

PRIVATE & CONFIDENTIAL

**AUDITORS' REPORT
&
CONSOLIDATED**

FINANCIAL STATEMENTS

OF

NAVANA CNG LIMITED AND IT'S SUBSIDIARIES

FOR THE YEAR ENDED 30 JUNE 2019

SUBMITTED BY

ATA KHAN & Co.

Chartered Accountants

67, Motijheel C/A, (1st Floor)

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Email: maqbul.ahmed@yahoo.com

Website: www. atakhanca.com

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INDEPENDENT AUDITORS' REPORT

TO

THE SHAREHOLDERS OF NAVANA CNG LIMITED AND IT'S SUBSIDIARIES

Report on the Audit of the Financial Statements:

Opinion

We have audited the consolidated financial statements of **Navana CNG Limited and It's Subsidiaries** which comprise the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, of the consolidated financial position of the **Navana CNG Limited and It's Subsidiaries** as at 30 June 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable rules and regulation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (IASs). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

Matter of Emphasis

The company has not been applied IFRS 9 "financial Instrument" though this IFRS is applicable for the company.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements for the year ended 30 June 2019. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the basis for opinion section, each matter mentioned below our description of how our audit addressed the matter is provided in the context.

Key Audit Matter	How our audit addressed the key audit matters
<p>Revenue The company has reported a revenue of Taka 5,886,618,716 for the year ended 30 June 2019.</p> <p>Refer to note no. 18 of the financial statements.</p> <p>Revenue recognition has significant and wide influence on financial statements. Revenue is recognised when the amounts and the related costs are reliably measured,</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> We understood, evaluated and validated the key controls related to the Company's sales process from end to end, from contracts approval and signoff, recording of sales, all the way through to cash receipts and customers' outstanding balances. We tested the completeness of journal entries compared to financial statements; as well as if there any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable or advances from customers.





Key Audit Matter	How our audit addressed the audit matters
<p>Revenue continued: and the performance obligation is complete through passing of control to the customers. Revenue from the sale of goods is recognised at the time when the goods are dispatched for delivery to the distributor. The sales of the Company are derived from a large number of distributors located over the country with relatively small amount of transactions. As a result, to obtain sufficient audit evidence, high magnitude of audit work and resource are required.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>We focused on the proper cut-off of sales to the Company's customers due to the fact that the documents of confirmation of dispatch of goods were provided by numerous transporting agencies based on different locations. There is a risk of differences between the timing of invoicing of products and the dispatch of the products to the company distributors. Accordingly, there could be potential misstatements that these revenue transactions are not recognised in the proper reporting periods.</p>	<p>We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices and truck challans. In addition, we confirmed customer balances at the statement of financial position date</p> <ul style="list-style-type: none">• We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices and truck challans. In addition, we confirmed customer balances at the statement of financial position date.• Furthermore, we tested the sales transactions recognised shortly before and after the statement of financial position date, including the sales returns recorded after that date, to test whether sales transactions were recorded in the correct reporting periods.
<p>Inventories</p> <p>As of the reporting date the company reports Stock and Stores amounting to Taka 1,976,321,837</p> <p>Refer to note no. 08 to the Financial Statements</p> <p>Inventory is carried in the statement of financial position at the lower of cost and net realisable value. Sales in the manufacturing industry can be extremely volatile based on significant changes in consumer demand. As a result, there is a risk that the carrying value of inventory exceeds its net realisable value.</p> <p>Moreover, the process of estimating provision for inventories is judgmental and complex. Due to high level of judgment involved and use of some manual process in estimating the provision and net realisable value of inventories, we considered this to be a key audit matter.</p>	<p>Our audit procedures were designed to challenge the adequacy of the Company's provisions against inventory included:</p> <ul style="list-style-type: none">• Corroborating on a sample basis that items on the stock ageing by items were classified in the appropriate ageing bracket;• Assessing the appropriateness of the provision percentages applied to each item and challenged the assumptions made by the management on the extent to which old inventory can be sold through various channels;• Considering the historical accuracy of provisioning and using the information obtained as evidence for evaluating the appropriateness of the assumptions made in the current period; and• We have also considered the adequacy of the Company's disclosures in respect of the levels of provisions against inventory.





Key Audit Matter	How our audit addressed the audit matters
<p>Current Tax provisioning</p> <p>Current Tax provision amounting Taka 70,971,861 Refer to note no. 23.01 to the Financial Statements</p> <p>At year end the company reported total income tax expense (Current tax) of BDT 70,971,861. The calculation of the tax expense is a complex process that involves subjective judgments and uncertainties and require specific knowledge and competencies.</p> <p>We have determined this to be a key audit matter, due to the complexity in income tax provisioning.</p>	<p>Our audit procedure in this area included ,among others :</p> <p>Use of our own tax specialist to assess the company's tax computation. Our tax specialist were also taking into account the company's tax position and our knowledge and experience of the application of relevant tax legislation.</p> <p>To analysis and challenge the assumption used to determine tax provision based on our knowledge and experience of the application of the local legislation.</p> <p>Evaluating the adequacy of the financial statement disclosure ,including disclosure of key assumption judgments and sensitive related to tax.</p>
<p>Measurement of deferred tax Asset</p> <p>Company reported net deferred tax asset totaling Taka 8,288,021 as at 30 June 2019. significant judgments is required in relation to deferred tax liability as their liability is dependent on forecast of future probability over a number of years.</p>	<p>we obtained and understanding ,evaluated the design and tested the operational effectiveness of the company's key controls over the recognition and measurement of Deferred Tax Asset/liability and taxable income/expense of the company.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expenses/income. we evaluated the reasonableness of key assumption, timing of reversal of temporary difference and expiration of tax loss carry forwards ,recognition and measurement of deferred tax liability/asset .</p> <p>We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability/asset balances and the level of estimation involved.</p> <p>we also assessed in evaluating the tax implications , the reasonableness of estimate and calculations determined by the management .</p> <p>finally assessed the appropriateness and presentation of disclosure against IAS -12 income Tax</p>

Other Matter

The financial statements of **Navana CNG Limited and It's Subsidiaries** for the year ended 30 June 2018 was audited by another auditor and give fair opinion.

The financial statements of Navana Engineering Limited & Navana Welding Electrode Limited and Navana LPG Limited subsidiary companies of Navana CNG Limited for the year ended 30 June 2019 was audited by another auditor and give fair opinion.

Going Concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have nothing to report in these respects.

