

**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, 2017, 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 30,2018

Navana CNG Limited and its subsidiaries  
**Consolidated Statement of Financial Position (Un-audited)**  
**As at December 31, 2017**

|  | Note | 31/12/17<br>BD Taka  | 30/06/17<br>BD Taka  |
|--|------|----------------------|----------------------|
| <b>Assets</b>  |      |                      |                      |
| <b>Non-current assets</b>                                |      |                      |                      |
| Property, plant & equipment, net                         | 2    | 4,561,397,623        | 1,733,473,061        |
| Intangible Assets  | 3    | 2,940,047            | 3,094,787            |
| Capital Work-in-progress                                 | 4    | 1,626,504,558        | 3,455,262,078        |
| Long-term security deposit                               |      | 48,368,392           | 48,020,364           |
| Investment in shares                                     |      | 22,546,530           | 21,784,512           |
| <b>Total non-current assets</b>                          |      | <b>6,261,757,150</b> | <b>5,261,634,802</b> |
| <b>Current assets</b>                                    |      |                      |                      |
| Inventories  |      | 1,580,867,244        | 1,237,714,938        |
| Accounts receivable                                      |      | 367,812,996          | 331,117,517          |
| Other Receivables  |      | 47,316,425           | 46,703,616           |
| Advance against land                                     |      | 15,000,000           | 15,000,000           |
| Advances, deposits & pre-payments                        |      | 540,304,401          | 429,248,236          |
| Cash & bank balances                                     | 5    | 310,597,621          | 321,836,046          |
| <b>Total current assets</b>                              |      | <b>2,861,898,687</b> | <b>2,381,620,353</b> |
| <b>Total assets</b>                                      |      | <b>9,123,655,837</b> | <b>7,643,255,155</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          |
| AFS Reserve  |      | 3,812,965            | 3,127,149            |
| Retained Earnings  |      | 1,423,644,101        | 1,399,193,844        |
| <b>Equity attributable to the owners of Company</b>      |      | <b>2,328,747,810</b> | <b>2,303,611,737</b> |
| Non-controlling interest                                 |      | 139                  | 328                  |
| <b>Total equity</b>                                      |      | <b>2,328,747,949</b> | <b>2,303,612,065</b> |
| <b>Non-current liabilities</b>                           |      |                      |                      |
| Deferred tax liabilities                                 | 6    | 103,904,462          | 102,658,878          |
| Security Retention Money                                 |      | 378,342,304          | 85,977,451           |
| Long term Loan-net of current maturity                   | 7    | 3,653,621,382        | 3,067,005,774        |
| <b>Total non-current liabilities</b>                     |      | <b>4,135,868,148</b> | <b>3,255,642,103</b> |
| <b>Current liabilities</b>                               |      |                      |                      |
| Long term Loan- current maturity                         | 7    | 142,964,908          | 133,743,267          |
| Short-term loans   | 8    | 1,646,045,263        | 1,127,704,273        |
| Provision for income tax                                 | 9    | 152,232,860          | 142,142,984          |
| Current account with Aftab automobiles limited           |      | 120,000,230          | 120,000,230          |
| Sister- company payable                                  |      | 353,086,130          | 377,493,060          |
| Payables and accruals                                    | 10   | 244,710,349          | 182,917,174          |
| <b>Total current liabilities</b>                         |      | <b>2,659,039,740</b> | <b>2,084,000,987</b> |
| <b>Total liabilities</b>                                 |      | <b>6,794,907,888</b> | <b>5,339,643,091</b> |
| <b>Total equity and liabilities</b>                      |      | <b>9,123,655,837</b> | <b>7,643,255,155</b> |
| <b>Consolidated Net Assets Value Per Share ( NAVPS )</b> |      | <b>33.98</b>         | <b>33.62</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 2nd Quarter ended December 31, 2017

