

**FIRST QUARTER REPORT  
(UN-AUDITED)**

**SEPTEMBER 30, 2023.**

 **METRO SPINNING LIMITED**

**METRO SPINNING LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS ON 30TH SEPTEMBER'2023**  
**(UN-AUDITED)**

	Notes	Amount in Tk	
		1st qtr ended Sep 30'2023	Financial Year June30'2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property ,plant & Equipment	2.00	661,471,647	667,286,549
Right- of- Use Asset	2.01	7,295,405	7,841,201
Investment in Shares	3.00	280,944,882	280,944,882
<b>CURRENT ASSETS:</b>		<b>844,900,413</b>	<b>911,310,041</b>
Inventories	4.00	442,547,358	466,297,000
Trade Receivable	5.00	238,981,345	288,087,369
Advance, Deposit & Prepayments	6.00	150,042,288	148,866,472
Cash & Bank Equivalents	7.00	13,329,423	8,059,201
<b>TOTAL ASSETS</b>		<b>1,794,612,347</b>	<b>1,867,382,674</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE HOLDERS EQUITY</b>			
Share Capital	8.00	616,982,750	616,982,750
Reserve & Surplus	9.00	378,945,956	423,778,269
<b>NON-CURRENT LIABILITIES</b>		<b>290,040,110</b>	<b>184,552,995</b>
Long Term Loan	10.00	233,611,943	127,050,439
Lease liability	10.01	3,913,070	4,606,064
Deffered Tax Liability	11.00	52,515,097	52,896,492
<b>CURRENT LIABILITIES:</b>		<b>508,643,532</b>	<b>642,068,661</b>
Current Portion of Long Term Loan	12.00	109,175,798	39,251,603
Current Portion of Lease Liability	12.01	2,253,494	2,083,417
Short Term Loan from Bank & others	13.00	350,517,529	526,798,508
Dividend payable/Unpaid Dividend	14.00	19,894,538	19,911,575
Trade and Others Payables	15.00	26,802,172	54,023,557
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,794,612,347</b>	<b>1,867,382,674</b>
<b>Net Assets Value (NAV) per share</b>	<b>19.00</b>	<b>16.14</b>	<b>16.87</b>

  
**Chief Financial Officer**

  
**Company Secretary**

  
**Director**

  
**Managing Director**

**METRO SPINNING LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER'2023**  
**(UN- AUDITED)**

	Notes	Amount in Tk	
		1st qtr ended Sep 30'2023	1st qtr ended Sep 30'2022
Turnover	16.00	18,496,309	194,405,503
Cost of Goods Sold	17.00	<u>39,657,585</u>	<u>136,784,111</u>
Gross Profit		(21,161,276)	57,621,392
Operating Expenses		24,028,825	18,792,600
Administrative Expenses		3,764,430	4,980,977
Selling Expenses		329,755	1,147,841
Financial Expenses		19,934,639	12,663,782
Operating Profit		(45,190,101)	38,828,792
Other income		<u>330,476</u>	<u>274,296</u>
Net Profit before WPPF		(44,859,625)	39,103,088
Contribution to WPPF			<u>1,862,052</u>
Net Profit before Tax		(44,859,625)	37,241,036
Provision for Tax		(27,314)	5,560,962
Current Tax	22.00	354,081	5,879,178
Deffered Tax	23.00	(381,395)	(318,216)
Net Profit after Tax		(44,832,311)	31,680,074
Other Comprehensive Income			
Gain/Loss on Marketable Securities (Unrealised)	3.01	-	5,032,195
Total Comprehensive Income for the Period		<u>(44,832,311)</u>	<u>36,712,269</u>
Earnings Per Share (EPS)	18.00	(0.73)	0.51

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

**METRO SPINNING LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30TH SEPTEMBER, 2023**

Particulars	Share Capital	Share Premium	Reserves	Loss on Marketable Securities (Unrealised)	Retained Earnings	Total
Balance as on 01.07.23	616,982,750	103,500,000	221,730,602	100,544,881	(1,997,216)	1,040,761,017
Total Comprehensive Income for the period				-	(44,832,311)	(44,832,311)
Balance as on 30-09-2023	616,982,750	103,500,000	221,730,602	100,544,881	(46,829,527)	995,928,706

