

**Interim Financial Statements (Un-audited)
For The Third Quarter Ended March 31, 2022**



किंग ब्रांड सिमेंट
छह सिमेंट अडिटा फ़ासटि

Meghna Cement Mills Limited

MEGHNA CEMENT MILLS LTD.

Statement of Financial Position As at 31 March, 2022 Unaudited

Figures in "000"

<u>Particulars</u>	<u>Notes</u>	<u>As at 31-Mar-22 Taka</u>	<u>As at 30-Jun-21 Taka</u>
ASSETS			
Non Current Assets:			
Property, Plant & Equipment	5	8,510,198	8,054,984
Intangible Assets	6	3,846,098	3,586,955
Capital work-in-progress	7	1,060	4,241
		4,663,040	4,463,788
Current Assets:			
Inventories	8	4,951,343	4,924,251
Trade & Other Receivables	9	744,263	718,095
Advance, Deposits & Prepayments	10	1,548,198	1,874,140
Advance Income Tax	11	1,804,938	1,551,469
Cash and Cash Equivalents	12	685,956	634,831
		167,988	145,716
Total Assets:		13,461,541	12,979,236
EQUITY & LIABILITIES			
Shareholders Equity:			
Share Capital	13	1,853,077	1,913,863
Preference Share	14	286,517	272,874
General Reserve		1,000,000	1,000,000
Revaluation Surplus		166,000	166,000
Retained Earnings		24,565	28,639
		375,995	446,350
Non Current Liabilities:			
Long Term Borrowings	15	5,182,270	5,057,822
Gratuity Payable	16	4,800,079	4,721,481
Deferred Tax Liabilities	17	197,817	179,184
		184,375	157,157
Current Liabilities:			
Short Term Borrowings	18	6,426,193	6,007,551
Long Term Borrowings-Current Portion		3,111,713	3,288,068
Payable for Sundry Expenses	19	377,339	490,683
Income Tax Provision	20	504,209	410,727
Trade Payables	21	50,221	85,030
Payable for Other Finance	22	2,023,838	1,334,279
Unclaimed Dividend, General	23 A	637	637
Unclaimed Dividend, Preference	23 B	4,287	131,705
Provision for WPPF	24	27,000	-
Advance Received against Sales		12,503	13,624
		314,445	252,797
Total Equity & Liabilities:		13,461,541	12,979,236
Net Asset Value (NAV) per share			
		64.68	66.80

Chief Financial Officer

Company Secretary

Director

Director/Managing Director

Chairman

MEGHNA CEMENT MILLS LTD.

**Statement of Profit or Loss and Other Comprehensive Income
For the nine-months period ended 31 March, 2022
Unaudited**


Figures in "000"

Particulars	Notes	Nine months period ended on		Period ended	
		July-March,22	July-March,21	Jan-Mar ,22	Jan-Mar, 21
		Taka	Taka	Taka	Taka
Revenue	25	6,478,352	7,396,633	2,460,803	2,822,758
Cost of Goods Sold	26	(5,893,873)	(6,693,243)	(2,279,152)	(2,559,742)
Gross Profit		584,478	703,390	181,651	263,016
Operating Expenses		(295,199)	(256,512)	(108,761)	(73,928)
Administrative overhead	27	(162,063)	(178,262)	(58,816)	(50,331)
Selling & distribution overhead	28	(142,322)	(170,763)	(51,578)	(35,953)
Other operating income		9,186	92,513	1,633	12,356
Operating Profit		289,279	446,878	72,890	189,088
Financial Expenses	29	(252,249)	(393,248)	(53,271)	(170,003)
Profit before WPPF		37,031	53,630	19,619	19,085
Contribution to WPPF		(1,763)	(2,554)	(934)	(909)
Profit before Income Tax		35,267	51,077	18,685	18,176
Income Tax		6,409	(12,767)	(4,598)	(4,543)
Current Tax Expenses		34,809	(20,067)	9,933	(7,870)
Deferred Tax Income/Expenses	30	(28,401)	7,301	(14,531)	3,327
Profit after Tax		41,676	38,309	14,087	13,633
Other Comprehensive Income		-	-	-	-
Total Other Comprehensive Income net of tax		-	-	-	-
Total Comprehensive Income		41,676	38,309	14,087	13,633


Earnings per Share/Restated EPS 1.45 1.34 0.49 0.48


Chief Financial Officer


Company Secretary


Director


Director/Managing Director


Chairman

MEGHNA CEMENT MILLS LTD.
Statement of Changes in Equity
For the nine-months period ended 31 March, 2022
Unaudited

