

Aftab Automobiles Limited and its Subsidiary

1st Quarter report
2022-2023

Dear Shareholders,

We are pleased to forward herewith the un-audited Consolidated Statement of Profit or Loss and other Comprehensive Income for the 1st Quarter ended September 30, 2022, Consolidated Statement of Financial Position as at September 30, 2022, Consolidated statement of Changes in Equity, Consolidated statement of cash flows and consolidated notes to the financial statements of the company for the period ended on that date.



Managing Director

Dated, Dhaka.

14 November 2022

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income
For the 1st Quarter ended September 30, 2022

Particulars	Notes	July ' 2022 to September' 2022	July ' 2021 to September' 2021
Revenues		340,616,626	197,836,682
Less : Cost of sales	3	274,295,308	157,588,642
Gross profit		66,321,319	40,248,040
Less: Operating expenses		97,635,212	98,727,716
Administrative expenses		9,855,816	12,996,028
Selling and distribution expenses		9,199,284	5,805,459
Financial charges		78,580,113	79,926,229
Operating profit/Loss		(31,313,894)	(58,479,676)
Add : Other income		7,964,274	7,378,276
Add : Share of profit from associate company		5,653,408	5,866,601
Profit before contribution to WPPF		(17,696,212)	(45,234,799)
Less : Contribution to WPPF		-	-
Profit before tax		(17,696,212)	(45,234,799)
Less : Provision for Income tax		(18,874,785)	(36,513,157)
Current tax	11	2,466,080	3,147,986
Deferred tax		(21,340,865)	(39,661,143)
Net income for the Period		1,178,573	(8,721,642)
Total comprehensive income for the Period		1,178,573	(8,721,642)
Total comprehensive income for the Period			
Attributable to:			
Equity holders		1,179,692	(8,719,567)
Non-controlling interests		(1,119)	(2,075)
Total comprehensive income for the period		1,178,573	(8,721,642)
Consolidated earnings per share	17	0.01	(0.09)



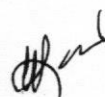
Managing Director



Director

Khaleda Islam

Director



CFO



Company Secretary

Aftab Automobiles Limited and its Subsidiary

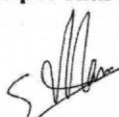
Un-Audited consolidated Statement of Financial Position

As at September 30, 2022

Particulars	Notes	30-09-22	30-06-22
Assets :			
Non-current assets :			
Property, plant and equipment	4	1,903,717,679	1,924,542,138
Capital work-in-progress	5	755,195,870	733,964,130
Investments		28,395,758	28,395,758
Investments in associate		431,736,346	426,082,938
Receivables -Non-Current Maturity	6	2,329,971,066	2,311,780,126
Right of use assets		96,168,911	99,240,849
Total non-current assets		5,545,185,631	5,524,005,939
Current assets:			
Receivables -Current Maturity	6	3,171,888,282	3,252,511,734
Stock and stores	7	1,622,639,133	1,580,037,143
Current account with Navana Group Companies		6,104,844,609	5,714,323,982
Advances, deposits and prepayments	8	7,197,813,838	7,067,468,768
Cash and bank balances	9	284,429,549	347,538,890
Non current assets held for sale & discontinued operations		277,786,431	277,786,431
Total current assets :		18,659,401,842	18,239,666,948
Total Assets		24,204,587,472	23,763,672,886
Equity and Liabilities :			
Capital & reserve			
Share capital		1,005,190,431	1,005,190,431
Share premium		1,925,858,339	1,925,858,339
Reserve		67,338,231	67,338,231
Retained earnings		2,521,101,546	2,518,359,196
Equity attributable to equity holders		5,519,488,547	5,516,746,197
Non-controlling interest		405,236	406,356
Total equity		5,519,893,783	5,517,152,552
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310,440	25,310,440
Long Term loan-Net of current maturity	10	5,052,811,711	4,892,433,196
Deferred tax liability	12	(3,459,365)	(18,755,622)
Lease liability		77,558,571	76,165,502
Total non-current liabilities		5,152,221,356	4,975,153,516
Current liabilities :			
Long Term loan-Current maturity	10	1,684,270,570	1,630,811,065
Short-term loan	13	10,285,319,716	10,048,079,903
Accrued and other current liabilities	14	1,468,316,795	1,496,559,308
Unclaimed Dividend Account	15	94,565,253	95,916,541
Total current liabilities :		13,532,472,333	13,271,366,817
Total liabilities		18,684,693,689	18,246,520,333
Total Equity and Liabilities		24,204,587,472	23,763,672,886
Consolidated net assets value per share (NAVPS)	16	54.91	54.88




