

Bangladesh Steel Re-Rolling Mills Limited
Financial Statements (Un audited)
As at and the for the period ended on March 31, 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 Financial Position (Un-audited)
As at 31 March 2017




		31-Mar-17 BD Tk	30-Jun-16 BD Tk
Assets			
Non-current assets			
Property, plant and equipment	8.00	13,119,510,568	11,908,901,352
Intangible asset		26,026,237	28,093,150
Capital work in progress		346,737,321	403,857,592
Investment in associates	9.00	6,079,105,409	6,024,824,712
Other investments	10.00	120,899,201	141,577,875
Total non-current assets		19,692,278,736	18,507,254,681
Current assets			
Inventories	11.00	10,417,824,671	7,335,268,548
Trade receivables		3,450,973,307	977,102,185
Other receivables		93,566,526	60,527,338
Due from inter companies		2,715,683,340	1,993,023,585
Advances and deposits	12.00	1,487,372,957	1,333,356,641
Short term investments		195,628,171	40,096,301
Cash and cash equivalents		181,698,921	294,004,367
Assets held for sale		-	1,184,359,433
Total current assets		18,542,747,892	13,217,738,398
Total assets		38,235,026,628	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		4,036,749,810	4,067,381,989
Retained earnings		4,275,553,919	3,703,625,286
12% convertible coupon bond-equity component		45,661,142	45,661,142
Total equity		10,851,083,110	10,309,786,655
Liabilities			
Non-current liabilities			
Long term loan		2,077,274,002	3,272,584,206
Defined benefit obligations-Gratuity		155,100,063	142,429,346
Deferred tax liabilities		1,276,449,508	1,134,511,277
Total non-current liabilities		3,508,823,573	4,549,524,829
Current liabilities			
Trade payables		1,079,288,623	965,096,281
Short term loan	13.00	12,252,616,381	9,015,063,382
Long term loan -current portion		1,902,414,987	1,343,805,090
Due to inter companies		5,966,619,117	3,907,794,543
Advance against sales		1,844,301,939	1,215,180,031
Liabilities for expenses		377,962,953	265,359,168
Provision for income tax		64,982,353	14,037,129
Provision for WPPF and Welfare Fund		39,603,166	40,938,439
Other liabilities	14.00	347,330,427	98,407,532
Total current liabilities		23,875,119,946	16,865,681,595
Total liabilities		27,383,943,519	21,415,206,424
Total Equity and liabilities		38,235,026,629	31,724,993,079
Net Asset Value per share		55.62	52.84


Chief Financial Officer


Managing Director


Company Secretary


Director


Chairman

Bangladesh Steel Re-Rolling Mills Limited

Monday, April 24, 2017 **Corporate Office :** Ali Mansion, 1207/1089 Lda, Dargahat Road, Chittagong, Bangladesh.

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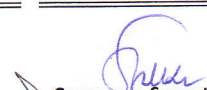
Bangladesh Steel Re-Rolling Mills Limited
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the Period from 1 July 2016 to 31 March 2017

	1 July 2016 to 31 March 2017	1 July 2015 to 31 March 2016	1 January 2017 to 31 March 2017	1 January 2016 to 31 March 2016
	BD Tk	BD Tk	BD Tk	BD Tk
Revenue	16,234,815,627	8,899,998,751	7,710,033,438	5,412,984,111
Cost of sales	(13,942,540,447)	(7,859,307,129)	(6,607,283,979)	(4,655,282,014)
Gross profit	2,292,275,180	1,040,691,622	1,102,749,459	757,702,097
Selling and distribution costs	(282,413,832)	(137,593,372)	(136,351,276)	(80,711,085)
Administrative costs	(176,542,273)	(123,794,452)	(65,369,438)	(60,664,675)
	1,833,319,075	779,303,797	901,028,745	616,326,337
Other income	51,233,076	11,292,537	37,233,553	6,409,848
Operating Profit	1,884,552,152	790,596,334	938,262,298	622,736,185
Finance costs	(1,185,031,740)	(730,839,025)	(519,930,846)	(321,712,494)
Finance income	6,201,993	21,404,251	2,970,433	212,825
Non-operating income	86,340,917	139,434,429	29,786,746	55,257,956
Profit before tax and WPPF & WF	792,063,321	220,595,990	451,088,630	356,494,472
Contribution to WPPF and Welfare Fund	(39,603,166)	(15,061,826)	(22,554,432)	(15,061,826)
	752,460,155	205,534,164	428,534,199	341,432,646
Share of profit of associates	267,469,043	1,128,385,704	(334,306)	282,083,023
Profit before tax	1,019,929,198	1,333,919,868	428,199,892	623,515,669
Income tax expenses/benefits:				
Current tax				
Current Year	(141,596,796)	(65,526,305)	(51,263,641)	(64,424,504)
Previous Year	-	8,540,603	-	9,426,367
Deferred tax	(152,148,957)	(142,563,390)	(42,489,395)	(76,635,914)
	(293,745,753)	(199,549,092)	(93,753,036)	(131,634,051)
Net Profit after tax for the period	726,183,445	1,134,370,776	334,446,856	491,881,618
Other comprehensive income	-	82,475,649	-	-
Total comprehensive income	726,183,445	1,216,846,425	334,446,856	491,881,618
Earnings per share	3.72	5.81	1.71	2.52


