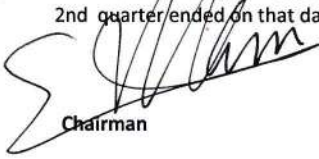


Navana CNG Limited
2nd Quarter(Half yearly) Report

Dear Shareholders,

We are pleased to forward herewith the 2nd Quarter (Half yearly) un-audited financial statements which consist of Consolidated statement of financial position as at December 31, 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 2nd quarter ended on that date.



Chairman

Dated: Dhaka
 January 29, 2020

Navana CNG Limited and its subsidiaries
Consolidated Statement of Financial Position (Un-audited)
As at December 31, 2019

	Note	December 31, 2019 BD Taka	June 30, 2019 BD Taka
Assets			
Non-current assets			
Property, plant & equipment	8	6,934,996,176	6,696,346,320
Intangible Assets	9	24,808,873	17,936,289
Capital Work-in-progress	10	978,936,390	1,269,113,876
Long-term security deposit		47,556,185	47,556,185
Deferred tax assets	11	65,836,316	8,288,021
Investment in shares		2,537,650	3,589,283
Total non-current assets		8,054,671,590	8,042,829,974
Current assets			
Inventories	12	1,972,064,092	1,976,321,837
Accounts receivable		758,399,200	720,883,777
Other Receivables		194,935,552	194,883,822
Advance against land		15,000,000	15,000,000
Advances, deposits & pre-payments		822,629,537	864,051,799
Cash & bank balances	13	245,234,818	235,022,470
Total current assets		4,008,263,199	4,006,163,705
Total assets		12,062,934,789	12,048,993,679
Equity and liabilities			
Capital and reserves			
Share capital		685,285,920	685,285,920
Tax holiday reserve		216,004,824	216,004,824
Fair Value reserve		1,715,677	2,662,147
Retained Earnings		1,520,079,397	1,519,706,890
Equity attributable to the owners of Company		2,423,085,818	2,423,659,781
Non-controlling interest		(6,045)	(5,086)
Total equity		2,423,079,772	2,423,654,695
Non-current liabilities			
Long term Loan- net of current maturity	14	4,226,390,109	4,464,259,337
Security Retention Money		930,239,387	1,049,160,084
Loan from others		50,000,000	50,000,000
Total non-current liabilities		5,206,629,496	5,563,419,421
Current liabilities			
Long Term Loan- Current maturity	14	1,096,310,596	829,125,800
Short-term loans	15	2,367,601,984	2,076,782,742
Provision for income tax	16	222,491,279	219,808,563
Current account with Group Companies		419,013,609	643,953,907
Payables and accruals	17	327,808,053	292,248,551
Total current liabilities		4,433,225,521	4,061,919,563
Total liabilities		9,639,855,017	9,625,338,984
Total equity and liabilities		12,062,934,789	12,048,993,679
Consolidated Net Assets Value Per Share (NAVPS)	18	35.36	35.37



Chairman



Chief Executive Officer



Director



Chief Financial Officer

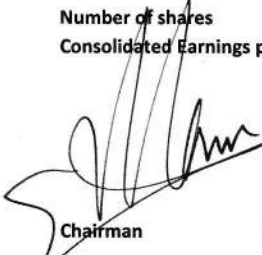


Company Secretary

Navana CNG Limited and its subsidiaries
Consolidated Statement of Profit or loss and other Comprehensive Income (Un-audited)
For the 2nd Quarter ended December 31, 2019

Particulars	July ' 2019 to December' 2019	July ' 2018 to December' 2018	October ' 2019 to December' 2019	October ' 2018 to December' 2018
	BD Taka	BD Taka		
Revenues	3,265,385,318	2,529,266,740	1,636,368,176	1,326,240,099
Less: Cost of sales	2,534,424,299	1,914,100,409	1,274,331,346	1,003,548,541
Gross profit	730,961,019	615,166,331	362,036,830	322,691,558
Less: Administration & selling expenses	344,385,923	288,299,695	174,622,822	153,859,641
Less: Interest expenses	356,231,701	288,568,916	177,518,336	148,988,536
Operating profit	30,343,395	38,297,721	9,895,673	19,843,382
Add: Other income	2,852,396	5,443,087	809,806	1,398,982
Less: Foreign exchange loss	-	(199,440)	-	(199,440)
Profit before contribution to WPPF	33,195,791	43,541,368	10,705,479	21,042,924
Less : Contribution to WPPF	5,506,281	5,386,220	2,320,314	2,322,045
Net profit before tax	27,689,510	38,155,148	8,385,165	18,720,879
Less: Income tax expenses	(12,094,201)	(18,422,762)	(8,821,380)	(10,648,807)
Current tax	45,348,931	38,496,971	20,933,490	17,977,553
Deferred tax liabilities	(57,443,132)	(56,919,732)	(29,754,870)	(28,626,359)
Net profit after tax	39,783,711	56,577,910	17,206,545	29,369,686
Revaluation Gain /Loss on investment in share	(1,051,633)	(781,471)	(451,653)	(611,887)
Deferred tax adjustment	105,163	78,147	45,165	61,189
	(946,470)	(703,324)	(406,488)	(550,698)
Total comprehensive income for the period	38,837,241	55,874,586	16,800,057	28,818,988
Number of shares	68,528,592	68,528,592	68,528,592	68,528,592
Consolidated Earnings per share	0.58	0.83	0.25	0.43

