

Navana CNG Limited
2nd Quarter (Half yearly) Report

Dear Shareholders,

We are pleased to forward herewith the 2nd Quarter un-audited financial statements which consist of Consolidated statement of financial position as at December 31, 2024, 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.



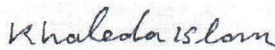
Managing Director
Dated: Dhaka
30-01-2025

Navana CNG Limited and its subsidiaries
Consolidated Statement of Financial Position (Un-audited)
As at December 31, 2024

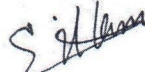
Particulars	Notes	31/12/2024 BD Taka	30/06/2024 BD Taka
Assets			
Non-Current Assets			
Property, plant & equipment	9	5,069,443,058	5,191,272,607
Intangible Assets	10	18,341,000	19,306,316
Right of Use Assets		2,731,135	3,563,103
Capital Work-in-progress	11	1,031,815,768	1,012,219,443
Long-term security deposit		60,088,425	60,088,425
Deferred tax assets	12	652,622,473	598,411,677
Investment in shares		4,155,189	3,889,271
Total Non-Current Assets		6,839,197,049	6,888,750,842
Current Assets			
Inventories	14	3,197,103,031	3,114,162,837
Accounts receivable		2,376,730,056	2,119,753,734
Other Receivables		194,471,657	194,875,944
Current account with Group companies		250,917,088	217,967,088
Advances, deposits & pre-payments		1,946,830,425	1,801,260,848
Cash & bank balances	15	219,963,254	192,874,684
Total Current Assets		8,186,015,511	7,640,895,135
Total Assets		15,025,212,560	14,529,645,977
Equity and liabilities			
Capital and reserves			
Share capital		755,527,720	755,527,720
Tax holiday reserve		216,004,824	216,004,824
Fair Value reserve		3,645,170	3,405,844
Retained Earnings		1,348,956,890	1,387,592,940
Equity attributable to the owners of Company		2,324,134,604	2,362,531,328
Non-controlling interest		(10,472)	(10,386)
Total Equity		2,324,124,132	2,362,520,942
Non-current Liabilities			
Long term Loan- net of current maturity	16	8,964,626,235	8,744,475,509
Lease Liability		2,772,397	3,468,074
Security Retention Money		57,586,356	120,155,357
Loan from others		50,000,000	50,000,000
Total Non-Current Liabilities		9,074,984,988	8,918,098,940
Current Liabilities			
Long Term Loan- Current maturity	16	1,243,860,057	989,063,252
Short-term loans	17	1,702,117,177	1,618,202,508
Provision for income tax	18	487,377,858	466,879,980
Unclaimed Dividend Account	19	42,470,603	43,740,499
Payables and accruals	20	150,277,746	131,139,856
Total Current Liabilities		3,626,103,440	3,249,026,095
Total Liabilities		12,701,088,428	12,167,125,035
Total Equity and Liabilities		15,025,212,560	14,529,645,977
Consolidated Net Assets Value Per Share (NAVPS)	21	30.76	31.27



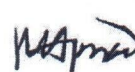
Managing Director



Director



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, 2024

Particulars	July ' 2024 to December' 2024 BD Taka	July ' 2023 to December' 2023 BD Taka	October ' 2024 to December' 2024 BD Taka	October ' 2023 to December' 2023 BD Taka
Revenue (Net)	2,206,453,697	1,971,073,373	1,124,668,931	984,552,848
Less: Cost of Goods sold	1,751,987,213	1,539,317,283	897,871,188	766,173,796
Gross profit	454,466,484	431,756,090	226,797,743	218,379,052
Less: Administrative & Selling expenses	158,876,186	145,121,189	79,457,922	77,344,962
Less: Interest expenses	317,738,981	304,648,744	156,381,299	151,563,167
Operating profit/ (Loss)	(22,148,684)	(18,013,843)	(9,041,478)	(10,529,077)
Add: Other income	3,856,269	3,011,438	2,055,663	1,508,368
Profit/(Loss) before contribution to WPPF	(18,292,415)	(15,002,405)	(6,985,815)	(9,020,709)
Less : Contribution to WPPF	3,528,397	4,809,084	2,055,450	2,612,478
Net profit/(Loss) before tax	(21,820,812)	(19,811,489)	(9,041,265)	(11,633,187)
Less: Income tax expenses	(26,636,595)	(23,505,300)	(12,260,210)	(12,893,637)
Current tax	13 27,600,794	32,520,370	15,095,142	17,101,403
Deferred tax expenses / (Income)	12.01 (54,237,388)	(56,025,670)	(27,355,351)	(29,995,040)
Net profit after tax	4,815,784	3,693,811	3,218,945	1,260,450
Revaluation Gain /Loss on investment in share	265,918	202,747	442,220	428,350
Deferred tax adjustment	(26,592)	(20,275)	(44,222)	(42,835)
	239,326	182,472	397,998	385,515
Total comprehensive income for the period	5,055,110	3,876,283	3,616,943	1,645,965
Attributable to:				
Equity holders of the Company	4,815,870	3,695,641	3,219,142	1,261,341
Non-controlling interests	(86)	(1,830)	(197)	(890)
Total	4,815,784	3,693,811	3,218,945	1,260,450
Number of shares	75,552,772	75,552,772	75,552,772	75,552,772
Consolidated Earnings per share	22 0.06	0.05	0.04	0.02


