810,578,998
Accrued and other current liabilities	16 (a)	1,204,251,006	1,026,018,102
Total Current liabilities		4,325,457,310	3,623,931,530
Total liabilities		7,870,937,860	6,132,840,073
Total equity and liabilities		13,700,870,223	11,806,701,218
Net assets value per share (NAVPS)		60.89	59.26

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited and its Subsidiary
Consolidated statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	Amount in Taka
		June 30, 2018	June 30, 2017
Sales revenue	17 (a)	4,813,708,397	4,771,208,696
Less : Cost of goods sold	18(a)	3,868,847,153	3,706,219,225
Gross profit		944,861,244	1,064,989,471
Less: Operating expenses			
Administrative expenses	19 (a)	115,142,320	97,889,334
Selling and distribution expenses	20 (a)	157,940,999	114,734,347
Financial charges	21 (a)	340,399,318	286,050,491
Total Operating Expense		613,482,637	498,674,171
Operating profit		331,378,606	566,315,300
Other income	22 (a)	17,958,672	6,215,510
Share of profit from associate company	5.3	19,556,789	7,665,950
Profit before contribution to WPPF		368,894,067	580,196,760
Less: Contribution to WPPF		17,566,384	27,628,417
Net profit before tax		351,327,683	552,568,343
Less: Income tax expense			
Current tax	23 (a)	83,725,612	146,197,579
Deferred tax	23.1 (a)	11,128,499	11,835,958
Total Income Tax Expense		94,854,111	158,033,537
Net profit After Tax		256,473,572	394,534,806
Other comprehensive Income for the year :			
Investment Valuation surplus in share			
Revaluation Gain/(Loss) on invest. in share	5.2	(6,609,021)	2,751,244
Deferred tax		(550,249)	550,249
		(7,159,270)	2,200,995
Total comprehensive Income for the year		249,314,302	392,333,811
<i>Attributable to:</i>			
Equity holders of the company		249,296,755	396,693,231
<i>Non-controlling interests</i>		17,545	42,570
Profit for the period/year		249,314,302	396,735,801
Consolidated earnings per share	24(a)	2.68	4.12

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited and its Subsidiary
Consolidated Statement of Cash Flows

For the year ended June 30, 2018

Particulars	Amount in Taka	Amount in Taka
	June 30, 2018	June 30, 2017
A. Cash flows from operating activities		
Receipts from customers	3,738,704,862	4,951,716,845
Receipts from others	17,958,672	6,215,510
Payments to suppliers and employees	(4,013,661,719)	(4,602,243,447)
Cash generated from operations	(256,998,185)	355,688,908
Income tax paid	(149,215,052)	(229,183,157)
Net cash generated by operating activities	(406,213,237)	126,505,751
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(117,045,625)	(381,063,967)
Investment in Share money deposit	(26,924,137)	(30,971,621)
Payments for capital work in progress	(64,843,010)	(369,418,952)
Disposal Proceeds	700,000	-
Disposal of shares	6,528,786	-
Net cash used investing activities	(201,583,986)	(781,454,540)
C. Cash flows from financing activities		
Received/(Repayments) of bank loan	1,544,397,435	1,646,522,924
Inter company receipts/(payments)	(523,955,048)	(1,066,437,396)
Bank interest paid	(340,399,318)	(286,050,491)
Dividend paid	(93,243,081)	(90,585,239)
Net cash provided by financing activities	586,799,988	203,449,798
D. Net changes in cash & cash equivalents for the period/ year (A+B+C)	(20,997,235)	(451,498,991)
E. Cash & cash equivalents at beginning of the period/year	481,143,486	932,642,477
F. Cash & cash equivalents at end of the period/ year (D+E)	460,146,251	481,143,486
Net operating cash flows per share (NOCFPS)	(4.24)	1.32

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited and its Subsidiary

Consolidated Statement of Changes in Equity

For the year ended June 30, 2018

Particulars	Amount in Taka					
	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest
Balance as on July 01, 2016	957,324,220	1,925,858,339	67,338,231	2,416,837,684	5,367,358,474	352,108
Cash dividend paid	-	-	-	(90,585,239)	(90,585,239)	-
Total comprehensive Income for the year	-	-	-	396,693,231	396,693,231	42,570
Balance as at June 30, 2017	957,324,220	1,925,858,339	67,338,231	2,722,945,676	5,673,466,466	394,678
Balance as on July 01, 2017	957,324,220	1,925,858,339	67,338,231	2,722,945,676	5,673,466,466	394,678
Cash dividend paid	-	-	-	(93,243,081)	(93,243,081)	-
Total comprehensive Income for the year	-	-	-	249,296,755	249,296,755	17,545
Balance as at June 30, 2018	957,324,220	1,925,858,339	67,338,231	2,878,999,350	5,829,520,140	412,223

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

Sd/-
Director

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
November 07, 2018

Sd/-
Malek Siddiqui Wali
Chartered Accountants



মালেকসিদ্দিকীওয়ালী, চার্টার্ড একাউন্টেন্টস

৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

Partners: Md. Waliullah, FCA
Mr. Swadesh Ranjan Saha, FCA
Md. Habibur Rahman Sarker, FCA
Mr. Anjan Mallik, FCA

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9-G, MOTIJHEEL C/A,
Dhaka-1000, Bangladesh

Auditors' Report to the Shareholders of

Aftab Automobiles Limited

We have audited the accompanying financial statements of Aftab Automobiles Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information disclosed in Notes and Schedule-A.

Management's responsibility for the financial statements

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Aftab Automobiles Limited as of June 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- In our opinion, proper books of account as required by the law have been kept by the Company so far as it appeared from our examination of those books;
- The company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- The expenditure incurred was for the purposes of the company's business.

Dated : Dhaka
November 07, 2018

Sd/-
Malek Siddiqui wali
Chartered Accountants

Aftab Automobiles Limited
Statement of Financial Position

As at June 30, 2018

Assets :
Non-current assets

	Notes	Amount in Taka As at June 30, 2018	Amount in Taka As at June 30, 2017
Property, plant and equipment	3	1,186,639,545	1,016,686,129
Capital work-in-progress	4	93,780,046	224,581,944
Investments in subsidiary and associates	5	1,136,311,043	1,060,347,751
Receivables - non current maturity	6	2,460,241,751	1,954,611,446
Total Non-current assets		4,876,972,385	4,256,227,269

Current assets :

Receivables -current maturity	6	1,742,308,445	1,324,190,437
Stock and stores	7	1,129,353,103	1,687,540,044
Current account with Navana Batteries Ltd.		243,227,935	194,104,312
Current account with Navana Group Companies	8	1,077,561,924	598,662,340
Advances, deposits and prepayments	9	1,853,292,948	1,523,955,271
Cash and bank balances	10	367,031,655	424,971,917
Total Current assets		6,412,776,010	5,753,424,321

Total Assets
11,289,748,396
10,009,651,590
Equity and Liabilities :
Equity attributable to equity holders

Share capital	11	957,324,220	957,324,220
Share premium	12	1,925,858,339	1,925,858,339
Reserves	13	67,338,231	67,338,231
Retained earnings		2,878,999,350	2,722,945,676
Total Equity attributable to equity holders		5,829,520,140	5,673,466,466

Non-current liabilities :

Loan and deferred liabilities (unsecured)	25	25,310,440	25,310,440
Long Term loan-non current maturity	14	2,201,719,971	1,580,876,885
Deferred tax liability	23 (b)	85,569,797	77,816,301
Total Non-current liabilities		2,312,600,207	1,684,003,626

Current liabilities :

Long Term loan-Current maturity	14	733,906,656	526,958,962
Short term loan	15	1,447,851,956	1,324,948,819
Accrued and other current liabilities	16	965,869,437	800,273,716
Total current liabilities		3,147,628,049	2,652,181,498

Total liabilities
5,460,228,256
4,336,185,124
Total Equity and Liabilities
11,289,748,396
10,009,651,590
Net assets value per share (NAVPS)
60.89
59.26

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10 / 2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited
Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	Amount in Taka
		June 30, 2018	June 30, 2017
Sales revenue	17	3,359,756,688	3,703,934,655
Less: Cost of goods sold	18	2,691,496,957	2,910,178,518
Gross profit		668,259,731	793,756,137
Less: Operating Expense			
Administrative expenses	19	89,868,109	81,407,526
Selling and distribution expenses	20	78,313,163	61,302,658
Financial charges	21	220,765,998	211,703,217
Total Operating expenses:		388,947,271	354,413,400
Operating Profit		279,312,460	439,342,737
Non-operating income :			
Other Income	22	17,958,672	6,215,510
Add : Share of profit from associate company	5.3	19,556,789	7,665,950
Profit before contribution to WPPF		316,827,921	453,224,197
Less: Contribution to WPPF		15,087,044	21,582,105
Profit after contribution to WPPF		301,740,877	431,642,092
Add : Share of profit from subsidiaries		32,213,878	78,159,966
Net profit before tax		333,954,755	509,802,059
Less: Income tax Expenses :			
Current tax	23	74,084,182	110,304,036
Deferred tax	23.1.a	3,414,548	5,005,788
Total income tax expense		77,498,730	115,309,824
Profit for the year		256,456,025	394,492,235
Other comprehensive Income for the year :			
Investment Valuation surplus in share			
Revaluation Gain/(Loss) on invest. in share	5.2	(6,609,021)	2,751,244
Deferred tax	23	(550,249)	550,249
		(7,159,270)	2,200,995
Total comprehensive income for the year		249,296,755	392,291,240
Earnings per share (Restated- Note 29)	24	2.68	4.12

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2017 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited
Statement of Cash Flows

For the year ended June 30, 2018

Particulars	Amount in Taka	Amount in Taka
	June 30, 2018	June 30, 2017
A. Cash flows from operating activities		
Receipts from customers	2,436,008,375	3,718,428,850
Receipts as other income	17,958,672	6,215,510
Payments to suppliers and employees	(2,429,919,613)	(3,894,304,636)
Cash generated from operations	24,047,435	(169,660,276)
Income tax paid	(84,521,714)	(186,079,779)
Net cash generated by operating activities	(60,474,279)	(355,740,055)
B. Cash flows from investing activities		
acquisition of property, plant & equipment	(62,657,245)	(326,609,085)
Investment in Share money deposit	(26,924,137)	(30,971,621)
Payments for capital work in progress	(23,775,017)	(298,443,611)
Disposal Proceeds	700,000	-
Disposal of shares	6,528,786	-
Net cash used investing activities	(106,127,613)	(656,024,317)
C. Cash flows from financing activities		
Receive of bank loan	950,693,917	1,343,729,189
Inter company receipts/(payments)	(478,899,584)	(598,662,340)
Inter company payments	(49,123,623)	73,373,175
Bank interest paid	(220,765,998)	(211,703,217)
Dividend paid	(93,243,081)	(90,585,239)
Net cash used by financing activities	108,661,630	516,151,568
D. Net changes in cash & cash equivalents for the year (A+B+C)	(57,940,262)	(495,612,804)
E. Cash & cash equivalents at beginning of the year	424,971,917	920,584,721
F. Cash & cash equivalents at end of the year (D+E)	367,031,655	424,971,917
Net operating cash flows per share (NOCFPS) (Note 26)	(0.63)	(3.72)

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited
Statement of Changes in Equity

For the year ended June 30, 2018

Particulars	Amount in Taka				
	Share capital	Share premium	Reserves	Retained earnings	Total
Balance as on July 01, 2016	957,324,220	1,925,858,339	67,338,231	2,416,837,684	5,367,358,474
Cash Dividend Paid	-	-	-	(90,585,239)	(90,585,239)
Total comprehensive income for the year	-	-	-	396,693,231	396,693,231
Balance as at June 30, 2017	957,324,220	1,925,858,339	67,338,231	2,722,945,676	5,673,466,466
Balance as on July 01, 2017	957,324,220	1,925,858,339	67,338,231	2,722,945,676	5,673,466,466
Cash Dividend Paid	-	-	-	(93,243,081)	(93,243,081)
Total comprehensive income for the year	-	-	-	249,296,755	249,296,755
Balance as at June 30, 2018	957,324,220	1,925,858,339	67,338,231	2,878,999,350	5,829,520,141

The annexed notes and schedule-A form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 28/10/2018 and were signed on it's behalf by:

 Sd/-
Director

 Sd/-
Director

 Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 07, 2018

 Sd/-
Malek Siddiqui Wali
 Chartered Accountants

Aftab Automobiles Limited

Notes to the Financial Statements

As at and for the year ended June 30, 2018

1. Corporate Information and Mode of Business

1.1 Corporate Information

Aftab Automobiles Limited (thecompany), was incorporated in erstwhile East Pakistan in year 1967 as East Pakistan Automobiles Limited under the Company Act, 1913. Subsequently after liberation the Company changed the name as Aftab Automobiles Limited and was certified by the Register of Joint Stock Companies, Bangladesh on the 11th day of March, 1972. It was Incorporated as a Private Limited Company since inception. However, in 1981 it was transformed into Public Limited Company under Company Act 1913. 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. At present the plant is running single shift. The Company has recently setup a Motor Cycle Unit with a capacity of 10,000 units of Motor Cycle per year. Sales of Motor Cycle shall be start in the year 2013-2014. 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) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Companies Act 1994, The Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of the company have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

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 one accounting year from July01, 2017 to June 30, 2018.

