


M.I. CEMENT FACTORY LIMITED
Statement of Financial Position(Un-audited)
As at 30 September 2018

	Notes	30.09.2018 Taka	30.06.2018 Taka
ASSETS			
Non- current assets		8,421,946,044	8,142,905,906
Property, plant and equipment	4	8,156,399,300	7,797,130,370
Capital work in progress	5	265,546,744	345,775,536
Intangible asset	6	39,892,223	34,529,855
Investment in associate companies	7	232,155,086	232,155,086
Current assets		12,209,885,364	11,304,321,269
Investment in shares	8	56,203,029	56,337,091
Inventories	9	1,047,291,125	1,052,792,176
Trade receivables	10	2,789,938,404	2,395,121,071
Current account with sister concerns	11	704,048,163	467,229,310
Other receivables	12	252,195,764	271,239,082
Advances, deposits and prepayments	13	593,772,440	665,814,170
Advance income tax	14	2,227,649,151	2,082,343,006
Cash and cash equivalents	15	4,538,787,288	4,313,445,362
TOTAL ASSETS		20,903,878,717	19,713,912,115
EQUITY AND LIABILITIES			
Shareholders' equity		7,195,646,437	7,124,354,456
Share capital	16	1,485,000,000	1,485,000,000
Share premium	17	2,956,560,000	2,956,560,000
Retained earnings		2,123,933,683	2,047,144,674
Revaluation reserve		630,152,755	635,649,782
LIABILITIES		2,840,929,187	2,759,999,810
Non current liabilities		2,840,929,187	2,759,999,810
Long term borrowing net off current maturity	18	2,064,467,892	2,015,861,668
Liabilities for gratuity	19	143,047,625	131,243,324
Deferred tax liability	20.01	633,413,670	612,894,819
Current liabilities and provision		10,867,303,093	9,829,557,849
Trade payables	21	171,214,677	193,298,498
Other payables	22	321,059,553	239,027,243
Current portion of long term borrowings	23	748,455,722	729,555,651
Short term loan	24	8,926,057,913	7,972,543,254
Provision for tax liabilities	25	638,362,429	637,499,665
Liabilities for WPPF	26	25,144,913	20,511,243
Payable to IPO applicants		12,833,811	12,834,431
Unclaimed dividend		24,174,075	24,287,664
TOTAL LIABILITIES		13,708,232,280	12,589,557,659
TOTAL EQUITY AND LIABILITIES		20,903,878,717	19,713,912,115
Net Asset Value per share	36	48.46	47.98

The annexed notes 1 to 37 form an integral part of these financial statements.


Mohammed Jahangir Alam
Chairman


Alhaj Md. Khabir Uddin Mollah
Managing Director


Mollah Mohammad Majnu
Director


Md. Abdul Kayum, FCMA
Chief Financial Officer(Current Charge)


Md. Mozharul Islam, FCS
Sr. GM & Company Secretary

Dhaka,
12 November 2018

M.I. CEMENT FACTORY LIMITED
Statement of Profit or Loss and other Comprehensive Income (Unaudited)
For the first quarter ended 30 September 2018

	Notes	July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
		Taka	Taka
Revenue	27	3,390,739,871	2,237,283,271
Cost of sales	28	(2,977,638,919)	(1,934,247,024)
Gross profit		413,100,952	303,036,247
Other operating income	29	40,514,063	35,772,000
Administrative expenses	30	(82,714,576)	(56,929,966)
Selling and distribution expenses	31	(125,025,312)	(72,671,774)
Operating profit		245,875,126	209,206,508
Non-operating income	32	7,173,142	5,886,716
Finance cost	33.01	(223,719,988)	(163,887,718)
Financial income	33.2	67,978,786	47,219,025
Profit before WPPF & income tax		97,307,067	98,424,531
Workers' profit participation fund(WPPF)		(4,633,670)	(4,686,882)
Profit before income tax		92,673,397	93,737,649
<u>Income tax expenses</u>			
Current tax	34	(862,564)	(17,024,475)
Deferred tax	34	(22,305,785)	(6,409,937)
		(23,168,349)	(23,434,412)
Net profit after tax for the period		69,505,048	70,303,236
Earnings per share	35	0.47	0.47


The annexed notes 1 to 37 form an integral part of these financial statements.


Mohammed Jahangir Alam
Chairman


Md. Abdul Kayum, FCMA
Chief Financial Officer(Current Charge)


Alhaj Md. Khabir Uddin Mollah
Managing Director


Md. Mozharul Islam, FCS
Sr.GM & Company Secretary


Mollah Mohammad Majnu
Director

Dhaka,
12 November 2018

M.I. CEMENT FACTORY LIMITED

**Statement of Changes in Equity(Un-audited)
For the first quarter ended 30 September 2018**

Particulars	Share Capital	Retained Earnings	Share Premium	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as on 01 July 2018	1,485,000,000	2,047,144,674	2,956,560,000	635,649,782	7,124,354,455
Revaluation reserve realised	-	5,497,027	-	(5,497,027)	-
Profit for the period ended July 01,2018 to September 30,2018	-	69,505,048	-	-	69,505,048
Deferred tax liability	-	1,786,934	-	-	1,786,934
Total as on 30 September 2018	1,485,000,000	2,123,933,683	2,956,560,000	630,152,755	7,195,646,437
Balance as on 01 July 2017	1,485,000,000	1,996,018,828	2,956,560,000	660,215,921	7,097,794,749
Revaluation reserve realised	-	25,463,898	-	(25,463,898)	-
Profit for the period ended July 01,2017 to September 30,2017	-	70,303,236	-	-	70,303,236
Deferred tax liability	-	8,484,627	-	-	8,484,627
Total as on 30 September 2017	1,485,000,000	2,100,270,590	2,956,560,000	634,752,023	7,176,582,612


