

# Navana CNG Limited

## First Quarter Report

Dear Shareholders,

We are pleased to forward herewith the 1st Quarter un-audited financial statements which consist of Consolidated statement of financial position as at September 30, 2019, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows along with consolidated notes to the financial statements for the 1st quarter ended on that date.

Chairman

Dated: Dhaka

November 13, 2019

Navana CNG Limited and its subsidiaries

Consolidated Statement of Financial Position (Un-audited)

As at September 30, 2019

	Note	30/09/19 BD Taka	30/06/19 BD Taka
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	2	6,850,982,706	6,696,346,320
Intangible Assets	3	24,771,521	17,936,289
Capital Work-in-progress	4	1,127,269,632	1,269,113,876
Long-term security deposit		47,556,185	47,556,185
Deferred tax assets	5	36,036,281	8,288,021
Investment in shares		2,989,303	3,589,283
<b>Total non-current assets</b>		<b>8,089,605,628</b>	<b>8,042,829,974</b>
<b>Current assets</b>			
Inventories		1,905,645,692	1,976,321,837
Accounts receivables		670,078,811	720,883,777
Other Receivables		194,909,627	194,883,822
Advance against land		15,000,000	15,000,000
Advances, deposits & pre-payments		805,550,833	864,051,799
Cash & bank balances	6	231,310,824	235,022,470
<b>Total current assets</b>		<b>3,822,495,787</b>	<b>4,006,163,705</b>
<b>Total assets</b>		<b>11,912,101,415</b>	<b>12,048,993,679</b>
<b>Equity and Liabilities</b>			
<b>Capital and reserves</b>			
Share capital		685,285,920	685,285,920
Tax holiday reserve		216,004,824	216,004,824
Fair Value reserve		2,122,165	2,662,147
Retained Earnings		1,542,284,723	1,519,706,890
<b>Equity attributable to the owners of Company</b>		<b>2,445,697,632</b>	<b>2,423,659,781</b>
Non-controlling interest		(5,753)	(5,086)
<b>Total equity</b>		<b>2,445,691,880</b>	<b>2,423,654,695</b>
<b>Non-current liabilities</b>			
Long term Loan- net of current maturity	7	4,435,274,775	4,464,259,337
Security Retention Money		1,007,657,610	1,049,160,084
Loan from others		50,000,000	50,000,000
<b>Total non-current liabilities</b>		<b>5,492,932,385</b>	<b>5,563,419,421</b>
<b>Current liabilities</b>			
Long Term Loan- Current maturity	7	873,507,246	829,125,800
Short-term loans	8	1,991,821,709	2,076,782,742
Provision for income tax	9	229,452,973	219,808,563
Current account with Group companies		616,113,609	643,953,907
Payables and accruals	10	262,581,613	292,248,551
<b>Total current liabilities</b>		<b>3,973,477,150</b>	<b>4,061,919,563</b>
<b>Total liabilities</b>		<b>9,466,409,535</b>	<b>9,625,338,984</b>
<b>Total equity and liabilities</b>		<b>11,912,101,415</b>	<b>12,048,993,679</b>
<b>Consolidated Net Assets Value Per Share ( NAVPS )</b>	11	<b>35.69</b>	<b>35.37</b>

Chairman

Chief Executive Officer

Director

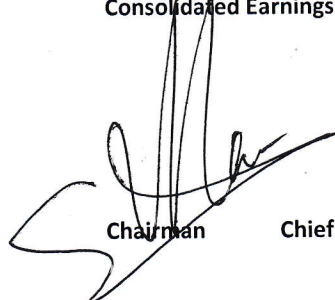
Chief Financial Officer

Company Secretary


Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Profit or loss and other Comprehensive Income (Un-audited)**  
For the 1st Quarter ended September 30, 2019

