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, 2018, 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 .

Sd/-
Chairman

Dated: Dhaka
January 30 ,2019

Navana CNG Limited and its subsidiaries

Consolidated Statement of Financial Position (Un-audited)

As at December 31, 2018

	Note	31/12/18	30/06/18
		BD Taka	BD Taka
Assets			
Non-current assets			
Property, plant & equipment	**2**	6,068,391,755	5,418,786,144
Non current assets held for transfer		194,475,891	194,475,891
Intangible Assets	**3**	18,936,184	19,189,021
Capital Work-in-progress	**4**	1,553,549,706	1,607,886,756
Long-term security deposit		48,768,392	48,768,392
Investment in shares		4,359,856	20,366,498
Total non-current assets		**7,888,481,784**	**7,309,472,702**
Current assets			
Inventories		2,171,514,811	1,905,049,152
Accounts receivable		455,093,302	427,735,605
Other Receivables		194,967,984	196,948,207
Advance against land		15,000,000	15,000,000
Advances, deposits & pre-payments		745,827,888	664,254,803
Cash & bank balances	**5**	366,940,895	233,614,168
Total current assets		**3,949,344,880**	**3,442,601,935**
Total assets		**11,837,826,664**	**10,752,074,637**
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		3,355,663	7,479,640
Retained Earnings		1,487,809,976	1,513,465,471
Equity attributable to the owners of Company		**2,392,456,383**	**2,422,235,855**
Non-controlling interest		(3,850)	(2,945)
Total equity		**2,392,452,533**	**2,422,232,910**
Non-current liabilities			
Deferred tax liabilities		50,679,252	108,057,251
Long term Loan- net of current maturity	**6**	4,023,217,858	4,033,196,192
Security Retention Money		987,934,020	708,350,882
Loan from others		61,600,000	50,000,000
Total non-current liabilities		**5,123,431,130**	**4,899,604,325**
Current liabilities			
Long Term Loan- Current maturity	**6**	668,215,654	605,810,654
Short-term loans	**7**	2,711,233,781	1,913,968,660
Provision for income tax	**8**	153,079,793	170,953,073
Current account with aftab Automobiles limited		60,000,230	60,000,230
Payable to sister concern		70,000,000	70,000,000
Inter company payable		244,801,736	266,905,612
Payables and accruals	**9**	414,611,808	342,599,173
Total current liabilities		**4,321,943,002**	**3,430,237,402**
Total liabilities		**9,445,374,132**	**8,329,841,727**
Total equity and liabilities		**11,837,826,664**	**10,752,074,637**
Consolidated Net Assets Value Per Share (NAVPS)	**10**	**34.91**	**35.35**

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
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, 2018

Particulars		July ' 2018 to December' 2018	July ' 2017 to December' 2017	October ' 2018 to December' 2018	October ' 2017 to December' 2017
		BD Taka	BD Taka		
Revenues		**2,529,266,740**	**1,683,925,559**	1,326,240,099	933,415,906
Less: Cost of sales		1,914,100,409	1,136,656,943	1,003,548,541	633,965,577
Gross profit		**615,166,331**	**547,268,616**	**322,691,558**	**299,450,329**
Less: Administration & selling expenses		288,299,695	256,778,963	153,859,641	153,053,265
Less: Interest expenses		288,568,916	158,442,846	148,988,536	81,261,377
Operating profit		**38,297,721**	**132,046,807**	**19,843,382**	**65,135,687**
Add: Other income		5,443,087	1,518,291	1,398,982	1,052,356
Less: Foreign exchange loss		(199,440)	-	(199,440)	-
Profit before contribution to WPPF		**43,541,368**	**133,565,098**	**21,042,924**	**66,188,043**
Less : Contribution to WPPF		5,386,220	8,757,023	2,322,045	5,548,592
Net profit before tax		**38,155,148**	**124,808,075**	**18,720,879**	**60,639,451**
Less: Income tax expenses		**(18,422,762)**	**41,925,575**	**(10,648,807)**	**24,911,193**
Current tax		38,496,971	40,756,193	17,977,553	25,578,054
Deferred tax liabilities		(56,919,732)	1,169,382	(28,626,359)	(666,861)
Net profit after tax		**56,577,910**	**82,882,500**	**29,369,686**	**35,728,258**
Revaluation Gain /Loss on investment in share		(781,471)	762,018	(611,887)	619,845
Deferred tax adjustment		78,147	(76,202)	61,189	(61,984)
		(703,324)	685,816	(550,698)	557,861
Total comprehensive income for the period		**55,874,586**	**83,568,316**	**28,818,988**	**36,286,119**
Number of shares		**68,528,592**	**68,528,592**	**68,528,592**	**68,528,592**
Consolidated Earnings per share	**11**	**0.83**	**1.21**	**0.43**	**0.52**

