

**Navana CNG Limited****3rd Quarter Report**

Dear Shareholders,

We are pleased to forward herewith the 3rd Quarter un-audited financial statements which consist of Consolidated statement of financial position as at March 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 3rd quarter ended on that date .

Sd/-

**Chairman**

Dated: Dhaka

April 29, 2019

Navana CNG Limited and its subsidiaries

**Consolidated Statement of Financial Position (Un-audited)****As at March 31, 2019**

	Note	31/03/19 BD Taka	30/06/18 BD Taka
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	2	6,433,008,143	5,418,786,144
Non current assets held for transfer		194,475,891	194,475,891
Intangible Assets	3	18,444,667	19,189,021
Capital Work-in-progress	4	1,460,262,396	1,607,886,756
Long-term security deposit		48,768,392	48,768,392
Investment in shares		3,798,884	20,366,498
<b>Total non-current assets</b>		<b>8,158,758,373</b>	<b>7,309,472,702</b>
<b>Current assets</b>			
Inventories		1,926,773,517	1,905,049,152
Accounts receivable		631,527,848	427,735,605
Other Receivables		194,862,320	196,948,207
Advance against land		15,000,000	15,000,000
Advances, deposits & pre-payments		818,044,488	664,254,803
Cash & bank balances	5	303,388,706	233,614,168
<b>Total current assets</b>		<b>3,889,596,879</b>	<b>3,442,601,935</b>
<b>Total assets</b>		<b>12,048,355,252</b>	<b>10,752,074,637</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		2,850,788	7,479,640
Retained Earnings		1,516,834,813	1,513,465,471
<b>Equity attributable to the owners of Company</b>		<b>2,420,976,345</b>	<b>2,422,235,855</b>
Non-controlling interest		(5,482)	(2,945)
<b>Total equity</b>		<b>2,420,970,863</b>	<b>2,422,232,910</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	6	33,040,218	108,057,251
Long term Loan- net of current maturity	7	4,529,790,628	4,033,196,192
Security Retention Money		1,060,520,391	708,350,882
Loan from others		61,600,000	50,000,000
<b>Total non-current liabilities</b>		<b>5,684,951,237</b>	<b>4,899,604,325</b>
<b>Current liabilities</b>			
Long Term Loan- Current maturity	7	722,277,658	605,810,654
Short-term loans	8	2,086,778,331	1,913,968,660
Provision for income tax	9	145,640,813	170,953,073
Current account with Related Parties		630,425,022	396,905,842
Payables and accruals	10	357,311,328	342,599,173
<b>Total current liabilities</b>		<b>3,942,433,152</b>	<b>3,430,237,402</b>
<b>Total liabilities</b>		<b>9,627,384,389</b>	<b>8,329,841,727</b>
<b>Total equity and liabilities</b>		<b>12,048,355,252</b>	<b>10,752,074,637</b>
<b>Consolidated Net Assets Value Per Share ( NAVPS )</b>	11	<b>35.33</b>	<b>35.35</b>