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Chairman


Chief Executive Officer

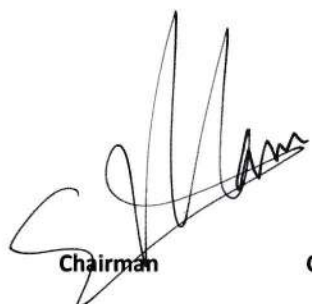

Director


Chief Financial Officer


Company Secretary

Navana CNG Limited and its subsidiaries
Consolidated Statement of Cash Flows (Un-audited)
For the 2nd Quarter ended December 31, 2019

		July ' 2019 to December' 2019	July ' 2018 to December' 2018
		BD Taka	BD Taka
Cash flows from operating activities			
Receipts from customers		3,227,869,895	2,501,909,043
Receipts from Other income		2,852,396	2,748,457
Foreign exchange loss		-	(199,440)
Payments for materials, services and expenses		(2,542,807,505)	(2,326,991,279)
Cash generated from operations		687,914,786	177,466,781
Income tax paid		(42,666,215)	(56,370,251)
Net cash generated by operating activities	21	645,248,571	121,096,530
Cash flows from investing activities			
Acquisition of property, plant and equipment		(194,237,738)	(225,565,534)
Acquisition of Intangible Assets		(7,817,900)	(707,500)
Capital work in Progress		(39,679,620)	(606,936,469)
Sale proceed from investment in Shares		-	14,119,029
(Increase)/ decrease of Other receiveables		(51,730)	1,980,221
Net cash used in investing activities		(241,786,988)	(817,110,253)
Cash flows from financing activities			
Bank Interest Paid		(356,231,701)	(288,568,916)
Proceeds from Long Term Loan		29,315,568	52,426,666
Proceeds from Short-term loans		290,819,242	797,265,121
Increase/(decrease) of Security Retention money		(118,920,697)	279,583,138
Inter company Receiveables		(224,940,298)	(22,103,876)
Loan From Others		-	11,600,000
Dividend paid		(13,291,349)	(861,683)
Net cash used in financing activities		(393,249,235)	829,340,450
Net changes in cash and cash equivalents		10,212,348	133,326,727
Cash and cash equivalents at the beginning of period		235,022,470	233,614,168
Cash and cash equivalents at the end of period		245,234,818	366,940,895
Consolidated Net operating cash flows per share	20	9.42	1.77



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 2nd quarter ended December 31, 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	-	-	-	56,578,815	56,578,815	(905)	56,577,910
Adjustment for sale of Marketable sec	-	-	(3,420,653)	-	(3,420,653)	-	(3,420,653)
Transfer from other Comprehensive income	-	-	(703,324)	-	(703,324)	-	(703,324)
Dividend	-	-	-	(82,234,310)	(82,234,310)	-	(82,234,310)
Balance at December 31, 2018	685,285,920	216,004,824	3,355,663	1,487,809,976	2,392,456,383	(3,850)	2,392,452,533
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	-	-	-	39,784,672	39,784,672	(959)	39,783,711
Adjustment for sale of Marketable sec	-	-	-	-	-	-	-
Transfer from other Comprehensive income	-	-	(946,470)	-	(946,470)	-	(946,470)
Dividend	-	-	-	(39,412,165)	(39,412,165)	-	(39,412,165)
Balance at December 31, 2019	685,285,920	216,004,824	1,715,677	1,520,079,397	2,423,085,818	(6,045)	2,423,079,772



Chairman



Chief Executive Officer



Director



Chief Financial Officer



Company Secretary

Navana CNG Limited and its subsidiaries

Selected Explanatory Consolidated Notes to the financial statements

For the period ended December 31, 2019

1. Corporate information

1.1 Reporting entity

Navana CNG Limited (the Company) was incorporated in Bangladesh as private company on April 19, 2004 vide registration no. C525/2(2807)/2004 and converted into a public company on March 08, 2009. The registered office and principal place of business of Navana CNG Limited is located at 125/A Motijheel C/A, Islam Chamber (4th floor), Dhaka-1000.

