

## **Bangladesh Steel Re-Rolling Mills Limited**

### **Financial Statements (Un audited)**

**As at and the for the quarter ended on September 30, 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 30 Septemeber 2017**



		<b>30-Sep-17</b>	<b>30-Jun-17</b>
		<b>BD Tk</b>	<b>BD Tk</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	13,165,022,903	12,983,387,919
Intangible asset		24,334,566	25,180,402
Capital work in progress		54,263,956	387,667,390
Investment in associates	9	6,041,952,293	5,944,053,289
Other investments	10	120,484,523	110,740,333
<b>Total non-current assets</b>		<b>19,406,058,241</b>	<b>19,451,029,333</b>
<b>Current assets</b>			
Inventories	11	12,873,220,967	9,428,770,010
Trade receivables		1,672,898,707	2,035,053,001
Other receivables		53,775,153	49,229,482
Due from inter companies		1,296,536,185	1,246,229,284
Advances and deposits	12	2,104,183,681	1,765,022,527
Short term investments		214,172,127	39,272,419
Cash and cash equivalents		283,062,424	511,739,763
<b>Total current assets</b>		<b>18,497,849,243</b>	<b>15,075,316,486</b>
<b>Total assets</b>		<b>37,903,907,484</b>	<b>34,526,345,819</b>
<b>Equity and liabilities</b>			
<b>Equity:</b>			
Share capital		2,146,074,880	1,950,977,170
Share premium		511,970,250	511,970,250
General reserve		30,170,818	30,170,818
Revaluation Reserve		4,007,764,265	4,019,434,561
Retained earnings		4,304,136,508	4,318,587,024
12% convertible coupon bond-equity component		45,661,142	45,661,142
<b>Total equity</b>		<b>11,045,777,863</b>	<b>10,876,800,965</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term loan		1,444,595,895	2,077,988,167
Defined benefit obligations-Gratuity		168,584,710	157,134,335
Deferred tax liabilities		1,403,810,027	1,331,863,088
<b>Total non-current liabilities</b>		<b>3,016,990,632</b>	<b>3,566,985,590</b>
<b>Current liabilities</b>			
Trade payables		2,694,812,746	1,409,937,911
Short term loan	13	10,150,346,450	9,180,040,277
Long term loan -current portion		1,774,636,302	1,395,954,000
Due to inter companies		8,100,492,230	7,093,024,328
Advance against sales		292,824,524	246,549,982
Liabilities for expenses		340,778,013	309,768,903
Provision for income tax		161,921,885	146,892,259
Provision for WPPF and Welfare Fund		75,691,981	67,373,325
Other liabilities	14	249,634,860	233,018,279
<b>Total current liabilities</b>		<b>23,841,138,989</b>	<b>20,082,559,264</b>
<b>Total liabilities</b>		<b>26,858,129,622</b>	<b>23,649,544,854</b>
<b>Total Equity and liabilities</b>		<b>37,903,907,485</b>	<b>34,526,345,819</b>
<b>Net Asset Value per share</b>		<b>51.47</b>	<b>55.75</b>

*R. R.*  
**Chief Financial Officer**

*Shresh*  
**Company Secretary**

*[Signature]*  
**Managing Director**

*[Signature]*  
**Director**

*[Signature]*  
**Chairman**

**Bangladesh Steel Re-Rolling Mills Limited**

Tuesday, November 14, 2017 Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

Phone : +88-031-2854901, 10, 635382, 613282, 637758; Fax : +88-031-6110101; E-mail : mail@bsrm.com; Website : www.bsrm.com 2:48 PM of 11/7/2017

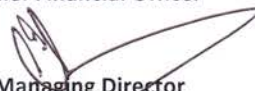
Factory : **Steel Melting Works** : 78/79, Nasirabad I/A, Baizid Bostami Road, Chittagong. Phone : +88-031-681487, 683536; Fax : +88-031-683029

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

**Statement of Profit or Loss and Other Comprehensive Income (Un-audited)**  
**For the period from 1 July 2017 to 30 September 2017**

