

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



		<b>March 31, 2016</b>	<b>December 31, 2015</b>
		<b>BD Tk</b>	<b>BD Tk</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5.00	11,895,065,790	11,792,470,145
Intangible asset		28,927,600	29,762,050
Capital work in progress		157,189,715	224,283,730
Investment in associates	6.00	5,947,157,497	5,984,856,993
Other investments	7.00	134,890,844	134,227,982
<b>Total non-current assets</b>		<b>18,163,231,445</b>	<b>18,165,600,900</b>
<b>Current assets</b>			
Inventories	8.00	4,452,084,126	5,080,808,706
Trade receivables		1,263,132,828	481,584,218
Other receivables		351,341,118	22,619,547
Due from inter companies	9.00	1,762,313,662	904,026,840
Advances and deposits	10.00	928,074,950	812,992,416
Short term investments		106,593,554	17,162,470
Cash and cash equivalents		181,321,449	269,786,525
Assets held for sale		1,185,470,770	1,185,470,770
<b>Total current assets</b>		<b>10,230,332,458</b>	<b>8,774,451,492</b>
<b>Total assets</b>		<b>28,393,563,903</b>	<b>26,940,052,392</b>
<b>Equity and liabilities</b>			
<b>Equity:</b>			
Share capital		1,950,977,171	1,773,615,610
Share premium		511,970,250	511,970,250
General reserve		30,170,818	30,170,818
Revaluation Reserve		4,071,852,900	4,078,450,789
Retained earnings		3,598,432,881	3,363,796,417
12% convertible coupon bond-equity component		45,661,142	45,661,142
<b>Total equity</b>		<b>10,209,065,162</b>	<b>9,803,665,026</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term loan		4,039,701,523	4,167,992,483
Defined benefit obligations-Gratuity		129,332,408	128,573,615
Deferred tax liabilities		915,028,757	840,592,140
<b>Total non-current liabilities</b>		<b>5,084,062,688</b>	<b>5,137,158,238</b>
<b>Current liabilities</b>			
Trade payables		1,062,641,889	332,441,402
Short term liabilities		7,382,415,425	9,796,128,212
Long term loan -current portion		892,408,318	885,877,539
Liabilities for expenses		339,774,246	270,417,853
Advance against sales		1,537,793,825	179,657,806
Due to inter companies	11.00	1,605,065,657	449,538,034
Provision for income tax		97,536,241	33,080,053
Provision for WPPF and Welfare Fund		13,811,826	-
Other liabilities		168,988,627	52,088,229
<b>Total current liabilities</b>		<b>13,100,436,053</b>	<b>11,999,229,128</b>
<b>Total liabilities</b>		<b>18,184,498,741</b>	<b>17,136,387,366</b>
<b>Total Equity and liabilities</b>		<b>28,393,563,903</b>	<b>26,940,052,392</b>
<b>Net Asset Value per share</b>		<b>52.33</b>	<b>55.28</b>

**Chief Financial Officer**  
  
**Managing Director**

**Director**

**Company Secretary**  
  
**Chairman**

**Sunday, May 08, 2016**

**Bangladesh Steel Re-Rolling Mills Limited**

**Corporate Office :** Ali Mansion, 1207/1088, 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

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**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, 2016 to March 31, 2016**

	For the period from January 01, 2016 to March 31, 2016	For the period from January 01, 2015 to March 31, 2015
	BD Tk	BD Tk
Revenue	5,412,984,111	2,303,872,478
Cost of sales	(4,655,282,014)	(2,262,488,207)
<b>Gross profit</b>	<b>757,702,097</b>	<b>41,384,272</b>
Selling and distribution costs	(80,711,085)	(18,639,029)
Administrative costs	(60,664,675)	(41,720,739)
	<b>(141,375,759)</b>	<b>(60,359,768)</b>
	<b>616,326,337</b>	<b>(18,975,497)</b>
Other income	6,409,848	6,083,244
<b>Operating Profit</b>	<b>622,736,185</b>	<b>(12,892,252)</b>
Finance costs	(321,712,494)	(93,415,248)
Finance income	212,825	1,179,732
	(321,499,669)	(92,235,516)
<b>Profit before tax and WPPF and Welfare Fund</b>	<b>301,236,517</b>	<b>(105,127,768)</b>
Contribution to WPPF and Welfare Fund	(15,061,826)	-
	286,174,691	(105,127,768)
Non-operating income	55,257,956	49,609,631
Share of profit of associates	282,083,023	92,109,988
	337,340,979	141,719,619
<b>Profit before tax</b>	<b>623,515,670</b>	<b>36,591,850</b>
Income tax expenses/benefits:		
Current tax	(64,424,504)	-
Previous tax	9,426,367	-
Deferred tax	(76,635,914)	(7,135,169)
	(131,634,050)	(7,135,169)
<b>Net Profit after tax for the period</b>	<b>491,881,619</b>	<b>29,456,681</b>
<b>Other comprehensive income:</b>		
Other comprehensive income, net of tax	-	-
<b>Total comprehensive income</b>	<b>491,881,619</b>	<b>29,456,681</b>
<b>Earnings per share:</b>		
Basic Earnings per share	2.52	0.16

