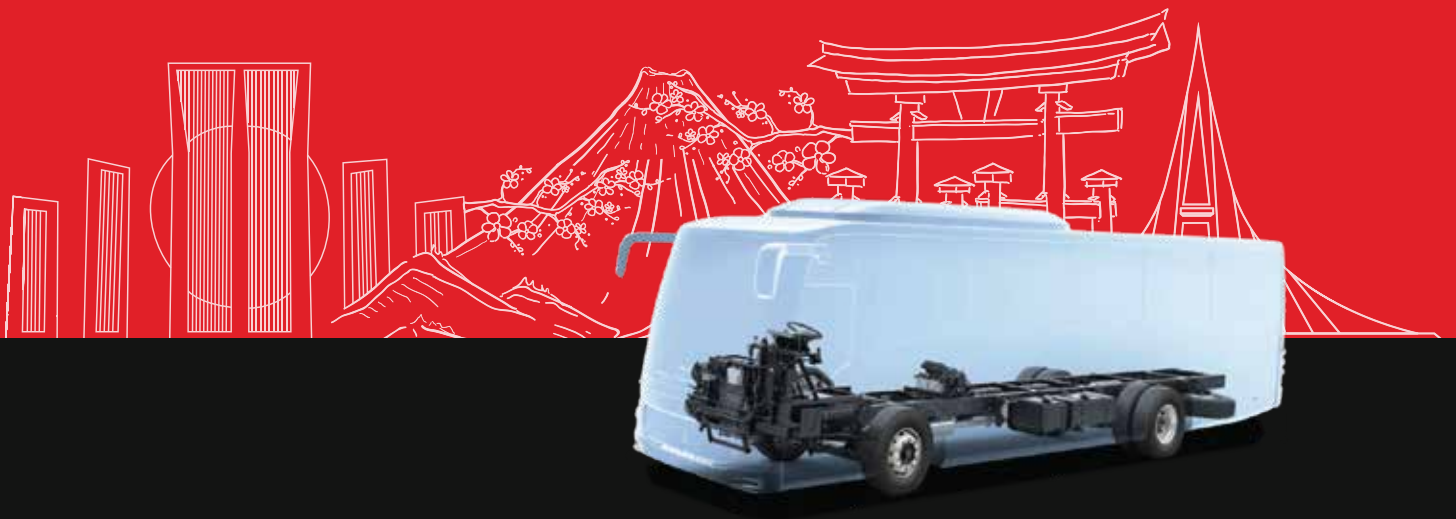


# ANNUAL REPORT

2024



aftab automobiles limited

# LETTER OF TRANSMITTAL

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Hon'ble Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies and Firms, Bangladesh  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited

**Sub : Annual Report-2024**

Dear Sir(s),

Enclosed please find the Annual Report of Aftab Automobiles Limited together with the consolidated Audited Financial Statements comprising of Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June 2024 alongwith notes there on for your kind information.

Sincerely yours,  
On behalf of Aftab Automobiles Limited

*Rahat Mahmud*

**(Rahat Mahmud)**  
Company Secretary

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# Corporate Information

## Board of Director

### Chairman

Shafiu Islam

### Managing Director

Saifu Islam

### Directors

Khaleda Islam

Sajedul Islam

Farhana Islam

### Independent Directors

Md. Mustafizur Rahman

Abul Layes Afsary

### Company Secretary

Rahat Mahmud

### Chief Financial Officer

Md. Shahadat Hossain Miah

### Head of Internal Audit and Compliance

Abdur Razzak

### Plants

#### a. Vehicle Assembling

Fouzderhat Heavy Industrial Estate

Chattogram

#### b. Bus-body Fabrication

Fouzderhat Heavy Industrial Estate

Chattogram

### Subsidiary Company

Navana Batteries Limited

### Audit Committee

Md. Mustafizur Rahman - Chairperson

Sajedul Islam-Member

Abul Layes Afsary-Member

### Nomination and Remuneration Committee

Abul Layes Afsary- Chairperson

Sajedul Islam-Member

Md. Mustafizur Rahman -Member

### External Auditors

M.Z. Islam & Co.

Chartered Accountants

### Corporate Governance Compliance Auditors

MNA Associates

Chartered Secretaries

### Principal Bankers

Agrani Bank Limited

Bank Asia Limited

Dutch Bangla Bank Limited

IFIC Bank Limited

NRB Commercial Bank Limited

One Bank Limited

Sonali Bank Limited

### Registered Office

125/A, Motijheel C/A (4<sup>th</sup> floor) Dhaka-1000.

### Corporate Office

205-207, Tejgaon I/A, Dhaka-1208.

e-mail: [info@aftabautomobiles.com](mailto:info@aftabautomobiles.com)

Website: [www.aftabautomobiles.com](http://www.aftabautomobiles.com)





# Corporate

## Chronicles

**Nature of Business:** Aftab Automobiles Limited is mainly a vehicle assembler and bus-body fabricator. It has been successfully assembling TOYOTA & HINO vehicles for Bangladesh market since 1982. 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 with a yearly production capacity of 2400 units of vehicles in 3 shifts.

Presently, the Company is mainly engaged in assembling of Hino Bus Chasis and Bus body fabrication of HINO Bus including luxury bus. HINO buses are widely operated in all the routes of the country. HINO luxury buses are also plying in the International Routes, e.g. Dhaka-Kolkata-Dhaka and Dhaka-Agartola-Dhaka.

The Bus Body fabrication Unit of the Company has also been modernized by introducing high-tech equipment, where buses are being painted with fully automation ensuing international quality.

Date of Incorporation	7 <sup>th</sup> September 1967
Converted into Public Limited Company	1981
Listing with Dhaka Stock Exchange Limited	1987
Listing with Chittagong Stock Exchange Limited	1996
Registered with Central Depository Participant (CDBL)	2005
Renewal of membership certificate from Bangladesh Association of Publicly Listed Companies (BAPLC)	2022
Face value per share	TK. 10/-
Authorized Capital	TK. 3,000,000,000/-
Paid-up Capital	TK. 1,055,449,950/-
Number of Shares	105,544,995





আফতাব অটোমোবাইলস্ লিমিটেড  
aftab automobiles limited

# Notice of the 44<sup>th</sup> annual general meeting

Notice is hereby given that the 44<sup>th</sup> Annual General Meeting (AGM) of the Shareholders of Aftab Automobiles Limited will be held on Tuesday, 24 December 2024 at 11.00 am under Digital Platform to transact the following business:

01. To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2024 together with Auditors' Reports and Directors' Reports thereon.
02. To declare Dividend for the year ended 30 June 2024.
03. To re-elect Directors in terms of the Articles of Association of the Company.
04. To appoint External Auditors of the Company for the year 30 June 2025 and fix their remuneration.
05. To appoint Corporate Governance Compliance Auditors of the Company for the year 30 June 2025.
06. Any other business with the permission of the Chair.

By Order of the Board

**Dated: Dhaka**  
01 December 2024

*Rahat Mahmud*  
(Rahat Mahmud)  
Company Secretary

## Notes:

- a) The Shareholders whose names will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date, i.e., 18 November 2024 will be entitled to attend the AGM and receive dividend.
- b) Attendance to the AGM through log in confirmation under Digital Platform of AGM.
- c) The Proxy Form affixed with requisite revenue stamp of Tk.20/- must be deposited at the Registered Office of the Company at least 48 hours prior to the AGM.
- d) The Annual Report-2024 of Aftab Automobiles Limited will be sent to the respective Shareholders' email address available with CDBL on Record Date.
- e) The copy of AGM notice, Proxy Form and Annual Report-2024 will also be available in the Company's website [www.aftabautomobiles.com](http://www.aftabautomobiles.com).





Dear Shareholders,  
Assalamu Alaikum,

It is my pleasure to place the Annual Report of Aftab Automobiles Limited, for the year ended 30 June 2024. On behalf of the Board of Directors, I would like to welcome you all at the 44<sup>th</sup> Annual General Meeting of the Company. I would also like to take the opportunity to share and exchange our thoughts and views on the performance of the company in the past years and the potentials and possibilities going forward.

As you know that, the commercial vehicle industry is facing a volatile business environment in a rapidly changing competitive landscape. The national lockdowns due to coronavirus and ongoing Russia-Ukraine war have had a distressing effect across all sectors of the automotive industry. However, we believe the present impact on the business is temporary. We predicted to overcome the current environment within the next year. The construction of Padma bridge and other infrastructure will have a huge economic impact on the country as well as on automotive industry. The Padma Bridge connected the

## Message From The Chairman

south-western part of the country with the capital and as a result a revolutionary change occurred in the transport sector. As transport companies are opening new routes there is a growing demand for air-conditioned and non-air-conditioned buses.

The Assembling Unit of the Company has assembled 21 Units of non-air-conditioned Hino Diesel Bus chassis.

The Bus Body Fabrication Unit of the Company has fabricated 05 Units of Hino Buses. DGDP Modification Toyota Jeep 209 units.

Navana Batteries Limited, subsidiary of Aftab Automobiles Limited has produced various types of Batteries and experienced good response from the market.

Finally, thanks to all my colleagues who have worked and continue to work very hard for the betterment & growth of the Company. I also express my deepest appreciations to you all, our business partners, suppliers, shareholders, regulatory authorities and other concern, for their confidence on us and valuable contribution to the company.

(Shafiul Islam)  
Chairman





প্রিয় শেয়ারহোল্ডারবৃন্দ,  
আসসালামু আলাইকুম।

আফতাব অটোমোবাইলস্ লিমিটেড-এর ৩০ জুন, ২০২৪ তারিখে সমাপ্ত বছরের জন্য বার্ষিক প্রতিবেদন পেশ করতে পেরে আমি আনন্দিত। পরিচালনা পর্ষদের পক্ষ থেকে, আমি কোম্পানীর ৪৪তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে আমন্ত্রণ জানাচ্ছি। আমি বিগত বছরগুলোতে কোম্পানীর কর্মক্ষমতা এবং আগামীদিনের সম্ভাবনার বিষয়ে আমাদের চিন্তা-ভাবনা আপনাদের জানাতে চাই।

আপনারা অবগত আছেন যে, বাণিজ্যিক যানবাহন শিল্প দ্রুত পরিবর্তনশীল প্রতিযোগিতামূলক বাজারে একটি অস্থির ব্যবসায়িক পরিবেশের মোকাবেলা করছে। কোভিড-১৯ মহামারী কারণে দেশব্যাপী লকডাউন এবং চলমান রাশিয়া-ইউক্রেন যুদ্ধের জন্য মোটরগাড়ি শিল্প কঠিন সময়ের মধ্য দিয়ে যাচ্ছে। যাইহোক, আমরা বিশ্বাস করি যে ব্যবসার উপর বর্তমান প্রভাব সাময়িক। আগামীতে বর্তমান অবস্থার উন্নতির ব্যাপারে আমরা আশাবাদি। পদ্মা সেতু ও অন্যান্য অবকাঠামো নির্মাণের ফলে দেশের আর্থ-সামাজিক উন্নয়নের পাশাপাশি মোটরগাড়ি শিল্পের উপরেও ইতিবাচক প্রভাব দৃশ্যমান। পদ্মা সেতু দেশের দক্ষিণ-পশ্চিমাঞ্চলকে রাজধানীর সঙ্গে

## চেয়ারম্যান - এর বিবৃতি

যুক্ত করেছে এবং ইতোমধ্যে পরিবহন খাতে বৈপ্লবিক পরিবর্তন এসেছে। পরিবহন কোম্পানীগুলো নতুন রুট চালু করায় শীতাতপ নিয়ন্ত্রিত ও শীতাতপ নিয়ন্ত্রিত নয় এমন বাসের চাহিদা বাড়ছে।

আপনারা অবগত আছেন যে, কোম্পানীর যানবাহন সংযোজন ইউনিটে ২১টি নন-এয়ারকন্ডিশন্ড হিনো ডিজেল বাস চেসিস সংযোজিত হয়েছে এবং বাস-বডি নির্মাণ ইউনিটে ০৫টি হিনো-বাসবডি তৈরী করা হয়েছে। ডিজিডিপি ২০৯টি টয়োটা জীপ মডিফিকেশন করেছে।

আফতাব অটোমোবাইলস্ লিমিটেড -এর সহযোগী প্রতিষ্ঠান নাভানা ব্যাটারীজ লিমিটেড বিভিন্ন ধরনের ব্যাটারী তৈরি করেছে এবং বাজার থেকে ভালো সাড়া পেয়েছে।

পরিশেষে, আমার সকল সহকর্মীদের ধন্যবাদ যারা কোম্পানীর উন্নতির জন্য কঠোর পরিশ্রম করেছেন এবং করে যাচ্ছেন। এছাড়াও আমি আমাদের ব্যবসায়িক অংশীদার, সরবরাহকারী, শেয়ারহোল্ডার, নিয়ন্ত্রক সংস্থা এবং অন্যান্য অংশীদারদের প্রতি আমার গভীর কৃতজ্ঞতা প্রকাশ করছি, আমাদের প্রতি তাদের আস্থা এবং কোম্পানীতে তাদের মূল্যবান অবদানের জন্য।

(শফিউল ইসলাম)  
চেয়ারম্যান



# DIRECTORS'

## *Report*

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TO THE SHAREHOLDERS

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**Dear Shareholders,  
Assalamu Alaikum,**

We have the pleasure to welcome you on behalf of the Board of Directors of Aftab Automobiles Limited at the 44<sup>th</sup> Annual General Meeting of the Company and present before you to receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 30 June 2024 together with the Auditors' Report and Directors' Report thereon, for your valuable guidance, opinion and consideration.

### **PRINCIPAL ACTIVITIES**

Due to covid-19 pandemic in worldwide and Russia-Ukraine War the global economy continues to be weakened significantly. Disruptions occurred in trade, food and fuel price shocks, all of which are contributing to high inflation and subsequent tightening in global & local financing conditions. As a result, Aftab Automobiles Limited could not achieve its desire goal as assumed. However, we are optimistic that the Company has taken necessary steps to increase production and sales. We have summarized herewith Industry outlook and segment wise activities of the company during the year under review:





**Vehicle Assembling Unit**

In the Vehicle Assembling Unit of the company a total of 21 chassis of Hino Diesel Bus were sold and DGD Modification Toyota Jeep 209 units. The Unit has contributed an amount of Tk. 12.46 crore to the Company's turn-over.

**Bus Body Fabrication Unit**

Bus Body Fabrication unit sold total of 05 units Hino non-air-conditioned bus body. An amount of Tk.0.63 crore has been contributed to the sales of the Company.

**Navana Batteries Limited**

Various types of batteries produced during the year; an amount of Tk. 34.58 crore added as sales of the company.

**Industry Outlook and Possible Future Development**

Over the years, Bangladesh achieved considerable economic growth and rise in foreign investments. As a result, the purchasing power of individuals has risen along with the demand for automobiles. To cover the market demand activities of Aftab Automobiles Limited and Navana Batteries Limited (a subsidiary of Aftab Automobiles Limited) are narrated hereunder:

**Bus**

The demand for Buses is growing rapidly in the country as well as increased economic activities in the last decade. Bus Operators are controlled mainly by large fleet owners throughout the country and demand is dominated by non-air-conditioned buses. However, there is a growing demand for luxury air-conditioned buses owing to the air pollution, environmental change and change of customers' choice.

**Batteries**

Navana Batteries Limited a subsidiary of Aftab Automobiles Limited has produced various types of Batteries as per market demand.

**Risk and Concern**

Due to global effect of Covid-19 pandemic and Russia-Ukraine War our business also affected by risk and uncertainties. However, we think uncertainties may be overcome in next year.

**Related party transactions**

During the year the Company carried out several transactions with related parties in the normal course of business. The name of related parties, nature of transactions and total transaction value have been set out following the provisions of 'BAS 24: Related Party Disclosure' disclosed in the note 38 of the notes to the financial statements.

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

Particulars	Amount in Taka	
	30 June 2024	30 June 2023
Revenues (Turnover)	476,750,640	1,184,911,272
Cost of goods sold	349,540,526	966,055,971
Gross profit	127,210,114	218,855,301
Net profit for the year after tax	(148,296,976)	4,116,866

**Margin Analysis**

Gross profit margin and Net profit margin compared with the previous year as hereunder:

Particulars	30 June 2024	30 June 2023
Gross Profit	26.68%	18.47%
Net Profit	(31.11%)	0.34%

**Extra-Ordinary Events**

No events of extra ordinary gain or loss reported in the financial statements which would require to adjust and/or disclose during the reporting period.

**The Variance between the Quarterly and Annual Financial Statements**

Variance in financial performance from quarter to quarter has been considered usual based on the variation of economic activities.

**Fairness of Financial Statements**

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and other related laws fairly present the Company's state of affairs, the results of its operations, cash flow, and changes in equity. Managing Director and Chief Financial Officer have given the declaration about the fairness of the financial statements for the year ended 30 June 2024 which is shown on page no. 21 of the report.

**Books of Accounts**

Proper books of accounts of the Company were maintained.

**Accounting Policies**

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

**Application of IAS and IFRS**

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have been followed in the preparation of the financial statements and any deviation therefrom has been adequately disclosed.

**Internal Control**

The systems of internal controls were sound in design and has been effectively implemented and monitored. The Company has an internal Audit Department to ensure effective internal control mechanism. The Audit Committee always gives their suggestion and recommendation as and when required.

**Minority Shareholders' Interest Protection**

Rights and interests of the minority shareholders have been duly protected by means of transparent operations and proper disclosure of material information of the Company.

**Going Concern**

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

**Five Years key Operating and Financial Data**

The Key operating and financial data for the last five years have been disclosed at page no. 16.

**Declaration by the Managing Director and the CFO**

Declaration by the Managing Director and CFO has been given on Annexure- A (Page 21)

**Consolidated Financial Result and Appropriation of Profit:**

The consolidated financial results for the year ended 30 June 2024 is given hereunder comparing with the previous year ended on 30 June 2023.



Amount in Taka

Particulars	30 June 2024	30 June 2023
Retained Earnings Brought Forward	2,424,397,179	2,494,875,777
Add: Net Profit for the year after tax	(148,296,976)	4,116,866
<b>Recommended for appropriations:</b>		
<b>2024 2023</b>		
Cash Dividend @ 10% 10%	(7,45,95,464)	(7,45,95,464)
Stock Dividend @ - -	-	-
<b>Un appropriated profit carried forward</b>	<b>2,201,504,739</b>	<b>2,424,397,179</b>

**Aftab Automobiles Limited (AAL)**

The operating results of AAL for the year ended 30 June 2024 is given hereunder compared to the previous year ended on 30 June 2023.

Amount in Taka

Particulars	30 June 2024	30 June 2023
Turnover	130,933,817	985,465,143
Gross Profit	29,655,951	162,842,911
Net Profit for the year after tax	(148,299,129)	4,116,866
Earnings Per Share (EPS)	(1.41)	0.04
Net Assets Value Per Share (NAVPS)	49.64	51.76
Net Operating Cash Flow Per Share (NOCFPS)	3.79	1.88

**Navana Batteries Limited (NBL), Subsidiary of Aftab Automobiles Limited**

Navana Batteries Limited is a fully owned subsidiary company of Aftab Automobiles Limited. The operating results of NBL for the year ended 30 June 2024 comparing with previous year ended on 30 June 2023 are given below:

Amount in Taka

Particulars	30 June 2024	30 June 2023
Revenues	345,816,823	199,446,129
Gross Profit	97,554,163	56,012,389
Net Profit After Tax	3,953,096	(1,852,427)
Earnings Per Share (EPS)	0.22	(0.10)
Net Assets Value Per Share (NAVPS)	40.75	40.53

**Investment in the associated company****Navana Real Estate Limited**

Aftab Automobiles Limited is holding 60,00,000 shares of Tk.10/- each of Navana Real Estate Limited. The acquisition cost of the said shares was Tk.3.33 per share. As Navana Real Estate Limited is not listed, its market price cannot be determined. However, Navana Real Estate Limited's Earning per share (EPS) and Net asset value (NAV) as on 30 June 2023 stood at Tk. 5.02 and Tk. 75.29 per share respectively.

### Board of Directors Meetings

Total 7 (Seven) meetings held by the Board of Directors during the year 30 June 2024.

Amount in Taka

Name of Directors	Position	Board Meeting attended
Mr. Shafiul Islam	Chairman	4
Mrs. Khaleda Islam	Director	5
Mr. Saiful Islam	Managing Director	7
Mr. Sajedul Islam	Director	6
Ms. Farhana Islam	Director	4
Md. Mustafizur Rahman	Independent Director	4
Mr. Abul Layes Afsary	Independent Director	4

### Independent Directors

**Mr. Md. Mustafizur Rahman**, currently serving as an Independent Director of Aftab Automobiles Limited, brings a wealth of expertise to his role.

**Mr. Rahman** is an experienced banker. He completed his graduation in Accounting and post-graduation in Finance from the University of Dhaka. Later on, he completed his DAIBB form The Institute of Bankers, Bangladesh (IBB). Mr. Rahman had started his career as a Financial Analyst at Sonali Bank Limited. He served the Bank over 35 years in different capacities across the country and abroad and retired from the Bank in 2014 as a Deputy Managing Director.

**Mr. Rahman** attended various training courses on Banking & Finance, Basel II, Entrepreneurship development, Credit management, Bank management, Managerial Planning & Control, Project Appraisal & Evaluation, Urban Branch Management in Bangladesh and abroad.

**Mr. Abul Layes Afsary** appointed as Independent Director of Aftab Automobiles Limited vide Board resolution dated 15.06.2023 for three years up to 14.06.2026 subject to approval by the shareholders in the ensuing Annual General Meeting.

**Mr. Abul Layes Afsary** is a seasoned corporate leader who has more than 35 years of experience in Banking. In his academic attainments, he completed his graduation and post-graduation from the University of Dhaka. Later on, he completed his Banking Professional Examination JAIBB and DAIBB from the Institute of Bankers Bangladesh. Mr. Afsary had started his career as Senior Officer at Sonali Bank Limited and served the Bank till 2018 in different capacities across the country and abroad. Along with various career accomplishment Mr. Afsary achieved all business/remittance targets of about 200% in 2002 and 2003, and received letter of appreciation from the Chairman of the Board of Directors of Sonali Exchange Co. Inc. New York, USA & Managing Director of Sonali Bank Limited. He attended various training programs at home and abroad.



**Remuneration paid to Directors and Independent Directors**

An amount of Tk.95,000/- paid to Directors and TK.40,000/-paid to Independent Directors for attending at Board of Directors meeting held during the financial year ended on 30 June 2024.

**Recommendations for Re-election**

In terms of Article 125 and 126 of the Articles of Association of the Company, Mr. Shafiul Islam and Mrs. Khaleda Islam, Directors retire by rotation from the Board in the 44<sup>th</sup> Annual General Meeting. Being eligible under Article 127 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

**Disclosure of information of the directors who are willing to be re-elected:****Mr. Shafiul Islam**

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

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

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

Navana Limited, Aftab Automobiles Limited, Navana Real Estate Limited, Navana Construction Ltd., Navana Foods Ltd., Navana Building Products Ltd., Navana Interlinks Ltd., Navana Electronics Ltd., Navana Batteries Ltd., Navana Furniture Ltd., Navana Engineering Limited, Navana Welding Electrode Limited, Navana Plastic Products Ltd., Navana Toyota Service Center Ltd., Navana Logistics Ltd., Navana Renewable Energy Ltd., Navana Paints Ltd. and Navana LPG Ltd.

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

**Mrs. Khaleda Islam**

Mrs. Khaleda Islam is the wife of Mr. Shafiul Islam, Chairman of the Navana Group. Mrs. Khaleda Islam has experience in business for more than 30 years. She traveled many countries in the world.

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

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

Navana Limited, Aftab Automobiles Limited, Navana Real Estate Limited, Navana Construction Ltd., Navana Foods Ltd., Navana Electronics Ltd., Navana Toyota Service Center Ltd., Navana Engineering Limited, Navana Welding Electrode Limited, Navana Interlinks Ltd., The Essential Industries Ltd., Biponon Ltd., Navana Logistics Ltd., Navana Renewable Energy Ltd., Navana Building Products Ltd. and Navana LPG Ltd.,

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



**Corporate Governance Compliance**

The Company complies with the requirements of Corporate Governance Code.

- a. Compliance Certificate on Corporate Governance Code in page no. 22 (Annexure-B)
- b. Corporate Governance Compliance Report in page no. 23 (Annexure-C)
- c. Pattern of shareholding in page no. 15

**Next Year Plan**

Aftab Automobiles Limited could not achieve its target as expected due to covid-19 pandemic in worldwide and Russia-Ukraine War. However, the management of the Company has taken plan to grow its business significantly.

**Dividend**

The Board of Directors of Aftab Automobiles Limited in its meeting held on 27 October 2024 has recommended dividend as follows:

- a. 10% Cash Dividend for the general shareholders only excluding Sponsors and Directors. The Sponsors and Directors are holding 3,0949,531 shares out of total 1,05,544,995 shares of Aftab Automobiles Limited. Dividend amount payable to the general shareholders only is Tk. 7,45,95,464/- for shares 7,45,95,464; and

The general shareholders whose names appeared in the share register of the Company and/or Depository Register of CDBL as on Record Date i.e., 18 November 2024 will be entitled to have the cash, subject to approval in the ensuing Annual General Meeting of the Company scheduled to be held on 24 December 2024.

**Appointment of External Auditors**

Being illegible the existing auditors of the Company M.Z. Islam & Co., Chartered Accountants, expressed their willingness to continue as External Auditors of the Company for the year ended 30 June 2024. The Board of Directors of the Company in a meeting dated 27 October 2024 recommended for re-appointment of M.Z. Islam & Co., Chartered Accountants for conducting audit as external an auditor of the Company for the year 30 June 2025. Matter to be placed for approval in the ensuing Annual General Meeting scheduled to be held on 24 December 2024.

**Appointment of Corporate Governance Compliance Auditors**

Existing Corporate Governance Compliance Auditors MNA Associates, Chartered Secretaries have completed their work as compliance Auditors for the year ended 30 June 2024. The Board of Directors in a meeting dated 27 October 2024 recommended to appoint MNA Associates for the year ending on 30 June 2025, Subject to approval by the shareholders of the Company in the ensuing Annual General Meeting scheduled to be held on 24 December 2024.

**Acknowledgement**

On behalf of the Company, we would like to record our sincere thanks to all shareholders for their continued confidence in us, and employees of Aftab Automobiles Limited and its subsidiary for their contribution and at the same time thanks to all the stakeholders and other concern for their continuous support.

Best regards to all the shareholders. May you all have a healthy, peaceful and progressive life.

On behalf of the Board of Directors



**(Saiful Islam)**

Managing Director



## PATTERN OF SHAREHOLDINGS

The pattern of shareholdings of the Directors and others as on 30 June 2024 are as follows:

Namewise Details		No. of Shares held
i.	Parent/Subsidiery/Associated Companies and other related parties	
ii.	Directors, Chief Executive Officer/ Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouse and minor children:	
	<b>Directors, Chief Executive Officer/ Managing Director:</b>	
	Mr. Shafiul Islam - Chairman	19,820,620
	Mr. Saiful Islam - Managing Director	3,398,047
	Mrs. Khaleda Islam - Director	2,804,167
	Mr. Sajedul Islam - Director	2,719,581
	Ms. Farhana Islam - Director	2,191,853
	Mr. Md. Mustafizur Rahman - Independent Director	Nil
	Mr. Abul Layes Afsary - Independent Director	Nil
	Chief Financial Officer, Company Secretary and Head of Internal Audit & Compliance and their spouse and minor children:	Nil
iii.	Executives	Nil
iv.	Shareholders holding ten percent (10 %) or more voting interest in the company:	
	Mr. Shafiul Islam	19,820,620

## HIGHLIGHTS OF FINANCIAL & KEY OPERATING DATA

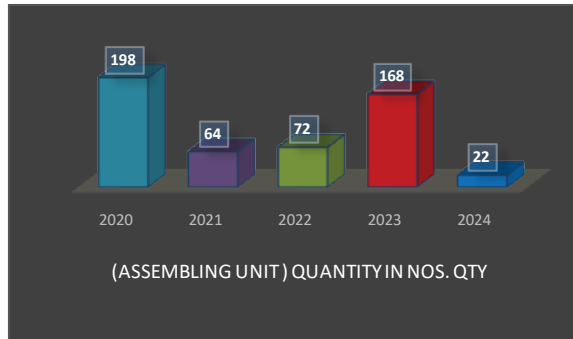
[Consolidated]

(Amount in '000 Taka)

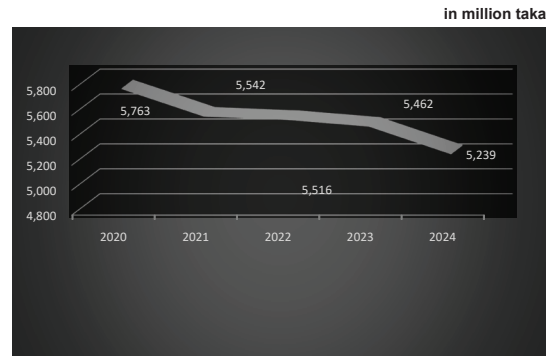
Particulars	2024	2023	2022	2021	2020
Authorized capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Paid-up capital	1,055,449	1,055,449	1,005,190	957,324	957,324
Face Value Per Share	Tk. 10/-	Tk. 10/-	Tk. 10/-	Tk. 10/-	Tk. 10/-
Shareholders' equity	5,239,681	5,462,575	5,516,746	5,542,366	5,762,720
Fixed asset	2,089,601	2,090,008	1,924,542	1,885,081	1,936,566
Turnover (Net)	476,750	1,184,911	710,591	1,254,021	1,947,025
Gross profit	127,210	218,855	174,187	307,009	515,482
Net profit after tax	(148,296)	4,116	1,092	(185,517)	8,409
Total comprehensive income for the period/year	(148,296)	4,116	1,092	(185,517)	8,409
Operating cash flow per share	5.01	2.39	3.71	6.65	(6.02)
Book value per share	49.64	51.76	54.88	57.89	60.20
Earnings per share	(1.41)	0.04	0.01	(1.94)	0.09
Cash dividend	10%	10%	5%	5%	10%
Stock dividend	-	-	5%	5%	-
Number of shareholders	19,256	18,701	18,869	20,177	21,182

# GRAPHICAL PRESENTATION

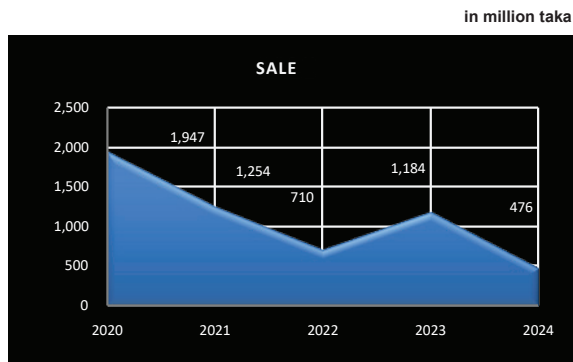
## PRODUCTION



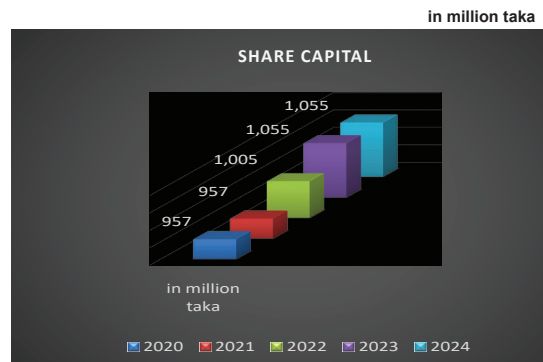
## SHAREHOLDERS EQUITY



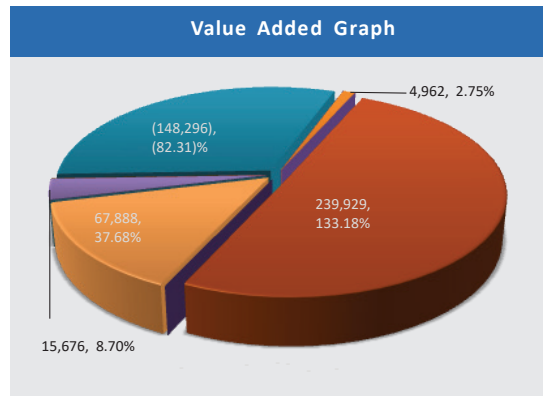
## SALE



## SHARE CAPITAL



VALUE ADDED STATEMENT For the Period ended June 30, 2024		
	Amount in '000' Taka	%
Sale/ Turnover	476,750	
Bought in- Material & Service	296,591	
Value Added	180,159	
Application to National Exchequer	4,962	2.75
to Providers of Loan as Interest & Charges	239,929	133.18
to Providers Emp. Salaries	67,888	37.68
Wages & other benefits	15,676	8.70
to Providers of Capital- as Dividend	(148,296)	(82.31)
Reserve & Surplus / (Loss)		
	180,159	100.00





The Board of Directors of Aftab Automobiles Limited is collectively responsible to shareholders and concern to enhance good governance practice and maintaining effective corporate governance culture of transparency and good governance in the Company.

