AUDITORS' REPORT
ON THE ACCOUNTS
OF
AFTAB AUTOMOBILES LIMITED
AND ITS SUBSIDIARY
FOR THE YEAR ENDED 30 JUNE,2022

এ, হক এন্ড কোং
A HOQUE & CO.
Chartered Accountants

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REPORT AND ACCOUNTS

FOR THE YEAR/PERIOD ENDED ——————

এ, হক এন্ড কোং
A. HOQUE & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aftab Automobiles Limited and its Subsidiary which comprise the Consolidated Statement of Financial Position as at 30th June, 2022, 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 year ended and notes to the Financial Statements including a Summary of Significant Accounting Policies and other explanatory information described in note no. 1 to 42 and Annexure A & B.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30th June, 2022 and of its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International *Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in jurisdiction and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of Navana Batteries Limited, Subsidiary Company of Aftab Automobiles Limited for the year ended 30th June, 2022 were audited by another auditor and give fair opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters and accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

Key Audit Matters	How our audit addressed the key audit matters
Revenue The company has reported a revenue of Taka **710,367,324** for the year ended 30th June, 2022. Following the application of the revenue recognition standard (IFRS 15, Revenue from Contracts with Customers), the company adopted its accounting policies. Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT). The sales of the company are derived from a large number of distributors located over the country with relatively small amount of transactions. As a result, to obtain sufficient audit evidence, high magnitude of audit work and resource are required. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations. We focused on the proper cut-off of sales to the Company's customers due to the fact that the documents of confirmation of dispatch of goods were provided by numerous transporting agencies based on different locations. There is a risk of differences between the timing of invoicing of products and the dispatch of the products to the company distributors. Accordingly, there could be potential misstatements that these revenue transactions are not recognized in the proper reporting periods. See note no. 3.07 and 10.00 to the financial statements	Our procedures included obtaining an understanding of management's revenue recognition process, we tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue accounting policy as disclosed in note 3.07 and 21.00 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards. For the revenue recognized throughout the year, we tested selected key controls, including results reviewed by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions. With regard to the implementation of IFRS 15 we verified management's conclusion on assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures. These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We performed enquiries with management to understand their risk assessments and inspected meeting minutes to identify relevant changes in their assessments and estimates. Our audit approach was a combination of test of internal controls and substantive procedures which included the following: ◆ Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. ◆ We conducted substantive testing of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including sales invoices and depot wise sales bank reconciliation report, bank statement and also, we confirmed selected customers' receivable balances at the balance sheet date, selected on a sample basis by considering the amount outstanding with those customers.

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Key Audit Matters	How our audit addressed the key audit matters
	◆ We specifically put emphasis on those transactions occurring close before or after the balance sheet date to obtain sufficient evidence over the accuracy of cut-off. ◆ We tested the completeness of journal entries compared to financial statements; as well as if there any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable or advances from customers. ◆ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Valuation of Stock & Store	**How our audit addressed the key audit matters**
The Company had inventory of Taka **1,580,037,143** at 30th June, 2022 held in different depot and warehouses. Inventories consisting of raw materials, working process, finished goods, spare parts, fuel and stock in transit are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Moreover, the process of estimating provision for inventories is judgmental and complex. Due to high level of judgment involved and use of some manual process in estimating the provision and net realisable value of inventories, we considered this to be a key audit matter. See note no. 3.08 and 6.01 to the financial statements.	We tested the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: ◆ evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of factory production house, warehouse, and sales depots; ◆ evaluating internal controls to monitor or keep track of inventory movement; ◆ attending inventory count on 30th June, 2022 and reconciling the count results to the inventory listing to test the completeness of data; ◆ comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; ◆ reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; ◆ challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow moving/obsolete stock are valid and complete; ◆ evaluating the correctness of the batch wise costing of final products; ◆ evaluating the correctness of the valuation of raw materials and packing material as per weighted average method; ◆ reviewing the calculation of standard labour hours and their regular comparison with actual labour hours of production; and reviewing the process of valuing work-in-process;

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	◆ we have also considered the adequacy of the company's disclosures in respect of levels of provision against inventory.
Current Tax Provisioning	**How our audit addressed the key audit matters**
Current Tax provision amounting Tk. **4,428,397** At the year end the company reported total income tax expense (Current Tax) of BDT. **4,428,397** the calculation of the tax expense is a complex process that involves subjective judgments and uncertainties and require specific knowledge and competencies. We have determined this is to be a key audit matter due to the complexity in income tax provisioning. See note no. 3.15(a) and 16.01 to the Financial Statements.	Our audit procedure in this area included, among others: Use of own tax specialist to assess the company's tax computation. Our tax specialists were also taking into account the company's tax position and our knowledge and experience of the application of relevant tax legislation. We have also considered the adequacy of the Company's disclosure in respect of the levels of provisions against inventory. To analysis and challenge the assumption used to determine tax provision based on our knowledge and experience of the application of the local legislation. Evaluating the adequacy of the financial statement disclosure, including disclosure of key assumption judgments and sensitive related to tax.
Measurement of Deferred Tax Liability	**How our audit addressed the key audit matters**
The Company reported net deferred tax liability totalling **Tk. (18,755,621)** as at 30th June, 2022. Significant judgement is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years. See note no. 3.15 (b) and 8.03 to the financial statements.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company. We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense/income. We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability. We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
Valuation of defined benefits obligation	**How our audit addressed the key audit matters**
The Company operates different types of defined benefit schemes such as Contributory Provident Fund, Gratuity Fund, Workers Profit Participation Fund (WPPF) and Welfare Fund. The company has the liability for contributory provident fund	Our audit procedures included updating our understanding of the business processes followed by the company for accounting and valuing their defined benefit plan.

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Valuation of defined benefits obligation	How our audit addressed the key audit matters
amounting to Tk. **202,119**, for gratuity fund amounting to Tk. **6,153,630**, for workers profit participation fund amounting to Tk. **16,696,432** and for welfare fund amounting to Tk. **350,438** which in total are significant in the context over all financial position. At the year end the company reported a net defined benefit scheme liability of Tk. **23,402,619** Liability for the following funds is provided at the following rates: (i) CPF @ 10% of basic salary; (ii) GF @ 1 no. of basic salary; (iii) WPPF @ 5% on net profit after charging such charge; (iv) WF @ Tk. 50 per worker. Therefore, valuation of benefits payable provision is considered as a key audit matter. See note no. 3.17 and 9.02 to the financial statements.	We obtained sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability for defined benefit plan. We assessed the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation of the defined Benefits payable provision. We examined the basis on which WPPF and Welfare expense are payable to the employees and is worked out the liability for WPPF and Welfare on the presumption that all employees are entitle to participate to WPPF and Welfare on the balance sheet date. We ensured that the basis of computing WPPF and Welfare is valid; verify the computation of liability on aggregate basis. Employee data used calculating obligation is also tested and appropriateness and presentation of disclosures against IAS 19: Employee Benefits were assessed.
Consolidation of the financial statements	**How our audit addressed the key audit matters**
The Company has prepared consolidated financial statements of the group as whole by taking consideration of one subsidiary named Navana Batteries Ltd. with 99.95% shares and one associated company named Navana Real Estate Ltd. with 20% shares owned by the Company. The key risk is that whether the consolidated financial statements of the company are prepared in compliance with IFRS 10: Consolidated Financial Statements and IFRS 3: Business Combination and provide adequate disclosure required in this standards.	We have obtained a good understanding of the structure of the group, the significance (i.e. materiality) of each component of the group, the methodology of the consolidation process, and the risk of material misstatement presented by each of the company's financial statements. We have also established materiality level for the group in aggregate, and for the individually significant components. The types of audit procedures that was performed include: • checking of the figures taken into the consolidation have been accurately extracted from the financial statements of the components. • evaluating the classification of the components of the group for example, whether the components have been correctly identified and treated as subsidiaries, associates. • reviewing the disclosures necessary in the group financial statements, such as related party transactions and minority interests.

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Consolidation of the financial statements	How our audit addressed the key audit matters
	• gathering evidence appropriate to the specific consolidation adjustments made necessary by financial reporting standards, including, for example: • the calculating of goodwill and its impairment review • cancellation of inter-company balances and transactions • provision for unrealized profits, if any, as a result of inter-company transactions • fair value adjustments needed for assets and liabilities held by the component.

Other Information

Management is responsible for the other information. The other information comprises all the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of Financial Statements in accordance with IFRS's, The Companies Act, 1994, The Securities and Exchange Rules, 1987 and applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has not realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have not come across any key audit issues for the year under audit and as such nothing is reportable.

A. HOQUE & CO. ★ DHAKA ★ CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act, 1994, International Standards on Auditing (ISAs) and the Securities and Exchange Rules, 2020, 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 law have been kept by the company so far as it appeared from our examination of those books adequate for the purposes of our audit;

(c) the company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account.

(d) the expenditure incurred for the purposes of the company's business.

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210290407AS167040
A. Hoque & Co.
Chartered Accountants

Dated : 29.10.2022
Place : Dhaka, Bangladesh

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2022

Particulars	Notes	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Assets:			
Non-Current Assets:	5.00		
Property, Plant & Equipment	5.01	1,924,542,138	1,885,081,745
Non-Current Assets held for Sales & Discontinued Operations	5.02	277,786,431	-
Capital Work-in-Progess	5.03	733,964,130	979,271,904
Investment in Securities & Associate Company	5.04	454,478,696	429,982,462
Receivables - Non-Current Maturity	5.05	2,311,780,126	2,275,000,786
Right of Use Assets	5.06	99,240,848	48,901,533
		5,801,792,369	**5,618,238,429**
Current Assets:	6.00		
Receivbles-Current Maturity	5.05	3,252,511,734	3,303,632,351
Stock and Stores	6.01	1,580,037,143	1,627,627,080
Current Account with Navana Group of Companies	6.02	5,714,323,982	4,941,369,238
Advances, Deposits & Pre-Payments	6.03	7,067,468,769	6,650,017,057
Cash and Cash Equivalents	6.04	347,538,890	351,934,524
		17,961,880,518	**16,874,580,250**
Total Assets		**23,763,672,887**	**22,492,818,679**
Shareholders' Equity and Liabilities			
Shareholders' Equity:	7.00		
Share Capital	7.01	1,005,190,430	957,324,220
Share Premium	7.02	1,925,858,339	1,925,858,339
Reserve	7.03	67,338,231	67,338,231
Retained Earnings	7.04	2,518,359,196	2,591,845,474
Equity Attributable to Owners of the Company		**5,516,746,196**	**5,542,366,263**
Non-Controlling Interest		406,356	409,157
Non-Current Liabilities:	8.00		
Loan and Deferred Liabilities (Unsecured)	8.01	25,310,440	25,310,440
Long Term Loan-Non Current Maturity	8.02	4,892,433,196	4,467,280,547
Deferred Tax Liability	8.03	(18,755,621)	78,004,754
Lease Liability	8.04	76,165,501	50,684,891
		4,975,153,516	**4,621,280,632**
Current Liabilities and Provision:	9.00		
Long Term Loan-Current Maturity	8.02	1,630,811,065	1,489,093,516
Short Term Loan	9.01	10,048,079,903	9,490,070,048
Accrued and Other Current Liabilities	9.02	1,496,559,310	1,257,990,990
Unclaimed Dividend Account	9.03	95,916,541	91,608,073
		13,271,366,819	**12,328,762,627**
Total Liabilities		**18,246,520,335**	**16,950,043,258**
Total Equity & Liabilities		**23,763,672,887**	**22,492,818,679**
Net Assets Value (NAV) per Share	17.00	**54.88**	**57.89**

The annexed notes from 1 to 42 and Annexure-A & B form an integral part of these Financial Statements.
The financial statements were approved by the Board of Directors on the 26th day of October, 2022 and were signed on its behalf by:

Chief Financial Officer | Company Secretary Khaleda Islam | Director | Director | Managing Director

Signed in term of our separate report of even date annexed.

Dated: 29.10.2022
Place: Dhaka, Bangladesh

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210290407AS167040
A. Hoque & Co.
Chartered Accountants

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2022

Particulars	Note	Amount (Tk.) 01.07.2021 to 30.06.2022	Amount (Tk.) 01.07.2020 to 30.06.2021
Revenue (Net)	10.00	710,591,300	1,254,020,565
Less: Cost of Goods Sold	11.00	536,403,861	947,011,382
Gross Profit (a)		**174,187,439**	**307,009,183**
Less: Operating Expenss:			
Administrative Expenses	12.00	45,867,737	62,791,881
Selling and Distribution Expenses	13.00	18,349,510	52,333,401
Financial Charges	14.00	239,061,668	448,329,428
Total Operating Expenses (b)		**303,278,915**	**563,454,710**
Operating Profit/(Loss) (c) = (a-b)		**(129,091,476)**	**(256,445,527)**
Non-Oparating Income			
Other Income	15.00	13,357,514	17,312,132
Less: Foreign Exchange Loss		-	(1,092,135)
Share of Profit from Associate Company	8.03.a	24,496,234	12,466,601
Profit/(Loss) before Contribution to WPPF		**(91,237,728)**	**(227,758,929)**
Less: Contribution to WPPF		-	-
Net Profit/(Loss) before Tax (f)		**(91,237,728)**	**(227,758,929)**
Less: Income Tax Expenses	16.00		
Current Tax	16.01	4,429,741	7,676,342
Deferred Tax	8.03	(96,760,376)	(49,918,066)
Total Income Tax Expenses (g)		**(92,330,635)**	**(42,241,724)**
Net Profit/(Loss) after Tax attributable to equity holders (h)=(f-g)		**1,092,907**	**(185,517,205)**
Attributable to:			
Equity Holders of the Company		1,095,709	(185,514,274)
Non-Controlling Interests		(2,802)	(2,931)
Profit for the period/year		**1,092,907**	**(185,517,205)**
Consolidaetd Earnings per Share	18.00	**0.01**	**(1.94)**

The annexed notes from 1 to 42 and Annexure-A & B form an integral part of these Financial Statements.
The financial statements were approved by the Board of Directors on the 26th day of October, 2022 and were signed on its behalf by:

Chief Financial Officer | Company Secretary | Khaleda Islam Director | Director | Managing Director

Signed in term of our separate report of even date annexed.