Managing Director


Director


Director

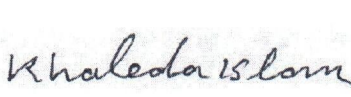

Chief Financial Officer

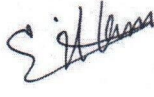

Company secretary

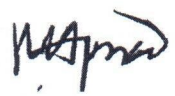
Navana CNG Limited and its subsidiaries
Consolidated Statement of Cash Flows (Un-audited)
For the 2nd Quarter ended December 31, 2024

		July ' 2024 to December' 2024 BD Taka	July ' 2023 to December' 2023 BD Taka
Cash flows from operating activities			
Cash Receipts from customers		1,949,477,374	1,817,833,358
Cash Receipts from Other income		3,856,269	3,011,438
Payments for materials, services and expenses		(1,944,279,011)	(1,796,118,119)
Cash generated from operations		9,054,632	24,726,677
Income tax paid		(7,102,916)	(14,476,537)
Net cash generated by operating activities	24	1,951,716	10,250,140
Cash flows from investing activities			
Acquisition of property, plant and equipment		(49,128,530)	(15,702,595)
Capital work in Progress		(19,596,325)	(19,674,805)
Advance for PPE		(50,876,900)	-
Other receiveables		404,287	71,221
Net cash used in investing activities		(119,197,468)	(35,306,179)
Cash flows from financing activities			
Bank Interest paid		(317,738,981)	(304,648,744)
Net Loan increased/ decreased		558,862,200	377,065,631
Security Retention money		(62,569,001)	(98,754,939)
Net paid to Group Companies		(32,950,000)	(4,300,000)
Dividend paid		(1,269,896)	(52,989)
Net cash used in financing activities		144,334,322	(30,691,041)
Net changes in cash and cash equivalents		27,088,570	(55,747,080)
Cash and cash equivalents at the beginning of period		192,874,684	257,032,861
Cash and cash equivalents at the end of period		219,963,254	201,285,781
Consolidated Net operating cash flows per share	23	0.03	0.14


Managing Director


Director


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, 2024

	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, 2023	755,527,720	216,004,824	3,267,831	1,424,072,359	2,398,872,734	(9,547)	2,398,863,187
Net profit for the period	-	-	-	3,695,641	3,695,641	(1,830)	3,693,811
Fair Value Reserve	-	-	182,472	-	182,472	-	182,472
Dividend	-	-	-	(43,451,920)	(43,451,920)	-	(43,451,920)
Balance at December 31, 2023	<u>755,527,720</u>	<u>216,004,824</u>	<u>3,450,303</u>	<u>1,384,316,080</u>	<u>2,359,298,927</u>	<u>(11,377)</u>	<u>2,359,287,550</u>
Balance at July 01, 2024	755,527,720	216,004,824	3,405,844	1,387,592,940	2,362,531,328	(10,386)	2,362,520,942
Net profit for the period	-	-	-	4,815,870	4,815,870	(86)	4,815,784
Fair Value Reserve	-	-	239,326	-	239,326	-	239,326
Dividend	-	-	-	(43,451,920)	(43,451,920)	-	(43,451,920)
Balance at December 31, 2024	<u>755,527,720</u>	<u>216,004,824</u>	<u>3,645,170</u>	<u>1,348,956,890</u>	<u>2,324,134,604</u>	<u>(10,472)</u>	<u>2,324,124,132</u>