The Company has complied with all the requirement of Corporate Governance Code-2018

### **Board of Directors**

The Board of Directors comprises of 7(seven) members including 2 (two) Independent Director. All Directors have sound knowledge in the area of related business, managerial expertise and sound academic and professional knowledge. They are well conversant with corporate governance code.

### **Policy on appointment of Directors**

BSEC notification on Corporate Governance Code and Companies Act, 1994 are followed to appoint the Directors of the Company. Being a member of the Board, a director other than a nominated, Independent and alternate Director, must maintain at least two percent shares of Paid-up shares of the company. According to the provision of Companies Act 1994, at least one-third of the Directors retired by rotation in every AGM. The tenure of office of an Independent Director is for a period of 3 (three) years and may be extended for 1 (one) more tenure only. With regards to appointment of the directors, the Company follows all relevant rules and regulations.

### **Independent Directors**

The Board of Directors appointed Mr. Md. Mustafizur Rahman and Mr. Abul Layes Afsary as Independent Director of the Company w.e.f. 23.10.2022 and 15.06.2023 respectively. The Board believes that their experience and knowledge will enable them to provide constructive as well as an effective contribution to the Company.

### **Independency of Independent Director**

As per Corporate Governance Code, one-fifth of the total Directors of the Board shall be Independent Directors. The Company has two (2) Independent Directors out of the total seven (7) Directors. For the purpose of independence, the Board decided that its Independent Directors do not hold any shares of the Company and does not have any other relationship, not a member, Director or officer of any Stock Exchange.

### **The Role of the Chairman and the Managing Directors**

The position of the Chairman and the Managing Director of the company shall be filled by the different



individuals who are the member of the Board. There is a division of responsibilities between the Chairman's functions and that of the Managing Director. The responsibility of the Chairman is to provide leadership to the Board and to ensure that the Board works efficiently and discharges their responsibilities effectively. The Chairman shall preside over the meeting of the Board of Directors and General Meeting.

The Managing Director has the overall responsibility for the performance of the Company's business. He is also responsible for establishing and executing the Company's overall strategic and operating plan which is necessary to achieve the Company's objectives.

#### **Financial and Accounting Knowledge and Expertise of the Directors**

The Board of Directors, consists of members who possess a wide knowledge and experience in finance, management, business administration, rules and regulation as required. They formulate the right policy for the development of the business while having the specialized skills and the ability to foresee development across a larger perspective.

Mr. Md. Mustafizur Rahman one of the Independent Director completed his graduation in Accounting and post-graduation in Finance from the University of Dhaka.

#### **Audit Committee**

The Audit Committee is a sub-committee of the Board of Directors. The Audit Committee is comprised of three members including two Independent Directors of the Company. Mr. Md. Mustafizur Rahman Independent Director, is the Chairperson of the Audit Committee. The Committee assists the Board to ensure that the financial statements reflect true and fair view of the state of affairs of the Company and ensuring a good monitoring system within the business and to oversee the determination of audit fees based on scope and magnitude, level of expertise deployed for effective audit and evaluate the performance of external auditors of the company.

#### **Nomination and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee is a sub-committee of the Board of Directors. The Nomination and Remuneration Committee (NRC) is comprised of three members of the Board including 2 (two) Independent Directors. Mr. Abul Layes Afsary is the Chairperson of the NRC. The Nomination and Remuneration Committee is responsible to the Board and to the Shareholders.

#### **Company Secretary**

Rahat Mahmud is the Company Secretary of Aftab Automobiles Limited. He is responsible for dealing with corporate and various regulatory compliances, making bridge between the Board of Directors and other Stakeholders, custodian of the Shareholders and also conducts the statutory functions pursuant to the applicable laws and regulations. The Board of Directors defined the respective roles, responsibilities and duties of the Company Secretary in compliance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC).

#### **Chief Financial Officer**

Md. Shahadat Hossain Miah has been appointed as the Chief Financial Officer of the Company. He is responsible for accounts and financial activities of the Company. The Board of Directors clearly defined the respective roles, responsibilities and duties of the Chief Financial Officer in compliance with the

Corporate Governance Code and other applicable rules and regulations.

#### **Head of Internal Audit & Compliance (HIAC)**

Abdur Razzak is the Head of Internal Audit & Compliance of Aftab Automobiles Limited. He is responsible for management and oversight of the company's Internal Audit activities. The Board of Directors have defined the roles, responsibilities and duties of HIAC in conformity with the Corporate Governance Code.

#### **Financial Reporting**

Financial Statements have been prepared in line with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other legislations as applicable in Bangladesh. Preparing un-audited quarterly and annual audited financial statements with comprehensive details as per legal requirements.

#### **Statutory Audit**

Statutory Auditor of the Company worked under the Companies Act, 1994, Corporate Governance Code and other applicable laws. The Act and Code provides guidelines for the appointment, scope of work, retirement/re-appointment of auditors and fix their remuneration. Their appointment will be approved by the shareholder of the Company in ensuing Annual General Meeting.



## Declaration by **Managing Director & Chief Financial Officer**

27 October, 2024

The Board of Directors  
Aftab Automobiles Limited

**Subject: Declaration on Financial Statements for the year ended on 30 June 2024.**

Dear Sirs,

Pursuant to the condition No 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80, Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969 we do hereby declare that:

- (1) The Financial Statements of Aftab Automobiles Limited for the year ended on 30 June 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

**In this regard, we also certify that:**

- (i) We have reviewed the financial statements for the year ended on 30 June 2024 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



**(Saiful Islam)**  
Managing Director



**(Md. Shahadat Hossain Miah)**  
Chief Financial Officer



Chartered Secretaries

**ANNEXURE-B**

[(Certificate as per condition No. 1(5)(xxvii)]

**Report to the Shareholders of Aftab Automobiles Limited  
on Compliance to the Corporate Governance Code 2018;**

We have examined the compliance status to the Corporate Governance Code by Aftab Automobiles Limited for the year ended on 30 June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006 -158/207/ Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any conditions of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except those mentioned in the statement of compliance status;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the Securities Laws and other relevant laws; and
- The governance of the company is satisfactory.

MNA Associates  
Chartered Secretaries

M Nurul Alam FCS  
Chief Executive Officer  
Enrollment No. 015

Place: Dhaka  
Dated: October 15, 2024

**MNA Associates**

Tropical Molla Tower 3<sup>rd</sup> Floor| Sha-15/1-4 Pragati Sarani (Gulshan Link Road Badda end) | Middle Badda, Dhaka-1212  
Mob: +880 1880887760 | Email: [info@mnaassociates.org](mailto:info@mnaassociates.org) | Website: <http://mnaassociates.org>

**STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

Status of Compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

**(Report under Condition No. 9)**

Condition No	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1 (1)	Board's Size [The total number of members of a Company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty)].	✓		Aftab Automobiles Limited Board is comprised of 07 (Seven) Directors
<b>1 (2)</b>	<b>Independent Directors</b>			
1 (2)(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	✓		There are 02 Independent Directors out of 07 Directors
1(2)(b)	Independent Directors means a director			
1 (2)(b)(i)	Who either does not hold any share in the company or holds not less than one percent (1%) shares of the total paid-up shares of the company	✓		
1 (2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his/her family members also should not hold above mentioned shares in the company	✓		
1 (2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1 (2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1 (2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1 (2) (b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1 (2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies	✓		
1 (2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution	✓		
1 (2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude	✓		



Condition No	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1 (2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1 (2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	✓		
1 (2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:	✓		
1 (3)	<b>Qualification of Independent Director</b>			
1 (3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1 (3)(b)	Independent Director shall have following qualifications:			
1 (3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1 (3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓		
1 (3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or			N/A
1 (3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1 (3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.			N/A
1 (3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1 (3)(d)	In special cases, the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
1 (4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1 (4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) of the company shall be filled by different individuals.	✓		
1 (4)(b)	The Managing Director (MD) of a listed company shall not hold the same position in another listed company.	✓		
1 (4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓		
1 (4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director.	✓		
1 (4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1 (5)	The Directors' Report to the Shareholders			
1 (5)(i)	An industry outlook and possible future development in the industry	✓		
1 (5)(ii)	The segment-wise or product-wise performance	✓		
1 (5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any.	✓		
1 (5)(iv)	A discussion on Cost of Goods sold. Gross Profit Margin and Net Profit Margin, where applicable	✓		
1 (5)(v)	A discussion on continuity of any extra-ordinary activities and their implications (gain or loss)			N/A
1 (5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1 (5)(vii)	A statement of Utilization of proceedsraised through public issues, rights issues and/or any others instruments;			N/A
1 (5)(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			N/A
1 (5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1 (5)(x)	A statement of remuneration paid to the directors including independent directors	✓		
1 (5)(xi)	A statement that the financial statements prepared present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1 (5)(xii)	Proper books of accountshave been maintained	✓		
1 (5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1 (5)(xiv)	IAS/IFRS, as applicable in Bangladesh, have been followed withadequate disclosure;	✓		
1 (5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓		
1 (5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	✓		
1 (5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1 (5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1 (5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1 (5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			N/A
1 (5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			N/A
1 (5)(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
1 (5)(xxiii)	Pattern of shareholding and name wise details:			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details)	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name-wise details)	✓		
1(5)(xxiii)(c)	Executives	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	✓		
1 (5)(xxiv)	<b>Disclosure on appointment/re-appointment of Director:</b>			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board.	✓		
1 (5)(xxv)	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1 (5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1 (5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	✓		
1 (5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
1 (5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1 (5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓		
1 (5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1 (5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1 (5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per <b>Annexure-A</b>	✓		
1 (5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No.9 shall be disclosed as per <b>Annexure-B and Annexure-C</b> .	✓		
1(6)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings.	✓		
1 (7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1 (7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
1 (7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading relationship with environment, employees, customers and suppliers; and independency a	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2	Governance of Board of Directors of Subsidiary Company.			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	✓		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	✓		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3 (1)	Appointment			
3 (1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3 (1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3 (1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3 (1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3 (1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
3(2)	Requirement to attend Board of Directors' Meetings Provided that the MD, CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3 (3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3 (3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3 (3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
3 (3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3 (3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3 (3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee For ensuring good governance in the company, the Board shall have at least following sub-committees:			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	<b>Audit Committee</b>			
5 (1)	<b>Responsibility to the Board of Directors</b>			
5 (1)(a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors	✓		
5 (1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5 (1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5 (2)	<b>Constitution of the Audit Committee</b>			
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company and shall include at least 1 (one) independent director.	✓		
5 (2)(c)	All members of the audit committee should be 'financially literate' and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	✓		
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any committee members to unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the committee to ensure continuity of the performance of work of the Audit Committee.	✓		
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5 (3)	<b>Chairperson of the Audit Committee</b>			
5 (3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5 (3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			N/A
5 (3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
5 (4)	<b>Meeting of the Audit Committee</b>			
5 (4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5 (4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5 (5)	<b>Role of Audit Committee</b> The Audit Committee shall:			
5 (5)(a)	Oversee the financial reporting process;	✓		
5 (5)(b)	Monitor choice of accounting policies and principles;	✓		
5 (5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5 (5)(d)	Oversee hiring and performance of external auditors;	✓		
5 (5)(e)	Hold meeting with the external auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5 (5)(f)	Review the annual financial statements before submission to the Board for approval;	✓		
5 (5)(g)	Review the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5 (5)(h)	Review the adequacy of internal audit function;	✓		
5 (5)(i)	Review and Analysis before disclosing in the Annual Report;	✓		
5 (5)(j)	Review statement of all related party transactions	✓		
5 (5)(k)	Review Letter of Internal Control weakness issued by statutory auditors;			N/A
5 (5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5 (5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.			N/A
5 (6)	<b>Reporting of the Audit Committee</b>			
5 (6)(a)	<b>Reporting to the Board of Directors</b>			
5 (6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5 (6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any			N/A
5 (6)(a)(ii)(a)	Report on conflicts of interests			N/A
5 (6)(a)(ii)(b)	Suspected or presumed fraud or irregularity material defect identified in the internal audit and compliance process or in the financial statements			N/A
5 (6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5 (6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			N/A
5 (6)(b)	<b>Reporting to the Authorities</b>			
5 (7)	<b>Reporting to the Shareholders and General Investors</b>	✓		
6	<b>Nomination and Remuneration Committee (NRC)</b>			
6 (1)	<b>Responsibility to the Board of Directors</b>			
6 (1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as sub-committee of the Board;	✓		
6 (1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6 (1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6 (2)	<b>Constitution of the NRC</b>			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (2)(a)	The Committee shall comprise of at least three members including an independent director	✓		
6 (2)(b)	All members of the Committee shall be non-executive directors;	✓		
6 (2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6 (2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6 (2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			N/A
6 (2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			N/A
6 (2)(g)	The Company Secretary shall act as the secretary of the Committee;	✓		
6 (2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6 (2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6 (3)	<b>Chairperson of the NRC</b>			
6 (3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6 (3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			N/A
6 (3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the Shareholders.	✓		
6 (4)	<b>Meeting of the NRC</b>			
6 (4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6 (4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC			N/A
6 (4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)	✓		
6 (4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6 (5)	<b>Role of the NRC</b>			
6 (5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	✓		
6 (5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6 (5)(b)(i)	Formulation the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors top level executive, considering the following:	✓		
6 (5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	✓		
6 (5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	✓		
6 (5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
6 (5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	✓		
6 (5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6 (5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
6 (5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	✓		
6 (5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	<b>External Auditors</b>			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
7 (1)(i)	Appraisal or valuation services or fairness opinions	✓		
7 (1)(ii)	Financial information systems design and implementation	✓		
7 (1)(iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
7 (1)(iv)	Broker-dealer services	✓		
7 (1)(v)	Actuarial services	✓		
7 (1)(vi)	Internal audit services or special audit services	✓		
7 (1)(vii)	Any service that the Audit Committee determines	✓		
7 (1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
7 (1)(ix)	Any other service that creates conflict of interest.	✓		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company.	✓		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	<b>Maintaining a website by the Company</b>			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8 (2)	The company shall keep the website functional from the date of listing.	✓		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	<b>Reporting and Compliance of Corporate Governance</b>			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9 (3)	The directors of the company shall state, in accordance with the <b>Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	✓		

# AUDIT COMMITTEE REPORT

The Audit Committee is a sub-committee of the Board of Directors of **Aftab Automobiles Limited**. In compliance with the Corporate Governance Code, the Board of Directors of the Company appointed 3 (three) members of the Audit Committee including 2 (Two) Independent Director. The Audit Committee shall assist the Board of Directors to ensure that the financial statements reflect true and fair view of the state of affairs of the Company and to ensure a good monitoring system within the business and they shall be responsible to the Board.

## Members of the Audit Committee:

Mr. Md. Mustafizur Rahman	Independent Director	Chairperson
Mr. Abul Layes Afsary	Independent Director	Member
Mr. Sajedul Islam	Non-Executive Director	Member

The Committee held on Four (4) meetings during the year under review. Mr. Rahat Mahmud, Company Secretary acts as the Secretary of the Committee. A record of the Members' attendance at the Audit Committee meetings during 2023-2024 is given below:

Name	Designation	Attendance	%
Mr. Md. Mustafizur Rahman	Chairperson	4/4	100
Mr. Abul Layes Afsary	Member	4/4	100
Mr. Sajedul Islam	Member	4/4	100

## Role of Audit Committee

Role of audit committee shall include the following:

- Oversee the financial reporting process;
- Monitor choice of accounting policies and principles;
- Oversee hiring and performance of external auditors;
- Review the quarterly and annual financial statements before submission to the Board for approval;
- Review the adequacy of internal audit function;
- Review statement of related party transactions;
- Audit committee shall submit their recommendation to the Board regarding the change or addition of any accounting principle if they think necessary;
- The Audit committee shall disclose to the Board immediately on any matter if deems necessary; and
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed for effective audit and evaluate the performance of external auditors.

## Activities of the Audit Committee carried out

The Audit Committee of Aftab Automobiles Limited carried out works during the reporting period for the year ended 30 June 2024 as follows:

- The Committee reviewed un-audited quarterly financial statements.
- Reviewed the Financial Statements of Navana Batteries Limited (subsidiaries of Aftab Automobiles Limited) for the year ended 30 June 2024 and found adequate arrangement to present a true and fair view of the financial statements of the Companies.
- Reviewed the procedure and task of the internal audit, financial audited report prepared by the external auditors on the consolidated financial statements of Aftab Automobiles Limited for the year ended 30 June 2024 and forwarded the same to meeting of the Board of Directors.
- Reviewed procedures to ensure compliance with regulatory and financial reporting requirements.
- Oversee the determination of audit fees based on scope and magnitude, expertise deployed for effective audit and evaluate the performance of external auditors.

The Audit Committee expressed its sincere thanks to the members of the Committee, Board, Management and the auditors for their valuable wisdom, guidance and support in carrying out their duties and responsibilities.



(Md. Mustafizur Rahman)

Chairperson

Audit Committee



# NOMINATION & REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee is a sub-committee of the Board of Directors of **Aftab Automobiles Limited**, constituted pursuant to the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC). The Committee is accountable to the Board and to the shareholders.

The main activities of NRC are to assist and advise the Board. The Committee discharge the responsibility and oversee the function as defined in the Corporate Governance Code of BSEC.

## The Nomination and Remuneration Committee (NRC) consists of the following:

Mr. Abul Layes Afsary	Independent Director	Chairperson
Mr. Md. Mustafizur Rahman	Independent Director	Member
Mr. Sajedul Islam	Non-Executive Director	Member

The Committee held on one (1) meeting during the year under review. Mr. Rahat Mahmud, Company Secretary acts as the Secretary of the Committee.

## Role of the NRC

- NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- Devising a policy on Board diversity taking into consideration age, gender, experience and nationality;
- Identifying persons who are qualified to become directors/ top level executive and recommend their appointment/ removal;
- Assess as to whether the level and composition of remuneration is reasonable and efficient to attract, retain and motivate suitable Directors to run the Company successfully;
- Evaluate as to whether remuneration of Directors, top level executive involved a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goal;
- Developing, recommending, and reviewing annually the Company's human resources and training policies; and
- Identify the Company's need for employees at different levels and determine their selection, transferor replacement and promotion criteria;

The Nomination and Remuneration Committee expressed its sincere thanks to the members of the Committee, Board and Management for their support in carrying out their duties and responsibilities.



**(Abul Layes Afsary)**  
Chairperson, NRC

# AFTAB AUTOMOBILES LIMITED

## Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer/Managing Director

In compliance with the Notification dated 3 June 2018 of Bangladesh Securities and Exchange Commission on Corporate Governance Code under Condition 1. (7)(b), the Board laydown a code of conduct as determined by the Nomination and Remuneration Committee (NRC) as follows:

This code of conduct is a guideline for the Chairperson, other Board Members and Chief Executive Officer/Managing Director of the Company.

### Code of Conduct

#### 1. Prudent conduct and behavior

- a) The Chairperson, other Board Members and Chief Executive Officer/ Managing Director shall act honestly, ethically, in good faith and for the greater interest of the Company;
- b) They shall dedicate, attention to ensure diligent performance of his/her duties and responsibilities as set forth in the Company's Memorandum of Association, Articles of Association and Corporate Governance Code;
- c) They shall be free from exercising in any discriminatory practice or behavior based on race, gender, age, color, ethnic or national origin, religion;
- d) They shall conduct themselves in a professional, courteous & respectful manner and shall not take any improper advantage of their position;
- e) They shall use Company's assets, properties, intellectual rights for business purposes of the Company not for any personal benefits or gains;
- f) They shall comply with all applicable laws, regulations, confidentiality, obligations and corporate policies;
- g) They shall aware of the Countries/Foreign business policies, new innovations, future prosperity/prospect and so more; and
- h) The Chairperson shall preside over all the meetings of Board of Directors and General Meetings.

#### 2. Confidentiality

- a) Directors shall be aware of confidential information concerning the affairs and business transaction of the Company;
- b) Directors neither disclose any information to persons outside of the Company, nor they use information for their personal benefits or for the benefit of any person/concern outside of the Company; and
- c) All confidential information must be held in confidence unless authorized by the Board for public dissemination, permissible in accordance with the Corporate Governance Code of BSEC, Listing Regulations of the Exchange(s) or any applicable rules and laws.

#### 3. Conflict of Interest

- a) The Chairperson, Chief Executive Officer/Managing Director and other Board Members shall not enter into any transaction which is may likely to have a conflict with the interest of the Company.
- b) All transaction having conflict of interest, if any, be carried out in accordance with the law and rules fully disclosed to the Board.

#### 4. Compliance with Laws, Rules and Regulations

- a) The Chairperson, Chief Executive Officer/Managing Director and other Board Members shall ensure compliance with relevant legal/regulatory requirements, as applicable to/from the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are considered;



- b) They shall adhere to the laws of the Government and compliance with regulatory requirements applicable for the business. This includes compliance with Company's Act, Regulatory Directives, notification/orders, Income Tax Laws, VAT Act/Rules, Labour Laws, Industry Laws, Trade & Finance Laws, Securities Laws, Copyright Act, Employment Policy, Health & Safety Laws, Environmental Laws, Legal Laws and other applicable rules and regulations; and
- c) They shall comply/implement all applicable laws, rules and regulations in order to assist the Company in promoting lawful and ethical behaviors, any possible violation of laws, rules, regulations or the code of conduct shall be reported to the Board.

## **5. Prohibition of insider trading**

- a) Insider trading means using confidential material information about the Company to achieve an unfair advantage in the buying or selling of the company's share/securities. Material Information is usually defined as information which, if publicly disclosed, would reasonably be expected to influence decision to investor to buy, hold or dispose of securities/shares of the Company;
- b) Insider trading is both unethical and illegal. It is also illegal to pass on undisclosed material information in the necessary course of business;
- c) All these materials are subject to take necessary action against who is involves and may be taken prosecutions; and
- d) They shall comply applicable rules and regulations, notifications/orders issued by the regulatory authorities.

## **6. Relationship with employees**

- a) They shall strive for causing the Company to maintain cordial employee relation;
- b) They shall build competency based on human resource systems and maintain human resource policies that have been directed at managing the growth of the Company efficiently; and
- c) They shall assist the Company in future aligning its human resources policies, process and initiatives to meet the business needs.

## **7. Relationship with shareholder/investor**

They shall preserve the lawful benefits and interests of its shareholders/investors. They shall provide with accurate, relevant, transparent, information on Company's operation/business. They shall make utmost endeavor to maximize the project.

## **8. Relationship with customer**

They shall maintain a good business relationship and liaison with its customers through proper business communication, manufacture and market its products of the highest quality and standards as per customer needs backed by efficient market analysis and review with the requirements of the customers to ensure their total satisfaction.

## **9. Relationship with suppliers**

They shall ensure that the suppliers are committed to supply the raw-materials persistentl to keep the production stream moving, as well as consider the availability, quality, price of raw materials.

## **10. Relationship with environments**

Environmental and climate protection are among the most pressing global challenges of the time. Risks inherent to environment and social events/activities need to be taken consideration.

## **11. Independency**

- a) They shall remain independent in all material aspects;
- b) They shall works with independency in every sphere of activities, business of the Company; and
- c) They shall ensure the independency of employees at their workplace with a view to deriving the best performance from them that will influence the growth proceeds of the business of the Company.

# DIVIDEND DISTRIBUTION POLICY OF AFTAB AUTOMOBILES LIMITED

## Introduction

A Dividend Distribution Policy maintaining by Aftab Automobiles Limited since long. In Compliance with Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 of Bangladesh Securities and Exchange Commission (BSEC), the issuer shall formulate a Dividend Distribution Policy which shall be disclosed in the Annual Report and official website of the Company. In this connection the Board of Directors of Aftab Automobiles Limited has adopted a Dividend Distribution Policy, which to be published in the Annual Report and website of the Company.

## Dividend

Dividend means distribution of profit earned by the Company, to its shareholders in proportion to the and paid-up shares by the respective shareholders on Record Date. Dividend may be final in cash and/or stock. Dividend may be declared on the basis of audited financial statements regardless of interim or final. The Company may declare Dividend at the end of financial year which is called final Dividend. Final Dividend shall be declared on the basis of recommendation of the Board and subsequent approval by the shareholders of the Company in Annual General Meeting. The Company may also declare dividend from the profit of current year which is called interim Dividend and the Board of Directors at its discretion/approve/declare an interim Dividend out of current profit in conformity with the regulatory rules/regulations.

## Objective

The objective of the policy is to provide guideline to stakeholders on the dividend distribution policy adopted by the Company. The Board of Directors of the Company shall consider this policy when taken decision for recommendation of dividend, always in compliance with the regulatory requirement, directive, notification which applicable.

## Eligibility for Dividend

Dividend is declared on the face value of each equity share. Unless otherwise clarified all the shareholders whose name appear in the share register of the Company or with CDBL on Record date declared by the Company for entitlement of dividend are eligible to get the dividend.

## Factors for recommendation of Dividend

The Board of Directors of the Company shall consider the following factors among others while recommend Dividend.

### Financial factors

- Profit earned during the financial year
- Profit growth
- Financial feasibility
- Debt equity relation
- Company's liquidity position and future cash flow requirements for operations of business of the Company

### Internal factors

- Accumulated reserves
- Dividends distribution status of the Company
- Earnings stability
- Growth rate of predicted profits





### **External factors**

- Cost and availability of alternative sources of financing
- Industry outlook for the next year/future years
- Shareholders' expectations
- Changes in the government policies or changes in regulatory provisions
- Other relevant factors that the Board may deem fit

### **Utilization of retained earnings**

The Company may utilize its retained earnings in the manner which is beneficial to the interest of the Company and its stakeholders. Retained earnings helps in maintaining a healthy capital adequacy ratio and supports the future growth.

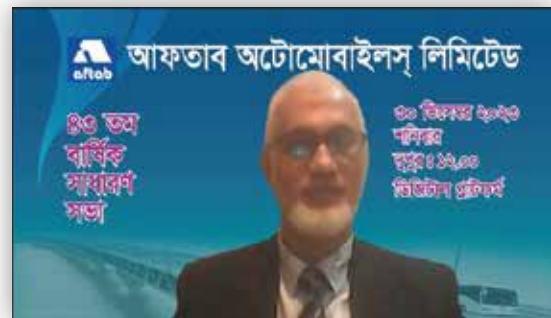
- Investment in new business and/or additional investment in existing business
- Diversification of business if any
- Market or product development/expansion plan

Apart from the above, the Board may consider to recommend on no dividend in accordance with financial position of the Company.

### **Policy Review**

The Board of Directors of the Company may modify/amend this policy from time to time, if deemed fit and necessary in accordance with related laws/directives/notifications.

# Glimpses of 43<sup>rd</sup> ANNUAL GENERAL MEETING





## **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 Consolidated financial statements of Aftab Automobiles Limited (the Company), which comprise the Consolidated Statement of Financial Position as at June 30, 2024; 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 Consolidated financial statements including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 55 and Annexure- A, B, C & D.

In our opinion, the accompanying consolidated financial statements give a true and fair view the consolidated financial position of the Company as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Accounting Standard (IASs) and 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 Consolidated 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**

As per BSEC notification no. BSEC/CMRRCD/2021-391/20/Admin/121, Dated: 01 June 2021, any cash or stock dividend or right share are laying unclaimed or undistributed or un-allotted for a period of 3 (three) years or more, shall be transferred to the Capital market Stabilization Fund (CMSF). But the entity didn't transfer unclaimed Dividend amounting Tk. 82,191,880 to Capital Market Stabilization Fund (CMSF) which is carry forwarded more than 3 years.

#### **Our key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements for the year ended on June 30, 2024. These matters were addressed in the context of the audit of the consolidated 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 consolidated 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 consolidated 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><b>Revenue</b></p> <p>At year ended the reported total Turnover <b>Tk. 476,750,640</b>. 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"> <li>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.</li> <li>Segregation of duties in invoice creation and modification and timing of revenue recognition.</li> <li>Assessing the appropriateness of the company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.</li> <li>Obtain supporting documentation for sale transaction recorded either side of year-end to determine whether revenue was recognized in the current period.</li> <li>Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation.</li> <li>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.</li> </ul> <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><b>Inventories</b></p> <p>As at June 30, 2024, the reported amount of inventories is <b>Tk.1,253,551,855</b> 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 accordance with International Accounting Standard (IAS).</p> <p>Considering the risk as stated above the valuation of Inventory is a key audit matter to the Consolidated Financial Statements.</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"> <li>Evaluating the design and implementation of key inventory controls operating across the factory, warehouse</li> <li>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.</li> </ul>



	<ul style="list-style-type: none"> <li>Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> </ul> <p>Obtaining a detailed review with the subsequent sales to compare with the net realizable value.</p> <p>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.</p>
<b>Property, Plant and Equipment</b>	<b>Our audit included the following procedures:</b>
<p>The carrying value of the tangible fixed assets is <b>Tk. 2,089,601,982</b> as at June 30, 2024. The valuation of tangible fixed assets was identified as a key audit matter due to significance of this balance to the Consolidated Financial Statements.</p> <p>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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul> <p>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.</p>
<b>Long Term Loan and Short Term Loan</b>	
<p>As at June 30, 2024, the reported amount of total Long-Term Loan is <b>Tk. 13,902,309,039</b> and Short-Term Loan is <b>Tk. 5,051,986,504</b> respectively. The company borrowed fund from various bank for</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p>



<p>the purpose of acquisition of non-current assets and working capital as well.</p> <p>The company may face difficulties due to unfavorable movement in interest rate &amp; monetary policy that may result in short term and cash flow crisis.</p>	<ul style="list-style-type: none"> <li>Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of loan.</li> <li>We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the consolidated Financial Statements accurately.</li> <li>We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> <li>We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul> <p>We were satisfied that; Long Term Loan &amp; Short-Term Loan was recorded properly. Based on the work performed, we concluded that Loan Term Loan &amp; Short-Term Loan have been recorded appropriately.</p>
<p>Trade Receivable</p>	
<p>The total amount of Trade receivable is <b>Tk. 5,303,393,920</b> as at June 30, 2024. There are significant large numbers of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>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.</p> <p>Accordingly, we identified the recoverability of Receivables as a key audit matter Because of the significance of Receivable to Company's Consolidated Financial Position and because of the significant degree of management judgement involved in evaluating the adequacy of the allowance for doubtful debts.</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>Tested the accuracy of aging of Receivables at year end on a sample basis;</li> <li>Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>Assessing the classification of trade receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a test basis.</li> <li>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</li> <li>Inspecting subsequent bank receipts form customers and other relevant underlying documentation relation to trade receivable balance as at June 30, 2024.</li> </ul> <p>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.</p>





### Other Information

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

Our opinion on the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated 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:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of 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;
- c) The consolidated statements of financial position and consolidated 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
- d) The expenditure incurred was for the purposes of the Company's business.