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Managing Director


Md. Mozharul Islam, FCS
Sr.GM & Company Secretary



Mollah Mohammad Majnu
Director

M.I. CEMENT FACTORY LIMITED
Statement of Cash Flows
For the first quarter ended 30 September 2018

	July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
	Taka	Taka
Cash flows from operating activities		
Cash received from customers	2,995,922,539	1,582,666,353
Cash received from other operating income	53,787,500	-
Cash received from non operating income	7,429,169	5,886,716
Cash received from financial activities	73,748,667	39,322,578
Cash paid to suppliers & employees	(2,852,043,879)	(2,168,140,692)
Cash paid for operating expenses	(31,968,435)	(143,857,977)
Income tax paid	(145,306,145)	(112,148,665)
Net cash flows from operating activities	101,569,416	(796,271,685)
Cash flows from investing activities		
Acquisition of property, plant and equipments	(516,702,222)	(144,735,120)
Increase/(decrease) of Payment for capital work in progress	80,228,792	(88,530,288)
Investment in shares	(121,965)	(9,953,232)
Paid to associates companies	(236,818,853)	(296,111,566)
Net cash used in investing activities	(673,414,248)	(539,330,206)
Cash flows from financing activities		
Receipt/(repayment) of short term loan	953,514,659	1,024,959,754
Receipt/(repayment) of long term loan	67,506,295	482,514,907
Paid against financial expense	(223,719,988)	(134,912,501)
Increase of IPO application funds due to foreign exchange fluctuation	(620)	-
Dividend paid	(113,589)	(50,240)
Net cash flows from financing activities	797,186,758	1,372,511,920
Effect of exchange rates on cash and cash equivalents	1,651,914	2,323,281
Net increase/(decrease) in cash and cash equivalents	225,341,926	36,910,029
Cash and cash equivalents at beginning of the period	4,313,445,362	3,856,614,400
Cash and cash equivalents at end of the year (Note-15)	4,538,787,288	3,893,524,429
Net operating cash inflows per share	0.68	(5.36)


Mohammed Jahangir Alam
Chairman


Alhaj Md. Khabir Uddin Mollah
Managing Director


Mollah Mohammad Majid
Director


Md. Abdul Kayum, FCMA
Chief Financial Officer (Current Charge)


Md. Mozharul Islam, FCS
Company Secretary

		30.09.2018 Taka	30.06.2018 Taka
4.00 Property, plant and equipment			
A. Cost			
Opening balance		10,523,902,600	6,908,574,547
Add : addition during the period		511,339,852	3,615,328,053
		11,035,242,452	10,523,902,600
Less : disposal during the period		-	-
Total(A)		11,035,242,452	10,523,902,600
B. Accumulated depreciation			
Opening balance		2,726,772,230	2,199,068,595
Add : charged during the period		152,070,922	527,703,634
		2,878,843,152	2,726,772,230
Less : adjustment for disposal during the period		-	-
Total(B)		2,878,843,152	2,726,772,230
C. Carrying amount (A-B)		8,156,399,300	7,797,130,370
A separate schedule of property, plant and equipment is given in annexure-A.			
5.00 Capital work in progress			
Machineries and equipments		190,185,267	277,719,081
Building construction		50,116,082	50,116,082
Construction of silo		-	1,416,232
Others		25,245,395	16,524,141
		265,546,744	345,775,536
6.00 Intangible Assets(Software)			
Opening balance		38,366,505	-
Add : addition during the period		6,502,147	38,366,505
Less : disposal during the period		-	-
		44,868,652	38,366,505
Accumulated Amortization			
Opening balance		3,836,651	-
Add : addition during the period		1,139,778	3,836,651
Less : disposal during the period		-	-
		4,976,428	3,836,651
Carrying amount		39,892,223	34,529,855
7.00 Investment in associate company (note 3.16)			
Crown Power Generation Limited (CPGL)		-	-
Less : share of profit/(loss) from investment		-	-
(a) Net investment in CPGL		-	-
Crown Mariners Limited (CML)		231,655,086	198,584,589
Add : share of profit/(loss) from investment		-	31,776,497
Add : share money deposit		-	1,294,000
(b) Net investment in CML		231,655,086	231,655,086
Crown Cement Concrete and Building Products Limited (CCCBPL)		500,000	-
Add : share money deposit		-	500,000
Less : share of profit/(loss) from investment		-	-
(c) Net investment in CCCBPL		500,000	500,000
Crown Transportation & Logistics Limited (CTLL)		-	-
Less : share of profit/(loss) from investment		-	-
(d) Net investment in CTLL		-	-
Net investment in associate company(a+b+c+d)		232,155,086	232,155,086
8.00 Investment in shares			
Opening balance		56,337,091	379,375,055
Add : addition during the period		87,187	13,822,770
Less : disposal during the period		459	332,760,677
		56,423,819	60,437,148
Less: adjustment for unrealised gain/(loss)		(220,790)	(4,100,057)
		56,203,029	56,337,091
9.00 Inventories			
Closing stock	Quantity		
Clinker	MT 13,685.83	69,998,293	119,812,765
Gypsum	MT 8,407.61	23,607,703	102,945,781
Slag	MT 96,372.41	320,403,184	277,889,819
Fly ash	MT 25,700.78	62,376,992	40,800,288
Lime stone	MT 60,783.54	154,831,994	104,284,693
Izonil	MT 348.34	29,864,576	18,653,210
Cement grinding aid	MT 877.06	84,271,644	84,271,644
Finished cement	MT 0.40	2,138	1,994
Bags	PCS 211,552	3,486,344	1,090,191
Stores & spare parts		298,448,256	303,041,791
		1,047,291,125	1,052,792,176