Other Information

Management is responsible for other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors





are responsible for those other information. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover these other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read these other information and, in doing so, consider whether these other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and other applicable rules and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





• Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, Supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- (c) the company's consolidated financial statements dealt with by the report are in agreement with the books of account.
- (d) the expenditure incurred was for the purpose of company's business for the year.

Dated: Dhaka
26 October 2019

ATA KHAN & CO.
Chartered Accountants


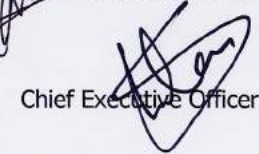


Navana CNG Limited and its subsidiaries

Consolidated Statement of Financial Position
As at June 30, 2019

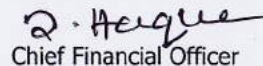
Particulars	Note	Amount in Taka	
		June 30, 2019	June 30, 2018
Assets			
Non-current assets			
Property, plant & equipment	3	6,696,346,320	5,613,262,035
Intangible Assets	4	17,936,289	19,189,021
Capital Work-in-progress	5	1,269,113,876	1,607,886,756
Long-term security deposit	6	47,556,185	48,768,392
Deferred tax assets		8,288,021	-
Investment in shares	7	3,589,283	20,366,498
Total Non-current assets		8,042,829,974	7,309,472,702
Current assets			
Inventories	8	1,976,321,837	1,905,049,152
Accounts receivable	9	720,883,777	427,735,605
Others Receivable		194,883,822	196,948,207
Advance against land		15,000,000	15,000,000
Advances, deposits & pre-payments	10	864,051,799	664,254,803
Cash & bank balances	11	235,022,470	233,614,168
Total Current assets		4,006,163,705	3,442,601,935
Total assets		12,048,993,679	10,752,074,637
Equity and liabilities			
Capital and reserves			
Share capital	12	685,285,920	685,285,920
Tax holiday reserve		216,004,824	216,004,824
Fair Value Reserve		2,662,147	7,479,640
Retained earnings	13	1,519,706,890	1,513,465,471
Equity attributable to owners of Company		2,423,659,781	2,422,235,855
Non-controlling interest		(5,086)	(2,945)
Total equity		2,423,654,695	2,422,232,910
Non-current liabilities			
Deferred tax liabilities		-	108,057,251
Security Retention Money		1,049,160,084	708,350,882
Loan from Others		50,000,000	50,000,000
Long Term Loan- Net of current portion	14	4,464,259,337	4,033,196,192
Total Non-current liabilities		5,563,419,421	4,899,604,325
Current liabilities			
Long Term Loan- Current portion	14	829,125,800	605,810,654
Short-term loans	15	2,076,782,742	1,913,968,660
Provision for income tax	16	219,808,563	170,953,073
Current account with Group Companies		643,953,907	396,905,842
Payables and accruals	17	292,248,551	342,599,173
Total Current liabilities		4,061,919,563	3,430,237,402
Total liabilities		9,625,338,984	8,329,841,727
Total equity and liabilities		12,048,993,679	10,752,074,637
Net assets value per share	25	35.37	35.35

The annexed notes 1 to 28 & annexure-A & B form an integral part of these financial statements.

 Chairman
 Chief Executive Officer

 Director

 Company Secretary

 Chief Financial Officer

Signed in term of our separate report of event date



ATA KHAN & CO.
Chartered Accountants

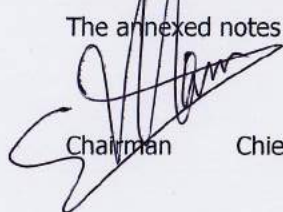
Dated: Dhaka
October 26, 2019

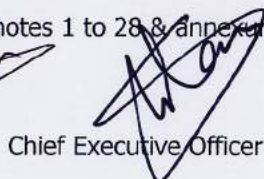


Navana CNG Limited and its subsidiaries
Consolidated Statement of Profit or loss and other comprehensive Income
For the year ended June 30, 2019

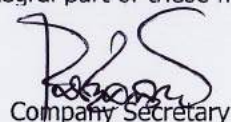
Particulars	Notes	Amount in Taka	
		2018-2019	2017-2018
Revenues	18	5,886,618,716	4,045,370,113
Less: Cost of sales	19	4,592,915,543	3,009,141,464
Gross profit		1,293,703,173	1,036,228,649
Less: Administrative & selling expenses	20	630,342,969	485,103,764
Less: Interest expenses	21	624,214,982	269,621,157
Operating profit		39,145,222	281,503,728
Add: Other income	22	14,529,326	4,988,363
Less: Foreign exchange loss		506,643	278,792
Profit before contribution to WPPF		53,167,905	286,213,299
Less: Contribution to WPPF		9,532,404	18,304,914
Net profit before tax		43,635,501	267,908,385
Less: Income tax expenses	23	(44,838,087)	88,419,372
Current tax	23.01	70,971,861	83,352,901
Deferred tax	23.02	(115,809,947)	5,066,471
Net profit after tax		88,473,588	179,489,013
Revaluation Gain on investment in share		(1,552,044)	(1,418,014)
Less : Deferred tax adjustment		155,204	141,801
		(1,396,840)	(1,276,213)
Total comprehensive income for the year		87,076,748	178,212,800
Profit attributable to:			
Equity holders of the Company		87,078,889	178,216,073
Non-controlling interests		(2,141)	(3,273)
		87,076,748	178,212,800
Number of shares		68,528,592	68,528,592
Earnings per share	24	1.29	2.62

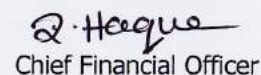
The annexed notes 1 to 28 & appendix-A & B form an integral part of these financial statements.


Chairman

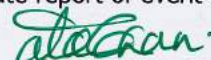

Chief Executive Officer


Director


Company Secretary


Chief Financial Officer

Signed in term of our separate report of event date



ATA KHAN & CO.
Chartered Accountants

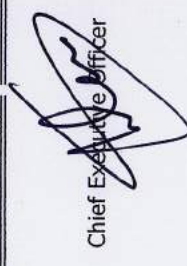
Dated: Dhaka
October 26, 2019




Navana CNG Limited and its subsidiaries
Consolidated Statement of Changes in Equity
For the year ended June 30, 2019

