



এম, জেড, ইসলাম এন্ড কোং
M. Z. ISLAM & CO.
Chartered Accountants



An International Affiliated Member Firm of MGM Accountants Pty Ltd. Australia.

**Aftab Automobiles Limited and
Its Subsidiary**

For the year ended June 30, 2023



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 June 30, 2023; 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 then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 55 and Annexure- A & B.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at June 30, 2023, and of its financial performance and its cash flows for the year then 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) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

We draw attention on the matters disclosed as below:

1. We draw attention to note no. 20 of financial statements, which describes the effects of unclaimed dividend and also;

Other matter

The financial statements of Navana Batteries Limited, Subsidiary Company of Aftab Automobiles Limited for the year ended on June 30, 2023 were audited by another auditor and give fair opinion.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended on June 30, 2023. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

In addition to the matter described in the basis for opinion section each matter mentioned below our description of how our audit addressed the matter is provided in the 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.





Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of our financial statements, the results of our audit procedures, including the procedures performed to address the matters below;

Key Audit Matters	How our audit addressed the key audit matters
<p>Revenue</p> <p>At year ended the reported total Turnover Tk. 1,184,911,272. There is also a risk that revenue may be overstated/ Understated due to the timing differences.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance Indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting standards. Segregation of duties in invoice creation and modification and timing of revenue recognition. Assessing the appropriateness of the company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards. Obtain supporting documentation for sale transaction recorded either side of year-end to determine whether revenue was recognized in the current period. Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation. Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. <p>We were satisfied that the revenue recognition policies have been applied appropriately. Based on the work performed, we concluded that revenue has been recorded appropriately.</p>
<p>Inventories</p> <p>As at June 30, 2023, the reported amount of inventories is Tk. 1,348,212,066 held in plants warehouses.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the companies apply judgment in determining the appropriate values of inventory in</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory as per International Accounting Standard (IAS) by:</p> <ul style="list-style-type: none"> Evaluating the design and implementation of key inventory controls operating across the factory, warehouse.





accordance with International Accounting Standard (IAS).

Considering the risk as stated above the valuation of Inventory is a key audit matter to the Financial Statements.

- We have collected inventory count data sheet and relevant certification of inventories which indicates inventory items were maintained in good condition and maintaining all compliances.
- Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.

Obtaining a detailed review with the subsequent sales to compare with the net realizable value.

We were satisfied that the inventory recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that inventories have been recorded appropriately.

Property, Plant and Equipment

The carrying value of the tangible fixed assets is Tk. 2,090,008,163 as at June 30, 2023. The valuation of tangible fixed assets was identified as a key audit matter due to significance of this balance to the Financial Statements.

The costs (Capital in nature) are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The useful lives of tangible fixed assets items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of the useful life on the experience of the entity with similar assets and also take into a consideration the physical condition of the assets.

Our audit included the following procedures:

- We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.
- We obtained a listing of capital expenditures incurred during the year and, on a sample basis checked whether the items were procured during the year.
- We verified the invoices and L/C documents on sample basis to segregate the capital and operation expenditure and found that the transactions are appropriately classified.
- We evaluated whether the useful lives determined and applied by management were in line with the nature of assets, the physical condition of the assets and its uses.
- We checked whether the depreciation of tangible fixed assets items was commenced from the date of ready to use and found the depreciation had been started accordingly.

We were satisfied that the property, Plant and equipment recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that property, plant and equipment have been recorded appropriately.





Long Term Loan and Short Term Loan

As at June 30, 2023, the reported amount of total Long Term Loan is Tk. 11,890,755,215 And Short-Term Loan is Tk. 5,954,581,632 respectively. The company borrowed fund from various bank for the purpose of acquisition of non-current assets and working capital as well.

The company may face difficulties due to unfavorable movement in interest rate & monetary policy that may result in short term and cash flow crisis.

We have tested the design and operating effectiveness of key controls focusing on the following:

- Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of loan.
- We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately.
- We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.
- We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.

We were satisfied that; Long Term Loan & Short-Term Loan was recorded properly. Based on the work performed, we concluded that Loan Term Loan & Short-Term Loan have been recorded appropriately.

Trade Receivable

The total amount of Trade receivable is Tk. 5,308,133,234 as at June 30, 2023. There are significant large numbers of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk.

The increasing challenges over the economy and operating environment in the manufacturing industry during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.

Accordingly, we identified the recoverability of Receivables as a key audit matter

Our audit procedures of assess the recoverability of trade receivables including the following:

- Tested the accuracy of aging of Receivables at year end on a sample basis;
- Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;
- Assessing the classification of trade receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a test basis.
- Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and





Because of the significance of Receivable to Company's Financial Position and because of the significant degree of management judgement involved in evaluating the adequacy of the allowance for doubtful debts.

- Inspecting subsequent bank receipts from customers and other relevant underlying documentation relation to trade receivable balance as at June 30, 2023.

We were satisfied that; Trade and other Receivable were recorded properly and assessed with their appropriate recoverability. Based on the work performed, we concluded that Trade and other receivable have been appropriately.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other 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.

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 no realistic alternative but to do so.

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

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 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 ISAs, we exercise professional judgment and maintain professional skepticism 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 material 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 auditor's 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.





Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- In our opinion, proper books of accounts, as records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of these books;
- The statements 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 accounts and returns; and
- The expenditure incurred was for the purposes of the Company's business.

Place : Dhaka

Dated: November 29, 2023



Md. Matiur Rahman

Md. Matiur Rahman FCA, FCMA

Enroll No.:0765

Partner

M. Z. Islam & Co.

Chartered Accountants

DVC : 2311290765AS697047

Aftab Automobiles Limited & its subsidiary
Consolidated Statement of Financial Position
As at June 30, 2023

Particulars	Notes	Amount In Taka	
		June 30, 2023	June 30, 2022
Assets			
Non-current assets		5,857,256,195	5,820,547,990
Property, plant and equipment	5	2,090,008,163	1,924,542,138
Non current assets held for sale & discontinued operation	6	277,786,431	277,786,431
Capital work-in-progress	7	799,066,138	733,964,130
Investments in share & associate company	8	454,915,769	454,478,696
Receivables -Non-Current Maturity	9	2,130,831,870	2,311,780,126
Deferred tax assets	28	68,106,361	18,755,621
Right of use assets		36,541,463	99,240,848
Current assets		19,049,962,321	17,961,880,518
Receivables -Current Maturity	9	3,177,301,364	3,252,511,734
Inventories	10	1,348,212,066	1,580,037,143
Current account with Navana Group Companies	11	6,557,853,536	5,714,323,982
Advances, deposits and prepayments	12	7,666,690,291	7,067,468,769
Cash and cash equivalent	13	299,905,064	347,538,890
Total assets		24,907,218,516	23,782,428,507
Equity and Liabilities			
Capital & reserves		5,462,575,814	5,516,746,196
Share capital	14	1,055,449,950	1,005,190,430
Share premium	15	1,925,858,339	1,925,858,339
Reserves	16	67,338,231	67,338,231
Retained earnings		2,413,929,294	2,518,359,196
Non-controlling interests		405,347	406,356
Total equity		5,462,981,161	5,517,152,552
Non-current liabilities		8,980,976,851	4,993,909,137
Loan and deferred liabilities (unsecured)	32	25,310,440	25,310,440
Long Term loan-Non current Maturity	17	8,918,066,412	4,892,433,196
Lease liability		37,600,000	76,165,501
Current liabilities		10,463,260,508	13,271,366,819
Long Term loan-Current Maturity	17	2,972,688,804	1,630,811,065
Short-term loan	18	5,954,581,632	10,048,079,903
Accrued and other current liabilities	19	1,432,956,602	1,496,559,310
Unclaimed dividend	20	103,033,470	95,916,541
Total liabilities		19,444,237,360	18,265,275,956
Total equity and liabilities		24,907,218,516	23,782,428,507
Net assets value per share (NAVPS)	30	51.76	54.88

The annexed notes 1 to 55 and schedule-A & B form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on November 29, 2023 and were signed on it's behalf by.