2.5 Regulatory and Legal Compliance

The company complied with the requirements of the following regulatory and legal authorities:

- i) The Companies Act, 1994;
- ii) The Securities and Exchange Rules, 1987;
- iii) The Securities and Exchange Ordinance, 1969;
- iv) The Income Tax Ordinance, 1984,
- v) The Value Added Tax (VAT), 1991,

2.6 Functional and Presentation Currency

Financial statements are prepared in Bangladeshi Taka which is the company's functional currency.

2.7 Basis of consolidation

The Company has consolidated the financial statements of Aftab Automobiles Limited and its sole subsidiary named Navana Batteries Ltd. The Consolidated financial statement has been prepared in accordance with BFRS: 10. The company accrued 99.95 % of paid-up Capital of Navana batteries Ltd.

notes to the financial statements

2.8 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS-16). The cost of the Assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

On retirement or otherwise disposed off, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the Profit and Loss Account which is determined with reference to net book value of the assets and net sale proceeds.

Capital Work-in-progress represents capital works of a unit still in progress and not in a operation .Once a unit is completed, it is transferred to" Property, Plant and Equipment".

No revaluation of fixed assets has been made by the Company.

Depreciation

No depreciation has been charged on Land and Land Development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful lives using the diminishing balance method of depreciation. All the assets acquired or disposed off during the period have been depreciated for the period of its use. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since the inception of the company which are given below :

<u>Name of the Assets</u>	<u>Rate of Dep. (%)</u>
Land and land development	Nil
Building	2.5
Shades	20
Plant & Machinery	10
Tools & Equipment's	20
Office equipment	10
Furniture & Fixtures	10
Transport Vehicles	20
Electric line Installation	10
Gas line Installation	10
Office decoration	10

The whole amount of depreciation has been charged off partly to cost of sales and partly as expense in consistent with practice followed in the earlier years.

2.9 Financial Instruments and Derivatives

a) Investment in associates

Investment in associates has been disclosed as per BAS-28 Investment in associates.

b) Derivatives

The company is not a party to any derivative contract at the balance sheet date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligations of foreign currency loans.

notes to the financial statements

2.10 Inventories

In compliance with the requirements with BAS 2 "Inventories" Raw materials and stores are valued at the lower of average cost and the net realizable value. Stock of finished vehicles, Bus body building unit are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

2.11 Cash and Cash Equivalent

Cash and Cash Equivalents includes cash in hand, cash at banks, which are held and available for use by the company without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same. No Foreign Currency transaction is involved in Cash and Cash Equivalents.

2.12 Taxation

Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the company is 25.00 % as the company qualifies as a "publicly traded company". Provision for taxation has been made as per law.

Deferred Tax

Deferred tax is recognized liabilities in accordance with BAS 12 "Income Tax" on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized.

2.13 Borrowing Costs

In compliance with the requirements of BAS 23 "Borrowing Costs" borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

2.14 Revenue Recognition

In compliance with the requirements of BAS 18 "Revenue", revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding Vat, discounts, commission, rebates, and other sales taxes where applicable.

Revenue from the sale of goods is recognized when the following conditions are satisfied:

- i) the enterprise has transferred to the buyer the significant risk and rewards of ownership of the goods;
- ii) the enterprise retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii) the amounts of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the enterprise; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

notes to the financial statements

2.15 Provident Fund Scheme

The company operates a Contributory Provident Fund Scheme for its permanent employees. The company's contribution to the fund is charged off as revenue expenditure during the year to which the contribution relates. The fund is operated by a Board of Trustees consisting 5 (Five) members. All confirmed employees of the company are contributing 10% of their basic salary as subscription to the fund. The company also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members account on yearly basis.

Gratuity Scheme

The company operates an unfunded gratuity scheme, provision in respect of which is made annually for the company's permanent eligible employees as per BAS-19, "Employee Benefits".

Group Term Insurance Scheme

The company has Group Term Insurance Scheme for its permanent employees and the provision for premium of the same is made annually.

2.16 Cash Flows Statement

Statement of cash flows is prepared principally in accordance with BAS 7 "Cash Flow Statements" and cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules, 1987.

2.17 Provisions

The preparation of the financial statements in conformity with the Bangladesh Accounting Standards BAS 37 "Provision, Contingent Liabilities and Contingent Assets" requires management to make estimates and assumptions that affect of the reported amounts of revenue and expenses, assets and liabilities and the disclosure requirements for contingent assets and liabilities at the date of the financial statements.

In accordance with the guidelines as prescribed by BAS 37, provisions were recognized in the following situations:

- i) when the company has a present obligation as a result of past event;
- ii) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii) reliable estimates can be made of the amount of obligation.

The provisions have been made in the accounts at an appropriate level with regard to an adequate risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the balance sheet date.

2.18 Liabilities for Expenses

While the provision for certain standing charges and known liabilities is made at the balance sheet date based on estimate, the difference arising there from on receipts of bills/ demands and/ or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.19 Earning Per Share

Basic Earning Per Share

The company calculates Earning per Share (EPS) in accordance with BAS 33. Basic earnings per share have been calculated taking a capital base of 95,732,422 Ordinary shares of Tk. 10 each as on June 30, which is shown in the face of the Statement of Comprehensive Income and the computation of EPS is stated in note # 24.

Diluted Earnings per Share

No diluted earnings per is required to be calculated for the year as there was no scope for dilution during the year under review.

2.20 Event after the Reporting Period

As per BAS- 10, Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

notes to the financial statements

- i) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- ii) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

These financial statements were authorized for issued by the Board of Directors on October 10, 2017. No material event had occurred after the balance sheet date of issue of these financial statements, which could affect the values stated in the financial statement.

2.21 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) and Worker Welfare Fund (WWF) has been made @ 5% on net profit as per provision of The Bangladesh Labour Law, 2006 and payable to workers as defined in the said law.

Provision for Workers Profit Participation Fund (WPPF) and Worker Welfare Fund (WWF) has been restated in previous year due to consideration of share of profit from associate company's income.

2.22 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the balance sheet date when the entity has become a party to a contractual provision of the instruments.

i) Receivables

Receivables are stated their real value and consider good. No provision has been made for doubtful debts except the amount was written off as bad debt. Receivables that would mature after one from the date of Statement of Financial position has been shown as long term.

ii) Payable

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

iii) Related party disclosure

As per BAS -24 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 has carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

iv) Borrowings

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Financial charges are accounted for on an accrual basis.

2.23 Comparative Figure :

Comparative information has been disclosed in respect of the period 2017 for all numerical data in the financial statements and also the narrative descriptive information when it is relevant for understanding of the current year's financial statements presentation. The financial information for the period July 01, 2017 to June 30, 2018 comparative for the period of July 01, 2016 to June 30, 2017 which is the last audited Financial statements.

2.24 General

- i) Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
- ii) Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

aftab automobiles limited

notes to the financial statements



Malek Siddiqui Wali
CHARTERED ACCOUNTANTS

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
3 Property, plant and equipment, net		
Land & Land Development	740,205,819	562,298,792
Building	120,279,401	113,889,610
Shades	18,227,700	19,012,750
Plant & Machinery	188,371,361	195,535,973
Tools & Equipments	17,491,003	15,358,901
Office Equipment	21,076,550	20,847,058
Furniture & Fixture	15,464,411	15,981,122
Transport Vehicles	33,518,959	39,963,082
Electrical line installation	1,897,349	1,199,037
Office Decoration	30,106,992	32,599,804
	1,186,639,545	1,016,686,129
3 (a) Consolidated property, plant and equipment, net		
Land & Land Development	1,063,604,227	833,496,052
Building	253,007,485	214,275,171
Shades	248,616,581	19,012,750
Plant & Machinery	224,664,455	420,552,333
Tools & Equipments	40,048,939	52,030,810
Office Equipment	36,718,357	41,441,686
Furniture & Fixture	34,297,639	28,885,285
Transport Vehicles	43,860,535	61,168,580
Electrical line installation	16,885,028	11,674,312
Gas line installation	20,224,681	7,459,180
Office Decoration	30,106,992	52,326,842
	2,012,034,921	1,742,323,001
4 Capital work-in-progress		
Opening balance	224,581,944	-
Addition during the year	23,775,017	298,443,611
	248,356,961	298,443,611
Less: transfer to property, plant & equipment	154,576,915	73,861,667
Closing balance	93,780,046	224,581,944
Capital work in progress represents Land and Land Development , civil constructions, Plant and Machinery for BMRE of Assembling Unit , Body Building Unit and Motor Cycle Unit. Primarily estimated cost of BMRE project is Taka 100.00 crore.		
4 (a) Consolidated capital work in progress		
Opening balance	289,001,994	103,416,248
Addition during the year	64,843,010	369,418,952
	353,845,004	472,835,200
Less: Transfer to property, plant & equipment	248,996,965	183,833,206
Closing balance	104,848,039	289,001,994
Capital work in progress represents Land and Land Development , civil constructions Plant and Machinery for BMRE of Aftab Automobiles Ltd and Navana Batteries Ltd .		
5 Investments in subsidiary and associate		
Investment in subsidiaries (Note: 5.1)	756,852,344	724,638,466
Investment in Marketable securities (Note: 5.2)	57,895,758	38,592,330
Investment in associate (Note : 5.3)	321,562,941	297,116,955
	1,136,311,043	1,060,347,751

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
5.1 Investment in subsidiary		
Navana Batteries Limited		
Opening Balance	724,638,466	646,478,500
Add: Profit during the year	32,213,878	78,159,966
Closing Balance	756,852,344	724,638,466
5.2 Investment in Marketable securities		
5 (a) Quantities details of investments in share		
Investment in shares of Navana CNG Ltd (Note: 5 (a) 1)		
Opening Balance	7,620,709	4,869,465
Add : revaluation gain booked to OCI	-	2,751,244
Less revaluation gain booked to OCI	6,609,021	-
Less Related deferred Tax	550,249	-
Less sale of Share	461,439	-
Closing Balance	-	7,620,709
5 (b) Investment in Share Money deposit		
Navana Construction Ltd.		
Opening Balance	30,971,621	
Add ; During the year	26,924,137	30,971,621
	57,895,758	30,971,621
Investment in Share Money deposit are consist as advance for share holding of Navana Construction Ltd. Which will be consider by the approval the board and also by the shareholders .		
5.3 Investment in associate		
The details are stated below :		
Share Invest of NREL at cost	20,000,000	20,000,000
Share of equity from associate		
Opening Balance	277,116,955	267,534,517
Share of equity from associate		
Net Income after deferred tax (P/L-AC)	19,556,789	7,665,950
Provision for deferred tax (note - 23.1.b)	4,889,197	1,916,488
	24,445,986	9,582,438
Closing Balance	301,562,941	277,116,955
Total Investment in associate	321,562,941	297,116,955
Shares investment of Navana Real Estate Ltd. at cost, represent as a		
5.3 (a) Acquisition quantity of shares of Navana Real Estate Ltd.	20,000,000	20,000,000
Less: shares sale during the year	-	-
	20,000,000	20,000,000
Opening Balance	6,000,000	6,000,000
Number of shares purchased	-	-
Number of bonus shares received during the year	-	-
Total number of shares	6,000,000	6,000,000
6 Receivables		
Receivable Non-Current (Maturity over 12 months)	2,565,001,751	2,041,737,203
Less ; Provision for Bad debts	104,760,000	87,125,757
	2,460,241,751	1,954,611,446
Receivable current (Maturity less than 12 months)	1,742,308,445	1,324,190,437
	4,202,550,196	3,278,801,883

notes to the financial statements

Ageing schedule of receivables :

Duration

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
1- 30 days	494,334,186	402,065,000
31- 60 days	462,951,775	361,858,500
61- 90 days	348,231,482	271,393,875
91- 180 days	381,941,065	176,406,019
181- 365 days	385,888,542	112,467,043
Over 365 days	2,129,203,146	1,954,611,446
	4,202,550,196	3,278,801,883

Net receivables are considered good . The Company holds no security other than debtors' personal security in the form of work orders etc.

