



সিভিও পেট্রোক্যামিকেল রিফাইনারী লিমিটেড
CVO Petrochemical Refinery Limited

(A PUBLIC LIMITED COMPANY)



FIRST QUARTER FINANCIAL STATEMENT (UN-AUDITED)

FOR THE PERIOD ENDED 30TH SEPTEMBER 2016



সিভিও পেট্রোক্যামিকেল রিফাইনারী লিমিটেড

CVO Petrochemical Refinery Limited

(A PUBLIC LIMITED COMPANY)

CVO PETROCHEMICAL REFINERY LIMITED
STATEMENT OF FINANCIAL POSITION (Un-Audited)
AS AT 30 SEPTEMBER 2016

	Notes	30-Sep-16 Taka	30-Jun-16 Taka
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	524,931,960	531,760,014
Investment in Shares	5	5,951,343	3,366,932
Current Assets			
Inventories		5,478,850	32,956,386
Accounts Receivable	6	668,440	13,559,320
Advances, Deposits and Prepayments		35,570,963	44,237,430
Cash and Cash Equivalents	7	107,329,941	67,516,500
TOTAL ASSETS		679,931,497	693,396,582
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital		247,500,000	247,500,000
Share Premium		37,500,000	37,500,000
Tax Holiday Reserve		76,046,944	76,046,944
Fair Value Adjustment Reserve		(299,620)	(384,531)
Retained Earnings		139,870,450	146,808,248
Non-Current Liabilities			
Deferred Tax Liabilities		2,495,309	2,495,309
Current Liabilities			
Short Term Loan	8	145,492,271	150,254,117
Provision for Income Tax		9,099,144	9,099,144
Accounts Payable		187,521	2,121,483
Others Payable		22,039,478	21,955,868
TOTAL EQUITY AND LIABILITIES		679,931,497	693,396,582
NET ASSETS VALUE (NAV) PER SHARE		20.23	20.50



CVO PETROCHEMICAL REFINERY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-Audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

	Notes	30-Sep-16 Taka	30-Sep-15 Taka
Net Turnover	9	55,621,273	197,880,540
Cost of Goods Sold		(56,154,911)	(125,333,679)
Gross Profit/(Loss)		(533,638)	72,546,861
Operating Expenses:			
General and Administrative		(6,879,311)	(7,718,733)
Selling & Distribution		-	(157,360)
		(6,879,311)	(7,876,093)
Operating Profit/(Loss)		(7,412,949)	64,670,768
Other Income		475,151	29,073
Net Profit/(Loss) Before Contribution to WPPF		(6,937,798)	64,699,841
Contribution to WPPF & Welfare Fund		-	(3,080,945)
Net Profit/(Loss) Before Income Tax		(6,937,798)	61,618,896
Provision for Income Tax		-	(7,268)
Net Profit/(Loss) After Income Tax For The Period		(6,937,798)	61,611,628
Other Comprehensive Income:			
Gain on Investment in Share (Unrealized)		84,911	-
Total Comprehensive Income For The Period		(6,852,887)	61,611,628
Earnings Per Share (EPS) of Tk. 10 each (Restated -2015)		(0.28)	2.49



CVO PETROCHEMICAL REFINERY LIMITED
STATEMENT OF CHANGES IN EQUITY (Un-Audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

Amount in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Fair Value Adjustment Reserve	Retained Earnings	Total Equity
Balance as at 01 July 2016	247,500,000	37,500,000	76,046,944	(384,531)	146,808,248	507,470,661
Net Profit/(Loss) for the period	-	-	-	-	(6,937,798)	(6,937,798)
Other Comprehensive Income	-	-	-	84,911	-	84,911
Provision for Tax Holiday	-	-	-	-	-	-
Balance as at 30 September 2016	247,500,000	37,500,000	76,046,944	(299,620)	139,870,450	500,617,774

Amount in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Fair Value Adjustment Reserve	Retained Earnings	Total Equity
Balance as at 01 July 2015	198,000,000	37,500,000	36,455,020	-	89,115,995	361,071,015
Net Profit for the period	-	-	-	-	61,611,628	61,611,628
Other Comprehensive Income	-	-	-	-	-	-
Provision for Tax Holiday	-	-	15,397,456	-	(15,397,456)	-
Balance as at 30 September 2015	198,000,000	37,500,000	51,852,476	-	135,330,167	422,682,643