	30.09.2018 Taka	30.06.2018 Taka
10.00 Trade receivables		
Corporate	803,073,179	685,205,994
Dealers	1,387,192,557	1,210,186,713
Distributors	88,629,860	46,531,892
Other customers	532,045,008	474,198,672
Transport bill	193,200	193,200
	2,811,133,804	2,416,316,471
Less : allowance for doubtful debt	21,195,400	21,195,400
Trade receivables net of allowance for doubtful debt	2,789,938,404	2,395,121,071
11.00 Current account with sister concerns		
Crown Power Generation Limited	32,497,469	31,514,769
Crown Polymer Bagging Limited	49,921,782	49,094,026
Crown Cement Concrete and Building Products Limited	370,443,570	243,300,723
Crown Transportation & Logistic Limited	13,849,917	6,130,807
Crown Cement Trading Company	153,968,763	153,558,013
Crown Mariners Limited	104,244,447	4,508,755
	724,925,948	488,107,095
Less : impairment allowance	20,877,785	20,877,785
Current account with sister concerns net of allowance for doubtful debt	704,048,163	467,229,310
12.00 Other receivables		
Interest income receivable on FDR	75,026,262	80,796,142
Receivable from Alunited Maritime Business (Pvt) Ltd.	2,956,940	2,956,940
Receivable from Crown Maritime and Shipping Services	174,212,563	187,486,000
	252,195,764	271,239,082
13.00 Advance, deposits and prepayments		
(a) Advances		
Advance to parties/ contractors	161,750,271	224,666,798
Advance to employee against works	80,168,410	83,316,653
Advance to employee against salary	4,909,299	5,279,760
Advance against rent	7,166,829	8,231,440
VAT current account	121,928,135	128,749,314
Advance to others	152,715,903	152,149,754
	528,638,847	602,393,719
(b) Deposits		
Security deposit and other deposit	20,804,628	22,764,206
Margin for bank guarantee	5,666,341	5,880,221
L/C margin deposit	1,108,784	364,074
	27,579,752	29,008,501
(c) Pre-paid expense		
Insurance premium	3,658,243	3,467,470
BSTI Expense	3,974,683	4,349,734
BIWTA expense	5,708,642	-
BIS Expense	163,721	191,059
CDBL/DSE/CSE Expense	298,500	597,000
Chittagong Chamber of Commerce Industry(CCCI)	64,000	112,000
Advertisement	22,566,850	23,528,456
Others	1,119,201	2,166,233
	37,553,840	34,411,951
	593,772,440	665,814,170
14.00 Advance income tax		
Opening balance	2,082,343,006	1,492,092,598
Add : paid during the period	145,306,145	590,250,408
	2,227,649,151	2,082,343,006
15.00 Cash and cash equivalents		
15.01 Cash in hand		
Cash in hand- Head office	4,474,456	10,474
Cash in hand- Factory	729,539	1,726,900
	5,203,995	1,737,374
15.02 Cash at bank		
One Bank Limited	235,047	166,684
South East Bank Limited	7,184,967	2,644,959
Mercantile Bank Limited	7,979,289	8,713,981
Jamuna Bank Limited	1,297,221	4,802
State Bank of India	5,814,210	4,337,187
The City Bank Limited	1,065,695	612,140
National Bank Limited	18,577,734	3,809,340
Dutch Bangla Bank Limited	8,816,420	7,313,797
Prime Bank Limited	142,744,740	64,753,302
United Commercial Bank Limited	13,152,536	6,372,147
Mutual Trust Bank Limited	8,520,708	5,410,928
Pubali Bank Limited	9,575,404	-
Janata Bank Limited	3,573,290	4,873,331
Dhaka Bank Limited	14,959,069	854,384
Shahjalal Islami Bank Limited	3,922,962	6,606,477
Uttara Bank Limited	4,416	4,416
Brac Bank limited	16,588,738	16,589,359
Islami Bank Bangladesh Limited	17,508,808	9,595,822
IFIC Bank Limited	1,219,717	1,104,507