Sd/-

**Chairman**

Sd/-

**Chief Executive Officer**

Sd/-

**Director**

Sd/-

**Chief Financial Officer**

Sd/-

**Company Secretary**

Navana CNG Limited and its subsidiaries

**Consolidated Statement of Profit or loss and other Comprehensive Income (Un-audited)**

For the 3rd Quarter ended March 31, 2019

Particulars	July ' 2018 to March' 2019 BD Taka	July ' 2017 to March' 2018 BD Taka	January ' 2019 to March' 2019	January ' 2018 to March' 2018
<b>Revenues</b>	<b>4,294,838,614</b>	<b>2,882,541,075</b>	1,765,571,874	1,198,615,516
Less: Cost of sales	3,266,954,937	2,020,444,300	1,352,854,528	883,787,358
<b>Gross profit</b>	<b>1,027,883,677</b>	<b>862,096,775</b>	<b>412,717,346</b>	<b>314,828,158</b>
Less: Administration & selling expenses	459,512,657	339,126,348	171,212,962	82,347,385
Less: Interest expenses	495,180,678	201,136,251	206,611,762	42,693,405
<b>Operating profit</b>	<b>73,190,342</b>	<b>321,834,176</b>	<b>34,892,622</b>	<b>189,787,369</b>
Add: Other income	6,669,462	2,946,159	1,226,375	1,427,868
Less: Foreign exchange loss	(199,440)	(799,389)	-	(799,389)
<b>Profit before contribution to WPPF</b>	<b>79,660,364</b>	<b>323,980,946</b>	<b>36,118,997</b>	<b>190,415,848</b>
Less : Contribution to WPPF	9,942,333	18,905,008	4,556,113	10,147,985
<b>Net profit before tax</b>	<b>69,718,031</b>	<b>305,075,938</b>	<b>31,562,884</b>	<b>180,267,862</b>
<b>Less: Income tax expenses</b>	<b>(15,883,083)</b>	<b>98,984,061</b>	<b>2,539,678</b>	<b>57,058,486</b>
Current tax	58,619,587	91,224,819	20,122,616	50,468,626
Deferred tax	(74,502,670)	7,759,242	(17,582,938)	6,589,860
<b>Net profit after tax</b>	<b>85,601,114</b>	<b>206,091,877</b>	<b>29,023,206</b>	<b>123,209,376</b>
Fair Value Gain /(Loss) on investment in share	(1,342,443)	(322,112)	(560,972)	(1,084,130)
Deferred tax adjustment	134,244	32,211	56,097	108,413
	(1,208,199)	(289,901)	(504,875)	(975,717)
<b>Total comprehensive income for the period</b>	<b>84,392,915</b>	<b>205,801,976</b>	<b>28,518,331</b>	<b>122,233,659</b>
<b>Number of shares</b>	<b>68,528,592</b>	<b>68,528,592</b>	<b>68,528,592</b>	<b>68,528,592</b>
<b>Consolidated Earnings per share</b>	<b>1.25</b>	<b>3.01</b>	<b>0.42</b>	<b>1.80</b>

Sd/-  
Chairman

Sd/-  
Chief Executive Officer

Sd/-  
Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Cash Flows (Un-audited)**  
For the 3rd Quarter ended March 31, 2019

	July ' 2018 to March' 2019 BD Taka	July ' 2017 to March' 2018 BD Taka
<b>Cash flows from operating activities</b>		
Receipts from customers	4,091,046,371	2,695,855,760
Receipts from Other income	3,974,832	2,946,159
Foreign exchange loss	(199,440)	-
Payments for materials, services and expenses	(3,584,157,121)	(2,609,614,622)
Cash generated from operations	<b>510,664,642</b>	<b>89,187,297</b>
Income tax paid	(83,931,847)	(39,494,996)
<b>Net cash generated by operating activities</b>	<b>426,732,795</b>	<b>49,692,301</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(504,187,413)	(374,241,206)
Acquisition of Intangible Assets	(707,500)	-
Capital work in Progress	(726,726,042)	(1,221,992,760)
Sale proceed from investment in Shares	14,119,029	-
Other receiveables	2,085,885	-
<b>Net cash used in investing activities</b>	<b>(1,215,416,041)</b>	<b>(1,596,233,966)</b>
<b>Cash flows from financing activities</b>		
Bank Interest	(495,180,678)	(201,136,251)
Long Term Loan	613,061,440	850,027,622
Short-term loans	172,809,671	677,386,594
Security Retention money	352,169,509	436,460,845
Sister/Inter company transaction	233,519,180	(72,647,228)
Loan From Others	11,600,000	-
Dividend paid	(29,521,338)	(52,024,058)
<b>Net cash provided from financing activities</b>	<b>858,457,784</b>	<b>1,638,067,524</b>
<b>Net changes in cash and cash equivalents</b>	<b>69,774,538</b>	<b>91,525,859</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>233,614,168</b>	<b>321,836,046</b>
<b>Cash and cash equivalents at the end of period</b>	<b>303,388,706</b>	<b>413,361,905</b>
<b>Consolidated Net operating cash flows per share</b>	<b>6.23</b>	<b>0.73</b>