Managing Director



Director

Khaleda Islam

Director



CFO



Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Cash Flows

For the 1st Quarter ended September 30, 2022

Particulars	Notes	July ' 2022 to September' 2022	July ' 2021 to September' 2021
A. Cash flows from operating activities			
Receipts from customers		403,049,138	524,664,310
Receipts as other income		7,964,274	7,378,276
Payments to suppliers and employees		(371,952,374)	(166,852,539)
Cash generated from operations		39,061,037	365,190,047
Income tax paid		(10,448,331)	(2,000,715)
Net cash generated by operating activities		28,612,707	363,189,332
B. Cash flows from investing activities			
Acquisition of property, plant & equipment		(214,911)	(2,943,071)
Advance for capital assets		(111,416,276)	(327,151,771)
Investment in Share money deposit		-	-
Capital work in progress		(21,231,740)	-
Net cash used investing activities		(132,862,927)	(330,094,842)
C. Cash flows from financing activities			
Received from bank loan		451,077,833	239,067,924
Financial charges paid		(78,580,113)	(79,926,229)
Inter company transaction		(407,059,101)	(117,570,700)
Dividend paid		(1,351,288)	(34,846,060)
Net cash used in financing activities		(35,912,668)	6,724,935
D. Net changes in cash & cash equivalents for the period (A+B+C)		(63,109,341)	(31,133,484)
E. Cash & cash equivalents at beginning of the period		347,538,890	344,207,827
F. Cash & cash equivalents at end of the period (D+E)		284,429,549	313,074,343
Consolidated net operating cash flows per share (NOCFPS)	18	0.28	3.79



Managing Director



Director

Khaleeda Islam

Director



CFO



Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity
For the 1st Quarter ended September 30, 2022

Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
Balance as on July 01, 2021	957,324,220	1,925,858,339	67,338,231	2,591,845,470	5,542,366,260	409,158	5,542,775,418
Adjustment for the Application of IFRS-16 (Lease)				(683,933)	(683,933)		(683,933)
Dividend				(33,505,875)	(33,505,875)		(33,505,875)
Comprehensive income for the period				(8,719,567)	(8,719,567)	(2,075)	(8,721,642)
Balance at September 30, 2021	957,324,220	1,925,858,339	67,338,231	2,548,936,095	5,499,456,885	407,083	5,499,863,968
Balance as on July 01, 2022	1,005,190,431	1,925,858,339	67,338,231	2,518,359,196	5,516,746,197	406,356	5,517,152,552
Adjustment for the Application of IFRS-16 (Lease)				1,562,658	1,562,658		1,562,658
Dividend							
Comprehensive income for the period				1,179,692	1,179,692	(1,119)	1,178,573
Balance at September 30, 2022	1,005,190,431	1,925,858,339	67,338,231	2,521,101,546	5,519,488,547	405,236	5,519,893,783



Managing Director



Director

Khaleeda Islam

Director



CFO



Company Secretary

Aftab Automobiles Limited and its Subsidiary

Consolidated notes to the Financial Statements

As at for the 1st Quarter ended September 30, 2022

1. Corporate Information and Mode of Business

Aftab Automobiles Limited (the company), was incorporated in erstwhile East Pakistan in the Year 1967 as East Pakistan Automobiles Limited under the Companies Act, 1913. Subsequently, after liberation, the company changed its 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 the Companies Act, 1913. The Registered Office of the Company is located at 125/A, Motijheel Commercial Area, Dhaka-1000. The Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1987 and 1996 respectively.

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 1 shift in Assembling Unit. At present the plant is running in single shift. The Company has one subsidiary company namely Navana Batteries Ltd, that produces and markets Batteries .

2 . Significant Accounting Policies and basis of preparation of the financial statements

2.1 . Statement of Compliance

The financial statements have been prepared in accordance with International Accounting Standards (IAS)- 34 Interim Financial Reporting Standards.

2.2 . Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirement of IAS 1- "Presentation of Financial Statements".

2.3. The reason for Significant deviation between the quarterly periods of the company :

Revenue:

The overall revenue of the company has increased from July 2021 to September 2021 and July 2022 to September 2022 than those of the same period of the previous year due to market demand.