| Particulars                                      | July ' 2017 to     | July' 2016 to      | October ' 2017 to  | October ' 2016 to  |
|--|--------------------|--------------------|--------------------|--------------------|
|  | December' 2017     | December' 2016     | December' 2017     | December' 2016     |
|  | BD Taka            | BD Taka            | BD Taka            | BD Taka            |
| <b>Revenues</b>                                  | 1,683,925,559      | 1,151,292,036      | 933,415,906        | 573,169,644        |
| Less: Cost of sales                              | 1,136,656,943      | 770,704,777        | 633,965,577        | 386,825,254        |
| <b>Gross profit</b>                              | <b>547,268,616</b> | <b>380,587,259</b> | <b>299,450,329</b> | <b>186,344,390</b> |
| Less: Administration & selling expenses          | 256,778,963        | 207,102,512        | 153,053,265        | 121,001,654        |
| Less: Interest expenses                          | 158,442,846        | 41,201,475         | 81,261,377         | 9,111,530          |
| <b>Operating profit</b>                          | <b>132,046,807</b> | <b>132,283,272</b> | <b>65,135,687</b>  | <b>56,231,206</b>  |
| Add: Other income                                | 1,518,291          | 2,566,895          | 1,052,356          | 1,518,942          |
| <b>Profit before contribution to WPPF</b>        | <b>133,565,098</b> | <b>134,850,167</b> | <b>66,188,043</b>  | <b>57,750,148</b>  |
| Less : Contribution to WPPF                      | 8,757,023          | 6,421,436          | 5,548,592          | 2,750,007          |
| <b>Net profit before tax</b>                     | <b>124,808,076</b> | <b>128,428,731</b> | <b>60,639,452</b>  | <b>55,000,141</b>  |
| <b>Less: Income tax expenses</b>                 | <b>41,925,575</b>  | <b>35,006,845</b>  | <b>24,911,193</b>  | <b>14,779,023</b>  |
| Current tax                                      | 40,756,193         | 31,343,768         | 25,578,054         | 12,769,701         |
| Deferred tax expenses                            | 1,169,382          | 3,663,078          | (666,861)          | 2,009,323          |
| <b>Net profit after tax</b>                      | <b>82,882,500</b>  | <b>93,421,886</b>  | <b>35,728,258</b>  | <b>40,221,118</b>  |
| Investment Valuation surplus                     | 762,018            | 1,312,273          | 619,845            | 971,366            |
| Less: Deferred tax adjustment                    | (76,202)           | (196,841)          | (61,984)           | (145,705)          |
|  | 685,816            | 1,115,432          | 557,861            | 825,661            |
| <b>Total comprehensive income for the period</b> | <b>83,568,316</b>  | <b>94,537,318</b>  | <b>36,286,119</b>  | <b>41,046,779</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>1.21</b>        | <b>1.36</b>        | <b>0.52</b>        | <b>0.59</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 2nd quarter ended December 31, 2017