Dated: 29.10.2022
Place: Dhaka, Bangladesh

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210290407AS167040
A. Hoque & Co.
Chartered Accountants

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE, 2022

Particulars	Share Capital	Share Premium	Reserve	Retained Earnings	Attributable to Equity holders of the Company	Non-Controlling Interest	Total
Balance at 1st July, 2021	957,324,220	1,925,858,339	67,338,231	2,591,845,473	5,542,366,263	409,157	5,542,775,420
Adjustment for the Application of IFRS-16 (Lease)	-	-	-	6,790,102	6,790,102	-	6,790,102
Stock Dividend	47,866,211	-	-	(47,866,211)	-	-	-
Cash Dividend	-	-	-	(33,505,875)	(33,505,875)	-	(33,505,875)
Transfer Comprehensive Income for the year	-	-	-	1,095,709	1,095,709	(2,802)	1,092,907
Balance at 30th June, 2022	**1,005,190,431**	**1,925,858,339**	**67,338,231**	**2,518,359,196**	**5,516,746,196**	**406,356**	**5,517,152,552**
Balance at 1st July, 2020	957,324,220	1,925,858,339	67,338,231	2,812,199,739	5,762,720,529	412,088	5,763,132,617
Adjustment for the Application of IFRS-16 (Lease)	-	-	-	(1,334,118)	(1,334,118)	-	(1,334,118)
Cash Dividend	-	-	-	(33,505,875)	(33,505,875)	-	(33,505,875)
Transfer Comprehensive Income for the year	-	-	-	(185,514,274)	(185,514,274)	(2,931)	(185,517,205)
Balance at 30th June, 2021	**957,324,220**	**1,925,858,339**	**67,338,231**	**2,591,845,473**	**5,542,366,263**	**409,157**	**5,542,775,420**

The annexed notes from 1 to 42 and Annexure-A & B form an integral part of these Financial Statements.
The financial statements were approved by the Board of Directors on the 26th day of October, 2022 and were signed on its behalf by:

Chief Financial Officer | Company Secretary | Khaleda Islam, Director | Director | Managing Director

Signed in term of our separate report of even date annexed.

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210290407AS167040
A. Hoque & Co.
Chartered Accountants

Dated: 29.10.2022
Place: Dhaka, Bangladesh

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY
CONSOLIDAED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE, 2022

PARTICULARS	Note	AMOUNT (TK.) 30.06.2022	AMOUNT (TK.) 30.06.2021
Cash Flows from Operating Activities:			
Cash Receipts from Customers		724,932,577	1,262,078,185
Cash Reciepts of Other Income		13,357,514	17,312,132
Foreign Exchange Loss		-	(1,092,135)
Payments to Suppliers and Employees		(369,084,511)	(611,509,175)
Cash Generated from Operations		**369,205,580**	**666,789,007**
Income Tax Paid		(13,505,384)	(30,622,795)
Net Cash Generated from Operating Activities		**355,700,196**	**636,166,212**
Cash Flows from Investing Activities:			
Acquisition of Property, Plant and Equipment		(42,317,436)	(18,356,108)
Advance for capital assets		(366,614,869)	(1,459,938,060)
Payments for Capital Work in Progress		(114,263,256)	-
Net Cash used in Investing Activities		**(523,195,561)**	**(1,478,294,168)**
Cash Flows from Financing Activities:			
Receipts /(Repayments) of Bank Loan		1,117,423,659	2,582,704,568
Inter Company Receipts / (Payments)		(806,333,644)	(1,241,620,072)
Bank Interest Paid		(165,028,055)	(448,329,428)
Dividend Paid		(29,197,407)	(21,821,985)
Net Cash Provided in Financing Activities		**116,864,553**	**870,933,083**
Net Changes in Cash and Cash Equivalents		(4,395,635)	52,111,793
Cash and Cash Equivalents at the Beginning of Year		351,934,525	299,822,731
Cash and Cash Equivalents at the End of Year		**347,538,890**	**351,934,524**
Net Operating Cash Flows Per Share	19.00	**3.71**	**6.65**

The annexed notes from 1 to 42 and Annexure-A & B form an integral part of these Financial Statements.
The financial statements were approved by the Board of Directors on the 26th day of October, 2022 and were signed on its behalf by:

Chief Financial Officer | Company Secretary | Khaleda Islam Director | Director | Managing Director

Signed in term of our separate report of even date annexed.

Dated: 29.10.2022
Place: Dhaka, Bangladesh

(A.K.M Aminul Hoque, FCA)
Enrolment No. 407
DVC-2210290407AS167040
A. Hoque & Co.
Chartered Accountants

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2022
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1.00 Reporting Entity

1.01 Corporate Information–Domicile, Legal Form and Country of Incorporation

Aftab Automobiles Limited (the Company) was incorporated in erstwhile East Pakistan in year 1967 as East Pakistan Automobiles Limited under the Companies Act, 1913 vide Registration No. C-2860/57 E.P. of 1967-1968. Subsequently, after liberation war, the Company changed the name as Aftab Automobiles Limited and was certified by the Registrar of Joint Stock Companies & Firms, 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 Companies Act, 1913. The Company is listed with Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in the year 1987 and 1996 respectively.

Registered Office

The Registered Office and Principal Place of Business of Aftab Automobiles Limited is located at 125/A, Motijheel Commercial Area, Islam Chamber, 4th Floor, Dhaka-1000.

1.02 Other Corporate Information

(i) Trade License: TRAD/DSCC/266195/2019 date: 16/07/2020
(ii) e-TIN No.: 414021944464 date:07/10/2013
(iii) VAT Registration No.: 000901216 date: 27/12/2017

1.03 Nature 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 have been started in the year 2013-2014.

1.04 Group Structure of Aftab Automobiles Ltd.

Aftab Automobiles Ltd. holds 99.95% shares of Navana Batteries Ltd. and 20% of Navana Real Estate Ltd.

1.05 Subsidiary

Navana Batteries Limited

Navana Batteries Limited is a private limited company which was incorporated on the 21st April, 2009, Vide Registration No. C-76441/2009 of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act, 1994 as a subsidiary with 99.95% shares owned by Aftab Automobiles Ltd. The principal activities of the Company are manufacturing of automotive, industrial and solar batteries in the plant located at Fouzdarhat Industrial Area, Chattagram, Bangladesh.

1.06 Associate Company

Navana Real Estate Limited

Navana Real Estate Limited (hereinafter referred to as "NREL" / "the Company") is a Public Limited Company incorporated in Bangladesh in 1996 under the Companies Act, 1994. Vide Registration No. C-31450(571)/96.

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The Company is engaged in real estate development business of building development projects both commercial and residential and sale of lands. The entity holds 20% of its associate's (Navana Real Estate Limited) equity shares at the year end.

1.07 Structure, Content and Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of financial statements. The financial statements comprise of:

- Consolidated Statement of Financial Position as at 30th June, 2022;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2022;
- Consolidated Statement of Changes in Equity for the year ended 30th June, 2022;
- Consolidated Statement of Cash Flows for the year ended 30th June, 2022;
- Notes comprising summary of significant accounting policies and other explanatory information.

2.00 Basis of Preparation of Financial Statements

2.01 Statement on Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) & International Accounting Standard (IAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, Securities and Exchange Rules, 2020 and other relevant laws as applicable.

Pursuant to recent amendment to the Companies Act, 1994 incorporating amendments, among others, is to change of the word 'Limited' by the word 'PLC' in case of Public Limited Companies including listed ones. Necessary formalities are in progress in implementing these changes.

2.02 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984;
The Income Tax Rules, 1984;
The Value Added Tax and Supplementary Duty Act, 2012;
The Value Added Tax Rules, 2016;
The Customs Act, 1969;
The Stamp Act, 1899;
The Bangladesh Securities and Exchange Commission Act, 1993;
The Securities and Exchange Rules, 2020;
The Securities and Exchange Ordinance, 1969;
Bangladesh Labour Act, 2006 (as amended to 2018)
DSE/CSE Rules;
Listing Regulations, 2015;

2.03 Compliance with the Financial Reporting Standards as applicable in Bangladesh

As per para-14(2) of the Securities and Exchange Rule, 2020 the company followed International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

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Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	11	Construction Contracts	N/A
7	12	Income Taxes	Complied
8	16	Property, Plant and Equipment	Complied
9	19	Employee Benefits	Complied
10	20	Accounting for Govt. Grants and Disclosure of Govt. Assistance	N/A
11	21	The Effects of Changes in Foreign Exchange Rates	Complied
12	23	Borrowing Costs	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plan	Complied
15	27	Separate Financial Statements	Complied
16	28	Investment in Associated and Joint Venture	Complied
17	29	Financial Reporting in Hyperinflationary Economics	N/A
18	31	Interest in Joint Ventures	N/A
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	N/A
25	40	Investment Property	N/A
26	41	Agriculture	N/A

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share based Payment	N/A
3	3	Business Combinations	N/A
4	4	Insurance Contracts	N/A
5	5	Non-current Assets held for Sale and Discontinued Operations	N/A
6	6	Exploration for and Evaluation of Mineral Resources	N/A
7	7	Financial Instruments: Disclosures	Complied
8	8	Operating Segments	Complied
9	9	Financial Instrument	Complied
10	10	Consolidated Financial Statements	Complied
11	11	Joint Arrangements	N/A
12	12	Disclosure of Interests in Other Entities	Complied
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	N/A
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Complied

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2.04 Basis of Measurement

The consolidated financial statements have been prepared based on the accrual basis of accounting and prepare under the historical cost convention except for the revaluation of certain non-current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes.

2.05 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the group.

Non-Controlling Interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements comprise consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and consolidated notes and explanatory materials covering accounting policies.

The consolidated financial statements have been prepared in accordance with IFRS 10: consolidated financial statements.

2.06 Accrual basis of Accounting

The Company prepares its consolidated financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual framework.

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2.07 Functional and Presentation Currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These fin3ancial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.08 Key Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards including IAS's requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

In particular, the key areas of estimation, uncertainly and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include accrued expenses, inventory valuation and other payables.

2.09 Materiality, Aggregation and Off Setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right, therefore no such incident existed during the year.

2.10 Going Concern Assumption

The consolidated financial statements are prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.11 Comparative Information

Comparative information has been disclosed in respect of 2020-2021 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been re-arranged wherever considered necessary to ensure comparability with the current period. Since the Company prepared consolidated financial statements, comparative information only contains parent's financial information.

2.12 Changes in Accounting Policies

There have been no changes in accounting policies. All policies were consistent with the practices of the previous years.

2.13 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of the financial statements as per requirements of Companies Act, 1994.

2.14 Reporting Period

The reporting period of the Company covers one year from 1st day of July, 2021 to 30th June, 2022.

2.15 Approval of Financial Statements

The financial statements have been approved by the Board of Directors on the 26th day of October, 2022.

3.00 Significant Accounting Principles and Policies selected and applied for significant transactions and events

For significant transactions and events that have material effect, the Company's Directors selected and applied significant accounting principles and policies within the framework of IAS 1: Presentation of Financial Statements in preparation and presentation of financial statements that have been consistently applied throughout the year and were also consistent with those use in earlier years.

For proper understanding of the financial statements, accounting policies set out below in one place as prescribed by the IAS 1: Presentation of Financial Statements:

Assets and Basis of their Valuation

3.01 Property, Plant and Equipment

3.01.1 Recognition and Measurements

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of *IAS 16 "Property, Plant and Equipment*". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

In a situation where it can clearly be demonstrated that expenditure has resulted in an increase in future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

Cost also includes initial estimate of the costs of dismantling, removing the item and restoring this site (generally called asset retirement obligation) are recognized and measured in accordance with IAS 37: Provision, Contingent Liabilities and Contingent Assets.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the statement of comprehensive income which is determined with reference to the net book value of assets and the net sales 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.

3.01.2 Maintenance Activities

Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the year in which it is incurred.

3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied

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within the part will flow to the company and its cost measured reliably. The cost of day to day servicing of properly and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as repairs and maintenance where it is incurred.

3.01.4 Depreciation on Tangible Fixed Assets

As required in Paragraph 43 of IAS-16 Property and Equipment, depreciation in respect of all fixed assets is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of IAS 16 "Property, Plant and Equipment".

Depreciation on all fixed assets except land and land development is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in the Statement of Profit or Loss Account for the year ended. The annual depreciation rates applicable to the principal categories are:

Category of Fixed Assets	**Rate of Depreciation**
Land & Land Development	--
Building	2.5%
Sheds	20%
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%

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.

3.01.5 Impairment

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss, if any, impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

3.01.6 Disposal of Property, Plant and Equipment

An item of Property, Plant and Equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of Property, Plant and Equipment is included in the statement of income of the period in which the de-recognition occurs.

3.01.7 Capital Worn-in-Progress

Property, Plant and Equipment under construction / acquisition have been accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

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3.02 Investment in FDR and Shares

Investment is stated at its cost of acquisition and interest earned on deposits lying with the different banks and the profit earned on investments in shares have been duly accounted for on accrual basis. The statement of profit or loss and other comprehensive income reflects the income on account of interest on investment in FDRs and shares. It may be mentioned here that a fluctuation reserve/fair value reserve has been created in order to equalize the price go down below the cost price of the shares and during the year under audit unrealised gain/(loss) on investment in shares for price go down below the cost price of the shares has been charged directly to statement of profit or loss and other comprehensive income.

3.03 Investment in Associates

An entity in which an investor has significant influence, but which is neither a subsidiary nor an interest in a joint venture is classified as Investment in Associates. Equity Method accounting has been followed to recognize and measure the investment in associates in accordance with International Accounting Standard (IAS) 28 "Investments in Associates". The Aftab Automobiles Limited holds 20% of its associate's (Navana Real Estate Limited) equity shares as at year end.

3.04 Recognition of Investment in Subsidiary in a separate Financial Statement

The investments in subsidiary is being accounted for using equity method in the company's separate financial statements as directed by para 10 (c) of IAS 27 separate Financial Statements, "under the equity method, on initial recognition the investment in an associate or a joint venture is recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income."

3.05 Sundry Debtors (Including Advance, Deposits and Pre-Payments)

These are carried at original invoice amounts, which represent net realizable value.

3.06 Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

3.07 Revenue Recognition

In compliance with the requirements of IFRS 15 "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 consolidation received or receivable excluding VAT, discounts, commission, rebates and other sales taxes where applicable. Revenue recognized when the policies are made.

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;

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- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

(a) **Sale of Goods**

Revenue from the sale of goods is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(b) **Profit on Bank Deposits**

Profit on bank deposits have been accounted on accrual basis.

(c) **Other Revenues**

Other revenues are recognized when services are rendered and bank interests are earned.

3.08 **Inventories**

In compliance with the requirements with IAS-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.

