

BSRM STEELS LIMITED AND ITS SUBSIDIARY
Consolidated Financial Statements (Un-audited)
As at and for the period ended 30th September 2015

Q3, 2015

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com

Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.

Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com

BSRM STEELS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 30 SEPTEMBER 2015





	30-Sep-15	31-Dec-14
	<u>Taka</u>	<u>Taka</u>
Assets:		
Non-Current Assets		
Property, Plant and Equipment at cost	11,515,124,166	11,429,089,040
Accumulated Depreciation	(2,248,844,445)	(1,951,076,799)
	9,266,279,721	9,478,012,241
Capital Work in Progress	284,338,532	52,120,752
Intangible Assets	39,453,274	42,671,865
Investment	943,021,971	945,301,128
Total Non-Current Assets	10,533,093,497	10,518,105,986
Current Assets		
Short Term Investment	312,586,750	254,178,594
Inventories	11,086,072,273	13,627,336,725
Trade & Other Receivables	2,122,731,584	2,973,028,898
Current Account with Related Companies	5,473,963,476	3,040,570,533
Advances, Deposits and Pre-payments	1,804,216,770	1,394,394,506
Cash and cash equivalents	285,912,769	573,851,351
Total Current Assets	21,085,483,623	21,863,360,607
Total Assets	Taka 31,618,577,120	32,381,466,593

Equity and Liabilities:


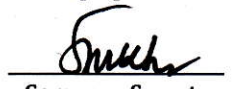
Equity		
Share capital	3,417,750,000	3,417,750,000
Retained Earnings	3,750,957,535	2,609,417,357
Revaluation Reserve	2,633,654,878	2,635,014,277
Equity attributable to Owners of the Company	9,802,362,414	8,662,181,634
Non-controlling Interest	110,781,586	106,672,238
Total Equity	9,913,143,999	8,768,853,872

Liabilities

Non-Current Liabilities		
Long Term Borrowings	680,189,458	614,600,476
Defined Benefit Obligations - Gratuity	53,029,475	53,029,475
Deferred Tax Liability	985,122,187	889,207,310
Total Non-Current Liabilities	1,718,341,120	1,556,837,261
Current Liabilities		
Trade Payable	14,080,890	53,285,610
Short Term Borrowings	18,516,976,560	20,235,863,398
Current portion of Long Term Borrowings	240,528,135	440,153,541
Current Account with Related Companies	52,480,165	1,645,134
Liabilities for Expenses	172,793,867	424,159,111
Current Tax Liabilities	661,929,452	495,092,588
Provision for WPPF & Welfare Fund	118,048,627	91,670,284
Other Liabilities	210,254,305	313,905,794
Total Current Liabilities	19,987,092,001	22,055,775,460
Total Liabilities	21,705,433,121	23,612,612,721
Total Equity and Liabilities	Taka 31,618,577,120	32,381,466,593


Chairman

Chief Financial Officer


Director


Managing Director

Company Secretary

Saturday, October 17, 2015

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.
Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com
Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.
Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com

