

Interim Financial Statements (Un-audited)
For The First Quarter Ended September 30, 2019



किंग ब्रान्ड सिमेंट
सर्व सिमेंट अर्थात सिमेंट

Meghna Cement Mills Limited

MEGHNA CEMENT MILLS LTD.
Statement of Financial Position
Unaudited

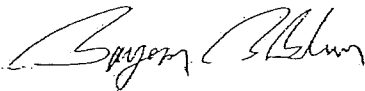
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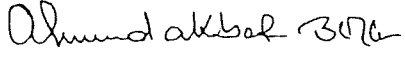
<u>Particulars</u>	<u>Notes</u>	As at 30-Sep-19	As at 30-Jun-19
ASSETS			
Non Current Assets:		4,089,298	3,865,771
Property, Plant & Equipment	5	833,024	854,452
Intangible Assets	6	5,903	6,440
Capital work-in -progress	7	3,250,371	3,004,879
Current Assets:		4,911,204	4,250,216
Inventories	8	353,908	537,763
Trade & Other Receivables	9	1,377,798	1,136,063
Advance, Deposits & Prepayments	10	2,479,660	2,129,204
Cash and Cash Equivalents	11	699,838	447,186
Total Assets:		9,000,502	8,115,987
EQUITY & LIABILITIES			
Shareholders Equity:		830,818	821,359
Share Capital		247,504	247,504
General Reserve		166,000	166,000
Revaluation Surplus		38,116	39,489
Retained Earnings		379,198	368,366
Non Current Liabilities:		2,969,098	2,006,135
Long Term Borrowings	12	2,741,542	1,781,502
Gratuity Payable	13	142,154	136,318
Deferred Tax Liabilities	14	85,402	88,315
Current Liabilities:		5,200,586	5,288,493
Short Term Borrowings	15	3,306,979	3,594,858
Long Term Borrowings-Current Portion		186,358	187,951
Payable for Sundry Expenses	16	359,124	322,892
Income Tax provision	17	116,522	110,456
Trade Payables	18	1,055,086	847,046
Payable for Other Finance		124,197	123,570
Advance Received against Sales		52,320	101,720
Total Equity & Liabilities:		9,000,502	8,115,987
NET ASSETS VALUE PER SHARE		33.57	33.19


 Chief Financial Officer


 Company Secretary


 Director


 Director/Managing Director

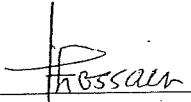

 Chairman

MEGHNA CEMENT MILLS LTD.

Statement of Profit or Loss and Other Comprehensive Income
Unaudited

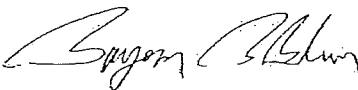
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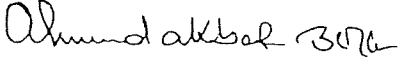
Particulars	Notes	For the 1st Quarter ended from	
		July 2019 to September 2019	July 2018 to September 2018
Revenue	19	1,678,777	1,603,872
Cost of Goods Sold	20	(1,502,087)	(1,437,649)
Gross Profit		176,690	166,223
Operating Expenses		(82,686)	(77,021)
Administrative overhead	21	(51,937)	(48,283)
Selling & distribution overhead	22	(52,303)	(49,648)
Other operating income		21,554	20,910
Operating Profit		94,004	89,202
Other non operating income			104
Financial Expenses	23	(80,761)	(73,899)
Profit before WPPF & income tax		13,243	15,407
Contribution to WPPF		(631)	(734)
Profit before Income Tax		12,612	14,673
Income Tax		(3,153)	(3,668)
Current Tax Expenses		(6,066)	(6,854)
Deferred Tax Income		2,913	3,186
Profit after Tax		9,459	11,005
Other Comprehensive Income			-
Total Other Comprehensive Income net of tax			-
Total Comprehensive Income		9,459	11,005
Earnings per Share (Basic)		0.38	0.44


Chief Financial Officer


Company Secretary


Director


Director/Managing Director


Chairman

MEGHNA CEMENT MILLS LTD.