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022**

Particulars	Share Capital	Share Premium	Reserves	Loss on Marketable Securities (Unrealised)	Retained Earnings	Total
Balance as on 01.07.2022	616,982,750	103,500,000	223,789,436	123,189,760	206,856,769	1,274,318,715
Total Comprehensive Income for the period				5,032,195	31,680,074	36,712,269
Balance as on 30-09-2022	616,982,750	103,500,000	223,789,436	128,221,955	238,536,843	1,311,030,984

  
 Chief Financial Officer

  
 Company Secretary

  
 Director

  
 Managing Director

**METRO SPINNING LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER'23**  
**(UN-AUDITED)**

	Amount in Tk	
	1st qtr-ended Sep 30'2023	1st qtr ended Sep 30'2022
<b>Cash flow from operating activities :</b>		
Cash Received from Turn over and Other Income	67,895,105	227,045,358
Payment for Cost and Expenses	(42,844,250)	(159,673,825)
Interest Paid	(19,837,002)	(12,638,770)
<b>Net Cash Inflow/Outflow from Operating Activities</b>	<b>5,213,853</b>	<b>54,732,763</b>
<b>Cash flow from investing activities :</b>		
Acquisition of Fixed Assets	-	(40,575)
<b>Net Cash Inflow/outflow from Investing Activities</b>	<b>-</b>	<b>(40,575)</b>
<b>Cash flow from Financing activities :</b>		
Short Term Loan & others-net	(176,280,979)	(60,346,653)
Long Term Loan-net	176,316,682	(6,579,462)
Dividend Paid	(17,037)	(53,518)
<b>Net Cash Inflow/Outflow from Financing Activities</b>	<b>18,666</b>	<b>(66,979,632)</b>
<b>Net Cash Increased/Decresed in &amp; Cash equivalents</b>	<b>5,232,519</b>	<b>(12,287,444)</b>
Gain/(Loss) of Foreign Currency fluctuation	37,704	(356,702)
Opening Cash and Bank balance	8,059,201	25,506,518
<b>Closing Cash and Bank balance</b>	<b>13,329,423</b>	<b>12,862,372</b>
<b>Net Operating cash flow Per Share</b>	<b>20.00</b>	<b>0.89</b>

  
**Chief Financial Officer**

  
**Company Secretary**

  
**Director**

  
**Managing Director**

**1.00 Accounting Policies & Methods used for preparation & presentation of financial Statements**

We have followed the similar accounting policies and methods for the preparation and presentation of financial statement for the First Quarter ended from 1<sup>st</sup> July 2023 to 30<sup>st</sup> September 2023 compared to the most recent annual Financial Statements for the Year ended June 30, 2023.

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable international Financial Reporting Standards (IFRSs) including international Accounting Standards (IAS) as issued by International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

	Amount in Tk	
	September 30, 2023	June 30, 2023
<b>2.00 Property, Plant &amp; Equipments</b>		
Land & Land Development	285,632,906	285,632,906
Building & Other Construction	134,810,017	136,516,473
Plant & Machinery	238,275,508	242,309,969
Furniture & Fixture	254,507	264,423
Office Equipment	2,498,709	2,562,779
	<b>661,471,647</b>	<b>667,286,549</b>
<b>2.01 Right of Use Asset</b>		
Right-of-use Assets	7,295,405	7,841,201
	<b>7,295,405</b>	<b>7,841,201</b>
<b>3.00 Investments in Share</b>		
Maksons Pharmaceutical limited	400,000	400,000
Maksons Spinning Mills limited(3.01)	280,544,882	280,544,882
<b>Total Investment in Shares</b>	<b>280,944,882</b>	<b>280,944,882</b>
<b>3.01 Opening Balance</b>	280,544,882	303,189,761
Add: Unrealized Gain/(Loss) during the year	-	(22,644,879)
<b>Closing Balance</b>	<b>280,544,882</b>	<b>280,544,882</b>
<b>4.00 Inventories</b>		
Raw Cotton	425,106,244	435,582,377
Work in Process		447,442
Finished Goods	11,364,348	22,563,227
Store & Spares	6,076,765	7,703,953
<b>Total Inventories</b>	<b>442,547,358</b>	<b>466,297,000</b>
<b>5.00 Trade Receivable</b>		
Trade Receivables	238,981,345	288,087,369
	<b>238,981,345</b>	<b>288,087,369</b>
<b>6.00 Advance, Deposit &amp; Prepayment</b>		
Advance (Note: 6.01)	144,358,053	142,469,722
Deposit & Prepayments (Note: 6.02)	5,684,235	6,396,750
	<b>150,042,288</b>	<b>148,866,472</b>