3.09 **Foreign Currency Transactions**

Transactions in Foreign Currencies are measured in the functional currency of the company and are recorded on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of IAS 21: The Effect of Changes in Foreign Exchange Rates-

(a) Foreign currency monetary items are translated using the closing rate;

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction;

(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

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Amount in FCAD ERQ Account and any other foreign currency balance have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income / (loss) in statement of profit or loss and comprehensive income.

3.10 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.10.1 Financial Assets

The company initially recognises a financial asset in its statement of financial position, when, and only when, the entity becomes a party to the contractual provisions of the instrument.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

An entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both in pursuance of provision 4.1 classification of financial assets under IFRS 9:

(a) the entity's business model for managing the financial assets; and
(b) the contractual cash flow characteristics of the financial assets.

3.10.1.1 Financial Assets measured at amortized cost

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

3.10.1.2 Financial Assets measured at fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows solely payments of principal and interest on the principal amount outstanding.

3.10.1.3 Financial Assets measured at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

Financial assets include accounts receivables, advance, deposits & prepayments and cash & cash equivalents.

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(i) **Accounts Receivables**

Accounts receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to non-collectability of any amount so recognized.

(ii) **Advance, Deposits & Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit & loss account.

(iii) **Cash and Cash Equivalents**

Cash and cash equivalents comprises cash in hand, cash at bank and fixed deposits having maturity of less than three months which are available for use by the company without any restriction.

3.10.2 **Financial Liabilities**

A financial liability is recognized when its contractual obligations arising form post events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits. The company initially recognises financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Non-derivative financial liabilities comprise accrued and other current liabilities and interest bearing borrowings.

(i) **Accrued and Other Current Liabilities**

Accrued and Other Current Liabilities are recognized at the amount payable for services rendered to the company.

(ii) **Interest bearing borrowings**

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.11 **Equity Instruments**

Ordinary shares are classified as equity. Investment costs directly attributable to the issue of ordinary shares are recognized as expenses. Paid up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company.

3.12 **Impairment**

(i) **Non-derivative Financial Assets**

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicate that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

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Objective evidence that financial assets are impaired includes:

(a) default or delinquency by a debtor;
(b) restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
(c) indications that a debtor or issuer will enter bankruptcy;
(d) adverse changes in the payment status of borrowers or issuers;
(e) observable data indicating that there is measurable decrease in expected cash flows from a Company of financial assets.

(ii) **Financial Assets measured at amortized cost**

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(iii) **Non-Financial Assets**

The carrying amounts of the Company's non-financial assets (other than biological asset, investment property, inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessrnents of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.13 **Derivatives**

The company is not a party to any derivative contract at the statement of financial position 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.

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3.14 **Leases**

IFRS 16 provides a single leasee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset as a low value. A leassee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemption for short-term leases and leases of low value items.

The Company applied IFRS 16 Lease for the first time on 1st July, 2019. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Previously the company used to charge the consideration paid in its books as revenue expenses. IFRS 16 introduced a single, on balance sheet accounting model for leases. As a result, the Company, as a leassee, has recognized right of use assets representing its rights to use underlying assets and lease liabilities representing its obligation to make lease payments. The Company applied IFRS 16 on 1st January, 2019 for the existing lease contracts.

The Company has only office rent agreement, which is classified as operating leases, which under IFRS 16 are required to be recognized on the Company's statement of financial position. The nature and timing of expenses related to those leases has changed as IFRS 16 replaced the straight line operating lease expenses (as per IAS-17) with an amortization charge for the right of use assets and interest expense on lease liabilities.

The Company applied the practical expedient to the definition of a lease on transition. This means that it applied IFRS 16 to all contracts entered into before 1st January, 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The Company's all contractual payments to the lessor contains only fixed amounts of lease payment and no variable lease payments are embedded with the lease payments. The rental agreements do not include any automatic renewals, nor do they include any guaranteed residual values of the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments.

Subsequent Measurement:

The Lease Liability:

Upon initial recognition, the lease liability is being accounted for using amortised cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

Right to Use Assets:

The leased assets (Right to Use Asset) are depreciated over its useful life on monthly basis using straight line depreciation method.

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3.15 Taxation

Income Tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

(a) Current Tax:

Current Tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

The applicable tax rate of the company of Aftab Automobiles Ltd. is 22.50% and Navana Batteries Ltd. is 30% as the companies are qualified as a publicly traded company and private limited company respectively.

(b) Deferred Tax:

Deferred income tax is provided using the deferred method on temporary differences. Deferred tax assets and liabilities are recognized for all temporary differences, except:

Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;

In respect of temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the company and it is probable that the temporary differences will not reverse in the foreseeable future; and

In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

(c) Value Added Tax:

Revenues, expenses and assets are recognized net of the amount of Value Added Tax except:

Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

Receivable and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, taxation authority is included as part of receivables or payables in the statement of financial position.

3.16 Proposed Dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts in accordance with the requirements of International Accounting Standard (IAS) 1: Presentation of Financial Statements. Also the proposed dividend is not considered as liability in accordance with the requirement of International Accounting Standard (IAS) 10: Events after the Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

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3.17 Cost of Employment Benefits

The company maintains a defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The Company does not have any defined benefit plans and therefore does not record any provisions or expenses in this regard.

The company has accounted for and disclosed employee benefits in compliance with the provision of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits include the following:

(a) Short-Term Employee Benefits:

Short-term employee benefits include salaries, bonuses, overtime, holiday allowance, TA/DA, leave encashment, meals allowance, transaction, accommodation etc. obligation for such benefits are measured on an undiscounted basis and are expenses as the related service is provided.

(b) Contribution to Workers' Profit Participation and Welfare Funds:

This represents 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labour (amendment) Act, 2014 and is payable to Workers as defined in the said law.

(c) Insurance Scheme:

Employees of the company are covered under insurance schemes.

(d) Defined Contribution Plan (Provident Fund):

The company has a registered provident fund scheme (Defined Contribution Plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under and irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.

The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal constructive obligation is limited to the amount it agrees to contribute to the fund.

3.18 Capitalization of Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

3.19 Accruals, Provisions and Contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) **Provisions**

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year the company has made sufficient provisions where applicable.

(c) **Contingencies**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date the company does not have any contingent asset.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.20 **Operating Segment**

Basis for Segmentation

A business segments is a distinguishable component of an entity that is engaged in providing an individual product or service or group of related products or services and that is subject to risk and returns that are different from those of other business segment. The company has three distinguishable operating segments like assembling unit, motor cycle unit and body unit in case of Aftab Automobiles Ltd. which are disclosed in **note no. 21**.

The following summary describes the operation of each reportable segment:

Reportable Segments	Operations
Assembling Unit	The principal activities of the company are assembling of Toyota land cruiser soft top/pick-up, land cruiser Prado, Hino bus, Hino mini bus/truck chassis.
Motor Cycle Unit	The company has setup a motor cycle unit.
Body Unit	The company has made bus's body and other vehicles body.

These three reportable segments are the strategic business units of the company and are managed separately based on the Company's management and internal structure. For each of the strategic business units, the management reviews internal management report on at least quarterly basis. Performance is measured based on segment profit from operation, as included in the internal management reports.

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Segment revenue and operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to their entities that operate within these industries.

A geographical segment is a distinguishable component of an entity that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that different from those of components operating in other economic environments. Since the company has operating all its activities in the same economic environment geographical segment reporting is not required.

3.21 Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and Cash Flows, cash in hand and bank balances represents cash and cash equivalents considering the *IAS 1 "Presentation of Financial Statements"* and *IAS 7 "Cash Flow Statement"* which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an in significant risks of changes in value and are not restricted as to use.

3.22 Statement of Cash Flows

The Statement of Cash Flow has been prepared in accordance with the requirements *IAS 7*: Statement of Cash Flows.

The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and considering the provisions of *Paragraph 19* of *IAS 7* which provided that "*Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method*".

3.23 Earnings per Share (EPS)

Earnings Per Share (EPS) are calculated in accordance with the International Accounting Standard IAS-33 "Earnings Per Share".

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares outstanding during the year. The Basic EPS of previous year has been restated to adjust the effect of bonus issue of shares during the year.

Diluted Earnings Per Share

For the purpose of calculating diluted earnings per shares, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

Diluted EPS is only calculated where the company has commitment to issue ordinary shares in future at reporting date. No such commitment is hold by company at reporting date.

3.24 Historical Cost Income and Expenditure

As there was no extra ordinary item, there was no difference in profit from ordinary activities before taxation and the net profit before tax. Furthermore, as there was no revaluation of fixed assets in previous years and during the year under review, there was no factor like the differences between historical cost depreciation and depreciation on re-valued amount, realization of revenue surplus on retirement or disposal of assets etc. Therefore, no separate note of historical cost profit and loss has been presented.

3.25 Risk Exposure

Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavourable movements in the interest rates. Changes in the government's monetary policy, alongwith increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

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Management Perception

The management of the company prefers procuring the long-term fund with minimum fixed interest rate and the short-term fund with reasonable competitive rate. The company maintains low debt/equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavourable volatility or currency fluctuation may affect the profitability of the company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate will have no impact on profitability of the company.

Industry Risks

Industry risk refers to the risk of increased competition by an entries of new competitors from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in assembling of different types of vehicles sector in Bangladesh.

Market Risk

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

Management is fully aware of the market risk, and act accordingly. Market for assembling of different types of vehicles sector in Bangladesh is growing at an exponential rate. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational Risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources properly can reduce this risk factor to a great extent. The company hedges such risks in costs and prices and also takes preventive measures therefore.

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price.

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Management Perception

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Labour Unrest Risk

Smooth production is dependent on good relationship with factory workers and their ability to provide high quality services. In the event of disagreement with workers the company may face adverse impact.

Management Perception

The management personnel both in head office and production premises maintains a good atmosphere at the working place and provides with all necessary facilities to the workers like healthy remuneration, employee leave entitlement, termination benefits and workers profit participation fund for its employees which reduces the risk of labour unrest.

3.26 Events after the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.27 Related Party Disclosure

As per International Accounting Standard, IAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in **Note 22**.

4.00 General

(a) All shares have been fully called and paid up;
(b) There is no preference shares issued by the company;
(c) The company has not incurred any expenditure in foreign currency against royalties and technical fees;
(d) Auditors are paid only the statutory audit fees;
(e) No foreign currency was remitted to the shareholders during the year under audit;
(f) No money was spent by the company for compensating any member of the board for rendering special services;
(g) No brokerage was paid against sales during the year under audit;
(h) No bank guarantee was issued by the company on behalf of its directors.

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			Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
5.00	**Non-Current Assets**		**5,801,792,369**	**5,618,238,430**
	This is made up as follows:			
	5.01 Consolidated Property, Plant & Equipment		1,924,542,138	1,885,081,745
	5.02 Consolidated Non-Current Assets held for Sale & Discontinued Operations		277,786,431	
	5.03 Consolidated Capital Work-in-Progress		733,964,130	979,271,904
	5.04 Investment in Subsidiary and Associates		454,478,696	429,982,462
	5.05 Receivables-Non-Current Maturity		2,311,780,126	2,275,000,786
	5.06 Right of Use Assets		99,240,848	48,901,533
			5,801,792,369	**5,618,238,430**
5.01	**Consolidated Property, Plant & Equipment**		**1,924,542,138**	**1,885,081,745**
	This is made up as follows:			
	Land and Land Development		1,019,059,057	1,148,608,502
	Building		384,721,121	240,856,492
	Shades		182,262,114	9,332,582
	Plant & Machinery		220,736,558	295,198,640
	Tools & Equipment		23,859,479	32,317,015
	Office Equipment		24,847,650	36,803,131
	Furniture & Fixture		17,808,390	23,921,601
	Transport Vehicles		18,276,672	30,982,433
	Electric Line Installation		7,510,672	10,482,352
	Office Decoration		14,416,494	44,466,991
	Gas Line Installation		11,043,931	12,112,006
			1,924,542,138	1,885,081,745
5.02	**Consolidated Non-Current Assets held for Sale & Discontinued Operations**		**277,786,431**	**-**
	This is made up as follows:			
	Land & Land Development		139,554,017	-
	Building		20,290,561	-
	Shades		438,851	-
	Plant & Machinery		54,676,889	-
	Tools & Equipment		3,232,421	-
	Office Equipment		9,477,063	-
	Furniture & Fixture		5,668,495	-
	Transport Vehicles		13,454,349	-
	Electrical Line Installation		2,137,161	-
	Office Decoration		28,856,624	-
			277,786,431	-

The details of which have been shown in **Annexure - A.**

5.03	**Consolidated Capital Work-In-Progress**		**733,964,130**	**979,271,904**
	This is made up as follows:			
	Opening		**979,271,904**	**979,271,904**
	Add: Addition during the year		114,263,256	-
			1,093,535,160	979,271,904
	Less: Transfer to Property, Plant and Equipment		359,571,030	-
	Closing Balance		**733,964,130**	**979,271,904**

Capital Work-In-Progress represents land and land development, civil construction, plant and machinery for BMRE of Aftab Automobiles Ltd and Navana Batteries Ltd.

5.04	**Investment in Securities and Associate Company**		**454,478,696**	**429,982,462**
	This is made up as follows:			
	Investment in Marketable Securities	5.04.1	28,395,758	28,395,758
	Investment in Associate	5.04.2	426,082,938	401,586,704
			454,478,696	429,982,462

			Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
5.04.1	**Investment in Marketable Securities**		**28,395,758**	**28,395,758**
	This is made up as follows:			
	Invest in Share Money Deposits	5.04.a	28,395,758	28,395,758
			28,395,758	**28,395,758**
5.04.a	**Investment in Share Money Deposits**		**28,395,758**	**28,395,758**
	This is made up as follows:			
	Navana Construction Ltd.			
	Opening Balance		**28,395,758**	**28,395,758**
	Add: During the year		-	-
			28,395,758	28,395,758

Investment in Share Money Deposit represents the advance for share holding of Navana Construction Ltd. which will be consider by the approval the board and also by the shareholders.

5.04.2	**Investment in Associate**		**426,082,938**	**401,586,704**
	The details are stated below:			
	Share Investment in NREL at cost	5.04.3	20,000,000	20,000,000
	Share of Equity from Associate			
	Opening Balance		**381,586,704**	**369,120,103**
	Share of Equity from Associate			
	Net Income after Deferred Tax (PLAC)		19,596,987	9,973,281
	Provision for Deferred Tax	8.3 a	4,899,247	2,493,320
			24,496,234	**12,466,601**
	Closing Balance		**406,082,938**	**381,586,704**
	Total Investment in Associate		**426,082,938**	**401,586,704**

NB: Share of Profit from Associate Company (NREL) has been taken for one year for Financial Year 2021-2022.

