

Aftab Automobiles Limited and its Subsidiary
3rd Quarter report
2023-2024

Dear Shareholders,

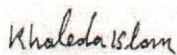
We are pleased to forward herewith the un-audited Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 3rd Quarter ended March 31, 2024, Consolidated Statement of Financial Position as at March 31, 2024, Consolidated statement of Changes in Equity, Consolidated statement of cash flows and consolidated notes to the financial statements of the company for the period ended on that date.



Managing Director
Dated, Dhaka.
29 April 2024

Aftab Automobiles Limited and its Subsidiary
Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income
For the 3rd Quarter ended March 31, 2024

Particulars	Notes	July ' 2023 to March' 2024	July ' 2022 to March' 2023	January' 2024 to March' 2024	January' 2023 to March' 2023
Revenues		321,558,537	942,997,966	88,919,040	368,643,251
Less : Cost of sales	3	263,792,156	742,893,336	81,656,030	283,926,389
Gross profit		57,766,380	200,104,630	7,263,010	84,716,862
Less: Operating expenses		48,248,637	95,373,338	22,327,532	41,917,812
Administrative expenses		29,240,091	55,522,184	13,183,456	20,011,327
Selling and distribution expenses		19,008,545	39,851,155	9,144,076	21,906,486
Add : Other income		13,463,308	11,107,805	3,998,810	1,204,439
Operating profit/Loss		22,981,051	115,839,097	(11,065,712)	44,003,489
Financial charges		189,996,190	219,770,280	48,801,975	48,719,984
Add : Share of profit from associate company		13,005,253	12,078,629	3,636,306	3,044,746
Profit before contribution to WPPF		(154,009,885)	(91,852,553)	(56,231,380)	(1,671,748)
Less : Contribution to WPPF		-	-	-	-
Profit before tax		(154,009,885)	(91,852,553)	(56,231,380)	(1,671,748)
Less : Provision for Income tax		(6,711,040)	(96,576,340)	(7,680,173)	(4,162,302)
Current tax	11	1,919,551	6,174,820	448,241	2,115,835
Deferred tax		(8,630,591)	(102,751,160)	(8,128,414)	(6,278,137)
Net income for the Period		(147,298,846)	4,723,787	(48,551,207)	2,490,554
Total comprehensive income for the Period		(147,298,846)	4,723,787	(48,551,207)	2,490,554
Total comprehensive income for the Period					
Attributable to:					
Equity holders		(147,291,924)	4,724,248	(48,546,194)	2,503,031
Non-controlling interests		(6,921)	(462)	(5,014)	(12,478)
Total comprehensive income for the period		(147,298,846)	4,723,787	(48,551,207)	2,490,553
No. of Share		105,544,995	105,544,995	105,544,995	105,544,995
Consolidated earnings per share	17	(1.40)	0.04	(0.46)	0.02


Managing Director


Director


Director


Chief Financial Officer


Company Secretary

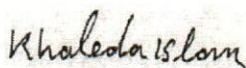
Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at March 31, 2024

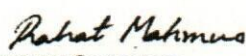
Particulars	Notes	31-03-24	30-06-23
Assets :			
Non-current assets :			
Property, plant and equipment	4	2,027,987,377	2,090,008,163
Non current assets held for sale & discontinued operations		277,786,431	277,786,431
Capital work-in-progress	5	859,441,706	799,066,138
Investments in associate		467,921,022	454,915,769
Deferred tax assets	12	131,438,905	68,106,361
Receivables -Non-Current Maturity	6	2,120,936,495	2,130,831,870
Right of use assets		33,800,854	36,541,463
Total non-current assets		5,919,312,789	5,857,256,195
Current assets:			
Receivables -Current Maturity	6	3,202,293,391	3,177,301,364
Stock and stores	7	1,333,345,741	1,348,212,066
Current account with Navana Group Companies		7,149,951,748	6,557,853,536
Advances, deposits and prepayments	8	7,577,371,949	7,666,690,288
Cash and bank balances	9	234,178,876	299,905,064
Total current assets :		19,497,141,705	19,049,962,318
Total Assets		25,416,454,494	24,907,218,516
Equity and Liabilities :			
Capital & reserve			
Share capital		1,055,449,950	1,055,449,950
Share premium		1,925,858,339	1,925,858,339
Reserve		67,338,231	67,338,231
Retained earnings		2,192,041,907	2,413,929,294
Equity attributable to equity holders		5,240,688,427	5,462,575,814
Non-controlling interest		398,426	405,347
Total equity		5,241,086,852	5,462,981,161
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310,440	25,310,440
Long Term loan-Net of current maturity	10	9,209,715,494	8,918,066,412
Lease liability		39,668,000	37,600,000
Total non-current liabilities		9,274,693,934	8,980,976,852
Current liabilities :			
Long Term loan-Current maturity	10	3,069,905,165	2,972,688,804
Short-term loan	13	6,282,501,439	5,954,581,632
Accrued and other current liabilities	14	1,447,720,482	1,432,956,602
Unclaimed Dividend Account	15	100,546,629	103,033,470
Total current liabilities :		10,900,673,715	10,463,260,508
Total liabilities		20,175,367,649	19,444,237,360
Total Equity and Liabilities		25,416,454,494	24,907,218,516
Consolidated net assets value per share (NAVPS)	16	49.65	51.76