 Chief Financial Officer


 Company Secretary


 Director



 Director


 Managing Director

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 29, 2023




Md. Matiur Rahman FCA, FCMA
 Enrolment No. 0765
 Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC: 2311290765AS697047

Aftab Automobiles Limited & its subsidiary
Consolidated statement of Profit or Loss and other Comprehensive Income
 For the year ended June 30, 2023

Particulars	Notes	July 01, 2022 to June 30, 2023	July 01, 2021 to June 30, 2022
Sales revenue	21	1,184,911,272	710,591,300
Less : Cost of goods sold	22	966,055,971	536,403,861
Gross profit		218,855,301	174,187,439
Less: Operating expenses			
Administrative expenses	23	45,328,983	45,867,737
Selling and distribution expenses	24	41,670,789	18,349,510
Financial charges	25	216,613,308	239,061,668
Total Operating Expense		303,613,080	303,278,915
Operating profit/loss		(84,757,779)	(129,091,476)
Non-operating income	26	19,517,300	13,357,514
Share of profit from associate company	8.01	28,832,831	24,496,234
Profit/loss before contribution to WPPF		(36,407,648)	(91,237,728)
Less: Contribution to WPPF		-	-
Net profit/loss before tax		(36,407,648)	(91,237,728)
Less: Income tax expense			
Current tax	27	8,826,225	4,429,741
Deferred tax	28	(49,350,738)	(96,760,376)
Total Income Tax Expense		(40,524,513)	(92,330,635)
Net profit After Tax		4,116,866	1,092,907
Total comprehensive Income for the year		4,116,866	1,092,907
Attributable to:			
Equity holders of the company		4,117,874	1,095,709
Non-controlling interests		(1,008)	(2,802)
Profit for the year		4,116,866	1,092,907
Consolidated earnings per share	29	0.04	0.01

The annexed notes 1 to 55 and schedule-A & B form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on November 29, 2023 and were signed on it's behalf by.

 **Chief Financial Officer**
  **Company Secretary**
  **Director**
  **Director**
  **Managing Director**

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 29, 2023




Md. Matiur Rahman FCA, FCMA
 Enrolment No. 0765
 Partner
M. Z. Islam & Co.
 Chartered Accountants
 DVC: 2311290765AS697047

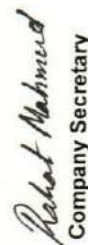
Aftab Automobiles Limited and its Subsidiary
 Consolidated Statement of Changes in Equity
 For the year ended June 30, 2023

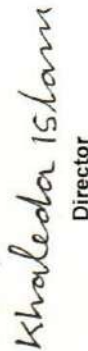
Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
Balance as on July 01, 2022	1,005,190,430	1,925,858,339	67,338,231	2,518,359,196	5,516,746,196	406,356	5,517,152,552
Adjustment for Discontinue of Lease Agreement				(23,107,086)	(23,107,086)	-	(23,107,086)
Stock dividend	50,259,520			(50,259,520)		-	-
Cash dividend	-	-	-	(35,181,170)	(35,181,170)	-	(35,181,170)
Total comprehensive Income for the year	-	-	-	4,117,874	4,117,874	(1,008)	4,116,866
Balance as at June 30, 2023	1,055,449,950	1,925,858,339	67,338,231	2,413,929,294	5,462,575,815	405,348	5,462,991,161

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	2,591,845,473	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	47,866,210			(47,866,210)		-	-
Cash dividend	-	-	-	(33,505,875)	(33,505,875)	-	(33,505,875)
Total comprehensive Income for the year	-	-	-	1,095,709	1,095,709	(2,802)	1,092,907
Balance as at June 30, 2022	1,005,190,430	1,925,858,339	67,338,231	2,518,359,196	5,516,746,196	406,356	5,517,152,552

The annexed notes 1 to 55 and schedule-A & B form an integral part of these financial statements.
 These financial statements were approved by the Board of Directors on November 29, 2023 and were signed on its behalf by.


 Chief Financial Officer


 Company Secretary


 Director


 Director


 Managing Director

Signed in terms of our separate report of even date.

Dated : Dhaka
 November 29, 2023



Aftab Automobiles Limited and its Subsidiary

Consolidated Statement of Cash Flows
For the year ended June 30, 2023

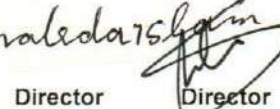
Particulars	Notes	July 01, 2022 to June 30, 2023	July 01, 2021 to June 30, 2022
A. Cash flows from operating activities			
Receipts from customers		1,441,069,898	724,932,577
Receipts from others		19,517,300	13,357,514
Payments for materials, services and expenses		(1,172,655,089)	(369,084,511)
Cash generated from operations		287,932,109	369,205,580
Income tax paid		(36,166,491)	(13,505,384)
Net cash generated by operating activities		251,765,618	355,700,196
B. Cash flows from investing activities			
Acquisition of property, plant & equipment		(38,226,119)	(42,317,436)
Advance for capital assets		(65,392,791)	(366,614,869)
Payments for capital work in progress		(90,277,561)	(114,263,256)
Net cash used investing activities		(193,896,471)	(523,195,561)
C. Cash flows from financing activities			
Proceeds from bank loan		452,595,912	1,117,423,659
Group company receipts/(payments)		(363,916,295)	(806,333,644)
Bank interest paid		(166,118,350)	(165,028,055)
Dividend paid		(23,064,241)	(29,197,407)
Unclaimed dividend transferred to CMSF		(5,000,000)	-
Net cash provided by financing activities		(105,502,974)	116,864,553
D. Net changes in cash & cash equivalents for the period/ year (A+B+C)		(47,633,827)	(4,395,635)
E. Cash & cash equivalents at beginning of the period/year		347,538,890	351,934,525
F. Cash & cash equivalents at end of the period/ year (D+E)		299,905,063	347,538,890
Net operating cash flows per share (NOCFPS)	31	2.39	3.54

The annexed notes 1 to 55 and schedule-A & B form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on November 29, 2023 and were signed on it's behalf by.


Chief Financial Officer


Rahat Mahmud
Company Secretary


Khaleelur Rahman
Director


Managing Director

Signed in terms of our separate report of even date.

Dated : Dhaka

November 29, 2023



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

**FOR THE YEAR ENDED 30TH JUNE, 2023
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 the 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 the liberation war, the Company changed its name to Aftab Automobiles Limited. It 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 its inception. However, in 1981 it was transformed into a Public Limited Company under the Companies Act, 1913. The Company was listed with the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in the years 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: 08/08/2022
- (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, and Hino Mini Bus/Truck Chassis with a production capacity of 2400 units of vehicles in 3 shifts in assembling units. At present the plant is running a single shift.

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 that 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 the 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.

The Company is engaged in the real estate development business of building development projects both commercial and residential and the 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, 2023;
- ☞ Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2023;
- ☞ Consolidated Statement of Changes in Equity for the year ended 30th June, 2023;
- ☞ Consolidated Statement of Cash Flows for the year ended 30th June, 2023;
- ☞ 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 a recent amendment to the Companies Act, 1994 incorporating amendments, among others, is to change the word 'Limited' to the word 'PLC' in the 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.

SI. 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

SI. 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

2.04 Basis of Measurement

The consolidated financial statements have been prepared based on the accrual basis of accounting and prepared 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 the 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 & FDR, 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.

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 financial 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, uncertainty 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 the legal right to set off the amounts and intends to settle on a 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 offset by way of deduction from another liability or asset unless there exists 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 are 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 2021-2022 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 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 the 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 the Companies Act, 1994.

2.14 Reporting Period

The reporting period of the Company covers one year from 1st day of July, 2022 to 30th June, 2023.

2.15 Approval of Financial Statements

The financial statements have been approved by the Board of Directors on the 29th day of November, 2023.

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

For significant transactions and events that have a 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 the 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 an 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 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 within the part will flow to the company and its cost measured reliably. The cost of day to day servicing of property 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 the diminishing balance method in an amount sufficient to write off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditures 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 of 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:

<u>Category of Fixed Assets</u>	<u>Rate of Depreciation</u>
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 the cost of sales and partly as an expense inconsistent 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, the recoverable amount is estimated to determine the extent of the impairment loss, if any, impairment loss is recorded on the 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.

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 cash 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 consideration 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;
- ♦ 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.

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, investments and cash & cash equivalents.

(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 comprise 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 from past 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 recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

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

Non-derivative financial liabilities comprise trade and other payables, provision for expenses, liability for expenses, interest bearing borrowings and other current liabilities.



(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.