	30.09.2018	30.06.2018
	Taka	Taka
The Hongkong And Shanghai Banking Corporation Limited	3,664,891	9,905,422
National Credit and Commerce Bank Limited	5,437,719	1,452,878
One Bank Limited- Dividend account	5,631,757	5,631,757
Dutch bangla Bank Limited- Dividend account	5,695,838	5,696,533
United Commercial Bank Limited- Dividend account	14,224,050	14,337,639
South East Bank Limited-Dividend account	2,795,249	2,793,469
Bank Asia	5,631,198	2,944,384
Arab Bangladesh Bank Ltd.	1,378	1,378
Agrani Bank Ltd.	7,365	7,825
Eastern Bank Ltd.	33,920,707	4,846,383
Standard Chartered Bank	78,010	12,904,100
Trust Bank Limited	5,000	-
	359,834,132	204,289,352
Term deposits	4,173,749,161	4,107,418,637
	4,538,787,288	4,313,445,362
16.00 Share capital		
<u>Authorised Capital</u>		
500,000,000 Ordinary Shares of Tk. 10 each	5,000,000,000	5,000,000,000
<u>Issued, Subscribed & Paid-up Capital</u>		
148,500,000 Ordinary Shares of Tk. 10 each fully paid-up and share holding position is as under:		
<u>Sl. # Name</u>	<u>No. Shares</u>	<u>Holding %</u>
1 Mohammed Jahangir Alam	23,024,925	15.50%
2 Alhaj Md. Khabir uddin Mollah	23,388,750	15.75%
3 Md. Alamgir Kabir	14,397,075	9.70%
5 Mollah Mohammad Maznu	12,127,500	8.17%
6 Md. Mizanur Rahman Mollah	12,127,500	8.17%
7 Md. Almas Shimul	7,276,500	4.90%
8 Alhaj Md. Abdur Rouf	2,598,750	1.75%
9 Md. Ashrafuzzaman	2,598,750	1.75%
10 Md. Abdul Ahad	2,079,000	1.40%
11 General Public	48,881,250	32.92%
	148,500,000	100%
	1,485,000,000	1,485,000,000
17.00 Share premium		
This represents share premium of Taka 3,048 million raised by issuing 30 million of ordinary shares @ 101.60 per share through IPO during the year 2010-2011. The break-up of the balance of share premium is given below:		
Share premium realised during the year 2010-2011	3,048,000,000	3,048,000,000
Less: income tax paid on share premium	(91,440,000)	(91,440,000)
	2,956,560,000	2,956,560,000
18.00 Long term borrowing net-off current maturity		
<u>Project loan for unit IV and mother vessel</u>		
<u>a) Term loan</u>	2,600,867,970	2,653,416,900
	2,600,867,970	2,653,416,900
<u>Unit-V</u>		
Standard Chartered Bank	719,323,516	774,656,095
Prime Bank Limited	1,241,491,096	1,200,929,844
	1,960,814,612	1,975,585,939
<u>Mother Vessel</u>		
Dhaka Bank Limited	559,602,766	584,862,856
	559,602,766	584,862,856
<u>Others</u>		
HSBC and Pubali Bank Limited	80,450,593	92,968,105
	80,450,593	92,968,105
<u>b) Hire purchase loan</u>		
Prime Bank Limited	52,823,621	54,495,041
Dhaka Bank Limited	158,344,793	35,266,022
Shahjalal Islami Bank Limited	887,229	2,239,356
	212,055,644	92,000,419
	2,812,923,614	2,745,417,318
Less : current portion of long term borrowing (Note -23.00)	748,455,722	729,555,651
	2,064,467,892	2,015,861,668
19.00 Liabilities for gratuity		
<u>Gratuity</u>		
Opening balance	131,243,324	92,279,541
Add : provision made during the period	12,130,519	46,377,886
	143,373,843	138,657,427
Less : payments/adjustment made during the period	326,218	7,414,103
Closing balance	143,047,625	131,243,324
20.00 Deferred tax liabilities		
Opening balance	494,009,179	400,628,425
Add : provision during the period	22,305,785	93,380,754
Closing balance	516,314,964	494,009,179