The Company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The principal activities of the Company are conversion of petrol and diesel driven vehicles to Compressed Natural Gas (CNG) driven vehicles, CNG Re-fueling stations, LPG Re-fueling stations and other related services.

1.2 Subsidiaries

Navana Engineering Limited

Navana Engineering Limited is a public limited company which was incorporated in 2010 with Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act 1994 as a subsidiary with 99.99% shares owned by Navana CNG Limited.

The principal activities of the Company are to manufacture polymer, plastic, PVC, Poly Ethylene, pipes, tubes, conduits, fittings for household, industrial and commercial use. The company started its commercial operation from March 01, 2011.

Navana Welding Electrode Limited

Navana Welding Electrodes Limited is a private limited company which was incorporated in 2011 with Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act 1994 as a subsidiary with 99.99% shares owned by Navana CNG Limited.

The principal activities of the Company are to produce welding electrode rod, welding and cutting equipment, cutting rod, welding and cutting consumables etc. The company started its commercial operation from January 01, 2013.

Navana LPG Limited

Navana LPG Limited is a private Limited company which is incorporated Vide Registration # C-125694 dated September 13, 2015 with the Registrar of Joint Stocks Companies & Firms, Dhaka, Bangladesh under the Companies Act 1994, as a subsidiary with 99.99% share owned by Navana CNG Limited. The company started its commercial production in November 2017.

The main objectives of the company is to carry on the business of import, export, indenting and marketing of all types of gases like LPG, LNG, Propone, Oxygen, Nitrogen, Acetylene, Nitrous, Oxide, Medical & Commercial Oxygen and conversion from petrol, diesel, octane to CNG, LPG light, heavy vehicles along with all types of gas cylinder re-fueling stations and workshops for manufacturing of or repairing all kinds of equipment related with gas convert plant and also manufacturing of cylinder automotive, domestic, commercial and industrial use.

2. Reporting

This quarterly financial report has been prepared in accordance with the provisions of Securities and Exchange Rule, 1987 as well as the provisions of the International Accounting Standard's (IAS's) & International Financial reporting standard's (IFRS's).

3. Accounting policies and method of Computations

Accounting policies and methods of computations followed in preparing these financial statements are consistent with the International Accounting Standard's (IAS's) & International Financial reporting standard's (IFRS's).

4. Earnings per share (EPS)

Earnings per share have been calculated based on number of shares outstanding for the period ended December 31, 2019 and distributable profit for the same period.

5. The reason of Significant deviation between the quarterly financial statement of the company :

Revenue:

The revenue of the company has increased during the period of July 2019 to December 2019 as well as from October to December 2019 than those of same periods of previous year due to increased sales revenue of LPG business.

Net operating Cash Flows:

Significant difference in NOCFPS in between July to December 2019, compared to the corresponding period of last year is due to increase of sales revenue and collection from customers of LPG Business.

Earnings per share (EPS)

The total sales revenue of the company has increased Significantly as stated above, out of which 57.66% of the sales revenue is from LPG operation. Since Navana LPG Limited is running at loss due to initial operational stage, the Consolidated EPS resulted is decreased compared to the corresponding period of last year.

6. Subsequent events

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

7. General

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

7.2 Previous period's figures whenever considered necessary have been re-arranged in order to confirm to current period's presentation.

Navana CNG Limited and its subsidiaries

Consolidated notes to the Financial Statements

As at and for the Period ended December 31, 2019

	December 31, 2019	June 30, 2019
	BD Taka	BD Taka
8. Property, plant & equipment, net		
Land and land develop.	1,119,098,289	1,119,098,289
Building & Shed	1,029,569,312	1,058,825,286
Plant & Machinery	2,322,074,830	2,119,209,036
Cylinder	2,113,103,302	2,090,242,614
Tools & equipment	111,471,195	115,476,170
Furniture & fixtures	20,273,586	16,983,734
Electrical equipment	19,482,202	20,349,972
Office equipment	5,966,051	5,629,296
Vehicles	193,957,411	150,531,923
	6,934,996,176	6,696,346,320
9. Intangible Assets		
Software System ERP	24,808,873	17,936,289
	24,808,873	17,936,289
10. Capital Work-in-progress		
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	329,857,106	1,065,498,922
Closing balance	978,936,390	1,269,113,876
11. Deferred tax Assets/ Liabilities		
Opening Balances	8,288,021	(108,057,250)
Deferred tax income	57,443,132	115,809,948
	65,731,153	7,752,698
Deferred tax adjustment on Fair Value changes of Marketable securities	105,163	535,323
	65,836,316	8,288,021
12. Inventories		
Stock in Raw Materials	647,267,775	722,223,142
Work -in- progress	100,338,218	68,186,804
Finished Goods	1,038,307,872	1,044,022,816
Stores and Spares Parts	8,523,070	3,334,765
Fuel and Lubricants	371,071	374,016
Stock in transit	177,256,086	138,180,294
	1,972,064,092	1,976,321,837
13. Cash & bank balances		
Cash in Hand	21,707,066	17,356,185
Cash at banks :		
Fixed deposit receipt (FDR)	100,830,722	96,212,429
Cash at Bank	122,697,030	121,453,856
	245,234,818	235,022,470