Net operating Cash Flows:

The significant difference in NOCFPS between July to September 2022, compared to the corresponding period of last year, is due to the decrease in the collection from the customer and increased payment to the suppliers.

Earnings per share (EPS):

The company's total sales revenue has increased significantly due to the purchase demand. Therefore, the consolidated EPS resulted in an increase compared to the corresponding period of last year.

2.4. Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

2.5. Reporting Period

These financial statements cover 1st quarter of accounting year of the company for the period from July 01, 2022 to September 30, 2022.

2.6. General

2.6.1 Figures appearing in these financial statements have been rounded off to the nearest taka.

2.6.2 Previous period's figures whenever considered necessary have been re-arranged in order to conform to this period's presentation.

2.7. Foreign Currency Exchange Gain/Loss

The company gain Foreign Currency in Cash and Cash equivalents at the beginning and the end of the period September 30, 2022.

Particulars	July ' 2022 to September' 2022	July ' 2021 to September' 2021
3. Cost of sales		
Materials	236,892,873	123,685,733
Factory Overhead	18,967,772	19,524,395
Depreciation	18,434,662	14,378,514
	274,295,308	157,588,642

Notes No.	Particulars	30-09-22	30-06-22
4	Property, plant and equipment, net		
	Opening Balance	1,924,542,138	1,924,542,138
	Add : Addition for the Period	214,911	
	Add : Transferred from Capital W-I-P	-	359,571,030
		1,924,757,049	1,924,542,138
	Less : Depreciation	21,039,370	
	Closing Balance	1,903,717,679	1,924,542,138
5	Capital work-in-progress		
	Opening balance	733,964,130	979,271,904
	Add : Addition during the Period	21,231,740	114,263,256
		755,195,870	1,093,535,160
	Less: Transfer to property, plant & equipment	-	359,571,030
	Closing balance	755,195,870	733,964,130
6	Total Receivables	5,638,977,889	5,698,401,341
	Less : Bad debts	137,118,541	134,109,481
		5,501,859,348	5,564,291,860
	Receivable current (Maturity less than 12 months)	3,171,888,282	3,252,511,734
	Receivable Non-Current (Maturity over 12 months)	2,329,971,066	2,311,780,126
7	Stock and stores		
	Finished products	563,926,231	611,016,232
	Raw materials	411,102,914	407,648,411
	Work-in-process	379,466,847	380,495,799
	Stores and spares	1,327,953	1,614,953
	Goods in transit	266,815,188	179,261,748
		1,622,639,133	1,580,037,143
8	Advances, deposits and prepayments		
	Advance to suppliers	702,195,221	709,592,254
	Advance to employees	48,097,172	45,597,153
	Advance to others	516,689,052	502,696,820
	Current Account with VAT	74,928,554	73,691,825
	Deposits	394,707,469	395,707,471
	Advance for Capital Assets	4,231,352,515	4,119,936,239
	Advance Income tax (note-8.1)	1,229,843,855	1,220,247,006
		7,197,813,838	7,067,468,768
	8.1 Advance Income tax		
	Opening balance	1,220,247,006	1,112,697,165
	Add : Addition during the Period	9,596,849	13,505,384
		1,229,843,855	1,220,247,006
	Less : Adjustment made during the period	-	-
	Closing Balance	1,229,843,855	1,220,247,006
9	Cash and bank balances		
	Cash in hand	1,940,888	1,892,696
	Cash at bank : Current AC, STD AC & FDR Accounts	282,488,661	345,646,194
		284,429,549	347,538,890
10	Long Term loan-Net of current portion		
	Agrani Bank Ltd.	1,878,318,617	1,845,880,847
	SBAC bank Ltd.	104,757,554	107,889,953
	Mutual trust bank ltd.	183,224,948	194,782,844
	Midland Bank Ltd.	61,736,457	61,738,603