Statement of Changes in Equity
For the period from 1 July to 30 September, 2018
Unaudited

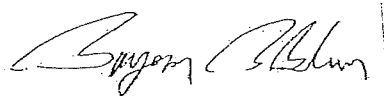
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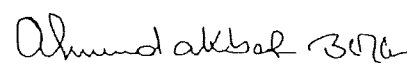
Particulars	Share Capital	General Reserve	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2018	225,004	166,000	31,602	439,827	862,433
Depreciation on revaluated assets			(1,100)	1,100	-
Net Profit for the period				11,005	11,005
Balance as on 30 September 2018	225,004	166,000	30,502	451,932	873,438
Balance as on 01 July 2019	247,504	166,000	39,489	368,366	821,359
Depreciation on revaluated assets			(1,373)	1,373	-
Net Profit for the period				9,459	9,459
Balance as on 30 September 2019	247,504	166,000	38,116	379,198	830,818


Chief Financial Officer


Company Secretary


Director


Director/Managing Director



Chairman

MEGHNA CEMENT MILLS LTD.

Statement of Cash Flows Unaudited

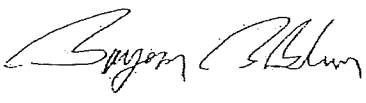
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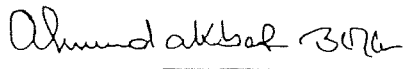
	For the 1st Quarter ended from	
	July 2019 to September 2019	July 2018 to September 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection from Turnover & Other Income	1,661,002	1,955,088
Payment against Purchase of Raw Materials & Others	(1,703,215)	(2,032,609)
Payment against Expenses & Creditors	(48,274)	(54,746)
Payment against Interest	(80,761)	(73,899)
Total Cash Flow from Operating Activities	(171,248)	(206,166)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(246,664)	(171,176)
Sale proceeds from property, plant and equipment	-	-
	(246,664)	(171,176)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loan (Net)	960,040	(14,659)
Short Term Bank Loan	(289,472)	(251,985)
Dividend Paid	(4)	(7,182)
	670,564	(273,826)
INCREASE/(DECREASE) IN CASH FLOWS (A+B+C)	252,652	(651,168)
Opening Cash & Bank Balances	447,186	881,211
Closing Cash & Bank Balances	699,838	230,043
 NET OPERATING CASH FLOW PER SHARE (TK)	 (6.92)	 (8.33)


Chief Financial Officer


Company Secretary


Director


Director/Managing Director


Chairman

MEGHNA CEMENT MILLS LTD.

Notes to the financial statements For the three-months period ended 30 September, 2019 Unaudited

1.00 Background and Introduction

Formation and legal status

Meghna Cement Mills Limited (hereinafter referred to as "MCML" / "the Company") is a Publicly-listed limited company domiciled in Bangladesh which was incorporated on 1st March 1992. The address of the Company's registered office is Bashundhara Corporate office, House No. 125/A, Block # A, Bashundhara R/A, Dhaka-1229

2.00 Nature of Business

Principal activities of the Company throughout the year were manufacturing and marketing of all kinds of Cement Sale, The manufacturing plant of the company is situated at Mongla Port I/A, Mongla, Bagerhat

3.00 Basis of operation

The interim financial statements have been prepared with Bangladesh Accounting Standard 34 Interim Financial Reporting.

4.00 Significant Accounting policies

The financial statements have been prepared under the historical cost convention, except for the following:

i) derivative financial instrument measured fair value;

ii) financial instruments at fair value through profit and loss measured at fair value.

The same accounting policies, presentation and methods of computation have been followed in these financial statements as were applied in the presentation of the company's financial statements for the year ended 30 June 2019.