6(a) Consolidated trade debtors

Receivable Non-Current (Maturity over 12 months)

	2,565,001,751	2,041,737,203
Less ; Provision for Bad debts	104,760,000	87,125,757
	2,460,241,751	1,954,611,446

Receivable current (Maturity less than 12 months)

	2,217,118,700	1,647,745,470
	4,677,360,451	3,602,356,916

Ageing schedule of receivables :

Duration

1- 30 days	494,334,186	434,549,520
31- 60 days	462,951,775	437,825,284
61- 90 days	348,231,482	312,853,927
91- 180 days	381,941,065	245,869,210
181- 365 days	385,888,542	216,647,529
Over 365 days	2,604,013,401	1,954,611,446
	4,677,360,451	3,602,356,916

Net receivables are considered good . The Company holds no security other than debtors' personal security in the form of work orders etc.

7 Stock and stores

Finished products	628,405,618	1,260,488,880
Raw materials	219,212,998	182,895,268
Work-in-process	20,176,667	5,636,141
Stores and spares	3,080,234	2,045,821
Goods in transit	258,477,586	236,473,934
	1,129,353,103	1,687,540,044

Value of Stock of Finished product & Raw materials inclusive of -87- units Hino bus-7- units RM2 Hino Bus chassis, and -1954- units of Motor cycle .

7 (a) Consolidated stock and stores

Finished products	804,837,655	1,393,323,677
Raw materials	597,801,527	385,462,716
Work-in-process	117,223,316	77,093,746
Stores and spares	3,080,234	2,045,821
Goods in transit	407,505,499	273,217,622
	1,930,448,231	2,131,143,582

Value of Stock of Finished product & Raw materials inclusive of -87- units Hino bus-7- units RM2 Hino Bus chassis, and -1954- units of Motor cycle .

8 Current account with Navana group Companies

Navana Ltd.	873,991,694	385,492,110
Navana Engineering Ltd.	60,000,230	120,000,230
Navana Real Estate Ltd.	143,570,000	93,170,000
	1,077,561,924	598,662,340

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
8 (a) Current account with Navana group Companies		
Navana Ltd.	1,386,822,214	853,267,166
Navana Engineering Ltd.	60,000,230	120,000,230
Navana Real Estate Ltd.	143,570,000	93,170,000
	1,590,392,444	1,066,437,396
9 Advances, deposits and prepayments		
Advance to suppliers	603,867,553	477,669,842
Advance to employees	2,869,964	3,229,048
Advance to others	144,778,280	84,162,074
Current Account with VAT	6,228,303	6,029,162
Deposits	368,351,492	310,189,503
Advance Income tax (note-9.1)	727,197,356	642,675,642
	1,853,292,948	1,523,955,271
Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary realisable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.		
9.1 Advance Income tax		
Opening balance	642,675,642	466,777,177
Addition during the year	84,521,714	175,898,465
	727,197,356	642,675,642
Adjustment made during the year	-	-
Closing Balance	727,197,356	642,675,642
The above amount was deducted at the import point as well as from the bills in different times at delivery point. The company made appeal to honourable High Court against the tax assessment U/S-160 is pending for the year 2011-2012 to 2016-2017.		
9 (a) Consolidated advances, deposits and prepayments		
Advance to suppliers	778,216,271	638,320,067
Advance to employees	49,882,754	34,954,455
Advance to others	186,144,888	188,673,272
Current Account with VAT	99,522,387	81,263,330
Deposits	401,437,455	333,612,054
Advance Income tax (note-9.1 a)	1,030,977,432	881,762,380
	2,546,181,187	2,158,585,558
9.1 (a) Consolidated Income tax deducted at source		
Opening balance	881,762,380	662,760,537
Addition during the year	149,215,052	219,001,843
	1,030,977,432	881,762,380
Adjustment made during the year	-	-
Closing Balance	1,030,977,432	881,762,380
10 Cash & bank balances		
Cash in hand	6,293,654	21,813,272
Cash at bank	360,738,001	403,158,645
	367,031,655	424,971,917

notes to the financial statements

			Amount in Taka	Amount in Taka	
			30-06-2018	30-06-2017	
10 (a) Consolidated cash & bank balances					
Cash in hand			60,996,075	27,953,804	
Cash at bank			399,150,176	453,189,682	
			460,146,251	481,143,486	
11 Share capital					
Authorized capital:					
120,000,000 Ordinary shares of Tk. 10 each			1,200,000,000	1,200,000,000	
180,000,000 Cum. redeemable preference shares of Tk. 10 each			1,800,000,000	1,800,000,000	
			3,000,000,000	3,000,000,000	
Ordinary Share capital:					
Issued, subscribed and paid up					
95,732,420 Ordinary shares of Tk. 10 each					
Sponsors			291,939,445	291,939,445	
General Public			665,384,775	665,384,775	
			957,324,220	957,324,220	
The Position of Ordinary shareholders as on June 30,2018 was as follows :					
Particulars		Num. of Investors	Num. of Shares	Share Holding '18	Share Holding '17
Sponsors		6	27,208,098	28.42%	28.42%
Financial Institutions including ICB		262	35,737,790	37.33%	36.01%
General Public		22,414	32,786,534	34.25%	35.57%
Total		22,682	95,732,422	100.00%	100.00%
The classification of shareholders by holding as on June 30, 2018 was as follows :					
No. of share holdings			No. of share. holders	No. of shares 2018	No. of shares 2017
1 to 500			15338	2,282,821	2,607,917
501 to 5000			6306	9,796,897	11,242,700
5001 to 10000			550	3,943,851	4,349,848
10001 to 20000			238	3,337,909	4,035,334
20001 to 30000			78	1,960,017	2,441,866
30001 to 40000			30	1,066,082	1,238,932
40001 to 50000			22	1,032,257	1,432,813
50001 to 100000			52	3,649,088	3,168,049
100001 to 1000000			55	17,165,029	14,860,678
Above 1000000			13	51,498,471	50,354,285
Total			22682	95,732,422	95,732,422
12 Share premium.					
Net Premium Up to 2006			250,191,730	250,191,730	
Net Premium in 2010			1,675,666,609	1,675,666,609	
			1,925,858,339	1,925,858,339	
13 Reserves					
Tax holiday reserve			12,338,231	12,338,231	
Dividend equalization fund			4,000,000	4,000,000	
General reserve			51,000,000	51,000,000	
			67,338,231	67,338,231	

The Company has obtained tax holiday facilities for body building unit for the period of five years with effect from may 05, 1997.

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
14 Long Term loan-Net of current portion		
Agrani Bank Ltd.	512,617,234	309,656,546
Meghna bank Ltd AC 631-4	56,570,080	92,255,036
South-bangla Agricultural & commerce	71,049,368	78,668,132
Standard bank Ltd.	141,902,741	94,628,221
Mutual trust bank Ltd.	264,304,560	137,678,765
Bank Asia Ltd.	200,119,253	153,057,140
City bank Ltd.STL	64,991,141	105,453,111
Uttara Finance	-	37,023,159
Prime bank Ltd. HP loan	63,903,407	107,667,397
Midland Bank Ltd. O/D AC	99,145,612	53,344,675
Peoples Leasing	162,637,460	109,325,620
Mercantile bank Ltd. Term loan	76,496,136	85,864,144
One Bank Lease Loan	400,341,511	53,677,613
NCC Bank Ltd TL AC	152,930,641	126,117,047
NRB Commercial	25,229,197	-
Bay Leasing	89,239,082	97,452,706
GSP Finance	187,429,117	191,949,553
Midas financing	31,225,924	39,961,080
Union Capital	145,093,674	150,912,320
Southeast Bank	127,805,806	-
Modhumoti bank Ltd.	62,594,683	83,143,582
	2,935,626,627	2,107,835,847
less: Long Term loan-Current maturity	733,906,656	526,958,962
Long Term loan-Net of Non-current maturity	2,201,719,971	1,580,876,885
14(a) Consolidated Long Term loan-Net of current portion		
Agrani Bank Ltd.	1,027,162,123	309,656,546
Meghna bank Ltd AC 631-4	56,570,080	92,255,036
South-bangla Agricultural & commerce	71,049,368	78,668,132
Standard bank Ltd.	141,902,741	94,628,221
Mutual trust bank Ltd.	264,304,560	137,678,765
Bank Asia Ltd.	200,119,253	153,057,140
City bank Ltd.STL	64,991,141	105,453,111
Uttara Finance	-	37,023,159
Prime bank Ltd. HP loan	63,903,407	107,667,397
Midland Bank Ltd. O/D AC	99,145,612	53,344,675
Peoples Leasing	162,637,460	109,325,620
Mercantile bank Ltd. Term loan	76,496,136	85,864,144
One Bank Lease Loan	400,341,511	53,677,613
Al-Arafah Islami Bank Ltd.	-	30,344,500
Trust Bank Ltd.	387,295,430	357,037,083
Dutch-bangla Bank Ltd.	621,385,483	600,956,291
Social Islami Bank Ltd.	51,958,035	53,163,998
NCC Bank Ltd TL AC	152,930,641	126,117,047
NRB Commercial	25,229,197	-
Bay Leasing	89,239,082	97,452,706
GSP Finance	187,429,117	191,949,553
Midas financing	31,225,924	39,961,080
Union Capital	145,093,674	150,912,320
Southeast Bank	127,805,806	-
Modhumoti bank Ltd.	62,594,683	83,143,582
	4,510,810,463	3,149,337,719
less: Long Term loan-Current maturity	1,127,702,615	787,334,430
Long Term loan-Net of Non-current maturity	3,383,107,848	2,362,003,289

notes to the financial statements

15 Short-term loan

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
Bank Asia Ltd.	465,037,971	493,992,758
Standard Bank Ltd CC AC	42,794,066	40,849,043
NRB Commercial	228,022,713	210,978,466
NCC bank CC AC	82,725,899	-
Dhaka Bank Ltd.	51,388,456	51,084,123
Mercantile Bank	61,746,132	62,858,955
The City Bank Ltd O/D Ac	31,896,563	30,632,288
Midland Bank Ltd. O/D AC	21,350,740	21,238,258
Prime bank Ltd. SOD A/C	51,554,429	49,703,569
SBSC	34,206,739	31,108,233
Mutual trust bank Ltd.	52,705,121	51,554,572
Southeast Bank Ltd.	82,188,304	81,865,901
Dutch-Bangla Bank SOD AC	199,999,768	103,064,857
IFIC Bank Ltd. - SOD	39,895,590	-
Jamuna Bank Ltd. - CC	2,339,465	-
One bank Ltd. SOD A/C		96,017,796
	1,447,851,956	1,324,948,819

15 (a) Consolidated Short-term loan

Bank Asia Ltd.	465,037,971	493,992,758
Standard Bank Ltd CC AC	42,794,066	40,849,043
NRB Commercial	228,022,713	210,978,466
NCC bank CC AC	134,656,777	66,560,591
Dhaka Bank Ltd.	51,388,456	51,084,123
Mercantile Bank	72,054,431	73,124,367
The City Bank Ltd O/D Ac	31,896,563	30,632,288
Midland Bank Ltd. O/D AC	21,350,740	21,238,258
Prime bank Ltd. SOD A/C	51,554,429	49,703,569
SBSC	34,206,739	31,108,233
Mutual trust bank Ltd.	52,705,121	51,554,572
Southeast Bank Ltd.	346,462,295	335,271,369
Modhumoti Bank Ltd.	20,832,910	122,227,158
Shahjalal Islami bank Ltd	166,444,443	-
Dutch-Bangla Bank SOD AC	199,999,768	103,064,857
Al-Arafah Islami Bank Ltd.	31,861,213	33,171,550
IFIC Bank Ltd. - SOD	39,895,590	-
Jamuna Bank Ltd. - CC	2,339,465	-
One bank Ltd. SOD A/C	-	96,017,796
	1,993,503,690	1,810,578,998