Managing Director

Khaleda Islam

Director

Director

Chief Financial Officer

Company Secretary

Navana CNG Limited and its subsidiaries

Selected Explanatory Consolidated Notes to the financial statements
For the period ended on December 31, 2024

1. Corporate information

1.1 Reporting Entity

Navana CNG Limited (the Company) was incorporated as a Private Limited company in Bangladesh on April 19, 2004, vide registration no. C52512(2807)/2004 and converted into a public company on March 08, 2009. The registered office and principal place of business of Navana CNG Limited are 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. Its principal activities are converting petrol and diesel-driven vehicles to Compressed Natural Gas (CNG)-driven vehicles, operating CNG Refueling stations, and providing other related services.

1.2 Subsidiaries

Navana Engineering Limited

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

The company's principal activities are manufacturing polymer, plastic, PVC, and Polyethylene pipes, tubes, conduits, and fittings for household, industrial, and commercial use. It started commercial operations on March 1, 2011.

Navana Welding Electrode Limited

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

The company's principal activities are producing welding electrode rods, welding and cutting equipment, cutting rods, welding and cutting consumables, and other related products. It started commercial operation on January 1, 2013.

Navana LPG Limited

Navana LPG Limited is a Private Limited company that incorporated Vide # 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 objective is to carry on the business of import, export, indenting, and marketing of all types of gases LPG, LNG, LPG, Propane, 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 refueling station and workshop 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 Securities and Exchange Rule, 1987, as well as the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

3. Accounting policies and method of Computation

Accounting policies and methods of computations followed in preparing this financial statement are consistent with the International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs).

4. Earnings per share (EPS)

Earnings per share have been calculated based on the number of shares outstanding for the period ended December 31, 2024, and distributable profit to ordinary equity holders for the same period.

5. The reason for Significant deviation between the quarterly periods of the company :

Revenue:

Navana CNG and its subsidiaries have significantly increased total sales revenue, with 62.18% coming from the LPG business alone. This performance is commendable, especially given the severe external challenges we faced, including the ongoing conflicts between Russia and Ukraine, the situation between Israel and Palestine, and the political turmoil in the last quarter of the fiscal year. These geopolitical tensions and local political crises have disrupted the energy sector, driving oil and gas prices to unprecedented levels and causing supply chain disruptions and material shortages for some of our subsidiaries. Additionally, the dollar crisis has exacerbated these challenges, forcing the company to rely on locally sourced LPG, which is both scarce and offers lower profit margins. While our team has successfully driven sales growth, these cost pressures are visibly impacting our gross profit margins.

Net Operating Cash Flows:

The political turmoil in the last quarter of the fiscal year has significantly hindered our revenue collection efforts. This crisis has strained our operating cash flow, impacting the group's ability to generate cash from core operations. Despite these challenges, our net operating cash flows is positive, highlighting the resilience of our revenue-generating activities. This resilience should reassure our stakeholders about our capability to navigate through difficult market conditions.

Earnings per Share (EPS):

The company is currently facing multiple challenges, primarily a dollar crisis and material shortages in key subsidiaries, which have negatively impacted its gross profit. Additionally, due to these supply and economic constraints, the group's ventures have had to shift towards less profitable avenues. As a result, consolidated earnings per share (EPS) have slightly increased compared to the previous period, reflecting the external economic pressures and the necessary strategic adjustments to navigate this difficult environment. Nevertheless, the team is committed to stabilizing and gradually improving profitability as market conditions change. This commitment should provide optimism for our stakeholders about our future.

6.General

6.1 Figures appearing in these financial statements have been rounded off to the nearest Taka.

6.2 The previous period's figures, whenever considered necessary, have been re-arranged to conform to this period's presentation.

7. Business Environment Update Amid Russia-Ukraine and Israel-Palestine War and Political crises in August 2024 in Bangladesh.

The petrochemical industry, including our group of companies, is currently facing a turbulent environment due to ongoing geopolitical conflicts and economic challenges. The Russia-Ukraine war and the Israel-Palestine conflict have significantly disrupted global oil and gas supply chains, leading to increased raw material costs and severe bottlenecks in the sourcing of essential petrochemical inputs. For our group of companies, which relies on imported resources, this situation has strained supply lines, raised input prices, and tightened profit margins. Additionally, the dollar crisis in Bangladesh, marked by intense currency volatility, has made import financing more costly and complex, further squeezing our profit margins.