	30.09.2018 Taka	30.06.2018 Taka
20.01 Details of deferred tax calculation		
(a) The tax effects of temporary differences arises from tax base and accounting base of relevant assets and liabilities:		
Deferred tax assets		
Provision for gratuity	35,761,906	32,810,831
Allowance for doubtful debt	10,518,296	10,518,296
Provision for employees provident fund	1,975,367	555,985
Provision for audit and professional fees	162,500	162,500
	48,418,070	44,047,612
Deferred tax liabilities		
Property, plant and equipment	(564,733,033)	(538,056,791)
	(564,733,033)	(538,056,791)
	(516,314,964)	(494,009,179)
(b) The tax effect of temporary differences arises from tax base and accounting base of revalued assets:		
Deferred tax liability on revaluation reserve		
Opening balance	(118,885,640)	(126,832,579)
Less : transferred to retained earnings	1,786,934	7,946,939
Closing balance	(117,098,706)	(118,885,640)
Total	(633,413,670)	(612,894,819)
21.00 Trade payables		
Suppliers	171,214,677	193,298,498
	171,214,677	193,298,498
22.00 Other payables		
Creditor for other finance (Note 22.01)	153,667,365	111,800,191
Creditor for revenue expenses (Note 22.02)	167,392,188	127,227,052
	321,059,553	239,027,243
22.01 Creditor for other finance (Note 22)		
Security deposit	-	-
VAT deduction at source	91,453,667	76,215,961
Tax deduction at source	26,998,444	11,096,041
Payable to employees provident fund	7,901,468	2,223,940
Advance against motor cycle & motor car	18,468,615	16,898,594
Employee tax payable	8,845,171	5,365,656
	153,667,365	111,800,191
22.02 Creditor for revenue expenses (Note 22)		
Salaries, wages & overtime payable	51,189,539	37,150,317
Audit and professional fees	650,000	650,000
Electricity bill	66,635,956	-
Telephone bill	-	6,813
Payable against financial expense	38,557,326	80,742,507
Others	60,400	60,400
Payable against advertisement expense	7,200,178	6,001,176
Payable against revenue expense	3,098,789	2,615,838
	167,392,188	127,227,052
23.00 Current portion of long term borrowings		
Project loan for unit -IV and mother vessel		
a) Term loan	694,254,353	685,184,480
Unit-V		
Standard Chartered Bank	221,330,313	221,330,313
Prime Bank Limited	234,851,535	231,049,285
	456,181,848	452,379,598
Mother Vessel		
Dhaka Bank Limited	188,548,959	183,032,539
	188,548,959	183,032,539
Others		
HSBC and Pubali Bank Limited	49,523,546	49,772,343
	49,523,546	49,772,343
	694,254,353	685,184,480
b) Hire Purchase loan		
Prime Bank Limited	33,831,100	36,278,671
Dhaka Bank Limited	19,483,040	5,770,175
Shahjalal Islami Bank Limited	887,229	2,322,325
	54,201,369	44,371,171
	748,455,722	729,555,651
24.00 Short term loan		
24.01 Cash credit (hypothecation)		
One Bank Limited	40,295,052	106,018,241
Prime Bank Limited	13,323,129	327,000
The Hongkong And Shanghai Banking Corporation Limited	462,619,271	330,511,758
Eastern Bank Limited	-	353,012,114
Jamuna Bank Limited	4,934,951	38,206,193
IFIC Bank Limited	160,156,453	41,644,952
Bank Alfalah Limited	15,039,686	20,857,678
Standard Chartered Bank	7,827,506	726,110
United Commercial Bank Limited	19,169,095	41,520,383
Dhaka Bank Limited	58,463	39,325,103
Dutch Bangla Bank Limited	30,391,787	41,145,052
Pubali Bank Limited	49,415,361	48,756,478
Brac Bank Limited	24,368,442	28,966,825
Habib Bank Limited	31,546,521	31,273,268
Agrani Bank Limited	294,398,754	-
	1,153,544,473	1,122,291,154

	30.09.2018 Taka	30.06.2018 Taka
24.02 <u>Loan against trust receipts</u>		
One Bank Limited	-	843,579
Prime Bank Limited	-	7,926,230
The Hongkong And Shanghai Banking Corporation Limited	567,802,613	534,828,356
Dhaka Bank Limited	2,144,339	-
	569,946,952	543,598,165
24.03 <u>Time loan</u>		
One Bank Limited	12,139,100	32,155,320
Prime Bank Limited	261,669,945	4,147,912
Eastern Bank Limited	712,218,100	400,000,000
The Hongkong And Shanghai Banking Corporation Limited	500,000,000	500,000,000
Dhaka Bank Limited	159,006,506	198,199,044
Habib Bank Limited	200,000,000	200,000,000
Brac Bank Limited	100,000,000	236,392,730
Standard Chartered Bank	947,071,010	705,584,420
Bank Alfalah Limited	220,000,000	215,404,400
Agrani Bank Limited	80,299,001	-
	3,192,403,663	2,491,883,825
24.04 <u>Offshore loan</u>		
Prime Bank Limited	539,658,200	75,938,999
The Hongkong And Shanghai Banking Corporation Limited	1,264,756,677	1,052,098,132
Dutch Bangla Bank Limited	263,479,252	632,154,347
One Bank Limited	61,316,592	97,645,311
Standard Chartered Bank	356,390,915	717,573,106
Brac Bank Limited	397,144,695	409,116,591
Dhaka Bank Limited	129,968,366	190,500,296
Bank Alfalah Limited	18,309,312	210,292,512
Agrani Bank Limited	146,981,250	-
Eastern Bank Limited	44,220,000	-
	3,222,226,259	3,385,319,294
24.05 <u>Security overdraft</u>		
IPDC	49,866,035	51,023,379
Other Bank	738,071,532	378,427,437
	787,937,566	429,450,815
	8,926,057,913	7,972,543,254
25.00 <u>Provision for tax liabilities</u>		
Opening balance	637,499,865	636,268,528
Add : provision made during the period	862,564	1,231,336
	638,362,429	637,499,865
26.00 <u>Liabilities workers' profit participation fund (WPPF):</u>		
Opening balance	20,511,243	42,994,185
Less : payments made during the period	-	42,994,185
	20,511,243	-
Add : provision made during the period	4,633,670	20,511,243
Closing balance	25,144,913	20,511,243