	For the period from 1 July 2017 to 30 September 2017	For the period from 1 July 2016 to 30 September 2016
	<b>BD Tk</b>	<b>BD Tk</b>
<b>Revenue</b>	4,179,719,052	2,398,793,041
Cost of sales	(3,439,266,821)	(2,058,032,955)
<b>Gross profit</b>	<b>740,452,231</b>	<b>340,760,086</b>
Selling and distribution costs	(108,095,744)	(48,764,731)
Administrative costs	(88,539,534)	(57,532,527)
	<b>543,816,952</b>	<b>234,462,828</b>
Other income	3,425,741	12,023,812
<b>Operating Profit</b>	<b>547,242,693</b>	<b>246,486,640</b>
Finance costs	(442,579,671)	(260,226,926)
Finance income	33,123,667	1,253,953
Non-operating income	28,586,423	30,577,779
<b>Profit before tax and WPPF &amp; WF</b>	<b>166,373,112</b>	<b>18,091,446</b>
Contribution to WPPF and Welfare Fund	(8,318,656)	(904,572)
	<b>158,054,457</b>	<b>17,186,874</b>
Share of profit of associates	97,899,005	200,704,854
<b>Profit before tax</b>	<b>255,953,462</b>	<b>217,891,728</b>
Income tax expenses/benefits:		
Current tax		
Current Year	(15,029,626)	(8,651,973)
Previous Year	-	-
Deferred tax	(75,837,038)	(64,224,318)
	<b>(90,866,663)</b>	<b>(72,876,291)</b>
<b>Net Profit after tax for the period</b>	<b>165,086,799</b>	<b>145,015,437</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>165,086,799</b>	<b>145,015,437</b>
<b>Earnings per share</b>	<b>0.77</b>	<b>0.68</b>

  
 Chief Financial Officer

  
 Managing Director

Tuesday, November 7, 2017

  
 Director

  
 Company Secretary

  
 Chairman

**Bangladesh Steel Re-Rolling Mills Limited**

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

Phone : +88-031-683053, 683054, 683055, 683056, 683057, 683058, 683059, 683060, 683061, 683062, 683063, 683064, 683065, 683066, 683067, 683068, 683069, 683070, 683071, 683072, 683073, 683074, 683075, 683076, 683077, 683078, 683079, 683080, 683081, 683082, 683083, 683084, 683085, 683086, 683087, 683088, 683089, 683090, 683091, 683092, 683093, 683094, 683095, 683096, 683097, 683098, 683099, 683100; Fax: +88-031-683101; 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 Changes in Equity (Un- audited)**  
**For the period from 1 July 2017 to 30 September 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
<b>Balance as on 01 July 2016</b>	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	-	-	-	(5,015,634)	6,687,512	-	1,671,878
Transfer of revaluation surplus on sale of revalued assets	-	-	-	(108,180)	144,240	-	36,060
Net Profit after tax for the period.	-	-	-	-	145,015,436	-	145,015,436
<b>Balance as on 30 September 2016</b>	<b>1,950,977,170</b>	<b>511,970,250</b>	<b>30,170,818</b>	<b>4,062,258,175</b>	<b>3,855,472,474</b>	<b>45,661,142</b>	<b>10,456,510,029</b>
<b>Balance as on 01 July 2017</b>	<b>1,950,977,170</b>	<b>511,970,250</b>	<b>30,170,818</b>	<b>4,019,434,561</b>	<b>4,318,587,024</b>	<b>45,661,142</b>	<b>10,876,800,965</b>
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(11,670,296)	15,560,395	-	3,890,099
Stock dividend (@10%)	195,097,710	-	-	-	(195,097,710)	-	-
Transfer of revaluation surplus on sale of revalued assets	-	-	-	-	-	-	-
Net Profit during the period	-	-	-	-	165,086,799	-	165,086,799
<b>Balance as on 30 September 2017</b>	<b>2,146,074,880</b>	<b>511,970,250</b>	<b>30,170,818</b>	<b>4,007,764,265</b>	<b>4,304,136,508</b>	<b>45,661,142</b>	<b>11,045,777,862</b>

  
 Chief Financial Officer

  
 Managing Director

  
 Director

  
 Company Secretary

  
 Chairman

Tuesday, November 7, 2017

**Bangladesh Steel Re-Rolling Mills Limited**

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

D:\Assigned Job-R... Phone : +88-031-6834901; 683382; 683282; 6837758; 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 Cash Flows (Un-Audited)**  
 For the period from 1 July 2017 to 30 September 2017

	For the period from 1 July 2017 to 30 September 2017	For the period from 1 July 2016 to 30 September 2016
	BD Tk	BD Tk
<b>Cash flows from operating activities</b>		
Cash collection from customers	4,591,558,630	1,476,672,545
Cash payment for cost and expenses	(12,676,446,464)	(6,735,100,607)
<b>Cash in/(out) flow from operating activities</b>	<b>(8,084,887,834)</b>	<b>(5,258,428,062)</b>
<b>Cash flows from investing activities:</b>		
Fixed asset addition and CWIP	(34,303,654)	(73,827,639)
Proceeds from sale of property, plant and equipment	15,000	
Short term investment	(184,643,898)	(190,936,920)
Inter-companies transaction	7,740,416,426	1,680,142,178
Non-operating income	28,586,423	30,577,779
<b>Cash in/(out) flow from investing activities</b>	<b>7,550,070,297</b>	<b>1,445,955,398</b>
<b>Cash flows from financing activities:</b>		
Short Term Loan	560,850,170	3,882,337,020
Syndicated Term Loan	(254,709,970)	(235,060,995)
<b>Cash in/(out) flow from financing activities:</b>	<b>306,140,200</b>	<b>3,647,276,025</b>
<b>Total Cash In/ (Out) flow</b>	<b>(228,677,340)</b>	<b>(165,196,639)</b>
Opening Cash and Bank balances	511,739,763	294,004,367
Closing Cash and Bank balances	283,062,424	128,807,729
	<b>(228,677,339)</b>	<b>(165,196,638)</b>
<b>Operating cash flow per share</b>	<b>(37.67)</b>	<b>(26.95)</b>