Figures in "000"

Particulars	Share Capital	Redeemable Preference Share	General Reserve	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2021	272,874	1,000,000	166,000	28,639	446,350	1,913,863
Net Profit for the period					41,676	41,676
Stock Dividend for the year 2020-2021	13,644				(13,644)	-
Cash Dividend for the year 2020-2021					(13,644)	(13,644)
Preference Dividend					(90,000)	(90,000)
Depreciation on revaluated assets				(5,256)	5,256	-
Adjustment for deferred tax on revalued asset				1,183		1,183
Balance as on 31 March 2022	286,517	1,000,000	166,000	24,565	375,995	1,853,077
Balance as on 01 July 2020	259,880		166,000	33,999	390,814	850,693
Issue during the period		1,000,000				1,000,000
Net Profit for the period					38,307	38,307
Stock Dividend for the year 2019-2020	12,994				(12,994)	-
Cash Dividend for the year 2019-2020					(12,994)	(12,994)
Depreciation on revaluated assets				(4,023)	4,023	-
Balance as on 31 March 2021	272,874	1,000,000	166,000	29,976	407,156	1,876,006



Chief Financial Officer



Company Secretary



Director



Director/Managing Director



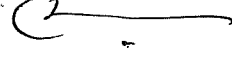
Chairman

MEGHNA CEMENT MILLS LTD.
Cash Flow Statement
For the nine-months period ended 31 March, 2022
Unaudited

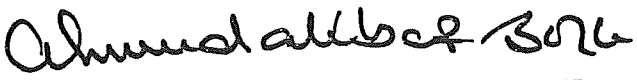
Particulars:	Figures in "000"	
	31-Mar-22 <u>Taka</u>	31-Mar-21 <u>Taka</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection from Turnover & Other Income	7,842,487	8,720,272
Payment against Purchase of Raw Materials & Others	(5,853,749)	(7,702,050)
Payment against Expenses & Creditors	(627,441)	(821,215)
Income tax paid	(51,124)	-
Net Cash provided/(used) by Operating Activities	<u>1,310,173</u>	<u>197,007</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(620,489)	(726,414)
Disposal of Fixed Assets	-	-
Investment in share	-	-
	<u>(620,489)</u>	<u>(726,414)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loan (Net)	78,598	(955,290)
Short Term Bank Loan	(289,699)	873,726
Issue of redeemable preference share	-	1,000,000
Payment against Interest	(252,249)	(393,248)
Dividend Paid	(204,061)	(12,507)
	<u>(667,411)</u>	<u>512,681</u>
INCREASE/(DECREASE) IN CASH FLOWS	22,272	(16,726)
Opening Cash & Bank Balances	145,716	414,003
Closing Cash & Bank Balances	<u>167,988</u>	<u>397,277</u>
NET OPERATING CASH FLOW PER SHARE (NOCFPS)	45.73	6.88


 Chief Financial Officer


 Company Secretary


 Director


 Director/Managing Director


 Chairman

MEGHNA CEMENT MILLS LTD.

Notes to the financial statements For the Nine-months period ended 31 March, 2022 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 International 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, 2021.

	31-Mar-22 Taka	Figures in "000" 30-Jun-21 Taka
5.00 PROPERTY, PLANT & EQUIPMENT		
<u>1. Based on Cost:</u>		
<u>A. Cost:</u>		
Opening Balance	4,713,402	4,225,270
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	421,237	488,133
Closing Balance	5,134,639	4,713,402
<u>B. Accumulated Depreciation:</u>		
Opening Balance	1,197,192	993,112
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	156,838	204,080
Closing Balance	1,354,030	1,197,192
<u>C. Written down value on cost (A-B):</u>	3,780,610	3,516,211
<u>2. Based on Revaluation:</u>		
<u>A. Cost:</u>		
Opening Balance	234,527	234,527
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	-	-
Closing Balance	234,527	234,527
<u>B. Accumulated Depreciation:</u>		
Opening Balance	163,782	156,635
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	5,256	7,147
Closing Balance	169,039	163,782
<u>C. Written down value on cost (A-B):</u>	65,488	70,745
3. Written down value on cost and revaluation (1+2):	3,846,098	3,586,955
6.00 INTANGIBLE ASSETS		
<u>1. Based on Cost:</u>		
<u>A. Cost:</u>		
Opening Balance	14,839	10,649
Less: Transfer/Disposal during the Period	-	-
Add: Addition during the Period	-	4,189
Closing Balance	14,839	14,839
<u>B. Accumulated Depreciation:</u>		
Opening Balance	10,597	6,356
Less: Transfer/Disposal during the Period	-	-
Add: Charged during the Period	3,181	4,241
Closing Balance	13,778	10,597
<u>C. Written down value on cost (A-B):</u>	1,060	4,241