 Chief Financial Officer


 Managing Director


 Director


 Company Secretary


 Chairman

Monday, April 24, 2017

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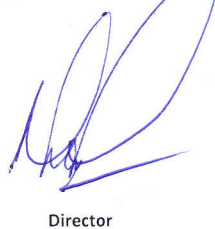
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Bangladesh Steel Re-Rolling Mills Limited
Statement of Changes in Equity (Un- audited)
For the Period from 1 July 2016 to 31 March 2017

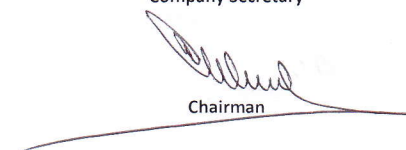
	Share Capital	Share premium	General Reserve	Revaluation Reserve	Retained Earnings	12% Convertible coupon bond-equity component	Total
	BD TK	BD TK	BD TK	BD TK	BD TK	BD TK	BD TK
Balance as on 01 July 2015	1,773,615,610	549,794,644	30,170,818	4,131,195,426	2,875,847,589	60,881,523	9,421,505,610
Adjustment as per Audit Report ,June 2016					(117,262,431)	(15,220,381)	(132,482,812)
IPO expenses	-	(37,824,394)	-	-	-	-	(37,824,394)
Cash Dividend Paid	-	-	-	-	(164,746,484)	-	(164,746,484)
Stock dividend paid	177,361,561				(177,361,561)		-
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(82,508,227)	47,584,990	-	(34,923,237)
Deferred tax to revaluation surplus	-	-	-	23,165,700	-	-	23,165,700
Net Profit after tax for the period.	-	-	-	-	1,134,370,776	-	1,134,370,776
Balance as on 31 March 2016	1,950,977,171	511,970,250	30,170,818	4,071,852,900	3,598,432,879	45,661,142	10,209,065,160
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	-	-	-	(29,579,056)	39,438,742	-	9,859,685
Interim cash dividend	-	-	-	-	(195,097,717)	-	(195,097,717)
Transfer of revaluation surplus on sale of revalued assets	-	-	-	(1,053,122)	1,404,163	-	351,041
Net Profit during the period	-	-	-	-	726,183,445	-	726,183,445
Balance as on 31 March 2017	1,950,977,170	511,970,250	30,170,818	4,036,749,810	4,275,553,919	45,661,142	10,851,083,109


 Chief Financial Officer


 Managing Director


 Director


 Company Secretary


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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 March 2017

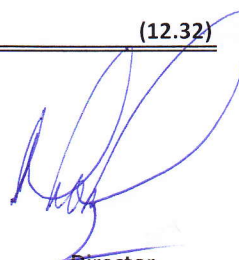


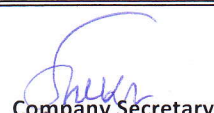
	1 July 2016 to 31 March 2017	1 July 2015 to 31 March 2016
	BD Tk	BD Tk
Cash flows from operating activities		
Cash collection from customers	14,350,647,918	9,730,250,074
Cash payment for cost and expenses	(16,753,768,125)	(9,999,481,147)
Cash in/(out) flow from operating activities	(2,403,120,207)	(269,231,073)
Cash flows from investing activities:		
Fixed asset addition and CWIP	(438,355,386)	(1,021,839,323)
Dividend received	213,188,346	-
Proceeds from sale of property, plant and equipment	1,404,034	2,160,001
Short term investment	(134,853,196)	(90,093,946)
Inter-companies transaction	1,336,164,819	(927,583,920)
Non-operating income	86,340,917	(79,572,174)
Cash in/(out) flow from investing activities	1,063,889,533	(2,116,929,362)
Cash flows from financing activities:		
Share application money	-	(49,739,315)
Dividend paid	(195,097,717)	(74,937,538)
Short Term Loan	2,058,723,251	1,611,535,576
Syndicated Term Loan	(636,700,307)	594,638,778
Cash in/(out) flow from financing activities:	1,226,925,227	2,081,497,500
Total Cash In/ (Out) flow	(112,305,447)	(304,662,934)
Opening Cash and Bank balances	294,004,367	485,984,383
Closing Cash and Bank balances	181,698,921	181,321,449
	(112,305,446)	(304,662,934)
Operating cash flow per share	(12.32)	(1.52)