Place: Dhaka  
Dated: October 27, 2024

**Mohammad Fakhru Alam Patwary FCA**  
Enrollment No: 1249  
Managing Partner  
**M.Z. Islam & Co.**  
Chartered Accountants  
**DVC: 2410271249AS314741**



### Aftab Automobiles Limited & its subsidiary

Consolidated Statement of Financial Position

As at June 30, 2024

Particulars	Notes	Amount In Taka	
		As at June 30, 2024	As at June 30, 2023
<b>Assets</b>			
<b>Non-current assets</b>		<b>5,973,285,601</b>	<b>5,857,256,196</b>
Property, plant and equipment	5	2,089,601,982	2,090,008,163
Non current assets held for sale & discontinued operations	6	277,786,431	277,786,431
Intangible Assets	7	866,250	-
Capital work-in-progress	8	858,802,645	799,066,138
Investments in share & associate company	9	482,563,003	454,915,769
Receivables -Non-Current Maturity	10	2,119,229,095	2,130,831,870
Deferred tax assets	29	111,548,879	68,106,361
Right of use assets		32,887,317	36,541,463
<b>Current assets</b>		<b>20,311,001,453</b>	<b>19,049,962,320</b>
Receivables -Current Maturity	10	3,184,164,825	3,177,301,364
Inventories	11	1,253,551,855	1,348,212,066
Current account with Navana Group Companies	12	7,373,957,925	6,557,853,536
Advances, deposits and prepayments	13	8,196,719,316	7,666,690,291
Cash and cash equivalents	14	302,607,533	299,905,064
<b>Total assets</b>		<b>26,284,287,055</b>	<b>24,907,218,516</b>
<b>Equity and Liabilities</b>			
<b>Capital &amp; reserves</b>			
Share capital	15	1,055,449,950	1,055,449,950
Share premium	16	1,925,858,339	1,925,858,339
Reserves	17	67,338,231	67,338,231
Retained earnings		2,191,034,702	2,413,929,294
<b>Equity attributable to owners of the Company</b>		<b>5,239,681,222</b>	<b>5,462,575,814</b>
<b>Non-controlling interests</b>		<b>407,499</b>	<b>405,347</b>
<b>Total equity</b>		<b>5,240,088,721</b>	<b>5,462,981,161</b>
<b>Non-current liabilities</b>		<b>10,490,926,219</b>	<b>8,980,976,851</b>
Loan and deferred liabilities (unsecured)	33	25,310,440	25,310,440
Long Term loan-Non current Maturity	18	10,426,731,779	8,918,066,412
Lease liability		38,884,000	37,600,000
<b>Current liabilities</b>		<b>10,553,272,123</b>	<b>10,463,260,508</b>
Long Term loan-Current Maturity	18	3,475,577,260	2,972,688,804
Short-term loan	19	5,051,986,504	5,954,581,632
Accrued and other current liabilities	20	1,874,288,920	1,432,956,602
Unclaimed dividend	21	151,419,439	103,033,470
<b>Total liabilities</b>		<b>21,044,198,342</b>	<b>19,444,237,360</b>
<b>Total equity and liabilities</b>		<b>26,284,287,055</b>	<b>24,907,218,516</b>
<b>Net assets value per share (NAVPS)</b>	31	<b>49.64</b>	<b>51.76</b>

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

These financial statements were approved by the Board of Directors on October 27, 2024 and were signed on it's behalf by.

  
Chief Financial Officer

  
Rahat Mahmud  
Company Secretary

  
Khaleda Islam  
Director

  
Director

  
Managing Director

Signed in terms of our separate report of even date.

Place: Dhaka  
Dated: October 27, 2024

  
**Mohammad Fakhru Alam Patwary FCA**  
ICAB Enrollment No: 1249  
Managing Partner  
**M.Z. Islam & Co.**  
Chartered Accountants  
DVC: 2410271249AS314741

**Aftab Automobiles Limited & its subsidiary**  
**Consolidated statement of Profit or Loss and other Comprehensive Income**  
For the year ended June 30, 2024

Particulars	Notes	Amount in Taka	
		June 30, 2024	June 30, 2023
Net revenue	22	476,750,640	1,184,911,272
Less : Cost of goods sold	23	349,540,526	966,055,971
<b>Gross profit</b>		<b>127,210,114</b>	<b>218,855,301</b>
<b>Less: Operating expenses</b>			
Administrative expenses	24	69,836,064	45,328,982
Selling and distribution expenses	25	45,590,555	41,670,789
Financial expenses	26	239,929,287	216,613,308
<b>Total Operating Expense</b>		<b>355,355,905</b>	<b>303,613,079</b>
<b>Operating profit/loss</b>		<b>(228,145,791)</b>	<b>(84,757,778)</b>
Non-operating income	27	16,588,770	19,517,300
Share of profit from associate company	9.01	27,647,234	28,832,831
<b>Profit/loss before contribution to WPPF</b>		<b>(183,909,787)</b>	<b>(36,407,647)</b>
Less: Contribution to WPPF		-	-
<b>Net profit/loss before tax</b>		<b>(183,909,787)</b>	<b>(36,407,647)</b>
<b>Less: Income tax expense</b>			
Current tax	28	7,829,707	8,826,225
Deferred tax	29	(43,442,518)	(49,350,738)
<b>Total Income Tax Expense</b>		<b>(35,612,811)</b>	<b>(40,524,513)</b>
<b>Net profit After Tax</b>		<b>(148,296,976)</b>	<b>4,116,865</b>
<b>Total comprehensive Income for the year</b>		<b>(148,296,976)</b>	<b>4,116,865</b>
<b>Equity holders of the company</b>		<b>(148,299,128)</b>	<b>4,117,874</b>
<i>Non-controlling interests</i>		2,153	(1,008)
<b>Profit for the year</b>		<b>(148,296,976)</b>	<b>4,116,865</b>
<b>Consolidated earnings per share</b>	30	<b>(1.41)</b>	<b>0.04</b>

The annexed notes 1 to 55 and schedule-A, B, C & D form an integral part of these financial statements.  
These financial statements were approved by the Board of Directors on October 27, 2024 and were signed on its behalf by.

  
Chief Financial Officer

  
Rahat Mahmud  
Company Secretary

  
Khaleeda Islam  
Director

  
Director

  
Managing Director

Signed in terms of our separate report of even date.

Place: Dhaka  
Dated: October 27, 2024

  
**Mohammad Fakhru Alam Patwary FCA**  
ICAB Enrollment No: 1249  
Managing Partner  
**M.Z. Islam & Co.**  
Chartered Accountants  
DVC: 2410271249AS314741

## Aftab Automobiles Limited and its Subsidiary

Consolidated Statement of Changes in Equity

For the year ended June 30, 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, 2023	1,055,449,950	1,925,858,339	67,338,231	2,413,929,294	5,462,575,814	405,348	5,462,981,161
Stock dividend	-	-	-	-	-	-	-
Cash dividend	-	-	-	(74,595,464)	(74,595,464)	-	(74,595,464)
Total comprehensive Income	-	-	-	(148,299,128)	(148,299,128)	2,153	(148,296,976)
<b>Balance as at June 30, 2024</b>	<b>1,055,449,950</b>	<b>1,925,858,339</b>	<b>67,338,231</b>	<b>2,191,034,702</b>	<b>5,239,681,221</b>	<b>407,500</b>	<b>5,240,088,721</b>

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	5,517,152,551
Adjustment for the application of IFRS-16 (Lease)				(23,107,086)	(23,107,086)		(23,107,086)
Dividends Stocks	50,259,520			(50,259,520)	-		-
Cash dividend paid	-	-	-	(35,181,170)	(35,181,170)	-	(35,181,170)
Total comprehensive Income	-	-	-	4,117,874	4,117,874	(1,008)	4,116,866
<b>Balance as at June 30, 2023</b>	<b>1,055,449,950</b>	<b>1,925,858,339</b>	<b>67,338,231</b>	<b>2,413,929,294</b>	<b>5,462,575,814</b>	<b>405,348</b>	<b>5,462,981,161</b>



Chief Financial Officer



Company Secretary



Director



Director



Managing Director

Signed in terms of our separate report of even date.

Place: Dhaka

Dated: October 27, 2024



## Aftab Automobiles Limited and its Subsidiary

Consolidated Statement of Cash Flows  
For the year ended June 30, 2024

Particulars	Amount in Taka	
	June 30, 2024	June 30, 2023
<b>A. Cash flows from operating activities</b>		
Receipts from customers	1,288,362,478	1,441,069,898
Receipts from others	16,588,770	19,517,300
Payments for materials, services and expenses	(770,889,913)	(1,172,655,089)
<b>Cash generated from operations</b>	<b>534,061,335</b>	<b>287,932,109</b>
Income tax paid	(4,962,690)	(36,166,491)
<b>Net cash generated by operating activities (Note-34)</b>	<b>529,098,645</b>	<b>251,765,618</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant & equipment	(54,498,225)	(38,226,119)
Advance for capital assets	-	(65,392,791)
Payments for capital work in progress	-	(90,277,561)
<b>Net cash used investing activities</b>	<b>(54,498,225)</b>	<b>(193,896,471)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from bank loan	-	452,595,912
Group company receipts/(payments)	95,595,932	(363,916,295)
Bank interest & debt paid	(551,817,155)	(166,118,350)
Dividend paid	(15,676,728)	(23,064,241)
Unclaimed dividend transferred to CMSF	-	(5,000,000)
<b>Net cash provided by financing activities</b>	<b>(471,897,951)</b>	<b>(105,502,974)</b>
D. Net changes in cash & cash equivalents for the period/ year (A+B+C)	2,702,469	(47,633,826)
E. Cash & cash equivalents at beginning of the period/year	299,905,064	347,538,890
<b>F. Cash &amp; cash equivalents at end of the period/ year (D+E)</b>	<b>302,607,533</b>	<b>299,905,064</b>
<b>Net operating cash flows per share (NOCFPS) (Note-32)</b>	<b>5.01</b>	<b>2.39</b>

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

These financial statements were approved by the Board of Directors on October 27, 2024 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.

Place: Dhaka  
Dated: October 27, 2024





## **AFTAB AUTOMOBILES LIMITED AND ITS SUBSIDIARY**

Notes to the Consolidated Financial Statements

**FOR THE YEAR ENDED 30TH JUNE, 2024**

**Forming an Integral Part of The Consolidated Financial Statement**

### **1.00 Reporting Entity**

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

Aftab Automobiles Limited (the Company) was incorporated in erstwhile East Pakistan in year 1967 as East Pakistan Automobiles Limited under the Companies Act, 1913 vide Registration No. C-2860/57 E.P. of 1967-1968. Subsequently, after liberation war, the Company changed the name as Aftab Automobiles Limited and was certified by the Registrar of Joint Stock Companies & Firms, Bangladesh on the 11th day of March, 1972. It was incorporated as a Private Limited Company since inception. However, in 1981 it was transformed into Public Limited Company under Companies Act, 1913. The Company is listed with Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in the year 1987 and 1996 respectively.

The Company has one subsidiary company namely Navana Batteries Ltd. incorporated in Bangladesh under the Companies Act, 1994 vide Registration No. C-76441/2009 that produces batteries.

#### **Registered Office**

The Registered Office 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, dated 18.08.2024
- ii) e-TIN No.: 414021944464, dated 07.10.2013
- iii) BIN No.: 000901216, dated 27.12.2017

#### **1.03 Nature of Business**

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser Soft Top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus/Truck Chassis with a production capacity of 2400 units of vehicles in 3 shifts in assembling unit. At present the plant is running single shift.

#### **1.04 Subsidiary Company**

##### **Navana Batteries Limited**

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

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

#### **1.06 Structure, Content and Presentation of Consolidated Financial Statements**

The presentation of these consolidated financial statements is in accordance with the guidelines provided by IFRS 10: Presentation of consolidated financial statements. The consolidated financial statements comprise of:

- i) Consolidated statement of Financial Position as at 30th June, 2024;
- ii) Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2024;
- iii) Consolidated Statement of Changes in Equity for the year ended 30th June, 2024;
- iv) Consolidated Statement of Cash Flows for the year ended 30th June, 2024;
- v) Consolidated Notes comprising summary of significant accounting policies and other explanatory information.

## **2.00 Basis of Preparation of Consolidated Financial Statements**

### **2.01 Statement of Compliance**

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

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

### **2.02 Other Regulatory Compliances**

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

The Income Tax Act/Ordinance, 2023/1984;  
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 has 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.

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

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting	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	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 prepare under the historical cost convention except for the revaluation of certain non-current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes.

#### **2.05 Basis of Consolidation**

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

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

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

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

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

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

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

The consolidated financial statements comprise 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 consolidated financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These consolidated financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these consolidated 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 consolidated financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going 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 consolidated 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 consolidated financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of consolidated financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right, therefore no such incident existed during the year.

**2.10 Going Concern Assumption**

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

**2.11 Comparative Information**

Comparative information has been disclosed in respect of 2022-2023 in accordance with IFRS-10 "Presentation of Consolidated Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of consolidated financial statements. Prior year figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

**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 Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency (BDT) at exchange rates ruling at the dates of transactions in accordance with IAS-21 "the Effects of Changes in Foreign Exchange Rates".

"Exchange rate difference at the statement of consolidated financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act, 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of fixed assets, to be credited/charged to the cost/value of such assets.

The consolidated financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated into (BDT) at the exchange rates ruling at the statement of consolidated financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are



translated into (BDT) at the exchange rate ruling at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss.

#### **2.14 Responsibility for Preparation and Presentation of Financial Statements**

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

#### **2.15 Reporting Period**

The reporting period of the Company covers one year from 1st day of July, 2023 to 30th June, 2024.

#### **2.16 Approval of Consolidated Financial Statements**

The consolidated financial statements have been approved by the Board of Directors on the 27th day of October, 2024.

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

For significant transactions and events that have material effect, the Company's Directors selected and applied significant accounting principles and policies within the framework of IFRS 10: Presentation of Consolidated Financial Statements in preparation and presentation of consolidated 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 consolidated financial statements, accounting policies set out below in one place as prescribed by the IFRS 10: Presentation of Consolidated Financial Statements:

#### **Assets and Basis of their Valuation**

#### **3.01 Property, Plant and Equipment**

##### **3.01.1 Recognition and Measurements**

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

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

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

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

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

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

##### **3.01.2 Maintenance Activities**

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

### 3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the day to day servicing of property and equipment are recognized in the consolidated 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 other fixed assets except land and land development is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

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

Category of Fixed Assets	Rate of Depreciation & Amortization
Land & Land Development	--
Building	2.50%
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%
Software (ERP)	10%

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

### 3.01.5 Impairment

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

### 3.01.6 Disposal of Property, Plant and Equipment

An item of Property, Plant and Equipment is removed from the consolidated 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 consolidated statement of income of the period in which the de-recognition occurs.



### **3.01.7 Capital Work-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**

Investment is stated at its cost of acquisition and interest earned on deposits lying with the different banks has been duly accounted for on cash basis. The consolidated statement of profit or loss and other comprehensive income reflects the income on account of interest on investment in FDR.

### **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." The equity holds 99.95% of its subsidiary's (Navana Batteries Ltd.) equity shares at the year end.

### **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 consolidated 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 represents invoiced value of policies. 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**

Transaction 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-

Foreign currency monetary items are translated using the closing rate;

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;

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 consolidated 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 consolidated 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 recognizes a financial asset in its consolidated 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 comprises cash in hand, cash at bank and fixed deposits having maturity of less than three months which are available for use by the company without any restriction.

### 3.10.2 Financial Liabilities

A financial liability is recognized when its contractual obligations arising 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 recognises financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

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

Non-derivative financial liabilities comprise accrued and other current liabilities, interest bearing borrowings and short term loan.

#### 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 consolidated statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of consolidated statement of financial position, unpaid interest and other charges are classified as current liabilities.

#### iii) Short Term Loan

Short Term Loan is recognized at the amount payable to the bank.

### 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 indicates 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.
- (f) 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.

#### **(g) 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 consolidated 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 27.50% 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 consolidated 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 Post-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 recognized in the consolidated 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 consolidated 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 consolidated statement of financial position of the company.



### 3.20 Operating Segments

#### 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

##### Assembling Unit

#### Operations

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 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 consolidated Statement of Financial Position and Cash Flows, cash in hand and bank balances represent cash and cash equivalents considering the IFRS 10 "Presentation of Consolidated 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 Consolidated Statement of Cash Flow has been prepared in accordance with the requirements IAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and considering the provisions of Paragraph 19 of IAS 7 which provided that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

### 3.23 Earnings per Share (EPS)

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

#### Basic Earnings Per Share

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

### **Diluted Earnings Per Share**

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

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

### **3.24 Historical Cost Income and Expenditure**

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

### **3.25 Risk Exposure**

#### **Interest Rate Risk**

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

#### **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 entry 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 contributory provident fund, gratuity scheme, group term scheme 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 consolidated 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 35**.

## **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.





Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>5.00</b>	<b>Consolidated property, plant and equipment, net</b>		
	Land & Land Development	1,071,289,720	1,019,059,057
	Building	601,203,277	585,558,725
	Shades	118,027,230	147,534,038
	Plant & Machinery	178,796,611	198,662,902
	Tools & Equipments	17,386,458	19,087,583
	Office Equipment	20,155,067	22,394,519
	Furniture & Fixture	14,464,351	16,071,502
	Transport Vehicles	41,572,680	51,965,850
	Electrical line installation	6,083,644	6,759,605
	Office Decoration	11,677,360	12,974,844
	Gas line installation	8,945,583	9,939,538
		<b>2,089,601,982</b>	<b>2,090,008,163</b>
	The break-up PPE is shown in <b>Annexure- A.</b>		
<b>6.00</b>	<b>Consolidated Non-current assets held for sale &amp; discontinued operations</b>		
	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
		<b>277,786,431</b>	<b>277,786,431</b>
	The break-up PPE is shown in <b>Annexure- B.</b>		
	Since the board's decision to reclassify the non-current assets held for sales as regular assets. It will be used from the next financial year.		
<b>7.00</b>	<b>Consolidated Intangible Assets</b>		
	Software (ERP)	866,250	-
		<b>866,250</b>	-
	The break-up PPE is shown in <b>Annexure- D</b>		
<b>8.00</b>	<b>Consolidated capital work in progress</b>		
	<b>Opening balance</b>	<b>799,066,138</b>	<b>733,964,130</b>
	Addition during the year	90,967,130	90,277,561
		<b>890,033,268</b>	<b>824,241,691</b>
	Less: Transfer to property, plant & equipment	31,230,623	25,175,553
	<b>Closing balance</b>	<b>858,802,645</b>	<b>799,066,138</b>
	Capital work in progress represents Land and Land Development, civil construction, Plant and Machinery of Aftab Automobiles Ltd and Navana Batteries Ltd.		
<b>9.00</b>	<b>Investments in share &amp; associate Company</b>		
	Investment in associate ( Note : 9.1 )	482,563,003	454,915,769
	Investment in share ( Note : 9.2 )	-	-
		<b>482,563,003</b>	<b>454,915,769</b>





Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>9.01</b>	<b>Investment in associate</b>		
	Opening Balance	454,915,769	426,082,938
	Share of equity from associate	27,647,234	28,832,831
	<b>Closing Balance</b>	<b>482,563,003</b>	<b>454,915,769</b>
	NB: Share of profit from associate company (NREL) has been taken for one year for Financial year 2023-2024		
<b>9.02</b>	<b>Investment in share</b>		
	Navana Construction Ltd.		
	Opening Balance	-	28,395,758
	Less: Transfer the year	-	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.			
<b>10.00</b>	<b>Consolidated Receivables</b>		
	Receivable Non-Current (Maturity over 12 months )	2,119,229,095	2,130,831,870
	Receivable current (Maturity less than 12 months )	3,184,164,825	3,177,301,364
		<b>5,303,393,920</b>	<b>5,308,133,234</b>
	<b>Ageing schedule of receivables :</b>		
	<b>Duration</b>		
	1- 30 days	323,905,004	329,561,430
	31- 60 days	342,971,872	335,877,995
	61- 90 days	502,677,327	507,948,410
	91- 180 days	978,224,876	982,470,917
	181- 365 days	1,036,385,745	1,021,442,612
	Over 365 days	2,119,229,095	2,130,831,870
		<b>5,303,393,920</b>	<b>5,308,133,234</b>
Net receivables are considered good . The Company holds no security other than debtors' personal security in the form of work orders etc.			
<b>11.00</b>	<b>Consolidated Inventories</b>		
	Finished products	500,017,194	485,314,740
	Raw materials	305,841,140	350,506,533
	Work-in-process	447,693,521	461,013,265
	Goods in transit	-	51,377,528
		<b>1,253,551,855</b>	<b>1,348,212,066</b>
<b>12.00</b>	<b>Consolidated Current account with Navana group Companies</b>	<b>7,373,957,925</b>	<b>6,557,853,536</b>
<b>13.00</b>	<b>Consolidated advances, deposits and prepayments</b>		
	Advance to suppliers	1,006,239,942	982,183,496
	Advance to employees	42,078,747	44,709,034
	Advance to others	666,499,404	518,642,633
	Current Account with VAT	94,438,071	148,611,168
	Security & Deposits	318,184,446	321,245,146
	Demand Tax	1,100,320	-
	Advance for Capital Assets	4,806,777,589	4,394,860,709
	Advance Income tax (note-13.1)	1,261,400,797	1,256,438,107
		<b>8,196,719,316</b>	<b>7,666,690,291</b>

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.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>13.01 Consolidated Advance Income tax</b>			
	Opening balance	1,256,438,107	1,220,247,006
	Addition during the year	4,962,690	36,191,100
		1,261,400,797	1,256,438,107
	Adjustment made during the year	-	-
	<b>Closing Balance</b>	<b>1,261,400,797</b>	<b>1,256,438,107</b>
<b>14.00 Consolidated cash &amp; bank balances</b>			
	FDR	220,667,066	261,269,811
	Cash in hand	3,064,768	1,165,815
	Cash at bank (note-14.1)	78,875,699	37,469,438
		<b>302,607,533</b>	<b>299,905,064</b>
<b>14.01 Cash at bank</b>			
	IFIC Bank Ltd.	28,121	379,509
	Agrani Bank Ltd.	6,517	6,517
	Pubali Bank Ltd.	44,481	44,481
	IFIC Bank Ltd. (Federation)	11,666	46,490
	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.	5,274	768,843
	Janata Bank Ltd.	812	812
	The Oriental Bank Ltd.	39,670	39,670
	IFIC Bank Ltd.	15,323	15,323
	City Bank Ltd.	1,144	27,769
	The Oriental Bank Ltd.	32,040	32,040
	Mutual Trust Bank Ltd.	246,695	19,626,455
	Islami Bank BD Ltd. (F.Ex.Br)	435,198	4,478,159
	Jamuna Bank Ltd.	25,646	25,646
	One Bank Ltd.	75,868	75,868
	Agrani Bank Ltd. (F.EX)	95,900	116,420
	Mercantile Bank Ltd.	123,168	123,168
	BRAC Bank Ltd.1	3,353	3,353
	Standard Bank Ltd. (Pri.Br)	-	869,282
	Sahajalal Bank Ltd.	169,806	169,806
	IFIC Bank Ltd.	97,000	97,000
	Al-Arafah Islami Bank Ltd.	24,508	24,825
	United Commercial Bank Ltd.	199,305	199,305
	Standard Bank Ltd.	6,000,000	2,696
	One Bank Ltd.	31,020	31,020
	IFIC Bank Ltd.	94,924	90,660
	AB Bank Ltd.	100,000	100,000
	Standard Bank Ltd.	3,262	399,994
	IFIC Bank Ltd. (Federation)	95,006	95,006
	NCC Bank Ltd. (Sayamoli)	96,383	56,026
	IFIC Bank Ltd. (Gulshan)	7,881	137,068
	Meghna Bank Ltd. (Gulshan)	23,063	4,407,350
	Prime Bank Ltd. (Baridhara)	-	4,000
	Bank Asia Ltd.	416,174	215,630
	The City Bank Ltd. (Banani)	-	89,448
	Midland bank Ltd.	85,483	85,483
	Midland bank Ltd.	656	
	SBAC Bank Ltd.	6,655	666
	One Bank Ltd. (Jatrabari)	1,820	571,470



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
	BD Commerce Bank Ltd.	100,000	100,000
	NRB Bank Ltd.	97,435	97,435
	Premier Bank Ltd.	98,390	98,390
	Southeast Bank Ltd.	13,954	17,551
	Sahajalal Islami Bank Ltd.	102,102	9,820
	Rupali Bank Ltd. (Local)	10,000	10,000
	AB Bank Ltd.	10,000	10,000
	One Bank Ltd. (Gulshan)	3,950	
	IFIC Bank Ltd. (Fed. Br.)	28,573	110,088
	Sonali Bank Ltd. (Ramna)	760,069	1,199,990
	Janata Bank Ltd.	48,320	49,253
	Islami Bank Bangladesh Ltd. (Gulshan)	40,197	40,128
	United Commercial Bank Ltd. (Tejgaon)	-	92,110
	Modhumoti Bank Ltd. (Gulshan)	24,593,680	1,301,190
	National Bank Ltd., CD-15927, NBL, Dhaka	196,163	83,052
	Uttara Bank Ltd. (Bhola)	15,373	381,581
	Eastern Bank Ltd.	359,421	
	First Security Islami Bank Ltd. (Corporate)	363,105	264,150
	Eastern Bank Ltd.	43,243,703	
	Agrani Bank Ltd. (FDR-ID # 10583162)	14,009,430	13,275,259
	Agrani Bank Ltd. (FDR-ID # 10583151)	14,206,741	13,438,261
	Agrani Bank Ltd. (FDR-ID # 10583159)	21,466,182	20,285,015
	Agrani Bank Ltd. (FDR-ID # 10583160)	14,061,859	13,301,215
	Bank Asia Ltd. (FDR # 00855012111)	-	54,277,360
	One Bank Ltd. (FDR # 4120005867)	964,603	913,212
	One Bank Ltd. (FDR # 4120006495)	617,089	583,565
	One Bank Ltd. (FDR # 4120006600)	150,795	142,762
	One Bank Ltd. (FDR # 4120008537)	564,027	533,090
	One Bank Ltd. (FDR # 4120008592)	555,402	525,220
	One Bank Ltd. (FDR # 4120008606)	273,552	258,977
	Phoenix Finance Ltd. (FDR) 17890/17	10,803,255	10,096,500
	Phoenix Finance Ltd. (FDR) 23034/17	60,045,546	56,117,333
	Phoenix Finance Ltd. (FDR) 17819/16	60,477,410	56,520,944
	Phoenix Finance Ltd. (FDR) 17936/17	22,471,175	21,001,098
		<b>299,542,765</b>	<b>298,739,249</b>

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, 2024 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	6,517
Pubali Bank Ltd.	128	44,481	44,481
Eastern Bank Ltd.	3371	58,214	58,214
United Commercial Bank Ltd.	326	16,507	16,507
Commercial Bank of Ceylon Ltd.	0	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	293	21,540	21,540
Arab Bangladesh	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
Islami Bank BD Ltd. (F.Ex.Br)	5016	99,565	99,565
One Bank Ltd.	7008	75,868	75,868
Mercantile Bank Ltd.	20178	123,168	123,168
BRAC Bank Ltd.1	23001	3,353	3,353
Standard Bank Ltd. (Principal Branch)	7992	-	869,282
Sahajalal Bank Ltd.	8504	169,806	169,806
IFIC Bank Ltd.	87525	97,000	97,000



Name of Bank	Account No.	Amount (Tk.)	Amount (Tk.)
United Commercial Bank Ltd.	3144	199,305	199,305
One Bank Ltd.	6006	31,020	31,020
AB Bank Ltd.	43-000	100,000	100,000
Standard Bank Ltd.	1815	-	394,782
IFIC Bank Ltd. (Federation)	Share A/C	95,006	95,006
The City Bank Ltd. (Banani)	90001	-	89,448
Midland bank Ltd.	11050000030	85,483	-
BD Commerce Bank Ltd.	832	100,000	100,000
NRB Bank Ltd.	0	97,435	97,435
Premier Bank Ltd.	268	98,390	98,390
Sahajalal Islami Bank Ltd.	12906	9,310	9,310
Rupali Bank Ltd. (Local)	216	10,000	10,000
AB Bank Ltd.	36000	10,000	10,000
		<b>1,690,994</b>	<b>2,959,023</b>

#### 15.00 Share capital

##### Authorized capital:

120,000,000 Ordinary shares of Tk. 10 each

180,000,000 Cum. redeemable preference shares of Tk. 10 each

1,200,000,000	1,200,000,000
1,800,000,000	1,800,000,000
<b>3,000,000,000</b>	<b>3,000,000,000</b>

##### Ordinary Share capital:

##### Issued, subscribed and paid up

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

Sponsors

Financial Institution

General Public

309,495,310	309,495,310
386,326,330	386,326,330
359,628,310	359,628,310
<b>1,055,449,950</b>	<b>1,055,449,950</b>

The Position of Ordinary shareholders as on June 30,2024 was as follows :

Particulars	Num. of Investors	Num. of Shares	Share Holding '2024	Share Holding '2023
Sponsors and Directors	6	30,949,531	29.32%	29.32%
Financial Institution	321	35,209,425	33.36%	36.60%
General Public	18,929	39,386,039	37.32%	34.07%
<b>Total</b>	<b>19256</b>	<b>105,544,995</b>	<b>100%</b>	<b>100%</b>

The classification of shareholders by holding as on June 30, 2024 was as follows :

No. of share holdings	Num. of Investors	No. of share. holders	Share Holding '2024	Share Holding '2023
1 to 500	11428	1,752,058	1.66%	1.64%
501 to 5000	6184	10,603,190	10.05%	9.19%
5001 to 10000	833	6,125,594	5.80%	4.78%
10001 to 20000	457	6,600,903	6.25%	5.01%
20001 to 30000	135	3,374,654	3.20%	2.68%
30001 to 40000	58	2,027,125	1.92%	1.48%
40001 to 50000	38	1,739,818	1.65%	1.06%
50001 to 100000	64	4,552,635	4.31%	3.94%
100001 to 1000000	46	12,704,818	12.04%	12.35%
Above 1000000	13	56,064,200	53.12%	57.85%
<b>Total</b>	<b>19256</b>	<b>105,544,995</b>	<b>100%</b>	<b>100%</b>

Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>16.00</b>	<b>Share premium.</b>		
	Net Premium Up to 2006	250,191,730	250,191,730
	Net Premium in 2010	1,675,666,609	1,675,666,609
		<b>1,925,858,339</b>	<b>1,925,858,339</b>
<b>17.00</b>	<b>Reserves</b>		
	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
		<b>67,338,231</b>	<b>67,338,231</b>

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

**18.00 Consolidated Long Term loan-Net of current portion**

Agrani Bank Ltd.	2,004,025,269	1,985,773,092
SBAC bank Ltd.	96,416,344	99,693,627
Mutual trust bank Ltd.	82,200,393	128,698,779
Midland Bank Ltd.	53,833,155	59,263,977
One Bank Ltd.	481,467,194	455,629,409
NCC Bank Ltd.	221,564,452	214,252,946
Bank Asia Ltd.	1,216,151,868	1,131,051,015
Dhaka Bank Ltd.	515,955,643	478,409,961
Mercantile Bank Ltd.	305,621,375	286,797,161
Standard Bank Ltd.	111,004,162	111,609,929
Southeast Bank Ltd.	307,023,107	299,905,898
The City Bank Ltd.	68,744,768	81,758,389
Peoples Leasing	230,400,000	171,058,533
Bay Leasing	155,560,636	141,977,570
GSP Finance	493,400,000	420,300,000
Midas financing	57,065,347	57,065,347
Union Capital	155,202,728	155,202,728
BD Finance Ltd.	64,411,916	64,411,916
First Security Islami Bank Ltd.	150,000,000	150,000,000
IFIC Bank Ltd.	3,239,042,393	1,752,099,465
Phoenix Finance	1,009,158,659	926,091,800
Trust Bank Ltd.	469,952,087	457,464,506
Dutch-Bangla Bank Ltd.	1,725,468,790	1,621,419,173
Social Islami Bank Ltd.	79,280,432	77,362,107
Modhumoti bank Ltd.	609,358,320	563,457,888
	<b>13,902,309,039</b>	<b>11,890,755,215</b>
less: Long Term loan-Current maturity	3,475,577,260	2,972,688,804
<b>Long Term loan-Net of Non-current maturity</b>	<b>10,426,731,779</b>	<b>8,918,066,412</b>