BSRM STEELS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	January - September 2015	January - September 2014*	July - September 2015	Amount in Taka July - September 2014*
Revenue	24,731,850,269	28,829,925,927	6,186,365,349	8,784,161,468
Cost of Sales	(21,145,301,216)	(25,769,919,768)	(4,847,051,343)	(8,129,786,234)
Gross Profit	3,586,549,053	3,060,006,159	1,339,314,005	654,375,234
Selling and Distribution Costs	(537,834,393)	(560,260,599)	(172,170,502)	(146,052,431)
Administrative Costs	(215,573,903)	(215,180,981)	(75,961,004)	(64,252,112)
	(753,408,295)	(775,441,580)	(248,131,506)	(210,304,543)
	2,833,140,757	2,284,564,579	1,091,182,500	444,070,691
Other Income	12,359,659	18,482,964	4,679,209	7,583,294
Results from operating activities	2,845,500,417	2,303,047,543	1,095,861,709	451,653,985
Finance Costs	(562,500,080)	(831,307,666)	(198,086,522)	(196,961,046)
Finance Income	85,113,429	26,828,970	31,569,920	5,320,096
	(477,386,651)	(804,478,696)	(166,516,602)	(191,640,950)
Net Profit before Tax and WPP&WF	2,368,113,766	1,498,568,847	929,345,107	260,013,035
Contribution to WPPF and Welfare Fund	(118,048,627)	(74,282,756)	(46,467,255)	(12,852,417)
	2,250,065,139	1,424,286,091	882,877,852	247,160,618
Share of profit/(loss) of Associate	(2,279,157)	(1,929,232)	(927,963)	(861,831)
Profit before Income Tax	2,247,785,982	1,422,356,859	881,949,888	246,298,787
Provision for Income Tax				
Current	(494,918,477)	(337,646,374)	(186,442,144)	(54,074,066)
Deferred	(110,868,261)	(88,827,329)	(114,286,691)	(17,732,539)
	(605,786,739)	(426,473,703)	(300,728,836)	(71,806,606)
Net Profit after Tax for the period	1,641,999,243	995,883,157	581,221,052	174,492,182
Other Comprehensive Income				
Total Comprehensive Income for the period	1,641,999,243	995,883,157	581,221,052	174,492,182
Net Profit after Tax attributable to:				
Shareholders of the Company	1,637,889,895	991,166,793	583,461,631	173,640,280
Non-controlling Interest	4,109,348	4,716,364	(2,240,578)	851,901
	1,641,999,243	995,883,157	581,221,052	174,492,182
Earnings Per Share				
Basic Earnings per Share	4.79	2.90	1.71	0.51

* Refer to Note-7.2

Chairman

Director

Managing Director

Chief Financial Officer

Company Secretary

Saturday, October 17, 2015

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.


Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com

Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.

Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com

BSRM STEELS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2015

Particulars	Amount in Taka					
	Share Capital	Revaluation Reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
Balance as on 01 January 2015	3,417,750,000	2,635,014,277	2,609,417,357	8,662,181,634	106,672,238	8,768,853,872
Total comprehensive income for this period	-	-	1,637,889,895	1,637,889,895	4,109,348	1,641,999,243
Cash Dividend paid for the year 2014	-	-	(512,662,500)	(512,662,500)	-	(512,662,500)
Transfer from deferred tax to revaluation reserve	-	10,875,188	-	10,875,188	-	10,875,188
Transfer of difference in depreciation between cost model and revaluation model	-	(12,234,587)	16,312,783	4,078,196	-	4,078,196
Balance as at 30 September 2015	3,417,750,000	2,633,654,878	3,750,957,535	9,802,362,414	110,781,586	9,913,143,999
Balance as on 01 January 2014	3,417,750,000	2,651,613,249	1,859,967,666	7,929,330,915	98,330,428	8,027,661,343
Total comprehensive income for this period	-	-	991,166,793	991,166,793	4,716,364	995,883,157
Cash Dividend paid for the year 2013	-	-	(512,662,500)	(512,662,500)	-	(512,662,500)
Transfer of difference in depreciation between cost model and revaluation model	-	(12,449,229)	17,171,350	4,722,121	-	4,722,121
Balance as at 30 Sept. 2014 as re-stated (Note-7.2)	3,417,750,000	2,639,164,020	2,355,643,309	8,412,557,329	103,046,792	8,515,604,121


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Saturday, October 17, 2015

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.
Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com
Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.
Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com