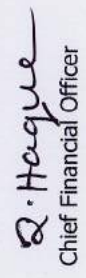
Particulars	Share capital	Tax holiday Reserve	Fair value Reserve	Retained Earnings	Attributable to owners of the Company	Non-Controlling interests	Total
Balance at July 01, 2017	685,285,920	216,004,824	7,881,150	1,393,966,136	2,303,138,030	328	2,303,138,358
Transferred from retained earnings	-	-	874,703	(874,703)	-	-	-
Transfer from other Comprehensive Income	-	-	(1,276,213)	-	(1,276,213)	-	(1,276,213)
Net profit for the year	-	-	-	179,492,286	179,492,286	(3,273)	179,489,013
Dividend	-	-	-	(59,118,248)	(59,118,248)	-	(59,118,248)
Balance at June 30, 2018	685,285,920	216,004,824	7,479,640	1,513,465,471	2,422,235,855	(2,945)	2,422,232,910
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
Adjustment for sale of Marketable securities	-	-	(3,420,653)	-	(3,420,653)	-	(3,420,653)
Fair Value Reserve	-	-	(1,396,840)	-	(1,396,840)	-	(1,396,840)
Net profit for the year	-	-	-	88,475,729	88,475,729	(2,141)	88,473,588
Dividend	-	-	-	(82,234,310)	(82,234,310)	-	(82,234,310)
Balance at June 30, 2019	685,285,920	216,004,824	2,662,147	1,519,706,890	2,423,659,781	(5,086)	2,423,654,695


Chairman


Chief Executive Officer


Director


Company Secretary


Chief Financial Officer

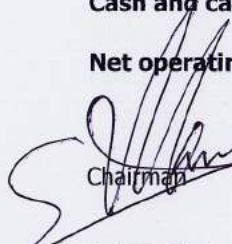
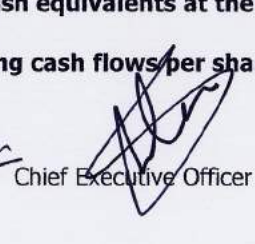
Dated: Dhaka
26 October 2019



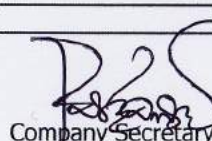
Navana CNG Limited and its subsidiaries

Consolidated Statement of Cash Flows
For the year ended June 30, 2019

Particulars	Notes	Amount in Taka	
		2018-2019	2017-2018
Cash flows from operating activities			
Receipts from customers		5,593,470,544	3,948,752,024
Receipts of other income		5,841,972	4,988,363
Foreign exchange loss		(506,643)	-
Payments for materials, services and expenses		(4,895,669,999)	(3,769,138,434)
Cash generated from operations		703,135,874	184,601,953
Income tax paid		(126,549,948)	(124,388,027)
Net cash generated by operating activities	27	576,585,926	60,213,926
Cash flows from investing activities			
Acquisition of property, plant and equipment		(517,086,526)	(706,977,040)
Acquisition of intangible assets		(707,500)	-
Capital Work-in-progress		(726,726,042)	(1,575,958,974)
Proceeds from sale of share		14,119,029	-
Advance for LC margin		(76,886,001)	(109,850,636)
Security deposit to LP Gas Ltd		1,200,000	-
Other Receivables		2,064,383	533,894
Long-term security deposits		1,212,207	(748,028)
Sale proceed of assets		15,114,909	-
Investment in subsidiaries company		-	-
Net cash used in investing activities		(1,287,695,541)	(2,393,000,784)
Cash flows from financing activities			
Received from group companies		247,048,065	† (100,587,448)
Bank Interest paid		(624,214,982)	(269,621,157)
Loan received from others		-	50,000,000
Short term loan		162,814,082	510,261,947
Received from others receivable		-	43,697,408
Security Retention money		340,809,202	622,373,431
Dividend paid		(68,316,741)	(49,817,006)
Long Term Loan		654,378,291	1,438,257,805
Net cash Provided in financing activities		712,517,917	2,244,564,980
Net changes in cash and cash equivalents		1,408,302	(88,221,878)
Cash and cash equivalents at the beginning of the year		233,614,168	321,836,046
Cash and cash equivalents at the end of the year		235,022,470	233,614,168
Net operating cash flows per share	26	8.41	0.88

 Chairman
 Chief Executive Officer

 Director

 Company Secretary

 Chief Financial Officer

Dated: Dhaka
26 October 2019

Navana CNG Limited and its subsidiaries

Consolidated Notes to the financial statements
For the period ended June 30, 2019

1. Corporate information

1.1 Reporting entity

Navana CNG Limited (the Company) was incorporated in Bangladesh as private company on April 19, 2004 vides 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 is conversion of petrol and diesel driven vehicles to Compressed Natural Gas (CNG) driven vehicles, CNG 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 is to manufacture polymer, plastic, PVC, Poly Ethylene, pipes, tubes, conduits, fittings for house hold, 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 is 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 # C-125694 dated September 13, 2015 with registrar of Join Stocks Companies & Firms, Dhaka, Bangladesh under the Companies Act 1994, as a subsidiary with 99.99% share owned by Navana LPG 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 also LPG, LNG, LPG, Propone, Oxygen, nitrogen, acetylene, nitrous, Oxide, Medical and commercial Oxygen and other allied gases. The register office is situated at Islam Chamber (4th Floor), 125/A, Motijheel C/A, Dhaka-1000, Bangladesh. The Company has started its commercial operation from November , 2017



2. Significant accounting policies and basis of preparation of the financial statements

2.1 Corporate financial statements and reporting

The financial statements comprise statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows, notes and explanatory materials covering accounting policies.

These financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, the Securities and Exchanges Rules 1987 and other applicable laws, rules & regulations and the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as well as those standards, disclosures recommended by IASs and as applicable to this Company.

The Board of Directors is responsible for preparing and presenting the financial statements including adequate disclosures, which approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Accounting Standards (IASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period. Due to the inherent uncertainty involved in making estimates, actual result reported could differ from those estimates.

2.2 Reporting period

The period of the financial statements covers from July 01, 2018 to June 30, 2019.

2.3 Functional and presentational (reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the Company's functional currency.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. The consolidated financial statements comprise consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and consolidated notes and explanatory materials covering accounting policies.

2.5 Principal accounting policies

The specific accounting policies selected and applied by the Company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

2.6 Significant accounting estimates and judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Income taxes

The Company has exposure to income taxes in Bangladesh. Significant judgment is involved in determining the Company-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected tax issues based on estimates of additional taxes that might be due. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Company has enjoyed tax holiday up to April 2009 and accordingly necessary provisions has been made for Tax holiday period.

(ii) Depreciation of machinery and equipment

The costs of machinery and equipment for the manufacturing activities are depreciated on a written down value basis over the useful lives of the machinery. Management estimates the useful lives of the plant and equipment. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

2.7 Regulatory and legal compliance

The Company complied with requirement of the following regulatory and legal authorities:

The Companies Act, 1994;

The Securities and Exchange Rules, 1987;

The Securities and Exchange Ordinance, 1969;

The Income Tax Ordinance, 1984;

The Value Added Tax Act, 1991; and

The rules and regulations of Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., and Central Depository Ltd.