**19.00 Consolidated Short-term loan**

Agrani Bank Ltd.	1,818,334,314	1,777,006,526
NRB Commercial Ltd.	625,828,478	561,147,888
Mercantile Bank Ltd.	340,500,000	320,830,157
Prime bank Ltd.	45,539,216	41,918,972
SBAC bank Ltd.	33,071,671	31,430,390
Southeast Bank Ltd.	1,007,756,499	933,745,642
Janata Bank Ltd.	592,610,481	579,379,595
Al-Arafah Islami Bank Ltd.	50,321,111	27,187,076
IFIC Bank Ltd.	49,655	1,172,411,499
Shahjalal Islami bank Ltd.	241,963,491	229,600,199
Modhumoti bank Ltd.	172,032,824	164,664,795
Islamic Finance & Investment Ltd.	31,200,754	30,000,679
Phoenix Finance & Investments Ltd.	92,778,010	85,258,213
	<b>5,051,986,504</b>	<b>5,954,581,632</b>



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>20.00</b>	<b>Consolidated Accrued and Other Current Liabilities</b>		
	Payable to suppliers	61,976,450	373,772,140
	Advance against sales	755,000,000	-
	Liability for expenses	140,924,572	141,108,539
	Provision for Income tax	873,451,840	865,622,132
	Payable for Workers profit Participation Fund	8,300,631	10,201,099
	Provision for other finance	34,635,427	42,252,691
		<b>1,874,288,920</b>	<b>1,432,956,602</b>
<b>21.00</b>	<b>Consolidated Unclaimed dividend</b>	<b>151,419,439</b>	<b>103,033,470</b>
	Opening Balance	103,033,470	95,916,541
	Add: Cash Dividend During the year	64,062,698	29,548,863
		<b>167,096,168</b>	<b>125,465,404</b>
	Less: Dividend Paid During the year	15,676,729	22,431,934
	<b>Closing Balance</b>	<b>151,419,439</b>	<b>103,033,470</b>
	<b>The ageing of Unclaimed Dividend are as follows</b>		
	Unclaimed for less than 3 Year's	69,227,559	35,565,771
	Unclaimed for more than 3 Year's	82,191,880	67,467,699
		<b>151,419,439</b>	<b>103,033,470</b>
<b>22.00</b>	<b>Consolidated revenues</b>		
	Aftab automobiles Ltd. (Gross Sales)	132,538,961	990,240,000
	Navana Batteries Limited (Gross Sales)	397,689,347	229,363,048
		<b>530,228,308</b>	<b>1,219,603,048</b>
	Less: VAT	53,477,668	34,691,776
		<b>476,750,640</b>	<b>1,184,911,272</b>
<b>23.00</b>	<b>Consolidated cost of goods sold</b>		
	Opening stock of direct raw materials	350,506,533	407,648,411
	Purchases of direct raw material (Note-23.1)	173,395,019	698,326,547
	Direct raw materials available for consumption	523,901,552	1,105,974,958
	<b>Closing stock of direct raw materials (Note- 11)</b>	<b>305,841,140</b>	<b>350,506,533</b>
	Raw materials consumed	218,060,412	755,468,425
	<b>Add : Opening WIP</b>	<b>461,013,265</b>	<b>380,495,799</b>
		679,073,677	1,135,964,224
	<b>Less : Closing WIP ( Note- 11)</b>	<b>447,693,521</b>	<b>461,013,265</b>
		231,380,156	674,950,959
	Indirect materials	1,063,583	2,226,320
	<b>Total consumption</b>	<b>232,443,739</b>	<b>677,177,279</b>
	Factory overhead (Note-23.2)	131,799,241	163,177,200
	Cost of production	364,242,980	840,354,479
	<b>Opening Finished products</b>	<b>485,314,740</b>	<b>611,016,232</b>
		849,557,720	1,451,370,711
	<b>Closing Finished products ( Note- 11)</b>	<b>500,017,194</b>	<b>485,314,740</b>
		349,540,526	966,055,971
<b>23.01</b>	<b>Consolidated Purchases of direct raw material</b>		
	Import Purchase	169,286,471	646,706,855
	Local Purchase	4,108,547	51,619,691
		<b>173,395,019</b>	<b>698,326,547</b>



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>23.02</b>	<b>Consolidated Factory overhead</b>		
	Salary and allowances	38,348,593	51,487,155
	Gratuity	-	1,283,443
	Liveries and Uniform	132,149	210,777
	Telephone,Fax, Mobile	296,298	211,250
	Fuel and Lubricants	865,652	1,175,641
	Conveyance	84,747	282,260
	Entertainment	225,446	814,315
	Office Expenses	-	9,940
	Maintenance expenses	67,305	28,645
	Electricity Bill	36,135,037	21,737,548
	Fees & Registration	117,037	19,325
	Duty and Allowance	379,650	236,550
	Canteen Subsidies	2,484,097	1,513,065
	Insurance Premium	629,440	103,071
	Factory Rent	-	3,144,200
	Fire Insurance	465,667	1,219,941
	Gas	4,795,642	1,536,916
	WASA	48,103	16,753
	Mobile Bill	72,949	30,130
	Internet Bill	86,600	198,340
	Welfare expenses	25,184	423,980
	Carrying & handling	411,608	199,060
	News Paper Bill	6,359	5,612
	Photocopy Charges	620	5,333
	Postage	27,866	6,295
	Repairs and maintenance ( vehicle)	100,659	52,930
	Security Exps	3,973,200	1,904,980
	Chemicals	20,200	58,165
	Printing & Stationary	122,007	11,136
	Labour Charges	120,601	47,526
	Laboratory Exps	69,660	55,474
	Pick up Maintenance	-	4,770
	Generator Servicing	-	59,160
	Forklift Servicing	123,532	14,880
	Office Maintenance	40,049	28,478
	Factory Maintenance	135,318	242,303
	Renewal Fee	356,766	388,937
	Fire Extinguisher	24,350	30,350
	Nursary & Sapline	32,515	-
	Depreciation	40,974,335	74,378,566
		<b>131,799,241</b>	<b>163,177,200</b>
<b>24.00</b>	<b>Consolidated administrative expenses</b>		
	Salary and allowances	17,007,660	20,887,427
	Gratuity	-	1,085,609
	Entertainment	184,652	306,888
	AGM expenses.	50,000	50,000
	Conveyance	192,815	728,726
	Travelling Exp	255,314	25,892
	Stationery	229,743	146,744
	Fees and Registration	64,868	9,954
	Telephone	195,587	186,185
	Internet Charge	571,893	502,830
	Mobile Phone Charge	75,790	179,296
	Electricity Bill	14,623,519	399,660
	Office Rent	918,000	-
	Rent, rates and taxes	1,047,986	-
	Insurance premium	57,785	44,906
	Bank charges	3,114,492	2,747,410
	Bank Guarantee & Charge documents	-	9,458
	Audit fees	732,940	586,500
	News Paper Bill	15,832	17,369



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
	Printing	239,690	518,040
	Postage and telegram	28,977	14,122
	Advertisement and Publicity	122,520	154,026
	Directors fee	331,000	484,000
	Repair and maintenance (Vehicle)	27,060	491,800
	Software maintenance (ITES Service)	117,000	6,626
	Office maintenance	153,594	163,194
	Maintenance expenses	-	4,500
	Director Remuneration	4,200,000	4,200,000
	WASA Bill	43,958	43,946
	Carrying & Handling	-	7,840
	Photocopy Expenses	-	430
	Gas	-	8,969
	CDBL Fee	106,000	124,470
	Credit Rating Fee	107,500	107,500
	BAPLC Fee	50,000	50,000
	Membership Fee	98,350	73,350
	Consultancy Fee/ Professional	-	212,750
	Renewal Fee	-	196,075
	Trade License & IRC Renewal Fee	57,610	72,010
	RJSC	11,196	64,300
	Office Cleaning	270,600	285,480
	Canteen Subsidy	216,684	338,566
	Security Exps	197,536	343,805
	Drinking Water	13,092	14,357
	Fuel & Lubricants	44,145	88,512
	Annual Listing Fee	1,022,180	1,287,320
	Unrealized Loss	-	1,689,295
	Computer Consumable	19,348	-
	Depreciation	23,019,148	6,368,845
		<b>69,836,064</b>	<b>45,328,982</b>
<b>25.00</b>	<b>Consolidated selling and distribution expenses</b>		
	Salary & Allowance	12,532,045	8,640,152
	Fuel & Lubricant	235,680	88,509
	Promotional Exps	1,436,000	32,166
	Delivery Exps	953,680	319,705
	Office Rent (Showroom)	2,261,084	1,085,600
	Conveyance	26,565	31,843
	Entertainment	154,599	49,889
	Stationery	24,975	7,889
	Telephone	99,482	53,782
	Fees & Registration	203,303	30,712
	Maintenance	40,527	25,390
	Repair & Maintenance (Vehicle)	180,652	129,283
	Electricity Bill	455,687	110,112
	Postage & Telegram	7,763	12,610
	News Paper Bill	6,582	6,714
	Bank Charges	361,432	20,045
	Security Expenses	1,374,602	475,200
	Office Maintenance	59,798	34,906
	Acid purchases	56,898	33,450





Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
	Gift & Donation	3,650	2,994
	Utility Bill ( WASA )	186,110	-
	Expected Credit Loss	-	22,199,379
	Chemical & Packing exps	-	12,062
	Depreciation	24,929,441	8,268,397
		<b>45,590,555</b>	<b>41,670,789</b>
<b>26.00</b>	<b>Consolidated financial charges</b>		
	Aftab Automobiles Ltd.	181,352,972	166,118,350
	Navana Batteries Ltd.	58,576,315	50,494,958
		<b>239,929,287</b>	<b>216,613,308</b>
<b>27.00</b>	<b>Consolidated non-operating income</b>		
	Interest on FDR & SND	16,588,770	19,517,300
		<b>16,588,770</b>	<b>19,517,300</b>
<b>28.00</b>	<b>Consolidated Income tax expense</b>		
	<b>Current tax</b>		
	Aftab Automobiles Ltd. (Note: 28.1)	5,418,251	7,203,574
	Navana Batteries Ltd. (Note: 28.2)	2,411,456	1,622,651
		<b>7,829,707</b>	<b>8,826,225</b>
<b>28.01</b>	<b>Current Tax- Aftab Automobiles Ltd.</b>		
	Operating profit	(218,620,634)	(65,882,895)
	Other Income	16,588,770	19,517,300
	Contribution to WPPF	-	-
	Expected Credit Loss (Bad debts)	-	22,199,379
	Add: Accounting depreciation	55,693,459	57,356,624
	Less: Tax depreciation	(65,723,527)	(66,547,689)
	Last year adjustment	-	-
	<b>Taxable Profit</b>	<b>(212,061,932)</b>	<b>(33,357,281)</b>
	Corporate tax rate	22.50%	22.50%
	<b>Normal Tax liability</b>	<b>(47,713,935)</b>	<b>(7,505,388)</b>
	Minimum Tax liabilities @ 0.6% on Gross Receipt	5,418,251	7,203,574
	<b>Current Tax Liabilities (whichever is higher)</b>	<b>5,418,251</b>	<b>7,203,574</b>
<b>28.02</b>	<b>Current Tax- Navana Batteries Ltd.</b>		
	Operating profit	(9,525,158)	(18,877,354)
	Other Income	-	-
	Contribution to WPPF	-	-
	Bad debts	-	-
	Add: Accounting depreciation	29,496,568	27,599,022
	Less: Tax depreciation	(44,310,217)	(29,677,288)
	Last year adjustment	-	-
	<b>Taxable Profit</b>	<b>(24,338,807)</b>	<b>(20,955,620)</b>
	Corporate tax rate	27.50%	30.00%
	<b>Normal Tax liability</b>	<b>(6,693,172)</b>	<b>(6,286,686)</b>
	Minimum Tax liabilities @ 0.6% on Gross Receipt	2,411,456	1,622,651
	<b>Current Tax Liabilities (Whichever is higher)</b>	<b>2,411,456</b>	<b>1,622,651</b>
<b>29.00</b>	<b>Consolidated of Deferred tax</b>		
	Total Deferred Tax Expenses (PL AC)	(43,442,518)	(49,350,738)
	Total Deferred Tax Liabilities (FS AC)	(111,548,879)	(68,106,361)



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
	<b>Calculation of Deferred tax</b>		
<b>A.</b>	<b>Aftab Automobiles Ltd.</b>		
	WDV on PPE as per Accounting Calculation	1,410,223,098	1,442,677,495
	WDV on PPE as per Taxable Calculation	1,222,540,379	1,265,024,843
	Unabsorbed Dep.	225,929,246	160,205,718
	Unused tax loess	332,156,440	265,392,974
	Temporary Difference	(370,402,966)	(247,946,043)
	<b>Deferred tax liabilities difference</b>	<b>83,340,667</b>	<b>55,787,860</b>
	Opening Deferred Tax (01.07.23)	(55,787,859)	(34,579,543)
	<b>Deferred Tax expenses During The Year (B1)</b>	<b>27,552,808</b>	<b>21,208,317</b>
<b>B.</b>	<b>Bad debts as per accounting base</b>	<b>156,308,860</b>	<b>156,308,860</b>
	Bad debts as per tax base	-	-
	Temporary Difference	(156,308,860)	(156,308,860)
	<b>Deferred tax liabilities difference</b>	<b>39,077,215</b>	<b>39,077,215</b>
	Opening Deferred Tax (01.07.23)	39,077,215	30,174,633
	<b>Deferred Tax expenses During The Year (C1)</b>	<b>-</b>	<b>8,902,582</b>
<b>C.</b>	<b>Gratuity as per accounting base</b>	<b>2,369,052</b>	<b>2,369,052</b>
	Gratuity as per tax base	-	-
	Temporary Difference	(2,369,052)	(2,369,052)
	<b>Deferred tax liabilities difference</b>	<b>592,263</b>	<b>592,263</b>
	Opening Deferred Tax (01.07.23)	592,263	-
	<b>Deferred Tax expenses During The Year (D1)</b>	<b>-</b>	<b>592,263</b>
<b>A.</b>	<b>Navana Batteries Ltd</b>		
	WDV on PPE as per Accounting Calculation	957,165,318	925,117,099
	WDV on PPE as per Taxable Calculation	783,200,740	765,966,171
	Unabsorbed Dep.	99,492,522	55,182,304
	Less: Unused tax loess	28,693,073	8,697,058
	Temporary Difference	4,578,977	95,271,565
	<b>Deferred tax liabilities difference</b>	<b>12,589,219</b>	<b>28,581,469</b>
	Opening Deferred Tax (01.07.23)	(28,581,470)	(45,998,555)
	<b>Deferred Tax expenses During The Year (B1)</b>	<b>(15,992,251)</b>	<b>(17,417,086)</b>
<b>B.</b>	<b>Bad debts as per accounting base</b>	<b>4,101,643</b>	<b>4,101,643</b>
	Bad debts as per tax base	-	-
	Temporary Difference	(4,101,643)	(4,101,643)
	<b>Deferred tax liabilities difference</b>	<b>(1,127,952)</b>	<b>(1,230,493)</b>
	Opening Deferred Tax (01.07.23)	(1,230,493)	-
	<b>Deferred Tax expenses During The Year (C1)</b>	<b>102,541</b>	<b>(1,230,493)</b>
<b>30.00</b>	<b>Consolidated earnings per share (EPS )</b>		
	Profit attributable to the equity holders	(148,299,128)	4,117,874
	Ordinary share(Paid Up capital )	105,544,995	105,544,995
	<b>Consolidated Earnings Per Share (EPS )</b>	<b>(1.41)</b>	<b>0.04</b>

**Note:** The drop in consolidated EPS from 0.04 in 2023 to (1.41) in 2024 was primarily due to one-time expenses associated with phasing out the AK1J chassis and introducing the AK8J model. Additionally, the company made substantial capital investments in upgrading technology, training the workforce, and adapting operational workflows to accommodate the new model. While these investments had a short-term impact on profitability, they are essential for fortifying our operational base and positioning the company for sustainable growth. We anticipate that these investments will generate long-term benefits, leading to a stabilization of consolidated EPS in the future as we begin to see returns on these strategic initiatives.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023

**31.00 Consolidated Net assets value per share (NAVPS)**

Equity attributable to equity holders	5,239,681,222	5,462,575,814
Ordinary share(Paid Up capital )	105,544,995	105,544,995
<b>Consolidated Net assets value per share (NAVPS)</b>	<b>49.64</b>	<b>51.76</b>

Note: The Consolidated Net Asset Value per Share (NAVPS) dropped from 51.76 in 2023 to 49.64 in 2024, mainly due to a tough market environment resulting in reduced sales and an overall loss for the year. It's crucial to understand that this consolidated NAVPS decrease is temporary and is a result of external pressures and strategic investments aimed at enhancing our long-term operational capabilities and competitiveness. Despite the current financial challenges, we are dedicated to our growth strategy and have decided to uphold dividend payments to demonstrate confidence in our business's underlying strength and commitment to delivering value to shareholders. This decision reflects our belief that, through effective management and a focus on recovery, we will stabilize and ultimately enhance our consolidated NAVPS in the upcoming periods.

**32.00 Consolidated Net operating cash flows per share (NOCFPS)**

Net cash generated by operating activities	529,098,645	251,765,618
Ordinary share(Paid Up capital )	105,544,995	105,544,995
<b>Net operating cash flows per share (NOCFPS)</b>	<b>5.01</b>	<b>2.39</b>

Note: The company's consolidated NOCFPS saw a significant increase from 2.39 in 2023 to 5.01 in 2024, highlighting its improved operational efficiency and strong cash-generation capabilities. This growth can be attributed to effective management of working capital, better collection of receivables, and disciplined control over expenses. Despite facing external challenges such as political disruptions and the transition of the chassis model, our core business operations continued to generate healthy cash flows. This positive trend in operating cash flow demonstrates our strong financial position and operational resilience, positioning the company to effectively manage future investments and navigate potential market volatility.

**33.00 Consolidated Loan and deferred liabilities (Unsecured) :**

<b>25,310,440</b>	<b>25,310,440</b>
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Long- term interest free loan from sponsors is carried forward since 1982

**34.00 Reconciliation of consolidated cash flows from operating activities under indirect method:**

**Net profit/Loss before interest, income tax & WPPF during the period**

Depreciation	28,372,266	151,370,359
Interest on lease liability	88,922,923	89,015,809
Payment of WPPF	-	10,555,714
Income tax paid	(2,443,500)	(6,495,333)
	(4,962,690)	(36,166,491)

**Changes in current assets and liabilities:**

Decrease/ (increase) in inventories	94,660,210	231,825,078
Decrease/ (increase) in advance and prepayments	(113,149,458)	(475,125,950)
(Decrease)/ increase in payables & accruals	432,959,579	30,627,805
Decrease/ (increase) in trade receivable	4,739,314	256,158,626
<b>Net cash flow from operating activities</b>	<b>529,098,645</b>	<b>251,765,618</b>



### 35.00 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 Ltd. is a subsidiary company 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 30.06.2024	Amount 30.06.2023
Salary (including PF)	67,888,298	81,014,734
Directors Remuneration	4,200,000	4,200,000
Provision for Gratuity	-	2,369,052
Board Meeting Attendance Fee	331,000	484,000
<b>Total</b>	<b>72,419,298</b>	<b>88,067,786</b>

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:

#### Inter Company Receivables

Name of Related Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2024	2023	2024	2023
Navana Limited	Alliance Companies	Interest on loan	552,181,795	661,054,222	6,057,972,669	5,505,790,874
Navana Engineering Ltd.	Alliance Companies	Interest on loan	51,791,204	(37,967,629)	78,804,251	27,013,047
Navana Real Estate Ltd.	Alliance Companies	Interest on loan	78,669,699	175,875,179	1,072,690,232	994,020,533
Navana Construction Ltd.	Alliance Companies	Interest on loan	125,708,126	60,668,626	186,376,752	60,668,626
Navana Interlinks Ltd.	Alliance Companies	Interest on loan	7,242,051	2,000,418	9,242,469	2,000,418
Biponon Ltd.	Alliance Companies	Interest on loan	9,264,800	8,800,000	18,064,800	8,800,000
Navana Petroleum Ltd.	Alliance Companies	Interest on loan	2,127,548	17,583,038	19,710,586	17,583,038
Navana Building Product Ltd.	Alliance Companies	Interest on loan	9,239,367	827,000	10,066,367	827,000
Navana Furniture Ltd.	Alliance Companies	Interest on loan	1,106,800	300,000	1,406,800	300,000

**Inter Company Payables**

Name of Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2024	2023	2024	2023
Navana Welding Electrode Ltd.	Alliance Companies	Interest on loan	-	11,300	19,200,000	19,200,000
Navana Foods Ltd.	Alliance Companies	Interest on loan	2,500,000	1,000,000	3,500,000	1,000,000
Navana LPG Ltd.	Alliance Companies	Interest on loan	(13,300,000)	38,950,000	25,650,000	38,950,000
Navana CNG Ltd.	Alliance Companies	Interest on loan	24,500,000	-	24,500,000	-
Navana Logistics Ltd.	Alliance Companies	Interest on loan	2,300,000	-	2,300,000	-
Navana Electronics Ltd.	Alliance Companies	Interest on loan	5,227,000	-	5,227,000	-

**36.00 Amount due by Directors**

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

**37.00 Number of Employees**

During the year total number of employees/workers for the company was 150

**38.00 Significant Disclosure**
**Consolidated Revenue:**

Aftab Automobiles saw a significant increase in overall revenue, largely attributed to the outstanding performance of its subsidiary, Navana Batteries Limited. The subsidiary achieved remarkable sales growth compared to the previous year, making a substantial contribution to the company's total revenue. This growth was fueled by enhanced production capabilities, effective marketing strategies, and increased market demand for battery products. This positive performance not only confirms the effectiveness of our growth strategy but also instills optimism about the potential for future revenue growth, highlighting the synergies within our diverse business segments.

**Consolidated Gross Profit:**

The increase in gross profit margin from 18.47% in 2023 to 26.68% in 2024 was driven by several factors. The successful integration of the AK8J chassis led to operational efficiencies and cost savings. Additionally, Navana Batteries Limited's strong performance, with increased sales volumes, allowed for better absorption of fixed costs, contributing to improved profitability. This substantial rise in gross profit margin underscores our commitment to streamlining production processes, optimizing cost structures, and enhancing overall operational efficiency. These efforts, along with strategic investments in technology and workforce development, have strengthened our ability to deliver improved financial results and maintain a competitive edge in the market.

**39.00 Capital Expenditure Commitment**

There was no commitment for capital expenditure and also not incurred or provided for the year ended 30th June, 2024.

**40.00 Contingent Assets**

There was no contingent assets as on 30th June, 2024.

**41.00 Remittance of Dividend**

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

**42.00 Credit Facility not Availed**

There was no credit facility available to the Company under any contract and also not availed as on 30th June, 2024 other than trade credit available in the ordinary course of business.

**43.00 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	7	4	4	4
Khaleda Islam	Director	7	5	4	4
Saiful Islam	Managing Director	7	7	4	4
Sajedul Islam	Director	7	6	4	4
Farhana Islam	Director	7	4	4	4
Md. Mustafizur Rahman	Independent Director	7	4	4	-
Abul Layes Afsary	Independent Director	7	4	4	-

**44.00 Auditors fees for service rendered**

As per schedule XI, part II, para 6 of the Companies Act, 1994, auditors are only paid audit fees (including VAT) of Tk. 732,940. No other service has been taken from the auditor hence other than this no other fees given to auditor.

**45.00 Disclosures as per Requirement of Schedule XI, Part II of the Companies Act, 1994 (Employee Position as on 30th June, 2024)**
**(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	29,539,705	38,348,593	150
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				
Abul Layes Afsary	Independent Director				

**The period of payment to Directors is from 1st July 2023 to 30th June 2024.**

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

- Expenses reimbursed to the managing agent: Nil.
- Commission or other remuneration payable separately to a managing agent or his associate: Nil.
- 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.
- 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.
- Any other perquisites or benefit in cash or in kind stating: Nil.
- Other allowances and commission including guarantee commission: Nil.
- Pensions: Nil.
- Gratuities: Nil.
- Payments from Provident Fund: Nil.
- Compensation for Loss of Office: Nil.
- Consideration in connection with retirement from office: Nil.

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

Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(a) The Turnover	476,750,640
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	218,060,412
3(i)(d)(ii) The opening and closing stocks of goods produced	OB 485,314,740, CB 500,017,194
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	127,210,114
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	44,236,004
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	OB 461,013,265, CB 447,693,521
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 Manager	N/A
3(i)(l) Charge for income tax and other taxation on profits	35,612,810
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)(i) 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	52,359,720
(ii) Rent	3,179,084
(iii) Repairs of Buildings	135,318
(iv) Repairs of Machinery	123,532
(v) Other include:	
(1) Salaries, wages and bonus	67,888,298
(2) Workmen and staff welfare expenses	157,333
(3) Reserve	67,338,231



**47 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 30.06.2024	Amount 30.06.2023
1	Within 3 Months	1,169,554,203	1,173,387,834
2	Within 6 Months	978,224,876	982,470,917
3	Within 12 Months	1,036,385,745	1,021,442,612
4	More than 12 Months	2,119,229,095	2,130,831,870

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

There are no debts outstanding in this respect.

**48.00 Disclosure in line with Instruction of Part of Schedule XI**

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

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

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

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

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

**(III) Debt considered doubtful or bad**

The company considered more than one-year debts 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.

**49.00 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	22	5	32,309	32,336
Capacity Utilization (%)	0.92%	1.25%	15.39%	15.20%

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

Details of import on CIF basis

**i. Raw Materials**

Items	Purchase in Taka			Consumption in Taka	Percentage
	Import	Local	Total		
Raw Materials (Hino)	49,105,477	4,108,547	53,214,025	77,824,212	146%
Raw Materials (Battery)	0	120,180,994	120,180,994	154,619,527	129%
<b>Total</b>	<b>49,105,477</b>	<b>124,289,541</b>	<b>173,395,019</b>	<b>232,443,739</b>	

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, 2023 to 30th June, 2024 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, 2023 to 30th June, 2024.

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

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

**52.00 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)	¥ 60,150,000	49,105,477
Import of Raw Material (Battery)	Nil	-
<b>Total</b>		<b>49,105,477</b>



**53.00 Financial Instrument-Fair Values and Risk Management**

**53.01 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							
	Notes	Fair Value Hedging Instrument	Mandatory at FVTPL- others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other Financial Liabilities	Total Amount
<b>30.06.2024</b>								
<b>Financial Assets measured at Fair Value:</b>								
Equity Securities								
<b>Financial Assets not measured at Fair Value:</b>								
Receivables	10	-	-	-	-	5,303,394	-	5,303,394
Advance, Deposit & Prepayments	13	-	-	-	-	8,196,719	-	8,196,719
Investments in securities and associate company	9	-	-	-	-	482,563		482,563
Deferred Tax Assets	29					111,549		111,549
Cash and Cash Equivalents	14	-	-	-	-	302,609	-	302,609
<b>Total</b>		-	-	-	-	<b>14,396,833</b>	-	<b>14,396,833</b>
<b>Financial Liabilities measured at fair value:</b>								-
<b>Financial Liabilities not measured at fair value:</b>								-
Loan and deferred liabilities (Unsecured)	33	-	-	-	-		25,310	25,310
Long Term Loan	18	-	-	-	-		13,902,309	13,902,309
Lease Liability		-	-	-	-		38,884	38,884
Short Term Loan	19	-	-	-	-		5,051,987	5,051,987
Accrued and Other Current Liabilities	20	-	-	-	-		1,874,289	1,874,289
Unclaimed Dividend Account	21	-	-	-	-		151,419	151,419
<b>Total</b>		-	-	-	-	-	<b>21,044,198</b>	<b>21,044,198</b>
<b>30.06.2023</b>								-
<b>Financial Assets measured at Fair Value:</b>								-
Equity Securities								-
<b>Financial Assets not measured at Fair Value:</b>								-
Receivables	10	-	-	-	-	5,308,133	-	5,308,133
Advance, Deposit & Prepayments	13	-	-	-	-	7,666,690	-	7,666,690
Investments in securities and associate company	9					454,916		454,916
Deferred Tax Assets	29					68,106		68,106
Cash and Cash Equivalents	14	-	-	-	-	299,905	-	299,905
<b>Total</b>		-	-	-	-	<b>13,797,750</b>	-	<b>13,797,750</b>
<b>Financial Liabilities measured at fair value:</b>								-
<b>Financial Liabilities not measured at fair value:</b>								-
Loan and deferred liabilities (Unsecured)	33						25,310	25,310
Long Term Loan	18	-	-	-	-	-	11,890,755	11,890,755
Lease Liability		-	-	-	-	-	37,600	37,600
Short Term Loan	19	-	-	-	-	-	5,954,582	5,954,582
Accrued and Other Current Liabilities	20	-	-	-	-	-	1,432,957	1,432,957
Unclaimed Dividend Account	21	-	-	-	-	-	103,033	103,033
<b>Total</b>		-	-	-	-	-	<b>19,444,237</b>	<b>19,444,237</b>

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 fair value.

### 53.02 Financial Risk Management Framework

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

53.02.1 Credit Risk, 53.02.2 Liquidity Risk 53.02.3 Market Risk.

#### 53.02.1 Credit Risk

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

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

The debtors management review committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the committee; these limits are reviewed as per guideline of 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 30<sup>th</sup> June, 2024, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposure from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

#### (i) Exposure to Credit Risk

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

Non-Derivative Financial Assets:	Amount in Taka	
	30.06.2024	30.06.2023
Receivables	5,303,393,920	5,308,133,234
Inter Company Transactions	7,373,957,925	6,557,853,536
Advance to Suppliers	1,006,239,942	982,183,496
Advance to Employees	42,078,747	44,709,034
Advance to Others	666,499,404	518,642,633
Security & Deposits	318,184,446	321,245,146
Cash at Bank	299,542,765	298,739,249
Cash in Hand	3,064,768	1,165,815
<b>Total</b>	<b>15,012,961,917</b>	<b>14,032,672,142</b>

At 30<sup>th</sup> June, 2024 the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

	Amount in Taka	
	30.06.2024	30.06.2023
Domestic	5,303,393,920	5,308,133,234
Foreign Receivable	-	-
	<b>5,303,393,920</b>	<b>5,308,133,234</b>



**Ageing Schedule of Receivables:**

	5,303,393,920	5,308,133,234
<b>Duration</b>		
1-30 days	323,905,004	329,561,430
31-60 days	342,971,872	335,877,995
61-90 days	502,677,327	507,948,410
91-180 days	978,224,876	982,470,917
181-365 days	1,036,385,745	1,021,442,612
Over 365 days	2,119,229,095	2,130,831,870
<b>Total</b>	<b>5,303,393,920</b>	<b>5,308,133,234</b>

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.