  
Chief Financial Officer

  
Managing Director

Sunday, May 08, 2016

  
Director

  
Company Secretary

  
Chairman

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**Bangladesh Steel Re-Rolling Mills Limited**  
**Statement of Changes in Equity (Un- audited)**  
For the period from January 01, 2016 to March 31, 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
<b>Balance as on January 1, 2015</b>	<b>1,558,510,380</b>	<b>-</b>	<b>30,170,818</b>	<b>4,156,482,199</b>	<b>2,758,242,230</b>	<b>60,881,523</b>	<b>8,564,287,150</b>
Share issued @ 35/- per share(including Tk.10 Premium)	175,000,000	437,500,000	-	-	-	-	612,500,000
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(12,221,940)	16,857,848	-	4,635,908
Net Profit after tax for the period.	-	-	-	-	29,456,681	-	29,456,681
<b>Balance as on March 31, 2015</b>	<b>1,733,510,380</b>	<b>437,500,000</b>	<b>30,170,818</b>	<b>4,144,260,259</b>	<b>2,804,556,759</b>	<b>60,881,523</b>	<b>9,210,879,745</b>
<b>Balance as on January 1, 2016</b>	<b>1,773,615,610</b>	<b>511,970,250</b>	<b>30,170,818</b>	<b>4,078,450,789</b>	<b>3,363,796,417</b>	<b>45,661,142</b>	<b>9,803,665,026</b>
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(6,597,889)	8,797,186	-	2,199,296
Cash dividend for the year 2015	-	-	-	-	(88,680,781)	-	(88,680,781)
Stock dividend for the year 2015	177,361,561	-	-	-	(177,361,561)	-	-
Net Profit during the period	-	-	-	-	491,881,619	-	491,881,619
<b>Balance as on March 31, 2016</b>	<b>1,950,977,171</b>	<b>511,970,250</b>	<b>30,170,818</b>	<b>4,071,852,900</b>	<b>3,598,432,880</b>	<b>45,661,142</b>	<b>10,209,065,161</b>

  
Chief Financial Officer

  
Managing Director

  
Director

  
Company Secretary

  
Chairman

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**Bangladesh Steel Re-Rolling Mills Limited**  
**Statement of Cash Flows (Un-Audited)**  
For the period from January 01, 2016 to March 31, 2016

	For the period from January 01, 2016 to March 31, 2016	For the period from January 01, 2015 to March 31, 2015
	BD Tk	BD Tk
<b>Cash flows from operating activities</b>		
Cash collection from customers	5,995,981,367	2,304,506,928
Cash payment for cost and expenses	(3,638,916,393)	(1,589,695,518)
<b>Cash in/(out) flow from operating activities</b>	<b>2,357,064,974</b>	<b>714,811,410</b>
<b>Cash flows from investing activities:</b>		
Fixed asset addition and CWIP	(172,461,894)	(820,378,512)
Intangible assets	-	834,450
Share money deposit	-	197,778,588
Short term investment	(90,093,946)	2,642,599
Inter-companies transaction	297,240,801	(131,592,863)
Non-operating income	55,257,956	49,609,631
<b>Cash in/(out) flow from investing activities</b>	<b>89,942,917</b>	<b>(701,106,107)</b>
<b>Cash flows from financing activities:</b>		
Share issue	-	175,000,000
Share premium	-	437,500,000
Long Term Loan	(128,290,960)	306,378,587
Short Term Loan	(2,407,182,008)	-
Syndicated Term Loan	-	(88,327,392)
<b>Cash in/(out) flow from financing activities:</b>	<b>(2,535,472,968)</b>	<b>830,551,195</b>
<b>Total Cash In/ (Out) flow</b>	<b>(88,465,076)</b>	<b>844,256,498</b>
Opening Cash and Bank balances	269,786,525	71,908,952
Closing Cash and Bank balances	181,321,449	916,165,450
	<b>(88,465,076)</b>	<b>844,256,498</b>

  
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## Bangladesh Steel Re-Rolling Mills Limited

### Notes to the Financial Statements

As at and for the period from January 1, 2016 to March 31, 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 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.