2.8 Foreign currency

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the date of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.9 Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. Financial assets are recognized on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

A financial asset is derecognized where the contractual rights to receive cash flows from the asset have expired. On de-recognition of a financial asset, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognized directly in equity is recognized in the income statement.

All Purchases and sales of financial assets are recognized or derecognized on the trade date, i.e. the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concern.

2.10 Impairment of financial assets

The Company assesses at each date of statement of financial position whether there is any objective evidence that a financial asset or the group of financial assets is impaired.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset. To determine whether there is objective evidence that an impairment loss on financial assets has been incurred; the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date. The amount of reversal is recognized in the income statement.

2.11 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows are discounted to their present value

using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the income statement as 'impairment losses'.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses recognized for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the income statement. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.12 Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Petrol and diesel vehicle conversion services

Revenue on petrol and diesel vehicle conversion services is recognized, net of Vat where applicable upon the completion of the conversion of vehicles to run on either the Bi-Fuel system or the CNG Fuel System and the delivery of the converted vehicles to the vehicle owners.

(b) Sale of CNG

Revenue from sale of CNG is recognized upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognized to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(c) Dividend

Dividend income is recognized when the Company's right to receive payment is established.

(d) Other revenues

Other revenues are recognized when services are rendered and bank interests are earned.

2.13 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Land has an unlimited useful life and therefore is not depreciated. Depreciation of an asset is computed on a reducing balance method over the estimated useful life of the asset as follows:

Items	Rate of depreciation
Land and land development	Nil
Buildings & Shed	10%
Plant and machinery	10%
Cylinder	10%
Tools & Equipment	10%
Furniture & Fixtures	10%
Electrical equipment	10%
Office equipment	10%
Vehicles	10%

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arises on derecognition of the asset is included in the income statement in the year the asset is derecognized.

2.14 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for as follows:

Raw materials: purchase costs on a weighted average basis;

Finished goods and work-in-progress: costs of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Provision is made if necessary, for obsolete and slow-moving item.

2.15 Cash and cash equivalents

Cash in hand and cash at banks have been considered as cash and cash equivalents for the preparation of these financial statements, which were held and available for use by Company without any restriction and there was insignificant risk of changes in value of the same.

2.16 Income taxes

(i) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of statement of financial position.

(ii) Deferred tax

Deferred income tax is provided using the deferred method on temporary differences. Deferred tax assets and liabilities are recognized for all temporary differences, except:

Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;

In respect of temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future; and

In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax credits and unused tax losses can be utilized.

(iii) Value added tax

Revenues, expenses and assets are recognized net of the amount of Value Added Tax except:

Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.17 Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.18 Financial liabilities

Financial liabilities are recognized on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are recognized initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs. Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest method, except for derivatives, which are measured at fair value.

A financial liability is derecognized when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognized in the income statement when the liabilities are derecognized or impaired, and through the amortization process. Any gains or losses arising from changes in fair value of derivatives are recognized in the income statement. Net gains or losses on derivatives include exchange differences.

2.19 Borrowing costs

In compliance with the requirements of IAS 23 "Borrowing Costs" borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or

sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

2.20 Leases

Finance leases, which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalized. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lesser is recognized as a reduction of rental expense over the lease term on a straight-line basis.

2.21 Employees' benefits

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they accrue to employees. The estimated liability for leave is recognized for services rendered by employees up to the date of statement of financial position.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer.

Workers Profit Participation Fund

Provision for Workers Profit Participation Fund (WPPF) and Worker Welfare Fund (WWF) has been made @ 5% on net profit as per provision of The Bangladesh Labor Law, 2006 and payable to workers as defined in the said law.

2.22 Related Party Disclosure

During the period, The Company carried out a number of transactions with related parties in the normal course of Business. The name of the related parties, Nature of transaction and transaction value have been set out in accordance with the provisions of IAS 24: Related Party Disclosure are as follows:

SI	Name of related Party	Relationship	Nature of Transaction	Outstanding Receivable / (Payable)
01	Loan from Chairman	Director	Interest free loan	(325,117,526)
02	Aftab Automobiles Limited	Alliance Companies	Interest free loan	(28,000,230)
03	Navana Limited	Alliance Companies	Interest free loan	(299,499,677)
04	Navana Construction	Alliance Companies	Interest free loan	(38,884,000)
05	Navana Furniture Ltd.	Alliance Companies	Interest free loan	5,000,000
06	Navana Electronics Ltd.	Alliance Companies	Interest free loan	10,000,000
07	Navana Real estate Limited	Alliance Companies	Interest free Loan	(292,570,000)
08	Board meeting fee	Director	Fee	784,000

2.23 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Company. Contingent liabilities and assets are not recognized on the statement of financial position of the Company.

2.24 Earnings per share**Basic earnings per share**

Basic earnings per share have been calculated in accordance with BAS-33 "Earnings per Share" which has been shown on the face of the income statement. This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under review.

2.25 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material

2.26 Comparative figure

Comparative information has been disclosed in respect of the year June 30, 2018 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements presentation.

2.27 Reclassification

As per the decision made by Board of directors the subordinate capital is reclassified as dues to Director.

2.28 General

Figures appearing in these financial statements have been rounded off to the nearest taka. Previous year's figures whenever considered necessary have been re-arranged in order to confirm to current year presentation.

2.29 Corporate Accounting Standards Practiced

The following IASs are applicable to the financial statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant And Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRS 1	International Financial Reporting Standards
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 15	Revenue from Contracts with Customers
IFRS 10	Consolidated Financial Statements



Navana CNG Limited and its subsidiaries

Notes to the financial statements

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
3	Consolidated Property, plant and equipment, net		
	Land and land develop.	1,119,098,289	1,119,098,289
	Building & Shed	1,058,825,286	1,095,540,763
	Plant & Machinery	2,119,209,036	1,837,081,311
	Cylinder	2,090,242,614	1,273,872,391
	Tools & equipment	115,476,170	111,999,529
	Furniture & fixtures	16,983,734	17,986,757
	Electrical equipment	20,349,972	22,195,233
	Office equipment	5,629,296	5,813,214
	Vehicles	150,531,923	129,674,548
		6,696,346,320	5,613,262,035
	*An elaborate schedule of PPE are shown in annexure -A.		
4	Intangible Assets		
	Software System	17,936,289	19,189,021
		17,936,289	19,189,021
	*An elaborate schedule of PPE are shown in annexure -B.		
5	Capital work in progress		
	Opening Balance	1,607,886,756	3,455,262,078
	Add: Addition during the year	726,726,042	1,575,958,974
		2,334,612,798	5,031,221,052
	Less: Transfer to Property, plant and equipment	1,065,498,922	3,423,334,296
	Closing Balance	1,269,113,876	1,607,886,756

Capital Work in progress represents land and land development , civil construction, plant and mechineries etc for LPG project and land and land development, civil construction, Plant and mechineries etc for BMRE project of Navana Engineering Ltd. Baligoan at Kalligonj.