	Amount in Tk	
	September 30, 2023	June 30, 2023
<b>6.01 Advance</b>		
This is made up as follows:		
Advance to Parties & others	60,589,313	54,220,336
BEZA	29,651,139	29,651,139
Advance Income Tax	354,081	7,589,852
Raw Cotton & spares in Transit	44,561,645	41,291,730
Claim of Short Weight	9,201,875	9,716,664
<b>Total Advances</b>	<b>144,358,053</b>	<b>142,469,722</b>
<b>6.02 Deposit &amp; prepayments</b>		
Titas Gas	1,575,442	1,575,442
Others	4,108,793	4,821,308
<b>Total Deposits</b>	<b>5,684,235</b>	<b>6,396,750</b>
<b>7.00 Cash and Bank Equivalent</b>		
Cash in hand	703,706	142,396
Cash at Bank	12,625,717	7,916,805
<b>Total Cash and Bank Equivalents</b>	<b>13,329,423</b>	<b>8,059,201</b>
<b>8.00 Authorized</b>		
1,000,00,000 ordinary shares of Tk. 10/- each	1,000,000,000	1,000,000,000
<b>Issued, Subscribed and Paid-up</b>		
<b>Paid up Share Capital of Tk. 6,16,98,27,50 is arrived at as follows:</b>		
6,16,98,275 Ordinary Shares of Tk 10/ each	616,982,750	616,982,750
<b>Total Ordinary Shares</b>	<b>616,982,750</b>	<b>616,982,750</b>
<b>9.00 Reserve &amp; Surplus</b>		
Revaluation reserve	221,730,602	221,730,602
Retained Earnings	(46,829,527)	(1,997,215)
Share Premium	103,500,000	103,500,000
Loss on Marketable Securities (Unrealized)	100,544,881	100,544,882
<b>Total Reserves &amp; Surplus</b>	<b>378,945,956</b>	<b>423,778,269</b>
<b>10.00 Long Term Loan</b>		
Southeast Bank Ltd.	231,317,474	123,023,660
Jamuna Bank Ltd.	2,294,469	4,026,779
	<b>233,611,943</b>	<b>127,050,439</b>
<b>10.01 Lease liability</b>		
Uttara Finance and Pubali bank	1,374,977	1,682,221
Right of use Assets	2,538,093	2,923,842
	<b>3,913,070</b>	<b>4,606,064</b>
<b>11.00 Deferred Tax Liabilities</b>		
Opening balance	52,896,492	54,170,100
Addition during the year	(381,395)	(1,273,608)
<b>Total Deferred Tax Liabilities</b>	<b>52,515,097</b>	<b>52,896,492</b>