In August 2024, local political instability in Bangladesh exacerbated existing challenges, impacting logistics, delaying distribution schedules, and decreasing consumer purchasing power. These issues have put pressure on our revenue collection and cash flow operations, making local sourcing essential, even though it comes with lower profit margins. Despite this challenging environment, our group remains committed to making strategic adjustments. We are focusing on optimizing local sourcing where feasible, exploring opportunities for operational efficiencies, and prioritizing cost control to protect our profitability in the face of these difficulties.

8. Foreign Currency gain / (loss)

There is no foreign currency in cash and cash equivalents. Hence, the company did not show any effect on foreign currency exchange rates on cash and cash equivalents as separate line items.

Navana CNG Limited and its subsidiaries

Consolidated notes to the Financial Statements
For the 2nd quarter ended December 31, 2024

	31/12/2024	30/06/2024
	BD Taka	BD Taka
09. Property, plant & equipment, net		
Land and land develop.	1,220,272,549	1,172,982,259
Building & Shed	640,632,893	674,205,283
Plant & Machinery	1,635,479,838	1,689,017,475
Cylinder	1,340,061,477	1,410,591,028
Tools & equipment	73,042,453	76,560,058
Furniture & fixtures	15,271,107	16,034,332
Electrical equipment	13,620,028	13,974,064
Office equipment	4,816,865	5,017,742
Vehicles	126,245,848	132,890,366
	5,069,443,058	5,191,272,607
10. Intangible Assets		
Software System ERP	18,341,000	19,306,316
	18,341,000	19,306,316
11. Capital Work-in-progress		
Opening Balance	1,012,219,443	949,667,127
Add : during the period	19,596,325	118,154,346
	1,031,815,768	1,067,821,473
Less: Transfer to Property, plant and equipment	-	55,602,030
Closing Balance	1,031,815,768	1,012,219,443
12 Deferred tax (Assets)/ Liabilities		
Deferred tax for temporary difference 12.01	(641,454,992)	(587,217,604)
Deferred tax on Unrealized Gain/ loss 12.02	405,019	378,427
Deferred tax for gratuity provision 12.03	(11,572,500)	(11,572,500)
	(652,622,473)	(598,411,677)
12.01 Deferred tax for temporary difference		
Accounting base WDV	5,087,784,056	5,210,578,922
Tax base WDV	7,000,054,002	6,941,200,718
Taxable temporary difference	(1,912,269,947)	(1,730,621,797)
Less: Unabsorbed Depreciation	(394,347,055)	(377,516,735)
	(2,306,617,002)	(2,108,138,532)
Tax rate @ 22.5% & 27.5% respectively	-	-
Deferred tax (Assets) / liabilities	(641,454,992)	(587,217,604)
Opening balance	(587,217,604)	(538,702,392)
Deferred tax expenses /(income) for temporary difference	(54,237,388)	(48,515,213)
Deferred tax expenses /(income) for gratuity (12.03)	-	-
Total Deferred Tax Expense/(Income) for the period	(54,237,388)	(48,515,213)
12.02 Deferred tax on Unrealized Gain		
Opening Balance	378,427	363,092
For the period	26,592	15,335
	405,019	378,427