5.04.3	**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 Shares	**6,000,000**	**6,000,000**
5.05	**Consolidated Receivables - Non-Current Maturity**	**5,564,291,860**	**5,578,633,137**
	Receivable Non-Current (Maturity Over 12 Months)	2,445,889,607	2,404,893,003
	Less: Provision for Bad Debts	134,109,481	129,892,217
		2,311,780,126	2,275,000,786
	Receivables Current (Maturity less than 12 Months)	3,252,511,734	3,303,632,351
		5,564,291,860	**5,578,633,137**
	Ageing Schedule of Receivables:	**5,564,291,860**	**5,578,633,137**
	Duration		
	1-30 days	299,745,108	342,664,946
	31-60 days	317,389,694	349,232,661
	61-90 days	465,182,762	528,144,676
	91-180 days	905,259,349	1,021,534,420
	181-365 days	959,082,015	1,062,055,648
	Over 365 days	2,617,632,932	2,275,000,786
		5,564,291,860	5,578,633,137

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

(ii) No amount was due by the directors (including the Managing Director and Chairman), managers and other officers of the company or any of them either severaly or jointly with any other person.

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		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
5.06	**Consolidated Right of Use Assets**	**99,240,848**	**48,901,533**
	This is made up as follows:		
	At Cost		
	Opening Balance	78,895,130	78,895,130
	Addition during the year	55,536,240	-
	Disposal / Adjustement during the year	-	-
		134,431,370	78,895,130
	Less: Accumulated Depreciation:		
	Opening Balance	29,993,597	17,442,682
	Add: Charged during the year	5,196,925	12,550,915
	Disposal / Adjustement during the year	-	-
		35,190,522	29,993,597
	Written Down Value (WDV)	99,240,848	48,901,533
	The details of which have been shown in **Annexure-B**		
6.00	**Current Assets**	**17,961,880,518**	**16,874,580,250**
	This is made up as follows:		
	5.06 Receivables-Current Maturity	3,252,511,734	3,303,632,351
	6.01 Consolidated Stock and Stores	1,580,037,143	1,627,627,080
	6.02 Consolidated Current Account with Navana Group of Companies	5,714,323,982	4,941,369,238
	6.03 Consolidated Advances, Deposits & Prepayments	7,067,468,769	6,650,017,057
	6.04 Consolidated Cash and Cash Equivalents	347,538,890	351,934,524
		17,961,880,518	16,874,580,250
6.01	**Consolidated Stock and Stores**	**1,580,037,143**	**1,627,627,080**
	This is made up as follows:		
	Finished Products	611,016,232	638,723,501
	Raw Materials	407,648,411	361,788,394
	Work-in-Process	380,495,799	398,790,237
	Stores and Spares 6.01.1	1,614,953	2,397,439
	Goods in Transit	179,261,748	225,927,509
		1,580,037,143	1,627,627,080
6.01.1	**Stores and Spares**	**1,614,953**	**2,627,415**
	This is made up as follows:		
	Opening Balances	**2,593,953**	**2,627,415**
	Less: Consumption during the year	979,000	229,976
	Closing Balance	**1,614,953**	**2,397,439**

(i) Value of Stock of Finished Product & Raw Materials inclusive of 63 units hino bus 1 unit RM2 bus chassis and 182 units of motor cycle.

(ii) There is no damaged goods or slow moving items in the inventory list. As part of the loan condition all of the Company's inventory are pledged as security for loan finance of the company.

6.02	**Consolidated Current Account with Navana Group of Companies**	**5,714,323,982**	**4,941,369,238**
	This is made up as follows:		
	Navana Ltd.	5,532,394,273	4,807,948,712
	Navana Engineering Ltd.	64,980,676	58,000,230
	Navana Real Estate Ltd.	130,487,733	116,470,296
	Navana Welding Electrode Ltd.	(19,188,700)	(19,200,000)
	Navana LPG Ltd.	5,650,000	(21,850,000)
		5,714,323,982	4,941,369,238
6.03	**Consolidated Advances, Deposits & Pre-payments**	**7,067,468,769**	**6,650,017,057**
	This is made up as follows:		
	Advance to Suppliers	709,592,254	714,019,951
	Advance to Employees	45,597,153	44,973,832
	Advance to Others	502,696,821	481,584,061
	Current Account with VAT	73,691,825	97,052,058
	Deposits	395,707,471	395,707,471
	Advance for Capital Assets	4,119,936,239	3,709,938,063
	Advance Income Tax 6.03.1	1,220,247,006	1,206,741,621
		7,067,468,769	6,650,017,057

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021

Advance paid to suppliers against work orders are considered good. Advance to employees against expenses, salary etc. which are realizable 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.

6.03.1	**Consolidated Income Tax Deducted at Source**	**1,220,247,006**	**1,206,741,621**
	This is made up as follows:		
	Opening Balance	**1,206,741,622**	**1,176,118,827**
	Add: Addition during the year	13,505,384	30,622,795
		1,220,247,006	1,206,741,621
	Adjustment made during the year	-	-
	Closing Balance	1,220,247,006	1,206,741,621

6.04	**Consolidated Cash and Cash Equivalents**		**347,538,890**	**351,934,524**
	This is made up as follows:			
	Cash in Hand		1,892,696	5,634,752
	Cash at Banks	6.04.1	345,646,194	346,299,772
			347,538,890	351,934,524

6.04.1	**Cash at Bank**	**345,646,194**	**346,299,772**
	The details break up of Cash at Banks:		
	IFIC Bank Ltd.	5,551,567	39,944,967
	Agrani Bank Ltd.	6,571	6,571
	Pubali Bank Ltd.	44,481	44,481
	IFIC Bank Ltd. (Federation)	87,217	589,646
	Eastern Bank Ltd.	58,214	58,214
	United Comm Bank Ltd.	16,507	16,507
	Commercial Bank of Ceylon Ltd.	24,750	24,750
	AB Bank Ltd (Motijheel)	2,619	2,619
	Sonali Bank Ltd. (Local)	15,101	15,101
	Janata Bank Ltd.	1,500	1,500
	American Express	21,540	21,540
	Arab Bangladesh	7,213	7,213
	IFIC Bank Ltd.	484,905	2,243,412
	Janata Bank Ltd.	812	812
	The Oriental Bank Ltd.	39,670	39,670
	Bank Alfalah Ltd.	-	360,114
	IFIC Bank Ltd.	15,323	15,323
	City Bank Ltd.	30,112	1,711,428
	The Oriental Bank Ltd.	32,040	32,040
	NCC Bank Ltd. (Sayamoli)	18,113	1,499
	Mutual Trust bank Ltd	150,881	360,710
	Islami Bank BD Ltd. (F.Ex.Br)	405,104	479,486
	Jamuna Bank Ltd.	27,595	3,651,545
	One Bank Ltd.	75,868	75,868
	Agrani Bank Ltd. (F.EX)	124,470	176,505
	Mercantile Bank Ltd.	123,168	123,163
	BRAC Bank Ltd.1	3,353	3,353
	Standard Bank Ltd. (Pri.Br)	869,282	869,282
	Sahajalal Bank Ltd.	169,806	169,806
	IFIC Bank Ltd. (Fed. Branch)	-	725
	IFIC Bank Ltd.	97,000	97,000
	Al-Arafah Islami Bank Ltd.	119,482	377,350
	United Commercial Bank Ltd.	199,305	199,305

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	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Pubali Bank Ltd.	14,441	14,441
Dhaka Bank Ltd.	1,000,000	58,897
Standard Bank Ltd.	1,085	3,000,880
Exim Bank Ltd.	-	14,428
One Bank Ltd.	31,020	31,020
IFIC Bank Ltd.	97,943	2,183,976
AB Bank Ltd.	100,000	100,000
Standard Bank Ltd.	496,977	417,362
IFIC Bank Ltd. (Federation)	95,006	95,006
NCC Bank Ltd. (Sayamoli)	42,526	338,893
IFIC Bank Ltd. (Gulshan)	29,776,645	18,082,411
Meghna Bank Ltd. (Gulshan)	62,967	119,998
Prime Bank Ltd. (Baridhara)	-	67,356
Bank Asia Ltd.	237,859	4,752,967
NRB Commercial Bank Ltd.	3,002	17,359
The City Bank Ltd. (Banani)	89,448	89,448
Midland bank Ltd.	86,641	86,931
SBAC Bank Ltd.	57,001,000	-
One Bank Ltd. (Jatrabari)	573,004	-
BD Commerce Bank Ltd.	100,000	100,000
NRB Bank Ltd.	97,435	97,435
Premier Bank Ltd.	98,390	98,390
Al-Arafah Islamic Bank Ltd.	996,610	996,610
Mercantile Bank Ltd.	-	-
Southeast Bank Ltd.	44,072	115,622
Sahajalal Islamic Bank Ltd.	121,177	1,701,433
BRAC Bank Ltd.	5,455	-
First Security Islamic Bank Ltd.	-	154,005
Pubali Bank Ltd.	400,000	400,000
Rupali Bank Ltd. (Local)	10,000	10,000
AB Bank Ltd.	10,000	10,000
One Bank Ltd. (Gulshan)	-	9,770
Padma Bank (Gulshan)	47,842	-
IFIC Bank Ltd. (Fed. Branch)	370,965	-
Sonali Bank Ltd. (Ramna)	734,034	-
Islami Bank Bangladesh Ltd. (Gulshan)	41,138	1,160,817
Dutch Bangla Bank Ltd.	515,587	7,401,297
United Commercial Bank Ltd. (Tejgaon)	92,800	93,490
Modhumoti Bank Ltd. (Gulshan)	138,554	1,484,731
First Security Islamic Bank Ltd.	452,315	-
National Bank Ltd., CD-15927, NBL, Dhaka	15,831	7,245
Uttara Bank Ltd.(Bhola)	54,253	47,524
Agrani Bank Ltd. (FDR-ID # 10583162)	12,692,679	12,179,387
Agrani Bank Ltd. (FDR-ID # 10583151)	12,821,156	12,302,727
Agrani Bank Ltd. (FDR-ID # 10583159)	19,281,119	18,474,610
Agrani Bank Ltd. (FDR-ID # 10583160)	12,677,915	12,165,861
Bank Asia Ltd. (FDR # 00855012111)	52,259,814	50,798,315
City Bank Ltd. (FDR # 4192-5651001)	-	14,146,603
One Bank Ltd. (FDR # 4120005867)	876,064	845,709
One Bank Ltd. (FDR # 4120006495)	559,829	540,608
One Bank Ltd. (FDR # 4120006600)	136,956	132,280
One Bank Ltd. (FDR # 4120008537)	509,765	492,306
One Bank Ltd. (FDR # 4120008592)	503,863	486,272
One Bank Ltd. (FDR # 4120008606)	248,443	239,842
Phoenix Finance Ltd. (FDR)	130,199,000	128,414,000
	345,646,194	346,299,772

The above cash at bank balances represents the balance as per cash book which are in agreement with that of bank statement as on 30th June, 2020 except the following non-operating dorment accounts which are being carried forward for a long time but no steps have been taken to realize the under noted amounts:

A. HOQUE & CO. CHARTERED ACCOUNTANTS DHAKA

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Name of Bank	**Account No.**	**Amount (Tk.)**	**Amount (Tk.)**
Agrani Bank Ltd.	7465-9	6,517	6,517
Pubali Bank Ltd.	128	44,481	44,481
Eastern Bank Ltd.	3371	58,214	58,214
United Commercial Bank Ltd.	326	16,507	16,507
Commercial Bank of Ceylon Ltd.		24,750	24,750
AB Bank Ltd. (Motijheel)	071420	2,619	2,619
Sonali Bank Ltd. (Local)	12116	15,101	15,101
Janata Bank Ltd.	9321	1,500	1,500
Amirecan Express Bank Ltd.	293	21,540	21,540
Arab Bangladesh Bank Ltd.	1361	7,213	7,213
Janata Bank Ltd.	78	812	812
The Oriental Bank Ltd.	2758	39,670	39,670
Bank Al-Falah Ltd.	8-001	360,114	360,114
IFIC Bank Ltd.	81734	15,323	15,323
The Oriental Bank Ltd.	04290	32,040	32,040
NCC Bank Ltd.	17704	1,499	1,499
Islami Bank BD Ltd. (Foreign Exchange Branch)	5016	99,565	99,565
Jamuna Bank Ltd.	1820	15,232	15,232
One Bank Ltd.	7008	75,868	75,868
Mercantile Bank Ltd.	20178	123,168	123,168
BRAC Bank Ltd.	23001	3,353	3,353
Standard Bank Ltd. (Principal Branch)	7992	869,282	869,282
Sahjahal Islami Bank Ltd.	8504	169,806	169,806
IFIC Bank Ltd. (Federation Branch)	0041	725	725
IFIC Bank Ltd.	87525	97,000	97,000
United Commrecial Bank Ltd.	3144	199,305	199,305
Pubali Bank Ltd.	9826	14,441	14,441
EXIM Bank Ltd.	5651	14,428	14,428
One Bank Ltd.	6006	31,020	31,020
AB Bank Ltd.	43-000	100,000	100,000
Standard Bank Ltd.	1815	394,782	394,782
IFIC Bank Ltd. (Federation Branch)	Share A/C	95,006	95,006
The City Bank Ltd. (Banani)	90001	89,448	89,448
BD Commerce Bank Ltd.	832	100,000	100,000
NRB Bank Ltd.		97,435	97,435
Premier Bank Ltd.	0268	98,390	98,390
Al-Arafah Islami Bank Ltd.	16815	996,610	996,610
Shahjalal Islami Bank Ltd.	12906	9,310	9,310
First Security Islami Bank Ltd.	19713	154,005	154,005
Pubali Bank Ltd.	5678	400,000	400,000
Rupali Bank Ltd. (Local)	0216	10,000	10,000
AB Bank Ltd.	36000	10,000	10,000
Total		**4,916,077**	**4,916,077**

Shareholders' Equity and Liabilities

		30.06.2022	30.06.2021
7.00	**Shareholders' Equity**	**5,516,746,198**	**5,542,366,264**
	This is made up as follows:		
	7.01 Share Capital	1,005,190,432	957,324,220
	7.02 Share Premium	1,925,858,339	1,925,858,339
	7.03 Reserve	67,338,231	67,338,231
	7.04 Retained Earnings	2,518,359,196	2,591,845,474
		5,516,746,198	5,542,366,264
7.01	**Share Capital**	**3,000,000,000**	**3,000,000,000**
	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**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Ordinary Shares Capital:	**1,005,190,430**	**957,324,220**
Issued, Subscribed and Paid up		
100,519,043 Ordinary Shares @ Tk. 10/- each.		
Sponsors	301,567,030	287,206,730
General Public	703,623,400	670,117,490
	1,005,190,430	957,324,220

The position of Ordinary Shareholders as on 30th June, 2022 was as follows:

Particulars	No. of Investors	No. of Shares-2022	Shareholding % 2022	Shareholding % 2021
Sponsors	6	30,156,703	30.00%	30.00%
Financial Intuitions including ICB	243	36,919,522	36.73%	35.38%
General Public	18620	33,442,818	33.27%	34.62%
Total	**18869**	**100,519,043**	**100%**	**100%**

The Classification of Shareholders by holding as on 30th June, 2022 was as follows:

Particulars	No. of Investors	No. of Shares-2022	% of Shares Holding 2022	% of Shares Holding 2021
1 to 500	11,480	1,705,037	1.70%	2.07%
501 to 5000	6,070	9,539,943	9.49%	10.80%
5001 to 10000	663	4,533,023	4.51%	4.98%
10001 to 20000	358	4,794,204	4.77%	4.64%
200001 to 30000	104	2,529,764	2.52%	2.48%
300001 to 40000	46	1,592,352	1.58%	1.34%
400001 to 50000	24	1,076,846	1.07%	1.68%
500001 to 100000	62	4,263,537	4.24%	4.12%
1000001 to 1000000	46	11,763,337	11.70%	12.49%
Above 10000000	16	58,721,000	58.42%	55.38%
Total	**18869**	**100,519,043**	**100%**	**100%**

		30.06.2022	30.06.2021
7.02	**Share Premium**	**1,925,858,339**	**1,925,858,339**
	This is made up as follows:		
	Net Premium up to 2006	250,191,730	250,191,730
	Net Premium up to 2010	1,675,666,609	1,675,666,609
		1,925,858,339	1,925,858,339
7.03	**Reserves**	**67,338,231**	**67,338,231**
	This is made up as follows:		
	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 obtained tax holiday facility for body building unit for the period of five years with effect from 5th May, 1997.