	Amount in Tk	
	September 30, 2023	June 30, 2023
WDV as per Accounting Base (excluding Land)	404,794,821	385,474,059
WDV as per Tax Base	83,905,332	70,953,846
Difference	320,889,489	314,520,213
Tax @ 15% on Difference [A]	48,133,423	47,178,032
WDV on Accounting Base (Land)	285,632,906	285,632,906
WDV as per Tax Base (Land)	95,017,564	95,017,564
Difference	190,615,342	190,615,342
Tax @ 3% on Difference [B]	5,718,460	5,718,460
<b>Total [A+B]</b>	<b>52,515,097</b>	<b>52,896,492</b>
<b>12.00 Current Portion of Long Term Loan</b>		
Southeast Bank Ltd.	104,141,161	34,328,567
Jamuna Bank Ltd.	5,034,637	4,923,036
<b>Total Current Portion of Long Term Loan:</b>	<b>109,175,798</b>	<b>39,251,603</b>
<b>12.01 Current portion of Lease Liability</b>		
Uttara Finance and Pubali bank, Right- of-use Asset	806,049 1,447,446	667,822.00 1,415,595.00
	<b>2,253,494</b>	<b>2,083,417</b>
<b>13.00 Short Term Loan from Bank and Others</b>		
Short Term Loan from Bank (13.01)	345,118,260	524,043,775
Loan from Maksons Spinning Mills Limited	5,399,269	2,754,733.00
	<b>350,517,529</b>	<b>526,798,508</b>
<b>13.01 Short Term Loan from Bank and Other</b>		
Jamuna Bank OD A/c-134000403	30,865,938	30,829,225
Southeast Bank Ltd. OD A/C-358	88,871,865	86,267,776
Southeast Bank EDF		54,397,849
Loan on Export	28,208,624	38,025,385
Jamuna Bank Ltd- LTR & Others	91,444,366	94,684,755
Southeast Bank-force loan & Others	105,727,467	219,838,785
<b>Total</b>	<b>345,118,260</b>	<b>524,043,775</b>
<b>14.00 Dividend Payable/unpaid Dividend</b>		
Dividend Payable/Unpaid Dividend	19,894,538	19,911,575
	<b>19,894,538</b>	<b>19,911,575</b>
The dividend payable as on september 30,2023 consist of tk 51,64,898 payable for the year 2021-2022 and the balance amount TK 1,47,29,640 for the prior years unclaimed to date.		
<b>15.00 Trade and Others Payable</b>		
Other Expenses	5,902,259	15,610,102
Salary & Wages	1,428,431	4,027,761
Creditors for Goods	203,628	899,308
WPPF	997,665	997,665
Provision for Tax (15.01)	15,175,183	22,410,954
Others Liability	3,095,006	10,077,767
<b>Total Liabilities for Expenses:</b>	<b>26,802,172</b>	<b>54,023,557</b>

	Amount in Tk	
	September 30, 2023	June 30, 2023
<b>15.01 Provision for Tax</b>		
Opening Balance	22,410,954	22,928,816
Add : Provision made for the year	354,081	7,589,852
Less: Tax Paid/Adjustment during the year	(7,589,852)	(8,107,714)
<b>Total Provision for Tax:</b>	<b>15,175,183</b>	<b>22,410,954</b>
	<b>September 30, 2023</b>	<b>September 30, 2022</b>
<b>16.00 Turnover</b>		
Sales	18,496,309	194,405,503
<b>Total</b>	<b>18,496,309</b>	<b>194,405,503</b>
<b>17.00 Cost of Goods Sold</b>		
<b>Particulars</b>	<b>Amount in Taka</b>	<b>Amount in Taka</b>
Raw Material Consumed	10,476,102	135,469,574
Add: Manufacturing Overhead	17,535,162	32,642,311
<b>Cost of Goods Manufacturing</b>	<b>28,011,264</b>	<b>168,111,885</b>
Opening Work in Process	447,442	8,890,168
Less: Closing Work in Process	-	5,805,253
<b>Cost of Production</b>	<b>28,458,706</b>	<b>171,196,800</b>
Opening Finished Goods	22,563,227	149,581,102
Less: Closing Finished Goods	11,364,348	183,993,791
<b>Total Cost of Goods Sold:</b>	<b>39,657,585</b>	<b>136,784,111</b>
<b>18.00 Basic Earning Per Share (EPS):</b>	<b>September 30, 2023</b>	<b>September 30, 2022</b>
(a) Earning attributable to the ordinary shareholders (Net Profit after WPPF)	(44,832,311)	31,680,074
(b) Weighted average number of ordinary shares outstanding during the year	61,698,275	61,698,275
(c) Basic EPS	<b>(0.73)</b>	<b>0.51</b>
<b>19.00 Net Assets Value (NAV) Per Share:</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>
Total Assets	1,794,612,347	1,867,382,674
Total Liabilities	798,683,641	826,621,655
<b>A. Net Assets</b>	<b>995,928,706</b>	<b>1,040,761,019</b>
<b>B. Total Number of Shares outstanding</b>	<b>61,698,275</b>	<b>61,698,275</b>
<b>C Net Assets Value (NAV) per share (A/B)</b>	<b>16.14</b>	<b>16.87</b>
<b>20.00 Net Operating Cash Flow Per Share (NOCFPS):</b>	<b>September 30, 2023</b>	<b>September 30, 2022</b>
A. Net Operating Cash Flow (Numerator)	5,213,853	54,732,763
B. No. of Shares Outstanding	61,698,275	61,698,275
<b>C. Net Operating Cash Flow Per Shares (A/B)</b>	<b>0.08</b>	<b>0.89</b>