**53.02.2 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, 2024.

30th June, 2024

				Contractual Cash Flows		
In Taka	Notes	Carrying Amount	Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Long and Deferred Liabilities (Unsecured)	33	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	18	10,426,731,779	10,426,731,779	1,042,673,178	3,128,019,534	6,256,039,067
Lease Liability		38,884,000	38,884,000	-	15,553,600	23,330,400
Long Term Loan-Current Maturity	18	3,475,577,260	3,475,577,260	347,557,726	1,042,673,178	2,085,346,356
Short Term Loan	19	5,051,986,504	5,051,986,504	-	2,020,794,602	3,031,191,902
Accrued and Other Current Liabilities	20	1,874,288,920	1,874,288,920	187,428,892	562,286,676	1,124,573,352
Unclaimed Dividend Account	21	151,419,439	151,419,439	15,141,944	45,425,832	90,851,663
		21,044,198,342	21,044,198,342	1,595,332,784	6,822,346,553	12,626,519,005
Derivative financial liabilities		-	-	-	-	-
		21,044,198,342	21,044,198,342	1,595,332,784	6,822,346,553	12,626,519,005

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)	33	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	18	8,918,066,412	8,918,066,412	891,806,642	2,675,419,923	5,350,839,847
Long Term Loan-Current Maturity	18	2,972,688,804	2,972,688,804	297,268,881	891,806,641	1,783,613,282
Short Term Loan	19	5,954,581,632	5,954,581,632	-	2,381,832,653	3,572,748,979
Accrued and Other Current Liabilities	20	1,432,956,602	1,432,956,602	143,295,660	429,886,981	859,773,961
Unclaimed Dividend Account	21	103,033,470	103,033,470	10,303,347	30,910,041	61,820,082
		19,406,637,360	19,406,637,360	1,345,205,574	6,417,449,371	11,643,982,415
Derivative financial liabilities		-	-	-	-	-
		19,406,637,360	19,406,637,360	1,345,205,574	6,417,449,371	11,643,982,415

**53.02.3 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.

**54.00 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.

**55.00 Event after the Reporting Period**

The directors in the meeting held on 27th day of October 2024 recommended 10% cash dividend for the general shareholders only excluding sponsors & directors whose name will be appeared in the shareholders' registers at the date of record date which is subject to shareholders' approval at the forthcoming annual general meeting to be held on 24th day of December 2024.

"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."

**Aftab Automobiles Limited and its Subsidiary**  
**Property, Plant And Equipment, Net**  
As at June 30, 2024

Particulars	Cost			Rate of Dep.	Accumulated Depreciation			Written Down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal		Balance as at July 01, 2023	Charged During the year	Adj. D. the Year	
Land & Land Development	1,019,059,057	52,230,663	-	-	-	-	-	1,071,289,720
Building	677,121,026	30,285,624	-	2.50%	91,562,300	14,641,071	-	601,203,277
Shades	217,616,341	-	-	20%	70,082,303	29,506,808	-	118,027,230
Plant & Machinery	653,944,239	-	-	10%	455,281,338	19,866,290	-	178,796,611
Tools & Equipments	126,641,652	2,267,562	-	20%	107,554,069	3,968,687	-	17,386,458
Office Equipment	63,213,930	-	-	10%	40,819,411	2,239,452	-	20,155,067
Furniture & Fixture	39,889,044	-	-	10%	23,817,543	1,607,150	-	14,464,351
Transport Vehicles	141,174,443	-	-	20%	89,208,593	10,393,170	-	41,572,680
Electrical line installation	15,203,281	-	-	10%	8,443,676	675,960	-	6,083,644
Office Decoration	26,550,238	-	-	10%	13,575,394	1,297,484	-	11,677,360
Gas line installation	21,820,370	-	-	10%	11,880,833	993,954	-	8,945,583
<b>Balance as at June 30, 2024</b>	<b>3,002,233,621</b>	<b>84,783,849</b>	<b>-</b>		<b>912,225,461</b>	<b>85,190,027</b>	<b>-</b>	<b>2,089,601,982</b>
<b>Balance as at June 30, 2023</b>	<b>3,128,584,220</b>	<b>250,421,672</b>			<b>926,255,653</b>	<b>84,955,647</b>		<b>2,367,794,591</b>

Depreciation charged to :		Taka	Lease Assets	Total
Cost of goods sold ( Factory O/H)		37,685,603	3,288,732	40,974,335
Profit & Loss Account (Admin)		22,867,315	73,083	22,940,398
Profit & Loss Account (Selling)		24,637,109	292,332	24,929,441
<b>Total</b>		<b>85,190,027</b>	<b>3,654,146</b>	<b>88,844,173</b>



**Aftab Automobiles Limited and its Subsidiary**  
**(Held for Sale & Discontinued Operations)**

As at June 30, 2024

Particulars	Cost			Rate of Dep.	Accumulated Depreciation				Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year		Balance as at July 01, 2023	Charge during the year	Adjustment during the year	Balance as at June 30, 2024	
Land & Land Development	139,554,017	-	-		-	-	-	-	139,554,017
Building	22,754,361	-	-		2,463,800	-	-	2,463,800	20,290,561
Shed	1,785,690	-	-		1,346,839	-	-	1,346,839	438,851
Plant & Machinery	88,242,540	-	-		33,565,651	-	-	33,565,651	54,676,889
Tools & Equipments	7,179,213	-	-		3,946,792	-	-	3,946,792	3,232,421
Office Equipment	17,136,725	-	-		7,659,662	-	-	7,659,662	9,477,063
Furniture & Fixture	9,947,918	-	-		4,279,423	-	-	4,279,423	5,668,495
Transport Vehicles	39,869,703	-	-		26,415,354	-	-	26,415,354	13,454,349
Electrical line installation	3,187,752	-	-		1,050,591	-	-	1,050,591	2,137,161
Office Decoration	471,143,52	-	-		18,257,728	-	-	18,257,728	28,856,624
<b>Balance as on June 30, 2024</b>	<b>376,772,271</b>	<b>-</b>	<b>-</b>		<b>98,985,840</b>	<b>-</b>	<b>-</b>	<b>98,985,840</b>	<b>277,786,431</b>

**Annexure- B**

## Aftab Automobiles Limited and its Subsidiary

### Schedule of Right Use of Assets

As at June 30, 2024

Annexure- C

Particulars	Cost			Rate of Dep.	Accumulated Depreciation				Written Down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal		Balance as at July 01, 2023	Charged During the year	Adj. D. the Year	Balance as on June 30, 2024	
Right of use assets	60,702,954	-		10%	24,161,491	3,654,146		27,815,637	32,887,317
Balance as at June 30, 2024	60,702,954	-	-		24,161,491	3,654,146	-	27,815,637	32,887,317

Balance as at June 30, 2023	60,702,954	-			20,101,328	4,060,163	-	24,161,491	36,541,463
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## Aftab Automobiles Limited and its Subsidiary

### Schedule of Property, Plant & Equipment

As at June 30, 2024

Annexure-D

Intangible Assets (Accounting Base)

Particulars	Cost			Rate of Dep.	Accumulated Amortization				Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal		Balance as at July 01, 2023	Charged during the year	Adjustment during the year	Balance as at June 30, 2024	
Computer Software (ERP)	-	945,000	-	10%	-	78,750	-	78,750	866,250
Balance as on June 30, 2024	-	945,000	-		-	78,750	-	78,750	866,250





## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AFTAB AUTOMOBILES LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Aftab Automobiles Limited** (the Company), which comprise the Statement of Financial Position as at June 30, 2024; Statement of Profit or Loss and Other Comprehensive Income; Statement of Changes in Equity and 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 58 and Annexure- A, B, C, D & E.

In our opinion, the accompanying financial statements give a true and fair view the financial position of the Company as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Accounting Standard (IASs) and 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

As per BSEC notification no. BSEC/CMRRCD/2021-391/20/Admin/121, Dated: 01 June 2021, any cash or stock dividend or right share are laying unclaimed or undistributed or un-allotted for a period of 3 (three) years or more, shall be transferred to the Capital market Stabilization Fund (CMSF). But the entity didn't transfer unclaimed Dividend amounting Tk. 82,191,880 to Capital Market Stabilization Fund (CMSF) which is carry forwarded more than 3 years.

#### 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, 2024. 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><b>Revenue</b></p> <p>At year ended the reported total Turnover <b>Tk. 130,933,817</b>. 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"> <li>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.</li> <li>Segregation of duties in invoice creation and modification and timing of revenue recognition.</li> <li>Assessing the appropriateness of the company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.</li> <li>Obtain supporting documentation for sale transaction recorded either side of year-end to determine whether revenue was recognized in the current period.</li> <li>Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation.</li> <li>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.</li> </ul> <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><b>Inventories</b></p> <p>As at June 30, 2024, the reported amount of inventories is <b>Tk. 411,716,480</b> 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 accordance with International Accounting Standard (IAS).</p> <p>Considering the risk as stated above the valuation of Inventory is a key audit matter to the Financial Statements.</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"> <li>Evaluating the design and implementation of key inventory controls operating across the factory, warehouse.</li> <li>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.</li> </ul>





	<ul style="list-style-type: none"> <li>Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> </ul> <p>Obtaining a detailed review with the subsequent sales to compare with the net realizable value.</p> <p>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.</p>
<b>Property, Plant and Equipment</b>	
<p>The carrying value of the tangible fixed assets is <b>Tk. 1,132,436,667</b> as at June 30, 2024. The valuation of tangible fixed assets was identified as a key audit matter due to significance of this balance to the Financial Statements.</p> <p>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.</p> <p>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.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul> <p>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.</p>





<p><b>Long Term Loan and Short Term Loan</b></p> <p>As at June 30, 2024, the reported amount of total Long-Term Loan is <b>Tk.11,112,439,938</b> and Short-Term Loan is <b>Tk. 2,522,823,334</b> respectively. The company borrowed fund from various bank for the purpose of acquisition of non-current assets and working capital as well.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of loan.</li> <li>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.</li> <li>We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> <li>We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul> <p>We were satisfied that; Long Term Loan &amp; Shor-Term Loan was recorded properly. Based on the work performed, we concluded that Loan Term Loan &amp;</p>
<p><b>Trade Receivable</b></p> <p>The total amount of Trade receivable is <b>Tk. 4,728,459,439</b> as at June 30, 2024. There are significant large numbers of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>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.</p> <p>Accordingly, we identified the recoverability of Receivables as a key audit matter 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.</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>Tested the accuracy of aging of Receivables at year end on a sample basis;</li> <li>Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>Assessing the classification of trade receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a test basis.</li> <li>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</li> <li>Inspecting subsequent bank receipts form customers and other relevant underlying documentation relation to trade receivable balance as at June 30, 2024.</li> </ul> <p>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.</p>



### **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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of 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;
- c) 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
- d) The expenditure incurred was for the purposes of the Company's business.

Place: Dhaka  
Dated: October 27, 2024

**Mohammad Fakhru Alam Patwary FCA**  
ICAB Enrollment No: 1249  
Managing Partner  
**M.Z. Islam & Co.**  
Chartered Accountants  
**DVC: 2410271249AS314741**





## Aftab Automobiles Limited

Statement of Financial Position

As at June 30, 2024

Particulars	Notes	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>Assets :</b>			
<b>Non-Current Assets</b>		<b>5,663,138,636</b>	<b>5,590,748,988</b>
Property, Plant and Equipment	5	1,132,436,667	1,164,891,064
Non Current Assets Held for Sale & Discontinued Operations	6	277,786,431	277,786,431
Intangible Assets	7	866,250	-
Capital Work-in-Progress	8	774,975,533	718,545,949
Investments in Subsidiary and Associates	9	1,230,732,871	1,199,134,693
Receivables -Non Current Maturity	10	2,123,330,738	2,134,933,513
Deferred Tax Assets	11	123,010,145	95,457,338
<b>Current Assets :</b>		<b>15,033,580,703</b>	<b>13,992,808,515</b>
Receivables -Current maturity	10	2,605,128,701	2,594,045,240
Inventories	12	411,716,480	481,439,655
Current account with Navana Batteries Ltd.	13	1,088,164,004	985,680,004
Current account with Navana Group Companies	14	4,378,896,687	3,921,011,195
Advances, deposits and prepayments	15	6,253,974,463	5,735,942,541
Cash & Cash Equivalents	16	295,700,368	274,689,880
<b>Total Assets</b>		<b>20,696,719,339</b>	<b>19,583,557,505</b>
<b>Equity and Liabilities :</b>			
<b>Equity Attributable to Equity Holders</b>		<b>5,239,681,221</b>	<b>5,462,575,814</b>
Share Capital	17	1,055,449,950	1,055,449,950
Share Premium	18	1,925,858,339	1,925,858,339
Reserves	19	67,338,231	67,338,231
Retained Earnings	20	2,191,034,701	2,413,929,294
<b>Non-Current Liabilities :</b>		<b>8,359,640,393</b>	<b>6,925,927,618</b>
Loan and Deferred Liabilities (Unsecured)	21	25,310,440	25,310,440
Long Term Loan-Non Current Maturity	22	8,334,329,953	6,900,617,178
<b>Current Liabilities :</b>		<b>7,097,397,725</b>	<b>7,195,054,073</b>
Long Term Loan-Current Maturity	22	2,778,109,984	2,300,205,726
Short Term Loan	23	2,522,823,334	3,583,915,275
Accrued and Other Current Liabilities	24	1,645,044,967	1,207,899,602
Unclaimed Dividend Account	25	151,419,440	103,033,470
<b>Total Equity and Liabilities</b>		<b>20,696,719,339</b>	<b>19,583,557,505</b>
<b>Net Assets Value Per Share (NAVPS)</b>	34	<b>49.64</b>	<b>51.76</b>

The Annexed Notes 1 to 58 and schedule-A, B, C, D & E form an integral part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on October 27, 2024 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.

**Mohammad Fakhru Alam Patwary FCA**

ICAB Enrollment No: 1249

Managing Partner

**M.Z. Islam & Co.**

Chartered Accountants

**DVC: 2410271249AS314741**

Place: Dhaka

Dated: October 27, 2024





**Aftab Automobiles Limited**  
**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended June 30, 2024

Particulars	Notes	Amount In Taka	
		July 01, 2023 to June 30, 2024	July 01, 2022 to June 30, 2023
Net Revenue	26	130,933,817	985,465,143
Less: Cost of goods sold	27	101,277,866	822,622,232
<b>Gross profit</b>		<b>29,655,951</b>	<b>162,842,911</b>
<b>Less: Operating Expense:</b>			
Administrative Expenses	28	41,531,738	34,672,415
Selling and Distribution Expenses	29	22,277,384	27,935,041
Financial Expenses	30	184,467,464	166,118,350
<b>Total Operating Expenses</b>		<b>248,276,585</b>	<b>228,725,806</b>
<b>Operating Profit/Loss</b>		<b>(218,620,634)</b>	<b>(65,882,895)</b>
<b>Non-Operating Income :</b>			
Other Income	31	16,588,770	19,517,300
Add : Share of Profit from Associate Company	9.03	27,647,234	28,832,831
<b>Profit/Loss Before Contribution to WPPF</b>		<b>(174,384,630)</b>	<b>(17,532,764)</b>
Less: Contribution to WPPF		-	-
<b>Profit/Loss After Contribution to WPPF</b>		<b>(174,384,630)</b>	<b>(17,532,764)</b>
Add : Share of Profit from Subsidiaries	9.01	3,950,944	(1,849,957)
<b>Net Profit/Loss Before Tax</b>		<b>(170,433,685)</b>	<b>(19,382,721)</b>
<b>Less: Income Tax Expenses :</b>			
Current Tax	32	5,418,251	7,203,574
Deferred Tax	11	(27,552,808)	(30,703,161)
<b>Total Income Tax Expense</b>		<b>(22,134,556)</b>	<b>(23,499,587)</b>
<b>Profit for the year</b>		<b>(148,299,129)</b>	<b>4,116,866</b>
<b>Total Comprehensive Income for the year</b>		<b>(148,299,129)</b>	<b>4,116,866</b>
<b>Attributable to:</b>			
Equity Holders of the Company		(148,299,129)	4,116,866
Non-Controlling Interests		-	-
<b>Profit for the year</b>		<b>(148,299,129)</b>	<b>4,116,866</b>
<b>Earnings Per Share</b>	33	<b>(1.41)</b>	<b>0.04</b>

The Annexed Notes 1 to 58 and schedule-A, B, C, D & E form an integral part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on October 27, 2024 and were signed on it's behalf by.

  
Chief Financial Officer

  
Rahat Mahmud  
Company Secretary

  
Khaleeda Islam  
Director

  
Director

  
Managing Director

Signed in terms of our separate report of even date.

  
**Mohammad Fakhru Alam Patwary FCA**  
ICAB Enrollment No: 1249  
Managing Partner  
**M.Z. Islam & Co.**  
Chartered Accountants  
DVC: 2410271249AS314741

Place: Dhaka  
Dated: October 27, 2024

**Aftab Automobiles Limited**  
Statement of Changes in Equity  
For the year ended June 30, 2024

Particulars	Share capital	Share premium	Reserves	Retained earnings	Total
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
Cash Dividend	-	-	-	(74,595,464)	(74,595,464)
Total Comprehensive Income for the year	-	-	-	(148,299,129)	(148,299,129)
<b>Balance as at June 30, 2024</b>	<b>1,055,449,950</b>	<b>1,925,858,339</b>	<b>67,338,231</b>	<b>2,191,034,701</b>	<b>5,239,681,221</b>

**For the year ended June 30, 2023**

Particulars	Share capital	Share premium	Reserves	Retained earnings	Total
Balance as on July 01, 2022	1,005,190,430	1,925,858,339	67,338,231	2,518,356,396	5,516,743,396
Adjustment for the Application of IFRS-16 (Lease)	-	-	-	(23,103,278)	(23,103,278)
Stock Dividend	50,259,520	-	-	(50,259,520)	-
Cash Dividend	-	-	-	(35,181,170)	(35,181,170)
Total Comprehensive Income for the year	-	-	-	4,116,866	4,116,866
<b>Balance as at June 30, 2023</b>	<b>1,055,449,950</b>	<b>1,925,858,339</b>	<b>67,338,231</b>	<b>2,413,929,294</b>	<b>5,462,575,814</b>

The Annexed Notes 1 to 58 and schedule-A, B, C, D & E form an integral part of these Financial Statements.  
These Financial Statements were approved by the Board of Directors on October 27, 2024 and were signed on it's behalf by.



Chief Financial Officer

*Rahat Mahmud*  
Company Secretary

*Mahmood Islam*  
Director



Director



Managing Director

Signed in terms of our separate report of even date.

Place: Dhaka

Dated: October 27, 2024



**Aftab Automobiles Limited**  
**Statement of Cash Flows**  
For the year ended June 30, 2024

Particulars	Notes	Amount In Taka	
		July 01, 2023 to June 30, 2024	July 01, 2022 to June 30, 2023
<b>A. Cash Flows from Operating Activities</b>			
Receipts from Customers		886,453,130	1,170,627,994
Receipts as Other Income		16,588,770	19,517,300
Payments for Materials, Services and Expenses		(498,333,104)	(956,948,752)
<b>Cash Generated from Operations</b>		<b>404,708,797</b>	<b>233,196,542</b>
Income Tax Paid		(4,585,240)	(34,858,993)
<b>Net Cash Generated by Operating Activities</b>	<b>36.00</b>	<b>400,123,557</b>	<b>198,337,549</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant & Equipment		(2,267,562)	(38,226,119)
Payments for Capital Work in Progress		-	(78,386,831)
<b>Net Cash Used Investing Activities</b>		<b>(2,267,562)</b>	<b>(116,612,950)</b>
<b>C. Cash Flows from Financing Activities</b>			
Proceeds from Bank Loan		-	165,002,891
Group Company Receipts/(Payments)		72,073,547	(85,920,810)
Subsidiary Company Receipts/(Payments)		(102,484,000)	(37,697,536)
Bank Interest & Debt Paid		(330,758,326)	(166,118,350)
Dividend Paid		(15,676,729)	(23,064,241)
Unclaimed Dividend Transferred to CMSF		-	(5,000,000)
<b>Net Cash Used by Financing Activities</b>		<b>(376,845,508)</b>	<b>(152,798,046)</b>
D. Net Changes in Cash & Cash Equivalents for the year (A+B+C)		21,010,488	(71,073,446)
E. Cash & Cash Equivalents at Beginning of the year		274,689,880	345,763,326
<b>F. Cash &amp; Cash Equivalents at end of the year (D+E)</b>		<b>295,700,368</b>	<b>274,689,880</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>35.00</b>	<b>3.79</b>	<b>1.88</b>

The Annexed Notes 1 to 58 and schedule-A, B, C, D & E form an integral part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on October 27, 2024 and were signed on its behalf by.

  
Chief Financial Officer

  
Rahat Mahmud  
Company Secretary

  
Khaleeda Islam  
Director

  
Director

  
Managing Director

Signed in terms of our separate report of even date.

Place: Dhaka  
Dated: October 27, 2024

**AFTAB AUTOMOBILES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2024**  
**FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**1.00 Reporting Entity**

**1.01 Corporate Information—Domicile, Legal Form and Country of Incorporation**

Aftab Automobiles Limited (the Company) was incorporated in erstwhile East Pakistan in year 1967 as East Pakistan Automobiles Limited under the Companies Act, 1913 vide Registration No. C-2860/57 E.P. of 1967-1968. Subsequently, after liberation war, the Company changed the name as Aftab Automobiles Limited and was certified by the Registrar of Joint Stock Companies & Firms, Bangladesh on the 11th day of March, 1972. It was incorporated as a Private Limited Company since inception. However, in 1981 it was transformed into Public Limited Company under Companies Act, 1913. The Company is listed with Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in the year 1987 and 1996 respectively.

The Company has one subsidiary company namely Navana Batteries Ltd. incorporated in Bangladesh under the Companies Act, 1994 vide Registration No. C-76441/2009 that produces batteries.

**Registered Office**

The Registered Office 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, dated 18.08.2024

ii) e-TIN No.: 414021944464, dated 07.10.2013

iii) BIN No.: 000901216, dated 27.12.2017

**1.03 Nature of Business**

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser Soft Top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus/Truck Chassis with a production capacity of 2400 units of vehicles in 3 shifts in assembling unit. At present the plant is running single shift.

**1.04 Subsidiary Company**

**Navana Batteries Limited**

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

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

**1.06 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:



- i) Statement of Financial Position as at 30<sup>th</sup> June, 2024;
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30<sup>th</sup> June, 2024;
- iii) Statement of Changes in Equity for the year ended 30<sup>th</sup> June, 2024;
- iv) Statement of Cash Flows for the year ended 30<sup>th</sup> June, 2024;
- v) Notes comprising summary of significant accounting policies and other explanatory information.

## **2.00 Basis of Preparation of Financial Statements**

### **2.01 Statement of Compliance**

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

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

### **2.02 Other Regulatory Compliances**

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

The Income Tax Act/Ordinance, 2023/1984;  
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 has 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.

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

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting	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	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 financial statements have been prepared based on the accrual basis of accounting and prepare under the historical cost convention except for the revaluation of certain non-current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes.

#### **2.05 Accrual Basis of Accounting**

The Company prepares its 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.

#### **2.06 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.

#### **2.07 Key Accounting Estimates and Judgments in Applying Accounting Policies**

The preparation of 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 on-going 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.

#### **2.08 Materiality, Aggregation and off Setting**

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right, therefore no such incident existed during the year.

#### **2.09 Going Concern Assumption**

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

#### **2.10 Comparative Information**

Comparative information has been disclosed in respect of 2022-2023 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

#### **2.11 Changes in Accounting Policies**

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



## **2.12 Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency (BDT) at exchange rates ruling at the dates of transactions in accordance with IAS-21 "the Effects of Changes in Foreign Exchange Rates.

"Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act, 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of fixed assets, to be credited/charged to the cost/value of such assets.

The financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated into (BDT) at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss.

## **2.13 Responsibility for Preparation and Presentation of Financial Statements**

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

## **2.14 Reporting Period**

The reporting period of the Company covers one year from 1st day of July, 2023 to 30th June, 2024.

## **2.15 Approval of Financial Statements**

The financial statements have been approved by the Board of Directors on the 27th day of October, 2024.

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

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

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

### **Assets and Basis of their Valuation**

## **3.01 Property, Plant and Equipment**

### **3.01.1 Recognition and Measurements**

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

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

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

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

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

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

### 3.01.2 Maintenance Activities

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

### 3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the 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 other fixed assets except land and land development is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is

Category of Fixed Assets	Rate of Depreciation & Amortization
Land & Land Development	--
Building	2.50%
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%
Software (ERP)	10%

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



### **3.01.5 Impairment**

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

### **3.01.6 Disposal of Property, Plant and Equipment**

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

### **3.01.7 Capital Work-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**

Investment is stated at its cost of acquisition and interest earned on deposits lying with the different banks has 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 FDR.

### **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." The equity holds 99.95% of its subsidiary's (Navana Batteries Ltd.) equity shares at the year end.

### **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 represents invoiced value of policies. 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**

Transaction 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-

Foreign currency monetary items are translated using the closing rate;

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;

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

### **3.10.2 Financial Liabilities**

A financial liability is recognized when its contractual obligations arising 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 recognises financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

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

Non-derivative financial liabilities comprise accrued and other current liabilities, interest bearing borrowings and short term loan.

#### **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.

#### **iii) Short Term Loan**

Short Term Loan is recognized at the amount payable to the bank.

### **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 indicates 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.

**(f) 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.

**(g) 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 27.50% 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 Post-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 an 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 Segments**

#### **Basis for Segmentation**

A business segments is a distinguishable component of an entity that is engaged in providing an individual product or service or group of related products or services and that is subject to risk and returns that are different from those of other business segment. The company has three distinguishable operating segments like assembling unit, motor cycle unit and body unit in case of Aftab Automobiles Ltd. which are disclosed in **note no. 37**.



The following summary describes the operation of each reportable segment:

Reportable Segments	Operations
<b>Assembling Unit</b>	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.
<b>Body Unit</b>	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 other economic environments. Since the company has operating all its activities in the same economic environment geographical segment reporting is not required.

### 3.21 Cash and Cash Equivalents

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

### 3.22 Statement of Cash Flows

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

### 3.23 Earnings per Share (EPS)

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

#### Basic Earnings Per Share

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

#### Diluted Earnings Per Share

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

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



### 3.24 Historical Cost Income and Expenditure

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

### 3.25 Risk Exposure Interest Rate Risk

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

#### 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 entry 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 contributory provident fund, gratuity scheme, group term scheme 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 38**.

### **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.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>5.00</b>	<b>Property, Plant and Equipment, Net</b>		
	Land & Land Development	605,780,282	605,780,282
	Building	282,026,230	267,749,935
	Shades	118,027,230	147,534,038
	Plant & Machinery	72,926,070	81,028,966
	Tools & Equipments	6,079,035	4,953,305
	Office Equipment	5,888,986	6,543,318
	Furniture & Fixture	6,010,719	6,678,577
	Transport Vehicles	35,698,115	44,622,643
	<b>Total Written Down Value</b>	<b>1,132,436,667</b>	<b>1,164,891,064</b>
	The break-up of PPE is shown in <b>Annexure- A.</b>		
<b>6.00</b>	<b>Non current assets held for sale &amp; discontinued operations</b>		
	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
	<b>Total</b>	<b>277,786,431</b>	<b>277,786,431</b>
	The break-up of PPE is shown in <b>Annexure- B.</b>		
	Since the board's decision to reclassify the non-current assets held for sales as regular assets. It will be used from the next financial year.		
<b>7.00</b>	<b>Intangible Assets, Net</b>		
	Software (ERP)	866,250	-
	<b>Total Written Down Value</b>	<b>866,250</b>	<b>-</b>
	The break-up of PPE is shown in <b>Annexure- D.</b>		
<b>8.00</b>	<b>Capital work-in-progress</b>		
	<b>Opening Balance</b>	<b>718,545,949</b>	<b>653,223,590</b>
	Add: Addition During the year	78,346,084	78,386,831
		<b>796,892,033</b>	<b>731,610,421</b>
	Less: Transfer to Property, Plant & Equipment	21,916,500	13,064,472
	<b>Closing balance</b>	<b>774,975,533</b>	<b>718,545,949</b>
<b>9.00</b>	<b>Investments in subsidiary and associate</b>		
	Investment in subsidiaries	748,169,869	744,218,924
	Investment in share	-	-
	Investment in associate	482,563,003	454,915,769
	<b>Total</b>	<b>1,230,732,871</b>	<b>1,199,134,693</b>
<b>9.01</b>	<b>Investment in subsidiary</b>		
	<b>Navana Batteries Limited</b>		
	<b>Opening Balance</b>	<b>744,218,924</b>	<b>746,068,881</b>
	Add: Profit during the year	3,950,944	(1,849,957)
	<b>Closing Balance</b>	<b>748,169,869</b>	<b>744,218,924</b>

Navana Batteries Ltd. is a 99.95% owned subsidiary company. During the year, the audit incurred/enjoyed a Profit of Tk. 3,950,944/-

Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>9.02 Investment in share</b>			
Opening Balance	-	28,395,758	
Add: During the year	-	-	
Less: Transfer the year	-	28,395,758	
Closing Balance	-	-	
<b>9.03 Investment in associate</b>			
Opening Balance	454,915,769	426,082,938	
Share of equity from associate	27,647,234	28,832,831	
Closing Balance	482,563,003	454,915,769	

NB: Share of profit from associate company (NREL) has been taken for one year for Financial year 2023-2024.

<b>10.00 Receivables</b>			
Receivable Non-Current (Maturity over 12 months )	2,123,330,738	2,134,933,513	
Receivable current (Maturity less than 12 months )	2,605,128,701	2,594,045,240	
<b>Total</b>	<b>4,728,459,439</b>	<b>4,728,978,753</b>	

**Ageing schedule of receivables :**

**Duration**

1- 30 days	265,003,311	269,063,951
31- 60 days	280,602,895	274,220,986
61- 90 days	411,266,126	414,704,494
91- 180 days	800,335,988	802,119,067
181- 365 days	847,920,380	833,936,741
Over 365 days	2,123,330,738	2,134,933,513
<b>Total</b>	<b>4,728,459,439</b>	<b>4,728,978,753</b>

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

<b>11.00 Deferred Tax expenses</b>			
Total Deferred Tax Expenses (PL AC)		(30,703,161)	
Total Deferred Tax Liabilities (FS AC)	(27,552,808)	(95,457,338)	
<b>Calculation of Deferred tax</b>	(123,010,145)		
<b>A</b> WDV on PPE as per Accounting Calculation	1,410,223,098	1,442,677,495	
WDV on PPE as per Taxable Calculation	1,222,540,379	1,265,024,844	
Unabsorbed Dep.	225,929,246	160,205,719	
Unused tax loess	332,156,440	265,392,975	
Temporary Difference	(370,402,966)	(247,946,043)	
<b>Deferred tax liabilities difference (A1)</b>	<b>83,340,667</b>	<b>55,787,860</b>	
Opening Deferred Tax (01.07.23)	(55,787,860)	(34,579,544)	
<b>Deferred Tax expenses During The Year (A2)</b>	<b>27,552,808</b>	<b>21,208,316</b>	

Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>B</b>	<b>Bad debts as per accounting base</b>	<b>156,308,860</b>	<b>156,308,860</b>
	Bad debts as per tax base	-	-
	Temporary Difference	(156,308,860)	(156,308,860)
	<b>Deferred tax liabilities difference (B1)</b>	<b>39,077,215</b>	<b>39,077,215</b>
	Opening Deferred Tax (01.07.23)	39,077,215	30,174,633
	<b>Deferred Tax expenses During The Year (B2)</b>	<b>-</b>	<b>8,902,582</b>
<b>C</b>	<b>Gratuity as per accounting base</b>	<b>2,369,052</b>	<b>2,369,052</b>
	Gratuity as per tax base	-	-
	Temporary Difference	(2,369,052)	(2,369,052)
	<b>Deferred tax liabilities difference (C1)</b>	<b>592,263</b>	<b>592,263</b>
	Opening Deferred Tax (01.07.23)	592,263	-
	<b>Deferred Tax expenses During The Year (C2)</b>	<b>-</b>	<b>592,263</b>
<b>12.00</b>	<b>Inventories</b>		
	Finished products	341,324,601	335,060,061
	Raw materials	70,391,879	95,002,066
	Goods in transit	-	51,377,528
	<b>Total</b>	<b>411,716,480</b>	<b>481,439,655</b>

Value of Stock of Finished product & Raw materials inclusive of -41- units Hino bus chassis and 182 units of Motorcycle.