Non Financial Information of Short Term and Long Term loan are given below :

NAME OF BANK	NATURE OF FACILITY	SANCTIONED LIMIT (in Million BDT)	RATE OF INTEREST	MONTHLY INSTAL. SIZE	PARTICULARS OF SECURITY
Funded					
Agrani Bank Ltd.	C C (H)	500.00	10.00%	-	25.41 Deci.Land at Kaligonj & Lien 55,67,460 Shares of Aftab Automobiles Ltd
Agrani Bank Ltd.	Trans, L	800.00	11.50%	21.11	47.32 Million FDR
Al-Arafah Islami Bank Ltd.	MPI-TR	50.00	13.00%	-	
BRAC Bank Limited	LTR	237.50	10.00%	-	Lien of 300,000 Shares of Navana CNG Ltd.
BRAC Bank Limited	TL	50.00	10.00%	-	Registered Mortgage 283.75 Decimal of Land at Chittagong & Registered Mortgage of 204 Decimal of Land at Mongla, District-Bagerhat

notes to the financial statements

NAME OF BANK	NATURE OF FACILITY	SANCTIONED LIMIT (in Million BDT)	RATE OF INTEREST	MONTHLY INSTAL. SIZE	PARTICULARS OF SECURITY
Bank Asia Limited	O/D	450.00	10.50%	-	12.33 Acre Land with factory Building at Fouzdarhat & 196.015 Deci. Land at Keton, Panjura, Kaligong.
Bank Asia Limited	D L	250.00	10.50%	-	
Bank Asia Limited	O/D	37.50	8.00%	-	42.56 Million FDR
Bank Asia Limited	LTR	700.00	10.50%	-	Lien of 220,000 Shares of Aftab Automobiles Ltd.
Dhaka Bank Ltd.	STL	100.00	11.50%	-	
Dhaka Bank Ltd.	O/D	50.00	11.50%	-	
Meghna Bank Ltd.	TL	300.00	11.00%	4.814	
Mercantile Bank Ltd.	TL	136.79	9.00%	-	151.01 Dcimal land at Katun, Kaligong & 299.54 Decimal Land at Panjora.
Mercantile Bank Ltd.	TL	117.17	9.00%	-	Lien 2,00,000 Shares of Aftab Automobiles Limited
Mercantile Bank Ltd.	O/D	50.00	9.00%	-	
Midland Bank Ltd	Time L	190.00	13.00%	-	Lien 1,100,000 Shares of Aftab Automobiles Limited
Midland Bank Ltd	Time L	30.00	13.00%	-	Lien 3,450,000 Shares of Navana CNG Limited
Midland Bank Ltd	Time L	40.00	13.00%	-	
Midland Bank Ltd	LTR	40.00	13.00%	-	
Midland Bank Ltd	O/D	20.00	13.00%	-	
Mutual Trust Bank Ltd.	L G	400.00	12.00%	-	Lien 800,000 Shares of Aftab Automobiles Limited
Mutual Trust Bank Ltd.	C C (H)	50.00	12.00%	-	
NCC Bank Ltd.	TL	195.00	12.00%	4.67	
NRB Commercial Bank Ltd.	LTR	300.00	12.00%	-	Lien 250,000 Shares of Navana CNG Limited
NRB Commercial Bank Ltd.	O/D	200.00	12.00%	-	Registered Mortgage 634 Decimal Land at Mongla, District-Bagerhat
NRB Commercial Bank Ltd.	O/D	50.00	11.00%	-	Lien 1,250,000 Shares of Aftab Automobiles Limited
One Bank Limited	LTR	400.00	11.00%	-	
One Bank Limited	Time L	380.00	11.00%	-	Lien on Fixed Deposit BDT 2.08 Million
One Bank Limited	Lease	100.00	11.00%	1.30	
Prime Bank Ltd.	O/D	50.00	11.50%	-	
Prime Bank Ltd.	HP	140.00	13.00%	3.76	
South Bangla Agriculture and Commerce Bank Limited	LTR	30.00	14.00%	-	
South Bangla Agriculture and Commerce Bank Limited	C C (H)	30.00	14.00%	-	Registered Mortgage of 122 Decimal of Land at Kaligonj, District-Gazipur
South Bangla Agriculture and Commerce Bank Limited	Lease	150.00	14.00%	3.72	
Southeast Bank Ltd.	O/D	80.00	13.00%	-	Registered Mortgage of 681.66 Decimal Land at Mongla
Southeast Bank Ltd.	Time L	83.61	13.00%	-	
Southeast Bank Ltd.	LTR	120.00	13.00%	-	
Standard Bank Ltd.	C C (H)	40.00	12.50%	-	Lien of 800,000 shares of Aftab Automobiles Ltd.
Standard Bank Ltd.	TL	120.00	12.50%	-	

notes to the financial statements

NAME OF BANK	NATURE OF FACILITY	SANCTIONED LIMIT (in Million BDT)	RATE OF INTEREST	MONTHLY INSTAL. SIZE	PARTICULARS OF SECURITY
The City Bank Limited	O/D	30.00	12.50%	-	Lien 1,000,000 Share of Aftab Automobiles Limited
The City Bank Limited	STL	100.00	12.50%	-	Lien on Fixed Deposit BDT 11.8 Million
Non-funded					
Agrani Bank Ltd.	L/ C	500.00	12.50%	-	Covered by securities under Funded Facilities of same sanction
Al-Arafah Islami Bank Ltd.	L/ C	100.00	12.50%	-	Do'
Bank Asia Limited	L/ C	700.00	10.50%	-	Do'
BRAC Bank Limited	L/ C	250.00	10.00%	-	Do'
Dhaka Bank Ltd	L/ C	200.00	11.50%	-	Do'
Meghna Bank Ltd.	L/ C	400.00	13.00%	-	Do'
Midland Bank Ltd	L/ C	250.00	13.00%	-	Do'
Mutual Trust Bank Ltd.	L/ C	500.00	12.00%	-	Do'
Mutual Trust Bank Ltd.	B/ G	40.00	0.00%	-	Do'
NRB Commercial Bank Ltd.	L/ C	500.00	11.00%	-	Do'
One Bank Limited	L/ C	400.00	11.00%	-	Do'
Prime Bank Ltd.	L/ C	100.00	11.00%	-	Do'
South Bangla Agriculture and Commerce Bank Limited	L/ C	200.00	14.00%	-	Do'
Southeast Bank Ltd.	L/ C	200.00	13.00%	-	Do'
Standard Bank Ltd.	L/ C	200.00	12.50%	-	Do'
Leasing Company					
BD. Finance	Lease	150.00	13.00%		
Bay Leasing & Finance Limited	Lease	100.00	13.00%		Registered Mortgage 237.50 Decimal Land at District-Manikgong
GSP Finance Company (Bangladesh) Limited	Lease	200.00	13.00%		
MIDAS Financing Limited	Lease	50.00	13.00%		Lien on Fixed Deposit BDT 2.6 Million
PLFS Limited	Lease	300.00	13.00%		Registered Mortgage 168.60 Decimal Land at Kaligonj, District- Gazipur & 630,000 Share of Aftab Automobiles Limited
Union Capital Limited	Lease	200.00	13.00%		711 Decimal land at Manikganj.

16 Accrued and other current liabilities

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
For goods supplied	73,124,406	42,018,479
For expenses	51,271,590	37,577,710
For Income tax	628,796,559	554,712,377
For gratuity	49,486,140	43,576,031
For Workers' P.P.F. and W.F.	26,351,486	45,180,171
For other finance	66,568,536	26,938,711
Unclaimed dividend	70,270,720	50,270,237
	965,869,437	800,273,716

The company made appeal to honourable High Court against the tax assessment U/S-160 is pending for the year 2011-2012 to 2016-2017.

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
16 (a) Consolidated accrued and other current liabilities		
For goods supplied	78,570,814	46,280,571
For expenses	60,839,520	56,171,430
For Income tax	817,244,168	733,518,556
For gratuity	63,176,895	45,156,617
For Workers' P.P.F. and W.F.	31,577,633	52,047,186
Provision for bad debts	6,149,979	-
For other finance	76,421,277	42,573,505
Unclaimed dividend	70,270,720	50,270,237
	1,204,251,006	1,026,018,102
17 Revenues (Net Sales)		
Automobiles assembling unit	2,366,456,456	2,971,002,930
Body building unit	278,578,956	260,275,257
Motor Cycle unit	714,721,276	472,656,468
	3,359,756,688	3,703,934,655
The quantity of sales during the year are Hino Bus chassis -364- units, RM2 AC Bus -0.- units , Hino RN8J-29- units, and -7015-units of Motor cycle.		
17 (a) Consolidated revenues		
Aftab automobiles Ltd.	3,359,756,688	3,703,934,655
Navana Batteries Limited	1,453,951,709	1,067,274,041
	4,813,708,397	4,771,208,696
18 Cost of goods sold		
Opening stock of direct raw materials	182,895,268	230,619,284
Purchases of direct raw material	1,926,775,355	3,432,667,263
Direct raw materials available for consumption	2,109,670,623	3,663,286,547
Closing stock of direct raw materials (Note 7)	219,212,998	182,895,268
Raw materials consumed	1,890,457,625	3,480,391,279
Add : Opening WIP	5,636,141	12,701,357
	1,896,093,766	3,493,092,636
Less : Closing WIP (Note-7)	20,176,667	5,636,141
	1,875,917,099	3,487,456,495
Indirect materials	70,134,566	97,857,395
Total consumption	1,946,051,665	3,585,313,890
Factory overhead (Note-18.1)	113,362,031	91,464,234
Cost of production	2,059,413,696	3,676,778,124
Opening Finished products	1,260,488,880	493,889,274
	3,319,902,576	4,170,667,398
Closing Finished products (Note-7)	628,405,618	1,260,488,880
	2,691,496,957	2,910,178,518
18.1 Factory overhead		
Salary and allowances	21,158,382	18,583,037
Wages	13,027,372	8,127,611
Contribution to P.F.	1,557,128	1,801,917
Overtime	3,503,950	3,142,359
Bonus	3,479,044	2,722,740
Leave pay	698,005	700,782
Gratuity	202,183	755,783
Liveries and Uniform	175,970	174,409
Telephone, Fax, Mobile	279,424	427,457
Fuel and Lubricants	3,442,722	4,009,499

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
Travelling and Conveyance	457,680	324,382
Entertainment	1,041,058	1,367,696
Office Expenses	199,770	35,306
Maintenance expenses	738,994	1,392,516
Electric Expenses	8,645,856	6,817,736
Duty and Allowance	1,349,150	13,848
Canteen Subsidies	510,906	204,818
Eid greeting	135,000	213,996
Rent Rates & Taxes	9,220,790	1,808,250
Insurance	3,827,388	1,764,751
Welfare expenses	374,788	609,634
Carrying & handling	355,125	205,142
Papers & periodical	8,913	8,913
General charges	80,463	355,814
Repairs and maintenance (vehicle)	245,628	199,250
Chemicals	2,268	748
Annual picnic	261,268	242,128
Printing & Stationary	159,782	221,924
Depreciation	38,223,024	35,231,789
	113,362,031	91,464,234

The number of employees received annual salary and wages above Tk. 36,000 during the year are 165 .