CVO PETROCHEMICAL REFINERY LIMITED
STATEMENT OF CASH FLOWS (Un-Audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

	30-Sep-16	30-Sep-15
	Taka	Taka
A. CASH FLOW FROM OPERATING ACTIVITIES		
Cash Received From Customers	68,512,153	175,029,169
Cash Received From Other Income	425,451	29,073
Payment to Suppliers and Employees	(14,452,088)	(111,746,034)
Payment for Other Expenses	(6,280,611)	(6,617,314)
Net Cash Provided From Operating Activities	48,204,905	56,694,894
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(1,059,085)	(9,950,613)
Investment in Shares	(2,499,500)	(3,776,178)
Dividend Received	49,700	-
Net Cash Provided From/(Used in) Investing Activities	(3,508,885)	(13,726,791)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Loan Paid	(4,761,846)	(8,465,647)
Dividend Paid	(120,733)	(23,214)
Net Cash Provided From/(Used in) Financing Activities	(4,882,579)	(8,488,861)
Net Increase in Cash and Cash Equivalents (A+B+C)	39,813,441	34,479,242
Cash and Cash Equivalents at the Beginning	67,516,500	162,817,503
Cash and Cash Equivalents at the End	107,329,941	197,296,745
Net Operating Cash Flow Per Share of Tk. 10 each (Restated -2015)	1.95	2.29

CVO PETROCHEMICAL REFINERY LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

1.00 Legal Form Of Company

Chittagong Vegetable Oil Industries Limited (CVO) was incorporated on 9th December 1984 with the Registrar of Joint Stock Companies & Firms in Bangladesh under the Companies Act 1913 as a private company limited by shares. Subsequently, the Company converted to “Public Company” limited by shares vide special resolution passed in the extra ordinary general meeting held on 3rd February 1988. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). Under provision of Section 11(7) of Companies Act 1994 (Act. XVII of 1994), and under order of Government of Bangladesh conveyed by their ref. no-201078974, Chittagong vegetable Oil Industries has been renamed as CVO Petrochemical Refinery Ltd. vide certificate no. 937 dated. 29.07.2010 of the Registrar of Joint Stock Companies & Firms.

2.00 Principal Activities and Nature of Business

The Company is engaged in the production and sale of fuel like Motor Sprit (MS), Mineral Turpentine (MTT) and various kinds of Solvent produce from Natural Gas Condensate. Raw Material Natural Gas Condensate is procured available from various Gas Fields of Bangladesh and also its finished products are sold to Govt. of Bangladesh, Local Paint Industries and to the local buyers.

3.00 Basis of preparation of the Interim Financial Statements

These Quarterly Financial Statements should be read in conjunction with the Annual Financial Statements as on June 30, 2016 as they provide an update position to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The Financial Statements have been prepared in accordance with the International Accounting Standards (IAS 34). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements.

**4.00 Property, Plant & Equipment****At Cost**

Balance as at 01 July	633,933,232	622,741,415
Add: Addition during the period	1,059,085	11,191,817
	<u>634,992,317</u>	<u>633,933,232</u>
Less: Adjustment/Disposal during the period	-	-
Balance as at 30 September	<u>634,992,317</u>	<u>633,933,232</u>
Accumulated Depreciation		
Balance as at 01 July	102,173,218	68,683,399
Add: Addition during the period	7,887,139	33,489,819
	<u>110,060,357</u>	<u>102,173,218</u>
Less: Adjustment/Disposal during the period	-	-
Balance as at 30 September	<u>110,060,357</u>	<u>102,173,218</u>
Written Down Value as at 30 September	<u>524,931,960</u>	<u>531,760,014</u>

5.00 Investment In Shares

Investment in Shares at Cost Price	6,250,963	3,751,463
Less: Unrealized Loss	(299,620)	(384,531)
Investment in Shares at Market Price	<u>5,951,343</u>	<u>3,366,932</u>

6.00 Accounts Receivables

Meghna Petroleum Ltd.	-	12,890,880
M/S. N.S. Enterprise	668,440	668,440
	<u>668,440</u>	<u>13,559,320</u>