Objective evidence that financial assets are impaired includes:

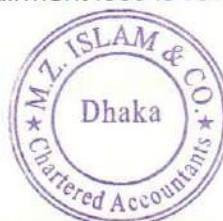
- (a) default or delinquency by a debtor;
- (b) restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- (c) indications that a debtor or issuer will enter bankruptcy;
- (d) adverse changes in the payment status of borrowers or issuers;
- (e) observable 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 assessments 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.

3.14 **Leases**

IFRS 16 provides a single lessee 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 lessee 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 lessee, 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.

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.

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.

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.
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.

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, along with 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.



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.



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

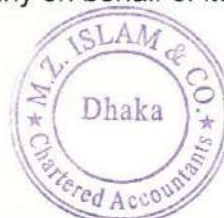
Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are 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 34.

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.



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
5.00	Consolidated Property, Plant & Equipment, Net		
	Land & Land Development	1,019,059,057	1,019,059,057
	Building	585,558,725	384,721,121
	Shades	147,534,038	182,262,114
	Plant & Machinery	198,662,902	220,736,558
	Tools & Equipments	19,087,583	23,859,479
	Office Equipment	22,394,519	24,847,650
	Furniture & Fixture	16,071,502	17,808,390
	Transport Vehicles	51,965,850	18,276,672
	Electrical line installation	6,759,605	7,510,672
	Office Decoration	12,974,844	14,416,494
	Gas line installation	9,939,538	11,043,931
	Total	2,090,008,163	1,924,542,138
	The break-up of PPE is shown in Annexure- A.		
6.00	Consolidated Non-current assets held for sale & discontinued operations		
	Land & Land Development	139,554,017	139,554,017
	Building	20,290,561	20,290,561
	Shades	438,851	438,851
	Plant & Machinery	54,676,889	54,676,889
	Tools & Equipments	3,232,421	3,232,421
	Office Equipment	9,477,063	9,477,063
	Furniture & Fixture	5,668,495	5,668,495
	Transport Vehicles	13,454,349	13,454,349
	Electrical line installation	2,137,161	2,137,161
	Office Decoration	28,856,624	28,856,624
	Total	277,786,431	277,786,431
7.00	Consolidated capital work in progress		
	Opening balance	733,964,130	979,271,904
	Addition during the year	90,277,561	114,263,256
		824,241,691	1,093,535,160
	Less: Transfer to property, plant & equipment	25,175,553	359,571,030
	Closing balance	799,066,138	733,964,130
	Capital work in progress represents Land and Land Development, civil construction, Plant and Machinery of Aftab Automobiles Ltd and Navana Batteries Ltd.		
8.00	Investments in share & associate Company		
	Investment in associate (Note : 8.1)	454,915,769	426,082,938
	Investment in share (Note : 8.2)	-	28,395,758
	Total	454,915,769	454,478,696
8.01	Investment in associate		
	The details are stated below :		
	Share Invest of NREL at cost	20,000,000	20,000,000
	Share of equity from associate		
	Opening Balance	406,082,938	381,586,704
	Share of equity from associate	28,832,831	24,496,234
	Closing Balance	434,915,769	406,082,938
	Total Investment in associate	454,915,769	426,082,938

NB: Share of profit from associate company (NREL) has been taken for one year for Financial year 2022-2023



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
8.01(a)	Acquisition quantity of shares of Navana Real Estate Ltd.	20,000,000	20,000,000
	Less: shares sale during the year		
		20,000,000	20,000,000
	Opening Balance	6,000,000	6,000,000
	Number of shares purchased		
	Number of bonus shares received during the year		
	Total number of shares	6,000,000	6,000,000
8.02	Investment in share		
	Navana Construction Ltd.		
	Opening Balance	28,395,758	28,395,758
	Add: During the year	-	-
	Less: Transfer the year	28,395,758	-
	Closing Balance	-	28,395,758
	Navana Construction Limited has not yet allotted equivalent shares in favor of Aftab Automobiles Limited. So the board of directors meeting approval will be treated as an intercompany loan.		
9.00	Consolidated Receivables		
	Receivable Non-Current (Maturity over 12 months)	2,291,242,373	2,445,889,607
	Less: Expected Credit Loss	160,410,503	134,109,481
		2,130,831,870	2,311,780,126
	Receivable current (Maturity less than 12 months)	3,177,301,364	3,252,511,734
		5,308,133,234	5,564,291,860
	Ageing schedule of receivables :		
	<u>Duration</u>		
	1- 30 days	329,561,430	337,362,528
	31- 60 days	335,877,995	343,828,612
	61- 90 days	507,948,410	519,972,131
	91- 180 days	982,470,917	1,005,727,132
	181- 365 days	1,021,442,612	1,045,621,331
	Over 365 days	2,130,831,870	2,311,780,126
		5,308,133,234	5,564,291,860
	Net receivables are considered good . The Company holds no security other than debtors' personal security in the form of work orders etc.		
10.00	Consolidated Inventories		
	Finished products	485,314,740	611,016,232
	Raw materials	350,506,533	407,648,411
	Work-in-process	461,013,265	380,495,799
	Stores and spares	-	1,614,953
	Goods in transit	51,377,528	179,261,748
	Total	1,348,212,066	1,580,037,143
11.00	Consolidated Current account with Navana group Companies	6,557,853,536	5,714,323,982
12.00	Consolidated advances, deposits and prepayments		
	Advance to suppliers	982,183,495	709,592,254
	Advance to employees	44,709,033	45,597,153
	Advance to others	518,642,632	502,696,821
	Current Account with VAT	148,611,167	73,691,825
	Deposits	321,245,146	395,707,471
	Advance for Capital Assets	4,394,860,709	4,119,936,239
	Advance Income tax (note-12.1)	1,256,438,107	1,220,247,006
	Total	7,666,690,291	7,067,468,769

Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary realisable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good.



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
12.01	Consolidated Income tax deducted at source		
	Opening balance	1,220,247,006	1,206,741,622
	Addition during the year	36,191,100	13,505,384
		1,256,438,107	1,220,247,006
	Adjustment made during the year	-	-
	Closing Balance	1,256,438,107	1,220,247,006
13.00	Consolidated cash & cash equivalent		
	Cash in hand	1,165,815	1,892,696
	Cash at bank (note-13.1)	298,739,249	345,646,194
	Total	299,905,064	347,538,890
13.01	Cash at bank		
	IFIC Bank Ltd.	379,509	5,551,567
	Agrani Bank Ltd.	6,517	6,571
	Pubali Bank Ltd.	44,481	44,481
	IFIC Bank Ltd. (Federation)	46,490	87,217
	Eastern Bank Ltd.	58,214	58,214
	United Commercial 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.	768,843	484,905
	Janata Bank Ltd.	812	812
	The Oriental Bank Ltd.	39,670	39,670
	IFIC Bank Ltd.	15,323	15,323
	City Bank Ltd.	27,769	30,112
	The Oriental Bank Ltd.	32,040	32,040
	NCC Bank Ltd.	-	18,113
	Mutual Trust Bank Ltd.	19,626,455	150,881
	Islami Bank BD Ltd. (F.Ex.Br)	4,478,159	405,104
	Jamuna Bank Ltd.	25,646	27,595
	One Bank Ltd.	75,868	75,868
	Agrani Bank Ltd. (F.EX)	116,420	124,470
	Mercantile Bank Ltd.	123,168	123,168
	BRAC Bank Ltd. 1	3,353	3,353
	Standard Bank Ltd. (Pri.Br)	869,282	869,282
	Shahjalal Islami Bank Ltd.	169,806	169,806
	IFIC Bank Ltd.	97,000	97,000
	Al-Arafah Islami Bank Ltd.	24,825	119,482
	United Commercial Bank Ltd.	199,305	199,305
	Pubali Bank Ltd.	-	14,441
	Dhaka Bank Ltd.	-	1,000,000
	Standard Bank Ltd.	2,696	1,085
	One Bank Ltd.	31,020	31,020
	IFIC Bank Ltd.	90,660	97,943
	AB Bank Ltd.	100,000	100,000
	Standard Bank Ltd.	399,994	496,977
	IFIC Bank Ltd. (Federation)	95,006	95,006
	NCC Bank Ltd. (Sayamoli)	56,026	42,526
	IFIC Bank Ltd. (Gulshan)	137,068	29,776,645
	Meghna Bank Ltd. (Gulshan)	4,407,350	62,967
	Prime Bank Ltd. (Baridhara)	4,000	-
	Bank Asia Ltd.	215,630	237,859
	NRB Commercial Bank Ltd.	-	3,002
	The City Bank Ltd. (Banani)	89,448	89,448



Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
	Midland bank Ltd.	85,483	86,641
	SBAC Bank Ltd.	666	57,001,000
	One Bank Ltd. (Jatrabari)	571,470	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 Islami Bank Ltd.	-	996,610
	Southeast Bank Ltd.	17,551	44,072
	Shahjalal Islami Bank Ltd.	9,820	121,177
	BRAC Bank Ltd.	-	5,455
	Pubali Bank Ltd.	-	400,000
	Rupali Bank Ltd. (Local)	10,000	10,000
	AB Bank Ltd.	10,000	10,000
	Padma Bank Ltd. (Gulshan)	-	47,842
	IFIC Bank Ltd. (Fed. Br.)	110,088	370,965
	Sonali Bank Ltd. (Ramna)	1,199,990	734,034
	Janata Bank Ltd.	49,253	-
	Islami Bank Bangladesh Ltd. (Gulshan)	40,128	41,138
	Dutch Bangla Bank Ltd.	-	515,587
	United Commercial Bank Ltd. (Tejgaon)	92,110	92,800
	Modhumoti Bank Ltd. (Gulshan)	1,301,190	138,554
	National Bank Ltd., CD-15927, NBL, Dhaka	83,052	15,831
	Uttara Bank Ltd. (Bhola)	381,581	54,253
	First Security Islami Bank Ltd. (Corporate)	264,150	452,315
	Agrani Bank Ltd. (FDR-ID # 10583162)	13,275,259	12,692,679
	Agrani Bank Ltd. (FDR-ID # 10583151)	13,438,261	12,821,156
	Agrani Bank Ltd. (FDR-ID # 10583159)	20,285,015	19,281,119
	Agrani Bank Ltd. (FDR-ID # 10583160)	13,301,215	12,677,915
	Bank Asia Ltd. (FDR # 00855012111)	54,277,360	52,259,814
	One Bank Ltd. (FDR # 4120005867)	913,212	876,064
	One Bank Ltd. (FDR # 4120006495)	583,565	559,829
	One Bank Ltd. (FDR # 4120006600)	142,762	136,956
	One Bank Ltd. (FDR # 4120008537)	533,090	509,765
	One Bank Ltd. (FDR # 4120008592)	525,220	503,863
	One Bank Ltd. (FDR # 4120008606)	258,977	248,443
	Phoenix Finance Ltd. (FDR) 17890/17	10,096,500	-
	Phoenix Finance Ltd. (FDR) 23034/17	56,117,333	-
	Phoenix Finance Ltd. (FDR) 17819/16	56,520,944	-
	Phoenix Finance Ltd. (FDR) 17936/17	21,001,098	130,199,000
	Total	298,739,249	345,646,194

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, 2023 except the following non-operating dormant accounts which are non-operative for a long time.

Name of Bank	Account No.	Amount (Tk.)	Amount (Tk.)
Agrani Bank Ltd.	7465-9	6,517	6,571
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
American 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
IFIC Bank Ltd.	81734	15,323	15,323
The Oriental Bank Ltd.	04290	32,040	32,040
NCC Bank Ltd.	17704	-	1,499



Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
	Islami Bank BD Ltd. (Foreign Exchange)	5016	99,565
	One Bank Ltd.	7008	75,868
	Mercantile Bank Ltd.	20178	123,168
	BRAC Bank Ltd.	23001	3,353
	Standard Bank Ltd. (Principal Branch)	7992	869,282
	Shahjalal Islami Bank Ltd.	8504	169,806
	IFIC Bank Ltd.	87525	97,000
	United Commercial Bank Ltd.	3144	199,305
	Pubali Bank Ltd.	9826	-
	One Bank Ltd.	6006	31,020
	AB Bank Ltd.	43-000	100,000
	Standard Bank Ltd.	1815	394,782
	IFIC Bank Ltd. (Federation Branch)	Share A/C	95,006
	The City Bank Ltd. (Banani)	90001	89,448
	BD Commerce Bank Ltd.	832	100,000
	NRB Bank Ltd.		97,435
	Premier Bank Ltd.	0268	98,390
	Al-Arafah Islami Bank Ltd.	16815	-
	Shahjalal Islami Bank Ltd.	12906	9,310
	Pubali Bank Ltd.	5678	-
	Rupali Bank Ltd. (Local)	0216	10,000
	AB Bank Ltd.	36000	10,000
	Total	2,959,023	4,371,629

14.00 Share capital

Authorized capital:

120,000,000 Ordinary shares of Tk. 10 each	1,200,000,000	1,200,000,000
180,000,000 Cum. redeemable preference shares of Tk. 10 each	1,800,000,000	1,800,000,000
Total	3,000,000,000	3,000,000,000

Ordinary Share capital:

Issued, subscribed and paid up

105,544,995 Ordinary Shares @ Tk. 10/- each.

Sponsors	309,495,310	301,567,030
Financial Institution	386,326,330	369,195,220
General Public	359,628,310	334,428,180
	1,055,449,950	1,005,190,430

The Position of Ordinary shareholders as on June 30, 2023 was as follows :

Particulars	Num. of Investors	Num. of Shares	Share Holding '2023	Share Holding '2022
Sponsors and Directors	6	30,949,531	29.32%	30.00%
Financial Institution	231	38,632,633	36.60%	36.73%
General Public	18,464	35,962,831	34.07%	33.27%
Total	18,701	105,544,995	100.00%	100.00%

The classification of shareholders by holding as on June 30, 2023 was as follows :

No. of share holdings		No. of share. holders	Share Holding '2023	Share Holding '2022
1 to 500	11,287	1,726,624	1.64%	1.70%
501 to 5000	5,994	9,704,439	9.19%	9.49%
5001 to 10000	720	5,049,966	4.78%	4.51%
10001 to 20000	390	5,291,594	5.01%	4.77%
20001 to 30000	115	2,833,050	2.68%	2.52%
30001 to 40000	44	1,563,404	1.48%	1.58%
40001 to 50000	25	1,122,834	1.06%	1.07%
50001 to 100000	60	4,154,912	3.94%	4.24%
100001 to 1000000	50	13,036,243	12.35%	11.70%
Above 1000000	16	61,061,929	57.85%	58.42%
Total	18,701	105,544,995	100.00%	100.00%



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
15.00	Share premium.		
	Net Premium Up to 2006	250,191,730	250,191,730
	Net Premium in 2010	1,675,666,609	1,675,666,609
	Total	1,925,858,339	1,925,858,339
16.00	Reserves		
	Tax holiday reserve	12,338,231	12,338,231
	Dividend equalization fund	4,000,000	4,000,000
	General reserve	51,000,000	51,000,000
	Total	67,338,231	67,338,231
	The Company has obtained tax holiday facilities for body building unit for the period of five years with effect from may 05, 1997.		
17.00	Consolidated Long Term loan-Net of current portion		
	Agrani Bank Ltd.	1,985,773,092	1,845,880,847
	SBAC bank Ltd.	99,693,627	107,889,953
	Mutual trust bank Ltd.	128,698,779	194,782,844
	Midland Bank Ltd.	59,263,977	61,738,603
	One Bank Ltd.	455,629,409	416,183,884
	NCC Bank Ltd.	214,252,946	177,011,197
	Bank Asia Ltd.	1,131,051,015	-
	Dhaka Bank Ltd.	478,409,961	-
	Mercantile Bank Ltd.	286,797,161	-
	Standard Bank Ltd.	111,609,929	-
	Southeast Bank Ltd.	299,905,898	-
	The City Bank Ltd.	81,758,389	-
	Peoples Leasing	171,058,533	146,203,874
	Bay Leasing	141,977,570	130,213,424
	GSP Finance	420,300,000	346,380,000
	Midas financing	57,065,347	50,951,203
	Union Capital	155,202,728	149,202,177
	BD Finance Ltd.	64,411,916	58,159,744
	First Security Islami Bank Ltd.	150,000,000	-
	IFIC Bank Ltd.	1,752,099,465	-
	Phoenix Finance	926,091,800	835,105,359
	Trust Bank Ltd.	457,464,506	428,400,000
	Dutch-Bangla Bank Ltd.	1,621,419,173	926,200,553
	Social Islami Bank Ltd.	77,362,107	72,743,041
	Modhumoti bank Ltd.	563,457,888	576,197,558
	Total	11,890,755,215	6,523,244,261
	less: Long Term loan-Current maturity	2,972,688,804	1,630,811,065
	Long Term loan-Net of Non-current maturity	8,918,066,412	4,892,433,196
18.00	Consolidated Short-term loan		
	Agrani Bank Ltd.	1,777,006,526	1,638,674,293
	Bank Asia Ltd.	-	1,050,999,986
	Standard Bank Ltd.	-	111,778,468
	NRB Commercial Ltd.	561,147,888	526,904,402
	NCC bank Ltd.	-	51,153,790
	Dhaka Bank Ltd.	-	447,404,408
	Mercantile Bank Ltd.	320,830,157	545,712,274
	The City Bank Ltd.	-	77,836,412
	Prime bank Ltd.	41,918,972	49,650,245
	SBAC bank Ltd.	31,430,390	30,834,564
	Southeast Bank Ltd.	933,745,642	1,106,522,740
	Janata Bank Ltd.	579,379,595	524,867,527
	Dutch-Bangla Bank Ltd.	-	596,240,935
	Al-Arafah Islami Bank Ltd.	27,187,076	68,155,622
	IFIC Bank Ltd.	1,172,411,499	2,710,253,030