6 Long-term security deposit

PDBF	5,056	5,056
Titas Gas T&D Co., Ltd.	27,943,610	31,441,963
Pashchimanchal Gas Co.	2,650,741	2,650,741
Dhaka Electricity Supply Co., Ltd.(DESCO)	148,752	150,000
Dhaka Electricity Supply Authority (DESA)	270,000	270,000
Jalalabad Gas Co., Ltd.	1,299,297	1,299,297
Dhaka Palli Budyut Samity(PBS- 1)	658,444	257,120
Delta life Insurance Co., Ltd	10,000	10,000
Roads & Highway	190,350	190,350
North South University	16,143	16,143
Uttara Bank Limited	-	39,130
Standard Bank Ltd.	745,038	745,038
Bangladesh Telecom	10,000	10,000
UCEP	338,000	338,000
Dhaka Metropolitan Police	147,331	147,331
Mobile Com	22,000	22,000
Road Cutting	37,106	37,106
PDB	1,104,225	311,025
DPDC Limited	240,000	-
Narayangonj Palli Bidut samity-02	500,000	-



Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
	Cox's Bazar Polly Biddut samity	392,000	-
	Polli-Bidyut Somity-Bagerhat	5,028,094	5,028,094
	Mongla port authority	5,399,998	5,399,998
	Desco- Nikunja	400,000	400,000
		47,556,185	48,768,392

7 Consolidated Investment in shares

Particulars	Number of shares held	Market value as on 30/06/19	Market value as on 30/06/18
Lafarge Surma Cement Ltd.	21,000	833,700	1,184,400
Aftab Automobiles Ltd.	119,834	2,755,583	6,315,252
National Bank Ltd. Square	10,714	-	141,100
Titas Gas	33,840	-	10,662,392
Jamuna Oil	38,105	-	1,524,200
Padma Oil	1,540	-	286,594
	1,100	-	252,560
Total	226,133	3,589,283	20,366,498

The above Investment in Marketable Securities that are designated as available for sale by the management. These are measured at fair Value and presented as non-current asset and unrealized gain/ (loss) from the above investment are recognized as other comprehensive income.

8 Consolidated Inventories

Raw materials	722,223,142	907,428,392
Work in process	68,186,804	45,563,140
Finished Goods	1,044,022,816	774,154,583
Spare Parts	3,334,765	1,163,309
Fuel	374,016	307,589
Stock in transit	138,180,294	176,432,139
	1,976,321,837	1,905,049,152

09 Consolidated Accounts receivable

Tejgaon CNG Conversion Center	9,165,836	11,918,777
Kallyanpur CNG Conversion Center	5,669,139	3,992,256
Dipnagar Diesel Conversion Center	10,680,099	7,572,692
Chittagong CNG Conversion Center	2,057,717	2,193,089
Sylhet CNG Conversion Center	3,193,643	3,167,089
Cylinder Testing Unit	905,180	483,546
Enginerring Workshop	-	759,701
Kalurghat CNG Conversion Center	848,061	1,349,074
Kalurghat CRT	147,913	169,136
Uttara CNG Conversion Center	1,839,053	1,604,708
Bogra CNG Conversion Center	240,638	240,638
Palton CNG Conversion Center	1,875,012	1,025,329
Auto repair & services- Kally-Dhaka	19,285,616	18,895,615
Auto repair & services- Kalurghat-CTG	897,942	1,428,349

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
	Denso CNG Station	6,812,850	6,059,399
	Binimoy CNG Station	11,254,050	11,212,591
	Sylhet CNG Station	699,999	690,413
	Sylhet CNG Station-2	26,344	31,162
	Station Technical Department Sylhet	2,143,997	1,058,979
	Station Technical Department CTG	11,574,738	12,759,978
	Station Technical Department Dhaka	41,263,485	35,343,836
	Station Maintance Department -CTG	(161,198)	52,992
	PRS Departmrnt	1,584,265	10,500,804
	Engineering service department	566,105	549,505
	Baipail CNG Station	1,300,846	861,867
	Bogra CNG Station	7,357	41,991
	Leguna CNG Station	23,176	34,911
	Sitakundu CNG Station	106,261	319,956
	S.H. Khan CNG Station	-	84,158
	B.O.C CNG Station	16,686	17,621
	Kwality CNG Station	315,667	584,008
	Abdullah CNG Station	-	(104,608)
	Bhoirab CNG Station	38,855	116,916
	Elenga Station CNG Station	259,248	400,182
	United CNG Station	8,684	10,365
	Jogajog CNG Station	899,965	1,653,573
	Sonarbangla CNG Station	5,675,839	4,954,901
	Cox's Bazar station	5,259	-
	Chokoria Station	2,605	-
	Mymensing Zone	42,587,031	7,980,984
	Chittagonj Zone	24,826,212	22,167,419
	Khulna Zone	27,848,194	9,400,922
	Gazipur Zone	20,334,302	12,357,897
	Sylhet Zone	20,025,803	9,031,768
	Dhaka Zone	35,088,095	22,205,246
	HDPE	37,891,740	61,848,851
	PPR	14,789,552	17,590,727
	Tender	1,863,973	2,837,770
	Navana Real state ltd.	20,364,347	8,029,017
	Navana Construction limited	11,861,269	-
	Navana Batteries limited	6,211,200	-
	Sylhet Zone	1,617,729	1,329,359
	Jessore Zone	4,863,140	5,716,243
	Dhaka South zone	10,420,610	11,046,446
	Dhaka North zone	5,780,548	5,202,281
	Rajshahi Zone	22,269,475	8,972,086
	Rangpur Zone	698,672	1,254,416
	Chitta. South Zone	4,666,488	6,092,922
	Chitta. North Zone	3,550,796	4,781,266
	Barishal Zone	34,502,482	19,324,155
	Corporate Customer	88,216,027	48,530,331
	Channel Partners & Distribution	122,069,053	-
	Customers for Scrap & Painting service	1,400,921	-
	Others Customer	15,905,186	-
		720,883,777	427,735,605