	31/12/2024	30/06/2024
	BD Taka	BD Taka
12.03 Deferred Tax for Gratuity Provision		
Closing Provision	46,200,000	46,200,000
Applicable Tax rate @ 22.5% & 27.5% respectively	-	-
Closing deferred tax for gratuity provision	(11,572,500)	(11,572,500)
Less: Opening deferred tax for gratuity provision	(11,572,500)	(11,572,500)
Deferred tax expense/(income) for the period	-	-
13 Consolidated Current tax expense		
A. Income tax on Regular Rate		
Consolidated Profit /(Loss) before Tax	(21,820,811)	11,479,491
Add: Consolidated Adjustment for admissible and inadmissible expenses	92,388,750	136,479,065
Consolidated taxable profit/(Loss)	70,567,939	147,958,556
Consolidated tax expenses based on applicable tax rate as per ITO 1984	18,839,755	38,421,730
B. Minimum Tax	8,761,038	14,601,311
Total Consolidated Current tax	27,600,794	53,023,041
14. Inventories		
Raw materials	898,495,295	881,372,093
Work in process	211,274,875	200,249,867
Finished Goods	1,728,267,164	1,719,801,975
Spare Parts	28,777,263	29,958,435
Stock in transit	330,288,434	282,780,467
	3,197,103,031	3,114,162,837
15. Cash & bank balances		
Cash in Hand	12,394,875	5,925,122
Cash at banks :		
Fixed deposit receipt (FDR)	151,519,105	140,652,753
Cash at Bank	56,049,274	46,296,809
	219,963,254	192,874,684
16. Long term loan		
City Bank Limited, Gulshan Avenue Br.	4,378,245,783	4,182,968,459
Shahjalal Islami Bank Limited, Gulshan Br.	2,910,990,592	2,808,368,822
One Bank Limited, Gulshan Br.	2,498,922,649	2,323,404,654
Standard Bank Limited	95,209,742	93,679,300
Dues to Director (Mr. Shafiul Islam, Chairman)	325,117,526	325,117,526
	10,208,486,292	9,733,538,761
Less: Long Term Loan- Current maturity	1,243,860,057	989,063,252
Long Term Loan- net of current maturity	8,964,626,235	8,744,475,509

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 of the Company.

	31/12/2024	30/06/2024
	BD Taka	BD Taka
17. Short-term loans		
Shahjalal Islami Bank Limited	57,971,767	55,810,700
One Bank Limited	329,237,249	303,647,927
City Bank Limited	1,105,348,319	1,049,184,039
Janata Bank Limited	209,559,842	209,559,842
	1,702,117,177	1,618,202,508
18. Provision for income tax		
Opening Balance	466,879,980	427,474,357
Add : during the period	27,600,794	53,023,041
	494,480,774	480,497,398
Less: Paid in advance	(7,102,916)	(13,617,418)
Closing balance	487,377,858	466,879,980
19. Unclaimed Dividend		
Unclaimed for less than 3 Year's	5,810,867	6,618,322
Unclaimed for more than 3 Year's	36,659,736	37,122,177
	42,470,603	43,740,499
20. Payables and accruals		
Account payables	6,966,595	7,786,188
Liabilities for Expenses	71,463,863	91,458,494
Workers profit participation fund	23,203,728	19,675,331
Sundry payables	4,424,138	11,452,342
Dividend payables	43,451,920	-
Provision for doubtful debt	767,502	767,502
	150,277,746	131,139,856
21. Net assets value per share (NAVPS)		
Net assets value	2,324,134,604	2,362,531,328
Number of ordinary shares used to compute NAVPS	75,552,772	75,552,772
Net assets value per share	30.76	31.27
	July 01, 2024 to December 31, 2024	July 01, 2023 to December 31, 2023
	BD Taka	BD Taka
22. Earnings per share (EPS)		
Profit attributable to ordinary shareholders	4,815,784	3,693,811
Number of ordinary shares used to compute earnings per share	75,552,772	75,552,772
Earnings per share	0.06	0.05

23. 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

July 01, 2024 to
December 31, 2024
BD Taka

July 01, 2023 to
December 31, 2023
BD Taka

1,951,716	10,250,140
75,552,772	75,552,772
0.03	0.14

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

Net profit/Loss before interest & income tax
during the year
Adjustment to recocile net income to net cash
provided by operating activities:

Interest on Lease

Payment for lease liability

Depreciation expenses

Income tax paid

Changes in current assets and liabilities:

(Decrease)/ increase in inventories

Decrease/ (increase) in advance, Deposit and prepayments

Decrease/ (increase) in trade receivable

(Decrease)/ increase in payables & accruals

Net cash flow from operating activities

Total cash flow from operating activities- Indirect Method*

Total cash flow from operating activities- Direct Method*

Difference

299,446,566	284,837,255
152,644	14,497
(848,320)	(120,720)
172,755,365	186,334,889
(7,102,916)	(14,476,537)
(82,940,194)	(142,609,963)
(94,692,677)	(121,253,209)
(256,976,322)	(153,240,015)
(27,842,430)	(29,236,057)
1,951,716	10,250,140
1,951,716	10,250,140
-	-

* Details in the statement of cash flows