18 (a) Consolidated cost of goods sold

Opening stock of direct raw materials	385,462,716	483,717,804
Purchases of direct raw material	3,232,224,650	4,012,347,434
Direct raw materials available for consumption	3,617,687,366	4,496,065,238
Closing stock of direct raw materials (Note 7.a)	597,801,527	385,462,716
Raw materials consumed	3,019,885,839	4,110,602,522
Add : Opening WIP	77,093,746	92,694,840
	3,096,979,585	4,203,297,362
Less : Closing WIP (Note-7.a)	117,223,316	77,093,746
	2,979,756,269	4,126,203,616
Indirect materials	79,998,358	105,382,845
Total consumption	3,059,754,627	4,173,457,588
Factory overhead (Note-18.a.1)	220,606,506	176,684,851
Cost of production	3,280,361,133	4,501,308,569
Opening Finished products	1,393,323,677	691,271,591
	4,673,684,809	6,027,467,043
Closing Finished products (Note-7.a)	804,837,655	1,393,323,677
	3,868,847,153	3,706,219,225

18 (a .1) Factory overhead

Salary and allowances	26,224,170	22,481,025
Wages	19,103,104	13,540,230
Contribution to P.F.	2,063,707	2,191,716
Overtime	3,814,274	3,418,814
Bonus	4,407,504	3,498,623
Leave pay	1,561,390	1,025,615
Gratuity	2,490,955	3,341,167
Liveries and Uniform	175,970	493,902
Telephone, Fax, Mobile	592,130	797,695
Fuel and Lubricants	4,161,593	4,532,746
Travelling and Conveyance	604,332	520,127
Entertainment	1,238,908	1,478,193
Office Expenses	316,809	139,571
Maintenance expenses	910,495	1,545,299
Electric Expenses	43,837,609	31,942,447
Duty and Allowance	2,284,300	254,583

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
Canteen Subsidies	2,479,399	1,459,368
Eid greeting	159,768	236,060
Rent Rates & Taxes	9,220,790	1,808,250
Insurance	7,440,972	2,773,479
Gas	2,066,177	520,172
Welfare expenses	521,179	740,047
Carrying & handling	698,778	517,980
Papers & periodical	1,475,951	8,913
General charges	80,463	355,814
Repairs and maintenance (vehicle)	440,743	373,070
Security Exps	-	792,977
Chemicals	33,088	196,563
store & Spare	141,040	20,991
Foreign Technician Remuneration	1,587,838	2,000,000
Annual picnic	1,202,436	980,498
Printing & Stationary	159,782	221,924
Screen Printing	64,411	605,936
Labour Charges	335,488	516,205
Laboratory Exps	285,452	274,599
Generator Maintenance	803,098	459,766
Fire Extinguisher	159,438	142,037
Depreciation	77,462,966	70,478,449
	220,606,506	176,684,851
19 Administrative expenses		
Salary and allowances	32,524,439	29,173,841
Wages	7,432,168	6,362,855
Cont. to C.P.F.	1,655,818	606,715
Bonus	2,859,552	2,678,820
Overtime	2,447,168	2,781,471
Welfare expenses	127,168	168,278
Medical Expenses	1,183,402	1,277,046
Gratuity	6,703,985	6,712,433
Leave pay	1,540,006	1,523,835
Entertainment	1,375,363	1,197,411
AGM expenses.	452,844	409,813
TA and Conveyance	1,031,784	1,355,883
Travelling Exp - Foreign	397,321	1,133,897
Car maintenance	2,065,168	2,840,003
Stationery	884,224	1,040,776
Fees and Registration	2,370,123	1,759,087
Telephone	586,020	721,741
Electric expenses	707,396	500,438
Rent, rates and taxes	3,639,364	4,027,382
Insurance premium	2,477,272	224,136
Liveries and Uniform	90,895	51,164
Bank charges	2,119,714	677,133
Bank Guarantee & Charge documents	91,588	1,034,297
Audit fees	287,500	250,000
Duty allowance	115,875	107,791
Paper and periodicals	31,094	69,289
Postage and telegram	601,390	531,472
Night allowances	62,772	58,392
Advertisement and Publicity	50,000	544,462
Directors fee	218,500	230,000
Office maintenance	843,906	319,147
Maintenance expenses	198,240	475,652
General Expenses	389,865	332,421
WASA Bill	7,694	33,020

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
Carrying & Handling	765,336	765,336
Gas	111,909	110,679
CDBL Fee	37,000	236,872
Canteen Subsidy	589,390	310,694
Security Exps	982,111	1,419,894
Donation	757,845	804,674
Promotion Exp.	3,649,546	552,127
Fuel & Lubricants	627,479	1,593,176
Depreciation	4,777,878	4,403,974
	89,868,109	81,407,526

The number of employees who received annual salary and allowances above Tk. 36,000 during the year were 89.

19 (a) Consolidated administrative expenses

Salary and allowances	39,901,587	33,161,812
Wages	9,415,754	7,158,685
Cont. to C.P.F.	2,364,390	606,715
Bonus	3,688,114	3,011,151
Overtime	2,447,168	2,781,471
Welfare expenses	144,680	372,669
Medical Expenses	1,183,402	1,277,046
Gratuity	11,316,739	7,991,143
Leave pay	1,540,006	1,523,835
Entertainment	1,737,343	1,729,579
AGM expenses.	452,844	409,813
TA and Conveyance	1,155,332	1,694,185
Travelling Exp - Foreign	834,839	1,733,266
Car maintenance	2,217,530	3,435,310
Stationery	936,594	1,296,792
Fees and Registration	2,685,123	2,147,030
Telephone	806,217	828,679
Electric expenses	707,396	500,438
Rent, rates and taxes	4,598,696	4,027,382
Insurance premium	2,477,272	224,136
Liveries and Uniform	90,895	51,164
Bank charges	2,119,714	677,133
Bank Guarantee & Charge documents	112,527	1,136,724
Audit fees	533,500	307,500
Duty allowance	115,875	107,791
Paper and periodicals	33,514	86,892
Postage and telegram	603,370	608,063
Publicity	-	357,763
Night allowances	62,772	58,392
Advertisement and Publicity	50,000	544,462
Directors fee	233,500	245,000
Office maintenance	929,858	757,526
Maintenance expenses	305,136	666,215
General Expenses	389,865	332,421
WASA Bill	7,694	33,020
Carrying & Handling	1,612,038	1,698,629
Gas	111,909	110,679
CDBL Fee	37,000	236,872
Canteen Subsidy	589,390	310,694
Security Exps	982,111	1,419,894
Donation	757,845	804,674
Promotion Exp.	3,649,546	552,127
ISO	341,213	-
Fuel & Lubricants	627,479	1,593,177
Guest House Maintenance	152,119	120,790
Membership fee & others	399,556	350,790
Depreciation	9,682,871	8,809,806
	115,142,320	97,889,334

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
20 Selling and distribution expenses		
Salary & Allowance	14,673,962	10,912,032
Wages	1,070,589	981,208
Bonus	2,355,983	1,631,281
Leave pay	198,223	215,124
Welfare	109,057	99,952
P/F company's Contribution	231,296	258,149
Gratuity	1,695,775	1,081,893
Overtime	715,745	776,691
Fuel & Lubricant	652,144	637,052
Transit Insurance	292,572	481,854
Promotional Exps	8,914,064	970,731
Training Exp.	4,940,674	504,164
Driving Charge	160,789	393,869
Toll Charge	147,931	78,619
Delivery Exps	1,006,821	454,912
Rent Rates & Taxes	9,550,345	9,610,136
Conveyance	897,302	597,329
Entertainment	470,019	862,276
Stationery	36,352	6,555
Telephone	1,026,078	257,717
Publicity Exp.	1,981,675	1,058,936
Fees & Registration	150,230	404,965
Maintenance	62,300	99,242
Car Maintenance	844,088	489,283
Electrical Expenses	310,636	-
Postage & Telegram	243,780	253,135
Papers & Periodicals	6,120	10,772
Bank Charges	25,790	44,488
Security Guard salary	205,120	383,482
Office Maintenance	105,790	404,758
Showroom Exps	555,932	835,489
Transportation Charges	852,695	2,102,680
Gift & Donation	178,431	168,350
Bad debts	17,634,243	17,240,000
Chemical & Packing exps	22,154	34,481
Dealer conference Exp.	807,039	2,215,608
Transit Insurance	403,541	341,472
Depreciation	4,777,878	4,403,974
	78,313,163	61,302,658

The number of employees who received annual salary and allowances above Tk. 36,000 during the year were 40.

20 (a) Consolidated selling and distribution expenses		
Salary & Allowance	50,908,211	37,603,148
Wages	3,209,560	2,798,731
Bonus	6,141,377	3,855,541
Leave pay	485,755	215,124
Welfare	109,057	417,590
P/F company's Contribution	3,854,721	2,927,260
Gratuity	5,907,946	3,637,213
Overtime	1,759,590	1,541,587
Fuel & Lubricant	1,196,044	1,370,759
Transit Insurance	292,572	688,163
Promotional Exps	9,264,064	1,312,349
Trade fare Exp.	997,780	-
Training Exp.	4,940,674	504,164
Driving Charge	160,789	393,869
Toll Charge	147,931	78,619
Delivery Exps	1,006,821	856,569

notes to the financial statements

	Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
Rent Rates & Taxes	15,594,507	12,953,898
Conveyance	1,043,881	753,315
Entertainment	1,396,508	1,311,015
Stationery	58,852	293,676
Telephone	1,144,591	967,804
Publicity Exp.	2,207,662	1,174,240
Fees & Registration	625,230	871,889
Maintenance	332,594	302,253
Car Maintenance	1,174,968	683,537
Electrical Expenses	2,431,404	1,053,980
Postage & Telegram	325,126	430,311
Papers & Periodicals	52,619	32,771
Bank Charges	149,921	47,749
Security Guard salary	2,424,930	1,494,679
Office Maintenance	181,661	455,017
Showroom Exps	863,875	1,352,110
Transportation Charges	1,785,081	2,538,454
Utility Bill (WASA)	321,101	70,938
Gift & Donation	329,221	427,089
Bad debts	23,784,222	17,240,000
Chemical & Packing exps	162,433	261,077
Dealer conference Exp.	1,055,808	2,436,398
Transit Insurance	403,541	341,472
Others	25,500	230,182
Depreciation	9,682,871	8,809,807
	157,940,999	114,734,347
21 Financial charges		
Aftab Automobiles Ltd.		
Assembling Unit	191,285,103	185,268,112
Body building unit	2,327,019	-
Motor cycle Unit	27,153,876	26,435,105
	220,765,998	211,703,217
21 (a) Consolidated financial charges		
Aftab Automobiles Ltd.	220,765,998	211,703,217
Navana Batteries Ltd.	119,633,320	74,347,274
	340,399,318	286,050,491
22 Other income		
FDR Interest	11,203,287	5,860,400
Share dividend (navana Cng)	-	355,110
Profit on sale of shares	6,067,347	-
Profit on sale of car	688,038	-
	17,958,672	6,215,510
22 (a) Consolidated other income		
FDR Interest	11,203,287	5,860,400
Share dividend (navana Cng)	-	355,110
Profit on sale of shares	6,067,347	-
Profit on sale of car	688,038	-
	17,958,672	6,215,510

notes to the financial statements

		Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
23	Income tax expense		
	Current tax	74,084,182	110,304,036
	Deferred tax	3,414,548	5,005,788
		77,498,730	115,309,824
	Calculation of Deferred tax		
	Associate company		
	Opening Balance	55,423,391	
	Add :Provision during the year	4,889,197	
	Investment in Associate Balance as on 30.06.18	60,312,588	55,423,391
	Investment Valuation surplus in share	-	550,249
	Aftab Automobiles Ltd.		
	WDV on PPE as per Accounting Calculation	1,186,639,545	
	WDV on PPE as per Taxable Calculation	1,085,610,708	
	Temporary Difference	101,028,837	
	Deferred Tax 25% on different	25,257,209	21,842,661
	opening Balance	21,842,661	
	add : during the year (PL AC)	3,414,548	
	closing Balance	25,257,209	
	Aftab Automobiles Ltd.	85,569,797	77,816,301
	Movement of deferred tax		
	opening Balance	77,816,301	72,260,264
	add : during the year (PL AC)	3,414,548	5,005,788
	add : during the year (Associate co.)	4,889,197	-
	add : during the year(OCI)	(550,249)	550,249
	closing Balance	85,569,797	77,816,301
23 (a)	Consolidated Income tax expense		
	Current tax		
	Aftab Automobiles Ltd.	74,084,182	110,304,036
	Navana Batteries Ltd	9,641,430	35,893,543
		83,725,612	146,197,579
23.1 (a)	Consolidated Income tax expense		
	Deferred tax		
	Aftab Automobiles Ltd.	3,414,548	5,005,788
	Navana Batteries Ltd	7,713,952	6,830,170
		11,128,499	11,835,958
23 (b)	Deferred tax		
	Aftab Automobiles Ltd.	85,569,797	77,816,301
	Navana Batteries Ltd	51,492,465	43,778,513
		137,062,262	121,594,814
23.1(b)	Deferred tax Liability		
	Assembling ,Body unit & Cycle Unit	25,257,209	21,842,661
	Associate Company	60,312,588	55,423,391
	Investment Valuation surplus in share	-	550,249
	Aftab Automobiles Ltd.	85,569,797	77,816,301
	Navana Batteries Ltd	51,492,465	43,778,513
		137,062,262	121,594,814