|   | July ' 2017 to<br>December' 2017<br>BD Taka | July ' 2016 to<br>December' 2016<br>BD Taka |
|---|---|---|
| <b>Cash flows from operating activities</b>                 |   |   |
| Receipts from customers                                     | 1,647,230,079                               | 1,206,113,025                               |
| Receipts from Other income                                  | 1,518,291                                   | 2,566,895                                   |
| <b>Payments for materials, services and expenses</b>        | <b>(1,777,442,279)</b>                      | <b>(1,067,596,813)</b>                      |
| Cash generated from operations                              | <b>(128,693,909)</b>                        | <b>141,083,107</b>                          |
| Income tax paid   | (30,666,317)                                | (22,809,808)                                |
| <b>Net cash generated by operating activities</b>           | <b>(159,360,226)</b>                        | <b>118,273,299</b>                          |
| <b>Cash flows from investing activities</b>                 |   |   |
| Acquisition of property, plant and equipment                | (37,795,664)                                | (55,053,589)                                |
| Capital work in Progress                                    | (1,037,132,677)                             | (705,506,000)                               |
| <b>Net cash used in investing activities</b>                | <b>(1,074,928,341)</b>                      | <b>(760,559,589)</b>                        |
| <b>Cash flows from financing activities</b>                 |   |   |
| Bank Interest   | (158,442,846)                               | (41,201,475)                                |
| Long Term Loan  | 595,837,249                                 | 649,261,201                                 |
| Sister company transaction                                  | 25,200,407                                  | -   |
| Short-term loans  | 518,340,989                                 | 150,766,454                                 |
| Security Retention money                                    | 292,364,853                                 | -   |
| Dividend paid   | (50,250,510)                                | (47,294,598)                                |
| <b>Net cash used in financing activities</b>                | <b>1,223,050,142</b>                        | <b>711,531,582</b>                          |
| <b>Net changes in cash and cash equivalents</b>             | <b>(11,238,425)</b>                         | <b>69,245,292</b>                           |
| <b>Cash and cash equivalents at the beginning of period</b> | <b>321,836,046</b>                          | <b>325,137,417</b>                          |
| <b>Cash and cash equivalents at the end of period</b>       | <b>310,597,621</b>                          | <b>394,382,709</b>                          |
| <b>Consolidated Net operating cash flows per share</b>      | <b>(2.33)</b>                               | <b>1.73</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 2nd Quarter ended December 31, 2017

|                                    | Share capital      | Tax holiday reserve | AFS 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 01,2016</b>     | <b>685,285,920</b> | <b>216,004,824</b>  | -                | <b>1,250,462,254</b> | <b>2,151,752,998</b>                  | <b>282</b>                | <b>2,151,753,280</b> |
| Net profit for the period          | -                  | -                   | -                | 94,537,305           | 94,537,305                            | 13                        | 94,537,318           |
| Dividend                           | -                  | -                   | -                | (59,118,248)         | (59,118,248)                          | -                         | (59,118,248)         |
| <b>Balance at December 31,2016</b> | <b>685,285,920</b> | <b>216,004,824</b>  | -                | <b>1,285,881,311</b> | <b>2,187,172,055</b>                  | <b>295</b>                | <b>2,187,172,350</b> |
| <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> |
| <b>AFS reserve</b>                 |                    |                     | <b>685,816</b>   | -                    | <b>685,816</b>                        | -                         | <b>685,816</b>       |
| 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)         |
| <b>Balance at December 31,2017</b> | <b>685,285,920</b> | <b>216,004,824</b>  | <b>3,812,965</b> | <b>1,423,644,101</b> | <b>2,328,747,810</b>                  | <b>139</b>                | <b>2,328,747,949</b> |

Sd/-  
Chairman

Sd/-  
Chief Executive Officer

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Director

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Company Secretary

Navana CNG Limited and its subsidiaries  
**Consolidated notes to the Financial Statements**  
For the 2nd Quarter ended December 31,2017

**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 of which **Navana Engineering Limited & Navana Welding Electrode Limited** are in operation and **Navana LPG Limited** incorporated in 2015.

