

**Bangladesh Steel Re-Rolling Mills Limited**  
**Statement of Financial Position (Un-audited)**  
**As at June 30, 2015**



	June 30, 2015 BD Tk	December 31, 2014 BD Tk
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,829,641,788	6,945,209,048
Intangible asset	31,430,950	33,099,850
Capital work in progress	3,319,211,251	1,893,774,755
Investment in associates	5,133,466,615	3,647,308,567
Other investments	82,887,945	82,887,944
<b>Total non-current assets</b>	<b>15,396,638,548</b>	<b>12,602,280,164</b>
<b>Current assets</b>		
Inventories	4,101,595,168	3,524,601,809
Trade receivables	493,306,960	429,371,267
Other receivables	39,691,200	169,830,517
Due from inter companies	864,650,303	1,539,230,711
Advances and deposits	3,307,989,826	4,394,083,583
Short term investments	28,804,687	34,711,818
Cash and cash equivalents	485,984,383	71,908,952
<b>Total current assets</b>	<b>9,322,022,527</b>	<b>10,163,738,657</b>
<b>Total assets</b>	<b>24,718,661,075</b>	<b>22,766,018,821</b>
<b>Equity and liabilities</b>		
<b>Equity:</b>		
Share capital	1,773,615,610	1,558,510,380
Share premium	549,794,644	-
General reserve	30,170,818	30,170,818
Revaluation surplus	4,131,195,426	4,156,482,199
Retained earnings	2,875,847,587	2,758,242,239
12% convertible coupon bond-equity component	60,881,523	60,881,523
<b>Total equity</b>	<b>9,421,505,608</b>	<b>8,564,287,159</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Long term loan	4,008,633,751	4,055,997,965
Deferred tax liabilities	816,576,692	815,983,238
<b>Total non-current liabilities</b>	<b>4,825,210,443</b>	<b>4,871,981,203</b>
<b>Current liabilities</b>		
Trade payables	552,960,847	127,095,638
Share Money Deposit	11,914,921	-
Short term liabilities	5,777,410,628	5,076,699,081
Liabilities for expenses	331,930,424	410,036,293
Advance against sales	184,039,831	159,856,236
Due to inter companies	2,951,579,086	2,384,259,664
Long term loan -current portion	322,306,537	825,947,152
Provision for income tax	63,974,155	31,995,903
Other liabilities	275,828,595	313,860,493
<b>Total current liabilities</b>	<b>10,471,945,024</b>	<b>9,329,750,460</b>
<b>Total liabilities</b>	<b>15,297,155,467</b>	<b>14,201,731,663</b>
<b>Total Equity and liabilities</b>	<b>24,718,661,075</b>	<b>22,766,018,822</b>
<b>Net Asset Value per share</b>	<b>53.12</b>	<b>54.95</b>

**Director**

**Director**

**Company Secretary**

**Monday, July 13, 2015**

**Bangladesh Steel Re-Rolling Mills Limited**

D:\Assigned-Report\BSRM\BSRM FS\8.00 BSRM FS June-15 Corporate Office : Ali Mansion, 1207/1009, Sadarghat Road, Chittagong, Bangladesh.

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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 January 01, 2015 to June 30, 2015**

	For the period from January 01, 2015 to June 30, 2015	For the Period from January 1, 2014 to June 30, 2014	For the Period from April 1, 2015 to June 30, 2015	For the Period from April 1, 2014 to June 30, 2014
	<b>BD Tk</b>	<b>BD Tk</b>	<b>BD Tk</b>	<b>BD Tk</b>
<b>Revenue</b>	4,314,962,042	3,064,374,525	2,011,089,563	1,532,600,053
Cost of sales	(4,139,940,475)	(2,983,355,054)	(1,877,452,268)	(1,484,810,856)
<b>Gross profit</b>	<b>175,021,567</b>	<b>81,019,471</b>	<b>133,637,295</b>	<b>47,789,197</b>
Selling and distribution costs	(23,962,246)	(38,690,851)	(5,323,218)	(25,890,899)
Administrative costs	(122,925,865)	(94,490,527)	(81,205,126)	(53,285,469)
	<b>(146,888,111)</b>	<b>(133,181,378)</b>	<b>(86,528,343)</b>	<b>(79,176,368)</b>
	<b>28,133,455</b>	<b>(52,161,907)</b>	<b>47,108,952</b>	<b>(31,387,171)</b>
Other income	11,156,875	7,302,522	5,073,631	5,155,149
<b>Operating Profit</b>	<b>39,290,330</b>	<b>(44,859,385)</b>	<b>52,182,583</b>	<b>(26,232,021)</b>
Finance costs	(277,516,629)	(319,026,510)	(184,101,381)	(167,233,595)
Finance income	37,818,522	999,013	36,638,790	474,866
	<b>(239,698,108)</b>	<b>(318,027,498)</b>	<b>(147,462,592)</b>	<b>(166,758,728)</b>
<b>Profit before tax and WPPF and Welfare Fund</b>	<b>(200,407,777)</b>	<b>(362,886,883)</b>	<b>(95,280,009)</b>	<b>(192,990,749)</b>
Contribution to WPPF and Welfare Fund	(200,407,777)	(362,886,883)	(95,280,009)	(192,990,749)
Non-operating income	103,044,611	94,547,580	53,434,980	43,292,808
Share of profit of associates	323,549,308	254,238,988	231,439,320	126,010,031
	426,593,919	348,786,569	284,874,300	169,302,839
<b>Profit before tax</b>	<b>226,186,141</b>	<b>(14,100,314)</b>	<b>189,594,291</b>	<b>(23,687,910)</b>
Income tax expenses/benefits:				
Current tax	(31,978,252)	(15,997,952)	(31,978,252)	(15,997,952)
Deferred tax	(9,022,378)	61,969,025	(1,887,209)	30,984,512
	<b>(41,000,630)</b>	<b>45,971,073</b>	<b>(33,865,461)</b>	<b>14,986,561</b>
<b>Net Profit after tax for the period</b>	<b>185,185,511</b>	<b>31,870,759</b>	<b>155,728,830</b>	<b>(8,701,350)</b>
<b>Other comprehensive income:</b>				
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income</b>	<b>185,185,511</b>	<b>31,870,759</b>	<b>155,728,830</b>	<b>(8,701,350)</b>
<b>Earnings per share:</b>				
Basic Earnings per share	1.10	0.20	0.88	(0.06)
Diluted Earnings per share	1.08	0.20	0.88	(0.05)