<b>13.00</b>	<b>Current account with Navana Batteries Ltd.</b>	<b>1,088,164,004</b>	<b>985,680,004</b>
<b>14.00</b>	<b>Current account with Navana group Companies</b>	<b>4,378,896,687</b>	<b>3,921,011,195</b>
<b>15.00</b>	<b>Advances, Deposits and Prepayments</b>		
	Advance to Suppliers	917,274,738	872,497,960
	Advance to Employees	12,320,097	13,941,124
	Advance to Others	572,296,258	427,299,486
	Current Account with VAT	17,031,045	72,755,279
	Security Deposits	276,056,260	279,116,960
	Advance for Capital Assets	3,560,373,530	3,176,294,439
	Advance Income Tax	898,622,533	894,037,293
	<b>Total</b>	<b>6,253,974,463</b>	<b>5,735,942,541</b>

Advance paid to suppliers against work order and considered good. Advance to employees against expenses, salary realizable on production of documents and monthly salary respectively are considered good. Deposits consist of utility deposits, security money against tender and bank guarantee are considered good. Along with Aftab Automobiles Ltd. & its subsidiary made advances for floor purchase in Gulshn area total investment in this regard estimated Tk. 400 crore.

<b>15.01</b>	<b>Advance Income tax</b>		
	<b>Opening Balance</b>	<b>894,037,293</b>	<b>859,178,299</b>
	Add: Addition during the year	4,585,240	34,858,993
	Less: Adjustment made during the year	-	-
	<b>Closing Balance</b>	<b>898,622,533</b>	<b>894,037,293</b>

The above amount was deducted at the import point as well as from the bills in different times at delivery point. The company made appeal to honorable High Court against the tax assessment U/S-160 for the year 2010-2011 to 2014-2015.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>16.00</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash in Hand	238,007	507,244
	Cash at Bank	295,462,361	274,182,635
	<b>Total</b>	<b>295,700,368</b>	<b>274,689,880</b>
<b>16.01</b>	<b>Cash at Bank (A+B+C)</b>	<b>295,462,361</b>	<b>274,182,635</b>
	<b>A) Current Account</b>		
	IFIC Bank Ltd. (A/C-1207178031001)	3,121	379,509
	IFIC Bank Ltd. (A/C-1001112469001)	25,000	-
	IFIC Bank Ltd. (Federation) (A/C-1008105682001)	11,666	46,490
	IFIC Bank Ltd. (A/C-2030154524001)	5,274	768,843
	City Bank Ltd. (A/C-1102005651001)	1,144	27,769
	Mutual Trust Bank Ltd. (A/C-20210004330)	12,138	5,765
	Agrani Bank Ltd. (F.EX) (A/C-0200000879075)	95,900	116,420
	Al-Arafah Islami Bank Ltd. (A/C-0021020047156)	22,428	23,923
	Standard Bank Ltd. (A/C-01333100003)	6,000,000	2,696
	IFIC Bank Ltd. (A/C-2030199088041)	94,924	90,660
	NCC Bank Ltd. (Sayamoli), (A/C-00550210006399)	425	-
	IFIC Bank Ltd. (Gulshan), (A/C-1002121278001)	7,881	137,068
	Meghna Bank Ltd. (Gulshan), (A/C-110111100000115)	23,063	4,407,350
	Prime Bank Ltd. (Baridhara), (A/C-2219113002375)	-	4,000
	Bank Asia Ltd. (A/C-00836000667)	416,174	215,630
	Midland bank Ltd. (A/C-00081050000328)	656	-
	SBAC Bank Ltd. (A/C-0002111002903)	6,655	666
	One Bank Ltd. (Jatrabari), (A/C-0301020001691)	1,820	571,470
	Southeast Bank Ltd. (A/C-008211100000257)	728	4,101
	Southeast Bank Ltd. (A/C-008211100031752)	811	-
	One Bank Ltd. (Gulshan), (A/C-0021020008244)	3,950	-
	IFIC Bank Ltd. (Fed. Br.), (A/C-0190327068001)	28,573	110,088
	Sonali Bank Ltd. (Ramna), (A/C-4426302003651)	760,069	1,199,990
	Janata Bank Ltd. (A/C-0100242715769)	48,320	49,253
	Islami Bank Bangladesh Ltd. (A/C-20502760100120510)	40,197	40,128
	Jamuna Bank Ltd. (A/C-110210010135)	25,646	25,646
	United Commercial Bank Ltd. (Tejgaon)	-	92,110
	Modhumoti Bank Ltd. (Gulshan), (A/C-110311100000339)	21,501,509	1,284,594
	Eastern Bank Ltd. (A/C-0011060000427)	359,421	-
	First Security Islami Bank Ltd. (A/C-018111800000020)	363,105	264,150
	Eastern Bank Ltd. (A/C-1331060000038)	43,243,703	-
	<b>Total</b>	<b>73,104,301</b>	<b>9,868,318</b>
	<b>B) FDR</b>		
	Agrani Bank Ltd. (FDR-ID # 10583162)	14,009,430	13,275,259
	Agrani Bank Ltd. (FDR-ID # 10583151)	14,206,741	13,438,261
	Agrani Bank Ltd. (FDR-ID # 10583159)	21,466,182	20,285,015
	Agrani Bank Ltd. (FDR-ID # 10583160)	14,061,859	13,301,215
	Bank Asia Ltd. (FDR # 00855012111)	-	54,277,360
	One Bank Ltd. (FDR # 4120005867)	964,603	913,212
	One Bank Ltd. (FDR # 4120006495)	617,089	583,565
	One Bank Ltd. (FDR # 4120006600)	150,795	142,762
	One Bank Ltd. (FDR # 4120008537)	564,027	533,090
	One Bank Ltd. (FDR # 4120008592)	555,402	525,220
	One Bank Ltd. (FDR # 4120008606)	273,552	258,977
	Phoenix Finance Ltd. (FDR) 17890/17	10,803,255	10,096,500
	Phoenix Finance Ltd. (FDR) 23034/17	60,045,546	56,117,333
	Phoenix Finance Ltd. (FDR) 17819/16	60,477,410	56,520,944
	Phoenix Finance Ltd. (FDR) 17936/17	22,471,175	21,001,098
	<b>Total</b>	<b>220,667,066</b>	<b>261,269,811</b>



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023

### C) Dorment Accounts

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, 2024 except the following non-operating dorment accounts which are non-operative for a long time.

Name of Bank	Account No.	Amount	Amount
Agrani Bank Ltd.	7465-9	6,517	6,517
Pubali Bank Ltd.	128	44,481	44,481
Eastern Bank Ltd.	3371	58,214	58,214
United Commercial Bank Ltd.	326	16,507	16,507
Commercial Bank of Ceylon Ltd.		24,750	24,750
AB Bank Ltd. (Motijheel)	071420	2,619	2,619
Sonali Bank Ltd. (Local)	12116	15,101	15,101
Janata Bank Ltd.	9321	1,500	1,500
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
Islami Bank BD Ltd. (Foreign Exchange)	5016	99,565	99,565
One Bank Ltd.	7008	75,868	75,868
Mercantile Bank Ltd.	20178	123,168	123,168
BRAC Bank Ltd.	23001	3,353	3,353
Standard Bank Ltd. (Principal Branch)	7992	-	869,282
Shahjalal Islami Bank Ltd.	8504	169,806	169,806
IFIC Bank Ltd.	87525	97,000	97,000
United Commrecial Bank Ltd.	3144	199,305	199,305
One Bank Ltd.	6006	31,020	31,020
AB Bank Ltd.	43-000	100,000	100,000
Standard Bank Ltd.	1815	-	394,782
IFIC Bank Ltd. (Federation Branch)	Share A/C	95,006	95,006
The City Bank Ltd. (Banani)	90001	-	89,448
Midland bank Ltd.	11050000030	85,483	85,483
BD Commerce Bank Ltd.	832	100,000	100,000
NRB Bank Ltd.		97,435	97,435
Premier Bank Ltd.	0268	98,390	98,390
Shahjalal Islami Bank Ltd.	12906	9,310	9,310
Rupali Bank Ltd. (Local)	0216	10,000	10,000
AB Bank Ltd.	36000	10,000	10,000
<b>Total</b>		<b>1,690,994</b>	<b>3,044,506</b>





Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023

**17.00 Share capital**

**Authorized capital:**

120,000,000 Ordinary shares of Tk. 10 each

18,000,000 Cum. redeemable preference shares of Tk. 100 each

**Total**

**Ordinary Share capital:**

**Issued, subscribed and paid up**

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

Sponsors

Financial Institution

General Public

**Total**

1,200,000,000	1,200,000,000
1,800,000,000	1,800,000,000
<b>3,000,000,000</b>	<b>3,000,000,000</b>
309,495,310	309,495,310
386,326,330	386,326,330
359,628,310	359,628,310
<b>1,055,449,950</b>	<b>1,055,449,950</b>

The Position of Ordinary shareholders as on June 30, 2024 was as follows :

Particulars	Num. of Investors	Num. of Shares	Share Holding '2024	Share Holding '2023
Sponsors and Directors	6	30,949,531	29.32%	29.32%
Financial Institution	321	35,209,425	33.36%	36.60%
General Public	18,929	39,386,039	37.32%	34.07%
<b>Total</b>	<b>19,256</b>	<b>105,544,995</b>	<b>100.00%</b>	<b>100.00%</b>

The classification of shareholders by holding as on June 30, 2024 was as follows :

No. of share holdings		No. of share. holders	Share Holding '2024	Share Holding '2023
1 to 500	11,428	1,752,058	1.66%	1.64%
501 to 5000	6,184	10,603,190	10.05%	9.19%
5001 to 10000	833	6,125,594	5.80%	4.78%
10001 to 20000	457	6,600,903	6.25%	5.01%
20001 to 30000	135	3,374,654	3.20%	2.68%
30001 to 40000	58	2,027,125	1.92%	1.48%
40001 to 50000	38	1,739,818	1.65%	1.06%
50001 to 100000	64	4,552,635	4.31%	3.94%
100001 to 1000000	46	12,704,818	12.04%	12.35%
Above 1000000	13	56,064,200	53.12%	57.85%
<b>Total</b>	<b>19,256</b>	<b>105,544,995</b>	<b>100.00%</b>	<b>100.00%</b>

**18.00 Share premium.**

Net Premium Up to 2006

Net Premium in 2010

**Total**

250,191,730	250,191,730
1,675,666,609	1,675,666,609
<b>1,925,858,339</b>	<b>1,925,858,339</b>

**19.00 Reserves**

Tax holiday reserve

Dividend equalization fund

General reserve

**Total**

12,338,231	12,338,231
4,000,000	4,000,000
51,000,000	51,000,000
<b>67,338,231</b>	<b>67,338,231</b>

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

**20.00 Retained Earnings**

**Opening Balance**

Adjustment for the Application of IFRS-16 (Lease)

Stock Dividend

Cash Dividend

Total Comprehensive Income for the year

**Closing Balance**

<b>2,413,929,294</b>	<b>2,518,356,396</b>
-	(23,103,278)
-	(50,259,520)
(74,595,464)	(35,181,170)
(148,299,129)	4,116,866
<b>2,191,034,701</b>	<b>2,413,929,294</b>

**21.00 Loan and deferred liabilities (Unsecured) :**

<b>25,310,440</b>	<b>25,310,440</b>
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Long- term interest free loan from sponsors is carried forward since 1982





Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>22.00</b>	<b>Long Term loan-Net of current portion</b>		
	Agrani Bank Ltd.	949,483,613	931,331,436
	SBAC bank Ltd.	96,416,344	99,693,627
	Mutual trust bank Ltd.	82,200,393	128,698,779
	Midland Bank Ltd.	53,833,155	59,263,977
	One Bank Ltd.	481,467,194	455,629,409
	NCC Bank Ltd.	106,016,677	110,338,604
	Bank Asia Ltd.	1,216,151,868	1,131,051,015
	Dhaka Bank Ltd.	515,955,643	478,409,961
	Mercantile Bank Ltd.	305,621,375	286,797,161
	Standard Bank Ltd.	111,004,162	111,609,929
	Southeast Bank Ltd.	307,023,107	299,905,898
	The City Bank Ltd.	68,744,768	81,758,389
	Peoples Leasing	230,400,000	171,058,533
	Bay Leasing	155,560,636	141,977,570
	GSP Finance	493,400,000	420,300,000
	Midas financing	57,065,347	57,065,347
	Union Capital	155,202,728	155,202,728
	BD Finance Ltd.	64,411,916	64,411,916
	First Security Islami Bank Ltd.	150,000,000	150,000,000
	IFIC Bank Ltd.	3,239,042,393	1,752,099,465
	Phoenix Finance	1,009,158,659	926,091,800
	Dutch-Bangla Bank Ltd.	654,921,639	624,669,473
	Modhumoti bank Ltd.	609,358,320	563,457,888
	<b>Total</b>	<b>11,112,439,938</b>	<b>9,200,822,904</b>
	less: Long Term loan-Current maturity	2,778,109,984	2,300,205,726
	<b>Long Term loan-Net of Non-current maturity</b>	<b>8,334,329,953</b>	<b>6,900,617,178</b>
<b>23.00</b>	<b>Short-term loan</b>		
	Agrani Bank Ltd.	1,818,334,314	1,777,006,526
	NRB Commercial Ltd.	625,828,478	561,147,888
	Prime bank Ltd.	45,539,216	41,918,972
	SBAC bank Ltd.	33,071,671	31,430,390
	IFIC Bank Ltd.	49,655	1,172,411,499
	<b>Total</b>	<b>2,522,823,334</b>	<b>3,583,915,275</b>
<b>24.00</b>	<b>Accrued and other current liabilities</b>		
	Payable to suppliers	48,120,000	368,927,409
	Advance against sales	755,000,000	-
	Liability for expenses	134,543,859	127,491,605
	Provision for Income tax	668,899,163	663,480,912
	Payable for Workers profit Participation Fund	8,300,631	10,201,099
	Provision for other finance	30,181,313	37,798,578
	<b>Total</b>	<b>1,645,044,967</b>	<b>1,207,899,602</b>

The company made appeal to honorable High Court against the tax assessment U/S-160 for the year 2010-2011 to 2014-2015.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>25.00 Unclaimed Dividend</b>			
	<b>Opening Balance</b>	<b>103,033,470</b>	<b>95,916,541</b>
	Add: Cash Dividend During the year	64,062,698	29,548,863
		<b>167,096,168</b>	<b>125,465,404</b>
	Less: Dividend Paid During the year	15,676,729	22,431,934
	<b>Closing Balance</b>	<b>151,419,440</b>	<b>103,033,470</b>
	<b>The ageing of Unclaimed Dividend are as follows</b>		
	Unclaimed Dividend for less than 3 Year's	69,227,560	35,565,771
	Unclaimed Dividend for more than 3 Year's	82,191,880	67,467,699
		<b>151,419,440</b>	<b>103,033,470</b>
<b>26.00 Revenues (Net Sales)</b>			
	Assembling unit	125,890,901	915,920,000
	Body building unit	6,648,060	74,320,000
		<b>132,538,961</b>	<b>990,240,000</b>
	Less: VAT	1,605,144	4,774,857
	<b>Total</b>	<b>130,933,817</b>	<b>985,465,143</b>
The number of sales during the year is Hino Bus chassis -21- units, DGDP Modification Toyota Jeep -209- units, and Body Fabrication -05-units.			
<b>27.00 Cost of goods sold</b>			
	<b>Opening stock of direct raw materials</b>	<b>95,002,066</b>	<b>67,984,198</b>
	Purchases of direct raw material	53,214,025	628,463,508
	<b>Direct raw materials available for consumption</b>	<b>148,216,091</b>	<b>696,447,706</b>
	Closing stock of direct raw materials	70,391,879	95,002,066
	<b>Raw materials consumed</b>	<b>77,824,212</b>	<b>601,445,640</b>
	Add : Opening WIP	-	19,335,041
		<b>77,824,212</b>	<b>620,780,681</b>
	Less : Closing WIP	-	-
		<b>77,824,212</b>	<b>620,780,681</b>
	Indirect materials	-	-
	<b>Total consumption</b>	<b>77,824,212</b>	<b>620,780,681</b>
	Factory overhead	29,718,194	93,810,430
	<b>Cost of production</b>	<b>107,542,406</b>	<b>714,591,111</b>
	Opening Finished products	335,060,061	443,091,182
		<b>442,602,467</b>	<b>1,157,682,293</b>
	Closing Finished products	341,324,601	335,060,061
	<b>Total</b>	<b>101,277,866</b>	<b>822,622,232</b>
<b>27.01 Purchases of direct raw material</b>			
	Import Purchase	49,105,477	616,666,838
	Local Purchase	4,108,547	11,796,670
	<b>Total</b>	<b>53,214,025</b>	<b>628,463,508</b>

Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>27.02</b>	<b>Factory overhead</b>		
	Salary and allowances (Including PF)	11,563,076	32,904,620
	Gratuity	-	1,283,443
	Liveries and Uniform	132,149	210,777
	Fuel and Lubricants	240,574	947,573
	Conveyance	13,901	177,769
	Entertainment	223,966	788,844
	Maintenance expenses	7,700	-
	Electricity Bill	2,803,920	3,986,470
	Fees & Registration	-	19,325
	Canteen Subsidies	744,607	582,577
	Insurance Premium	-	40,125
	Factory Rent	-	3,144,200
	Fire Insurance	465,667	1,219,941
	Gas	189,470	168,675
	WASA	48,103	16,753
	Mobile Bill	72,949	30,130
	Internet Bill	86,600	198,340
	Welfare expenses	25,184	423,980
	Carrying & handling	23,300	133,330
	News Paper bill	6,359	5,612
	Photocopy Charges	620	5,333
	Postage	27,866	6,295
	Repairs and maintenance ( vehicle)	15,940	-
	Security Exp.	1,095,600	900,680
	Stationary	103,771	-
	Pick up Maintenance	-	4,770
	Generator Servicing	-	43,620
	Forklift Servicing	123,532	14,880
	Office Maintenance	40,049	28,478
	Factory Maintenance	135,318	242,303
	Renewal Fee	356,766	388,937
	Fire Extinguisher	-	7,350
	Nursary & Sapline	32,515	-
	Depreciation ( <b>Annexure-A</b> )	11,138,692	45,885,300
	<b>Total</b>	<b>29,718,194</b>	<b>93,810,430</b>

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



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>28.00</b>	<b>Administrative expenses</b>		
	Salary and allowances (Including PF)	8,503,967	11,447,275
	Gratuity	-	1,085,609
	Director Remuneration	4,200,000	4,200,000
	Entertainment	138,420	229,788
	AGM expenses.	50,000	50,000
	Conveyance	94,110	651,509
	Travelling Exp.	255,314	25,892
	Stationery	170,423	142,511
	Telephone	18,557	16,650
	Internet Charge	571,893	502,830
	Mobile Phone Charge	75,790	179,296
	Electricity bill	338,755	399,660
	Rent, rates and taxes	1,047,986	-
	Insurance premium	57,785	44,906
	Audit fees	586,500	471,500
	News Paper bill	15,832	17,369
	Printing	239,690	518,040
	Postage and telegram	6,815	9,412
	Advertisement and Publicity	122,520	154,026
	Directors fee	231,000	396,000
	Repairs and maintenance ( vehicle)	-	485,870
	Software Maintenance (ITES Service)	117,000	6,626
	Office maintenance	75,048	143,129
	WASA Bill	43,958	43,946
	Carrying & Handling	-	7,840
	Photocopy Expenses	-	430
	Gas	-	8,969
	CDBL Fee	106,000	124,470
	Credit Rating Fee	107,500	107,500
	BAPLC Fee	50,000	50,000
	Membership Fee	98,350	73,350
	Consultancy Fee/ Professional	-	212,750
	Renewal Fee	-	196,075
	Trade License & IRC Renewal Fee	57,610	72,010
	RJSC	11,196	64,300
	Office Cleaning	270,600	285,480
	Canteen Subsidy	216,684	338,566
	Security Exp.	197,536	343,805
	Drinking Water	13,092	14,357
	Fuel & Lubricants	44,145	90,982
	Annual Listing Fee	1,022,180	1,287,320
	Unrealized Loss	-	1,689,295
	Computer Consumable	19,348	-
	Depreciation & Amortization (Annexure-A & D)	22,356,134	5,735,662
	<b>Total</b>	<b>41,531,738</b>	<b>31,925,005</b>

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

Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>29.00</b>	<b>Selling and distribution expenses</b>		
	Expected Credit Loss	-	22,199,379
	Depreciation ( <b>Annexure-A</b> )	22,277,384	5,735,662
	<b>Total</b>	<b>22,277,384</b>	<b>27,935,041</b>
<b>30.00</b>	<b>Financial Expenses</b>		
	Assembling Unit	181,352,972	166,118,350
	Bank Charges	3,114,492	2,747,410
	<b>Total</b>	<b>184,467,464</b>	<b>168,865,760</b>
<b>31.00</b>	<b>Non-Operating Income</b>		
	Interest on FDR & SND	16,588,770	19,517,300
	<b>Total</b>	<b>16,588,770</b>	<b>19,517,300</b>
<b>32.00</b>	<b>Current Tax expenses</b>		
	Operating Profit	(218,620,634)	(65,882,895)
	Other Income	16,588,770	19,517,300
	Bad Debts	-	22,199,379
	Add: Accounting Depreciation	55,693,459	57,356,624
	<b>Less: Tax depreciation</b>	<b>(65,723,527)</b>	<b>(66,547,689)</b>
	<b>Taxable Profit</b>	<b>(212,061,931)</b>	<b>(33,357,281)</b>
	Corporate Tax Rate	22.50%	22.50%
	Less: Tax Rebate	0.00%	0.00%
	Net Tax Rate	22.50%	22.50%
	<b>Normal Tax @ 22.5%</b>	<b>(47,713,935)</b>	<b>(7,505,388)</b>
	<b>Minimum Tax on gross receipt @ 0.6%</b>	<b>5,418,251</b>	<b>7,203,574</b>
	<b>Current Tax Liabilities (whichever is higher)</b>	<b>5,418,251</b>	<b>7,203,574</b>
<b>33.00</b>	<b>Earnings per share (EPS)</b>		
	Total comprehensive income	(148,299,129)	4,116,866
	Ordinary share (Paid Up capital)	105,544,995	105,544,995
	<b>Earnings per share (EPS)</b>	<b>(1.41)</b>	<b>0.04</b>
	<b>Note:</b>		
	The drop in EPS from 0.04 in 2023 to (1.41) in 2024 was primarily due to one-time expenses associated with phasing out the AK1J chassis and introducing the AK8J model. Additionally, the company made substantial capital investments in upgrading technology, training the workforce, and adapting operational workflows to accommodate the new model. While these investments had a short-term impact on profitability, they are essential for fortifying our operational base and positioning the company for sustainable growth. We anticipate that these investments will generate long-term benefits, leading to a stabilization of EPS in the future as we begin to see returns on these strategic initiatives.		
<b>34.00</b>	<b>Net assets value per share (NAVPS)</b>		
	Equity attributable to equity holders	5,239,681,221	5,462,575,814
	Ordinary share(Paid Up capital )	105,544,995	105,544,995
	<b>Net assets value per share (NAVPS)</b>	<b>49.64</b>	<b>51.76</b>

**Note:** The Net Asset Value per Share (NAVPS) dropped from 51.76 in 2023 to 49.64 in 2024, mainly due to a tough market environment resulting in reduced sales and an overall loss for the year. It's crucial to understand that this NAVPS decrease is temporary and is a result of external pressures and strategic investments aimed at enhancing our long-term operational capabilities and competitiveness. Despite the current financial challenges, we are dedicated to our growth strategy and have decided to uphold dividend payments to demonstrate confidence in our business's underlying strength and commitment to delivering value to shareholders. This decision reflects our belief that, through effective management and a focus on recovery, we will stabilize and ultimately enhance our NAVPS in the upcoming periods.



Notes	Particulars	Amount In Taka	
		June 30, 2024	June 30, 2023
<b>35.00</b>	<b>Net operating cash flows per share (NOCFPS)</b>		
	Net cash generated by operating activities	400,123,557	198,337,549
	Ordinary share(Paid Up capital )	105,544,995	105,544,995
	<b>Net operating cash flows per share (NOCFPS)</b>	<b>3.79</b>	<b>1.88</b>
	<b>Note:</b>		
	The company's NOCFPS saw a significant increase from 1.88 in 2023 to 3.79 in 2024, highlighting its improved operational efficiency and strong cash-generation capabilities. This growth can be attributed to effective management of working capital, better collection of receivables, and disciplined control over expenses. Despite facing external challenges such as political disruptions and the transition of the chassis model, our core business operations continued to generate healthy cash flows. This positive trend in operating cash flow demonstrates our strong financial position and operational resilience, positioning the company to effectively manage future investments and navigate potential market volatility.		
<b>36.00</b>	<b>Reconciliation of Cash Flows from Operating Activities Under Indirect Method:</b>		
	Net profit/Loss before interest, income tax & WPPF during the period	(20,678,891)	119,752,755
	Depreciation	55,772,209	57,356,624
	Payment of WPPF	(2,443,500)	(6,495,333)
	Income Tax Paid	(4,585,240)	(34,858,993)
	<b>Changes in Current Assets and Liabilities:</b>		
	Decrease/(increase) in Inventories	69,723,175	136,597,773
	Decrease/(increase) in Advance and Prepayments	(129,367,591)	(292,348,550)
	(Decrease)/increase in Payables & Accruals	431,184,081	33,170,422
	Decrease/(increase) in Trade Receivable	519,313	185,162,851
	<b>Net Cash Flow from Operating Activities</b>	<b>400,123,557</b>	<b>198,337,549</b>



**37.00 Information about Reportable Segments**

Information related to each reportable segment is set out below:

**37.01 Segment wise Financial Position as at 30th June, 2024**

Particulars	Assembling Unit	Body Unit	Motor Cycle Unit	Total
<b>Assets</b>				
<b>Non-Current Assets:</b>				
Property, Plant & Equipment	738,255,299	394,181,368	-	1,132,436,667
Property, Plant & Equipment Discontinued Operation	-	-	277,786,431	277,786,431
Intangible Assets	866,250	-	-	866,250
Capital Work-in-Progress	680,083,751	94,891,782	-	774,975,533
Investment in Subsidiary and Associates	1,230,732,871	-	-	1,230,732,871
Receivable-Non-Current Maturity	1,961,095,463	39,582,344	122,652,931	2,123,330,738
Deferred tax assets	112,371,939	(3,590,218)	14,228,425	123,010,146
<b>Total of Non-Current Assets</b>	<b>4,723,405,573</b>	<b>525,065,276</b>	<b>414,667,787</b>	<b>5,663,138,636</b>
<b>Current Assets:</b>				
Receivable-Current Maturity	2,264,088,786	76,302,267	264,737,648	2,605,128,703
Stock and Stores	202,337,419	70,391,879	138,987,182	411,716,480
Current Account with Navana Batteries Ltd.	1,088,164,004	-	-	1,088,164,004
Current Account with Navana Group Companies	4,370,396,687	8,500,000	-	4,378,896,687
Current Account with Motor Cycle Unit	855,498,031	-	-	-
Current Account with Body Building Unit	205,784,519	-	-	-
Advances, Deposits and Pre-Payments	6,171,683,000	82,291,460	-	6,253,974,462
Cash & Cash Equivalents	295,671,521	28,847	-	295,700,368
<b>Total Current Assets</b>	<b>15,453,623,966</b>	<b>237,514,453</b>	<b>403,724,830</b>	<b>15,033,580,703</b>
<b>Total Assets</b>	<b>20,177,029,542</b>	<b>762,579,727</b>	<b>818,392,620</b>	<b>20,696,719,339</b>
<b>Equity and Liabilities:</b>				
<b>Shareholders' Equity:</b>				
Share Capital	1,055,449,950	-	-	1,055,449,950
Share Premium	1,925,858,339	-	-	1,925,858,339
Reserves	44,332,689	23,005,542	-	67,338,231
Retained Earnings	2,026,437,863	201,837,650	(37,240,813)	2,191,034,701
<b>Total Shareholders' Equity</b>	<b>5,052,078,841</b>	<b>224,843,192</b>	<b>(37,240,813)</b>	<b>5,239,681,221</b>
<b>Non-Current Liabilities:</b>				
Loan and Deferred Liabilities (Unsecured)	25,310,440	-	-	25,310,440
Long Term Loan - Non-Current Maturity	8,334,329,953	-	-	8,334,329,953
Deferred Tax Liability	-	-	-	-
Lease Liability	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>8,359,640,393</b>	<b>-</b>	<b>-</b>	<b>8,359,640,393</b>
<b>Current Liabilities:</b>				
Long Term Loan-Current Maturity	2,778,109,984	-	-	2,778,109,984
Short Term Loan	2,522,823,334	-	-	2,522,823,334
Accrued and Other Current Liabilities	1,312,957,550	331,952,015	135,402	1,645,044,967
Current Account with Assembling Unit	-	205,784,519	855,498,031	-
Unclaimed Dividend Account	151,419,440	-	-	151,419,440
<b>Total Current Liabilities</b>	<b>6,765,310,308</b>	<b>537,736,534</b>	<b>855,633,433</b>	<b>7,097,397,225</b>
<b>Total Liabilities</b>	<b>15,124,950,701</b>	<b>537,736,534</b>	<b>855,633,433</b>	<b>15,457,038,119</b>
<b>Total Equity and Liabilities</b>	<b>20,177,029,542</b>	<b>762,579,727</b>	<b>818,392,620</b>	<b>20,696,719,339</b>



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

**Segment wise Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2024**

Particulars	Assembling Unit	Body Unit	Motor Cycle Unit	Total
Sales Revenue (Net)	124,614,455	6,319,362	-	130,933,817
Less: Cost of Goods Sold	91,762,749	9,515,117	-	101,277,866
<b>Gross Profit (a)</b>	<b>32,851,706</b>	<b>(3,195,755)</b>	<b>-</b>	<b>29,655,951</b>
<b>Less: Operating Expenses:</b>				
Administrative Expenses	41,013,065	3,633,164	-	44,646,230
Selling & Distribution Expenses	18,647,710	3,629,674	-	22,277,385
Financial Charges	181,352,972	-	-	181,352,972
<b>Total Operating Expenses (b)</b>	<b>241,013,748</b>	<b>7,262,838</b>	<b>-</b>	<b>248,276,586</b>
<b>Operating Profit/Loss (c) = (a-b)</b>	<b>(208,162,042)</b>	<b>(10,458,593)</b>	<b>-</b>	<b>(218,620,635)</b>
<b>Non-Operating Income:</b>				
Non-operating income	16,588,770	-	-	16,588,770
Add: Share of Profit from Associate Company	27,647,234	-	-	27,647,234
<b>Total Non-Operating Income (d)</b>	<b>44,236,004</b>	<b>-</b>	<b>-</b>	<b>44,236,004</b>
<b>Profit/Loss before Contribution to WPPF (e)=(c+d)</b>	<b>(163,926,038)</b>	<b>(10,458,593)</b>	<b>-</b>	<b>(174,384,631)</b>
Less: Contribution to WPPF	-	-	-	-
<b>Profit/Loss after Contribution to WPPF</b>	<b>(163,926,038)</b>	<b>(10,458,593)</b>	<b>-</b>	<b>(174,384,631)</b>
Add: Share of Profit from Subsidiaries	3,950,944	-	-	3,950,944
<b>Net Profit/Loss before Tax (f)</b>	<b>(159,975,093)</b>	<b>(10,458,593)</b>	<b>-</b>	<b>(170,433,686)</b>
<b>Less: Income Tax Expenses</b>				
Current Tax	3,914,349	1,501,697	2,205	5,418,251
Deferred Tax	(31,449,819)	(2,353,183)	6,250,195	(27,552,808)
<b>Total Income Tax Expenses (g)</b>	<b>(27,535,470)</b>	<b>(851,487)</b>	<b>6,252,400</b>	<b>(22,134,556)</b>
<b>Profit/Loss after Tax (h) = (f-g)</b>	<b>(132,439,623)</b>	<b>(9,607,106)</b>	<b>(6,252,400)</b>	<b>(148,299,129)</b>
<b>Other Comprehensive Income for the year:</b>				
<b>Investment Valuation Surplus in Share</b>				
Revaluation Gain/(Loss) on Investment in Share	-	-	-	-
Deferred Tax	-	-	-	-
<b>Total Investment Valuation Surplus in Share (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year (j)=(h+i)</b>	<b>(132,439,623)</b>	<b>(9,607,106)</b>	<b>(6,252,400)</b>	<b>(148,299,129)</b>

### 38.00 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 30.06.2024	Amount 30.06.2023
Salary (including PF)	20,067,043	44,351,895
Directors Remuneration	4,200,000	4,200,000
Provision for Gratuity	-	2,369,052
Board Meeting Attendance Fee	231,000	396,000
<b>Total</b>	<b>24,498,043</b>	<b>51,316,947</b>

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:

**Inter Company Receivables**

Name of Related Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding/Receivable	
			2024	2023	2024	2023
Navana Limited	Alliance Companies	Interest on loan	301,428,567	419,799,033	3,961,429,803	3,660,001,236
Navana Real Estate Ltd.	Alliance Companies	Interest on loan	(28,795,970)	72,480,097	174,171,860	202,967,830
Navana Construction Ltd.	Alliance Companies	Interest on loan	125,708,126	60,668,626	186,376,752	60,668,626
Navana Interlinks Ltd.	Alliance Companies	Interest on loan	7,242,051	2,000,418	9,242,469	2,000,418
Biponon Ltd.	Alliance Companies	Interest on loan	9,264,800	8,800,000	18,064,800	8,800,000
Navana Petroleum Ltd.	Alliance Companies	Interest on loan	2,127,548	17,583,038	19,710,586	17,583,038
Navana Building Product Ltd.	Alliance Companies	Interest on loan	9,239,367	827,000	10,066,367	827,000
Navana Furniture Ltd.	Alliance Companies	Interest on loan	1,106,800	300,000	1,406,800	300,000
Navana Engineering Ltd.	Alliance Companies	Interest on loan	51,791,204	21,363,047	78,804,251	27,013,047



**Inter Company Payables**

Name of Party	Relationship	Nature of Transaction	Transaction for the year		Outstanding / Receivable	
			2024	2023	2024	2023
Navana Welding Electrode Ltd.	Alliance Companies	Interest on loan	-	11,300	19,200,000	19,200,000
Navana Foods Ltd.	Alliance Companies	Interest on loan	2,500,000	1,000,000	3,500,000	1,000,000
Navana LPG Ltd.	Alliance Companies	Interest on loan	(13,300,000)	38,950,000	25,650,000	38,950,000
Navana CNG Ltd.	Alliance Companies	Interest on loan	24,500,000	-	24,500,000	-
Navana Logistics Ltd.	Alliance Companies	Interest on loan	2,300,000	-	2,300,000	-
Navana Electronics Ltd.	Alliance Companies	Interest on loan	5,227,000	-	5,227,000	-

**39.00 Amount due by Directors**

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

**40.00 Number of Employees**

During the year total number of employees/workers for the company was 43

**41.00 Significant Disclosure**

**Revenue:**

**a). Model changed from AK1J to AK8J:**

Our strategic transition from the AK1J to the AK8J model, prompted by the phase-out of the AK1J chassis in Japan in July 2023, was a crucial move. It not only maintained our competitive advantage in the market but also showcased our agility in adapting to market changes and our dedication to innovation. By swiftly incorporating the AK8J chassis into production, we ensured operational continuity and minimized disruptions to our sales channels. This transition guarantees that we continue to deliver advanced, high-quality vehicles that meet the evolving expectations of consumers and the industry.