	31-Mar-22	30-Jun-21
	Taka	Taka
7.00 CAPITAL WORK-IN-PROGRESS		
<u>A. Plant and Machinery</u>		
Opening Balance	67,881	71,505
Add: Addition made during the Period	-	-
Less: Adjustment/Transfer to appropriate asset Category	-	(3,624)
	67,881	67,881
<u>B. Building</u>		
Opening Balance	1,280,782	788,174
Add: Addition made during the Period	16,546	492,608
Less: Adjustment/Transfer to appropriate asset Category		
	1,297,328	1,280,782
<u>C. Other Construction:</u>		
Opening Balance	3,115,125	653,418
Add: Addition made during the Period	182,706	2,487,640
Less: Adjustment/Transfer to appropriate asset Category	-	(25,933)
	3,297,831	3,115,125
	4,663,040	4,463,788
8.00 INVENTORIES		
Raw materials	423,199	339,896
Packing materials	31,516	14,466
Finished goods	33,133	19,704
Stores & spares	256,416	344,030
	744,263	718,095
9.00 TRADE AND OTHER RECEIVABLES		
Balance Carrying more than 1(one) year	572,833	693,363
Balance Carrying more than 6(six) month	170,302	206,224
Balance Carrying less than 6(six) month	805,063	974,553
	1,548,198	1,874,140
10.00 ADVANCES, DEPOSITS AND PREPAYMENTS		
Advance	1,621,245	1,263,207
Deposits	183,673	106,228
Prepayments	19	182,034
	1,804,938	1,551,469
11.00 ADVANCE INCOME TAX		
Opening Balance	634,831	487,064
Add: Addition Made during the period	51,124	147,768
Less: Adjusted during the year	-	-
	685,956	634,831
12.00 CASH AND CASH EQUIVALENTS		
Cash in hand	21,917	1,629
Cash at banks	146,071	144,087
	167,988	145,716

Figures in "000"

31-Mar-22 Taka	Figures in "000" 30-Jun-21 Taka
-------------------	---------------------------------------

13.00 SHARE CAPITAL

As per the disclosure requirements laid down in schedule under the rule 12(2) of the securities and Exchange Rules 1987, the followings are the part and parcel of share Capital:

Authorized Share Capital:

50,00,00,000 Ordinary Share of TK. 10 each	5,000,000	5,000,000
--	-----------	-----------

Issued Subscribed & Paid-Up:

28,651,728 nos. ordinary shares of Tk. 10 each issued and fully paid-up in cash.

14,257,100 Ordinary Share of Tk.10 each-Sponsors	49.76%	142,571	135,790
95,38,160 Ordinary Share of Tk.10 each-F.I	33.36%	95,582	95,154
4,856,468 Ordinary Share of TK.10 each-G.Public	16.88%	48,364	41,929
	100%	286,517	272,874

14.00 Preference Share

Bank Asia Ltd.	700,000	700,000
Director Share	300,000	300,000
	1,000,000	1,000,000

MCML has issued of Non-Convertible Cumulative Redeemable Preference Share of BDT. 100.00 core on 17th November 2020 for installation of VRM (Vertical Roller Mill) Plant to increase its production capacity. MCML has been authorized by the board of directors to issue BDT 100.00 core in aggregate principal amount of 9% dividend, Non-Convertible Cumulative and non-listed preference share, redeemable 100 percent in equal annual tranches commencing at the end of 24th months from the date of drawdown. MCML has obtain consent from the Bangladesh Security Exchange Commission vide its letter Reference No. BCEC/CI/CPLC-600/2019/97 dated June 14, 2020 and BCEC/CI/CPLC-600/2019/196 dated September 09, 2020.

Each preference share has face value of BDT 10 and total subscribe number of share is 10 crore.

15.00 LONG TERM BORROWINGS

Infrastructure Development Co. Ltd. (IDCOL)	2,399,179	2,555,352
Term Loan-PBL	636,496	605,275
Term Loan-UCBL	204,691	191,317
Term Loan	1,559,712	1,333,206
Other Finance	-	36,331
	4,800,079	4,721,481

Other finance represents interest free loan from sister concerns.