		July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
		Taka	Taka
27.00	Revenue		
	Domestic sales (Note:27.00)	3,248,540,818	2,098,912,803
	Export sales	142,199,053	138,370,469
	Net sales	3,390,739,871	2,237,283,271
28.00	Cost of sales		
	Opening stock of raw materials	749,748,391	739,019,026
	Add : purchase of raw materials during the period	2,569,495,495	1,578,815,738
	Less : closing stock of raw materials	(748,840,732)	(651,755,129)
	Raw material consumed(Note 28.01)	2,570,403,154	1,666,079,635
	Factory overhead (note 28.02)	419,431,030	280,481,836
	Cost of production	2,989,834,184	1,946,561,471
	Add : opening finished goods	1,994	2,165
	Cost of goods available for sale	2,989,836,178	1,946,563,636
	Less : closing finished goods	(2,138)	(2,165)
	Cost of sales	2,989,834,041	1,946,561,471
	Less : duty draw back for export	(12,195,122)	(12,314,447)
	Cost of sales	2,977,638,919	1,934,247,024
28.01	Raw material consumed		
	<u>Opening stock of raw materials</u>		
	Clinker	MT 25,682.94	119,812,765
	Gypsum	MT 36,662.96	102,945,781
	Slag	MT 93,398.12	277,889,819
	Fly ash	MT 18,715.89	40,800,288
	Lime stone	MT 43,034.71	104,284,693
	Cement grinding aid	MT 877.06	84,271,644
	Izonil	MT 281.65	18,653,210
	Bags	PCS 67,910.00	1,090,191
		749,748,391	739,019,026
	<u>Add : purchased during the period</u>		
	Clinker	MT 324,400.00	1,670,741,063
	Gypsum	MT -	48,653,670
	Slag	MT 145,950.00	517,855,584
	Fly ash	MT 59,828.00	149,829,421
	Lime stone	MT 28,300.00	77,423,958
	Izonil	MT 94.00	13,552,669
	Bags	PCS 8,499,100.00	140,092,800
		2,569,495,495	1,578,815,738
	<u>Less : closing stock of raw materials</u>		
	Clinker	MT 13,685.83	69,998,293
	Gypsum	MT 8,407.61	23,607,703
	Slag	MT 96,372.41	320,403,184
	Fly ash	MT 25,700.78	62,376,992
	Lime stone	MT 60,783.54	154,831,994
	Cement grinding aid	MT 877.06	84,271,644
	Izonil	MT 348.34	29,864,576
	Bags	PCS 211,552	3,486,344
		748,840,732	651,755,129
	Raw materials consumed	2,570,403,154	1,666,079,635
28.02	Factory overhead		
	Audit & professional/consultancy/legal fees	195,200	-
	Bedding and uniform	131,068	229,508
	BIWTA expense	4,157,787	1,403,289
	Computer accessories	11,412	14,945
	Contribution To PF	1,363,086	746,335
	Conveyance	55,581	122,860
	Depreciation	130,373,509	74,477,976
	Directors' remuneration	1,500,000	1,500,000
	Donation & subscription	16,000	62,000
	Electricity and power	199,228,174	146,621,651
	Entertainment	1,341,062	1,232,195
	Festival bonus	8,597,422	6,198,278
	Fuel for motor vehicle and motor cycle	862,953	578,361
	Gratuity	4,613,238	2,183,319
	Group insurance premium	182,949	203,577
	Insurance premium	1,005,129	2,202,290
	Labour charge	4,639,518	5,893,529
	Lubricants,diesel oil,gear oil &fuel etc.	948,356	284,508
	Medical expenses	24,233	26,166