**b). Incorporation of the New Model & Technical Training:**

Our technical team has completed extensive training on the AK8J model to ensure a smooth transition. This comprehensive program has equipped our team with the skills and expertise necessary to manage the new technology effectively, upholding our high standards of product quality and operational efficiency. This proactive approach has not only enabled us to meet current market demands but has also positioned us to capitalize on future technological advancements, thereby enhancing our long-term operational capabilities.

**c). Impact of Chassis Discontinuation (July 2023):**

The AK1J chassis was discontinued in July 2023, posing potential challenges. However, our smooth transition to the AK8J ensured that production schedules were not disrupted. As a result, there were no significant delays in our delivery timelines or sales operations, allowing us to maintain a steady revenue flow. This seamless transition showcases our effective planning and operational resilience in managing industry shifts.

**d). Impact of the Political Situation:**

In the last quarter of 2023-2024, student protests in Bangladesh against the government's job quota system caused significant market disruptions, leading to a temporary decrease in sales. The political unrest, including roadblocks and transportation issues, had a negative impact on our supply chain, resulting in delays in product deliveries and affecting sales operations. This challenging period coincided with our transition from the AK1J to the AK8J chassis, adding complexity to our operations. Despite these external challenges, we effectively handled the situation, successfully completing the model transition and positioning the company for recovery and growth once the political situation stabilizes. Our ability to overcome these obstacles demonstrates our resilience and strategic planning.

**Gross Profit:**

The increase in gross profit margin from 16.52% in 2023 to 22.65% in 2024 was driven by several factors. The successful integration of the AK8J chassis led to operational efficiencies and cost savings. Additionally, Navana Batteries Limited's strong performance, with increased sales volumes, allowed for better absorption of fixed costs, contributing to improved profitability. This substantial rise in gross profit margin underscores our commitment to streamlining production processes, optimizing cost structures, and enhancing overall operational efficiency. These efforts, along with strategic investments in technology and workforce development, have strengthened our ability to deliver improved financial results and maintain a competitive edge in the market.

**42.00 Capital Expenditure Commitment**

There was no commitment for capital expenditure and also not incurred or provided for the year ended 30th June, 2024.

**Contingent Assets**

There was no contingent assets as on 30th June, 2024.

**44.00 Remittance of Dividend**

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

**45.00 Credit Facility not Availed**

There was no credit facility available to the Company under any contract and also not availed as on 30th June, 2024 other than trade credit available in the ordinary course of business.

**46.00 Attendance Status of Board Meeting of Directors**

During the year there was 7 Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Position	Duration/ Period	Meeting Held	Attended
Shafiul Islam	Chairman	July, 2023 to June, 2024	7	4
Khaleda Islam	Director		7	5
Saiful Islam	Managing Director		7	7
Sajedul Islam	Director		7	6
Farhana Islam	Director		7	4
Md. Mustafizur Rahman	Independent Director		7	4
Abul Layes Afsary	Independent Director		7	4

**47.00 Auditors fees for service rendered**

As per schedule XI, part II, para 6 of Companies Act, 1994, auditors are only paid audit fees (Excluding VAT) of Tk. 450,000. No other service has been taken from auditor hence other then this no other fees given to auditor.

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

(Employee Position as on 30th June, 2024)

(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	8,503,967	11,563,076	43
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	4,200,000	-	420,000	3,780,000
Sajedul Islam	Director				
Farhana Islam	Director				
Md. Mustafizur Rahman	Independent Director				
Abul Layes Afsary	Independent Director				



The period of payment to Directors is from 1st July 2023 to 30th June 2024.

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

- i) Expenses reimbursed to the managing agent: Nil.
- ii) Commission or other remuneration payable separately to a managing agent or his associate: Nil.
- iii) 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.
- iv) 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.
- v) Any other perquisites or benefit in cash or in kind stating: Nil.
- vi) Other allowances and commission including guarantee commission: Nil.
- vii) Pensions: Nil.
- viii) Gratuities: Nil.
- ix) Payments from Provident Fund: Nil.
- x) Compensation for Loss of Office: Nil.
- xi) Consideration in connection with retirement from office: Nil.

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

Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(a) The Turnover	130,933,817
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	77,824,212
3(i)(d)(ii) The opening and closing stocks of goods produced	OB 95,002,066, CB 70,391,879
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	29,655,951
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	44,236,004
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Nil
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 Manager	N/A
3(i)(l) Charge for income tax and other taxation on profits	22,134,556
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)(i) 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	3,427,394
(ii) Rent	1,047,986
(iii) Repairs of Buildings	135,318
(iv) Repairs of Machinery	123,532
(v) Other include:	
(1) Salaries, wages and bonus	20,067,043
(2) Workmen and staff welfare expenses	157,333
(3) Reserve	67,338,231

**50.00 Information regarding Accounts Receivables, Advance in line with Schedule XI**
**i. Disclosure in line with 4(a) of Part I of Schedule XI**

The details of trade receivable are given below:

Sl. No.	Particulars	Amount 30.06.2024	Amount 30.06.2023
1	Within 3 Months	956,872,332	957,989,431
2	Within 6 Months	800,335,988	802,119,067
3	Within 12 Months	847,920,380	833,936,741
4	More than 12 Months	2,123,330,738	2,134,933,513

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

There are no debts outstanding in this respect.

**51.00 Disclosure in line with Instruction of Part of Schedule XI**

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

**i) Debt considered good in respect of which the company is fully secured**

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

**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 directors or other officers of the Company**

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

**v) Debt due by common management**

There is no debt under common management.

**vi) The maximum amount due by directors or other officers of the Company**

There is no such debt in this respect.

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

Details of Production Capacity Utilization:

Particulars	Assembling	Body	Total (AAL)
Production Capacity (Vehicle/Fabrication)	2400	400	2,800
Production during the year	22	5	27
Capacity Utilization (%)	0.92%	1.25%	0.96%

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

Details of import on CIF basis

**i) Raw Materials**

Items	Purchase in Taka			Consumption in Taka	Percentage
	Import	Local	Total		
Raw Materials	49,105,477	4,108,547	53,214,025	77,824,212	146%
<b>Total</b>	<b>49,105,477</b>	<b>4,108,547</b>	<b>53,214,025</b>	<b>77,824,212</b>	

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, 2023 to 30th June, 2024 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, 2023 to 30th June, 2024.

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

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

**55.00 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)	¥ 60,150,000	49,105,477
<b>Total</b>		<b>49,105,477</b>





**56.00 Financial Instrument-Fair Values and Risk Management**

**56.01 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							
	Note	Fair Value Hedging Instruments	Mandatory at FVTPL- others	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other Financial Liabilities	Total
<b>30.06.2024</b>								
<b>Financial Assets measured at Fair Value:</b>								
Equity Securities								
<b>Financial Assets not measured at Fair Value:</b>								
Receivables	10	-	-	-	-	4,728,459	-	4,728,459
Advance, Deposit & Prepayments	15	-	-	-	-	6,253,974	-	6,253,974
Investments in subsidiary and associate company	9	-	-	-	-	1,230,733		1,230,733
Deferred Tax Assets	11					123,010		123,010
Cash and Cash Equivalents	16	-	-	-	-	295,700	-	295,700
<b>Total</b>		-	-	-	-	<b>12,631,877</b>	-	<b>12,631,877</b>
<b>Financial Liabilities measured at fair value:</b>								
<b>Financial Liabilities not measured at fair value:</b>								
Loan and deferred liabilities (Unsecured)	21	-	-	-	-		25,310	25,310
Long Term Loan	22	-	-	-	-		11,112,440	11,112,440
Short Term Loan	23	-	-	-	-		2,522,823	2,522,823
Accrued and Other Current Liabilities	24	-	-	-	-		1,645,045	1,645,045
Unclaimed Dividend Account	25	-	-	-	-		151,419	151,419
<b>Total</b>		-	-	-	-	-	<b>15,457,038</b>	<b>15,457,038</b>
<b>30.06.2023</b>								
<b>Financial Assets measured at Fair Value:</b>								
Equity Securities								
<b>Financial Assets not measured at Fair Value:</b>								
Receivables	10	-	-	-	-	4,728,979	-	4,728,979
Advance, Deposit & Prepayments	15	-	-	-	-	5,735,943	-	5,735,943
Investments in securities and associate company	9					1,199,135		1,199,135
Deferred Tax Assets	11					95,457		95,457
Cash and Cash Equivalents	16	-	-	-	-	274,690	-	274,690
<b>Total</b>		-	-	-	-	<b>12,034,203</b>	-	<b>12,034,203</b>
<b>Financial Liabilities measured at fair value:</b>								
<b>Financial Liabilities not measured at fair value:</b>								
Loan and deferred liabilities (Unsecured)	21						25,310	25,310
Long Term Loan	22	-	-	-	-	-	9,200,823	9,200,823
Short Term Loan	23	-	-	-	-	-	3,583,915	3,583,915
Accrued and Other Current Liabilities	24	-	-	-	-	-	1,207,900	1,207,900
Unclaimed Dividend Account	25	-	-	-	-	-	103,033	103,033
<b>Total</b>		-	-	-	-	-	<b>14,120,982</b>	<b>14,120,982</b>

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 fair value.

## 56.02 Financial Risk Management Framework

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

56.02.1 Credit Risk, 56.02.2 Liquidity Risk 56.02.3 Market Risk.

### 56.02.1 Credit Risk

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

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

The debtors management review committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the committee; these limits are reviewed as per guideline of 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, 2024, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposure from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

#### (i) Exposure to Credit Risk

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

Non-Derivative Financial Assets:	Amount in Taka	
	30.06.2024	30.06.2023
Receivables	4,728,459,439	4,728,978,753
Inter Company Transactions	4,378,896,687	4,906,691,199
Advance to Suppliers	917,274,738	872,497,960
Advance to Employees	12,320,097	13,941,124
Advance to Others	572,296,258	427,299,486
Security Deposits	276,056,260	279,116,960
Cash at Bank	274,182,635	274,182,635
Cash in Hand	507,244	507,244
<b>Total</b>	<b>11,159,993,358</b>	<b>11,503,215,361</b>

At 30th June, 2024 the maximum exposure to credit risk for trade and other receivables by geographic regions was as follows:

Particulars	30.06.2024	30.06.2023
Domestic	4,728,459,439	4,728,978,753
Foreign Receivable	-	-
<b>Total</b>	<b>4,728,459,439</b>	<b>4,728,978,753</b>

#### Ageing Schedule of Receivables:

Duration	4,728,459,439	4,728,978,753
1-30 days	265,003,311	269,063,951
31-60 days	280,602,895	274,220,986
61-90 days	411,266,126	414,704,494
91-180 days	800,335,988	802,119,067
181-365 days	847,920,380	833,936,741
Over 365 days	2,123,330,738	2,134,933,513
<b>Total</b>	<b>4,728,459,439</b>	<b>4,728,978,753</b>

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.

### 56.02.2 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 represents the maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30th June, 2024.

30th June, 2024

				Contractual Cash Flows		
In Taka	Notes	Carrying Amount	Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Loan and Deferred Liabilities (Unsecured)	21	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	22	8,334,329,953	8,334,329,953	833,432,995	2,500,298,986	5,000,597,972
Long Term Loan-Current Maturity	22	2,778,109,984	2,778,109,984	277,810,998	833,432,995	1,666,865,991
Short Term Loan	23	2,522,823,334	2,522,823,334	-	1,009,129,334	1,513,694,000
Accrued and Other Current Liabilities	24	1,645,044,967	1,645,044,967	164,504,497	493,513,490	987,026,980
Unclaimed Dividend Account	25	151,419,440	151,419,440	15,141,944	45,425,832	90,851,664
		15,457,038,118	15,457,038,118	1,293,421,478	4,889,393,769	9,274,222,871
Derivative financial liabilities		-	-	-	-	-
		15,457,038,118	15,457,038,118	1,293,421,478	4,889,393,769	9,274,222,871

30th June, 2023

	Contractual Cash Flows					
In Taka	Notes	Carrying Amount	Total	2 months or less	2-12 months	1-5 years
Non-derivative financial liabilities:						
Loan and Deferred Liabilities (Unsecured)	21	25,310,440	25,310,440	2,531,044	7,593,132	15,186,264
Long Term Loan-Non-Current Maturity	22	6,900,617,178	6,900,617,178	690,061,718	2,070,185,153	4,140,370,307
Long Term Loan-Current Maturity	22	2,300,205,726	2,300,205,726	230,020,573	690,061,718	1,380,123,436
Short Term Loan	23	3,583,915,275	3,583,915,275	-	1,433,566,110	2,150,349,165
Accrued and Other Current Liabilities	24	1,207,899,602	1,207,899,602	120,789,960	362,369,881	724,739,761
Unclaimed Dividend Account	25	103,033,470	103,033,470	10,303,347	30,910,041	61,820,082
		14,120,981,692	14,120,981,692	1,053,706,642	4,594,686,035	8,472,589,014
Derivative financial liabilities		-	-	-	-	-
		14,120,981,692	14,120,981,692	1,053,706,642	4,594,686,035	8,472,589,014

**56.02.3 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.

**57.00 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.

**58.00 Event after the Reporting Period**

The directors in the meeting held on 27th day of October, 2024 recommended 10% cash dividend for the general shareholders only excluding sponsors & directors whose name will be appeared in the shareholders' registers at the date of record date which is subject to shareholders' approval at the forthcoming annual general meeting to be held on 24th day of December, 2024.

"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."

**AFTAB AUTOMOBILES LIMITED**
**Schedule of Property, Plant & Equipment**

As at June 30, 2024

Particulars	Cost			Rate of Dep.	Accumulated Depreciation				Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year		Balance as at July 01, 2023	Charge during the year	Adjustment during the year	Balance as at June 30, 2024	
Land & Land Development	605,780,282	-	-	-	-	-	-	-	605,780,282
Building	321,997,599	20,971,500	-	2.50%	54,247,664	6,695,205	-	60,942,868	282,026,230
Shades	217,616,341	-	-	20%	70,082,303	29,506,808	-	99,589,111	118,027,230
Plant & Machinery	297,977,698	-	-	10%	216,948,732	8,102,897	-	225,051,628	72,926,070
Tools & Equipments	37,567,865	2,267,562	-	20%	39,835,427	1,141,832	-	33,756,392	6,079,035
Office Equipment	20,357,487	-	-	10%	13,814,169	654,332	-	14,468,501	5,888,986
Furniture & Fixture	16,882,671	-	-	10%	10,204,094	667,858	-	10,871,952	6,010,719
Transport Vehicles	89,831,299	-	-	20%	45,208,656	8,924,529	-	54,133,184	35,698,115
<b>Balance as on June 30, 2024</b>	<b>1,608,011,242</b>	<b>23,239,062</b>	<b>-</b>		<b>443,120,178</b>	<b>55,693,459</b>	<b>-</b>	<b>498,813,637</b>	<b>1,132,436,667</b>
<b>Balance as on June 30, 2023</b>	<b>1,933,492,922</b>	<b>51,290,591</b>	<b>-</b>		<b>484,749,393</b>	<b>57,356,624</b>	<b>-</b>	<b>542,106,018</b>	<b>1,442,677,495</b>

Particulars	Amount
Cost of goods sold	11,138,692
Profit & Loss Account (Admin)	22,277,384
Profit & Loss Account (Selling)	22,277,384
<b>Total</b>	<b>55,693,459</b>

**AFTAB AUTOMOBILES LIMITED**  
**(Held for Sale & Discontinued Operations)**  
As at June 30, 2024

Particulars	Cost				Rate of Dep.	Accumulated Depreciation				Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year	Balance as at June 30, 2024		Balance as at July 01, 2023	Charge during the year	Adjustment during the year	Balance as at June 30, 2024	
Land & Land Development	139,554,017	-	-	139,554,017		-	-	-	-	139,554,017
Building	22,754,361	-	-	22,754,361		2,463,800	-	-	2,463,800	20,290,561
Shed	1,785,690	-	-	1,785,690		1,346,839	-	-	1,346,839	438,851
Plant & Machinery	88,242,540	-	-	88,242,540		33,565,651	-	-	33,565,651	54,676,889
Tools & Equipments	7,179,213	-	-	7,179,213		3,946,792	-	-	3,946,792	3,232,421
Office Equipment	17,136,725	-	-	17,136,725		7,659,662	-	-	7,659,662	9,477,063
Furniture & Fixture	9,947,918	-	-	9,947,918		4,279,423	-	-	4,279,423	5,668,495
Transport Vehicles	39,869,703	-	-	39,869,703		26,415,354	-	-	26,415,354	13,454,349
Electrical line installation	3,187,752	-	-	3,187,752		1,050,591	-	-	1,050,591	2,137,161
Office Decoration	471,143,52	-	-	47,114,352		18,257,728	-	-	18,257,728	28,856,624
<b>Balance as on June 30, 2024</b>	<b>376,772,271</b>	<b>-</b>	<b>-</b>	<b>376,772,271</b>		<b>98,985,840</b>	<b>-</b>	<b>-</b>	<b>98,985,840</b>	<b>277,786,431</b>

Annexure- B

**AFTAB AUTOMOBILES LIMITED**  
**Schedule of Property, Plant & Equipment**  
As at June 30, 2024

FOR TAX Calculation

Particulars	Cost			Rate of Dep.	Accumulated Depreciation			Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year		Balance as at July 01, 2023	Charge during the year	Adjustment during the year	
Land & Land Development	745,334,299	-	-	-	-	-	-	745,334,299
Building	344,751,960	20,971,500	-	10%	165,366,885	17,944,333	-	183,311,218
Shades	219,402,031	-	-	10%	50,107,494	16,929,454	-	152,365,084
Plant & Machinery	380,394,276	-	-	20%	303,319,614	15,414,932	-	61,659,730
Tools & Equipments	43,609,455	2,267,562	-	20%	37,436,753	1,385,711	-	7,054,553
Office Equipment	36,816,728	-	-	10%	23,478,829	1,333,790	-	12,004,110
Furniture & Fixture	25,639,485	-	-	10%	15,459,298	1,018,019	-	9,162,168
Transport Vehicles	129,077,299	-	-	20%	76,753,497	10,464,760	-	41,859,041
Electrical line installation	2,408,249	-	-	20%	2,004,652	80,719	-	322,878
Office Decoration	46,947,005	-	-	10%	35,428,922	1,151,808	-	10,366,275
<b>Balance as on June 30, 2024</b>	<b>1,974,380,787</b>	<b>23,239,062</b>	<b>-</b>		<b>709,355,943</b>	<b>65,723,527</b>	<b>-</b>	<b>1,222,540,379</b>

<b>Balance as on June 30, 2023</b>	<b>1,923,090,196</b>	<b>51,290,591</b>	<b>-</b>		<b>642,808,255</b>	<b>66,547,689</b>	<b>-</b>	<b>1,265,024,844</b>
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Particulars	Amount
Factory O/H	13,144,705
Admin	26,289,411
Selling	26,289,411
<b>Total</b>	<b>65,723,527</b>



**AFTAB AUTOMOBILES LIMITED**  
**Schedule of Property, Plant & Equipment**  
As at June 30, 2024

**Intangible Assets (Accounting Base)**

Particulars	Cost			Rate of Dep.	Accumulated Amortization			Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year		Balance as at July 01, 2023	Charged during the year	Adjustment during the year	
Computer Software (ERP)	-	945,000	-	10%	-	78,750	-	866,250
<b>Balance as on June 30, 2024</b>	<b>-</b>	<b>945,000</b>	<b>-</b>		<b>-</b>	<b>78,750</b>	<b>-</b>	<b>866,250</b>

**Annexure-D**

**Intangible Assets (TAX Base)**

Particulars	Cost			Rate of Dep.	Accumulated Amortization			Written down Value as at June 30, 2024
	Balance as at July 01, 2023	Addition During the year	Disposal During the year		Balance as at July 01, 2023	Charged during the year	Adjustment during the year	
Computer Software (ERP)	-	945,000	-	20%	-	157,500	-	787,500
<b>Balance as on June 30, 2024</b>	<b>-</b>	<b>945,000</b>	<b>-</b>		<b>-</b>	<b>157,500</b>	<b>-</b>	<b>787,500</b>

**Annexure-E**



**NAVANA BATTERY**

**NAVANA**

**BANGLADESH - A DEVELOPING NATION**  
*We are proud to be a part of the nation's development*

Proudly Made in Bangladesh  
[www.navana-battery.com](http://www.navana-battery.com)



**Journey Never Ends with  
NAVANA BATTERY**



**Commercial Vehicle Battery**

**Technical Feature**

**12V (15P 137RC – 29P 421RC)**

**Applicable for**

**Inter-city superior coach,  
City Bus, Covered Van, Truck,  
Pick-up, Prime Mover,  
Container Mover etc.**

**NAVANA** | Driving Bangladesh  
towards a better future

## **INDEPENDENT AUDITOR'S REPORT**

### **To**

### **The Shareholders of NAVANA BATTERIES LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of NAVANA BATTERIES LIMITED which comprise the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a comprising summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of NAVANA BATTERIES LIMITED as at 30 June 2024, and its financial performance and its cash flows for the year that ended in accordance with International Financial Reporting Standards (IFRSs).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (IASs). Our responsibilities under those standards are further described in the Auditor's 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 ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial 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 alternatives but to do so.

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

##### **Auditor's 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 auditor's 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) International Standards on Auditing 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) International Standards on Auditing, 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 auditor's 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 auditor's 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 gives a true and fair view.

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.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, we also report the following:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



**Dr. Mohammad Mostafa Shazzad Hasan FCA CPA**  
Proprietor  
ICAB Enrolment No.-1433  
SHAZZAD & CO., Chartered Accountants  
DVC: 2410221433AO664178

Place : Dhaka  
22 October 2024

**NAVANA BATTERIES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**As at June 30, 2024**

Particulars	Notes	Amount in Taka	
		June 30, 2024	June 30, 2023
<b>Assets</b>			
<b>Non-Current Assets</b>		<b>1,393,871,515</b>	<b>1,363,609,488</b>
Property, plant and equipment	5	957,165,318	925,117,099
Capital work in progress	6	83,827,112	80,520,189
Right use of assets	7	32,887,317	36,541,463
Receivables -Non current maturity	8	319,991,769	321,430,737
<b>Non-Current Assets</b>			
<b>Current Account with Navana Group Companies</b>		<b>2,995,061,238</b>	<b>2,636,842,341</b>
<b>Current Assets :</b>		<b>3,046,430,106</b>	<b>3,080,459,086</b>
Receivables -current maturity	8	254,942,712	257,723,744
Stock and stores	9	841,835,375	866,772,410
Advance, deposits and prepayments	10	1,942,744,855	1,930,747,748
Cash and bank balances	11	6,907,165	25,215,184
<b>Total Assets</b>		<b>7,435,362,859</b>	<b>7,080,910,915</b>
<b>Equity and Liabilities</b>			
<b>Equity attributable to equity holders</b>		<b>748,577,362</b>	<b>744,624,266</b>
Share Capital	12	183,702,690	183,702,690
Retained Earnings	13	564,874,672	560,921,576
<b>Non Current Liabilities</b>		<b>3,230,911,098</b>	<b>3,068,080,214</b>
Deferred Tax Liability	14	11,461,267	27,350,977
Long Term Loan-Non current maturity	15	2,092,401,826	2,017,449,233
Inter Company Liabilities (Aftab Automobiles Ltd.)		1,088,164,004	985,680,004
Lease Liability	16	38,884,000	37,600,000
<b>Current Liabilities</b>		<b>3,455,874,399</b>	<b>3,268,206,435</b>
Long Term Loan- current maturity	15	697,467,275	672,483,078
Short Term Loan	17	2,529,163,170	2,370,666,357
Accrued And Other Current Liabilities	18	229,243,954	225,057,000
<b>Total Equity and Liabilities</b>		<b>7,435,362,859</b>	<b>7,080,910,915</b>
<b>Net assets value per share (NAVPS)</b>	<b>24</b>	<b>40.75</b>	<b>40.53</b>

The financial statements were authorized for assurance by the Board Of Directors on 22 October, 2024.

The accompanying notes from an integral part of this financial statement and are to be read in conjunction therewith.

*Khaleeda Islam*  
**Director**

*Sigil*  
**Director**

Signed in terms of our separate report of even date.

*Rahat Mahmud*  
**Company Secretary**

Dhaka, 22 October 2024  
**DVC : 2410221433AO664178**

*Dr. Mohammad Mostafa Shazzad Hasan*  
**Dr. Mohammad Mostafa Shazzad Hasan FCA, CPA (1433)**  
**SHAZZAD & CO.**  
Chartered Accountants



**aftab automobiles limited**

## NAVANA BATTERIES LIMITED

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended June 30, 2024

Particulars	Notes	Amount In Taka	
		June 30, 2024	June 30, 2023
Revenues	19	345,816,823	199,446,129
Cost Of Goods Sold	20	248,262,660	143,433,740
<b>Gross profit</b>		<b>97,554,163</b>	<b>56,012,389</b>
<b>Operating Expenses</b>		<b>107,079,321</b>	<b>74,889,743</b>
Administrative Expenses	21	25,189,834	10,659,037
Selling And Distribution Expenses	22	23,313,171	13,735,748
Financial Charges		58,576,315	50,494,958
<b>Operating Profit/Loss</b>		<b>(9,525,158)</b>	<b>(18,877,354)</b>
Non-Operating Income		-	-
<b>Profit before contribution to WPPF</b>		<b>(9,525,158)</b>	<b>(18,877,354)</b>
Contribution to WPPF		-	-
<b>Net Profit/Loss before tax</b>		<b>(9,525,158)</b>	<b>(18,877,354)</b>
<b>Provision for income tax :</b>		<b>(13,478,254)</b>	<b>(17,024,926)</b>
Current TAX	23	2,411,456	1,622,651
Deferred TAX	14	(15,889,710)	(18,647,578)
<b>Net Profit/Loss after tax</b>		<b>3,953,096</b>	<b>(1,852,427)</b>
<b>Earning Per Share (EPS)</b>	25	<b>0.22</b>	<b>(0.10)</b>

The financial statements were authorized for assurance by the Board Of Directors on 22 October, 2024.

The accompanying notes from an integral part of this financial statement and are to be read in conjunction therewith.

*Khaleda Islam*  
Director

*[Signature]*  
Director

Signed in terms of our separate report of even date.

*Rahat Mahmud*  
Company Secretary

Dhaka, 22 October 2024  
DVC : 2410221433AO664178

*[Signature]*  
Dr. Mohammad Mostafa Shazzad Hasan FCA, CPA (1433)  
SHAZZAD & CO.  
Chartered Accountants

**NAVANA BATTERIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
For The Year Ended June 30, 2024

Particulars	Attributable to shareholder's equity		Total Equity
	Paid-up Capital	Retained Earnings	
Balance as on July 01, 2023	183,702,690	560,921,576	744,624,266
Net Profit for the Year	-	3,953,096	3,953,096
Balance as on June 30, 2024	183,702,690	564,874,672	748,577,362

**NAVANA BATTERIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
For The Year Ended June 30, 2023

Particulars	Attributable to shareholder's equity		Total Equity
	Paid-up Capital	Retained Earnings	
Balance as on July 01, 2022	183,702,690	562,774,005	746,476,693
Net Loss for the Year	-	(1,852,427)	(1,852,427)
Balance as on June 30, 2023	183,702,690	560,921,576	744,624,266

The financial statements were authorized for assurance by the Board Of Directors on 22 October, 2024.

The accompanying notes from an integral part of this financial statement and are to be read in conjunction therewith.

*Khaleeda Islam*  
Director

*[Signature]*  
Director

Signed in terms of our separate report of even date.