Sd/-  
Chairman

Sd/-  
Chief Executive Officer

Sd/-  
Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Changes in Equity (Un-audited)**  
For the 3rd quarter ended March 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
<b>Balance at July 01, 2017</b>	<b>685,285,920</b>	<b>216,004,824</b>	<b>3,127,149</b>	<b>1,399,193,844</b>	<b>2,303,611,737</b>	<b>328</b>	<b>2,303,612,065</b>
AFS Reserve			(289,901)	-	(289,901)		(289,901)
Net profit for the period	-	-	-	206,092,090	206,092,090	(214)	206,091,877
Dividend	-	-	-	(59,118,248)	(59,118,248)	-	(59,118,248)
<b>Balance at March 31, 2018</b>	<b>685,285,920</b>	<b>216,004,824</b>	<b>2,837,248</b>	<b>1,546,167,686</b>	<b>2,450,295,678</b>	<b>114</b>	<b>2,450,295,793</b>
<b>Balance at July 01, 2018</b>	<b>685,285,920</b>	<b>216,004,824</b>	<b>7,479,640</b>	<b>1,513,465,471</b>	<b>2,422,235,855</b>	<b>(2,945)</b>	<b>2,422,232,910</b>
Net profit for the period	-	-	-	85,603,652	85,603,652	(2,537)	85,601,115
Adjustment for sale of Marketable securities	-	-	(3,420,653)	-	(3,420,653)	-	(3,420,653)
Other Comprehensive income			(1,208,199)		(1,208,199)	-	(1,208,199)
Dividend				(82,234,310)	(82,234,310)	-	(82,234,310)
<b>Balance at March 31, 2019</b>	<b>685,285,920</b>	<b>216,004,824</b>	<b>2,850,788</b>	<b>1,516,834,813</b>	<b>2,420,976,345</b>	<b>(5,482)</b>	<b>2,420,970,863</b>

Sd/-  
Chairman

Sd/-  
Chief Executive Officer

Sd/-  
Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

## Navana CNG Limited and its subsidiaries

### Consolidated notes to the Financial Statements

For the 3rd quarter ended March 31, 2019

#### 1. Corporate information

Navana CNG Limited was incorporated in on April 19, 2004 and principal activities of the Company is 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.

	31/03/19	30/06/18
	BD Taka	BD Taka
<b>2. Property, plant &amp; equipment, net</b>		
Land and land develop.	925,596,448	924,622,398
Building & Shed	1,021,899,470	1,095,540,763
Plant & Machinery	2,109,824,387	1,837,081,311
Cylinder	2,016,137,319	1,273,872,391
Tools & equipment	120,824,102	111,999,529
Furniture & fixtures	17,778,907	17,986,757
Electrical equipment	20,842,183	22,195,233
Office equipment	5,714,031	5,813,214
Vehicles	194,391,296	129,674,548
	<b>6,433,008,143</b>	<b>5,418,786,144</b>
<b>3. Intangible Assets</b>		
Software System ERP	18,444,667	19,189,021
	<b>18,444,667</b>	<b>19,189,021</b>
<b>4. Capital Work-in-progress</b>		
<b>Opening Balance</b>	1,607,886,756	3,455,262,078
Add : Addition during the period	726,726,042	1,575,958,974
	2,334,612,798	5,031,221,052
Less: Transfer to Property, plant and equipment	874,350,402	3,423,334,296
<b>Closing balance</b>	<b>1,460,262,396</b>	<b>1,607,886,756</b>
<b>5. Cash &amp; bank balances</b>		
Cash in Hand	44,750,678	59,187,933
<b>Cash at banks :</b>		
Fixed deposit receipt (FDR)	99,514,635	92,839,203
Cash at Bank	159,123,393	81,587,032
	<b>303,388,706</b>	<b>233,614,168</b>
<b>6. Deferred tax Liability</b>		
Opening Balances	108,057,251	
Deferred tax income	(74,502,670)	
	<b>33,554,581</b>	
Deferred tax adjustment on Fair Value changes of Marketable securities	(134,244)	
Adjustment for sale of Marketable securities	(380,119)	
	<b>33,040,218</b>	