	Figures in "000" Taka	
	30-Sep-19 Taka	30-Jun-19 Taka
5.00 PROPERTY, PLANT & EQUIPMENT		
<u>1. Based on Cost:</u>		
<u>A. Cost:</u>		
Opening Balance	1,940,648	1,907,907
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	1,172	32,741
Closing Balance	1,941,820	1,940,648
<u>B. Accumulated Depreciation:</u>		
Opening Balance	1,010,885	887,366
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	20,770	123,519
Closing Balance	1,031,655	1,010,885
<u>C. Written down value on cost (A-B):</u>	910,165	929,763
<u>2. Based on Revaluation:</u>		
<u>A. Cost:</u>		
Opening Balance	(27,160)	(27,160)
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	-	-
Closing Balance	(27,160)	(27,160)
<u>B. Accumulated Depreciation:</u>		
Opening Balance	48,151	44,667
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	1,830	3,484
Closing Balance	49,981	48,151
<u>C. Written down value on cost (A-B):</u>	(77,141)	(75,311)
3. Written down value on cost and revaluation (1+2):	833,024	854,452
6.00 <u>INTANGIBLE ASSETS</u>		
<u>1. Based on Cost:</u>		
<u>A. Cost:</u>		
Opening Balance	10,650	10,399
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	-	251
Closing Balance	10,650	10,650
<u>B. Accumulated Depreciation:</u>		
Opening Balance	4,210	2,080
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	537	2,130
Closing Balance	4,747	4,210
<u>C. Written down value on cost (A-B):</u>	5,903	6,440

	Figures in "000" Taka	
	30-Sep-19 Taka	30-Jun-19 Taka
7.00 CAPITAL WORK-IN-PROGRESS		
<u>A. Pant and Machinery</u>		
Opening Balance	1,631,663	91,032
Add: Addition made during the Period	73,300	1,540,631
Less: Adjustment/Transfer to appropriate asset Category		
	1,704,963	1,631,663
<u>B. Building</u>		
Opening Balance	645,265	138,098
Add: Addition made during the Period	80,848	507,167
Less: Adjustment/Transfer to appropriate asset Category		
	726,113	645,265
<u>C. Other Construction:</u>		
Opening Balance	727,951	546,409
Add: Addition made during the Period	87,720	181,542
Less: Adjustment/Transfer to appropriate asset Category		
	815,671	727,951
<u>D. Intangible Assets:</u>		
Opening Balance	3,624	-
Add: Addition made during the Period		
Less: Adjustment/Transfer to appropriate asset Category		
	3,624	-
	3,250,371	3,004,879
8.00 INVENTORIES		
Raw materials	15,061	66,333
Packing materials	320,822	6,876
Finished goods	933	12,154
Stores & spares	17,092	452,400
	353,908	537,763
9.00 TRADE AND OTHER RECEIVABLES		
Balance Carrying more than 1(one) year	620,009	556,236
Balance Carrying more than 6(six) month	55,112	37,082
Balance Carrying less than 6(six) month	702,677	542,745
	1,377,798	1,136,063
10.00 ADVANCES, DEPOSITS AND PREPAYMENTS		
Advance	1,392,304	1,064,444
Advance tax	743,474	795,695
Deposits	342,217	92,928
Prepayments	1,665	176,137
	2,479,660	2,129,204
11.00 CASH AND CASH EQUIVALENTS		
Cash in hand	9,608	8,145
Cash at banks	690,230	439,041
	699,838	447,186
12.00 LONG TERM BORROWINGS		
Lease Obligation - Premier Leasing & Finance Ltd	136	5,304
Infrastructure Development Co. Ltd. (IDCOL)	2,311,926	1,541,250
Other Finance	429,480	234,948
	2,741,542	1,781,502

Other finance represents interest free loan from sister concerns.