#### 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.

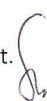
<u>Assets</u>	<u>Rates (%)</u>
Land and land development	Nil
Plant and machineries	7.50%
Motor vehicles	20.00%
Factory building and shed	5.00%
Boundary wall, drainage System, roads & pavement	10.00%
Furniture and fixtures	20.00%
Office equipment	20.00%
IT Equipment	20.00%
Electrical installations	

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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	March 31,2016 BD Tk	December 31,2015 BD Tk
<b>5.00 Property, Plant and equipments:</b>		
Land and Land Development	3,917,159,070	3,882,239,223
Plant and Machineries	5,171,775,064	5,193,045,186
Motor vehicles	25,073,727	28,509,479
Factory building and sheds	2,641,771,373	2,554,896,613
Boundary wall, Roads and pavements	91,119,479	87,107,104
Furniture and fixtures	19,493,035	20,154,789
Office equipments	20,153,412	18,038,923
Computer and IT equipments	8,520,630	8,478,828
	<b>11,895,065,790</b>	<b>11,792,470,145</b>
<b>6.00 Investment in associates</b>		
BSRM Steels Limited (BSL)	3,174,347,863	3,201,178,297
BSRM Steel Mills Limited (BSML)	2,772,809,634	2,783,678,696
	<b>5,947,157,497</b>	<b>5,984,856,993</b>
<b>7.00 Other investments</b>		
Investment in non-tradable shares at cost	1,000,300	1,000,300
Investments in Fixed Deposit Receipts	133,890,544	133,227,682
	<b>134,890,844</b>	<b>134,227,982</b>
<b>8.00 Inventories</b>		
Raw Materials	1,635,197,994	2,781,860,585
Finished Goods	1,978,341,082	1,400,185,188
Stores and Spares	825,489,847	888,929,703
Fuel and Lubricants	13,055,203	9,833,230
	<b>4,452,084,126</b>	<b>5,080,808,706</b>
<b>9.00 Due from inter companies</b>		
H. Akberali & Co. Limited	566,797,957	350,277,531
BSRM Ispat Limited	302,105,375	302,700,375
BSRM Real Estates Limited	200,000	200,000
BSRM Recycling Industries Limited	71,484,349	23,084,349
BSRM Logistics Limited	14,650,000	-
BSRM Ispat Limited	-	-
BSRM Wires Limited	134,826,335	177,042,046
BSRM Iron & Steel Co. Ltd.	-	-
Chittagong Power Company Limited	41,306,475	10,908,475
East Bengal Trading & Industries Corporation	2,600,000	2,600,000
BSRM Steel Mills Limited	628,343,171	37,214,064
	<b>1,762,313,662</b>	<b>904,026,840</b>

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	March 31,2016	December 31,2015
	BD Tk	BD Tk
<b>10.00 Advances and deposits</b>		
Against L/C	139,578,086	81,546,772
For capital expenditure	26,900,566	22,208,118
For revenue expenses	28,846,415	39,555,436
For scrap purchase and others	8,708,011	5,749,948
For store & spares	57,229,006	42,532,267
Godown rent	1,892,591	1,130,415
Income tax	499,278,079	431,553,697
L/C margin	22,302,749	16,892,119
Land	2,600,000	2,600,000
Staff loan against salary	3,405,765	3,608,369
VAT current account and DEDO recoverable a	84,362,916	100,052,480
Western Marine Shipyard Limited	-	35,000,000
	<u>875,104,184</u>	<u>782,429,621</u>
<b>Deposits</b>	<u>52,970,765</u>	<u>30,562,795</u>
	<u><b>928,074,950</b></u>	<u><b>812,992,416</b></u>
<b>11.00 Due to inter companies</b>		
BSRM Steels Limited	1,593,366,657	439,638,034
Karnafully Engineering Works Limited	699,500	-
BD Steels Limited	500,000	-
BSRM Metal Limited	5,400,000	5,400,000
BSRM Recycling Industries Limited	599,500	-
Burhani Scrap	4,500,000	4,500,000
	<u><b>1,605,065,657</b></u>	<u><b>449,538,034</b></u>

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