	31/03/19	30/06/18
	BD Taka	BD Taka
<b>7. Long term loan</b>		
City Bank Limited, Gulshan Avenue Br.	2,924,106,389	2,853,692,623
Shahjalal Islami Bank Limited, Gulshan Br.	889,731,345	713,086,786
One Bank Limited, Gulshan Br.	993,403,349	747,109,911
Mutual Trust Bank Limited	20,564,476	-
Standard Bank Limited	99,145,201	-
Dues to Director (Mr. Shafiul Islam, Chairman)	325,117,526	325,117,526
	<b>5,252,068,286</b>	<b>4,639,006,846</b>
<b>Less: Long Term Loan- Current maturity</b>	<b>722,277,658</b>	<b>605,810,654</b>
<b>Long Term Loan- net of current maturity</b>	<b>4,529,790,628</b>	<b>4,033,196,192</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 Directors is un-secured and Interest free loan from Mr. shafiul Islam, Chairman.

<b>8. Short-term loans</b>		
Shahjalal Islami Bank Ltd.	1,076,899,249	570,728,529
Standard Bank Ltd.	-	124,513,544
One Bank Ltd.	679,223,889	854,747,006
City Bank Limited	325,748,354	331,094,456
State Bank of India Limited, Gulshan Br.	4,906,839	-
Mutual Trust Bank Limited, Principal Br.	-	32,885,125
	<b>2,086,778,331</b>	<b>1,913,968,660</b>

<b>9. Provision for income tax</b>		
Opening Balance	170,953,073	142,142,984
Add : during the period	58,619,587	83,352,901
	229,572,660	225,495,885
Less: Paid in advance	(83,931,847)	(54,542,812)
<b>Closing balance</b>	<b>145,640,813</b>	<b>170,953,073</b>

<b>10. Payables and accruals</b>		
Account payables	40,353,929	35,175,470
Liabilities for Expenses	138,701,679	187,327,118
Workers profit participation fund	33,761,365	21,852,323
Sundry payables	56,679,242	63,142,121
Provision for doubtful debt	214,461	214,461
Liabilities for Dividend	87,600,652	34,887,680
	<b>357,311,328</b>	<b>342,599,173</b>

<b>11. Net assets value per share (NAVPS)</b>		
Net assets value	2,420,976,345	2,422,235,855
Number of ordinary shares used to compute NAVPS	68,528,592	68,528,592
<b>Net assets value per share</b>	<b>35.33</b>	<b>35.35</b>

	July 01, 2018 to March 31, 2019	July 01, 2017 to March 31, 2018
	BD Taka	BD Taka
<b>12. Earnings per share (EPS)</b>		
Profit attributable to ordinary shareholders	85,601,114	206,091,877
Number of ordinary shares used to compute earnings per share	68,528,592	68,528,592
<b>Earnings per share</b>	<b>1.25</b>	<b>3.01</b>

The total sales revenue of the CNG and its subsidiaries increased significantly. Out of which 48% of the sale revenue from LPG operation, at present which is running at loss due to initial operational stages. This result in decrease in EPS compare to last year of 3rd quarter EPS.

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

Net operating cash flows	426,732,795	49,692,301
Number of ordinary shares used to compute NOCFPS	68,528,592	68,528,592
<b>Net operating cash flows per share</b>	<b>6.23</b>	<b>0.73</b>

Significant difference in NOCFPS in between Current 3rd quarter and previous Year's 3rd quarter is due to increase of sale revenue collection from customer of LPG business.

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

Net profit/Loss before interest, income tax & WPPF during the period	574,113,124
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>	
Depreciation	365,767,669
Income tax paid	(83,931,847)
<b>Changes in current assets and liabilities:</b>	
Decrease/ (increase) in inventories	(21,724,365)
Decrease/ (increase) in advance and prepayments	(153,789,684)
(Decrease)/ increase in payables & accruals	(49,909,859)
Decrease/ (increase) in trade receivable	(203,792,243)
<b>Net cash flow from operating activities</b>	<b>426,732,795</b>