7.00 Cash and Cash Equivalents

Cash in hand	107,467	107,467
Cash at Banks:		
AB Bank Ltd.,Chawkbazar Br. Ctg.(SND A/C)	17,014,599	15,438,989
Islami Bank (BD) Ltd., Muradpur Br, Ctg.(FDR A/C)	15,374,506	14,992,500
Prime Bank Ltd., Muradpur Br, Ctg.(SND A/C)	8,933,747	14,454,480
Exim Bank Ltd, CDA Avenue Br. Ctg.(CD A/C)	775,857	9,369,498
Sonali Bank Ltd.,Panchlaish Br. Ctg. (SND A/C)	50,979,695	6,917,555
Dutch -Bangla Bank Ltd., Muradpur Br. Ctg.(STD A/C)	12,882,230	5,264,165
Jamuna Bank Ltd., Khatungonj Br. Ctg.(SND A/C)	651,077	651,077
Islami Bank (BD) Ltd.,Muradpur Br, Ctg.(CD A/C)	175,723	177,818
Dutch -Bangla Bank Ltd., Muradpur Branch (CD A/C)	355,123	86,146
Eastern Bank Ltd., Jamal Khan Br. Ctg.(SND A/C)	68,553	45,441
NCCBL, Agrabad Br. Ctg.(CD A/C)	11,364	11,364
	<u>107,222,474</u>	<u>67,409,033</u>
	<u>107,329,941</u>	<u>67,516,500</u>

	30-Sep-16	30-Jun-16
	Taka	Taka
8.00 Short Term Loan		
M/S. Haji Md. Younus & Co.	139,864,541	143,126,617
IBBL -Quard-E-Hasana	5,627,730	7,127,500
	<u>145,492,271</u>	<u>150,254,117</u>

9.00 Net Turnover

In accordance with the provisions of the BAS-18 "Revenue"; revenue represents the invoice value of goods supplied and service provided to customers during the period. Revenue from the sale of goods is measured at fair value of the consideration received or receivable and is exclusive of VAT.

	30-Sep-16	30-Sep-15
	Taka	Taka
Turnover	64,003,516	219,934,016
Less: Loss-in-Transit	33,960	53,476
	<u>63,969,556</u>	<u>219,880,540</u>
Less: Value Added Tax	8,348,283	22,000,000
	<u>55,621,273</u>	<u>197,880,540</u>

10.00 Taxation

The Company have been allowed for enjoying Tax Holiday for five years from 2nd April 2014 to 1st April 2019 by the National Board of Revenue (NBR) vide letter No.08.01.0000.035.01.0017.2014/ 49(2) dated 15.10.2014. Accordingly, tax holiday reserve has been provided in this Interim Financial Statement.

11.00 Dividend for 2015-16

The Board of Directors on its meeting held on 23rd October 2016 recommended 25% cash dividend for the shareholders subject to approval in the ensuring Annual General Meeting for the year ended 30 June 2016.

12.00 General

- i) Figures appearing in these financial statements have been rounded off to the nearest taka.
- ii) Bracket figure denotes negative.
- iii) Sylhet Gas Fields Ltd the only Supplier of Raw material Natural Gas Condensate (NGC) suspended supply of raw material without issuing prior notice from 17.07.2016 in violation of the agreement with them. The Company filed a Writ petition no 9572 of 2016 in High Court Division of Honorable Supreme Court of Bangladesh. The Honorable High Court Division of the Supreme Court Issued a Rule Nisi on August 04, 2016 upon the Sylhet Gas Fields Limited and also directed to supply Condensate to the Company pursuant to allotment dated 30.10.2014 and 10.06.2015 within a period of 07 days from the date of receipt of the order.



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But the Sylhet Gas Fields Ltd. has submitted a Civil petition to leave to appeal no 2656 of 2016 and the Honorable Court has stayed the operation of the above order for the time being and directed another Division of High Court to dispose of the rule expeditiously.

Due to non-supply of Condensate by the Sylhet Gas Fields Ltd. the production of the Company is suspended since 17.07.2016. The Management of the Company expects to win the legal battle and resume its production at the earliest.

Company Secretary

CFO

Director

Managing Director

Chairman