notes to the financial statements

		Amount in Taka 30-06-2018	Amount in Taka 30-06-2017
24	Earnings per share (EPS)		
	Profit attributable to shareholders/ Number of ordinary shares		
	Total comprehensive income	256,456,026	394,492,236
	Ordinary share(Paid Up capital)	95,732,422	95,732,422
	Earnings per share (EPS)	2.68	4.12
24 (a)	Consolidated earnings per share (EPS)		
	Profit attributable to the equity holders No. of shares	256,456,026 95,732,422	394,492,236 95,732,422
	Earnings per Share (EPS)	2.68	4.12
25	Net assets value per share (NAVPS)		
	(Total Asset-Total Liabilities)/ Number of ordinary shares		
	Net assets value	5,829,520,140	5,673,466,466
	Number of ordinary shares used to compute NAVPS	95732422	95,732,422
	Net assets value per share	60.89	59.26
25 (a)	Consolidated net assets value per share (NAVPS)		
	Net assets value	5,829,520,140	5,673,466,466
	Number of ordinary shares used to compute NAVPS	95732422	95,732,422
	Net assets value per share	60.89	59.26
26	Net operating cash flows per share (NOCFPS)		
	Net operating cash flow/ Number of ordinary shares		
	Net operating cash flows	(60,474,279)	(355,740,055)
	Number of ordinary shares used to compute NOCFPS	95,732,422.00	95,732,422.00
	Net operating cash flows per share	(0.63)	(3.72)
26 (a)	Consolidated net operating cash flows per share (NOCFPS)		
	Net operating cash flows	(406,213,237)	126,505,751
	Number of ordinary shares used to compute NOCFPS	95,732,422.00	95,732,422.00
	Net operating cash flows per share	(4.24)	1.32
27	Loan and deferred liabilities (Unsecured) :		
	Long- term interest free loan from sponsors is carried forward since 1982		
28	Claims against the Company :		
	There is no known claim against the Company.		
29	Restated EPS		
	The company's EPS for the year ended June 30, 2017 was calculated without considering the parent's (AAL) share of profit from subsidiary to make correction of the mentioned error. The EPS for the comparative financial statements was restated from 3.30 to 4.12. We confirm that the profit for the comparative year as well as net asset value or net operating cash were not affected at all.		

notes to the financial statements

30 Amount Due by Directors:

There is no advance in the name of directors or Associates undertaking of the company.

31 Amount paid to Directors:

The Directors have been paid only the meeting attendance fee during the year.

32 General Nature of Credit Facilities:

There is no other Credit facility available to the Company other than the credit facilities shown in this account.

33 Disclosure for purchase in foreign currency during the year :

Disclosure as per Para 8 of Schedule XI (kh) of the Companies Act 1994 regarding purchase made in foreign currency during the year are as follows:

Type of expenditure	Amount in Foreign currency	Amount in BDT
Import of Raw material (Hino Bus Chassis CKD)	JYP 1,297,381,949	982,865,113
Import of Raw material (Mahindra motorcycle Skd)	\$ 4,584,930	386,262,022
Total		1,369,127,135

34 Contingent liability :

The Company has issued guarantee to the tune of Tk. 40.00 crores against sale of Aftab Assembled vehicles under lease finance of different parties.

35 Production Capacity :

The production capacity of the company is 2400 units Toyota & Hino vehicles in Assembling unit under three shifts and 400 units Hino buses in Body Building unit. Actual production for the year- 396- units bus assembled in Assembling unit -163.-units body fabrication in Body Building Unit.

The production capacity of the company is 10000 .units Motor Cycle in Motor Cycle unit under three shifts . Actual production for the period 7560 units bike assembled in Motor Cycle unit.

36 Related Parties Disclosure:

As per agreement with Toyota Tsusho Corporation, Japan, certain Vehicles of Aftab Automobiles Ltd. are distributed through Navana Ltd.(distributor of Toyota & Hino Vehicles). During the year, the company has made the following transactions with Navana Group companies.

Name of Company	Nature of Relation	Transactions			Cl. Balance
		Op. Balance	Dr.	Cr.	
Navana Ltd.	Sales	385,492,110	847,424,996	358,925,412	873,991,694
Navana Real Estate Ltd.	Sales / Land purchase	93,170,000	50,400,000	-	143,570,000
Navana Construction Ltd.	Sales /Construction	30,971,621	26,924,137	-	57,895,758
Navana Engineering Ltd.	Sales	120,000,230	-	60,000,000	60,000,230

37 Event after the Reporting Period

The Directors in the meeting held on October 28,2018, recommended 12 % cash dividend for the shareholders whose name will be appeared in the shareholders' registers at the date of book closure which is subject to shareholders' approval at the forthcoming annual general meeting to be held on December 09,2018.

"Except the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment or disclosure in the financial statements or notes thereto."

notes to the financial statements

38 Payment / Perquisites to Directors and officers :

The aggregate amount paid / provided during the period in respect of " Directors " and " Officers " of the Company as defined in the Securities and Exchange Commission Rules 1987 are disclosed below :

	<u>Directors</u>	<u>Officers</u>
Board meeting attendance fee	233,500	-
Managerial remuneration	1,502,712	991,296
Gratuity	525,949	346,954
Company's contribution to P / F	150,271	99,130
Bonus	250,452	165,216
Perquisites :		
Housing	1,277,305	842,602
Transport	300,542	198,259
Medical	90,163	59,478
Entertainment	315,569	208,172
Telephone	300,000	76,130
Others	25,200	65,700
	<u>4,971,664</u>	<u>3,052,937</u>

during the year under review :

i) no compensation was allowed by the company to the Chief executive officer of the company who is also a Director.

ii) the rate at which Directors have drawn Board meeting attendance fees @ Tk.5000/- per Director per meeting. The total Board meeting attendance fee incurred during the year under review was Tk.2,33,500/- and

iii) no amount of money was spent by the company for compensating any member of the board for special services rendered.

notes to the financial statements

Schedule- A

Aftab Automobiles Limited

3. Property, plant and equipment, net

Particulars	Cost					Depreciation				Carrying amount	
	As at 01.07.17	Add. For the year	Adj. For the year	As at 30.06.2018	Rate of DEP.	As at 01.07.17	Charged during the year	Adj. for the year	As at 30.06.18	As at 30.06.2018	As at 30.06.2017
Land & Land Development	562,298,792	177,907,027	-	740,205,819	-	-	-	-	-	740,205,819	562,298,792
Building	148,953,691	9,430,228	-	158,383,919	2.50%	35,064,081	3,040,437	-	38,104,518	120,279,401	113,889,610
Shed	34,528,882	3,550,000	-	38,078,882	20%	15,516,132	4,335,050	-	19,851,182	18,227,700	19,012,750
Plant & Machinery	351,805,273	13,411,868	-	365,217,141	10%	156,269,300	20,576,480	-	176,845,780	188,371,361	195,535,973
Tools & Equipments	35,895,302	6,168,658	-	42,063,960	20%	20,536,400	4,036,557	-	24,572,957	17,491,003	15,358,901
Office Equipment	32,440,738	2,506,571	-	34,947,309	10%	11,593,680	2,277,078	-	13,870,759	21,076,550	20,847,058
Furniture & Fixture	23,039,131	1,170,622	-	24,209,753	10%	7,058,009	1,687,334	-	8,745,342	15,464,411	15,981,122
Transport Vehicles	81,987,333	1,869,676	510,000	83,347,009	20%	42,024,251	8,301,836	498,038	49,828,050	33,518,959	39,963,082
Electrical line installation	1,498,150	892,599	-	2,390,749	10%	299,113	194,287	-	493,400	1,897,349	1,199,037
Office Decoration	37,435,975	836,911	-	38,272,886	10%	4,836,169	3,329,723	-	8,165,892	30,106,992	32,599,804
Total	1,309,883,267	217,744,160	510,000	1,527,117,427		293,197,136	47,778,782	498,038	340,477,880	1,186,639,545	1,016,686,129

Depreciation charged to :	Taka
Cost of goods sold (Factory O/H)	38,223,024
Profit & Loss Account (Admin)	4,777,878
Profit & Loss Account (Selling)	4,777,878
T O T A L	47,778,782

Schedule- A

Aftab Automobiles Limited and its Subsidiary

3 (a). Property, plant and equipment, net

Particulars	Cost					Depreciation				Carrying amount	
	As at 01.07.17	Add. For the year	Adj. for the year	As at 30.06.2018	Rate of DEP.	As at 01.07.17	Charged during the year	Adj. for the year	As at 30.06.18	As at 30.06.2018	As at 30.06.2017
Land & Land Development	833,496,052	230,108,175	-	1,063,604,227	-	-	-	-	-	1,063,604,227	833,496,052
Building	267,617,370	44,873,105	-	312,490,475	2.5%	53,342,199	6,140,790	-	59,482,990	253,007,485	214,275,171
Shades	34,528,882	3,550,000	-	38,078,882	20%	15,516,132	4,335,050	-	19,851,182	18,227,700	19,012,750
Plant & Machinery	712,853,646	43,277,038	-	756,130,684	10%	292,301,314	45,069,127	-	337,370,441	418,760,243	420,552,333
Tools & Equipments	112,689,285	14,194,312	-	126,883,597	20%	60,658,474	12,441,026	-	73,099,500	53,784,097	52,030,810
Office Equipment	67,274,125	6,816,681	-	74,090,806	10%	25,832,438	4,623,882	-	30,456,320	43,634,486	41,441,686
Furniture & Fixture	41,532,747	5,486,400	-	47,019,147	10%	12,647,461	3,265,468	-	15,912,930	31,106,217	28,885,285
Transport Vehicles	128,470,556	4,026,018	510,000	131,986,574	20%	67,301,976	12,830,448	498,038	79,634,386	52,352,188	61,168,580
Electrical line installation	14,780,555	1,871,702	-	16,652,257	10%	3,106,244	1,307,088	-	4,413,332	12,238,925	11,674,312
Office Decoration	59,847,258	3,483,711	-	63,330,969	10%	7,520,414	5,478,880	-	12,999,294	50,331,673	52,326,842
Gas line installation	11,332,299	8,865,448	-	20,197,747	10%	3,873,120	1,336,948	-	5,210,068	14,987,679	7,459,180
Total	2,284,422,775	366,552,590	510,000	2,650,465,365		542,099,772	96,828,708	498,038	638,430,442	2,012,034,921	1,742,323,001

Depreciation charged to :	Taka
Cost of goods sold (Factory O/H)	77,462,966
Profit & Loss Account (Admin)	9,682,871
Profit & Loss Account (Selling)	9,682,871
T O T A L	96,828,708



AUDITORS' REPORT

TO THE SHAREHOLDERS OF NAVANA BATTERIES LIMITED

We have audited the accompanying financial statements of Navana Batteries Limited ("the Company") which comprise the statement of financial position as at June 30, 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in note 1 to 19 and annexure - A.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the company as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements present fairly, in all material respects, the financial position of Navana Batteries Limited as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the applicable section of the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appeared from our examination of these books; and
- c) The company's statement of financial position and the statement of profit and loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dated : Dhaka
October 02, 2018

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

Navana Batteries Limited
Statement of Financial Position
As at June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
ASSETS			
Non-current assets		836,463,369	790,056,922
Property, plant and equipment	03	825,395,376	725,636,872
Capital work in progress	04	11,067,993	64,420,050
Current assets		2,574,738,737	1,925,735,484
Current account with Navana Group		512,830,520	467,775,056
Trade receivables	05	474,810,255	323,555,033
Inventory	06	801,095,128	443,603,538
Advance, deposits and prepayments	07	692,888,238	634,630,288
Cash and cash equivalents	08	93,114,596	56,171,569
Total assets		3,411,202,106	2,715,792,406
EQUITY AND LIABILITIES			
Equity			
Share capital	09	183,702,690	183,702,690
Retained earnings	10	573,561,877	541,330,454
Total Equity		757,264,567	725,033,144
Non current liabilities		1,232,880,342	824,904,917
Deferred tax liability		51,492,465	43,778,513
Long term loan-non current portion	11	1,181,387,877	781,126,404
Current liabilities		1,421,057,197	1,165,854,346
Long term loan- current portion	11	393,795,959	260,375,468
Short term loan	12	545,651,734	485,630,179
Inter company liabilities (Aftab Automobiles Ltd.)		243,227,936	194,104,312
Accrued and other liabilities	13	238,381,568	225,744,386
Total Equity and liabilities		3,411,202,106	2,715,792,406
Net assets value per share (NAV)		41.22	39.47

The annexed notes 1 to 19 & annexure-A form an integral part of these financial statements.