		30.06.2022	30.06.2021
7.04	**Retained Earnings**	**2,518,359,196**	**2,591,845,474**
	This is made up as follows:		
	Opening Balance	2,591,845,474	2,812,199,739
	Add: Profit during the year	1,095,708	(185,514,274)
		2,592,941,182	2,626,685,465
	Add: Adjustment for application of IFRS 16 (Lease)	6,790,102	1,334,118
		2,599,731,284	2,625,351,347
	Less: Cash Dividend	33,505,875	33,505,875
	Less: Stock Dividend	47,866,211	-
		2,518,359,196	2,591,845,474
8.00	**Consolidated Non Current Laibilities**	**4,975,153,516**	**4,621,280,632**
	This is made up as follows:		
	8.01 Consolidated Loan and Deferred Liabilities (Unsecured)	25,310,440	25,310,440
	8.02 Consolidated Long Term Loan-Non Current Maturity	4,892,433,196	4,467,280,547
	8.03 Consolidated Deferred Tax Liability	(18,755,621)	78,004,754
	8.04 Consolidated Lease Liability	76,165,501	50,684,891
		4,975,153,516	4,621,280,632

HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

			Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
8.01	**Consolidated Loan and Deferred Liabilities (Unsecured)**		**25,310,440**	**25,310,440**
	Long Term interest free loan from sponsors is carried forward since 1982.			
8.02	**Consolidated Long Term Loan-Non-Current Maturity**		**4,892,433,196**	**4,467,280,547**
	This is made up as follows:			
	Agrani Bank Ltd.		1,845,880,847	1,716,211,451
	Meghna Bank Ltd.		-	15,564,604
	SBAC Bank Ltd.		107,889,953	127,823,026
	Mutual Trust Bank Ltd.		194,782,844	154,486,327
	Prime Bank Ltd.		-	-
	Midland Bank Ltd.		61,738,603	32,213,507
	Peoples Leasing & Financial Services Ltd.		146,203,874	146,203,874
	One Bank Ltd.		416,183,884	385,634,495
	NCC Bank Ltd.		177,011,197	142,365,137
	Bay Leasing		130,213,424	113,317,371
	GSP Finance		346,380,000	275,120,449
	Midas Financing		50,951,203	47,671,963
	Union Capital		149,202,177	130,320,000
	BD Finance Ltd.		58,159,744	50,462,530
	Phoenix Finance		835,105,359	740,741,344
	Trust Bank Ltd.		428,400,000	413,534,908
	Dutch-Bangla Bank Ltd.		926,200,553	865,451,010
	Social Islami Bank Ltd.		72,743,041	68,076,000
	Modhumoti Bank Ltd.		576,197,558	531,176,066
			6,523,244,261	**5,956,374,062**
	Less: Long Term Loan-Current Maturity		1,630,811,065	1,489,093,516
	Long Term Loan-Net of Non-Current Maturity		**4,892,433,196**	**4,467,280,547**

(i) Loan amount represent the amounts which would be due for repayment after 12 (twelve) months from the date of statement of financial position as on 30th June, 2022.

(ii) The loan was taken from the above mentioned banks and financial institutions against mortgage of 6932.795 Decimals of land and 564354.8 square feet factory building located at Fuachderhat, Chittagong & Z. H. Sikder Shopping Complex to import capital machinery and other purposes.

8.03	**Consolidated Deferred Tax**		**(18,755,621)**	**78,004,754**
	This is made up as follows:			
	Aftab Automobiles Ltd.		(64,754,176)	22,599,404
	Navana Batteries Ltd.		45,998,555	55,405,350
			(18,755,621)	78,004,754
	This is made up as follows:		**117,853,709**	**22,599,404**
	Associate Company	8.03.a	81,216,587	76,317,340
	Assembling Body Unit & Motor Cycle Unit	(B)	36,637,122	(53,717,936)
	Investment Valuation Surplus in Share		-	-
			117,853,709	22,599,404
	Calculation of Deferred Tax			
8.03.a	**Associate Company**		**81,216,587**	**76,317,340**
	This is made up as follows:			
	Opening Balance		**76,317,340**	**73,824,020**
	Add: Provision during the year		4,899,247	2,493,320
			81,216,587	76,317,340
	Investment in Associate Balance as on 30.06.2020		-	-
	Investment Valuation Surplus in Share		**81,216,587**	**76,317,340**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
B **Aftab Automobiles Ltd.**	**36,637,122**	**(53,717,936)**
This is made up as follows:		
Depreciation:		
WDV on PPE as per Accounting Calculation	1,448,743,529	1,116,872,429
Less: WDV on PPE as per Taxable Calculation	1,280,281,941	982,172,132
Less: Unabsorbed Depreciation	(53,401,393)	45,427,963
Less: Unused Tax Losses	(75,078,155)	198,126,501
Temporary Difference	**296,941,136**	**(108,854,167)**
Deferred Tax 22.50% on Difference (B1)	**66,811,756**	**(24,492,188)**
Opening Deferred Tax	(24,492,188)	31,360,314
Deferred Tax Expense during the year (B2)	**(91,303,943)**	**(55,852,502)**
C **Bad Debts as per Accounting Base**	**134,109,481**	**129,892,217**
Bad Debts as per Tax Base	-	-
Deductible Temporary Difference	(134,109,481)	(129,892,217)
Deferred Tax Liabilities 22.50% on Difference (C1)	**(30,174,633)**	**(29,225,749)**
Opening Deferred Tax	(29,225,749)	(31,647,259)
Deferred Tax Expenses during the year (C2)	**(948,884)**	**2,421,510**
Deferred Tax Liabilities on Regular Income (B1+C1)	**36,637,122**	**(53,717,936)**
Deferred Tax Expenses during the year on Regular Income (B2+C2)	**(92,252,827)**	**(53,430,991)**
D **Navana Batteries Ltd.**		
This is made up as follows:		
WDV on PPE as per Accounting Calculation	794,186,666	813,322,235
Less: WDV on PPE as per Taxable Calculation	596,512,379	619,537,107
Less: Unabsorbed Depreciation	85,384,259	46,249,959
Less: Unused Tax Loss	(41,038,489)	(37,149,331)
Temporary Difference	**153,328,517**	**184,684,500**
Deferred Tax 30.00% of difference	45,998,555	55,405,350
Less: Unabsorbed Depreciation	-	-
Deferred Tax Liabilities 30.00% on Difference after Unabsorbed	**45,998,555**	**55,405,350**
Opening Deferred Tax	**55,405,350**	**54,385,745**
Deferred Tax Expenses during the year	**(9,406,795)**	**1,019,605**

Movement of Deferred Tax

A **Aftab Automobiles Ltd.**		
Opening Balance	**(53,717,936)**	**(286,945)**
Add: During the year (PLAC)	(92,252,827)	(53,430,991)
Closing Balance	**(145,970,763)**	**(53,717,936)**
Opening Balance	**22,599,404**	**73,537,075**
Add: During the year (PLAC)	(92,252,827)	(53,430,991)
Add: During the year (Associate Co.)	4,899,247	2,493,320
Add: During the year (OCI)	-	-
Closing Balance	**(64,754,176)**	**22,599,404**
B **Navana Batteries Ltd.**		
Opening Balance	**55,405,350**	**54,385,745**
Add: During the year (PL AC)	(9,406,795)	1,019,605
Closing Balance	**45,998,555**	**55,405,350**
Total Deferred Tax Expenses (PL AC)	**(96,760,376)**	**(50,937,671)**
Total Deferred Tax Liabilities (FS AC)	**(18,755,621)**	**78,004,754**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
8.04	**Consolidated Lease Liability**	**76,165,501**	**50,684,891**
	At Cost:		
	Opening Balance	50,684,891	53,892,054
	Add: Addition during the year	33,323,537	-
		84,008,428	53,892,054
	Add: Fianance Charge	2,847,123	5,958,048
	Less: Payment during the year	10,690,050	9,165,211
	Closing Balance	**76,165,501**	**50,684,891**
	Less: Transferred to Current Maturity	-	-
		76,165,501	50,684,891

Brief Terms & Conditions of above Liability:

(i) The company has four leases against its Rentel;

(ii) Lease period up to 31st Jan. 2022 , 31st Sept. 2021 and 31st Dec 2026.

(iii) Monthly total rental payment is Tk. 15,32,960/-;

(iv) Advance total amount paid Tk. 44,324,250/-;

(v) Monthly total adjustment Tk. 840,167/-.

9.00	**Consolidated Current Laibilities and provision**	**13,271,366,817**	**12,328,762,627**
	This is made up as follows:		
	8.02 Consolidated Long Term Loan-Current Maturity	1,630,811,065	1,489,093,516
	9.01 Consolidated Short Term Loan	10,048,079,903	9,490,070,048
	9.02 Consolidated Accrued and Other Current Liabilities	1,496,559,308	1,257,990,990
	9.03 Consolidated Unclaimed Dividend Account	95,916,541	91,608,073
		13,271,366,817	12,328,762,627

9.01	**Consolidated Short Term Loan**	**10,048,079,903**	**9,490,070,048**
	This is made up as follows:		
	Agrani Bank Ltd.	1,638,674,293	1,511,299,908
	Bank Asia Ltd.	1,050,999,986	971,705,182
	Standard Bank Ltd.	111,778,468	109,175,503
	NRB Commercial Bank Ltd.	526,904,402	486,882,254
	BRAC Bank Ltd.	-	20,615,467
	NCC Bank Ltd.	51,153,790	51,151,896
	Dhaka Bank Ltd.	447,404,408	400,286,319
	Mercantile Bank Ltd.	545,712,274	513,295,768
	The City Bank Ltd.	77,836,412	84,463,596
	Midland Bank Ltd.	-	29,645,684
	Prime Bank Ltd.	49,650,245	54,088,437
	One Bank Ltd.	-	-
	SBAC Bank Ltd.	30,834,564	185,126,997
	Mutual Trust Bank Ltd.	-	62,083,517
	Southeast Bank Ltd.	1,106,522,740	1,068,545,120
	Janata Bank Ltd.	524,867,527	505,690,186
	Dutch-Bangla Bank Ltd.	596,240,935	537,705,642
	Al-Arafah Islami Bank Ltd.	68,155,622	71,649,981
	IFIC Bank Ltd.	2,710,253,030	2,451,998,593
	Jamuna Bank Ltd.	-	205,401
	Shahjalal Islami Bank Ltd.	217,561,268	168,454,597
	Modhumoti Bank Ltd.	186,500,538	206,000,000
	Islamic Finance & Investment Ltd.	29,733,243	-
	Phoenix Finance & Investment Ltd.	77,296,158	-
		10,048,079,903	9,490,070,048

Brief Terms & Conditions of above Loan:

(i) Loan amount represent the amounts which would be due for repayment within 12 (twelve) months from the date of statement of financial position as on 30th June, 2022.

(ii) Short term loan is repayable with in twelve months.

(iii) Currently all of the company's short term loans are classified as standard/sub standard by the banks.

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

			Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
9.02	**Consolidated Accrued and Other Current Liabilities**		**1,496,559,310**	**1,257,990,990**
	This is made up as follows:			
	For Goods Supplied		381,405,322	134,886,485
	For Expenses (Including Salary, PF, GF, WF & Others)	9.02.1	151,751,333	149,951,958
	For Income Tax		856,819,173	852,390,776
	For Workers Profit Participation Fund and WF		16,696,432	24,607,570
	Provision for Bad Debts		4,101,643	4,154,941
	For Other Finance		83,090,864	89,304,717
	For Bond Liabilities		2,694,543	2,694,543
			1,496,559,310	**1,257,990,990**
9.02.1	**For Expenses (Including Salary, PF, GF, WF & Others)**			
	Salary		8,856,160	4,587,076
	Providend Fund		313,581	325,758
	Gratuity Fund		7,268,249	2,193,104
	Welfare Fund		573,362	549,109
	Other Expenses		134,739,981	142,296,911
			151,751,333	149,951,958
9.03	**Consolidated Unclaimed Dividend Account**		**95,916,541**	**91,608,073**
	Unclaimed Dividend			
	The aging of Unclaimed Dividend are as follows:			
	Uncliamed for less than 3 year's		35,690,520	36,643,229
	Uncliamed for more than 3 year's		60,226,021	54,964,844
			95,916,541	**91,608,073**
10.00	**Consolidated Revenue**		**710,591,300**	**1,254,020,565**
	This is made up as follows:			
	Aftab Automobiles Ltd.		421,726,379	747,914,378
	Navana Batteries Ltd.		288,864,921	506,106,187
			710,591,300	**1,254,020,565**

The break up of the above is as follows:

Particulars	2021-2022 Quantity	2020-2021 Quanity	2021-2022 Amount (Tk.)	2020-2021 Amount (Tk.)
Aftab Automobiles Ltd.:				
Hino Bus	78	71	375,040,000	346,690,000
Bus Body Building	37	92	35,653,771	137,750,500
Motor Cycle	87	2,084	11,032,608	263,473,878

The quantities of sales during the year are hino bus chassis 78 units, RM2 AC Bus 0 Unit, Hino RN8J 0 unit body building 37 and 87 units of Motor Cycle.