**21.00 Net Operating Cash Flow Reconciliation**

Reconciliation of Net operating cash flow under Indirect Method is provided below:

<u>Particulars</u>	<u>September 30, 2023</u>
Net profit after tax for the year:	(44,832,311)
Income Tax Expense:	(27,314)
Net profit before tax for the year:	(44,859,625)
<b>Adjustment to reconcile profit before tax to net cash flows</b>	
Depreciation	6,360,698
Right-of-use Assets	(353,899)
Unrealized foreign exchange fluctuation gain	(37,704)
<b>Working capital adjustments</b>	
(Increase)/Decrease in Advances & Prepayments	(1,175,816)
Decrease/(Increase) in Trade Receivables	49,106,024
Decrease/(Increase) in Inventory	23,749,642
(Decrease)/Increase in Trade Payables, Liabilities and WPPF	(27,575,467)
<b>Net Cash generated from Operating Activities</b>	<u><u>5,213,853</u></u>

**22.00 Current Tax**

Income from Operation	(44,832,311)
Income Tax rate*	
Income Tax Payable [A]	
Income from Non-Operation	
Income Tax Rate **	
Income Tax Payable [B]	
<b>Total tax Payable on Taxable Income[C=A+B]</b>	<u><u>-</u></u>
Minimum Tax Payable u/s 82C(4) (a) [D]	
Tax deducted at source [E]	<u>354,081</u>
Tax expenses for 30th September, 2023 (higher of C, D and E)	<u><u>354,081</u></u>

\* As per ministry of Finance SRO dates 30th June, 2019 (SRO#218)

\*\* As per Bangladesh Finance Act 2022

**23.00 Deferred Tax**

Deferred tax Liabilities as on 30th Sep 2023	52,515,097
Deferred tax Liabilities as on 30th June 2023	52,896,492
Deferred Tax for the Period	<u><u>(381,395)</u></u>

**24.00 Significant deviation in EPS**

Earnings per share decreased mainly due to decreased in sales Volume in terms of quantity and price, comparison to the previous period of previous year.

The company is going to implement BMRE project. The New factory building is to be constructed on the premises of the existing factory building. For this reason the production of the factory will remain close.

**25.00 Significant deviation in NOCFPS**

NOCFPS decreased due to decrease collection, comparison to the previous period of previous year.

**26.00 Changes in Operating Income and Expenses:**

Sales Revenue decreased compared to same period due to decrease in sales Volume in terms of quantity and price.

Cost of Goods Sold decreased compared to the same period of last financial year due to increases raw cotton cost.

27.00 **Dividend Declaration**

The Board of Directors has recommended " no dividend " for the year ended June 30,2023 no dividend which will be approved by the Shareholders in the AGM to be held on December,20,2023

28.00 Disclosure on Related party Transaction as per IAS-24 "Related Party Disclosure"

Particulars	Nature of Relationship	Type of Transaction	Outstanding Balance as on 30 September, 2023
Maksons Spinning Mills ltd.	Common Director	Loan & Advance	5,399,269

29.00 **Disclosure of Key management personnel compensation**

As per the paragraph 17 of IAS-24: **Related Party Disclosure**, there was no payment benefits during this period on Account of:

- a) Short-term employee benefits
- b) Post-employment benefits
- c) Other long-term benefits
- d) Termination benefits
- e) Share-based payment