Director

Director

Company Secretary

Monday, July 13, 2015

**Bangladesh Steel Re-Rolling Mills Limited**

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**Bangladesh Steel Re-Rolling Mills Limited**  
**Statement of Cash Flow (Un-Audited)**  
**For the period from January 01, 2015 to June 30,2015**



	For the period from January 01, 2015 to June 30,2015 BD Tk	For the Period from January 1,2014 to June 30,2014 BD Tk
<b>Cash flow from operating activities</b>		
Cash collection from customers	4,286,366,819	3,095,663,305
Cash payment for cost and expenses	(3,462,017,192)	(3,465,616,500)
<b>Cash generated from operation</b>	<b>824,349,627</b>	<b>(369,953,195)</b>
<b>Cash flow from investing activities:</b>		
Fixed asset addition and CWIP	(1,425,411,580)	(537,919,757)
Intangible assets	1,668,900	-
Share money deposit	11,914,921	-
Investment in associates	(1,322,500,000)	-
Short term investment	5,907,131	19,550,841
Inter-companies transaction	1,241,899,830	(620,407,136)
Dividend received	159,891,260	159,891,259
Non-operating income	103,044,611	-
<b>Cash in/(out) flow from investing activities</b>	<b>(1,223,584,927)</b>	<b>(978,884,794)</b>
<b>Cash flow from financing activities:</b>		
Share issue	215,105,230	-
12% Convertible Bond issue		1,500,000,000
Share premium	549,794,644	-
Short Term Loan	700,711,547	64,506,352
Dividend paid	(101,295,858)	-
Syndicated Term Loan	(551,004,832)	(200,207,016)
<b>Cash in/(out) flow from financing activities:</b>	<b>813,310,731</b>	<b>1,364,299,337</b>
<b>Total Cash In/ (Out) flow</b>	<b>414,075,431</b>	<b>15,461,348</b>
Opening Cash and Bank balances	71,908,952	99,302,648
Closing Cash and Bank balances	485,984,383	114,763,996
	<b>414,075,431</b>	<b>15,461,348</b>

  
**Director**

  
**Director**

  
**Company Secretary**

**Monday, July 13, 2015**

**Bangladesh Steel Re-Rolling Mills Limited**



## Bangladesh Steel Re-Rolling Mills Limited

### Notes to the Financial Statements

As at and for the period from January 1, 2015 to June 30, 2015

#### 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, 1099/1207 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 Workshop (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.

#### 1.03 BMRE and suspension of production

The company has been going under expansion and modernization (BMRE) of its capacity and process of Re-rolling unit since June 2014 that is expected to be completed by September 2015. Estimated cost of BMRE is Tk. 586.37 crore.

#### 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 recognised 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.

##### Assets

##### Rates (%)

	<u>2015</u>	<u>2014</u>
Land and land development	Nil	Nil
Plant and machineries	7.50%	7.50%
Motor vehicles	20.00%	20%
Factory building and shed	5.00%	5%
Boundary wall, drainage System, roads & pavement	10.00%	10%
Furniture and fixtures	20.00%	20%
Office equipment	20.00%	20%
IT Equipment	20.00%	20%
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.

#### 5.00 Dividend:

The shareholders in its 53<sup>rd</sup> Annual General Meeting held on June 15, 2015, has approved 10% Cash dividend for the year 2014.

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