

Bangladesh Steel Re-Rolling Mills Limited
Statement of Financial Position (Un-audited)
As at 31 December 2016



	31-Dec-16 BD Tk	30-Jun-16 BD Tk
Assets		
Non-current assets		
Property, plant and equipment	11,783,839,356	11,908,901,352
Intangible asset	26,872,072	28,093,150
Capital work in progress	511,064,387	403,857,592
Investment in associates	6,292,628,061	6,024,824,712
Other investments	121,974,821	141,577,875
Total non-current assets	18,736,378,697	18,507,254,681
Current assets		
Inventories	13,153,604,015	7,335,268,548
Trade receivables	2,272,647,029	977,102,185
Other receivables	95,793,797	60,527,338
Due from inter companies	3,578,192,284	1,993,023,585
Advances and deposits	1,584,810,677	1,333,356,641
Short term investments	255,143,628	40,096,301
Cash and cash equivalents	114,388,515	294,004,367
Assets held for sale	1,184,359,433	1,184,359,433
Total current assets	22,238,939,377	13,217,738,398
Total assets	40,975,318,074	31,724,993,079
Equity and liabilities		
Equity:		
Share capital	1,950,977,170	1,950,977,170
Share premium	511,970,250	511,970,250
General reserve	30,170,818	30,170,818
Revaluation Reserve	4,060,385,988	4,067,381,989
Retained earnings	4,104,689,876	3,703,625,286
12% convertible coupon bond-equity component	45,661,142	45,661,142
Total equity	10,703,855,244	10,309,786,655
Liabilities		
Non-current liabilities		
Long term loan	2,787,254,951	3,272,584,206
Defined benefit obligations-Gratuity	141,302,071	142,429,346
Deferred tax liabilities	1,241,838,839	1,134,511,277
Total non-current liabilities	4,170,395,861	4,549,524,829
Current liabilities		
Trade payables	1,734,273,973	965,096,281
Short term loan	15,448,113,258	9,015,063,382
Long term loan -current portion	1,397,446,225	1,343,805,090
Due to inter companies	6,181,366,296	3,907,794,543
Advance against sales	702,095,275	1,215,180,031
Liabilities for expenses	364,380,275	265,359,168
Provision for income tax	9,913,287	14,037,129
Provision for WPPF and Welfare Fund	55,637,924	40,938,439
Other liabilities	207,840,457	98,407,532
Total current liabilities	26,101,066,970	16,865,681,595
Total liabilities	30,271,462,830	21,415,206,424
Total Equity and liabilities	40,975,318,075	31,724,993,079
Net Asset Value per share	54.86	52.84

Chief Financial Officer

Managing Director

Director

Company Secretary

Chairman

Thursday, January 26, 2017

Bangladesh Steel Re-Rolling Mills 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 : Steel Melting Works : 78/79, Nasirabad I/A, Baizid Bostami Road, Chittagong. **Phone :** +88-031-681487, 683536; **Fax :** +88-031-683029

Rolling Mill : 147-149, Nasirabad I/A, Baizid Bostami Road, Chittagong, Bangladesh. **Phone :** +88-031-683053, 683164; **Fax :** +88-031-682901

Bangladesh Steel Re-Rolling Mills Limited
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the Period from 1 July 2016 to 31 December 2016

	1 July 2016 to 31 December 2016	1 July 2015 to 31 December 2015	1 October 2016 to 31 December 2016	1 October 2015 to 31 December 2015
	BD Tk	BD Tk	BD Tk	BD Tk
Revenue	8,524,782,189	3,487,014,640	6,125,989,147	1,967,836,858
Cost of sales	(7,335,256,469)	(3,204,025,115)	(5,277,223,514)	(1,773,128,426)
Gross profit	1,189,525,720	282,989,525	848,765,633	194,708,431
Selling and distribution costs	(146,062,556)	(56,882,288)	(97,297,824)	(24,188,245)
Administrative costs	(111,172,834)	(63,129,778)	(53,640,307)	(15,633,469)
	932,290,330	162,977,460	697,827,502	154,886,717
Other income	13,999,523	4,882,689	1,975,712	2,629,453
Operating Profit	946,289,853	167,860,149	699,803,214	157,516,170
Finance costs	(665,100,894)	(409,126,531)	(404,873,968)	(318,142,904)
Finance income	3,231,560	21,191,426	1,977,607	19,711,041
Non-operating income	56,554,171	84,176,473	25,976,392	35,125,635
	340,974,691	(135,898,482)	322,883,245	(105,790,057)
Contribution to WPPF and Welfare Fund	(17,048,735)	-	(16,144,162)	-
	323,925,956	(135,898,482)	306,739,082	(105,790,057)
Share of profit of associates	267,803,349	846,302,681	67,098,495	663,316,855
Profit before tax	591,729,305	710,404,199	373,837,577	557,526,798
Income tax expenses/benefits:				
Current tax				
Current Year	(90,333,154)	(1,101,801)	(81,681,181)	(1,101,801)
Previous Year	-	(885,764)	-	(885,764)
Deferred tax	(109,659,562)	(65,927,476)	(45,435,244)	(64,681,533)
	(199,992,717)	(67,915,041)	(127,116,425)	(66,669,098)
Net Profit after tax for the period	391,736,589	642,489,157	246,721,152	490,857,700
Other comprehensive income	-	82,475,649	-	82,475,649
Total comprehensive income	391,736,589	724,964,806	246,721,152	573,333,349

Earnings per share:

2.01

3.29

1.26

2.52


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Bangladesh Steel Re-Rolling Mills Limited
Statement of Changes in Equity (Un-audited)
For the Period from 1 July 2016 to 31 December 2016

	Share Capital	Share premium	General Reserve	Revaluation Reserve	Retained Earnings	12% Convertible coupon bond-equity component	Total
	BD TK	BD TK	BD TK	BD TK	BD TK	BD TK	BD TK
Balance as on 01 July 2015	1,773,615,610	549,794,644	30,170,818	4,131,195,426	2,875,847,589	60,881,523	9,421,505,610
Adjustment as per Audit Report ,June 2016					(117,262,431)	(15,220,381)	(132,482,812)
IPO expenses	-	(37,824,394)	-	-	-	-	(37,824,394)
Dividend Paid	-	-	-	-	(76,065,703)	-	(76,065,703)
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(75,910,337)	38,787,804	-	(37,122,533)
Deferred tax to revaluation surplus	-	-	-	23,165,700	-	-	23,165,700
Net Profit after tax for the period.	-	-	-	-	642,489,158	-	642,489,158
Balance as on 31 December 2015	1,773,615,610	511,970,250	30,170,818	4,078,450,789	3,363,796,417	45,661,142	9,803,665,026
Balance as on 01 July 2016	1,950,977,170	511,970,250	30,170,818	4,067,381,989	3,703,625,286	45,661,142	10,309,786,655
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(5,644,727)	7,526,303	-	1,881,576
Transfer of revaluation surplus on sale of revalued assets	-	-	-	(1,351,274)	1,801,699	-	450,425
Net Profit during the period	-	-	-	-	391,736,589	-	391,736,589
Balance as on 31 December 2016	1,950,977,170	511,970,250	30,170,818	4,060,385,988	4,104,689,876	45,661,142	10,703,855,244


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Bangladesh Steel Re-Rolling Mills Limited

Statement of Cash Flows (Un-Audited)

For the Period from 1 July 2016 to 31 December 2016



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	1 July 2016 to 31 December 2016	1 July 2015 to 31 December 2015
	BD Tk	BD Tk
Cash flows from operating activities		
Cash collection from customers	6,635,695,115	3,734,268,707
Cash payment for cost and expenses	(12,437,094,180)	(6,360,564,754)
Cash in/(out) flow from operating activities	(5,801,399,065)	(2,626,296,047)
Cash flows from investing activities:		
Fixed asset addition and CWIP	(268,214,196)	(849,377,429)
Proceeds from sale of property, plant and equipment	1,104,034	2,160,001
Short term investment	(195,444,273)	-
Inter-companies transaction	688,403,055	(1,224,824,720)
Non-operating income	56,554,171	(134,830,130)
Cash in/(out) flow from investing activities	282,402,791	(2,206,872,278)
Cash flows from financing activities:		
Share Application money	(112,001)	(49,739,315)
Dividend paid	-	(74,937,538)
Short Term Loan	5,771,180,542	4,018,717,584
Syndicated Term Loan	(431,688,120)	722,929,738
Cash in/(out) flow from financing activities:	5,339,380,421	4,616,970,468
Total Cash In/ (Out) flow	(179,615,853)	(216,197,857)
Opening Cash and Bank balances	294,004,367	485,984,383
Closing Cash and Bank balances	114,388,515	269,786,525
	(179,615,852)	(216,197,858)
Operating cash flow per share	(29.74)	(14.81)

Chief Financial Officer

Managing Director

Thursday, January 26, 2017

Director

Company Secretary

Chairman

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Bangladesh Steel Re-Rolling Mills Limited

Notes to the Financial Statements

As at and for the period from 1 July 2016 to 31 December 2016

1.01 Company Profile

Bangladesh Steel Re-Rolling Mills Limited is a public company limited by shares is domiciled in Bangladesh. The address of the company's registered office is Ali Mansion, 1207/1099 Sadarghat Road, Chittagong, Bangladesh. The Company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly quoted Company. Trading of the shares of the Company started in two stock exchanges from April 27, 2015.

1.02 Nature of the business

The main activity of the company is to manufacture M.S. products by setting up rolling and re-rolling mills. The company had set up its Re-Rolling mill and Steel Melting Workshop at 147/148/149 and 78/79 Baizid Bostami Road, Nasirabad Industrial Area, Chittagong, Bangladesh respectively.

M.S. billets is manufactured from scraps and sponge iron etc. at Steel Melting Works (SMW) and these billets are re-rolled in the next step at Re-Rolling Mills to manufacture M.S. products. The company also deals in sale of M.S. products like angle, channel, I Beam, H Beam and ingot etc.

2.00 Statement of compliance

These financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), applicable sections of Companies Act 1994 and the Securities and Exchange Rules 1987.

3.00 Depreciation

Depreciation is recognized in profit or loss on diminishing balance method over the estimated useful lives of each part of property, plant and equipment. Depreciation is charged on addition commencing from acquisition up to disposal. The principal annual rates are as follows.

<u>Assets</u>	<u>Rates (%)</u>
Land and land development	Nil
Plant and machineries	7.50%
Motor vehicles	20.00%
Factory building and shed	5.00%
Boundary wall, drainage System, roads & pavement	10.00%
Furniture and fixtures	20.00%
Office equipment	20.00%
IT Equipment	20.00%
Electrical installations	

Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

4.00 Revenue

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and rebates, if any. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

The timing of the transfer of risk and rewards depends on the individual terms of the sales agreement.

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