Notes No.	Particulars	30-09-22	30-06-22
	Peoples Leasing	146,203,874	146,203,874
	One Bank Ltd.	425,756,149	416,183,884
	NCC Bank Ltd.	165,754,814	177,011,197
	Bay Leasing	130,213,406	130,213,424
	GSP Finance	346,380,000	346,380,000
	Midas financing	50,951,203	50,951,203
	Union Capital	149,202,177	149,202,177
	BD Finance Ltd.	58,159,743	58,159,744
	First Security Islami Bank Ltd.	150,000,000	-
	Phoenix Finance	855,147,403	835,105,359
	Trust Bank Ltd.	436,500,000	428,400,000
	Dutch-Bangla Bank Ltd.	956,960,000	926,200,553
	Social Islami Bank Ltd.	50,600,000	72,743,041
	Modhumoti bank Ltd.	587,215,936	576,197,558
	Hajj Finance Company Ltd.	-	-
		6,737,082,281	6,523,244,261
	less: Long Term loan-Current portion	1,684,270,570	1,630,811,065
	Long Term loan-Net of current portion	5,052,811,711	4,892,433,196
11	Current tax		
	Aftab Automobiles Ltd. (Note: 11.1)	1,636,782	2,385,223
	Navana Batteries Ltd (Note: 11.2)	829,298	2,044,518
		2,466,080	4,429,741
11.1	Aftab Automobiles Ltd.		
	Operating profit	(27,770,000)	(116,577,591)
	Other Income	7,964,274	13,357,514
	Contribution to WPPF	-	-
	Bad debts	3,009,060	-
	Add: Accounting depreciation	14,143,071	23,924,658
	Less: Tax depreciation	(24,215,498)	(48,230,067)
		(26,869,093)	(127,525,486)
	Normal Tax liability @ 22.5% on profit before tax	(6,045,546)	(28,693,234)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	1,636,782	2,385,223
	Current Tax Liabilities (whichever is higher)	1,636,782	2,385,223
11.2	Navana Batteries Ltd.		
	Profit before Tax	(3,543,894)	(12,515,229)
	Add: Accounting Depreciation	7,911,339	35,245,143
	Less: Tax Depreciation	(8,100,042)	(39,134,300)
	Adjusted Profit for tax calculation	(3,732,597)	(16,404,386)
	Normal Tax liability @ 30% on profit before tax	(1,119,779)	(4,921,316)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	829,298	2,044,518
	Current Tax Liabilities (whichever is higher)	829,298	2,044,518
12	Deferred tax liability		
	Aftab Automobiles Ltd. (12.1)	(47,141,129)	(64,754,177)
	Navana Batteries Ltd. (12.2)	43,681,764	45,998,555
	Closing Balance	(3,459,364)	(18,755,622)
	Calculation of Deferred tax		
12.1	Deferred tax liability		
	Opening Balance	(64,754,177)	22,599,404
	Add : Addition for the Period (12.1B)	16,482,367	(92,252,828)
	Add : For Associate Company (12.1A)	1,130,682	4,899,247
	Closing Balance	(47,141,129)	(64,754,177)

Notes No.	Particulars	30-09-22	30-06-22
12.1A	Associate company		
	Opening Balance	81,216,587	76,317,341
	Add: Provision during the period	1,130,682	4,899,247
	Deferred Tax on Associate Company as on 30.09.2022	82,347,269	81,216,587
	Investment Valuation surplus in share		
12.1B	PPE & Bad Debt		
	PPE:		
	WDV on PPE as per Accounting Calculation	1,434,815,368	1,448,743,529
	WDV on PPE as per Taxable Calculation	1,256,281,354	1,280,281,941
	Less: Unabsorbed Depreciation	(29,185,895)	53,401,393
	Less: Unused TAX Losses	(2,653,595)	75,078,155
	Temporary Defference	210,373,504	39,982,039
	Deferred Tax 22.5% on difference	47,334,038	8,995,959
	Opening Deffered TAX	66,811,755	(24,492,188)
	Deferred Tax During The Year (i)	(19,477,717)	(91,303,943)
	BAD DEBTS:		
	Bad debts as per accounting base	137,118,541	134,109,481
	Bad debts as per tax base	-	-
	Temporary difference	(137,118,541)	134,109,481
	Deferred Tax 22.5% on difference (ii)	(30,851,672)	(30,174,633)
	Opening Deffered TAX	(30,174,633)	(29,225,749)
		(677,038)	(948,884)
	Total deferred tax on PPE & Bad Debt (i+ii)	(20,154,756)	(92,252,828)
12.2	Navana Batteries Ltd		
	WDV on PPE as per Accounting Calculation	786,275,324	794,186,666
	WDV on PPE as per Taxable Calculation	588,412,336	596,512,379
	Less: Unabsorbed Depreciation	93,484,301	85,384,259
	Less: Unused TAX Losses	(41,227,192)	(41,038,489)
	Temporary Defference	145,605,879	153,328,518
	Deferred Tax 30% on different	43,681,764	45,998,555
	Opening Deffered TAX	45,998,555	55,405,350
	Actual deferred tax after unabsorbed depreciation	(2,316,791)	(9,406,795)
	Total Deferred Tax Expenses (PL AC)	(21,340,865)	(96,760,376)
	Total Deferred Tax Liabilities (FS AC)	(3,459,365)	(18,755,622)