	July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
	Taka	Taka
Gift & presentation	482,100	113,750
Mobile phone bill	226,850	186,473
Office maintenance	329,278	377,582
Rent & rates	1,644,515	1,183,071
Overtime	2,292,893	2,246,807
Printing, stationeries, schedule & forms	415,137	842,485
Quality testing expenses	116,705	101,859
Registration, licence & renewals	99,368	199,455
Repair & maintenance- vehicle & motor cycle	319,655	333,783
Spare parts & store expenses	10,967,492	5,049,262
Telephone/fax expenses	660	368
Training & education	158,055	41,550
Travelling expense	758,864	229,613
Wages, salary and allowance	42,372,802	25,595,191
	419,431,030	280,481,836
29.00 Other operating income		
Income from mother vessel operation	40,514,063	35,772,000
	40,514,063	35,772,000
30.00 Administrative expenses		
Advertisement & publicity	77,340	11,417
Audit & professional/consultancy/legal fees	744,735	1,547,395
Amortization of intangible asset	1,139,778	-
Board meeting attendance fees	140,000	240,000
Computer accessories	38,530	144,906
Contribution to PF	1,215,020	530,655
Conveyance	271,509	227,949
Corporate social responsibility(CSR)	48,000	5,519,200
Depreciation	8,261,941	4,775,113
Directors' remuneration	2,400,000	2,400,000
Donation & subscription	520,000	35,000
DSE/CSE/CDBL expense	298,500	325,218
Entertainment	1,753,524	1,939,338
Festival Bonus	6,837,675	4,323,652
Fuel for motor vehicle and motor cycle	532,664	358,235
Gratuity	3,026,839	841,897
Group insurance premium	79,333	56,782
Insurance premium	1,587	3,175
Internet	326,119	197,288
Gift & presentation	1,881,026	1,197,712
Mobile phone bill	457,329	463,478
Office maintenance	1,033,165	876,444
Rent and rates	8,625,406	8,458,038
Overtime	79,511	68,097
Printing, stationeries, schedule & forms	729,848	536,495
Registration, licence & renewals	646,441	191,521
Repair & maintenance- vehicle	1,388,782	1,177,748
Salary & allowances	37,231,071	18,950,555
Software Maintenance fees	938,783	-
Telephone/fax expenses	13,908	3,658
Training & education	341,108	31,055
Travelling expense	618,290	690,557
Utility expense	1,016,815	803,048
Lubricants/diesel oil for generator	-	4,340
	82,714,576	56,929,966
31.00 Selling and distribution expenses		
Advertisement & publicity	27,700,228	13,457,585
BSTI fees	375,051	738,571
C&F expenses for export	1,248,520	1,150,500
Audit & professional/consultancy/legal fees	-	22,990
Computer accessories	60,810	17,600
Contribution to PF	1,388,753	933,252
Conveyance	356,968	268,975
Corporate social responsibility (CSR)	-	301,320
Carriage expense	1,164,893	701,562
Depreciation	13,435,471	5,849,713
Directors' remuneration	1,500,000	1,500,000
Donation & subscription	-	104,000
Entertainment	2,037,918	1,718,771

	July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
	Taka	Taka
Festival bonus	8,304,015	5,784,020
Fuel for motor vehicle and motor cycle	1,592,184	816,963
Fair and exhibition	30,600	-
Gratuity	4,490,442	1,744,631
Gift & presentation	755,132	485,914
Group insurance premium	136,762	94,620
Insurance premium	1,780	460
Labour charges	4,645,117	2,141,134
Leave encashment	8,505	29,928
Mobile phone bill	1,624,027	1,444,990
Office maintenance	393,534	109,686
Rent and rates	1,800,784	125,000
Outstation allowance/house rent/TA-DA	998,620	30,540
Overtime	154,058	132,169
Printing stationeries,schedule & forms	947,528	509,996
Promotional expenses	2,685,554	201,532
Quality testing expenses	764,663	92,890
Registration,licence & renewals	1,575,066	817,861
Repair & maintenance- vehicle & motor cycle	229,544	67,179
Salary & allowances	43,883,793	30,627,713
Telephone/fax expenses	-	19,342
Training & education	46,000	60,366
Travelling expense	688,995	570,000
	125,025,312	72,671,774
32.00 Non operating income		
Sales of scrap	3,011,275	-
Other income	3,720,944	3,060,048
Realised/unrealised profit/(loss) on investment on share	(256,027)	535,595
Dividend on share	696,950	2,291,074
	7,173,142	5,886,716
33.00 Financial cost and income		
33.01 Net exchange gain/(loss)	(1,770,377)	(28,975,217)
Bank charge & commission	(11,605,627)	(522,704)
Bank interest	(210,343,983)	(134,389,797)
Total finance cost	(223,719,988)	(163,887,718)
33.02 Interest income from FDR and others	67,978,786	47,219,025
Total finance income	67,978,786	47,219,025
Net finance cost	(155,741,201)	(116,668,694)
34.00 Income tax		
Major components of tax expenses		
In compliance with the requirements of para-79 of BAS-12: Income Tax, the major components of tax expenses are given below:		
Current tax expenses	862,564	17,024,475
Deferred tax expenses	22,305,785	6,409,937
	23,168,349	23,434,412
34.01 Reconciliation of tax expenses and product of accounting profit		
In compliance with the requirements of para-81 (b) of BAS-12: Income Tax, the reconciliation of tax expenses and product of accounting profits are given below:		
Accounting profit for the period	92,673,397	93,737,649
Less : share of profit of equity-accounted investees		
	92,673,397	93,737,649
Tax on accounting profits @25%	23,168,349	23,434,412
Add/(deduct) : 10% rebate for dividend paid	-	-
Add/deduct : effects of tax rate change	-	-
Add/deduct : effects of paramanent difference	-	-
Add/deduct : effects of prior year's adjustments	-	-
Tax expenses for the year	23,168,349	23,434,412
35.00 Earnings per share (BAS - 33)		
Basic earnings per share :		
Earning attributable to ordinary shareholders	69,505,048	70,303,236
Weighted average number of ordinary shares (calculation as below)	148,500,000	148,500,000
Earnings Per Share	0.47	0.47