Managing Director


Director


Director


Chief Financial Officer


Company Secretary

Aftab Automobiles Limited and its Subsidiary

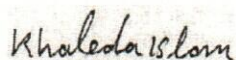
Un-audited consolidated Statement of Cash Flows

For the 3rd Quarter ended March 31, 2024

Particulars	Notes	July ' 2023 to March' 2024	July' 2022 to March' 2023
A. Cash flows from operating activities			
Receipts from customers		669,461,885	1,018,028,831
Receipts from other income		13,463,308	11,107,805
Payments for materials, services and expenses		(555,060,882)	(763,371,622)
Cash generated from operations		127,864,310	265,765,015
Income tax paid		(7,004,821)	(30,467,740)
Net cash generated by operating activities		120,859,490	235,297,275
B. Cash flows from investing activities			
Acquisition of property, plant & equipment		(1,771,541)	(788,473)
Advance for capital assets		-	(356,161,977)
Payments for capital work in progress		-	(60,651,030)
Net cash used investing activities		(1,771,541)	(417,601,480)
C. Cash flows from financing activities			
Proceeds from bank loan		-	1,096,280,582
Bank interest & debts paid		(198,005,359)	(219,770,280)
Group company receipts/(payments)		20,678,064	(746,671,032)
Dividend paid		(7,486,841)	(13,922,210)
Net cash used in financing activities		(184,814,137)	115,917,061
D. Net changes in cash & cash equivalents for the period (A+B+C)		(65,726,188)	(66,387,144)
E. Cash & cash equivalents at beginning of the period		299,905,064	347,538,890
F. Cash & cash equivalents at end of the period (D+E)		234,178,876	281,151,745
Consolidated net operating cash flows per share (NOCFPS)	18	1.15	2.23



Managing Director



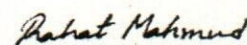
Director



Director



Chief Financial Officer



Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity
For the 3rd Quarter ended March 31, 2024

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	5,517,152,551
Adjustment for the Application of IFRS-16 (Lease)				3,423,205	3,423,205	-	3,423,205
Cash Dividend	-	-	-	(35,181,170)	(35,181,170)	-	(35,181,170)
Stock Dividend	50,259,520	-	-	(50,259,520)	-	-	-
Comprehensive income for the period	-	-	-	4,724,248	4,724,248	(462)	4,723,787
Balance at March 31, 2023	1,055,449,950	1,925,858,339	67,338,231	2,441,065,959	5,489,712,479	405,894	5,490,118,373
Balance as on July 01, 2023	1,055,449,950	1,925,858,339	67,338,231	2,413,929,294	5,462,575,814	405,347	5,462,981,161
Adjustment for the Application of IFRS-16 (Lease)	-	-	-	-	-	-	-
Cash Dividend	-	-	-	(74,595,464)	(74,595,464)	-	(74,595,464)
Comprehensive income for the period	-	-	-	(147,291,924)	(147,291,924)	(6,921)	(147,298,846)
Balance at March 31, 2024	1,055,449,950	1,925,858,339	67,338,231	2,192,041,906	5,240,688,426	398,426	5,241,086,852



Managing Director



Director



Director



Chief Financial Officer



Company Secretary

Net operating Cash Flows:

There was a significant difference in the Net Operating Cash Flow Per Share (NOCFPS) between July 2023 and March 2024, as compared to the same period in the previous year. This difference can be primarily attributed to a noticeable decrease in customer collections.

Earnings per share (EPS):

As previously mentioned, the company has faced a substantial decrease in its revenue. This has led to a significant decline in its earnings per share (EPS), which has had a notable impact on its overall financial performance. The management team is actively working to improve the company's bottom line, but it will take time to recover from the setback caused by the decrease in revenue. Despite the challenges, the company remains committed to its goals and is determined to overcome this obstacle.