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
	Shahjalal Islami bank Ltd.	229,600,199	217,561,268
	Modhumoti bank Ltd.	164,664,795	186,500,538
	Islamic Finance & Investment Ltd.	30,000,679	29,733,243
	Phoenix Finance & Investments Ltd.	85,258,213	77,296,158
	Total	5,954,581,632	10,048,079,903
19.00	Consolidated Accrued and Other Current Liabilities		
	For goods supplied	373,772,140	381,405,322
	For expenses	141,108,539	151,751,333
	For Income tax	865,622,132	856,819,173
	For workers profit participation fund	10,201,099	16,696,432
	Provision for Bad Debts	-	4,101,643
	For other finance	42,252,691	83,090,864
	For Bond Liabilities	-	2,694,543
	Total	1,432,956,602	1,496,559,310
	The board of directors meeting approved bad debts adjusted to receivable current maturity.		
20.00	Consolidated Unclaimed dividend	103,033,470	95,916,541
	The aging of Unclaimed dividend are as follows:		
	Unclaimed Dividend for less than 3 Year (01.07.22)	35,690,520	
	Less: Unclaimed dividend for Year 2019 transfer to more than 3-year portion	12,405,753	
	Less: Paid to Shareholder from less than 3 year portion	2,423,584	
	Add: Unclaimed Dividend for the year ended on 30 June 2022	14,704,588	
	Unclaimed Dividend for less than 3 Year (30.06.23)	35,565,771	35,690,520
	Unclaimed Dividend for more than 3 Year (01.07.22)	60,226,021	
	Less: Transfer to CMSF	5,000,000	
	Less: Paid to Shareholder from more than 3-year portion	164,075	
	Add: Unclaimed dividend for Year 2019 added from less than 3-year portion	12,405,753	
	Unclaimed Dividend for more than 3 Year (30.06.23)	67,467,699	60,226,021
21.00	Consolidated revenues		
	Aftab automobiles Ltd.	985,465,143	421,726,379
	Navana Batteries Limited	199,446,129	288,864,921
		1,184,911,272	710,591,300
22.00	Consolidated cost of goods sold		
	Opening stock of direct raw materials	407,648,411	361,788,394
	Purchases of direct raw material (Note-22.1)	698,326,547	387,938,609
	Direct raw materials available for consumption	1,105,974,958	749,727,003
	Closing stock of direct raw materials (Note- 10)	350,506,533	407,648,411
	Raw materials consumed	755,468,425	342,078,592
	Add : Opening WIP	380,495,799	398,790,237
		1,135,964,224	740,868,829
	Less : Closing WIP (Note- 10)	461,013,265	380,495,799
		674,950,959	360,373,030
	Indirect materials	2,226,320	4,705,790
	Total consumption	677,177,279	365,078,820
	Factory overhead (Note-22.2)	163,177,200	143,617,772
	Cost of production	840,354,479	508,696,592
	Opening Finished products	611,016,232	638,723,501
		1,451,370,711	1,147,420,093
	Closing Finished products (Note- 10)	485,314,740	611,016,232
		966,055,971	536,403,861
22.01	Consolidated Purchases of direct raw material		
	Import Purchase	646,706,855	378,605,717
	Local Purchase	51,619,691	9,332,892



Note No	Particulars	Amount in Taka	
		June 30, 2023	June 30, 2022
		698,326,547	387,938,609
22.02	Consolidated Factory overhead		
	Salary and allowances (Including PF)	51,487,155	53,536,336
	Gratuity	1,283,443	743,075
	Liveries and Uniform	210,777	500
	Telephone, Fax, Mobile	211,250	183,516
	Fuel and Lubricants	1,175,641	189,564
	Conveyance	282,260	200,471
	Entertainment	814,315	92,014
	Office Expenses	9,940	68,685
	Maintenance expenses	28,645	589,438
	Electricity Bill	21,737,548	23,269,773
	Fees & Registration	19,325	298,972
	Duty and Allowance	236,550	219,773
	Canteen Subsidies	1,513,065	888,984
	Eid greeting	-	261,086
	Insurance Premium	103,071	884,634
	Factory Rent	3,144,200	3,728,628
	Fire Insurance	1,219,941	1,296,187
	Gas	1,536,916	1,108,877
	WASA	16,753	-
	Mobile Bill	30,130	-
	Internet Bill	198,340	-
	Welfare expenses	423,980	151,592
	Carrying & handling	199,060	84,684
	News Paper Bill	5,612	3,960
	Photocopy Charges	5,333	-
	Postage	6,295	-
	Repairs and maintenance (vehicle)	52,930	696,362
	Security Exps	1,904,980	1,578,811
	Chemicals	58,165	71,911
	Printing & Stationary	11,136	49,949
	Labour Charges	47,526	54,005
	Laboratory Exps	55,474	83,201
	Pick up Maintenance	4,770	-
	Generator Servicing	59,160	17,659
	Forklift Servicing	14,880	-
	Office Maintenance	28,478	-
	Factory Maintenance	242,303	-
	Renewal Fee	388,937	-
	Fire Extinguisher	30,350	29,046
	Depreciation	74,378,566	53,252,821
	Total	163,177,200	143,617,772
23.00	Consolidated administrative expenses		
	Salary and allowances (Including PF)	20,887,427	26,842,480
	Gratuity	1,085,609	1,592,148
	Welfare expenses	-	5,160
	Entertainment	306,888	327,148
	AGM expenses.	50,000	50,000
	Conveyance	728,726	461,037
	Travelling Exp	25,892	15,400
	Car allowance	-	542,670
	Stationary	146,744	242,177
	Fees and Registration	9,954	205,463
	Telephone	186,185	680,044
	Internet Charge	502,830	-
	Mobile Phone Charge	179,296	-
	Electricity Bill	399,660	409,590
	Rent, rates and taxes	-	650,750



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
	Insurance premium	44,906	159,571
	Bank charges	2,747,410	2,096,071
	Bank Guarantee & Charge documents	9,458	11,911
	Audit fees	586,500	574,000
	News Paper Bill	17,369	7,208
	Printing	518,040	-
	Postage and telegram	14,122	73,019
	Publicity	-	3,160
	Night allowances	-	10,380
	Advertisement and Publicity	154,026	19,373
	Directors fee	484,000	345,000
	Repair and maintenance (Vehicle)	491,800	-
	Software maintenance (ITES Service)	6,626	-
	Office maintenance	163,194	28,853
	Maintenance expenses	4,500	5,667
	General Expenses	-	260,030
	Director Remuneration	4,200,000	4,200,000
	WASA Bill	43,946	51,509
	Carrying & Handling	7,840	-
	Photocopy Expenses	430	-
	Gas	8,969	91,315
	CDBL Fee	124,470	725,454
	Credit Rating Fee	107,500	-
	BAPLC Fee	50,000	-
	Membership Fee	73,350	-
	Consultancy Fee/ Professional	212,750	438,615
	Renewal Fee	196,075	138,875
	Trade License & IRC Renewal Fee	72,010	-
	RJSC	64,300	-
	Office Cleaning	285,480	231,222
	Canteen Subsidy	338,566	608,074
	Security Exps	343,805	460,492
	Drinking Water	14,357	-
	Fuel & Lubricants	88,512	161,021
	Annual Listing Fee	1,287,320	1,241,719
	Unrealized Loss	1,689,295	-
	Depreciation	6,368,846	1,901,136
	Total	45,328,983	45,867,737