Particulars	July ' 2019 to September' 2019	July ' 2018 to September' 2018
	BD Taka	BD Taka
Revenues	1,629,017,142	1,203,026,641
Less: Cost of sales	1,260,092,953	910,551,868
<b>Gross profit</b>	<b>368,924,189</b>	<b>292,474,773</b>
Less: Administration & selling expenses	169,763,101	134,440,054
Less: Interest expenses	178,713,365	139,580,380
<b>Operating profit</b>	<b>20,447,723</b>	<b>18,454,341</b>
Add: Other income	2,042,590	4,044,105
<b>Profit before contribution to WPPF</b>	<b>22,490,313</b>	<b>22,498,446</b>
Less : Contribution to WPPF	3,185,967	3,064,175
<b>Net profit before tax</b>	<b>19,304,346</b>	<b>19,434,271</b>
Less: Income tax expenses	(3,272,821)	(7,773,954)
Current tax	24,415,441	20,519,418
Deferred tax liabilities	(27,688,262)	(28,293,373)
<b>Net profit after tax</b>	<b>22,577,167</b>	<b>27,208,225</b>
Revaluation Gain /Loss on investment in share	(599,980)	(169,584)
Deferred tax adjustment	59,998	16,958
	(539,982)	(152,626)
<b>Total comprehensive income for the period</b>	<b>22,037,185</b>	<b>27,055,599</b>
<b>Number of shares</b>	<b>68,528,592</b>	<b>68,528,592</b>
<b>Consolidated Earnings per share</b>	<b>0.33</b>	<b>0.40</b>

12



Chairman



Chief Executive Officer



Director



Chief Financial Officer

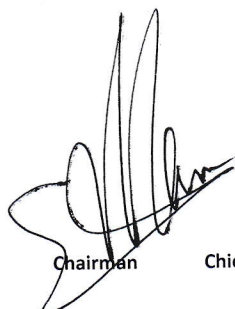


Company Secretary



Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Changes in Equity (Un-audited)**  
For the 1st quarter ended September 30, 2019

	Share capital	Tax holiday reserve	Fair Value Reserve	Retained earnings	Attributable to owners of the Company	Non- controlling interests	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance at July 01, 2018	685,285,920	216,004,824	7,479,640	1,513,465,471	2,422,235,855	(2,945)	2,422,232,910
Net profit for the period	-	-	-	27,208,996	27,208,996	(771)	27,208,225
Adjustment for sale of Marketable securities	-	-	(3,420,653)	-	(3,420,653)	-	(3,420,653)
Transfer from other Comprehensive income	-	-	(152,626)	-	(152,626)	-	(152,626)
Balance at September 30, 2018	<u>685,285,920</u>	<u>216,004,824</u>	<u>3,906,361</u>	<u>1,540,674,467</u>	<u>2,445,871,572</u>	<u>(3,716)</u>	<u>2,445,867,856</u>
Balance at July 01, 2019	685,285,920	216,004,824	2,662,147	1,519,706,890	2,423,659,781	(5,086)	2,423,654,695
Net profit for the period	-	-	-	22,577,833	22,577,833	(667)	22,577,167
Transfer from other Comprehensive income	-	-	(539,982)	-	(539,982)	-	(539,982)
Balance at September 30, 2019	<u>685,285,920</u>	<u>216,004,824</u>	<u>2,122,165</u>	<u>1,542,284,723</u>	<u>2,445,697,632</u>	<u>(5,753)</u>	<u>2,445,691,880</u>



Chairman



Chief Executive Officer



Director



Chief Financial Officer



Company Secretary

Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Cash Flows (Un-audited)**  
For the 1st Quarter ended September 30, 2019

**Cash flows from operating activities**

Receipts from customers

Receipts from Other income

**Payments for materials, services and expenses**

Cash generated from operations

Income tax paid

**Net cash generated by operating activities**

14

**Cash flows from investing activities**

Acquisition of property, plant and equipment

Acquisition of Intangible Assets

Capital work in Progress

Sale proceed from investment in Shares

Other receiveables

**Net cash used in investing activities**

**Cash flows from financing activities**

Bank Interest

Long Term Loan

Short-term loans

Security Retention money

Inter company receiveables

Loan From Others

Dividend paid

**Net cash used in financing activities**

**Net changes in cash and cash equivalents**

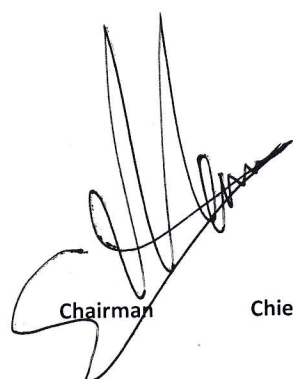
Cash and cash equivalents at the beginning of period