|   | <b>31/12/17</b>      | <b>30/06/17</b>      |
|---|----------------------|----------------------|
|   | <b>BD Taka</b>       | <b>BD Taka</b>       |
| <b>2. Property, plant &amp; equipment, net</b>  |                      |                      |
| Land and land develop.                          | 765,094,943          | 762,541,236          |
| Building & Shed                                 | 830,735,876          | 179,259,465          |
| Plant & Machinery                               | 2,303,805,674        | 562,943,156          |
| Cylinder  | 409,305,756          | -                    |
| Tools & equipment                               | 115,725,698          | 90,230,369           |
| Furniture & fixtures                            | 18,632,927           | 15,171,999           |
| Electrical equipment                            | 23,402,699           | 24,604,478           |
| Office equipment                                | 5,749,658            | 6,009,423            |
| Vehicles  | 88,944,393           | 92,712,935           |
|   | <b>4,561,397,623</b> | <b>1,733,473,061</b> |
| <b>3. Intangible Assets</b>                     |                      |                      |
| Software System ERP                             | 2,940,047            | 3,094,787            |
|   | <b>2,940,047</b>     | <b>3,094,787</b>     |
| <b>4. Capital Work-in-progress</b>              |                      |                      |
| Opening Balance                                 | 3,455,262,078        | 1,197,189,342        |
| Addition for the period                         | 1,037,132,677        | 2,532,198,461        |
|   | 4,492,394,755        | 3,729,387,803        |
| Less: Transfer to Property, plant and equipment | 2,865,890,197        | 274,125,725          |
| <b>Closing balance</b>                          | <b>1,626,504,558</b> | <b>3,455,262,078</b> |
| <b>5. Cash &amp; bank balances</b>              |                      |                      |
| Cash in Hand                                    | 46,735,320           | 32,596,686           |
| Cash at Banks :                                 |                      |                      |
| Fixed deposit receipt (FDR)                     | 89,905,692           | 71,589,970           |
| Cash at Bank                                    | 173,956,609          | 217,649,390          |
|   | <b>310,597,621</b>   | <b>321,836,046</b>   |

|   | <b>31/12/17</b>      | <b>30/06/17</b>      |
|---|----------------------|----------------------|
|   | <b>BD Taka</b>       | <b>BD Taka</b>       |
| <b>6. Deferred tax liabilities</b>  |                      |                      |
| Opening balance   | <b>102,658,878</b>   | <b>88,169,584</b>    |
| Add. : Provision for the period   | 1,245,584            | 14,489,294           |
| <b>Closing balance</b>  | <b>103,904,462</b>   | <b>102,658,878</b>   |
| <b>7. Long term loan</b>  |                      |                      |
| City Bank Limited, Gulshan Avenue Br.   | 2,281,181,904        | 2,151,395,325        |
| Shahjalal Islami Bank Limited   | 470,228,625          | 32,870,738           |
| One Bank Limited, Gulshan Br.   | 700,058,235          | 671,365,452          |
| Dues to Director (Mr. Shafiul Islam , Chairman)   | 345,117,526          | 345,117,526          |
|   | <b>3,796,586,290</b> | <b>3,200,749,041</b> |
| Less: Long Term Loan- Current portion   | 142,964,908          | 133,743,267          |
| Long Term Loan- net of current portion  | <b>3,653,621,382</b> | <b>3,067,005,774</b> |
| Long term loan from City Bank Limited & Shahjalal Islami Bank Limited taken for Navana LPG 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.  | 604,262,339          | 436,192,794          |
| Standard Bank Ltd.  | 49,623,299           | 61,237,488           |
| One Bank Ltd.   | 851,860,417          | 623,681,099          |
| City Bank Limited   | 117,263,790          | -                    |
| Mercantile Bank Ltd.  | 23,035,418           | 6,592,892            |
|   | <b>1,646,045,263</b> | <b>1,127,704,273</b> |
| <b>09. Provision for income tax</b>   |                      |                      |
| Opening Balance   | 142,142,984          | 114,932,255          |
| Addition for the period   | 40,756,193           | 73,110,162           |
|   | 182,899,177          | 188,042,417          |
| Less: Paid in Advance   | (30,666,317)         | (45,899,433)         |
| <b>Closing balance</b>  | <b>152,232,860</b>   | <b>142,142,984</b>   |
| <b>10. Payables and accruals</b>  |                      |                      |
| Account payables  | 38,295,493           | 26,018,337           |
| Liabilities for Expenses  | 119,982,078          | 111,808,652          |
| Workers profit participation fund   | 19,267,262           | 10,510,239           |
| Sundry payables   | 16,125,735           | 8,993,508            |
| Other Payables  | 25,591,084           | -                    |
| Unclaimed Dividend  | 25,448,697           | 25,586,438           |
|   | <b>244,710,349</b>   | <b>182,917,174</b>   |