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
10	Consolidated Advances, deposits & pre-payments		
	Advance against leasehold land	23,201,624	15,943,624
	Advance against local procurement	52,261,899	54,509,097
	Bank guarantee margin	36,937,291	38,167,575
	Security deposit	1,906,792	2,154,887
	Advance Income Tax	276,205,115	171,771,539
	Jakshon international Ltd.	251,031	251,031
	Vat Current Account	14,090,462	20,220,689
	Advance for Rent	21,132,274	19,021,318
	Advance for Tender	1,045,410	1,045,410
	Earnest Money & Security Deposit	1,580,300	1,380,300
	Clearing & forwarding agent	1,351,023	1,351,023
	Rose vally International	340,470	340,470
	Advance to Suppliers	79,113,439	59,467,727
	Security Deposit Bangladesh Railway	892,985	892,985
	Advance against Employee	3,371,676	7,752,514
	LC Margin for machinery	238,758,239	161,872,238
	Advance to others	73,799,418	106,912,375
	LP Gas Ltd.	-	1,200,000
	Advance against civil construction	37,812,350	-
		864,051,799	664,254,803
11	Consolidated Cash & bank balances		
	Cash in hand	17,356,185	59,187,933
	Cash at banks : 11.01		
	Fixed deposit receipt (FDR)	96,212,429	92,839,203
	Bank Balances	121,453,856	81,587,032
		235,022,470	233,614,168
11.01	Cash at bank balances consists of:		
	Fixed deposit receipt (FDR) :		
	Mercantile Bank Ltd. (FDR)	34,209,158	32,279,244
	Mutual Trust Bank Ltd. (FDR)	-	4,861,497
	Standard Bank Ltd. (FDR)	7,163,208	6,945,133
	Shahjala Islami Bank Ltd. (FDR)	33,448,097	28,388,783
	State Bank of India (FDR)	21,391,966	20,364,546
		96,212,429	92,839,203
	Cash at bank balances consists of:		
	Bank Balances :		
	AB Bank Ltd.	639,460	961,735
	Bank Alfalah Ltd.	7,563	8,713
	Al-Arafah Bank Ltd.	109,788	109,238
	Bank Asia Ltd.	11,091,592	4,586,306
	Brac Bank Ltd.	852,746	594,037
	Dhaka Bank Ltd.	275,957	1,160,598
	Dutch Bangla Bank Ltd.	34,734,757	16,283,980
	IFIC Bank Ltd.	398,244	842,946
	Jamuna Bank Ltd.	77,749	363,558
	Mutual Trust Bank Ltd.	14,675,858	16,370,417
	National Bank Ltd.	939,151	690,472
	NCC Bank Ltd.	105,372	571,328
	Prime Bank Ltd.	73,339	1,161,391

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
	Pubali Bank Ltd.	2,053,385	3,076,981
	Rupali Bank Ltd.	1,160	421,031
	Shahjalal Islami Bank Ltd.	11,986,016	7,221,760
	Social Investment Bank Ltd.	40,912	42,062
	Southeast Bank Ltd.	300,307	2,866,138
	Standard Bank Ltd.	1,041,264	131,638
	Standard Chartered Bank	180,193	184,218
	Uttara Bank Ltd.	604,968	2,188,641
	Mercantile Bank Ltd.	421,695	1,699,455
	One Bank Ltd.	53,030	292,599
	Trust Bank Ltd.	2,368,170	367,291
	Islami bank Bd.ltd	3,182,364	7,224,275
	Modhumoti Bank Ltd.	976,679	978,329
	Sonali Bank Ltd.	1,704,993	1,502,627
	United Commercial Bank Ltd	1,622,976	891,863
	City Bank Ltd.	29,118,453	8,355,482
	State Bank of India	1,168,746	437,923
	NCC Bank Ltd.	98,870	-
	Rupali Bank Ltd.	30,000	-
	Agrani bank ltd.	488,099	-
	Bangladesh Commerce Bank Ltd.	20,000	-
	First Security islami Bank Ltd.	10,000	-
		121,453,856	81,587,032

12 Share capital

Authorized capital:

(150,000,000 Ordinary Shares @ Tk. 10 each)

1,500,000,000

1,500,000,000

Issued, Subscrib

(68,528,592 Ordinary Shares @ Tk. 10 each)

685,285,920

685,285,920

Date	No. of Shares	Particulars	Share capital 30.06.2019	Share capital 30.06.2018
19.04.2004	10,000	Subscription @ Tk. 100 each	1,000,000	1,000,000
10.11.2004	250,000	Cash Allotment @ Tk. 100 each	25,000,000	25,000,000
25.04.2005	250,000	Cash Allotment @ Tk. 100 each	25,000,000	25,000,000
30.12.2007	490,000	Cash Allotment @ Tk. 100 each	49,000,000	49,000,000
08.02.2009	20,000,000	Ordinary shares @ Tk. 10 each issued as bonus	200,000,000	200,000,000
20.05.2009	6,300,000	Ordinary shares @ Tk. 10 each issued as bonus	63,000,000	63,000,000
26.07.2010	7,260,000	Ordinary shares @ Tk. 10 each issued as bonus	72,600,000	72,600,000
09.10.2011	6,098,400	Ordinary shares @ Tk. 10 each issued as bonus	60,984,000	60,984,000
07.10.2012	7,448,760	Ordinary shares @ Tk. 10 each issued as bonus	74,487,600	74,487,600
06.10.2013	11,421,432	Ordinary shares @ Tk. 10 each issued as bonus	114,214,320	114,214,320
			685,285,920	685,285,920

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
	Shareholding position:		
	Class of shareholders	Number of share hold	Share holding %
			2019
			2018
			30.06.19
			30.06.18
	Sponsors	29,116,427	42.49%
	General public	20,154,481	29.41%
	Institutional investors	19,257,684	28.10%
	Total	68,528,592	100%
			100%

Classification of shareholders:			
Particulars	Number of Shares	% of Share Holdings 30.06.19	% of Share Holdings 30.06.18
1 to 500	1,428,538	2.08%	2.14%
501 to 5000	6,081,749	8.87%	8.17%
5001 to 10000	2,324,448	3.39%	3.38%
10001 to 20000	2,007,983	2.93%	3.15%
20001 to 30000	1,042,903	1.52%	2.33%
30001 to 40000	826,229	1.21%	2.34%
40001 to 50000	887,294	1.29%	1.72%
50001 to 100000	1,970,951	2.88%	4.31%
100001 to 1000000	14,952,695	21.82%	20.45%
Above 1000000	37,005,802	54.00%	52.01%
Total	68,528,592	100%	100%