16.00 GRATUITY PAYABLE

Opening Balance	179,184	156,599
Add: Provision during the year	18,633	22,585
Closing balance	197,817	179,184

	31-Mar-22	30-Jun-21
	Taka	Taka
Figures in "000"		
17.00 DEFERRED TAX (ASSETS)/LIABILITIES		
Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12 : Income Taxes. The following is the analysis of deferred tax (assets)/ liabilities presented in the statement of financial position.		
Opening Balance	157,157	76,304
Add: Provision during the Period (Note: 30.00)	28,401	82,639
Adjustment for deferred tax on revalued amount	(1,183)	(1,787)
Closing balance	184,375	157,157
18.00 SHORT TERM BANK BORROWINGS		
B. Janata Bank Ltd. Janata Bhaban Cor. Branch	1,601,954	1,759,561
C. United Commercial Bank Ltd. Gulshan Branch	1,103,417	974,295
D. Southeast Bank Ltd. Principal Branch	199,573	210,882
E. Standard Bank Limited	-	141,054
F. Janata bank Stimulus Pack	206,769	202,276
	3,111,713	3,288,068
19.00 PAYABLE FOR SUNDRY EXPENSES		
Electricity Bill	36,500	9,419
Water Bill	-	23
Conversion Charge	226,195	226,195
Salary, Wages & Benefit	36,620	39,502
Audit Fees	-	125
General Expenses	9,240	6,690
Telephone Fax & E-mail Bill	558	558
Provision for Finance Cost	25,431	27,414
Co's Cont. to PF	1,980	1,980
VAT at source Payable	40,509	35,669
Tax at source Payable	126,340	62,315
Office Rent Payable	836	836
	504,209	410,727
20.00 INCOME TAX PROVISION		
Opening Balance	85,030	140,495
Add: Current tax expenses	(34,809)	(55,464)
Less: Adjustment made during the Period		
Closing balance	50,221	85,030
21.00 TRADE PAYABLE		
Accounts Payable -Cement Bag	352,571	172,846
Accounts Payable -Loose Cement	732,462	245,209
Accounts Payable -LP Gas	7,866	7,250
C & F and Others-Raw Material	-	205
Payable to local Suppliers	930,938	908,770
	2,023,838	1,334,279
22.00 PAYABLE FOR OTHER FINANCE		
Security Deposits	637	637
Share money Deposit	-	-
	637	637

	31-Mar-22 Taka	Figures in "000" 30-Jun-21 Taka
23.00 UNCLAIMED DIVIDEND		
A) General Share Holder Dividend		
Balance as on 1st July,2021	131,705	131,218
Add: Provision during the period	13,644	12,994
	145,349	144,212
Less: Payment during the period	141,061	12,507
Balance as on 31st March, 2022	4,287	131,705
B) Preference Share Holder Dividend		
Balance as on 1st July,2021	-	-
Add: Provision during the period	90,000	-
	90,000	-
Less: Payment during the period	63,000	-
Balance as on 31st March, 2022	27,000	-
(A + B)	31,287	131,705

24.00 PROVISION FOR WPPF		
Balance as on 1st July,2021	13,624	13,354
Add: Provision during the period	1,763	5,078
Add: Provision for Labor Welfare Foundation	-	-
	15,387	18,431
Less: Payment during the year	2,884	4,807
Balance as on 31st March ,2022	12,503	13,624

	Figures in "000"	
	For the 3rd Quarter ended from	
	July 2021 to March 2022 Taka	July 2020 to March 2021 Taka

25.00 REVENUE		
Domestic Sales (<i>Note-25.01</i>)	6,449,068	7,362,435
Export Sales	29,283	34,198
	6,478,352	7,396,633

During the year company sold 9,63,100 MT Cement in Local Market & 4,106 MT in Local Export.

25.01 Gross Domestic Sales	7,416,428	8,466,791
Less: VAT	967,360	1,104,356
Domestic Sales	6,449,068	7,362,435

26.00 COST OF SALES		
Opening Stock of raw and packing material	354,362	466,304
Raw and packing material Purchased	5,322,479	5,844,499
Closing Stock of raw and packing material	(454,715)	(309,728)
Raw and packing material Consumed	5,222,126	6,001,075
Factory Expenses	685,177	693,684
Opening stock of finished goods	19,704	8,039
Closing stock of finished goods	(33,133)	(9,555)
	5,893,873	6,693,243

Figures in "000"