24.00 Consolidated selling and distribution expenses

	Salary and allowances (Including PF)	8,640,152	6,161,251
	Fuel & Lubricant	88,509	111,140
	Promotional Exps	32,166	71,118
	Delivery Exps	319,705	402,160
	Rent Rates & Taxes	1,085,600	915,447
	Conveyance	31,843	40,072
	Entertainment	49,889	62,784
	Stationery	7,889	45,853
	Telephone	53,782	51,187
	Publicity Exp.	-	418,035
	Fees & Registration	30,712	54,028
	Maintenance	25,390	31,707
	Repair & Maintenance (Vehicle)	129,283	100,620
	Electricity Bill	110,112	273,617
	Postage & Telegram	12,610	43,454
	News Paper Bill	6,714	8,456
	Bank Charges	20,045	25,245
	Security Expenses	475,200	389,000
	Office Maintenance	34,906	43,962
	Acid purchases	33,450	57,090



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
	Gift & Donation	2,994	3,771
	Utility Bill (WASA)	-	2,782
	Expected Credit Loss	22,199,379	4,217,264
	Chemical & Packing exps	12,062	15,191
	Transit Insurance	-	102,800
	Depreciation of Right of use assets	-	685,633
	Depreciation	8,268,397	4,015,844
	Total	41,670,789	18,349,510
25.00	Consolidated financial charges		
	Aftab Automobiles Ltd.	166,118,350	165,028,055
	Navana Batteries Ltd.	50,494,958	74,033,613
	Total	216,613,308	239,061,668
26.00	Consolidated non-operating income		
	Interest on FDR & SND	19,517,300	13,357,514
	Total	19,517,300	13,357,514
27.00	Consolidated Income tax expense		
	Current tax		
	Aftab Automobiles Ltd. (Note: 27.1)	7,203,574	2,385,223
	Navana Batteries Ltd. (Note: 27.2)	1,622,651	2,044,518
	Total	8,826,225	4,429,741
27.01	Current Tax- Aftab Automobiles Ltd.		
	Operating profit	(65,882,895)	(116,577,591)
	Other Income	19,517,300	13,357,514
	Bad debts	22,199,379	4,217,264
	Add: Accounting depreciation	57,356,624	23,924,658
	Less: Tax depreciation	(66,547,689)	(48,230,067)
	Taxable Profit	(33,357,281)	(123,308,222)
	Corporate tax rate	22.50%	22.50%
	Normal Tax liability	(7,505,388)	(27,744,350)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	7,203,574	2,385,223
	Current Tax Liabilities (whichever is higher)	7,203,574	2,385,223
27.02	Current Tax- Navana Batteries Ltd.		
	Operating profit	(18,877,354)	(12,515,229)
	Add: Accounting depreciation	27,599,022	35,245,143
	Less: Tax depreciation	(29,677,288)	(39,134,300)
	Taxable Profit	(20,955,620)	(16,404,387)
	Corporate tax rate	30.00%	30.00%
	Normal Tax liability	(6,286,686)	(4,921,316)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	1,622,651	2,044,518
	Current Tax Liabilities (Whichever is higher)	1,622,651	2,044,518
28.00	Consolidated of Deferred tax		
	Total Deferred Tax Expenses (PL AC)	(49,350,738)	(96,760,376)
	Total Deferred Tax Liabilities (FS AC)	(68,106,361)	(18,755,620)
	Calculation of Deferred tax		
A.	Aftab Automobiles Ltd.		
	WDV on PPE as per Accounting Calculation	1,442,677,495	1,448,743,529
	WDV on PPE as per Taxable Calculation	1,265,024,844	1,300,410,260
	Unabsorbed Dep.	160,205,719	73,529,712
	Unused tax loess	265,392,975	228,490,418
	Temporary Dfference	(247,946,043)	(153,686,861)
	Deferred tax liabilities 22.5% on difference	55,787,860	34,579,544
	Opening Deferred Tax (01.07.22)	(34,579,544)	(51,825,153)
	Deferred Tax expenses During The Year (A1)	21,208,316	86,404,697



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
B.	Bad debts as per accounting base	156,308,860	134,109,481
	Bad debts as per tax base	-	-
	Temporary Difference	(156,308,860)	(134,109,481)
	Deferred tax liabilities 25% on difference	39,077,215	30,174,633
	Opening Deferred Tax (01.07.22)	30,174,633	29,225,749
	Deferred Tax expenses During The Year (B1)	8,902,582	948,884
C.	Gratuity as per accounting base	2,369,052	-
	Gratuity as per tax base	-	-
	Temporary Difference	(2,369,052)	-
	Deferred tax liabilities 25% on difference	592,263	-
	Opening Deferred Tax (01.07.22)	-	-
	Deferred Tax expenses During The Year (C1)	592,263	-
Navana Batteries Ltd			
A.	WDV on PPE as per Accounting Calculation	925,117,099	794,186,665
	WDV on PPE as per Taxable Calculation	765,966,171	596,512,378
	Unabsorbed Dep.	55,182,304	85,384,259
	Unused tax loss	8,697,058	(41,038,489)
	Temporary Defference	95,271,566	153,328,516
	Deferred Tax 30.00% on different	28,581,470	45,998,555
	Opening Deferred Tax (01.07.22)	(45,998,555)	55,405,350
	Deferred Tax expenses During The Year (A1)	(17,417,085)	(9,406,796)
B.	Bad debts as per accounting base	4,101,643	-
	Bad debts as per tax base	-	-
	Temporary Difference	(4,101,643)	-
	Deferred Tax 30.00% on different	(1,230,493)	-
	Opening Deferred Tax (01.07.22)	-	-
	Deferred Tax expenses During The Year (B1)	(1,230,493)	-
29.00	Consolidated earnings per share (EPS)		
	Profit attributable to the equity holders	4,117,874	1,095,709
	Ordinary share(Paid Up capital)	105,544,995	105,544,995
	Earnings Per Share (EPS)	0.04	0.01
Note: The company's total sales revenue has increased significantly from last year for various reasons, like market demand, availability of USD for import, and bank support for the import of CKD. Therefore, the EPS increased compared to the corresponding period of last year.			
30.00	Consolidated Net assets value per share (NAVPS)		
	Equity attributable to equity holders	5,462,981,161	5,517,152,552
	Ordinary share(Paid Up capital)	105,544,995	100,519,043
	Net assets value per share (NAVPS)	51.76	54.88
Note: Net Asset Value has been decreased for various reasons, like an increase in ordinary shares due to the declaration of a stock dividend, and dividend payment is more than the current year's profit.			
31.00	Consolidated Net operating cash flows per share (NOCFPS)		
	Net cash generated by operating activities	251,765,618	355,700,196
	Ordinary share(Paid Up capital)	105,544,995	100,519,043
	Net operating cash flows per share (NOCFPS)	2.39	3.54
Note: During the year, net operating cash flow per share has been decreased compared with that of previous years due to increased cost Payments for materials, services, and expenses.			
32.00	Consolidated Loan and deferred liabilities (Unsecured) :	25,310,440	25,310,440
	Long- term interest free loan from sponsors is carried forward since 1982		



Note No	Particulars	Amount In Taka	
		June 30, 2023	June 30, 2022
33.00	Reconciliation of consolidated cash flows from operating activities under indirect method:		
	Net profit/Loss before interest, income tax & WPPF during the period	151,370,359	96,611,334
	Depreciation	89,015,809	59,855,433
	Payment of lease liability	-	2,601,158
	Interest on lease liability	10,555,714	2,214,626
	Payment of WPPF	(6,495,333)	-
	Income tax paid	(36,166,491)	(13,505,384)
	Changes in current assets and liabilities:		
	Decrease/ (increase) in inventories	231,825,078	47,589,938
	Decrease/ (increase) in advance and prepayments	(475,125,950)	(96,673,841)
	(Decrease)/ increase in payables & accruals	30,627,805	242,665,653
	Decrease/ (increase) in trade receivable	256,158,626	14,341,277
	Net cash flow from operating activities	251,765,618	355,700,196