BSRM STEELS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2015



	30-Sep-15	30-Sep-14*
	Taka	Taka
a. Cash flows from Operating Activities		
Cash receipts from Customers	31,644,573,738	38,857,824,839
Cash payments to Suppliers and Employees	(25,454,367,459)	(40,288,239,439)
Interest Paid	(477,386,651)	(491,248,754)
Net Cash (used in)/generated by Operating Activities	5,712,819,628	(1,921,663,355)
b. Cash flows from Investing Activities		
Acquisition of Fixed Assets	(91,904,065)	(80,932,197)
Disposal of Fixed Assets	1,681,025	-
Increase in Investment	(56,128,999)	(1,929,232)
Capital Work-in-progress	(232,217,780)	(195,630,042)
Net Cash (used in)/generated by Investing Activities	(378,569,819)	(278,491,471)
c. Cash flows from Financing Activities		
(Repayments) / Receipts of Term Loan	113,198,681	(158,919,149)
Dividend Paid	(512,662,500)	(512,662,500)
Loan to/from Related Companies	(3,256,602,629)	(1,700,640,081)
Short Term Borrowings	(1,966,121,943)	4,545,799,720
Net cash provided by /(used in) Financing Activities	(5,622,188,391)	2,173,577,990
d. Net increase in Cash and Cash equivalent (a+b+c)	(287,938,582)	(26,576,836)
e. Opening Cash and Cash equivalent	573,851,351	597,043,710
f. Closing Cash and Cash equivalent (d+e)	285,912,769	570,466,874

* Refer to Note-7.2


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Saturday, October 17, 2015

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com

Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.

Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com

BSRM Steels Limited and its subsidiary
Selected Explanatory Notes to the Financial Statements
For the period ended 30th September 2015



1. Legal form of Enterprise

BSRM Steels Limited (hereinafter referred to as BSRMSL, the company or the Parent) was incorporated on 20 July, 2002, vide the certificate C-No. 4392 of 2002 as a Private Limited Company registered in Bangladesh under Companies Act 1994. The company was converted to a Public Limited Company on 20 December 2006. The Company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly quoted Company. Trading of the shares of the company started in two stock exchanges from 18 January 2009.

The company has set up its rolling mill at 4 Fouzderhat Industrial Estate, Latifpur, Sitakunda, Chittagong and commenced commercial production from 1 April 2008. The principle place of business is at Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

BSRMSL acquired 95% equity interest in BSRM Iron & Steel Co. Limited (BISCO) i.e. 104,500,000 Ordinary Shares of Tk. 10 each on 10 November 2010 in exchange of 104,500,000 Ordinary Shares of Tk. 10 each in BSRM Steels Limited.

BSRMSL has also acquired 13.29% (2014: 21.76%) equity interest in BSRM Steel Mills Limited (BSRMSML) i.e. 45,114,600 Ordinary Shares of Tk. 10 each. BSRMSML is treated as associated company as BSRMSL has significant influence in the investee company's policy making process. BSRMSML has not started its commercial operation yet.

2. Nature of the Business

The main purpose of the company is to manufacture M.S. products by setting up rolling and re-rolling mills and marketing the same.

3. Reporting

This quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS) - 34: Interim Financial Reporting". This interim financial statements should be read in conjunction with the published financial statement for the year ended 31st December 2014, as they provide an update to previously reported information.

4. Accounting policies and method of computations

Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared and published for the period ended 31st December 2014.

5. Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 30th September 2015 and profit for the same period. The number of shares outstanding for the period was 34,17,75,000. Earnings per share for the same period of preceding year has been also calculated based on 34,17,75,000 shares.

6. Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

7. General

7.1 Wherever considered necessary, prior period's figures and phrases have been re-arranged to confirm to this period's presentation.

7.2 Figures of 3rd Qtr. 2014 have been re-stated due to recognition of share of profit/(loss) of associate.

7.3 Amounts appearing in these financial statements have been rounded off to the nearest taka.

7.4 Bracket figures denote negative balance.


BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com

Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.

Phone : +88-031-2770192, 2770193; Fax: +88-031-751452; E-mail : bsrmsteels@bsrm.com