Sd/-
Director

Sd/-
Director

Dated : Dhaka
October 02, 2018

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

Navana Batteries Limited
Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
Turnover (Net of VAT)	14	1,453,951,709	1,067,274,041
Cost of goods sold	15	1,177,350,197	796,040,708
Gross profit		276,601,512	271,233,334
Operating expenses:		224,535,367	144,260,771
Administrative expenses	16	25,274,211	16,481,808
Selling and distribution expenses	17	79,627,836	53,431,689
Financial charges		119,633,320	74,347,274
Operating Profit		52,066,145	126,972,563
Non-operating income		-	-
Profit before contribution to WPPF		52,066,145	126,972,563
Contribution to WPPF		2,479,340	6,046,313
Net profit before tax		49,586,805	120,926,250
Income tax expense		17,355,382	42,723,713
Current tax	18	9,641,430	35,893,543
Deferred tax		7,713,952	6,830,171
Net profit after tax		32,231,423	78,202,537
Earning per share (EPS)	19	1.75	4.26

The annexed notes 1 to 19 & annexure-A form an integral part of these financial statements.

Sd/-
Director

Sd/-
Director

Signed in terms of our separate report of even date.

Dated : Dhaka
October 02, 2018

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

Navana Batteries Limited
Statement of Changes in Equity
For the year ended June 30, 2018

Particulars	Share capital	Retained earnings	Total equity
Balance as on July 01, 2017	183,702,690	463,127,917	646,830,607
Add: Profit during the year	-	78,202,537	78,202,537
Balance as on June 30, 2017	183,702,690	541,330,454	725,033,144
Balance as on July 01, 2018	183,702,690	541,330,454	725,033,144
Add: Profit during the year	-	32,231,423	32,231,423
Balance as on June 30, 2018	183,702,690	573,561,877	757,264,567

Sd/-
Director

Sd/-
Director

Navana Batteries Limited

Statement of Cash Flows

For the year ended June 30, 2018

Particulars	Amount in Tk.	
	July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
A. Cash flows from operating activities		
Cash receipt from customer	1,302,696,487	1,233,287,995
Cash Paid to suppliers and employees	(1,583,742,107)	(707,938,811)
Cash generated from operations	(281,045,620)	525,349,184
Income tax Paid	(64,693,338)	(43,103,378)
Net cash used in operating activities 19.01	(345,738,958)	482,245,806
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(54,388,380)	(54,454,882)
Payments for capital work in progress	(41,067,993)	(70,975,341)
Net cash used in investing activities	(95,456,373)	(125,430,223)
C. Cash flows from financing activities		
Proceeds from bank loan	593,703,519	302,793,735
Inter company transaction	49,123,624	(73,373,175)
Current account with Navana Group	(45,055,464)	(467,775,056)
Bank Interest Paid	(119,633,320)	(74,347,274)
Net cash flows from financing activities	478,138,358	(312,701,770)
Net Changes in cash & cash equivalents	36,943,027	44,113,813
Opening cash & cash equivalents	56,171,569	12,057,756
Closing cash & cash equivalents	93,114,596	56,171,569

Sd/-
Director

Sd/-
Director

Navana Batteries Limited

Accounting Policies and Explanatory Notes to the Financial Statements

For the year ended June 30, 2018

1. Corporate Information and Mode of Business

1.1 Corporate Information

The company incorporated on 21st April, 2009 vide registration # C76441/09.

1.2 Mode of Business

The principal activities of the company are manufacturing of Automotive, Industrial and Solar Batteries in the plant located at Fouzdarhat Industrial Area, Chittagong, Bangladesh.

2. Significant Accounting Policies and Basis of Preparation of Financial Statement

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) and as per requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

2.2 Basis of Preparation

The financial statements of this unit have been prepared assuming going concern basis based on the accrual basis of accounting following under the historical cost convention.

2.3 Basis of Reporting

The financial statements of this unit is prepared and presented for external user in accordance with the 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 one accounting period from July 01, 2017 to June 30, 2018.

2.5 Functional and Presentation Currency

Financial statements are prepared in Bangladeshi Taka which is the functional currency.

2.6 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at original cost minus accumulated depreciation and accumulated impairment losses, if any, in compliance with the relevant accounting standard (BAS 16). The cost of the assets is inclusive of cost paid to the vendors along with all incidental expenses to install or construct the same assets for its intended use. Expenditure incurred after the assets have been put in to operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

2.7 Depreciation

No depreciation has been charged on land development considering the unlimited useful life. In respect of all other assets, the quantum of annual depreciation charge is calculated over their estimated useful life lives using the diminishing balance method of depreciation. All the assets acquired or disposed of during the period have been depreciated for the period of its uses. The rate at which the assets are depreciated per annum depended on the nature and estimated useful life of each assets are consistently applied since inception of the Unit which are given below.

<u>Name of the Assets</u>	<u>Rate of Depreciation in (%)</u>
Building	2.5
Plant & Machinery	10
Tools & Equipment	20
Office Equipment	10
Furniture & Fixtures	10
Transport Vehicles	20
Electric line Installation	10
Gas line Installation	10
Office decoration	10

2.8 Inventories

In compliance with the requirements with BAS 2 “Inventories” Raw Materials and Stores are valued at the lower of average cost and the net realizable value. Stocks of finished goods are valued at cost which is determined by taking into consideration the value of raw materials and production overhead. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to present condition and includes wherever applicable appropriate overheads based on normal level of activity.

No provision has been made for slow moving & obsolete stocks during the financial year.

2.9 Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, cash at banks, which are held and available for use by the unit without any restriction and having maturity dates of three months or less from the respective date of deposit. There is insignificant risk of change in value of same.

2.10 Liabilities for Expenses

While the provision for certain standing charges and know liabilities is made at the Statement of Financial Position date based on estimate, the difference arising there from on receipts of bills/demands and/or actual payments is adjusted in the subsequent year when such liabilities are settled.

2.11 Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) has been made @5% on net profit as per provision of the Companies profit (Bangladesh Labor Law,2006) and payable to workers as defined in the said laws.

2.12 Financial Assets and Liabilities

Financial assets and liabilities are recognized on the statement of financial position date when the unit has become a party to a contractual provision of the instruments

I) Receivables: Trade receivables are stated their real value and consider good. No provision has been made doubtful debts and no amount was written off as bad.

II) Payables: Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the unit.

III) Borrowings: Interest bearing bank loans are recorded at the proceeds received net of direct issue costs.

2.13 General

- Figures shown in the accounts have been rounded off to the nearest Bangladeshi Taka.
- Comparative figures and account titles in the financial statements have been re-arranged/re-classified where necessary, to conform to changes in presentation in the current year.

Navana Batteries Limited

notes to the financial statements

Navana Batteries Limited

		Amount in taka	
		June 30, 2018	June 30, 2017
03	Property, plant and equipment		
	a) Cost :		
	Opening balance at original cost	974,539,508	810,113,087
	Add: Addition during the year	148,808,430	164,426,421
		1,123,347,938	974,539,508
	Less: Adjustment during the year	-	-
	Sub Total	1,123,347,938	974,539,508
	b) Less: Accumulated depreciation	(297,952,562)	(248,902,636)
	WDV (a-b)	825,395,376	725,636,872
	*An elaborate schedule of PPE are shown in annexure -A.		
04	Capital work in progress		
	Opening balance	64,420,050	103,416,248
	Add : Addition made during the year	41,067,993	70,975,341
		105,488,043	174,391,589
	Less: Transferred to property ,plant & equipment	94,420,050	109,971,539
	Closing balance	11,067,993	64,420,050
	Capital work-in-progress represents land and land development, civil constructions etc.		
05	Trade receivables		
	Receivable current (Maturity less than 12 months)	474,810,255	323,555,033
		474,810,255	323,555,033
	Trade receivables are considered good and as such no provision has been made in the accounts for doubtful debts. Company holds no security other than debtor's personal security in the form of work orders.		
06	Inventory		
	Raw materials	378,588,529	202,567,448
	Work-in-process	97,046,649	71,457,605
	Finished stock	176,432,037	132,834,797
	Goods in transit	149,027,913	36,743,688
		801,095,128	443,603,538
	The quantity of closing stock are 12 Volts NS-3804,NG-4504 ,PNE-2135,NKP-450,IPS-2347,TTB-35, EV-4192,,MC-5183 ,Solar-3210,UPS-847,DZM-9814 Automotive, Home Appliance Batteries.		
07	Advance, deposits and prepayments		
	Advance to suppliers	174,348,718	160,650,225
	Advance to others	41,366,607	104,511,198
	Advance to employees	47,012,790	31,725,407
	Deposits	33,085,963	23,422,551
	Current account with VAT	93,294,084	75,234,168
	Income tax deducted at source (Note- 7.a)	303,780,076	239,086,738
		692,888,238	634,630,288

notes to the financial statements

		Amount in taka	
		June 30, 2018	June 30, 2017
7.a Income tax deducted at source			
Opening balance		239,086,738	195,983,360
Add: during the year		64,693,338	43,103,378
		303,780,076	239,086,738
Less: adjustment		-	-
Closing balance		303,780,076	239,086,738
The above amount was deducted at the import point as well as from the Bills in different times at delivery point.			
Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary releasable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.			
08 Cash & Cash Equivalents			
Cash in hand factory		15,742,384	4,360,799
Cash balance of sales centers		38,960,037	1,779,733
Cash at banks		38,412,175	50,031,037
		93,114,596	56,171,569
09 Share capital			
Authorised :			
50,000,000 ordinary shares of Taka 10/- each		500,000,000	500,000,000
		500,000,000	500,000,000
Issued, subscribed and paid up capital			
Ordinary shares 18,370,269 shares of Taka 10 each			
Aftab Automobiles Ltd.		183,602,690	183,602,690
Others		100,000	100,000
		183,702,690	183,702,690
10 Retained earnings			
Opening balance		541,330,454	463,127,917
Add: during the year		32,231,423	78,202,537
		573,561,877	541,330,454
Less: adjustment		-	-
Closing balance		573,561,877	541,330,454
11 Long term loan-net of current portion			
Al-Arafah Islami Bank Ltd.		-	30,344,500
Trust Bank Ltd.		387,295,430	357,037,083
Dutch-bangla Bank Ltd.		621,385,483	600,956,291
Social Islami Bank Ltd.		51,958,035	53,163,998
Agrani Bank Ltd.		514,544,889	-
		1,575,183,836	1,041,501,872
less: Long term loan - Current portion		393,795,959	260,375,468
Long term loan-net of current portion		1,181,387,877	781,126,404

Navana Batteries Limited
notes to the financial statements

		Amount in taka	
		June 30, 2018	June 30, 2017
12	Short term loan		
	NCC Bank Ltd CC AC	51,930,878	66,560,591
	Mercantile Bank Ltd.	10,308,299	10,265,412
	Southeast Bank Ltd.	264,273,991	253,405,468
	Modhumoti Bank Ltd.	20,832,910	122,227,158
	Al-Arafah Islami Bank Ltd.	31,861,213	33,171,550
	Shahjalal Islami bank ltd.	166,444,443	-
		545,651,734	485,630,179
13	Accrued and other current liabilities.		
	For goods supplied	5,446,408	4,262,092
	For expenses	9,567,930	18,593,720
	For income tax	188,447,609	178,806,179
	For gratuity	13,690,755	1,580,586
	For workers' P.P.F.	5,226,146	6,867,015
	For bad debts	6,149,979	-
	For other finance	9,852,741	15,634,794
		238,381,568	225,744,386
14	Turnover (Net of VAT)		
	Turnover	1,453,951,709	1,067,274,041
		1,453,951,709	1,067,274,041
The quantity of Sales during the period are 12 Volts NS-18189,NG-33321,PNE-6717,IPS-9582,EV-73018,DZM-32096,Solar-14451,MC-2740 pcs. Automotive, Home Appliance .			
15	Cost of goods sold.		
	Raw materials consumed	1,129,428,214	630,211,243
	Direct materials	9,863,792	7,525,450
	Total consumption	1,139,292,006	637,736,693
	Add : Opening WIP	71,457,605	79,993,483
		1,210,749,611	717,730,176
	Less : Closing WIP	97,046,649	71,457,605
		1,113,702,962	646,272,571
	Factory overhead	107,244,475	85,220,617
	Cost of production	1,220,947,437	731,493,188
	Opening Finished Goods	132,834,797	197,382,317
		1,353,782,234	928,875,505
	Closing Finished Goods	176,432,037	132,834,797
	Total Balance	1,177,350,197	796,040,708