34 Related Party Transactions

In accordance 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) **Subsidiaries**

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.) 30.06.2023	Amount (Tk.) 30.06.2022
Salary (including PF)	81,014,734	86,540,067
Directors Remuneration	4,200,000	4,200,000
Provision for Gratuity	2,369,052	2,335,224
Board-Meeting Attendance Fee	484,000	345,000
	88,067,786	93,420,291

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	
			2023	2022	2023	2022
Navana Limited	Alliance Companies	Interest on loan	661,054,222	272,895,203	5,505,790,874	4,844,736,652
Navana Real Estate Ltd.	Alliance Companies	Interest on loan	175,875,179	10,017,437	994,020,533	818,145,354
Navana Construction Ltd.	Alliance Companies	Interest on loan	60,668,626	-	60,668,626	-
Navana Interlinks Ltd.	Alliance Companies	Interest on loan	2,000,418	-	2,000,418	-
Biponon Ltd.	Alliance Companies	Interest on loan	8,800,000	-	8,800,000	-
Navana Petroleum Ltd.	Alliance Companies	Interest on loan	17,583,038	-	17,583,038	-
Navana Building Product Ltd.	Alliance Companies	Interest on loan	827,000	-	827,000	-
Navana Furniture Ltd.	Alliance Companies	Interest on loan	300,000	-	300,000	-
Navana Engineering Ltd.	Alliance Companies	Interest on loan	(37,967,629)	27,500,000	27,013,047	64,980,676



Inter Company Receivables/Payables

Name of Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2023	2022	2023	2022
Navana Welding Electrode Ltd.	Alliance Companies	Interest on loan	11,300	11,300	19,200,000	19,188,700
Navana Foods Ltd.	Alliance Companies	Interest on loan	1,000,000	-	1,000,000	-
Navana LPG Ltd.	Alliance Companies	Interest on loan	38,950,000	-	38,950,000	-

35 Amount due by Directors

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

36 Number of Employees

During the year total number of employees/workers for the company was 277

37 Significant Disclosure

The sales amount has been increased, but the gross profit (GP) ratio decreased due to continuously raising the production cost by changing the dollar rate.

38 Capital Expenditure Commitment

There was no commitment for capital expenditure and also not incurred or provided for the year ended 30th June, 2023.

39 Contingent Assets

There was no contingent assets as on 30th June, 2023.

40 Remittance of Dividend

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

41 Credit Facility not Availed

There was no credit facility available to the Company under any contract and also not availed as on 30th June, 2023 other than trade credit available in the ordinary course of business.

42 Attendance Status of Board Meeting of Directors

Regarding the Board of Directors Meetings, the details are given below:

Name of the Directors	Position	AAL		NBL	
		Meeting Held	Attended	Meeting Held	Attended
Shafiul Islam	Chairman	14	11	4	4
Khalega Islam	Director	14	9	-	-
Saiful Islam	Managing Director	14	13	4	4
Sajedul Islam	Director	14	14	4	4
Farhana Islam	Director	14	4	4	4
Md. Mustafizur Rahman	Independent Director	14	4	4	-
Md. Dilwar Hossain Bhuiya	Independent Director	14	3	-	-
Abul Layes Afsary	Independent Director	14	-	-	-

*Mr. Md. Dilwar Hossain Bhuiyan, Independent Director has resigned on 3 April 2023

*Mr. Md. Abul Layes Afsary appointed as Independent Director on 15 June 2023

43 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.

44 Disclosures as per Requirement of Schedule XI, Part II of the Companies Act, 1994

(Employee Position as on 30th June, 2023)

(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	29,527,579	51,487,155	277
Below 5000	Nil	Nil	Nil



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

Name of the Directors	Position	Remuneration	Festival Bonus	AIT Deduction	Net Amount
Shafiul Islam	Chairman				
Khaleda Islam	Director				
Saiful-Islam	Managing Director	42,00,000		4,20,000	37,80,000
Sajedul Islam	Director				
Farhana Islam	Director				
Md. Mustafizur Rahman	Independent Director				
Md. Dilwar Hossain Bhuiyan	Independent Director				
Abul Layes Afsary	Independent Director				

*Mr. Md. Dilwar Hossain Bhuiyan, Independent Director has resigned on 3 April 2023

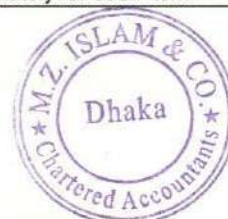
*Mr. Md. Abul Layes Afsary appointed as Independent Director on 15 June 2023

The period of payment to Directors is from 1st July 2022 to 30th June 2023.

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

- 1 Expenses reimbursed to the managing agent: Nil.
 - 2 Commission or other remuneration payable separately 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 Pensions: Nil.
 - 8 Gratuities: Nil.
 - 9 Payments from Provident Fund: Nil.
 - 10 Compensation for Loss of Office: Nil.
 - 11 Consideration in connection with retirement from office: Nil.
- 45 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	1,184,911,272
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	Nil
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	755,468,425
3(i)(d)(ii) The opening and closing stocks of goods produced	OB 407,648,411, CB 350,506,533
3(i)(e) In the case of companies, the purchase made and the opening and closing stocks	N/A
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	218,855,301
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	48,350,131
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	OB 380,495,799, CB 461,013,265
3(i)(j) 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	N/A
3(i)(l) Charge for income tax and other taxation on profits	40,524,513
3(i)(m) Reserved for repayment of share capital and repayment of loans	Nil
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	Nil
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Nil
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Nil
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.	Nil
3(i)(p) Expenditure incurred on each of the following items, separately for each item:	



(i) Power and Fuel	23,599,982
(ii) Rent	4,229,800
(iii) Repairs of Buildings	242,303
(iv) Repairs of Machinery	78,810
(v) Other include:	
(1) Salaries, wages and bonus	81,014,734
(2) Workmen and staff welfare expenses	634,757
(3) Reserve	67,338,231

46 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.) 30.06.2023	Amount (Tk.) 30.06.2022
1	Within 3 Months	1,173,387,834	1,082,317,564
2	Within 6 Months	982,470,917	905,259,349
3	Within 12 Months	1,021,442,612	959,082,015
4	More than 12 Months	2,130,831,870	2,617,632,932

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

There are no debts outstanding in this respect.

47 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

(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 to be doubtful and a provision was created for Tk. Nil.

(IV) Debt due by directos 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.

(VII) Written off Bad Debts

During the year written off expected credit loss of Tk. 22,199,379 & Tk. 41,01,643 from Motorcycle units and Navana Batteries Ltd. were adjusted to receivable.

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

Details of Production Capacity Utilization:

Particulars	Assembling	Body	NBL	Total
Production Capacity (Vehicle/Battery)	2400	400	210,000	212,800
Production during the year	168	46	26,898	27,112
Capacity Utilization (%)	7.00%	11.50%	12.81%	12.74%

The production capacity of the company is 2400 units of Toyota & Hino vehicles in the assembling unit under three shifts and 400 units Hino buses in body building unit. Actual production for the year 168 units bus assembled in assembling unit 46 units body fabrication in body building unit.

49 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

Items	Purchase in Taka			Consumption in Taka	Percentage
	Import	Local	Total		
Raw Materials (Hino)	616,666,838	11,796,670	628,463,508	620,780,681	99%
Raw Materials (Battery)	30,040,017	39,823,021	69,863,039	56,396,598	81%
Total	646,706,855	51,619,691	698,326,547	677,177,279	

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, 2022 to 30th June, 2023 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, 2022 to 30th June, 2023.



50 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.