2.4. Subsequent events

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

2.5. Reporting Period

These financial statements cover 3rd quarter of accounting year of the company for the period from July 01, 2023 to March 31, 2024.

2.6. General

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

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

2.7. Foreign Currency Exchange Gain/Loss

The company has no Foreign Currency in Cash and Cash equivalents at the beginning and the end of the period March 31, 2024.

Particulars	July ' 2023 to March ' 2024	July' 2022 to March ' 2023
3. Cost of sales		
Materials	130,392,672	635,628,783
Factory Overhead	77,686,879	51,941,153
Depreciation	55,712,605	55,323,400
	<u>263,792,156</u>	<u>742,893,336</u>

Notes No.	Particulars	31-03-24	30-06-23
4	Property, plant and equipment, net		
	Opening Balance	2,090,008,163	2,850,797,792
	Add : Addition for the Period	1,771,541	225,246,119
	Add : Transferred from Capital W-I-P	-	25,175,553
		<u>2,091,779,704</u>	<u>3,101,219,464</u>
	Less : Depreciation	63,792,328	1,011,211,301
	Closing Balance	<u>2,027,987,377</u>	<u>2,090,008,163</u>
5	Capital work-in-progress		
	Opening balance	799,066,138	733,964,130
	Add : Addition during the Period	60,375,568	90,277,561
		<u>859,441,706</u>	<u>824,241,691</u>
	Less: Transfer to property, plant & equipment	-	25,175,553
	Closing balance	<u>859,441,706</u>	<u>799,066,138</u>
6	Total Receivables	5,483,640,389	5,468,543,737
	Less : Bad debts	160,410,503	160,410,503
		<u>5,323,229,886</u>	<u>5,308,133,234</u>
	Receivable current (Maturity less than 12 months)	3,202,293,391	3,177,301,364
	Receivable Non-Current (Maturity over 12 months)	<u>2,120,936,495</u>	<u>2,130,831,870</u>
7	Stock and stores		
	Finished products	504,806,768	485,314,740
	Raw materials	337,944,429	350,506,533
	Work-in-process	490,594,544	461,013,265
	Stores and spares	-	-
	Goods in transit	-	51,377,528
		<u>1,333,345,741</u>	<u>1,348,212,066</u>
8	Advances, deposits and prepayments		
	Advance to suppliers	1,087,349,264	982,183,495
	Advance to employees	39,327,226	44,709,033
	Advance to others	91,543,146	518,642,632
	Current Account with VAT	92,319,071	148,611,167
	Deposits	318,184,446	321,245,146
	Advance for Capital Assets	4,685,205,869	4,394,860,709
	Advance Income tax (note-8.1)	1,263,442,927	1,256,438,107
		<u>7,577,371,949</u>	<u>7,666,690,288</u>
	8.1 Advance Income tax		
	Opening balance	1,256,438,107	1,220,247,006
	Add : Addition during the Period	7,004,821	36,191,100
		<u>1,263,442,927</u>	<u>1,256,438,107</u>
	Less : Adjustment made during the period	-	-
	Closing Balance	<u>1,263,442,927</u>	<u>1,256,438,107</u>
9	Cash and bank balances		
	Cash in hand	587,501	1,165,815
	Cash at bank : Current AC, STD AC & FDR Accounts	233,591,375	298,739,249
		<u>234,178,876</u>	<u>299,905,064</u>