36.00 Net Asset Value (NAV) per share

Net assets (total assets - total liabilities)

Number of ordinary shares

Net Asset Value (NAV) per share as on 30.09.2018

July 01,2018 to September 30,2018	July 01,2017 to September 30,2017
Taka	Taka
7,195,646,437	7,176,582,613
148,500,000	148,500,000
48.46	48.33

Net Asset Value (NAV) per share as on 30.06.2018

Net assets

Number of ordinary shares

Net Asset Value (NAV) per share as on 30.06.2018


30.06.2018
7,124,354,456
148,500,000
47.98

37.00 Subsequent events

The Board of Directors in their meeting held on 20 October 2018 have recommended cash dividend @ 15% i.e. Taka 1.50 (one taka and fifty paise) per share of Taka 10 each aggregating to Taka 222,750,000.00 for the year ended 30 June 2018 subject to approval of the shareholders' in the Annual General Meeting scheduled to be held on 06 December 2018. The financial statements for the period ended 30 September 2018 do not include the effect of the cash dividend which will be accounted for in the period when shareholders' right to receive payment is established.


 Mohammed Jahangir Alam
 Chairman


 Alhaj Md. Khabir Uddin Mollah
 Managing Director


 Mollah Mohammad Majnu
 Director


 Md. Abdul Kayum, FCMA
 Chief Financial Officer (Current Charge)


 Md. Mozharul Islam, FCS
 Sr. GM & Company Secretary

Clarification in support of deviation in the financial results during
the 1st Quarter ended 30 September 2018

Gross Profit Analysis:

Revenue has been increased by Tk. 115.35 Cr. (51.56% growth) in the First Quarter of 2018-19 in comparison with the corresponding quarter of the last year due to our continuous drive for serving greater customer base with a view to utilizing our 5th Unit capacity, the commercial operation of which has been started from the Second Quarter of 2017-18. We have to address market pricing competitiveness hence we could not increase the price per bag, however, cost of sales has been increased by Tk. 104.34 Cr. (53.94% growth). Increase of Cost of Sales was mainly due to increase of purchase price of Raw Materials.

Factory overhead has been increased sharply due to increase in Electricity Bill and Depreciation of Plant and Machinery in the First Quarter 2018-2019. Electricity Bill has been increased due to increase in production quantity for newly introduced Unit-V and increase in Tariff Rate for commercial use. Depreciation has been increased due to addition of the 5th Unit's Plant and Machineries.

Operating Profit Analysis:

Operating Profit has been increased by Tk. 3.67 Cr. (17.53% growth) in the First Quarter of 2018-19 in comparison with the corresponding Quarter of the last year.

Administrative Expense has been increased by Tk. 2.58 Cr. (45.29% growth) mainly due to increase in Depreciation by Tk. 0.35 Cr., Wages and Salaries and Festival Bonus by Tk. 2.07 Cr. arising from timing difference.

Selling and Distribution Expenses has been increased by Tk. 5.24 Cr. mainly due to increase in Advertisement and Publicity by Tk. 1.42 Cr., Labor Charge by Tk. 0.25 Cr., Wages and Salaries and Festival Bonus by Tk. 1.59 Cr., arising from timing difference and Depreciation of Tk. 0.75 Cr. from corresponding period.

However, Other Operating Income has been increased by Tk. 0.47 Cr. due to income generated from new Mother Vessel(s) and higher rent.

Earnings Per Share (EPS):

Further to the above, finance cost has been increased by Tk. 5.98 Cr. mainly due to increase in interest expense by Tk. 7.59 Cr. (interest has been booked due to commercial operation starting of 5th Unit from the Second Quarter of 2017-2018) resulting increased investment in asset (both non-current and current asset) during this period. However, interest income has been increased by Tk. 2.07 Cr. during the period under review. As a result, Net Profit After Tax has been decreased by Tk. 0.08 Cr. from the corresponding period.

Increase in Total Assets & Liabilities:

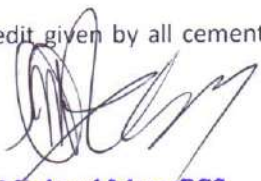
In the reporting period total assets have been increased by Tk. 118.99 Cr. and increase in Trade Receivables by Tk. 39.48 Cr. Advance Payment of Tax has been increased by Tk. 14.53 Cr. from the corresponding period.

Liabilities have been increased by Tk. 111.87 Cr. including increase in Short Term Loan by Tk. 95.35 Cr. and increase in Long Term Borrowings by Tk. 4.86 Cr. and Other Payables has been increased by Tk. 8.20 Cr. from the corresponding period.

Statement of Cash Flows:

Net Operating Cash Flows Per Share:

- Higher buildup of inventory to offset adverse movement in prices, advances to suppliers and higher prices of raw materials.
- Higher Accounts Receivables due to intense competition in the market leading to higher credit given by all cement manufacturers to the channel.
- Higher Advance Income Tax on raw materials.
- Drop in financial income due to sharp drop in the rates of the Fixed Deposits.


Md. Mozharul Islam, FCS
Company Secretary
M.I. Cement Factory Ltd.