Cash and cash equivalents at the end of period

Consolidated Net operating cash flows per share

13

July ' 2019 to September' 2019 BD Taka	July ' 2018 to September' 2018 BD Taka
1,679,822,107	1,228,930,941
2,042,590	1,349,475
(1,180,358,976)	(970,333,425)
<b>501,505,721</b>	<b>259,946,991</b>
(14,771,031)	(27,706,055)
<b>486,734,690</b>	<b>232,240,936</b>
(113,941,011)	(20,452,908)
(7,470,400)	-
(39,679,620)	(338,861,564)
-	14,119,028
(25,805)	-
<b>(161,116,836)</b>	<b>(345,195,444)</b>
(178,713,365)	(139,580,380)
15,396,884	164,652,398
(84,961,033)	(20,553,458)
(41,502,474)	181,497,913
(27,840,298)	(21,600,000)
-	11,600,000
(11,709,214)	-
<b>(329,329,500)</b>	<b>176,016,473</b>
(3,711,646)	63,061,965
235,022,470	233,614,168
<b>231,310,824</b>	<b>296,676,133</b>
7.10	3.39



Chairman



Chief Executive Officer



Director



Chief Financial Officer



Company Secretary



# Navana CNG Limited and its subsidiaries

## Consolidated notes to the Financial Statements

For the 1st quarter ended September 30, 2019

### 1. Corporate information

Navana CNG Limited was incorporated on April 19, 2004 and principal activities of the Company are conversion of petrol and diesel driven vehicles to Compressed Natural Gas (CNG) driven vehicles, CNG Re-fueling stations and other related services. The company has three fully owned subsidiary companies. These are **Navana Engineering Limited**, **Navana Welding Electrode Limited** and **Navana LPG Limited**.

1.1 The commercial production of Navana LPG Limited has been started on November 2017.

	30/09/19	30/06/19
	BD Taka	BD Taka
<b>2. Property, plant &amp; equipment, net</b>		
Land and land develop.	1,119,098,289	1,119,098,289
Building & Shed	1,042,728,130	1,058,825,286
Plant & Machinery	2,225,919,068	2,119,209,036
Cylinder	2,091,281,157	2,090,242,614
Tools & equipment	120,166,535	115,476,170
Furniture & fixtures	16,916,621	16,983,734
Electrical equipment	19,935,673	20,349,972
Office equipment	5,488,564	5,629,296
Vehicles	209,448,668	150,531,923
	<b>6,850,982,706</b>	<b>6,696,346,320</b>
<b>3. Intangible Assets</b>		
Software System ERP	24,771,521	17,936,289
	<b>24,771,521</b>	<b>17,936,289</b>
<b>4. Capital Work-in-progress</b>		
Opening Balance	1,269,113,876	1,607,886,756
Add : during the period	39,679,620	726,726,042
	1,308,793,496	2,334,612,798
Less: Transfer to Property, plant and equipment	181,523,865	1,065,498,922
Closing balance	<b>1,127,269,632</b>	<b>1,269,113,876</b>
<b>5. Deferred tax assets</b>		
Opening Balances	8,288,021	
Deferred tax income	27,688,262	
	<b>35,976,283</b>	
Deferred tax adjustment on Fair Value changes of Marketable securities	59,998	
	<b>36,036,281</b>	
<b>6. Cash &amp; bank balances</b>		
Cash in Hand	10,058,297	17,356,185
Cash at banks :		
Fixed deposit receipt (FDR)	98,078,551	96,212,429
Cash at Bank	123,173,976	121,453,856
	<b>231,310,824</b>	<b>235,022,470</b>