51 Disclosure for purchase in foreign currency during the year

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

Type of Expenditure	Amount in Foreign Currency	Amount in BDT.
Import of Raw Material (Hino Bus Chassis CKD)	¥ 751,998,000	616,666,838
Import of Raw Material (Battery)	\$264,411.17	30,040,017
Total		646,706,855



52.00 Financial Instrument-Fair Values and Risk Management
52.01 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	Carrying Amount Tk. '000							Total Amount
	Note	Fair Value Hedging Instrumen	Mandator y at FVTPL-	FVOCI- debt instrument	FVOCI-equity instruments	Financial assets at amortized	Other Financial Liabilities	
30.06.2023								
Financial Assets measured at Fair Value:								
Equity Securities								
Financial Assets not measured at Fair Value:								
Receivables	9	-	-	-	-	5,308,133	-	5,308,133
Advance, Deposit & Prepaym	12	-	-	-	-	7,666,690	-	7,666,690
Investments in securities and associate company	8	-	-	-	-	454,916		454,916
Deferred Tax Assets	28					68,106		68,106
Cash and Cash Equivalents	13	-	-	-	-	299,905	-	299,905
Total		-	-	-	-	13,797,751	-	13,797,751
Financial Liabilities measured at fair value:								
Financial Liabilities not measured at fair value:								
Loan and deferred liabilities (Unsecured)	32	-	-	-	-		25,310	25,310
Long Term Loan	17	-	-	-	-		11,890,755	11,890,755
Deferred Tax Liability		-	-	-	-		-	-
Lease Liability		-	-	-	-		37,600	37,600
Short Term Loan	18	-	-	-	-		5,954,582	5,954,582
Accrued and Other Current Liabilities	19	-	-	-	-		1,432,957	1,432,957
Unclaimed Dividend Account	20	-	-	-	-		103,033	103,033
Total		-	-	-	-	-	19,444,237	19,444,237
30.06.2022								
Financial Assets measured at Fair Value:								
Equity Securities								
Financial Assets not measured at Fair Value:								
Receivables	9	-	-	-	-	5,564,292	-	5,564,292
Advance, Deposit & Prepaym	12	-	-	-	-	7,067,469	-	7,067,469
Investments in securities and associate company	8					454,479		454,479
Cash and Cash Equivalents	13	-	-	-	-	347,539	-	347,539
Total		-	-	-	-	13,433,778	-	13,433,778
Financial Liabilities measured at fair value:								
Financial Liabilities not measured at fair value:								
Loan and deferred liabilities (Unsecured)	32						25,310	25,310
Long Term Loan	17	-	-	-	-	-	6,523,244	6,523,244
Deferred Tax Liability							18,756	18,756
Lease Liability		-	-	-	-	-	76,166	76,166
Short Term Loan	18	-	-	-	-	-	10,048,080	10,048,080
Accrued and Other Current Liabilities	19	-	-	-	-	-	1,496,559	1,496,559
Unclaimed Dividend Account	20	-	-	-	-	-	95,917	95,917
Total		-	-	-	-	-	18,284,032	18,284,032

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

The company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, investment in subsidiaries, investment, trade/security deposit, employment benefits, short term interest bearing loans, accrued & other current liabilities and unclaimed dividend account because of their carrying amount are a reasonable approximation of



52.02 Financial Risk Management Framework

The Company's management has overall responsibility for the establishment and oversight of the company's risk
52.02.1 Credit Risk, 52.02.2 Liquidity Risk 52.02.3 Market Risk.

52.02.1 Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails

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 Aftab Automobiles 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, 2023, 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:

	Amount in Taka	
	30.06.2023	30.06.2022
Non-Derivative Financial Assets:		
Receivables	5,308,133,234	5,564,291,860
Inter Company Transactions	6,557,853,536	5,714,323,982
Advance to Suppliers	982,183,495	709,592,254
Advance to Employees	44,709,033	45,597,153
Advance to Others	518,642,632	502,696,821
Security Deposits	321,245,146	395,707,471
Cash at Bank	298,739,249	345,646,194
Cash in Hand	1,165,815	1,892,696
	<u>14,032,672,139</u>	<u>13,279,748,431</u>

At 30th June, 2023 the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

	Amount in Taka	
	30.06.2023	30.06.2022
Domestic	5,308,133,234	5,564,291,860
Foreign Receivable	-	-
	<u>5,308,133,234</u>	<u>5,564,291,860</u>



Ageing Schedule of Receivables:

Duration	5,308,133,234	5,564,291,860
1-30 days	329,561,430	299,745,108
31-60 days	335,877,995	317,389,694
61-90 days	507,948,410	465,182,762
91-180 days	982,470,917	905,259,349
181-365 days	1,021,442,612	959,082,015
Over 365 days	2,130,831,870	2,617,632,932
	<u>5,308,133,234</u>	<u>5,564,291,860</u>

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.

52.02.2 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.



Exposure to Liquidity 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 carrying amount of financial liability represent the maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30th June, 2023.

30th June, 2023

30th June, 2023

				Contractual Cash Flows		
In Taka	Note	Carrying Amount	Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Long and Deferred Liabilities (Unsecured)	32	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	17	8,918,066,412	8,918,066,412	891,806,641	2,675,419,923	5,350,839,847
Deferred Tax Liability		-	-	-	-	-
Lease Liability		-	-	-	-	-
Long Term Loan-Current Maturity	17	2,972,688,804	2,972,688,804	297,268,880	891,806,641	1,783,613,282
Short Term Loan	18	5,954,581,632	5,954,581,632	-	2,381,832,653	3,572,748,979
Accrued and Other Current Liabilities	19	1,432,956,602	1,432,956,602	143,295,660	429,886,981	859,773,961
Unclaimed Dividend Account	20	103,033,470	103,033,470	10,303,347	30,910,041	61,820,082
		19,406,637,360	19,406,637,360	1,345,205,573	6,417,449,371	11,643,982,416
Derivative financial liabilities						
		19,406,637,360	19,406,637,360	1,345,205,573	6,417,449,371	11,643,982,416

30th June, 2022

30th June, 2022						
	Contractual Cash Flows					
In Taka	Note	Carrying Amount	Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Long and Deferred Liabilities (Unsecured)	32	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	17	4,892,433,196	4,892,433,196	489,243,320	1,467,729,959	2,935,459,918
Deferred Tax Liability		(18,755,621)	(18,755,621)	(1,875,562)	(5,626,686)	(11,253,373)
Lease Liability		76,165,502	76,165,502	7,616,550	22,849,651	45,699,301
Long Term Loan-Current Maturity	17	1,630,811,065	1,630,811,065	163,081,107	489,243,320	978,486,639
Short Term Loan	18	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	19	1,496,559,308	1,496,559,308	159,247,585	477,742,754	859,568,970
Unclaimed Dividend Account	20	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



52.02.3 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 Aftab Automobiles Limited 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.

53.00 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.


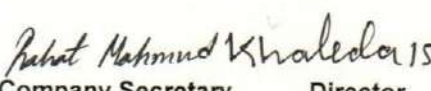

54.00 Re-arrangement/Reclassification, if any

The company has re-arranged the deferred tax liability because the previous year showed in negative balance at the end of the period June 30, 2023 shown in deferred tax assets.

55.00 Event after the Reporting Period

The directors in the meeting held on 29th day of November, 2023 recommended 10% cash dividend for the shareholders excluding sponsor shareholders whose name will be appeared in the shareholders' registers at the date of book closure which is subject to shareholders' approval at the forthcoming annual general meeting to be held on 28th day of December, 2023.

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


Chief Financial Officer
Company Secretary
Director
Director
Managing Director

Depreciation charged to :		Taka	Lease Assets	Total
Cost of goods sold (Factory O/H)		76,460,082	3,654,146	80,114,228
Profit & Loss Account (Admin)		3,419,812	81,203	3,501,015
Profit & Loss Account (Selling)		5,075,753	324,813	5,400,566
Total		84,955,647	4,060,163	89,015,809



Aftab Automobiles Limited and its Subsidiary
Schedule of Right Use of Assets as on 30th June, 2023

Right of use assets

Particulars	Cost			Rate of Dep.	Accumulated Depreciation			Carrying amount	
	Balance as at July 01, 2022	Addition During the year	Disposal During the year		Balance as at July 01, 2022	Charge during the year	Adjustment during the year	Balance as at June 30, 2023	Written down Value as at June 30, 2022
Right of use assets	60,702,954	-	-	10%	20,101,328	4,060,163	-	24,161,491	40,601,626
Total	60,702,954	-	-		20,101,328	4,060,163	-	24,161,491	40,601,626

Annexure-B