13 Consolidated Retained earnings		
Opening balance	1,513,465,471	1,393,966,136
Less: Adjustment for AFS Reserve	-	(874,703)
Add: Total Comprehensive Income for the year	88,475,729	179,492,286
	1,601,941,200	1,572,583,719
Less: payment cash/Stock dividend	(82,234,310)	(59,118,248)
Closing balance	1,519,706,890	1,513,465,471
14 Consolidated Long Term Loan		
City Bank Limited, Gulshan Avenue Br.	2,977,697,541	2,853,692,623
Shahjalal Islami Bank Ltd.	868,199,420	713,086,786
One Bank Limited, Gulshan Br.	1,005,117,720	747,109,911
Mutual Trust Bank limited	19,558,285	-
Standard Bank Limited	97,694,645	-
Dues to Director (Mr.SHafiul Islam, chairman)	325,117,526	325,117,526
	5,293,385,137	4,639,006,846
Less: Long Term Loan- Current portion	829,125,800	605,810,654
Long Term Loan-Net of current portion	4,464,259,337	4,033,196,192
15 Consolidated Short-term loans		
Shahjalal Islami Bank Ltd.	939,280,317	570,728,529
Standard Bank Ltd.	-	124,513,544
One Bank Ltd.	668,182,797	854,747,006
State Bank of India	6,553,616	-
City Bank Ltd.	462,766,012	331,094,456
Mutual Trust Bank Limited, Principal Br.	-	32,885,125
	2,076,782,742	1,913,968,660

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
16	Consolidated Provision for income tax		
	Navana CNG Limited	22,224,480	17,173,833
	Navana Welding Electrode Limited	58,392,153	37,717,536
	Navana Engineering Limited	117,713,003	112,661,892
	Navana LPG Limited	21,478,927	3,399,813
		219,808,563	170,953,073
17	Consolidated Payables and accruals		
	Navana CNG Limited	145,544,229	239,613,080
	Navana Engineering Limited	51,268,342	39,628,986
	Navana Welding Electrode Limited	13,558,430	10,423,873
	Navana LPG Limited	81,877,550	52,933,234
		292,248,551	342,599,173
18	Consolidated Revenue-net		
	Navana CNG Limited	1,576,775,713	1,672,738,735
	Navana Engineering Ltd.	777,913,306	1,403,614,715
	Navana Welding Electrode Ltd.	518,744,052	402,381,221
	Navana LPG Limited	3,013,185,645	566,635,442
		5,886,618,716	4,045,370,113
<p>The total sales revenue of the CNG and its subsidiaries increased significantly. Out of which 51.19% of sales revenue from LPG business.</p>			
19	Consolidated Cost of sales		
	Navana CNG Limited	1,192,351,760	1,263,063,130
	Navana Engineering Limited	527,949,775	964,814,579
	Navana Welding Electrode Limited	390,438,853	307,888,158
	Navana LPG Limited	2,482,175,156	473,375,596
		4,592,915,543	3,009,141,464
	Raw materials Consumed	4,358,051,052	3,050,002,870
	Add : Direct cost	19,900,652	22,731,415
	Add: Factory overhead	507,455,736	313,692,801
	Cost of Production	4,885,407,440	3,386,427,086
	Add: Opening WIP	45,563,140	64,435,702
		4,930,970,580	3,450,862,788
	Less: Closing WIP	68,186,804	45,563,140
	Cost of goods manufacture	4,862,783,776	3,405,299,648
	Add: opening stock of finished goods	774,154,583	377,996,399
		5,636,938,359	3,783,296,047
	Less: Closing stock of finished goods	1,044,022,816	774,154,583
	Cost of Goods sold	4,592,915,543	3,009,141,464
19.01	Opening stock of raw materials	907,428,392	708,385,526
	Opening stock of raw Cylinder	-	57,836,423
	Add: Purchase for the year	3,103,036,722	2,003,512,992
	Add: Cost of CNG sales	1,069,809,080	1,187,696,321
		5,080,274,194	3,957,431,262
	Less: Closing stock of raw materials	722,223,142	907,428,392
	Raw material consumed	4,358,051,052	3,050,002,870

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
20	Consolidated Administration and selling expense		
	Salary & allowances	279,735,531	289,953,518
	Vehicle maintenance	3,944,666	5,001,102
	Electricity bill	4,328,079	4,542,835
	Rental expense	9,674,850	5,566,020
	Telephone & mobile expense	5,602,456	5,669,549
	Conveyance	7,305,268	9,499,822
	CDBL & Annual listing fee	791,286	791,286
	Electrical expense	85,731	1,242,964
	Entertainment	6,494,417	8,644,126
	Labor charge	2,587,145	1,987,506
	Board meeting attendance fee	784,000	415,000
	Medical expense	187,103	142,490
	Carrying charge	1,799,439	184,649
	Distribution expenses	63,599,323	4,877,260
	Mineral water	635,643	597,205
	Annual general meeting expenses	115,375	212,000
	Miscellaneous expense	1,041,648	706,345
	Newspaper & periodicals	253,605	324,825
	Office maintenance	3,421,125	4,436,763
	Audit fees	460,000	402,500
	Oil , Gas & lubricants	11,437,297	11,282,792
	Photocopy expense	91,150	55,697
	Postage , Courier & stamp	475,366	489,296
	Security guard exp.	4,701,808	4,666,400
	Uniform & liveries	53,939	186,232
	Printing expense	2,110,358	5,785,009
	Stationary expense	1,688,471	1,817,951
	Registration & renewals	10,699,372	5,949,797
	Travelling expense	5,941,765	3,871,339
	Bank charge	4,443,519	3,334,932
	Internet bill	2,733,200	2,884,780
	Gas Bill	28,800	29,700
	Utility & service charge	1,704,650	590,131
	Transport Expenses	2,993,191	4,832,222
	Advertisement	18,043,868	1,510,000
	Repair & Maintenance	5,391,215	3,989,593
	Fuel, gas & Toll Expenses for mobile lory	8,854,768	9,125,490
	Bad debts	312,215	214,461
	Missing of cash fund	16,052,478	-
	Other interest expenses	2,622,279	-
	Insurance	1,472,768	-
	Business promotional expenses	6,556,814	-
	Depreciation	128,694,941	78,947,581
	Amortization	392,046	342,597
		630,342,969	485,103,764
21	Consolidated Interest expenses		
	Navana CNG Limited	9,239,195	8,045,190
	Navana Engineering Limited	158,842,847	134,985,653
	Navana Welding Electrode Limited	11,603,155	6,585,468
	Navana LPG Limited	444,529,785	120,004,846
		624,214,982	269,621,157



Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
22	Consolidated Other income		
	Navana CNG Limited	7,663,601	1,458,627
	Navana Engineering Limited	2,694,630	302,910
	Navana Welding Electrode Limited	4,171,095	3,226,826
	Navana LPG Limited	-	-
		14,529,326	4,988,363
23	Consolidated Income tax expense		
	Current tax 23.01	70,971,861	83,352,901
	Deferred tax	(115,809,947)	5,066,471
		(44,838,087)	88,419,372
23.01	Current tax		
A.	Income Tax on Regular Tax		
	Profit Before Tax	190,648,075	366,098,281
	Add. Disallowable Depreciation	144,320,922	135,809,741
		334,968,998	501,908,022
	Less: Allowable Depreciation	233,540,802	242,655,640
		101,428,196	259,252,382
	Less: Gain on disposal of assets separation	5,992,724	-
	Less: capital Gain on sale of Share	2,694,630	-
	Add: Unabsorbed Depreciation	71,401,932	-
		164,142,774	259,252,382
	Current tax	46,942,727	79,953,088
	Gain on disposal of assets	5,992,724	-
	Tax @15% On Gain on disposal	898,909	-
	Current tax	47,841,636	79,953,088
B.	Minimum Tax (which is higher)	23,130,225	3,399,813
	Total Current Tax (A+B)	70,971,861	83,352,901
23.02	Deferred tax		
	Deferred tax for temporary difference of PPE		
	Accounting Base WDV	6,714,282,607	5,437,975,163
	Tax Base WDV	6,611,171,790	5,076,065,938
	Temporary difference	103,110,816	361,909,225
	Less: Unabsorbed Depreciation	(71,401,932)	-
	Taxable temporary difference	31,708,884	361,909,225
	Tax rate 25% & 35% respectively	-	-
	Closing Deferred tax liabilities	(8,636,310)	107,173,638
	Opening Deferred tax liabilities	107,173,638	102,107,167
	Current deferred tax income during the year	(115,809,947)	5,066,471
24	Earnings per share (EPS)		
		Profit Attributable to shareholders	
		Number of ordinary shares	
	Profit attributable t	88,473,588	179,489,013
	Number of ordinary shares used to compute	68,528,592	68,528,592
	Earnings per share	1.29	2.62

The total sales revenue of the CNG and its subsidiaries increased significantly. Out of which 51.19% of the sales revenue from LPG operation, at present which is running at loss due to initial operational stages. This result is decrease in EPS compare to Last year's.

Notes No.	Particulars	Amount in Taka	
		June 30, 2019	June 30, 2018
25	Net assets value per share (NAVPS)	Total Asset - Total Liabilities Number of ordinary shares	
	Net asset value	2,423,659,781	2,422,235,855
	Number of ordinary shares used to compute	<u>68,528,592</u>	<u>68,528,592</u>
		<u>35.37</u>	<u>35.35</u>
26	Net operating cash flows per share (NOCFPS)	Net operating cash flow Number of ordinary shares	
	Net operating cash flows	576,585,926	60,213,926
	Number of ordinary shares used to compute	<u>68,528,592</u>	<u>68,528,592</u>
	Net operating cash flows per share	<u>8.41</u>	<u>0.88</u>
	Signification difference in NOCFPS in between current year's and last year's is due to increase of revenue collection from of LPG business.		
27	Reconciliation of cash flows from operating activities under indirect method:		
	Net profit/Loss before interest & income tax during the year	671,317,812	
	Adjustment to recocile net income to net cash provided by operating activities:		
	Depreciation	492,339,211	
	Income tax paid	(126,549,948)	
	Changes in current assets and liabilities:		
	Decrease/ (increase) in inventories	(71,272,685)	
	Decrease/ (increase) in advance and prepayments	(19,677,419)	
	(Decrease)/ increase in payables & accruals	(76,422,872)	
	Decrease/ (increase) in trade receivable	(293,148,172)	
	Net cash flow from operating activities	<u>576,585,926</u>	

28 Re-arrangement/reclassification

The bills payable was previously shown as bills payable under " current liability". But the transaction that it should be shown as short term loan under " current liability". As such, been rearranged/ reclassified from bills payable to short term loan.

Navana CNG Limited and its subsidiaries

Schedule of Property, plant and equipment
As at 30 June 2019

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value at 30.06.2019
	As at 01.07.2018	Addition dur. the Year	Adjustment / Disposal during the year	As at 30.06.2019		As at 01.07.2018	Charged dur. the Year	Adjustment / Disposal during the year	As at 30.06.2019	
Land and land develop.	1,119,098,289	-	-	1,119,098,289	0%	-	-	-	-	1,119,098,289
Building & Shed	1,258,670,786	73,163,850	2,067,643	1,329,766,993	10%	109,652,650	1,840,966	270,941,706	1,058,825,286	
Plant & Machinery	2,372,213,808	477,771,643	16,181,723	2,833,803,728	10%	190,981,531	11,519,336	714,594,692	2,119,209,036	
Cylinder	1,318,367,288	976,721,823	-	2,295,089,111	10%	160,351,601	-	204,846,497	2,090,242,614	
Tools & equipment	170,634,259	15,441,081	2,751,046	183,324,294	10%	11,392,062	2,178,668	67,848,124	115,476,170	
Furniture & fixtures	30,002,399	849,002	106,501	30,744,900	10%	1,820,481	74,957	13,761,166	16,983,734	
Electrical equipment	38,671,383	408,286	-	39,079,669	10%	2,253,547	-	18,729,697	20,349,972	
Office equipment	8,830,952	430,207	-	9,261,159	10%	614,125	-	3,631,863	5,629,296	
Vehicles	177,389,174	37,799,556	8,000,000	207,188,730	10%	13,312,981	4,370,801	56,656,806	150,531,923	
Total	6,493,878,338	1,582,585,448	29,106,913	8,047,356,873		490,378,979	19,984,728	1,351,010,552	6,696,346,320	

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value at 30.06.2019
	As at 01.07.2018	Addition dur. the Year	Adjustment / Disposal during the year	As at 30.06.2019		As at 01.07.2018	Charged dur. the Year	Adjustment / Disposal during the year	As at 30.06.2019	
Software System	21,583,632	707,500	-	22,291,132	10%	1,960,232	-	4,354,844	17,936,289	
Total	21,583,632	707,500		22,291,132		1,960,232		4,354,844	17,936,289	