Chief Financial Officer


Managing Director

Monday, April 24, 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 March 2017

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 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 June 30, 2016. But note that the Company has changed the depreciation method from Reducing Balance Method to Straight Line Method from January 2017.

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.

5.00 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.

6.00 Significant deviation:

The company resumed its commercial production on December 9, 2015 after massive BMRE to increase its production capacity to 450,000 M. Ton per annum. As a result, there was no production during the period from July 15 to December 15. At that time the company sold old stocks and billets. The comparative figures in the Statement of profit and loss has been fluctuated between two periods for this reason.

7.00: General:

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

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

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in **30 years** safety

	31-Mar-17 BD Tk	30-Mar-16 BD Tk
8.00 Property, Plant and equipments:		
Land and Land Development	3,921,169,370	3,921,169,369
Plant and Machineries	6,403,807,908	5,174,848,558
Motor vehicles	19,894,868	25,485,619
Factory building and sheds	2,645,888,166	2,649,382,028
Boundary wall, Roads and pavements	86,599,428	90,259,259
Furniture and fixtures	15,167,263	18,613,288
Office equipments	18,499,213	19,673,510
Computer and IT equipments	8,484,352	9,469,721
	13,119,510,568	11,908,901,352
9.00 Investment in associates		
BSRM Steels Limited (BSL)	3,587,780,349	3,274,057,531
BSRM Steel Mills Limited (BSML)	2,491,325,059	2,750,767,181
	6,079,105,408	6,024,824,712
10.00 Other investments		
Investment in non-tradable shares at cost	1,000,300	1,000,300
Investments in Fixed Deposit Receipts	119,898,901	140,577,575
	120,899,201	141,577,875
11.00 Inventories		
Raw Materials	5,514,382,731	2,537,917,341
Finished Goods	3,914,505,213	3,852,553,082
Stores and Spares	971,855,557	926,871,779
Fuel and Lubricants	17,081,170	17,926,346
	10,417,824,671	7,335,268,548
12.00 Advances and deposits		
Against L/C	56,125,753	403,601,997
For capital expenditure	119,319,517	23,205,536
For revenue expenses	77,391,633	39,958,071
For scrap purchase and others	2,900,543	3,064,054
For store & spares	109,939,160	31,392,612
Godown rent	1,694,288	-
Income tax	854,309,086	633,509,128
L/C margin	46,430,952	50,177,182
Land	7,251,550	2,600,000
Staff loan against salary	3,708,765	3,009,739
VAT current account and DEDO recoverable	164,978,243	93,114,308
Others	-	25,000,000
	1,444,049,489	1,308,632,627
Deposits	43,323,468	24,724,014
	1,487,372,957	1,333,356,641

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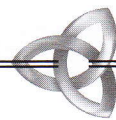
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13.00 **Short term loan**

	31-Mar-17 BD Tk	30-Jun-16 BD Tk
Loan against Trust Receipt (LATR)	112,836,205	70,252,349
Time loan	6,035,845,170	3,750,363,129
Liability for accepted bills for payment (AB)	3,706,663,735	3,990,963,206
Loan against CC Pledge and Hypo	2,387,834,479	1,193,091,287
Factoring Loan against sales invoice	9,436,792	10,393,411
	12,252,616,381	9,015,063,382

14.00 **Other liabilities**

Security Deposit	1,090,000	640,000
Retention Money	30,804,197	27,772,628
Income Tax Deducted at Source	7,583,546	1,452,487
VAT Deducted at source	4,284,924	3,987,988
Dividend Payable	48,876,445	1,730,060
Interest payable on long term loan	243,748,682	52,012,224
Liability to fixed asset suppliers	-	58,140
Employees Provident Fund Loan	2,923,954	2,623,325
IPO over subscription money payable	8,018,679	8,130,680
	347,330,427	98,407,532

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