	Figures in "000" Taka	
	30-Sep-19 Taka	30-Jun-19 Taka
13.00 GRATUITY		
Opening Balance	136,318	106,496
Add: Provision during the year	5,836	29,822
Closing balance	142,154	136,318
14.00 DEFERRED TAX (ASSETS)/LIABILITIES		
Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS/BAS 12 : Income Taxes. The following is the analysis of deferred tax (asstes)/liabilities presented in the statement of financial position.		
Opening Balance	88,315	100,183
Add: Provision during the Period	(2,913)	(11,868)
Closing balance	85,402	88,315
15.00 SHORT TERM BANK BORROWINGS		
A. Cash Credit (H)-45-17.01	618,682	637,990
B. Janata Bank Ltd. Janata Bhaban Cor. Branch	695,778	904,572
C. United Commercial Bank Ltd. Gulshan Branch	922,782	851,893
D. Southeast Bank Ltd. Principal Branch	5,783	82,969
E. National Bank Ltd. Dilkusha Branch		36,965
F. Standard Bank Limited	216,583	216,583
G. United Commercial Bank Ltd O/D	169,611	196,628
H. The Farmers Bank Ltd- O/D	677,760	667,258
	3,306,979	3,594,858
16.00 PAYABLE FOR EXPENSES		
Electricity Bill	18,499	17,872
Water Bill	96	22
Conversion Charge	175,993	175,993
Salary, Wages & Benefit	34,045	34,890
Audit Fees	125	125
General Expenses	31,078	14,579
Telephone Fax & E-mail Bill	350	463
Co's Cont. to PF	1,980	1,130
VAT at source Payable	19,652	19,220
Tax at source Payable	61,350	42,642
Office Rent Payable	15,956	15,956
	359,124	322,892
17.00 INCOME TAX PROVISION		
Opening Balance	110,456	305,048
Add: Current tax expenses in respect of the current Period	6,066	59,847
Less: Adjustment made during the Period		(254,439)
Closing balance	116,522	110,456
18.00 TRADE PAYABLE		
Accounts Payable -Cement Bag	205,905	26,151
Accounts Payable -Loose Cement	191,759	178,811
Accounts Payable -LP Gas	7,085	6,042
C & F and Others-Raw Material	1,769	1,520
Payable to local Suppliers	648,568	634,522
	1,055,086	847,046

Figures in "000" Taka

	For the 1st Quarter ended from	
	July 2019 to September 2019 Taka	July 2018 to September 2018 Taka
19.00 REVENUE		
Domestic Sales (Note-19.01)	1,678,777	1,602,112
Export Sales		1,760
	<u>1,678,777</u>	<u>1,603,872</u>
During the period Company sold 2,49,492 MT Cement in local market.		
19.01 Gross Domestic Sales	1,930,582	1,842,431
Less: VAT	251,805	240,319
Domestic Sales	<u>1,678,777</u>	<u>1,602,112</u>
20.00 COST OF SALES		
Opening Stock of raw and packing material	73,209	371,197
Raw and packing material Purchased	1,308,993	1,230,328
Closing Stock of raw and packing material	(32,153)	(274,176)
Raw and packing material Consumed	1,350,049	1,327,349
Factory Expenses	140,817	123,900
Opening stock of finished goods	12,154	20,537
Closing stock of finished goods	(933)	(34,137)
	<u>1,502,087</u>	<u>1,437,649</u>
21.00 ADMINISTRATIVE OVERHEAD		
Salary, allowances and benefits	30,007	20,397
General administrative Expenses	8,541	10,827
Other office expenses	12,811	16,240
Depreciation	578	819
	<u>51,937</u>	<u>48,283</u>
22.00 SELLING AND DISTRIBUTION OVERHEAD		
Salary, allowances and benefits	27,725	19,444
Advertisement	19,335	15,646
Other office expenses	5,243	14,558
	<u>52,303</u>	<u>49,648</u>
23.00 FINANCE COSTS		
Interest on Long term Loan	834	2,164
Interest on Short term Loan	79,618	71,442
Bank Charges and Commission	309	293
	<u>80,761</u>	<u>73,899</u>

24.00 RECONCILIATION OF NET PROFIT WITH CASH FLOWS FROM OPERATING ACTIVITIES

Profit for the Year	9,459	11,005
Adjustment for		
Depreciation of non-current asstes	22,600	32,876
	32,059	43,881
Movements in Working Capital		
(Increase)/decrease in inventories	183,855	196,724
(Increase)/decrease in Trade and other receivable	(241,735)	65,023
(Increase)/decrease in Advance, deposit and prepayment	(402,677)	(725,089)
Increase/(decrease) in Trade payables	208,040	190,867
Increase/(decrease) in other liabilities	(3,011)	50,169
Cash generated from operation	(255,528)	(222,306)
Income Tax Adjustment	52,221	(27,741)
	(171,248)	(206,166)