Notes No.	Particulars	31-03-24	30-06-23
10	Long Term loan-Net of current portion		
	Agrani Bank Ltd.	2,004,025,271	1,985,773,092
	SBAC bank Ltd.	95,171,710	99,693,627
	Mutual trust bank ltd.	97,744,066	128,698,779
	Midland Bank Ltd.	58,696,309	59,263,977
	One Bank Ltd.	477,832,618	455,629,409
	NCC Bank Ltd.	221,399,322	214,252,946
	Bank Asia Ltd.	1,180,382,349	1,131,051,015
	Dhaka Bank Ltd.	505,760,368	478,409,961
	Mercantile Bank Ltd.	295,830,102	286,797,161
	Standard Bank Ltd.	107,471,313	111,609,929
	Southeast Bank Ltd.	310,251,001	299,905,898
	The City Bank Ltd.	72,456,630	81,758,389
	Peoples Leasing	186,453,801	171,058,533
	Bay Leasing	154,755,551	141,977,570
	GSP Finance	377,554,200	420,300,000
	Midas financing	60,070,869	57,065,347
	Union Capital	162,630,373	155,202,728
	BD Finance Ltd.	66,692,424	64,411,916
	First Security Islami Bank Ltd.	150,000,000	150,000,000
	IFIC Bank Ltd.	1,898,429,077	1,752,099,465
	Phoenix Finance	1,009,440,062	926,091,800
	Trust Bank Ltd.	444,698,903	457,464,506
	Dutch-Bangla Bank Ltd.	1,666,296,293	1,621,419,173
	Social Islami Bank Ltd.	80,009,801	77,362,107
	Modhumoti bank Ltd.	595,568,245	563,457,888
		12,279,620,658	11,890,755,215
	less: Long Term loan-Current portion	3,069,905,165	2,972,688,804
	Long Term loan-Net of current portion	9,209,715,494	8,918,066,412
11	Current tax		
	Aftab Automobiles Ltd. (Note: 11.1)	849,408	7,203,574
	Navana Batteries Ltd (Note: 11.2)	1,070,143	1,622,651
		1,919,551	8,826,225
11.1	Aftab Automobiles Ltd.		
	Operating profit	(183,990,068)	(65,882,895)
	Other Income	13,463,308	19,517,300
	Contribution to WPPF	-	-
	Bad debts	-	22,199,379
	Add: Accounting depreciation	41,670,387	57,356,624
	Less: Tax depreciation	(38,991,554)	(66,547,689)
		(167,847,928)	(33,357,281)
	Normal Tax liability @ 22.5% on profit before tax	(37,765,784)	(7,505,388)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	849,408	7,203,574
	Current Tax Liabilities (whichever is higher)	849,408	7,203,574
11.2	Navana Batteries Ltd.		
	Profit before Tax	3,511,623	(18,877,354)
	Add: Accounting Depreciation	24,862,551	27,599,022
	Less: Tax Depreciation	(26,451,555)	(29,677,288)
	Adjusted Profit for tax calculation	1,922,619	(20,955,620)
	Normal Tax liability @ 25% on profit before tax	480,655	(6,286,686)
	Minimum Tax liabilities @ 0.6% on Gross Receipt	1,070,143	1,622,651
	Current Tax Liabilities (whichever is higher)	1,070,143	1,622,651

Notes No.	Particulars	31-03-24	30-06-23
12	Deferred tax liability		
	Aftab Automobiles Ltd. (12.1)	(119,244,146)	(95,457,338)
	Navana Batteries Ltd. (12.2)	(12,194,759)	27,350,977
	Closing Balance	(131,438,905)	(68,106,361)
Calculation of Deferred tax			
12.1	Aftab Automobiles Ltd.		
	For PPE		
	WDV on PPE as per Accounting Calculation	1,402,778,649	1,442,677,495
	WDV on PPE as per Taxable Calculation	1,227,804,831	1,265,024,844
	Unabsorbed Depreciation	199,197,272	160,205,719
	Unused TAX Losses	345,975,151	265,392,975
	Temporary Difference	(370,198,605)	(247,946,043)
	Deferred Tax 22.5% on difference	83,294,686	55,787,860
	Opening Deffered TAX	55,787,860	(34,579,544)
	Deferred Tax During The Year (i)	27,506,827	21,208,315
	For Bad debts		
	Bad debts as per accounting base	156,308,860	156,308,860
	Bad debts as per tax base	-	-
	Temporary difference	(156,308,860)	(156,308,860)
	Deferred Tax 22.5% on difference	35,169,494	39,077,215
	Opening Deffered TAX	39,077,215	30,174,633
	Deferred Tax During The Year (ii)	(3,907,722)	8,902,582
	For Gratuity		
	Gratuity as per accounting base	3,466,516	2,369,052
	Gratuity as per tax base	-	-
	Temporary difference	(3,466,516)	(2,369,052)
	Deferred Tax 22.5% on difference	779,966	592,263
	Opening Deffered TAX	592,263	-
	Deferred Tax During The Year (iii)	187,703	592,263
12.2	Navana Batteries Ltd		
	For PPE		
	WDV on PPE as per Accounting Calculation	902,995,158	925,117,099
	WDV on PPE as per Taxable Calculation	1,967,319,447	765,966,171
	Less: Unabsorbed Depreciation	81,633,859	55,182,304
	Less: Unused TAX Losses	37,095,842	8,697,058
	Temporary Difference	44,750,841	95,271,566
	Deferred Tax 30% on different	13,425,252	28,581,470
	Opening Deffered TAX	28,581,470	(45,998,555)
	Deferred Tax During The Year (i)	(15,156,217)	(17,417,086)
	For Bad debts		
	Bad debts as per accounting base	4,101,643	4,101,643
	Bad debts as per tax base	-	-
	Temporary difference	(4,101,643)	(4,101,643)
	Deferred Tax 30% on difference	(1,230,493)	(1,230,493)
	Opening Deffered TAX	(1,230,493)	-
	Deferred Tax During The Year (ii)	-	(1,230,493)
	For Gratuity		
	Gratuity as per accounting base	-	-
	Gratuity as per tax base	-	-
	Temporary difference	-	-
	Deferred Tax 30% on difference	-	-
	Opening Deffered TAX	-	-
	Deferred Tax During The Year (iii)	-	-