15.2

Navana Batteries Limited
notes to the financial statements

		July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
15.1 Raw materials consumed.			
Opening stock		202,567,448	253,098,520
Purchases	'15.1.1	1,305,449,295	579,680,171
		1,508,016,743	832,778,691
Closing stock		378,588,529	202,567,448
		1,129,428,214	630,211,243
15.1.1 Purchases.			
C & F price		1,251,574,100	525,070,482
Insurance premium		7,391,806	3,938,029
L/C opening charges		8,319,676	6,563,381
C & F charges		8,592,220	17,592,220
Custom duty		29,451,816	19,952,678
Local purchase		119,677	6,563,381
		1,305,449,295	579,680,171
15.2 Factory overhead			
Salary and allowances		5,065,788	3,897,988
Wages		6,075,732	5,412,619
PF (Company Contribution)		506,579	389,799
Overtime		310,325	276,456
Bonus		928,460	775,884
Earned Leave		863,385	324,832
Gratuity		2,288,772	2,585,384
Liveries & uniform		-	319,493
Telephone & mobile		312,706	370,239
Fuel & lubricants for generator		718,871	523,247
Travelling & conveyance		146,652	195,745
Entertainment		197,850	110,497
Office exp.		117,039	104,265
Repairs & maintenance		171,501	152,783
Electricity expenses		35,191,753	25,124,711
Night allowance		935,150	240,735
Canteen subsidy		1,968,493	1,254,550
Eid gratia		24,768	22,064
Insurance expense		3,613,584	1,008,728
Gas bill		2,066,177	520,172
Welfare expenses		146,391	130,414
Carrying & handling		343,653	312,838
Security expenses		1,467,038	792,977
Car maintenance		195,115	173,820
Chemicals		30,820	195,815
Store & spares		141,040	20,991
Foreign technician remu.		1,587,838	2,000,000
Annual picnic		941,168	738,370
Screen printing		64,411	605,936
Labour charges		335,488	516,205

notes to the financial statements

	July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
Laboratory expense	285,452	274,599
Generator maintenance	803,098	459,766
Fire extinguisher	159,438	142,037
Depreciation	39,239,941	35,246,660
	107,244,475	85,220,617

The number of employees received annual salary and wages above Tk. 36,000 during the year are 125.

16 Administrative expenses.

Salary and allowances	7,377,148	3,987,971
wages	1,983,586	795,830
Company Contributory P.F	708,572	-
Bonus	828,562	332,331
Welfare expenses	17,512	204,391
Gratuity	4,612,754	1,278,710
Entertainment	361,980	532,168
TA and conveyance	123,548	338,301
Travelling exp. - foreign	437,518	599,370
Car maintenance	152,362	595,307
Stationery	52,370	256,016
Fees and registration	315,000	387,944
Telephone	220,197	106,938
Office rent	959,332	-
Bank guarantee & charge documents	20,939	102,427
Audit fees	246,000	57,500
Paper & peoridicals	2,420	17,603
Postage and telegram	1,980	76,591
Publicity	-	357,763
Directors fee	15,000	15,000
Office maintenance	85,952	438,379
Maintenance	106,896	190,563
Carrying & handling	846,702	933,293
ISO audit	341,213	-
Guest house maintenance	152,119	120,790
Membership fee & others	399,556	350,790
Depreciation	4,904,993	4,405,833
	25,274,211	16,481,808

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 64.

17 Selling and distribution expenses.

Salary & allowance	36,234,249	26,691,117
Wages	2,138,971	1,817,523
Bonus	3,785,394	2,224,260
Welfare	287,532	317,637
P/F company's contribution	3,623,425	2,669,112
Gratuity	4,212,171	2,555,320

	July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
Overtime	1,043,845	764,896
Fuel & Lubricant	543,900	733,707
Transit Insurance	-	206,309
Promotional Exps	350,000	341,618
Delivery Exps	997,780	401,657
Rent (Showrooms)	6,044,162	3,343,762
Conveyance	146,579	155,987
Entertainment	926,489	448,739
Stationery	22,500	287,121
Telephone	118,513	710,087
Publicity exp.	225,987	115,304
Fees & registration	475,000	466,924
Maintenance	270,294	203,011
Car maintenance	330,880	194,254
Electrical expenses	2,120,768	1,053,980
Postage & telegram	81,346	177,176
Papers & periodicals	46,499	21,998
Bank charges	124,131	3,261
Security guard salary	2,219,810	1,111,198
Office maintenance	75,871	50,259
Showroom expense	307,943	516,621
Transportation charges	932,386	435,775
Utility bill (WASA)	321,101	70,938
Gift & donation	150,790	258,739
Bad debts	6,149,979	-
Chemical & packing expense	140,279	226,596
Dealer conference expense	248,769	220,790
Others	25,500	230,182
Depreciation	4,904,993	4,405,833
	79,627,836	53,431,689

The number of employees received annual salary and allowances above Tk. 36,000 during the year are 60.

18 Income tax expenses		
Profit before Tax	49,586,805	120,926,250
Add: Accounting depreciation	49,049,926	44,058,325
Less: Tax depreciation	(71,089,790)	(62,431,596)
Adjusted profit for tax calculation	27,546,942	102,552,979
Tax @ 35 % (transferred to compreh. income statement)	9,641,430	35,893,543
19 Earning per share (EPS)		
Net profit after tax	32,231,423	78,202,537
Number of ordinary share	18,370,269	18,370,269
Earning per share (EPS)	1.75	4.26

	July 01, 2017 to June 30, 2018	July 01, 2016 to June 30, 2017
19.01 Cash flows from operating activities		
Net profit/(loss) before interest & income tax during the year	169,220,125	-
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	49,049,926	-
Income tax expense	(9,641,430)	-
Changes in current assets and liabilities:		
Advance, deposits & prepayments	(58,257,951)	-
Trade receivables	(151,255,222)	-
Inventories	(357,491,590)	-
Accrued and other liabilities	12,637,182	-
Net cash flow from operating activities	(345,738,958)	
Net operating cash flow per share	(18.82)	

Navana Batteries Limited

notes to the financial statements

Schedule of Property, Plant & Equipment For the year ended June 30, 2018

Particulars	Cost			Rate of Dep.	Depreciation				WDV
	As at 01.07.17	Add./ (Adj.) Dur. the year	As at 30.06.18		As at 01.07.17	Charged Dur. the year	Adj. D. the year	As at 30.06.18	As at 30.06.18
Land & Land Development	271,197,260	52,201,148	323,398,408	-	-	-	-	-	323,398,408
Building	118,663,679	35,442,877	154,106,556	2.50%	18,278,118	3,100,354	-	21,378,471	132,728,085
Plant & Machinery	361,048,373	29,865,170	390,913,543	10%	136,032,015	24,492,647	-	160,524,662	230,388,881
Tools & Equipments	76,793,983	8,025,654	84,819,637	20%	40,122,074	8,404,469	-	48,526,543	36,293,094
Office Equipment	34,833,387	4,310,110	39,143,497	10%	14,238,758	2,346,804	-	16,585,561	22,557,936
Furniture & Fixture	18,493,616	4,315,778	22,809,394	10%	5,589,453	1,578,135	-	7,167,587	15,641,807
Transport Vehicles	46,483,223	2,156,342	48,639,565	20%	25,277,725	4,528,612	-	29,806,336	18,833,229
Electric line Installation	13,282,405	979,103	14,261,508	10%	2,807,131	1,112,801	-	3,919,932	10,341,576
Gas line Installation	11,332,299	8,865,448	20,197,747	10%	3,873,120	1,336,948	-	5,210,068	14,987,679
Office Decoration	22,411,283	2,646,800	25,058,083	10%	2,684,245	2,149,157	-	4,833,402	20,224,681
Total	974,539,508	148,808,430	1,123,347,938		248,902,636	49,049,926	-	297,952,562	825,395,376

Depreciation charged to :	Taka
Cost of goods sold (Factory O/H)	39,239,941
Administrative	4,904,993
Selling & distribution	4,904,993
T total	49,049,926

Transferred from C-WIP	94,420,050
Addition during the period	54,388,380
Total	148,808,430



Navana Batteries Plant

Share Capital & other Information

Authorised Capital	:	Tk. 3,000,000,000
Paid-up Capital	:	Tk. 957,324,220
Class of Shares	:	Ordinary share of Tk. 10 each.
Stock Exchange Listing	:	Listed with Dhaka and Chittagong Stock Exchange Limited.
Dividend recommended by the Board	:	12%
Market Value per share	:	Highest during the year 75.20 Lowest during the year 50.80

The position of shareholders as on June 30, 2018 was as follows:

Particulars	Number of Investors	Number of Shares	% of Share Holdings
Sponsors and Directors	6	27208098	28.42%
Financial Institution	262	35737790	37.33%
General Public	22414	32786534	34.25%
Total	22682	95732422	100.00%

The classification of shareholders by shareholding as on June 30, 2018 was as follows:

Particulars	Number of Investors	Number of Shares	% of Share Holdings
1 to 500	15338	2282821	2.39%
501 to 5000	6306	9796897	10.23%
5001 to 10000	550	3943851	4.12%
10001 to 20000	238	3337909	3.49%
20001 to 30000	78	1960017	2.05%
30001 to 40000	30	1066082	1.11%
40001 to 50000	22	1032257	1.08%
50001 to 100000	52	3649088	3.81%
100001 to 1000000	55	17165029	17.93%
Above 1000000	13	51498471	53.79%
Total	22682	95732422	100.00%

aftab automobiles limited

125/A, Motijheel C/A, Dhaka-1000

Proxy Form

I / We of
..... being
a member of Aftab Automobiles Limited do hereby appoint Mr. / Ms.
of
as my/our proxy to attend and vote for me/us and on my/our behalf at the 38th Annual General Meeting of the Company to be held on 09 December 2018
at 9:30 a.m. at International Convention City Bashundhara [PUSHPOGUSCHO, Hall-02], Kuril Bishwa Road, Purbachal Express Highway, Dhaka and at any
adjournment thereof.

Revenue
Stamp
Taka 20.00

Name of Shareholder

Name of Proxy

No. of Shares held

Signature of Proxy

Folio No.

Date

B.O. A/C No.

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Signature of shareholder

Note : A member entitled to attend and vote at the Annual General Meeting may appoint another member/ any one as a proxy to attend and vote in his/her behalf. The Proxy Form, duly stamped must be deposited at the Registered Office of the Company atleast 48 hours before the meeting.

aftab automobiles limited

Attendance Slip

I/We hereby record my/our presence at the 38th Annual General Meeting on 09 December 2018 at 9:30 a.m. at International Convention City Bashundhara [PUSHPOGUSCHO, Hall-02], Kuril Bishwa Road, Purbachal Express Highway, Dhaka.

Name of Shareholder

Name of Proxy

No. of Shares held

Signature of Proxy

Folio No.

Date

B.O. A/C No.

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Signature of shareholder

N.B. Please present this slip at the Registration Desk. Signature must match with your recorded signature.

Hon'ble Shareholders are hereby informed that due to restriction imposed by Bangladesh Securities and Exchange Commission there shall be no arrangement for any sort of gift / entertainment in the Annual General Meeting of the Company



aftab automobiles limited
Islam Chamber
125/A, Motijheel Commercial Area
Dhaka, Bangladesh



Scan code with a QR code
reader-enabled device to find
out more about the company