11.00	**Consolidated Cost of Goods Sold**		**536,403,861**	**947,011,382**
	This is made up as follows:			
	Opening Stock of Direct Raw Materials		**361,788,394**	**510,514,721**
	Purchase of Direct Raw Materials		391,029,446	624,872,544
	Direct Raw Materials available for Consumption		752,817,840	1,135,387,265
	Closing Stock of Direct Raw Materials		**407,648,411**	**361,788,394**
	Raw Materials Consumed		345,169,429	773,598,871
	Add: Opening Work in Progress		**398,790,237**	**279,243,833**
			743,959,666	1,052,842,704
			380,495,799	**398,790,237**
			363,463,867	654,052,467
	Indirect Materials		1,614,953	-
	Total Consumption		**365,078,820**	**654,052,467**
	Factory Overhead	11.1	143,617,772	170,243,369
	Cost of Production		508,696,592	824,295,836
	Opening Finished Products		**638,723,501**	**761,439,047**
			1,147,420,093	1,585,734,883
	Closing Finished Products		**611,016,232**	**638,723,501**
			536,403,861	947,011,382

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
11.01	**Consolidated Factory Overhead**	**143,617,772**	**170,243,369**
	This is made up as follows:		
	Salary and Allowances	53,536,336	63,379,010
	Gratuity	743,075	-
	Liveries and Uniform	500	180,221
	Telephone, Fax and Mobile	183,516	163,115
	Fuel and Lubricants	189,564	1,111,795
	Travelling and Conveyance	200,471	163,876
	Entertainment	92,014	352,744
	Office Expenses	51,943	387,731
	Maintenance Expenses	589,438	1,689,424
	Electric Expenses	23,269,773	25,898,646
	Duty and Allowances	219,773	403,650
	Fees & Registration	298,972	-
	Canteen Subsidies	888,984	807,771
	Eid Greetings	261,086	98,398
	Rent Rates & Taxes	3,728,628	3,145,532
	Insurance	2,180,821	4,405,930
	Gas	1,108,877	751,267
	Welfare Expenses	151,592	135,000
	Carrying & Handling	84,684	502,021
	Newspaper and Periodicals	3,960	21,000
	Repairs and Maintenance (Vehicle)	696,362	391,630
	Security Expenses	1,578,811	1,383,287
	Chemicals	71,911	837,993
	Printing & Stationery	37,294	40,993
	Screen Printing	12,655	11,689
	Labour Charges	54,005	50,833
	Laboratory Expenses	83,201	132,485
	Generator Maintenance	17,659	14,425
	Fire Extinguisher	29,046	32,055
	Depreciation	53,252,821	63,750,848
		143,617,772	170,243,369

(a) The number of employees employed in the factory throughout the year who received aggreagate remuneration less than Tk. 36,000.

(b) The number of employees employed in the factory for part of the year who received aggreagate remuneration less than Tk. 3,000 per month.

12.00	**Consolidated Administrative Expenses**	**45,867,737**	**62,791,881**
	This is made up as follows:		
	Salary & Allowances	26,842,480	44,806,405
	Gratuity	1,592,148	-
	Welfare Expenses	5,160	33,065
	Medical Expenses	-	112,850
	Directors Remuneration	4,200,000	-
	Entertainment	327,148	421,585
	AGM Expenses	50,000	138,182
	TA and Conveyance	461,037	811,527
	Travelling Expenses-Foreign	15,400	
	Car Maintenance	542,670	915,349
	Stationery	242,177	346,863
	Fees and Registration	205,463	434,222
	Telephone	680,044	1,207,386
	Electricity	409,590	-
	Electrical Expenses	-	235,289
	Rent, Rates and Taxes	650,750	3,136,050
	Insurance Premium	159,571	161,962

	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Liveries and Uniform	-	-
Bank Charges	2,096,071	1,742,845
Bank Guarantee & Charge Documents	11,911	18,635
Audit Fees	574,000	535,389
Duty Allowance	-	10,000
Newspapers & Periodicals	7,208	8,360
Postage & Telegram	73,019	466,229
Publicity	3,160	76,043
Night Allowances	10,380	52,090
Advertisement and Publicity	19,373	-
Directors Fee	345,000	275,000
Office Maintenance	28,853	609,897
Maintenance Expenses	5,667	263,462
General Expenses	260,030	-
WASA Bill	51,509	12,715
Gas	91,315	181,842
CDBL Fee	725,454	404,312
Consultancy Fees/ Professional Fees	438,615	-
Renewal Fees	138,875	-
Office Cleaning	231,222	-
Canteen Subsidy	608,074	435,574
Security Expenses	460,492	-
Promotion Expenses	-	78,610
ISO	-	268,653
Fuel and Lubricants	161,021	200,915
Guest House Maintenance	1,241,719	-
Depreciation	1,901,136	4,390,575
	45,749,666	62,791,881

(a) The number of employees employed in the administration department throughout the year who received aggreagate remuneration less than Tk. 36,0000.

(b) The number of employees employed in the administration department for a part of the year who receive aggregatge aggregate remuneration less than Tk. 3,000 per month.

13.00 Consolidated Selling and Distribution Expenses

Consolidated Selling and Distribution Expenses	**18,349,510**	**52,333,401**

This is made up as follows:

Salary & Allowances	6,161,251	23,204,754
Fuel and Lubricants	111,140	171,152
Transit Insurance	-	338,588
Promotional Expenses	71,118	130,829
Delivery Expenses	402,160	2,756,849
Rent, Rates & Taxes	915,447	3,378,711
Conveyance	40,072	578,468
Entertainment	62,784	96,785
Stationery	45,853	62,630
Telephone	51,187	568,283
Publicity Expenses	418,035	681,640
Fees & Registration	54,028	242,224
Maintenance	31,707	60,000
Car Maintenance	100,620	704,712
Electrical Expenses	273,617	638,695
Postage & Telegram	43,454	228,098
Newspaper & Periodicals	8,456	9,330
Bank Charges	25,245	36,762
Security Guard Salary	389,000	459,000
Office Maintenance	43,962	53,280
Showroom Expenses	57,090	311,387
Utility Bill (WASA)	2,782	2,984
Gift & Donation	3,771	6,092

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Bad Debts		4,217,264	3,303,180
Chemical & Packing Expenses		15,191	14,092
Dealer Conference Expenses		-	-
Transit Insurance		102,800	
Others		-	44,885
Depreciation of Right of Use Assets		685,633	7,538,369
Depreciation		4,015,844	6,711,622
		18,349,510	52,333,401

(a) The number of employees employed in the selling and distribution department throughout the year who received aggreagate remuneration less than Tk. 36,0000.

(b) The number of employees employed in the selling and distribution department for a part of the year who receive aggregate remuneration less than Tk. 3,000 per month.

14.00	**Consolidated Financial Charges**		**239,061,668**	**448,329,428**
	This is made up as follows:			
	Aftab Automobiles Ltd.		165,028,055	330,977,558
	Navana Batteries Ltd.		74,033,613	117,351,870
			239,061,668	448,329,428
15.00	**Consolidated Other Income**		**13,357,514**	**17,312,132**
	This is made up as follows:			
	FDR Interest		13,357,514	17,312,132
	Profit on Sale of Shares		-	-
	Profit on Sales of Car		-	-
			13,357,514	17,312,132
16.00	**Consolidated Income Tax Expenses**		**(92,330,635)**	**(42,241,724)**
	This is made up as follows:			
	Current Tax	16.01	4,429,741	7,676,342
	Deferred Tax	8.03	(96,760,376)	(49,918,066)
			(92,330,635)	(42,241,724)
16.01	**Current Tax**		**4,429,741**	**7,676,342**
	Aftab Automobiles Ltd.	16.1.a	2,385,223	4,843,698
	Navana Batteries Ltd.	16.1.b	2,044,518	2,832,644
			4,429,741	7,676,342
16.1.a	**Current Tax - Aftab Automobiles Ltd.**		**2,385,223**	**4,843,698**
	This is made up as follows:			
	Operating Profit		(116,577,591)	(254,910,735)
	Other Income		13,357,514	17,312,132
	Contribution to WPPF		-	-
	Bad Debts		4,217,264	3,303,180
	Add: Accounting Depreciation		23,924,658	36,168,923
	Less: Tax Depreciation		(48,230,067)	(45,427,963)
	Last year Adjustment		-	-
	Taxable Profit		**(123,308,221)**	**(243,554,463)**
	Corporate Tax Rate 22.50%		22.50%	22.5%
	Current Tax		**(27,744,350)**	**(54,799,754)**
	Minimum Tax on Gross Receipt @ 0.6%		2,385,223	4,843,698
	Current Tax Liabilities (which ever higher)		2,385,223	4,843,698

		Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
16.1.b	**Current Tax - Navana Batteries Ltd.**	**2,044,518**	**2,832,644**
	This is made up as follows:		
	Profit before Tax	(12,515,229)	(1,534,792)
	Add: Accounting Depreciation	35,245,143	38,684,124
	Less: Tax Depreciation	(39,134,300)	(46,249,960)
	Taxable Profit	**(16,404,386)**	**(9,100,628)**
	Corporate Tax Rate 30%	**30.00%**	**30.00%**
	Current Tax	**(4,921,316)**	**(2,730,188)**
	Minimum Tax on Gross Receipt @ 0.6%	2,044,518	2,832,644
	Current Tax Liabilities (which ever higher)	2,044,518	2,832,644
	Consolidated Income Tax Expenses		
17.00	**Consolidated Net Assets Value Per Share (NAVPS)**	**54.88**	**60.20**
	Net Assets	5,516,898,859	5,542,366,263
	Ordinary Shares (Paid up Capital)	100,519,043	95,732,422
	Net Assets Value Per Share (NAVPS)	54.88	57.89

Net asset value has been decreased due to impact of declaration of dividend payment.

18.00	**Consolidated Earning Per Share (EPS)**	**0.01**	**(1.94)**
	Profit Attributable to the Equity holders	1,248,370	(185,514,274)
	No. of Shares	100,519,043	95,732,422
	Consolidated Earnings per Share (EPS)	**0.01**	**(1.94)**

Note:

Note: Earning per Share (EPS) has been fallen down compared with that of previous year because of decreasing in sale amount due to Covid-19 pendemic situation.

19.00	**Consolidated Net Operating Cash Flows Per Share (NOCFPS)**	**3.71**	**6.65**
	Consolidated Net Cash Generated by Operating Activities	355,476,211	636,166,212
	Ordinary Shares (Paid up Capital)	95,732,422	95,732,422
	Consolidated Net Operating Cash Flows Per Share (NOCFPS)	**3.71**	**6.65**

Note:

During the year net operating cash flow per share has been increased that of previous year.

20.00	**Reconciliation of Consolidated Cash Flows from Operating Activities under Indirect Method:**	**355,700,196**	**636,166,212**
	Net Profit/(Loss) before Interest & Income Tax during the year	96,611,334	208,103,896
	Adjustments to reconcile Net Income to Net Cash provided by Operating Activities:		
	Depreciation	59,855,433	82,391,415
	Payment of Lease Liability	2,601,158	(9,107,765)
	Interest on Lease Liability	2,214,626	544,882
	Payment of WPPF	-	(4,021,328)
	Income Tax Paid	(13,505,384)	(30,622,795)
	Changes in Current Assets and Liabilities:		
	Decrease/(Increase) in Inventories	47,589,938	431,172,089
	Decrease/(Increase) in Advance and Pre-payments	(96,673,841)	(44,422,086)
	Decrease/(Increase) in Payables & Accruals	242,665,653	(5,929,716)
	Decrease/(Increase) in Trade Receivables	14,341,277	8,057,620
	Consolidated Net Cash Flow from Operating Activities	355,700,196	636,166,212

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

21.00 Information about Reportable Segments

Information related to each reportable segment is setout below:

21.01 Segment wise Financial Position as at 30th June, 2022

Particulars	Assembling Unit	Motor Cycle Unit	Body Unit	Total
Assets				
Non-Current Assets				
Property, Plant & Equipment	759,421,815	-	411,535,283	1,170,957,097
Discontinued Operation		277,786,431		277,786,430
Capital Work-in-Progress	566,958,334	-	86,265,256	653,223,590
Investment in Subsidiary and Associates	1,200,547,577	-	-	1,200,547,577
Receivable-Non-Current Maturity	2,108,330,759	144,852,310	58,597,057	2,311,780,126
Right of Use Assets	3,788,615	-	54,850,608	58,639,223
Total of Non-Current Assets	**4,639,047,100**	**422,638,741**	**611,248,204**	**5,672,934,043**
Current Assets:				
Receivable-Current Maturity	2,256,490,570	265,105,225	80,765,684	2,602,361,479
Stock and Stores	388,104,000	138,987,182	90,946,246	618,037,428
Current Account with Navana Batteries Ltd.	947,982,468	-	-	947,982,468
Current Account with Navana Group Companies	3,422,131,912	-	-	3,422,131,912
Current Account with Motor Cycle Unit	662,372,313	-	-	-
Current Account with Body Building Unit	428,422,400	-	-	-
Advances, Deposits and Pre-Payments	4,990,499,096	-	77,918,639	5,068,417,735
Cash and Bank Balances	339,195,607	-	6,567,719	345,763,326
Total Current Assets	**13,435,198,366**	**404,092,407**	**256,198,288**	**13,004,694,348**
Total Assets	**18,074,245,466**	**826,731,148**	**867,446,492**	**18,677,628,391**
Equity and Liabilities:				
Shareholders' Equity:				
Share Capital	1,005,190,431	-	-	1,005,190,431
Share Premium	1,925,858,339	-	-	1,925,858,339
Reserves	44,332,689	-	23,005,542	67,338,231
Retained Earnings	2,264,410,680	(9,969,146)	263,914,862	2,518,356,396
Total Shareholders' Equity	**5,239,792,139**	**(9,969,146)**	**286,920,404**	**5,516,743,397**
Non-Current Liabilities:				
Loan and Deferred Liabilities (Unsecured)	25,310,440	-	-	25,310,440
Long Term Loan - Non-Current Maturity	3,046,622,430	-	-	3,046,622,430
Deferred Tax Liability	(49,712,524)	(23,864,325)	8,822,674	(64,754,175)
Lease Liability	9,826,360	-	25,708,240	35,534,600
Total Non-Current Liabilities	**3,032,046,706**	**(23,864,325)**	**34,530,914**	**3,042,713,295**
Current Liabilities:				
Long Term Loan-Current Maturity	1,015,540,810	-	-	1,015,540,810
Short Term Loan	7,537,962,967	198,192,309	-	7,736,155,276
Accrued and Other Current Liabilities	1,152,986,301	-	117,572,775	1,270,559,076
Current Account with Assembling Unit	-	662,372,313	428,422,400	
Unclaimed Dividend Account	95,916,541	-	-	95,916,541
Total Current Liabilities	**9,802,406,619**	**860,564,622**	**545,995,175**	**10,118,171,703**
Total Liabilities	**12,834,453,325**	**836,700,297**	**580,526,089**	**13,160,884,998**
Total Equity and Liabilities	**18,074,245,464**	**826,731,149**	**867,446,493**	**18,677,628,391**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