Notes No.	Particulars	31-03-24	30-06-23
13	Short-term loan		
	Agrani Bank Ltd.	1,818,334,314	1,777,006,526
	NRB Commercial Ltd.	609,540,211	561,147,888
	Mercantile Bank Ltd.	329,553,585	320,830,157
	Prime bank Ltd.	44,256,072	41,918,972
	SBAC bank Ltd.	31,893,619	31,430,390
	Southeast Bank Ltd.	1,005,497,433	933,745,642
	Janata Bank Ltd.	592,610,481	579,379,595
	Al-Arafah Islami Bank Ltd.	44,805,790	27,187,076
	IFIC Bank Ltd.	1,276,979,459	1,172,411,499
	Shahjalal Islami bank ltd.	238,758,965	229,600,199
	Modhumoti bank Ltd.	168,673,378	164,664,795
	Islamic Finance & Investment Ltd.	31,650,716	30,000,679
	Phoenix Finance & Investments Ltd.	89,947,415	85,258,213
		6,282,501,439	5,954,581,632
14	Accrued and other current liabilities		
	For goods supplied	414,945,598	373,772,140
	Liability for Exps(Including Salary, PF, GF,WF & Others)	112,787,324	141,108,539
	For Income tax	867,541,683	865,622,132
	For workers profit participation fund	9,146,099	10,201,099
	For Other Finance	43,299,778	42,252,691
		1,447,720,482	1,432,956,602
15	Unclaimed Dividend Account		
	The aging of Unclaimed Dividend are as follows:		
	Unclaimed for less than 3 year's	33,078,930	35,565,771
	Unclaimed for more than 3 year's	67,467,699	67,467,699
		100,546,629	103,033,470
16	Net assets value per share (NAVPS)		
	Net assets value	5,240,688,427	5,462,575,814
	Number of ordinary shares used to compute NAVPS	105,544,995	105,544,995
	Net assets value per share	49.65	51.76
17	Earnings per share (EPS)		
	Profit attributable to ordinary shareholders	(147,291,924)	4,724,248
	Number of ordinary shares used to compute earnings per share	105,544,995	100,519,043
	Earnings per share	(1.40)	0.05

The decrease in EPS is influenced by chassis model changes and Dollar crisis challenges affecting the opening of Letters of Credit (LC).

Notes No.	Particulars	31-03-24	30-06-23
18	Net operating cash flows per share (NOCFPS)		
	Net operating cash flows (Note: 18.1)	120,859,490	235,297,275
	Number of ordinary shares used to compute NOCFPS	105,544,995	100,519,043
	Net operating cash flows per share	<u>1.15</u>	<u>2.34</u>

There was a significant difference in Net Operating Cash Flow Per Share (NOCFPS) between July 2023 and March 2024, compared to the same period the previous year. This difference was mainly due to a decrease in customer collections.

18.1 Reconciliation of cash flows from operating activities under indirect method:

Net profit/Loss before interest, income tax & WPPF during the period	22,981,051	115,839,097
Adjustment to recocile net income to net cash provided by operating activities:		
Depreciation	66,532,937	66,187,498
Payment of lease liability	-	(48,168,088)
Interest on lease liability	2,068,000	1,558,017
Payment of WPPF	(1,055,000)	-
Income tax paid	(7,004,821)	(30,467,740)
Changes in current assets and liabilities:		
Decrease/ (increase) in inventories	14,866,325	90,434,582
Decrease/ (increase) in advance and prepayments	386,668,320	35,186,653
(Decrease)/ increase in payables & accruals	(349,100,672)	(70,303,609)
Decrease/ (increase) in trade receivable	(15,096,652)	75,030,865
Net cash flow from operating activities	<u>120,859,490</u>	<u>235,297,275</u>