	30/09/19 BD Taka	30/06/19 BD Taka
<b>7. Long term loan</b>		
City Bank Limited, Gulshan Avenue Br.	2,982,510,239	2,977,697,541
Shahjalal Islami Bank Limited, Gulshan Br.	870,220,108	868,199,420
One Bank Limited, Gulshan Br.	1,031,071,030	1,005,117,720
Mutual Trust Bank Limited	13,257,192	19,558,285
Standard Bank Limited	86,605,926	97,694,645
Dues to Director (Mr. Shafiul Islam Chairman)	325,117,526	325,117,526
	<b>5,308,782,021</b>	<b>5,293,385,137</b>
Less: Long Term Loan- Current maturity	873,507,246	829,125,800
<b>Long Term Loan- net of current maturity</b>	<b>4,435,274,775</b>	<b>4,464,259,337</b>
Long term loan from City Bank Limited & Shahjalal Islami Bank limited, Gulshan Branch taken for Navana LPG project and One Bank Limited , Gulshan Branch and Mutual trust Bank, for Navana Engineering Limited .		
Dues to Director is un-secured and Interest free loan from Mr. shafiul Islam, Chairman.		
<b>8. Short-term loans</b>		
Shahjalal Islami Bank Limited	993,147,356	939,280,317
One Bank Limited	659,852,605	668,182,797
State Bank of India	3,722,870	6,553,616
City Bank Limited	335,098,878	462,766,012
	<b>1,991,821,709</b>	<b>2,076,782,742</b>
<b>9. Provision for income tax</b>		
Opening Balance	219,808,563	170,953,073
Add : during the period	24,415,441	70,971,861
	244,224,004	241,924,934
Less: Paid in advance	(14,771,031)	(22,116,372)
<b>Closing balance</b>	<b>229,452,973</b>	<b>219,808,563</b>
<b>10. Payables and accruals</b>		
Account payables	29,033,353	29,854,382
Liabilities for Expenses	95,888,533	108,553,730
Workers profit participation fund	37,192,972	34,007,006
Sundry payables	63,058,505	70,715,969
Provision for doubtful debt	312,215	312,215
Liabilities for Dividend	37,096,035	48,805,249
	<b>262,581,613</b>	<b>292,248,551</b>
<b>11. Net assets value per share (NAVPS)</b>		
Net assets value	2,445,697,632	2,423,659,781
Number of ordinary shares used to compute NAVPS	68,528,592	68,528,592
<b>Net assets value per share</b>	<b>35.69</b>	<b>35.37</b>



**12. Earnings per share (EPS)**

Profit attributable to ordinary shareholders  
 Number of ordinary shares used to compute earnings per share  
**Earnings per share**

July 01, 2019 to  
 September 30, 2019  
 BD Taka

July 01, 2018 to  
 September 30, 2018  
 BD Taka

22,577,167	27,208,225
68,528,592	68,528,592
<b>0.33</b>	<b>0.40</b>

The total sale revenue of the CNG & its subsidiaries increased significantly. Out of which 57.17% is from LPG operation although at present LPG is running at loss due to initial operational stage. This has resulted decrease in EPS compared to last year's 1st quarter EPS.

**13. Net operating cash flows per share (NOCFPS)**

Net operating cash flows  
 Number of ordinary shares used to compute NOCFPS  
**Net operating cash flows per share**

486,734,690	232,240,936
68,528,592	68,528,592
<b>7.10</b>	<b>3.39</b>

Significant difference in NOCFPS in between Current 1st quarter and previous Year's 1st quarter is due to increase in sales revenue of LPG operation and collection from customers of LPG business.

**14. Reconciliation of cash flows from operating activities under indirect method:**

Net profit/Loss before interest & income tax  
 during the year

201,203,678

**Adjustment to recocile net income to net cash  
 provided by operating activities:**

Depreciation

141,463,657

Income tax paid

(14,771,031)

**Changes in current assets and liabilities:**

(Decrease)/ increase in inventories

70,676,145

Decrease/ (increase) in advance and prepayments

58,500,966

Decrease/ (increase) in trade receivable

50,804,967

(Decrease)/ increase in payables & accruals

(21,143,691)

**Net cash flow from operating activities**

**486,734,690**