	For the 3rd Quarter ended from	
	July 2021 to March 2022 Taka	July 2020 to March 2021 Taka
27.00 ADMINISTRATIVE OVERHEAD		
Salary, allowances and benefits	68,428	75,564
General administrative Expenses	35,955	39,477
Other office expenses	53,933	59,216
Depreciation	3,747	4,005
	162,063	178,262
28.00 SELLING AND DISTRIBUTION OVERHEAD		
Salary, allowances and benefits	75,485	90,618
Advertisement	64,522	1,916
Other office expenses	2,315	78,229
	142,322	170,763
29.00 FINANCE COSTS		
Interest on Long term Loan	34,568	15,364
Interest on Short term Loan	211,957	364,429
Bank Charges and Commission	1,492	4,166
Exchange Loss/ (Gain)	4,232	9,289
	252,249	393,248
30.00 DETAILS DEFERRED TAX INCOME/(EXPENSES)		
Carrying amount on reporting date:		
Property, plant & equipment (excluding land)	3,798,802	3,549,087
Intangible Assets	1,060	5,302
Provision for Gratuity	(197,817)	(172,741)
	3,602,045	3,381,647
Tax base on reporting date:		
Property, plant & equipment	(2,791,010)	(3,113,195)
Taxable/ (deductible) temporary difference	811,035	268,452
Applicable tax rate	22.50%	25.00%
	182,483	67,113
Tax on revalued assets @ 4% on land value	1,892	1,892
Adjustment tax due to final assessment	-	-
Closing balance of deferred tax (Assets)/ Liability	184,375	69,006
Opening balance of deferred tax (Assets)/ Liability	157,157	76,305
Adjustment of deferred tax on revaluation Surplus	1,183	
Deferred tax (benefit) / Expenses	28,401	(7,300)
30.01 Income tax reconciliation		
Profit before tax as per P/L Account	35,267	51,076
Add: Accounting depreciation charged to accounts	165,275	160,186
	200,543	211,262
Add: Provision for gratuity	18,633	16,142
	219,175	227,404
Less: Depreciation as per IT rules	373,884	117,935
Total Income	(154,709)	109,469
Tax on Business Income @ 22.5%	(34,809)	27,367
Net tax liability for the period ended 31st December 2021	(34,809)	27,367
Deferred tax	28,401	(7,300)
Total tax liability during the Period	(6,409)	20,067

Figures in "000"

For the 3rd Quarter ended from	
July 2021 to March 2022	July 2020 to March 2021
Taka	Taka

31.00 CASH FLOW FROM OPERATING ACTIVIES (INDIRECT METHOD)

Profit for the Year	41,676	38,307
Adjustment for		
Income Tax expenses recognized in the profit and loss	(6,409)	12,767
Finance cost recognized in the profit and loss	252,249	393,248
Depreciation of non-current assets	165,275	160,186
	452,791	604,508
Movements in Working Capital		
(Increase)/decrease in inventories	(26,168)	210,890
(Increase)/decrease in Trade and other receivable	325,941	117,731
(Increase)/decrease in Advance, deposit and prepayment	(253,469)	(888,777)
Increase/(decrease) in Trade payables	689,559	239,506
Increase/(decrease) in other liabilities	172,642	17,073
Cash generated from operation	908,506	(303,576)
AIT Refund	-	-
Income Tax paid	(51,124)	(103,925)
	1,310,173	197,007

32.00 Comparative information for the shareholders

(a) Net Asset value (NAV) per share :

	31-Mar-22 Taka	30-Jun-21 Taka
Net asset value for the period (Thousand Taka)	1,853,077	1,913,863
Weighted average number of shares outstanding	28,652	28,652
Net asset value per share (in BDT)	64.7	66.8

(b) Earnings per share (EPS)/Restated EPS:

	July 2021 to Mar-22	July 2020 to Mar-21
Profit for the period (Thousand Taka)	41,676	38,307
Weighted average number of shares outstanding	28,652	28,652
Earnings Per Share (in BDT)	1.45	1.34

(c) Net Operating Cash Flow Per Share (NOCFPS):

Net cash flow from operating activities	1,310,173	197,007
Weighted average number of shares outstanding	28,652	28,652
Net Operating Cash Flow Per Share (in BDT)	45.73	6.88

33.00 Significant Deviations

NOCFPS has been increase comparison to the same period of the previous year due to increase in net cash flow from operating activities. The payment against purchase of raw materials & others decrease significantly by 24.00% while the collection from turnover has decrease only by 10.07%. The total cash flow from operating activities has been increase by 565.04%. Thus Impact on net cash flow from operating activities deficit to surplus and impact on NOCFPS has been increase.