Notes No.	Particulars	30-09-22	30-06-22
13	Short-term loan		
	Agrani Bank Ltd.	1,676,363,802	1,638,674,293
	Bank Asia Ltd.	1,075,175,175	1,050,999,986
	Standard Bank Ltd.	114,235,368	111,778,468
	NRB Commercial Ltd.	536,967,692	526,904,402
	NCC bank Ltd.	52,500,000	51,153,790
	Dhaka Bank Ltd.	459,214,958	447,404,408
	Mercantile Bank Ltd.	573,151,330	545,712,274
	The City Bank Ltd.	79,627,094	77,836,412
	Prime bank Ltd.	47,812,452	49,650,245
	SBAC bank Ltd.	30,784,215	30,834,564
	Southeast Bank Ltd.	1,167,120,587	1,106,522,740
	Janata Bank Ltd.	537,000,000	524,867,527
	Dutch-Bangla Bank Ltd.	587,039,875	596,240,935
	Al-Arafah Islami Bank Ltd.	63,600,000	68,155,622
	IFIC Bank Ltd.	2,766,327,168	2,710,253,030
	Jamuna Bank Ltd.	-	-
	Shahjalal Islami bank ltd.	221,800,000	217,561,268
	Modhumoti bank Ltd.	189,600,000	186,500,538
	Islamic Finance & Investment Ltd.	29,700,000	29,733,243
	Phoenix Finance & Investments Ltd.	77,300,000	77,296,158
		10,285,319,716	10,048,079,903
14	Accrued and other current liabilities		
	For goods supplied	401,086,429	381,405,322
	For expenses	118,567,710	151,751,333
	For Income tax	858,433,772	856,819,173
	For Workers' P.P.F. and W.F.	-	-
	Provision for bad debts	4,101,643	4,101,643
	For Other Finance	66,017,650	83,090,862
	For Bond Liabilities	2,694,543	2,694,543
		1,468,316,795	1,496,559,308
15	Unclaimed Dividend Account		
	The aging of Unclaimed Dividend are as follows:		
	Unclaimed for less than 3 year's	34,366,501	35,690,520
	Unclaimed for more than 3 year's	60,198,752	60,226,021
		94,565,253	95,916,541
16	Net assets value per share (NAVPS)		
	Net assets value	5,519,488,547	5,516,746,197
	Number of ordinary shares used to compute NAVPS	100,519,043	100,519,043
	Net assets value per share	54.91	54.88
17	Earnings per share (EPS)		
	Profit attributable to ordinary shareholders	1,179,692	(8,721,642)
	Number of ordinary shares used to compute earnings per share	100,519,043	95,732,422
	Earnings per share	0.01	(0.09)
	Though the gross profit increased in the corresponding quarter, the financial expenses admirably affected the bottom-line profitability & consequently resulted in an increase in EPS.		
18	Net operating cash flows per share (NOCFPS)		
	Net operating cash flows (Note: 18.1)	28,612,707	363,189,333
	Number of ordinary shares used to compute NOCFPS	100,519,043	95,732,422
	Net operating cash flows per share	0.28	3.79
	NOCFPS has substantially decreased in current year's 1st quarter compared to the previous year's 1st quarter due to decrease in cash sales along with increase payments to suppliers.		

Notes No.	Particulars	30-09-22	30-06-22
18.1	Reconciliation of cash flows from operating activities under indirect method:		
	Net profit/Loss before interest, income tax & WPPF during the period	39,301,945	28,824,834
	Adjustment to recocile net income to net cash provided by operating activities:		
	Depreciation	24,111,308	15,748,634
	Payment of lease liability	(40,373,975)	(1,187,117)
	Interest on lease liability	527,080	27,557
	Payment of WPPF	-	-
	Income tax paid	(10,448,331)	(2,000,715)
	Changes in current assets and liabilities:		
	Decrease/ (increase) in inventories	42,601,990	20,209,106
	Decrease/ (increase) in advance and prepayments	(120,748,222)	(17,854,711)
	(Decrease)/ increase in payables & accruals	31,208,400	(7,405,884)
	Decrease/ (increase) in trade receivable	62,432,511	326,827,628
	Net cash flow from operating activities	28,612,707	363,189,333