21.02 Segment profit from operation is used to measure performance because management belives that this information is the most relevar in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Segment wise Profit or Loss and Other Comprehensive Income for the year ended 30th June, 202

Particulars	Assembling Unit	Motor Cycle Unit	Body Unit	Total
Sales Revenue	375,040,000	11,032,608	35,653,771	421,726,379
Less: Cost of Goods Sold	290,418,741	8,812,679	29,814,144	329,045,564
Gross Profit (a)	**84,621,259**	**2,219,929**	**5,839,627**	**92,680,815**
Less: Operating Expenses:				
Administrative Expenses	26,846,614	-	10,763,773	37,610,387
Selling & Distribution Expenses	4,869,373	110,326	1,640,265	6,619,964
Financial Charges	156,573,153	6,268,102	2,186,800	165,028,055
Total Operating Expenses (b)	**188,289,140**	**6,378,428**	**14,590,838**	**209,258,406**
Operating Profit (c) = (a-b)	**(103,667,881)**	**(4,158,499)**	**(8,751,211)**	**(116,577,591)**
Non-Operating Income:				
Other Income	10,845,492	-	2,512,022	13,357,514
Less: Foreign Exchange Loss	-	-	-	-
Add: Share of Profit from Associate Company	24,496,234	-	-	24,496,234
Total Non-Operating Income (d)	**35,341,726**	-	**2,512,022**	**37,853,748**
Profit before Contribution to WPPF (e)=(c+d)	**(68,326,155)**	**(4,158,499)**	**(6,239,189)**	**(78,723,843)**
Less: Contribution to WPPF	-	-	-	-
Profit after Contribution to WPPF	**(68,326,155)**	**(4,158,499)**	**(6,239,189)**	**(78,723,843)**
Add: Share of Profit from Subsidiaries	(5,151,609)	-	-	(5,151,609)
Net Profit before Tax (f)	**(73,477,764)**	**(4,158,499)**	**(6,239,189)**	**(83,875,452)**
Less: Income Tax Expenses				
Current Tax	1,422,767	536,420	426,035	2,385,222
Deferred Tax	(68,805,738)	(19,961,602)	1,413,760	(87,353,580)
Total Income Tax Expenses (g)	**(67,382,971)**	**(19,425,182)**	**1,839,795**	**(84,968,358)**
Profit after Tax (h) = (f-g)	**(6,094,793)**	**15,266,683**	**(8,078,984)**	**1,092,906**
Other Comprehensive Income for the year:				
Investment Valuation Surplus in Share				
Revaluation Gain/(Loss) on Investment in Share	-	-	-	-
Deferred Tax	-	-	-	-
Total Investment Valuation Surplus in Share (i)	-	-	-	-
Total Comprehensive Income for the year (j)=(h+i)	**(6,094,793)**	**15,266,683**	**(8,078,984)**	**1,092,906**

HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

22.00 **Related Party Transactions**

In accorance with paragraph 19 of IAS 24 Related Party Disclosures, the following matters has been disclosed in the following sequential order:

(i) **Parent and Ultimate Controlling Party**

There is no such parent company as well as ultimate holding company / controlling party of the company.

(ii) **Entities with joint control of, or significant influence over**

There is no joint control of, or significant influence over the company.

(iii) **Subsidiareis**

Navana Batteries Limited is a subsidiary company of which 99.95% shares owned by the entity (company).

(iv) **Associates**

Navana Real Estate Limited is an Associate Company of the entity (company).

(v) **Joint Venture in which the Entity is a Joint Venturer**

The Company has not entered into Joint Venture Agreement in which the Company is a Joint Venturer.

(vi) **Transactions with Key Management Personnel and their Compensation**

(a) Loans to Director

During the year, no loan was given to the directors of Company

(b) Key Management Personnel and their Compensation

There is no compensation for Chairman, Director and Managing Director except Board Meeting fee but there are following categories of compensation in accordance with the paragraph 17 of IAS 24: Related Party Disclosures:

Particulars	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Salary and Allowances	86,540,067	131,390,169
Provision for Gratuity	2,335,223	-
Board Meeting Attendance Fee	45,000	40,000
Short Term Employee Benefits	-	-
Provision for Post Employment Benefits	-	24,907,697
Other Long Term Benefits	-	-
Termination Benefits	-	-
	88,920,290	156,337,866

Company's key management personnel includes the Company's directors. Compensation includes salary, non-cash benefits and contributions to a post employment defined benefits plan.

(vii) **Other Related Party Transactions**

During the period, the company carried out a number of transactions with related parties in the normal course of business. The name of the related parties, nature of transaction and transaction value have been set out in accordance with the provisions of IAS 24: Related Party Disclosure are as follows:

Name of Related Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2022	2021	2022	2021
Loan from Chairman	Director	Interest on loan	-	-	-	-
Navana Group of Company	Alliance Companies	Interest on loan	451,550,358	393,541,411	2,292,192,070	1,840,641,712
Navana Limited	Alliance Companies	Interest on loan	272,895,203	838,753,776	3,240,202,203	2,967,307,000
Navana Reale Estate Ltd.	Alliance Companies	Interest on loan	14,017,437	10,766,296	130,487,733	116,470,296
Navana Engineering Ltd.	Alliance Companies	Interest on loan	6,980,446	0	64,980,676	58,000,230
Navana LPG Ltd.	Alliance Companies	Interest on loan	27,500,000	0	5,650,000	0

Inter Company Receivables/Payables

Name of Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2022	2021	2022	2021
Navana Welding Electrode Ltd.	Alliance Companies	Interest on loan	11,300	-	19,188,700	19,200,000
Navana LPG Ltd.	Alliance Companies	Interest on loan	-	42,100,000	-	21,850,000

23.00 **Amount due by Directors**

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

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24.00 Number of Employees (Gross salary)

During the year total number of employees/workers for the company was 297 who drawing Tk. 8,000 or more per month.

25.00 Significant Disclosure

Sales amount has been fallen down but gross profit (GP) ratio increased due to decreases of production cost by ceasing workers, management employees and monitoring production strictly.

26.00 Capital Expenditure Commitment

There was no commitment for capital expenditure and also not incurred or provided for the year ended 30th June, 2022.

27.00 Contingent Assets

There was no contingent assets as on 30th June, 2022.

28.00 Remittance of Dividend

As there were no non-resident shareholders, no dividend was remitted to or received from abroad.

29.00 Credit Facility not Availed

There was no credit facility available to the Company under any contract and also not availed as on 30th June, 2021 other than trade credit available in the ordinary course of business.

30.00 Attendance Status of Board Meeting of Directors

During the year there was 14 Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Position	Meeting Held		Attended	
		2022	2021	2022	2021
Shafiul Islam	Chairman	14	18	14	12
Khaleda Islam	Director	14	18	5	12
Saiful Islam	Managing Director	14	18	12	12
Sajedul Islam	Director	14	18	12	18
Farhana Islam	Director	14	18	7	10
Mian Saleem Sheikh	Alternate Director	14	-	2	-
Md. Kausar Alam	Independent Director	14	18	5	-
Dr. Melita Mehjabeen	Independent Director	14	18	5	-

Mian Saleem Sheikh appointed as Alternate Director on behalf of Farhana Islam on 27.04.2022.

31.00 Auditors fees for service rendered

As per schedule XI, part II, para 6 of Companies Act, 1994, auditors are only paid audit fees (including VAT) of Tk. 350,000. No other service has been taken from auditor hence other then this no other fees given to auditor.

32.00 Disclosures as per Requirement of Schedule XI, Part II of the Companies Act, 1994 (Employee Position as on 30th June, 2022)

(A) Disclosure as per requirement of Schedule XI, Part II, Notes 5 of Para 3

Monthly Salary Range	Head Office	Factory	No. of Employee
Above 5000	33,003,731	53,536,336	289
Below 5000	Nill	Nill	Nill

(B) Disclosure as per requirement of Schedule XI, Part II, Para 4
Payment/Perquisites to Directors and Officers

Name	Position	Remuneration	Festival Bonus	AIT Deduction	Net Amount
Shafiul Islam	Chairman	-	-	-	-
Khaleda Islam	Director	-	-	-	-
Saiful Islam	Managing	4,200,000	-	420,000	3,780,000
Sajedul Islam	Director	-	-	-	-
Farhana Islam	Director	-	-	-	-
Mian Saleem Sheikh	Alternate	-	-	-	-
Md. Kausar Alam	Ind. Director	-	-	-	-
Dr. Melita Mehjabeen	Ind. Director	-	-	-	-

Mian Saleem Sheikh appointed as Alternate Director on behalf of Farhana Islam on 27.04.2022.

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Period of payment to Diretors is from 1st July, 2021 to 30th June, 2022.

The above Directors of the Company did not take any benefit from the Company other than the remuneration and festival bonus.

1 Expenses reimbused to the managing agent: Nil.

2 Commission or other remuneration payable seperately to a managing agent or his associate: Nil.

3 Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company:Nil.

4 The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year: Nil.

5 Any other perquisites or benefit in cash or in kind stating: Nil.

6 Other allowances and commission including guarantee commission: Nil.

7 Pernsions: Nil.

8 Gratuities: Nil.

9 Payments from Provident Fund: Nil.

10 Compensatin for Loss of Office: Nil.

11 Consideration in connection with retirement from office: Nil.

33.00 **Disclosure as per requirement of Schedule XI, Part II, Para 3**

Requirements under Condition No.	**Compliance status of Disclosure of Schedule XI, Part II, Para 3**
3(i)(a) The Turnover	7,103,673,824
3(i)(b) Commission Paid to Selling Agents (Incentive)	N/A
3(i)(c) Brokerage and discount of Sales, Other than the usual trade discount	N/A
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	345,169,429
3(i)(d)(ii) The opening and closing stocks of goods produced	N/A
3(i) (e) In the case of companies, the purchase made and the opening and closing stocks	P-391,029,446, OB-3,161,788,394, CB-380,495,700
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	174,068,025
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity break up for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Nill
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	OB 398,790,237, CB 380,495,799
3(i)(i) Provision for depreciation, renewals or diminution in value of fixed assets	N/A
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	N/A
3(i)(I) Charge for income tax and other taxation on profits	92,331,978
3(i)(m) Reserved for repayment of share capital and repayment of loans	Nill
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the balance sheet is made up	Nill
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Nill
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Nill

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Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.	Nill
3(i)(p) Expenditure incurred on each of the following items, seperately for each item:	Nill
(i) Consumption of stores and spare parts	979,000
(ii) Power and Fuel	189,564
(iii) Rent	3,728,628
(iv) Repairs of Buildings	Nill
(v) Repairs of Machinery	696,362
(vi) Other include:	Nill
(1) Salaries, wages and bonus	53,536,336
(2) Contribution to provident and other funds	Nill
(3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	P-136,709,894, R-67,338,231

34.00 Information regarding Accounts Receivables, Advance in line with Schedule XI

i. Disclosure in line with 4(a) of part I of Schedule XI

The details of trade receivable are given below:

Sl. No.	Particulars	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
1	Within 3 Months	1,082,317,564	691,897,614
2	Within 6 Months	905,259,349	528,144,676
3	Within 12 Months	959,082,015	2,083,590,068
4	More than 12 Months	2,617,632,932	2,275,000,786
Total		5,564,291,860	5,578,633,137

ii. Disclosure in line with 4(b) of part I of Schedule XI

There are no debts outstanding in this respect.

35.00 Disclosure in line with Instruction of Part of Schedule XI

In regard to sundry debtors the following particulars shall be given separately:

(I) Debt considered good in respect of which the company is fully secured

Within six months trade debtors occurred in the ordinary course of business are considered good but no security given by the debtors.

(II) Debt considered good for which the company holds no security other than the debtors' personal security

Within six months trade debtors have arisen in the ordinary course of business in good faith as well as market reputation of the company for the above mentioned reasons no personal security taken from debtors.

(III) Debt considered doubtful or bad

The company considered more than one year debts are doubtful and provision is created for Tk. 134,109,481/-

(IV) Debt due by directors or other officers of the Company

There is no debt due by directors or other officers of the company.

(V) Debt due by common management

There is no debt under common management.

(VI) The maximum amount due by directors or other officers of the Company

There is no such debt in this respect.

36.00 Disclosure as per requirement of Schedule XI, Part II, Para 7

Details of Production Capacity Utilization:

Particulars	Assembling	Body	Mortar Cycle	Total
Production Capacity (Vehicle/Battery	2,400	400	10,000	12,800
Production during the year	72	37	-	109
Capacity Utilization (%)	**3.00%**	**9.25%**	**0.00%**	**0.85%**

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The production capacity of the company is 2400 units Toyota & hino vehicles in assembling unit under one shifts and 400 units hino buses in body building unit. Actual production for the year 72 units bus assembled in assembling unit, 37 units body fabrication in body building unit.

The production capacity of the company is 10,000 units motor cycle in motor cycle units under one shifts. Actual production for the period is nill in motor cycle unit.