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 2nd Quarter ended December 31, 2018

		July ' 2018 to December' 2018	July ' 2017 to December' 2017
		BD Taka	BD Taka
Cash flows from operating activities			
Receipts from customers		2,501,909,043	1,647,230,079
Receipts from Other income		2,748,457	1,518,291
Foreign exchange loss		(199,440)	-
Payments for materials, services and expenses		(2,326,991,279)	(1,777,442,279)
Cash generated from operations		**177,466,781**	**(128,693,909)**
Income tax paid		(56,370,251)	(30,666,317)
Net cash generated by operating activities		**121,096,530**	**(159,360,226)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(225,565,534)	(37,795,664)
Acquisition of Intangiable Assets		(707,500)	-
Capital work in Progress		(606,936,469)	(1,037,132,677)
sale proceed from investment in Shares		14,119,029	-
Other receiveables		1,980,221	-
Net cash used in investing activities		**(817,110,253)**	**(1,074,928,341)**
Cash flows from financing activities			
Bank Interest		(288,568,916)	(158,442,846)
Long Term Loan		52,426,666	595,837,249
Short-term loans		797,265,121	518,340,989
Security Retention money		279,583,138	292,364,853
Inter company receiveables		(22,103,876)	25,200,407
Loan From Others		11,600,000	-
Dividend paid		(861,683)	(50,250,510)
Net cash used in financing activities		**829,340,450**	**1,223,050,142**
Net changes in cash and cash equivalents		**133,326,727**	**(11,238,425)**
Cash and cash equivalents at the beginning of period		**233,614,168**	**321,836,046**
Cash and cash equivalents at the end of period		**366,940,895**	**310,597,621**
Consolidated Net operating cash flows per share	**12**	**1.77**	**(2.33)**

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
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, 2018

	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 01,2017	**685,285,920**	**216,004,824**	**3,127,149**	**1,399,193,844**	**2,303,611,737**	**328**	**2,303,612,065**
AFS Reserve			685,816	-	685,816		685,816
Net profit for the period	-	-	-	83,568,505	83,568,505	(189)	83,568,316
Dividend	-	-	-	(59,118,248)	(59,118,248)	-	(59,118,248)
Balance at December 31,2017	**685,285,920**	**216,004,824**	**3,812,965**	**1,423,644,101**	**2,328,747,810**	**139**	**2,328,747,949**
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 se	-	-	(3,420,653)	-	(3,420,653)	-	(3,420,653)
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**

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 2nd quarter ended December 31, 2018

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.

		31/12/18	30/06/18
		BD Taka	BD Taka
2.	**Property, plant & equipment, net**		
	Land and land develop.	924,622,398	924,622,398
	Building & Shed	1,047,696,585	1,095,540,763
	Plant & Machinery	1,866,297,791	1,837,081,311
	Cylinder	1,917,682,732	1,273,872,391
	Tools & equipment	117,820,143	111,999,529
	Furniture & fixtures	18,222,663	17,986,757
	Electrical equipment	21,418,248	22,195,233
	Office equipment	5,956,631	5,813,214
	Vehicles	148,674,565	129,674,548
		6,068,391,755	**5,418,786,144**
3.	**Intengible Assets**		
	Software System ERP	18,936,184	19,189,021
		18,936,184	**19,189,021**
4.	**Capital Work-in-progress**		
	Opening Balance	1,607,886,756	3,455,262,078
	Add : during the period	606,936,469	1,575,958,974
		2,214,823,225	5,031,221,052
	Less: Transfer to Property, plant and equipment	661,273,519	3,423,334,296
	Closing balance	**1,553,549,706**	**1,607,886,756**
5.	**Cash & bank balances**		
	Cash in Hand	46,209,278	59,187,933
	Cash at banks :		
	Fixed deposit receipt (FDR)	98,411,873	92,839,203
	Cash at Bank	222,319,744	81,587,032
		366,940,895	**233,614,168**