	December 31, 2019	June 30, 2019
	BD Taka	BD Taka
14. Long term loan		
City Bank Limited, Gulshan Avenue Br.	2,969,348,189	2,977,697,541
Shahjalal Islami Bank Limited, Gulshan Br.	881,629,109	868,199,420
One Bank Limited, Gulshan Br.	1,064,964,299	1,005,117,720
Mutual Trust Bank Limited	6,484,132	19,558,285
Standard Bank Limited	75,157,450	97,694,645
Dues to Director (Mr. Shafiul Chairman)	325,117,526	325,117,526
	<u>5,322,700,705</u>	<u>5,293,385,137</u>
Less: Long Term Loan- Current maturity	1,096,310,596	829,125,800
Long Term Loan- net of current maturity	<u>4,226,390,109</u>	<u>4,464,259,337</u>
<p>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 .</p> <p>Dues to Directors is un-secured and Interest free loan from Mr. shafiul Islam, Chairman.</p>		
15. Short-term loans		
Shahjalal Islami Bank Ltd.	1,180,904,886	939,280,317
Standard Bank Ltd.	-	-
One Bank Ltd.	655,496,354	668,182,797
State Bank of India	-	6,553,616
City Bank Limited	531,200,744	462,766,012
	<u>2,367,601,984</u>	<u>2,076,782,742</u>
16. Provision for income tax		
Opening Balance	219,808,563	170,953,073
Add : during the period	45,348,931	70,971,861
	<u>265,157,494</u>	<u>241,924,934</u>
Less: Paid in advance	(42,666,215)	(22,116,372)
Closing balance	<u>222,491,279</u>	<u>219,808,563</u>
17. Payables and accruals		
Account payables	27,971,550	29,854,382
Liabilities for Expenses	136,716,983	108,553,730
Workers profit participation fund	39,513,286	34,007,006
Sundry payables	48,367,954	70,715,969
Provision for doubtful debt	312,215	312,215
Liabilities for Dividend	74,926,065	48,805,249
	<u>327,808,054</u>	<u>292,248,551</u>
18. Net assets value per share (NAVPS)		
Net assets value	2,423,085,818	2,423,659,781
Number of ordinary shares used to compute NAVPS	68,528,592	68,528,592
Net assets value per share	<u>35.36</u>	<u>35.37</u>
	July 01, 2019 to	July 01, 2018 to
	December 31, 2019	December 31, 2018
	BD Taka	BD Taka
19. Earnings per share (EPS)		
Profit attributable to ordinary shareholders	39,783,711	56,577,910
Number of ordinary shares used to compute earnings per share	68,528,592	68,528,592
Earnings per share	<u>0.58</u>	<u>0.83</u>

	July 01, 2019 to December 31, 2019 BD Taka	July 01, 2018 to December 31, 2018 BD Taka
20. Net operating cash flows per share (NOCFPS)		
Net operating cash flows	645,248,571	121,096,530
Number of ordinary shares used to compute NOCFPS	68,528,592	68,528,592
Net operating cash flows per share	9.42	1.77
21. Reconciliation of cash flows from operating activities under indirect method:		
Net profit/Loss before interest, income tax & WPPF during the period	389,427,492	329,415,654
Adjustment to recocile net income to net cash provided by operating activities:		
Depreciation	286,390,304	238,193,777
Income tax paid	(42,666,215)	(56,370,251)
Changes in current assets and liabilities:		
Decrease/ (increase) in inventories	4,257,746	(266,465,659)
Decrease/ (increase) in advance and prepayments	41,422,260	(81,573,084)
Decrease/ (increase) in trade receivable	(37,515,423)	(14,746,209)
(Decrease)/ increase in payables & accruals	3,932,407	(27,357,697)
Net cash flow from operating activities	645,248,571	121,096,530
Total cash flow from operating activities-Indirect Method*	645,248,571	121,096,530
Total cash flow from operating activities-Direct Method*	645,248,571	121,096,530
Difference	-	-

* Details in the statement of cash flows