37.00 **Disclosure as per requirement of Schedule XI, Part II, Para 8(b) during the year under audit.**

Details of import on CIF basis

i. Raw Materials, Space Parts, Packing Materials

Items	Purchase in Taka			Consumption in Taka	Percentage
	Import	Local	Total		
Raw Materials & Chemicals (Hino)	237,892,662	9,332,892	247,225,554	212,394,455	86%
Raw Materials & Chemicals (Battery)	27,504,640	116,299,252	143,803,892	117,990,187	82%
Packing Material	-	-	-	-	-
Spare Parts	-	-	-	-	-
Total	**265,397,302**	**125,632,144**	**391,029,446**	**330,384,642**	

The value of imported material is calculated on CIF Basis.

ii. The Company has not incurred any expenditure in foreign currency for the period from 1st July, 2021 to 30th June, 2022 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

iv. The value of export from the period from 1st July, 2021 to 30th June, 2022 is Tk. Nill.

38.00 **Schedule XI, Part II, Para 8(b) & Para 8(d) Foreign Currencies remitted during the year**

During the year under review the company did not remit any amount as dividend, technical know-how, royalty, professional consultation fees, interest and other matters either its shareholder or others.

39.00 **Disclosure for purchase in foreign currency during the year**

Disclosure as per Para 8 of Schedule XI (GA) 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)	¥ 150,234,194	199,673,304
Import of Raw Material (Body Making Materials)	$265,706	20,990,742
Import of Raw Material (Battery)	$320,075	27,504,640
Total		**248,168,686**

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40.00 Financial Instrument-Fair Values and Risk Management

40.01 Accounting Classifications and Fair Values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Reconciliation of Carrying Amount	Note	Carrying Amount Tk. '000						
		Fair Value Hedging Instruments	Mandatory at FVTPL-Others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other Financial Liabilities	Total Amount
30.06.2022								
Financial Assets measured at Fair Value:		-	-	-	-	-	-	-
Equity Securities		-	-	-	-	-	-	-
Financial Assets not measured at Fair Value:								
Receivables	5.06	-	-	-	-			
Advance, Deposits & Prepayments	6.03	-	-	-	-	5,564,292	-	5,564,292
Investment in Securities & Associate Company	5.04	-	-	-	-	7,067,469	-	7,067,469
Cash and Cash Equivalents	6.04	-	-	-	-	454,479	-	454,479
		-	-	-	-	347,539	-	347,539
Financial Liabilities measured at fair value:				-	-	13,433,778	-	13,433,778
Financial Liabilities not measured at fair value:								
Loan and Deferred Liabilites (Unsecured)	8.01	-	-	-	-			
Long Term Loan	8.02	-	-	-	-	-	25,310	25,310
Deferred Tax Liability	8.03	-	-	-	-	-	6,523,244	6,523,244
Lease Liabilities	8.04	-	-	-	-	-	(18,756)	(18,756)
Short Term Loan	9.01	-	-	-	-	-	76,166	76,166
Accrued & Other Current Liabilities	9.02	-	-	-	-	-	10,048,080	10,048,080
Unclaimed Dividend Account	9.03	-	-	-	-	-	1,496,559	1,496,559
		-	-	-	-	-	95,917	95,917
30.06.2021						-	18,246,520	18,150,604
Financial Assets measured at Fair Value:		-	-	-	-	-	-	-
Equity Securities								
Financial Assets not measured at Fair Value:								
Receivables	5.06	-	-	-	-			
Advance, Deposits & Prepayments	6.03	-	-	-	-	5,578,633	-	5,578,633
Investment in Securities & Associate Company	5.04	-	-	-	-	6,650,017	-	6,650,017
Cash and Cash Equivalents	6.04	-	-	-	-	429,982	-	429,982
		-	-	-	-	351,935	-	351,935
		-	-	-	-	13,010,567	-	13,010,567
Financial Liabilities measured at fair value:								
Financial Liabilities not measured at fair value:								
Loan and Deferred Liabilites (Unsecured)	8.01	-	-	-				
Long Term Loan	8.02	-	-	-	-	-	25,310	25,310
Deferred Tax Liability	8.03	-	-	-	-	-	5,956,374	5,956,374
Lease Liabilities	8.04	-	-	-	-	-	78,005	78,005
Short Term Loan	9.01	-	-	-	-	-	50,685	50,685
Accrued & Other Current Liablities	9.02	-	-	-	-	-	9,490,070	9,490,070
Unclaimed Dividend Account	9.03	-	-	-	-	-	1,257,991	1,257,991
		-	-	-	-	-	91,608	91,608
						-	16,950,043	16,950,043

Advances, deposits and prepayments are not included in the financial assets.

The company has not disclosed the fair values for financial instruments such as receivables, advance, deposits & prepayments, investment in securities & associate company and cash & cash equivalents, loan and deferred liabilities (unsecured), long term loan, deferred tax liability, lease liabilities, short term loan, accrued & other current liabilities and unclaimed dividend account because of their carrying amount are a reasonable approximation of fair value.

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40.02 Finanical Risk Management Framework

The Company's management has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflact changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company has exposure to the following risks from its use of financial instruments:

40.02.1 Credit Risk, 40.02.2 Liquidity Risk 40.02.3 Market Risk.

40.02.1 Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of customer, including the default risk of the industry and financial strength of the customer, as these factors may have an influence on credit risk. Geographically there is no concentration of credit risk.

The debtors management review committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the committee; these limits are reviewed as per guideline of Nava CNG Limited in each quarter. Customers that fail to meet the company's benchmark creditworthiness may transact with the company only on a cash / deposit scheme basis.

Management has a credit policy in place and the exposure to credit risk is monitor on an ongoing basis. As at 30th June, 2021, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposure from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting data was:

Non-Derivative Financial Assets:	**Amount (Tk.) 30.06.2022**	**Amount (Tk.) 30.06.2021**
Receivables-Current Assets	5,564,291,860	5,578,633,137
Inter Company Transactions	-	4,941,369,238
Advance to Suppliers	709,592,254	714,019,951
Advance to Employees	45,597,153	44,973,832
Advance to Others	502,696,821	481,584,061
Security Deposits	395,707,471	395,707,471
Cash at Bank	345,646,194	346,299,772
Cash in Hand	1,892,696	5,634,752
	7,565,424,449	**12,508,222,214**

At 30th June, 2022 the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

	Amount (Tk.) 30.06.2022	**Amount (Tk.) 30.06.2021**
Domestic	5,564,291,860	5,578,633,137
Foreign Receivable	-	-
	5,564,291,860	5,578,633,137

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	Amount (Tk.) 30.06.2022	Amount (Tk.) 30.06.2021
Ageing Schedule of Receivables:	**5,564,291,860**	**5,578,633,137**
Duration		
1-30 days	299,745,108	342,664,946
31-60 days	317,389,694	349,232,661
61-90 days	465,182,762	528,144,676
91-180 days	905,259,349	1,021,534,420
181-365 days	959,082,015	1,062,055,648
Over 365 days	2,617,632,932	2,275,000,786
	5,564,291,860	**5,578,633,137**

To mitigate the credit risk against trade receivables and others, the company has a system of specific credit line period to the customers. This outstanding period and amount are regularly monitored. The company endeavors to cover the credit risks on all other receivables, where possible, by restricting credit facility and stringent monitoring.

40.02.2 **Liquidity Risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepaid based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity / fund to make the expected payment within due date.

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Exposure to Liquitty Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. The carring amount of financial liabilities represent teh maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30th June, 2022.

30th June, 2022

In Taka	Note	Carrying Amount	Total	Contractual Cash Flows		
				2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Loan and Deferred Liabilities (Unsecured)	8.01	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non Current Maturity	8.02	4,892,433,196	4,892,433,196	489,243,320	1,467,729,959	2,935,459,918
Deferred Tax Liability	8.03	(18,755,621)	(18,755,621)	(1,875,562)	(5,626,686)	(11,253,373)
Lease Liability	8.04	76,165,502	76,165,502	7,616,550	22,849,651	45,699,301
Long Term Loan-Current Maturity	8.02	1,630,811,065	1,630,811,065	163,081,107	489,243,320	978,486,639
Short Term Loan	9.01	10,048,079,903	10,048,079,903	1,004,807,990	3,014,423,971	6,028,847,942
Accrued and Other Current Liabilities	9.02	1,496,559,308	1,496,559,308	159,247,585	477,742,754	859,568,970
Unclaimed Dividend Account	9.03	95,916,541	95,916,541	9,591,654	28,774,962	57,549,925
		18,246,520,333	**18,246,520,333**	**1,834,243,687**	**5,502,731,062**	**10,909,545,584**
Derivative financial liabilities		-	-			
		18,246,520,333	**18,246,520,333**	**1,834,243,687**	**5,502,731,062**	**10,909,545,584**

30th June, 2021

In Taka	Note	Carrying Amount	Contractual Cash Flows			
			Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Loan and Deferred Liabilities (Unsecured)	8.01	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non Current Maturity	8.02	4,467,280,547	4,467,280,547	1,340,184,164	1,786,912,219	1,340,184,164
Deferred Tax Liability	8.03	78,004,754	78,004,754	-	23,401,426	54,603,328
Lease Liability	8.04	50,684,891	50,684,891	-	2,597,595	48,087,296
Long Term Loan-Current Maturity	8.02	1,489,093,516	1,489,093,516	-	1,042,365,461	446,728,055
Short Term Loan	9.01	9,490,070,048	9,490,070,048	4,270,531,522	5,219,538,526	-
Accrued and Other Current Liabilities	9.02	1,257,990,990	1,257,990,990	125,799,099	251,598,198	880,593,693
Unclaimed Dividend Account	9.03	91,608,073	91,608,073	9,160,807	18,321,615	64,125,651
		16,950,043,258	**16,950,043,258**	**5,748,206,636**	**8,352,328,172**	**2,849,508,450**
Derivative financial liabilities		-	-	-	-	-
		16,950,043,258	**16,950,043,258**	**5,748,206,636**	**8,352,328,172**	**2,849,508,450**

A. HOQUE & CO. DHAKA CHARTERED ACCOUNTANTS

40.02.3 **Market Risk**

Market risk is the risk that any change in market price, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(i) **Interest Rate Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Exposure to fair value movement relates to fixed rate instrument subject to fair value accounting and exposure to cash flow fluctuation relates to variable rate instruments. The company is primarily exposed to cash flow fluctuation arising from variable rate borrowings. The objective of interest rate management for the Navana CNG Ltd. and its subsidiaries is to reduce financial cost and ensure predictability.

(ii) **Currency Risk**

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw material, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad.

41.00 **Capital Management**

Capital management refers to implementing policies and measures to maintain sufficient capital, assessing company's internal capital adequacy to ensure company's operation as a going concern. Capital consists of share capital, general reserve and revaluation reserve. All major investment and operational decisions with exposure to certain amount are evaluated and approved by the board. The board of directors monitors the level of dividends to ordinary shareholders.

42.00 **Subsequent Events-Disclosures under IAS 10 "Events after Reporting Period"**

The directors in the meeting held on 26th day of October, 2022 recommended 5% proposed dividend for general shareholders only excluding sponsors and directors and 5% stock dividend for all shareholders including sponsosrs and directors whose name will be appeared in teh shareholders' registers at the date of book closure which is subject to shareholders' approval at the forthcoming 42nd annual general meeting to be held on 28th December, 2022.

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

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A. HOQUE & CO.

CHARTERED ACCOUNTANTS

Annexure-A

AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARIES

Schedule of Property, Plant and Equipment as on 30th June, 2022

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 30.06.2022	Written Down Value as on 30.06.2021
	Opening Balance 01.07.2021	Addition during the year	Adjustment/ Disposal during the year	Total as on 30.06.2022		Opening Balance 01.07.2021	Charged during the year	Adjustment/ Disposal during the year	Total as on 30.06.2022		
Land and Land Development	1,148,608,502	10,004,572	-	1,158,613,074	0%	-	-	-	-	1,158,613,074	1,148,608,502
Building	319,207,509	170,197,630	-	489,405,139	2.50%	78,351,017	6,042,439	-	84,393,456	405,011,683	240,856,492
Shades	38,078,882	179,597,844	-	217,676,726	20%	28,746,300	6,229,461	-	34,975,761	182,700,965	9,332,582
Plant & Machinery	737,714,750	4,472,029	-	742,186,779	10%	442,516,110	24,257,223	-	466,773,333	275,413,446	295,198,641
Tools & Equipment	133,168,865	652,000	-	133,820,865	20%	100,851,850	5,877,116	-	106,728,966	27,091,900	32,317,016
Office Equipment	80,052,011	266,744	-	80,318,755	10%	43,248,881	2,745,161	-	45,994,041	34,324,713	36,803,129
Furniture & Fixtures	48,339,824	1,452,818	-	49,792,642	10%	24,418,222	1,897,535	-	26,315,757	23,476,885	23,921,602
Transport Vehicles	138,167,353	4,726,894	-	142,894,247	20%	107,184,920	3,978,306	-	111,163,226	31,731,020	30,982,433
Electric Line Installation	18,391,033	-	-	18,391,033	10%	7,908,681	834,519	-	8,743,200	9,647,833	10,482,352
Office Decoration	73,279,790	384,800	-	73,664,590	10%	28,812,799	1,578,673	-	30,391,473	43,273,117	44,466,991
Gas Line Installation	21,670,370	150,000	-	21,820,370	10%	9,558,364	1,218,076	-	10,776,441	11,043,930	12,112,006
Total	**2,756,678,889**	**371,905,331**	-	**3,128,584,220**		**871,597,145**	**54,658,509**	-	**926,255,654**	**2,202,328,565**	**1,885,081,747**

Note

Non-Current Assets held for Sales & Discontinued Operations for Aftab Automobiles Limited of Motorcycle Unit.

Depreciation charged to:	Total Tk.
Cost of Goods Sold (Factory (O/H)	53,252,821
Profit & Loss Accounts (Admin)	1,901,136
Profit & Loss Accounts (Selling)	4,015,844
Total	**59,169,801**

Annexure-B

Schedule of Righ Use of Assets as on 30th June, 2022

Particulars	Cost				Rate of Dep.	Depreciation				Carrying Amount	
	As at 01.07.21	Add./(Adj.) Dur. the year	Adj. D. the Year	As at 30.06.22		As at 01.07.21	Add./(Adj.) Dur. the year	Adj. D. the Year	As at 30.06.22	As at 30.06.22	As at 30.06.21
Right Use of Assets	78,895,130	55,536,240	-	134,431,370	10%	29,993,597	5,196,925		35,190,522	99,240,848	48,901,533
Total	**78,895,130**	**55,536,240**	-	**134,431,370**		**29,993,597**	**5,196,925**	-	**35,190,522**	**99,240,848**	**48,901,533**

A. HOQUE & CO. CHARTERED ACCOUNTANTS DHAKA