		31/12/18	30/06/18
		BD Taka	BD Taka
6.	**Long term loan**		
	City Bank Limited, Gulshan Avenue Br.	2,931,046,091	2,853,692,623
	Shahjalal Islami Bank Limited, Gulshan Br.	691,356,743	713,086,786
	One Bank Limited, Gulshan Br.	718,848,676	747,109,911
	Mutual Trust Bank Limited	25,064,476	-
	Dues to Director (Mr. Shafiul Chairman)	325,117,526	325,117,526
		4,691,433,512	**4,639,006,846**
	Less: Long Term Loan- Current maturity	**668,215,654**	**605,810,654**
	Long Term Loan- net of current maturity	**4,023,217,858**	**4,033,196,192**

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.

7.	**Short-term loans**		
	Shahjalal Islami Bank Ltd.	1,370,994,919	570,728,529
	Standard Bank Ltd.	56,854,116	124,513,544
	One Bank Ltd.	917,131,006	854,747,006
	City Bank Limited	366,253,740	331,094,456
	Mutual Trust Bank Limited, Principal Br.	-	32,885,125
		2,711,233,781	**1,913,968,660**
8.	**Provision for income tax**		
	Opening Balance	170,953,073	142,142,984
	Add : during the period	38,496,971	83,352,901
		209,450,044	225,495,885
	Less: Paid in advance	(56,370,251)	(54,542,812)
	Closing balance	**153,079,793**	**170,953,073**
9.	**Payables and accruals**		
	Account payables	29,033,353	35,175,470
	Liabilities for Expenses	173,549,368	187,327,118
	Workers profit participation fund	27,238,543	21,852,323
	Sundry payables	68,315,776	63,142,121
	Provision for doubtful debt	214,461	214,461
	Liabilities for Dividend	116,260,307	34,887,680
		414,611,808	**342,599,173**
10.	**Net assets value per share (NAVPS)**		
	Net assets value	2,392,456,383	2,422,235,855
	Number of ordinary shares used to compute NAVPS	68,528,592	68,528,592
	Net assets value per share	**34.91**	**35.35**

	July 01, 2018 to December 31, 2018	July 01, 2017 to December 31, 2017
	BD Taka	BD Taka

11. Earnings per share (EPS)

Profit attributable to ordinary shareholders	56,577,910	82,882,500
Number of ordinary shares used to compute earnings per share	68,528,592	68,528,592
Earnings per share	**0.83**	**1.21**

Significant difference in EPS in between Current Half yearly and previous Year's Half yearly result is due to loss in LPG operation which is incurring loss in the innitial periods.

12. Net operating cash flows per share (NOCFPS)

Net operating cash flows	121,096,530	(159,360,226)
Number of ordinary shares used to compute NOCFPS	68,528,592	68,528,592
Net operating cash flows per share	**1.77**	**(2.33)**

Significant difference in NOCFPS in between Current Half yearly and previous Year's Half yearly is due to sale revenue of in LPG operation which is incurring loss in the innitial periods.

Reconciliation of cash flows from operating activities under indirect method:	
Net profit/Loss before interest & income tax during the year	329,415,654
Adjustment to reconcile net income to net cash provided by operating activities:	
Depreciation	238,193,777
Income tax paid	(56,370,251)
Changes in current assets and liabilities:	
Decrease/ (increase) in inventories	(266,465,659)
Decrease/ (increase) in advance and prepayments	(81,573,084)
(Decrease)/ increase in payables & accruals	(14,746,209)
Decrease/ (increase) in trade receivable	(27,357,697)
Net cash flow from operating activities	121,096,530