*Rahat Mahmud*  
Company Secretary

Dhaka, 22 October 2024  
DVC : 2410221433AO664178

*[Signature]*  
Dr. Mohammad Mostafa Shazzad Hasan FCA, CPA (1433)  
**SHAZZAD & CO.**  
Chartered Accountants



## NAVANA BATTERIES LIMITED

### STATEMENT OF CASH FLOWS For The Year Ended June 30, 2024

Particulars	Amount In Taka	
	June 30, 2024	June 30, 2023
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	401,909,347	270,441,904
Payments for materials, services and expenses	(272,556,809)	(215,706,337)
<b>Cash generated from operations</b>	<b>129,352,538</b>	<b>54,735,567</b>
Income tax Paid	(377,450)	(1,307,497)
<b>Net Cash generated from operations</b>	<b>128,975,088</b>	<b>53,428,070</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant & equipment	(52,230,663)	-
Advance for capital Assets	-	(65,392,791)
Payments for capital work in progress	-	(11,890,730)
<b>Net Cash used in Investing Activities</b>	<b>(52,230,663)</b>	<b>(77,283,521)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from bank loan	-	287,593,021
Inter company transaction	102,484,000	37,697,536
Bank interest paid & debt paid	(221,058,829)	-
Current Account with Navana Group Companies	23,522,385	(277,995,485)
<b>Net Cash provided by Financing Activities</b>	<b>(95,052,444)</b>	<b>47,295,072</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(18,308,019)</b>	<b>23,439,621</b>
Cash & Cash Equivalents at Beginning of the year	25,215,184	1,775,564
Cash & Cash Equivalents at End of the year	<b>6,907,165</b>	<b>25,215,184</b>
<b>Net operating cash flows per share (NOCFPS)</b>	<b>7.02</b>	<b>2.91</b>

The financial statements were authorized for assurance by the Board Of Directors on 22 October, 2024.

The accompanying notes from an integral part of this financial statement and are to be read in conjunction therewith.

*Khaleda Islam*  
Director

*S. Islam*  
Director

Signed in terms of our separate report of even date.

*Rahat Mahmud*  
Company Secretary

*Dr. Mohammad Mostafa Shazzad Hasan*

Dr. Mohammad Mostafa Shazzad Hasan FCA, CPA (1433)

SHAZZAD & CO.

Chartered Accountants

Dhaka, 22 October 2024

DVC : 2410221433AO664178

**NAVANA BATTERIES LIMITED**  
**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
For The Year Ended June 30, 2024

**1.00 Reporting Entity**

**1.01 Company Profile**

Navana Batteries Limited is a private limited company incorporated on the 21st of April 2009, Vide Registration number C-76441/2009 of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act, 1994. The Company's Registered Office is located at 125/A, Motijheel Commercial Area, (4th Floor), Dhaka 1000. The Corporate Office of the Company is situated at Bashati Aristocrats (4th Floor), Block-SW (H) 6, Bir Uttam Mir Shawkat Sarak, Gulshan Avenue, Dhaka-1212.

**1.02 Other Corporate Information**

- (i) Trade License: TRAD/DSCC/080216/2019 dated: 06.07.2024
- (ii) e-TIN No.: 719565739465 dated: 30.08.2014
- (iii) VAT Registration No.: 000793558-0203 dated: 01.07.2019

**1.03 Nature of Business**

The principal activities of the Company are manufacturing of automotive, industrial and solar batteries in the plant located at Fouzdarhat Industrial Area, Chattagram, Bangladesh.

**1.04 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:

- i. Statement of Financial Position as at 30th June, 2024;
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2024;
- iii. Statement of Changes in Equity for the year ended 30th June, 2024;
- iv. Statement of Cash Flows for the year ended 30th June, 2024;
- v. Notes comprising summary of significant accounting policies and other explanatory information.

**1.05 Operating Segments**

No operating segment is applicable for the Company as required by IFRS 8: Operating Segments as the Company has only one operating segments and the operation of Company is within the geographical territory in Bangladesh.

**2.00 Basis of Preparation of Financial Statements**

**2.01 Statement on Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standard (IAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant laws as applicable.

**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, 1991;
- The Stamp Act, 1899;
- The Bangladesh Securities and Exchange Commission Act, 1993;
- The Bangladesh Securities and Exchange Rules, 1987;
- The Securities and Exchange Ordinance, 1969;
- Bangladesh Labor Act, 2006 (as amended to 2013)

### **2.03 Basis of Measurement**

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

### **2.04 Accrual basis of Accounting**

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

### **2.05 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.

### **2.06 Key Accounting Estimates and Judgments in applying Accounting Policies**

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

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

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

### **2.07 Materiality, Aggregation and Off Setting**

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

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

### **2.08 Going Concern Assumption**

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

### **2.09 Comparative Information**

Comparative information has been disclosed in respect of 2022-2023 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

## **2.10 Responsibility for Preparation and Presentation of Financial Statements**

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

## **2.11 Reporting Period**

The reporting period of the Company covers one year from 1st day of July, 2023 to 30th June, 2024.

## **2.12 Approval of Financial Statements**

The financial statements have been approved by the Board of Directors on October 22, 2024.

## **3.00 Accounting Principles and Policies**

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements:

### **Assets and Basis of their Valuation**

## **3.01 Property, Plant and Equipments**

### **3.01.1 Recognition and Measurements**

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

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

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

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

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

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

**Category of Fixed Assets:**

- (1) Land & Land Development
- (2) Building
- (3) Plant & Machinery
- (4) Tools & Equipments
- (5) Office Equipments
- (6) Furniture & Fixtures
- (7) Transport Vehicles
- (8) Electric Line Installation
- (9) Office Decoration
- (10) Gas Line Installation

**3.01.5 Impairment**

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

**3.01.6 Disposal of Property, Plant and Equipment**

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

**3.02 Inventories**

Inventories consisting of raw materials, work-in-process and finished goods are valued at a lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of Inventories to the lower of cost and net realizable value. Net realizable value is best on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**Category of Inventories:**

- (1) Raw Materials
- (2) Work-in-Progress
- (3) Finished Goods

**3.03 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.

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:

- i. Identify the contract with a customer,
- ii. Identify the performance obligations in the contract,
- iii. Determine the transaction price;
- iv. Allocate the transaction price to the performance obligations in the contract; and
- v. 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).

### **3.04 Financial Assets & Liabilities and Basis of their Valuation**

#### **3.04.1 Financial Instruments**

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

#### **3.04.2 Financial Assets**

The Company initially recognizes receivables, advances, deposits and pre-payments on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognizes 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.

Financial asset includes accounts receivables, advances, deposits & pre-payments, cash and cash equivalents.

##### **(a) Accounts Receivables**

Accounts receivable are created at original invoice amount less any provision for bad and doubtful debts. Provisions are made where there is evidence of a risk of non payment, taking into account aging, previous experience and general economic conditions. Where accounts receivables are determined to be uncollectible it is written off, firstly against any provision available and then to the statement of profit or loss and other comprehensive income. Subsequent recoveries of the amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

##### **(b) Advance, Deposits and Pre-payments**

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.

### **(c) Cash and Cash Equivalents**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash in hand and bank balances represents cash and cash equivalents considering the IAS 1 "Presentation of Financial Statements" and IAS 7 "Statement of Cash Flow" 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.

### **3.04.3 Financial Liability**

The company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the transaction date at the company becomes a party to the contractual provision of the liability.

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

Financial liabilities include loans and borrowing, accounts payables, provisions and other payables.

### **(a) Loans and 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.

### **(b) Accounts Payables**

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

### **(c) Provisions**

A provision is recognized on the statement of financial position date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **3.05 Going Concern Assumption**

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

### **3.06 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.

### **3.07 Statement of Cash Flows**

The Statement of Cash Flow has been prepared in accordance with the requirements of 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".

### **3.08 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 Navana Batteries Ltd. is 27.50% 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.

**3.09 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.

**3.10 Borrowing Costs**

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

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

**3.11 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 recognized 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.

## **3.12 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.

## **4.00 General**

These notes form an integral part of the financial statements and accordingly are to be read in conjunction therewith. Figures shown in the accounts have been rounded off to the nearest taka.

**5 Property, plant and equipment**

Land & Land Development  
Building  
Plant & Machinery  
Tools & Equipment's  
Office Equipment  
Furniture & Fixture  
Transport Vehicles  
Electric line Installation  
Office Decoration  
Gas line Installation

Amount in Taka	
30-06-2024	30-06-2023
465,509,438	413,278,775
319,177,047	317,808,790
105,870,543	117,633,936
11,307,423	14,134,279
14,266,081	15,851,201
8,453,633	9,392,925
5,874,565	7,343,206
6,083,644	6,759,605
11,677,360	12,974,844
8,945,584	9,939,538
<b>957,165,318</b>	<b>925,117,099</b>

The details of which have been shown in Annexure- A

**6 Capital work in progress**

**Opening balance**

Add : Addition made during the period/ year

80,520,189	80,740,540
12,621,046	11,890,730
<b>93,141,235</b>	<b>92,631,270</b>

Less: Transferred to Property ,plant & equipment

9,314,124	12,111,081
-----------	------------

**Closing balance**

<b>83,827,112</b>	<b>80,520,189</b>
-------------------	-------------------

Capital work-in-progress represents Land and Land Development , civil constructions etc.

**7 Right Use of assets**

Plant & Machinery

32,887,317	36,541,463
<b>32,887,317</b>	<b>36,541,463</b>

This is made up as follows:

**At Cost**

Opening Balance

60,702,954	60,702,954
------------	------------

Addition during the year

-	-
---	---

Disposal/Adjustment during the year

-	-
---	---

<b>60,702,954</b>	<b>60,702,954</b>
-------------------	-------------------

**Accumuladed Depreciation**

Opening Balance

24,161,491	20,101,328
------------	------------

Charged during the year

3,654,146	4,060,163
-----------	-----------

Disposal/Adjustment during the year

-	-
---	---

<b>27,815,637</b>	<b>24,161,491</b>
-------------------	-------------------

Written Down Value (WDV)

<b>32,887,317</b>	<b>36,541,463</b>
-------------------	-------------------

The details of which have been shown in Annexure- C

**8 Receivables**

Receivable current (Maturity less than 12 months )

254,942,712	257,723,744
-------------	-------------

Receivable Non-current (Maturity More than 12 months )

319,991,769	321,430,737
-------------	-------------

<b>574,934,481</b>	<b>579,154,481</b>
--------------------	--------------------

**Ageing schedule of receivables:**

**Duration**

1-30 days  
31-60 days  
61-90 days  
91-180 days  
181-365 days  
Over 365 days

**9 Stock and stores**

Finished stock  
Raw materials  
Work-in-process  
Goods in transit

**10 Advance, deposits and prepayments**

Advance to suppliers  
Advance to employees  
Advance to others  
Current Account with VAT  
Security & Deposits  
Demand Tax  
Advance for Capital Assets  
Advance Income TAX (Note- 10.01)

**10.01 Advance Income TAX**

**Opening balance**

Add: during the year

Less: adjustment

**Closing balance**

Amount in Taka	
30-06-2024	30-06-2023
35,352,421	35,148,583
30,060,270	30,744,235
42,142,697	42,363,499
69,386,664	71,170,100
78,000,660	78,297,327
319,991,769	321,430,737
<b>574,934,481</b>	<b>579,154,481</b>
158,692,593	150,254,679
235,449,261	255,504,467
447,693,521	461,013,265
-	-
<b>841,835,375</b>	<b>866,772,410</b>
88,965,204	109,685,535
29,758,650	30,767,909
94,203,146	91,343,146
77,407,026	75,855,888
42,128,186	42,128,186
1,100,320	-
1,246,404,058	1,218,566,270
362,778,264	362,400,814
<b>1,942,744,855</b>	<b>1,930,747,748</b>
362,400,814	361,068,707
377,450	1,332,107
<b>362,778,264</b>	<b>362,400,814</b>
-	-
<b>362,778,264</b>	<b>362,400,814</b>

The above amount was deducted at the import point as well as from the Bills in different times at delivery point.

Advance paid to suppliers against work order and considered good. Advance to employees against expenses,

**11 Cash & bank balances**

Cash in Hand Factory  
Cash Balance of Sales Center  
Cash at Bank (Note-11.01)

842,044	311,404
1,984,717	347,167
4,080,404	24,556,613
<b>6,907,165</b>	<b>25,215,184</b>

#### 11.01 Cash at Bank

NCC Bank Ltd., CD-26655, NBL, Dhaka  
Standard Bank Ltd., CD-11519, NBL, Dhaka  
MTBL, CD-005-02100-12239, NBL, Factory  
NCCBL, CD-02-100-22999, NBL, Factory  
MTBL, CD-12248, NBL, CTG Sales Centre  
National Bank Ltd., CD-15927, NBL, Dhaka  
Al Arafah Islami Bank Ltd., CD-52195, NBL, Dhaka  
South East Bank Ltd., CD-6873, NBL, Dhaka  
MTBL- Dhaka Sales Office-00633  
IBL-71407  
Uttara Bank Ltd.(A/C No.2667 12200213115)- Bhola  
Uttara Bank Ltd. (2600 12200214858) BSL Office  
Modhumoti BL, Gulshan Br.110311100000183  
Shahjalal Islami Bank Ltd. # 15201

#### 12 Share capital

##### Authorized :

50,000,000 ordinary shares of Taka 10/- each

##### Issued, Subscribed and Paid up capital

Ordinary shares 18,370,269 shares of Taka 10 each  
Aftab Automobiles Ltd.

Non-controlling Interest (sponsors )

#### 13 Retained Earnings

##### Opening Balance

Add: during the year

Less. Adjustment

##### Closing balance

#### 14 Deferred Tax Liability

Total Deferred TAX Expenses (PL AC)

Total Deferred TAX Liabilities (FS AC)

##### Calculation of Deferred tax

A. WDV on PPE as per Accounting Calculation

WDV on PPE as per Taxable Calculation

Unabsorbed Dep.

Unused tax loess

Temporary Difference

Deferred tax liabilities (A1)

Opening Deferred Tax (01.07.23)

Deferred Tax expenses During The Year (A2)

Amount in Taka	
30-06-2024	30-06-2023
92,777	52,558
3,262	5,212
224,074	714,637
3,181	3,468
3,131	31,061
196,163	83,052
2,080	902
12,415	13,450
7,351	18,874,992
335,633	4,378,594
4,458	369,400
10,916	12,181
3,092,171	16,596
92,792	510
<b>4,080,404</b>	<b>24,556,613</b>
500,000,000	500,000,000
<b>500,000,000</b>	<b>500,000,000</b>
183,602,690	183,602,690
100,000	100,000
<b>183,702,690</b>	<b>183,702,690</b>
560,921,576	562,774,003
3,953,096	(1,852,428)
<b>564,874,672</b>	<b>560,921,576</b>
-	-
<b>564,874,672</b>	<b>560,921,576</b>
(15,889,710)	(18,647,578)
<b>11,461,267</b>	<b>27,350,977</b>
957,165,318	925,117,099
783,200,740	765,966,171
99,492,522	55,182,304
28,693,079	8,697,058
<b>45,778,977</b>	<b>95,271,566</b>
12,589,219	28,581,470
(28,581,470)	(45,998,555)
<b>(15,992,251)</b>	<b>(17,417,085)</b>

		Amount in Taka	
		30-06-2024	30-06-2023
<b>B. Bad debts as per accounting base</b>			
Bad debts as per tax base		4,101,643	4,101,643
Temporary Difference		-	-
Deferred tax liabilities (B1)		(4,101,643)	(4,101,643)
Opening Deferred Tax (01.07.23)		<b>(1,127,952)</b>	<b>(1,230,493)</b>
Deferred Tax expenses During The Year (B2)		(1,230,493)	-
		<b>102,541</b>	<b>(1,230,493)</b>
<b>15 Long Term Loan-Net of current portion</b>			
Trust Bank Ltd.		469,952,087	457,464,506
Dutch-Bangla Bank Ltd.		1,070,547,151	996,749,700
Social Islami Bank Ltd.		79,280,432	77,362,107
Agrani Bank Ltd.		1,054,541,656	1,054,441,656
NCC Bank Ltd.		115,547,775	103,914,342
		<b>2,789,869,101</b>	<b>2,689,932,311</b>
less: Long Term Loan-Current portion		697,467,275	672,483,078
<b>Long Term loan-Net of current portion</b>		<b>2,092,401,826</b>	<b>2,017,449,233</b>
<b>16 Lease Liability</b>			
Hajj Finance Company Ltd.		38,884,000	37,600,000
		<b>38,884,000</b>	<b>37,600,000</b>
<b>17 Short Term Loan</b>			
Mercantile Bank Ltd.		340,500,000	320,830,157
Southeast Bank Ltd.		1,007,756,499	933,745,642
Janata Bank Ltd.		592,610,481	579,379,595
Modhumoti Bank Ltd.		172,032,824	164,664,795
Al-Arafah Islami Bank Ltd.		50,321,111	27,187,076
Shahjalal Islami bank Ltd.		241,963,491	229,600,199
Islamic Finance & Investment Ltd.		31,200,754	30,000,679
Phoenix Finance & Investments Ltd.		92,778,010	85,258,213
		<b>2,529,163,170</b>	<b>2,370,666,357</b>
<b>18 Accrued And Other Current Liabilities.</b>			
Payable to suppliers		13,856,450	4,844,731
Liability for expenses		6,380,713	13,616,934
Provision for income tax		204,552,677	202,141,221
For other finance		4,454,114	4,454,114
		<b>229,243,954</b>	<b>225,057,000</b>
<b>19 Revenue</b>			
Gross Sales		397,689,347	229,363,048
VAT		51,872,524	29,916,919
Net Sales		<b>345,816,823</b>	<b>199,446,129</b>

**20 Cost Of Goods Sold**

Raw materials consumed  
Indirect materials  
Total consumption  
Add : Opening WIP  
  
Less : Closing WIP

Factory overhead  
Cost of production  
Finished products (opening)

Finished products (closing)

**20.01 Raw materials consumed.**

Opening stock  
Purchases  
  
Closing stock

**20.02 Factory overhead.**

Salary and allowances  
Telephone & Mobile  
Fuel & Oil  
Travelling & Conveyance  
Entertainment  
Office Expenses  
Repairs & Maintenance  
Electricity Expenses  
Night allowance  
Canteen Subsidy  
Insurance Expenses  
Gas bill  
Carrying & Handling  
Car Maintenance  
Fees and Registration  
Security Expenses  
Chemicals  
Screen Printing  
Labour Charges  
Laboratory Expenses  
Generator Maintenance  
Fire Extinguisher  
Depreciation

Amount in Taka	
30-06-2024	30-06-2023
140,236,200	154,022,785
1,063,583	2,226,320
<b>141,299,783</b>	<b>156,249,105</b>
461,013,265	361,160,758
<b>602,313,048</b>	<b>517,409,863</b>
447,693,521	461,013,265
<b>154,619,527</b>	<b>56,396,598</b>
102,081,047	69,366,770
256,700,574	125,763,368
150,254,679	167,925,050
<b>406,955,253</b>	<b>293,688,418</b>
158,692,593	150,254,679
<b>248,262,660</b>	<b>143,433,740</b>
255,504,467	339,664,213
120,180,994	69,863,039
<b>375,685,461</b>	<b>409,527,252</b>
235,449,261	255,504,467
<b>140,236,200</b>	<b>154,022,785</b>
26,785,517	18,582,535
296,298	211,250
625,078	228,068
70,846	104,491
1,480	25,471
-	9,940
59,605	28,645
33,331,117	17,751,078
379,650	236,550
1,739,490	930,488
629,440	62,946
4,606,172	1,368,241
388,308	65,730
84,719	52,930
117,037	-
<b>2,877,600</b>	<b>1,004,300</b>
20,200	58,165
18,236	11,136
120,601	47,526
69,660	55,474
-	15,540
24,350	23,000
29,835,643	28,493,266
<b>102,081,047</b>	<b>69,366,770</b>



**21 Administrative Expenses**

Salary and allowances  
Entertainment  
TA and Conveyance  
Car maintenance  
Stationery  
Fees and Registration  
Electricity Expenses  
Telephone/Mobile Bill  
Office Rent  
Bank Guarantee & Charge documents  
Audit fees  
  
Postage & Telegram  
Directors Fees  
Office maintenance  
Maintenance  
Depreciation

Amount in Taka	
30-06-2024	30-06-2023

8,503,693	9,440,152
46,232	77,100
98,705	77,217
27,060	5,930
59,320	4,233
64,868	9,954
14,284,764	-
177,030	169,535
918,000	-
-	9,458
146,440	115,000
22,162	4,710
100,000	88,000
78,546	20,065
-	4,500
663,014	633,184
<b>25,189,834</b>	<b>10,659,037</b>

**22 Selling And Distribution Expenses**

Salary & Allowance  
Fuel & Lubricant  
Promotional Expenses  
Delivery Expenses  
Rent (Showrooms )  
Conveyance  
Entertainment  
Stationery  
Telephone  
Fees & Registration  
Maintenance  
Car Maintenance  
Electrical Expenses  
Postage & Telegram  
Papers & Periodicals  
Bank Charges  
Security Guard salary  
Office Maintenance  
Acid Purchases  
Utility Bill ( WASA )  
Gift & Donation  
Chemical Expenses  
Depreciation

12,532,045	8,640,152
235,680	88,509
1,436,000	32,166
953,680	319,705
2,261,084	1,085,600
26,565	31,843
154,599	49,889
24,975	7,889
99,482	53,782
203,303	30,712
40,527	25,390
180,652	129,283
455,687	110,112
7,763	12,610
6,582	6,714
361,432	20,045
1,374,602	475,200
59,798	34,906
56,898	33,450
186,110	-
3,650	2,994
-	12,062
2,652,057	2,532,735
<b>23,313,171</b>	<b>13,735,748</b>

		Amount in Taka	
		30-06-2024	30-06-2023
<b>23</b>	<b>Income tax expenses</b>		
	Profit before Tax	(9,525,158)	(18,877,354)
	Add: Accounting Depreciation	29,496,568	27,599,022
	Less: Tax Depreciation	(44,310,218)	(29,677,288)
	Adjusted Profit for tax calculation	(24,338,807)	(20,955,620)
	<b>Normal Tax liability</b>	<b>(6,693,172)</b>	<b>(6,286,686)</b>
	Minimum Tax liabilities @ 0.6% on Gross Receipt	2,411,456	1,622,651
	<b>Current Tax Liabilities (whichever is higher)</b>	<b>2,411,456</b>	<b>1,622,651</b>
<b>24</b>	<b>Net Asset Value Per Share (NAVPS)</b>		
	This made up as follows:		
	Net Assets	748,577,362	744,624,266
	Number of Ordinary Shares	18,370,269	18,370,269
		<b>40.75</b>	<b>40.53</b>
<b>25</b>	<b>Earning Per Share (EPS)</b>		
	This made up as follows:		
	Profit/(Loss) Attributable to Ordinary Equityholders	3,953,096	(1,852,427)
	Number of Ordinary Shares	18,370,269	18,370,269
		<b>0.22</b>	<b>(0.10)</b>
<b>26</b>	<b>Net Operating Cash Flows Per Shares (NOCFPS)</b>		
	This made up as follows:		
	Net Cash Generated /(Used) by Operating Activities	128,975,088	53,428,070
	Number of Ordinary Shares	18,370,269	18,370,269
		<b>7.02</b>	<b>2.91</b>
	<b>Cash Flows from Operating Activities</b>		
	Net profit/(loss) before interest & income tax during the year	49,051,157	31,617,604
	<b>Adjustment to reconcile net income to net cash provided by operating Activities</b>		
	Depreciation	33,150,714	31,659,185
	Income tax expenses	(377,450)	(1,307,497)
	Interest on lease liability	-	10,555,714
	<b>Changes in current assets and liabilities</b>		
	Advance, deposits & prepayments	14,746,160	(182,777,400)
	Trade Receivables	4,220,000	70,995,775
	Inventories	24,937,035	95,227,305
	Accrued and other liabilities	3,247,469	(2,542,617)
	<b>Net cash flow from operating activities</b>	<b>128,975,088</b>	<b>53,428,070</b>

Amount in Taka	
30-06-2024	30-06-2023

**27.00 Contingent Assets**

There was no Contingent Assets as on 30th June, 2024.

**28.00 Contingent Liabilities**

There was no Contingent Liabilities as on 30th June, 2024.

**29.00 Claim against the Company**

There was no claim as on 30th June, 2024.

**30.00 Securities of the Company owned by the top an ten salaried officers and all other officers as a group:**

No securities owned by the top an ten salaried officers and all other officers as a group.

**31.00 Amount due by Directors**

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

**32.00 Capital Expenditure Commitment**

There was no commitment for capital expenditure and also not incurred or provided for the year ended 30th June 2024.

**33.00 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) 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

Particulars	JUNE 30, 2024 Taka	JUNE 30, 2023 Taka
Salary	-	-
Gratuity	-	-
Board Meeting Attendance Fee	100,000	88,000
Short Term Employee Benefits	-	-
<b>Total</b>	<b>100,000</b>	<b>88,000</b>

Company's key management personnel includes the Company's directors. Compensation includes salary, non-

**(ii) Other Related Party Transactions**

During the period, the company carried out a number of transactions with related parties in the normal

**Inter Company Receivables/Payables**

The break up of the above is as follows:

Name of Related Party	Nature of Transaction
Loan from Chairman	Interest free loan
Navana Limited	Interest free loan
Navana Real Estate Ltd.	Interest free loan
Aftab Automobiles Ltd.	Interest free loan

**34.00 Subsequent Events-Disclosures under IAS-10 "Events After the Reporting Period".**

There was no adjusting post statement of Financial Position events of such importance, non-disclosure of which would affect the ability of the users of financial statements to make proper evaluation and decisions.

**NAVANA BATTERIES LIMITED**  
PROPERTY, PLANT AND EQUIPMENT  
For the year ended June 30, 2024

**Annexure- A**

Particulars	Cost				Rate of Dep.	Depreciation			Written Down Value	
	Balance as on 01 July, 2023	Addition during the year	Adjustment during the year	Balance as on 30 June, 2024		Charge during the year	Adjustment during the year	Balance as on 30 June, 2024	Balance as on 30 June, 2024	Balance as on 30 June, 2023
Land & Land Development	413,278,775	52,230,663	-	465,509,438	-	-	-	-	465,509,438	413,278,775
Building	355,123,427	9,314,124	-	364,437,551	2.5%	7,945,867	-	45,260,503	319,177,047	317,808,790
Plant & Machinery	355,966,541	-	-	355,966,541	10%	11,763,394	-	250,095,999	105,870,543	117,633,936
Tools & Equipments	89,073,787	-	-	89,073,787	20%	2,826,856	-	77,766,364	11,307,423	14,134,279
Office Equipment	42,856,443	-	-	42,856,443	10%	1,585,120	-	28,590,362	14,266,081	15,851,201
Furniture & Fixture	23,006,373	-	-	23,006,373	10%	939,292	-	14,552,741	8,453,633	9,392,925
Transport Vehicles	51,343,144	-	-	51,343,144	20%	1,468,641	-	45,468,579	5,874,565	7,343,206
Electric line Installation	15,203,281	-	-	15,203,281	10%	675,960	-	9,119,637	6,083,644	6,759,605
Office Decoration	26,550,238	-	-	26,550,238	10%	1,297,484	-	14,872,878	11,677,360	12,974,844
Gas line Installation	21,820,370	-	-	21,820,370	10%	993,954	-	12,874,787	8,945,584	9,939,538
<b>Total Balance as on 30 June 2024</b>	<b>1,394,222,379</b>	<b>61,544,787</b>	<b>-</b>	<b>1,455,767,166</b>		<b>29,496,568</b>	<b>-</b>	<b>498,601,851</b>	<b>957,165,318</b>	<b>925,117,097</b>
<b>Total Balance as on 30 June 2023</b>	<b>1,195,091,298</b>	<b>199,131,081</b>	<b>-</b>	<b>1,394,222,379</b>		<b>27,599,022</b>	<b>-</b>	<b>469,105,283</b>	<b>925,117,099</b>	<b>753,585,038</b>

Depreciation charged to		Taka	Lease Assets	Total
Cost of goods sold ( Factory O/H )		26,546,911	3,288,732	29,835,643
Administrative		589,931	73,083	663,014
Selling & distribution		2,359,725	292,332	2,652,057
<b>Total</b>		<b>29,496,568</b>	<b>3,654,146</b>	<b>33,150,714</b>

**NAVANA BATTERIES LIMITED**  
**PROPERTY, PLANT AND EQUIPMENT**  
For the year ended June 30, 2024  
FOR TAX Calculation

Annexure- B

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value	
	Balance as on 01 July, 2023	Addition during the year	Adjustment during the year		Charge during the year	Adjustment during the year	Balance as on 30 June 2024	Balance as on 30 June 2024	Balance as on 30 June 2023
Land & Land Development	413,278,775	52,230,663	-	-	-	-	-	465,509,438	413,278,775
Building	355,123,427	9,314,124	-	10%	22,410,539	-	153,454,447	210,983,103	224,079,519
Plant & Machinery	416,669,495	-	-	20%	12,296,142	-	367,484,926	49,184,569	61,480,711
Tools & Equipments	89,073,787	-	-	20%	2,876,856	-	77,766,364	11,307,423	14,134,278
Office Equipment	42,856,443	-	-	10%	1,585,120	-	28,590,363	14,266,080	15,851,200
Furniture & Fixture	23,006,373	-	-	10%	939,292	-	14,552,742	8,453,631	9,392,924
Transport Vehicles	51,343,144	-	-	20%	1,468,641	-	45,468,579	5,874,565	7,343,206
Electric line Installation	15,203,281	-	-	20%	576,981	-	12,895,359	2,307,922	2,884,903
Office Decoration	26,550,238	-	-	10%	1,297,484	-	14,872,878	11,677,360	12,974,844
Gas line Installation	21,820,370	-	-	20%	909,162	-	18,183,722	3,636,648	4,545,811
<b>Total Balance as on 30 June 2024</b>	<b>1,454,925,333</b>	<b>61,544,787</b>	<b>-</b>		<b>44,310,218</b>	<b>-</b>	<b>733,269,380</b>	<b>783,200,740</b>	<b>765,966,171</b>
<b>Total Balance as on 30 June 2023</b>	<b>1,255,794,252</b>	<b>199,131,081</b>	<b>-</b>		<b>29,677,288</b>	<b>-</b>	<b>688,959,162</b>	<b>765,966,171</b>	<b>596,512,378</b>

Depreciation charged to	Taka
Cost of goods sold	35,448,174
Administrative	4,431,022
Selling & distribution	4,431,022
<b>Total</b>	<b>44,310,218</b>

**NAVANA BATTERIES LIMITED**  
**Schedule of Right Use of Assets**  
as on June 30, 2024

Annexure- C

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value	
	Balance as on 01 July, 2023	Addition during the year	Adjustment during the year		Balance as on 01 July, 2023	Charge during the year	Adjustment during the year	Balance as on 30 June, 2024	Balance as on 30 June, 2023
Right of use assets	60,702,954	-	-	10%	24,161,491	3,654,146	-	27,815,637	36,541,463
Total Balance as on 30 June 2024	60,702,954	-	-		24,161,491	3,654,146	-	27,815,637	36,541,463
Total Balance as on 30 June 2023	60,702,954	-	-		20,101,328	4,060,163	-	24,161,491	40,601,626

**AGM Link :** <https://agmbd.live/aftabautomobiles2024>

QR Code







# aftab automobiles limited

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

## Proxy Form

I/We.....of  
.....being  
a member of Aftab Automobiles Limited do hereby appoint Mr./Mrs. ....  
of .....  
as my/our proxy to attend and vote for me/us and on my/our behalf at the 44<sup>th</sup> Annual General Meeting of the  
Company to be held on **Tuesday, 24 December, 2024 at 11:00 am** under Digital Platform and at any adjournment  
thereof.

Revenue Stamp  
Taka 20.00

Name of Shareholder .....Name of Proxy .....

No. of Shares held.....Signature of Proxy .....

Folio No. ....Date: .....

B.O. A/C. No. 

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Signature of Shareholder .....Cell: .....

Signature Verified

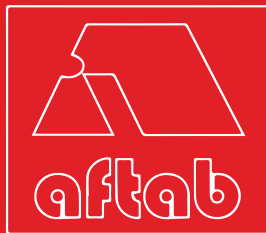
Authorized signatory

### Note :

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







**aftab automobiles limited**

**Registered Office :** Islam Chamber  
125/A, Motijheel C/A. Dhaka, Bangladesh.