  
 Chief Financial Officer

  
 Managing Director

Tuesday, November 7, 2017

  
 Director

  
 Company Secretary  
  
 Chairman

**Bangladesh Steel Re-Rolling Mills Limited**

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

Phone : +88-031-683053, 683052, 683051, 683050; Fax : +88-031-683053, 683052, 683051, 683050; 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

2:48 PM of 11/7/2017



**Bangladesh Steel Re-Rolling Mills Limited****Notes to the Financial Statements****As at and for the period from 1 July 2017 to 30 September 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.

**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



**BSRM**  
innovating safety

	30-Sep-17 BD Tk	30-Jun-16 BD Tk
<b>8.00 Property, Plant and equipments:</b>		
Land and Land Development	3,938,501,502	3,938,501,502
Plant and Machineries	6,195,473,250	6,299,524,678
Motor vehicles	26,598,623	18,862,078
Factory building and sheds	2,829,475,358	2,602,451,727
Boundary wall, Roads and pavements	138,252,175	81,953,668
Furniture and fixtures	15,587,492	17,573,154
Office equipments	14,899,419	17,201,414
Computer and IT equipments	6,235,084	7,319,698
	<b>13,165,022,903</b>	<b>12,983,387,919</b>
<b>9.00 Investment in associates</b>		
BSRM Steels Limited (BSL)	3,707,754,706	3,593,907,671
BSRM Steel Mills Limited (BSML)	2,334,197,587	2,350,145,618
	<b>6,041,952,293</b>	<b>5,944,053,289</b>
<b>10.00 Other investments</b>		
Investment in non-tradable shares at cost	1,000,300	1,000,300
Investments in Fixed Deposit Receipts	119,484,223	109,740,033
	<b>120,484,523</b>	<b>110,740,333</b>
<b>11.00 Inventories</b>		
Raw Materials	5,740,530,712	4,835,332,118
Finished Goods	5,788,816,349	3,203,950,750
Stores and Spares	1,325,110,173	1,372,582,927
Fuel and Lubricants	18,763,732	16,904,215
	<b>12,873,220,967</b>	<b>9,428,770,010</b>
<b>12.00 Advances and deposits</b>		
Against L/C	150,891,037	11,364,567
For capital expenditure	51,622,302	66,901,988
For revenue expenses	79,561,911	80,364,934
For scrap purchase and others	28,607,850	2,454,038
For store & spares	208,480,909	74,004,389
Godown rent	1,596,609	1,645,449
Income tax	968,165,510	931,716,391
L/C margin	44,717,958	46,628,123
Land	324,010,406	323,739,000
Staff loan against salary	10,561,082	7,128,538
VAT current account and DEDO recoverable	168,700,761	152,623,428
Others	-	20,000,000
	<b>2,036,916,335</b>	<b>1,718,570,845</b>
<b>Deposits</b>	<b>67,267,346</b>	<b>46,451,682</b>
	<b>2,104,183,681</b>	<b>1,765,022,527</b>

### 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



	30-Sep-17 BD Tk	30-Jun-16 BD Tk
<b>13.00 Short term loan</b>		
Loan against Trust Receipt (LATR)	186,649,516	305,313,374
Time loan	4,795,063,888	3,901,327,715
Liability for accepted bills for payment (AB)	2,138,984,372	1,858,962,277
Loan against CC Pledge and Hypo	3,031,617,616	3,106,578,164
Factoring Loan against sales invoice	-1,968,942	7,858,747
	<b>10,150,346,450</b>	<b>9,180,040,277</b>
<b>14.00 Other liabilities</b>		
Security Deposit	1,240,000	1,140,000
Retention Money	32,301,632	34,478,779
Income Tax Deducted at Source	6,200,013	1,534,035
VAT Deducted at source	2,917,842	5,198,416
Dividend Payable	2,750,765	2,836,583
Interest payable on long term loan	193,228,048	177,039,942
Liability to fixed asset suppliers	-	-
Employees Provident Fund Loan	2,977,881	2,771,844
IPO over subscription money payable	8,018,679	8,018,679
	<b>249,634,860</b>	<b>233,018,279</b>

### 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