

Bangladesh Steel Re-Rolling Mills Limited and its subsidiary
Consolidated and Separate Financial Statements
As at and for the period ended on 31 December 2023




Bangladesh Steel Re-Rolling Mills Limited and its subsidiary
Consolidated statement of financial position

In Taka	Notes	31 December 2023	30 June 2023
ASSETS			
Non-current assets			
Property, plant and equipment	14.a	36,276,874,597	36,745,942,106
Capital work-in-progress	15.a	918,277,221	971,979,504
Right of -use assets		103,888,701	130,365,111
Intangible assets	16.a	7,507,247	10,959,972
Investment in associates	17.a	8,786,189,975	8,596,650,873
Other investments	18.a	211,103,121	211,103,121
Non-current assets		46,303,840,862	46,667,000,686
Current assets			
Short term investment	19.a	2,048,820,288	1,713,438,543
Inventories	20.a	40,391,110,434	27,831,434,156
Trade and other receivables	21.a	2,781,329,050	5,433,526,873
Current account with related companies	22.a	4,626,344,913	4,222,444,290
Advances and deposits	23.a	16,894,145,431	16,300,485,130
Cash and cash equivalents	24.a	965,714,607	1,873,768,817
Current assets		67,707,464,723	57,375,097,810
Total Assets		114,011,305,586	104,042,098,496
EQUITY			
Share capital	25.00	2,985,846,260	2,985,846,260
Share premium	26.00	2,057,514,350	2,057,514,350
General reserve		30,170,818	30,170,818
Revaluation reserve		16,599,279,231	16,604,549,419
Fair Value Reserve of associate		446,867,474	446,867,474
Foreign currency translation reserve		54,621,623	52,856,841
Retained earnings		20,887,221,998	19,760,360,237
Equity attributable to owners of the company		43,061,521,754	41,938,165,398
Non- controlling interests		-	-
Total equity		43,061,521,754	41,938,165,398
Liabilities			
Long term borrowings- non current portion	27.a	0	26,103,658
Defined benefit obligations - Gratuity	28.a	365,326,564	410,905,410
Lease liabilities		81,861,043	99,605,774
Deferred tax liability	29.a	3,961,886,139	3,848,030,683
Non-current liabilities		4,409,073,746	4,384,645,526
Current liabilities			
Trade payables	30.a	1,750,376,074	687,650,579
Short term borrowings	31.a	60,086,402,739	53,538,269,009
Current portion of long term borrowings	32.a	-	307,528,271
Current account with related companies	33.a	4,677,978	-
Contract liabilities	34.a	370,007,924	528,907,843
Liabilities for expenses	35.a	1,221,313,134	1,221,596,539
Current tax liability	36.a	1,899,970,437	1,045,643,995
Provision for WPPF and Welfare Fund	37.a	176,364,220	185,561,343
Lease liabilities -Current portion		35,083,304	42,688,189
Other liabilities	39.a	994,388,185	159,266,115
Unclaimed dividend	38.00	2,126,091	2,175,688
Current liabilities		66,540,710,087	57,719,287,570
Total liabilities		70,949,783,833	62,103,933,096
Total equity and liabilities		114,011,305,587	104,042,098,496
Net Asset Value per share	20.02	144.22	140.46

 Chief Financial Officer

 Managing Director

Chattogram, 29 January 2024

 Director

 Company Secretary

 Chairman




Bangladesh Steel Re-Rolling Mills Limited and its subsidiary
Consolidated Statement of Profit or Loss and Other Comprehensive Income

In Taka	For the period			
	July'23-Dec'23	July'22-Dec'22	Oct'23-Dec'23	Oct'22-Dec'22
Revenue	39,950,912,045	43,677,798,494	19,613,505,929	22,923,801,762
Cost of sales	(34,837,108,951)	(41,287,383,799)	(16,542,803,616)	(21,570,719,856)
Gross profit	5,113,803,094	2,390,414,695	3,070,702,313	1,353,081,906
Selling and distribution costs	(734,885,610)	(374,376,912)	(473,077,553)	(198,242,647)
Administrative costs	(478,757,288)	(511,217,304)	(239,720,508)	(283,573,904)
Other operating income	18,357,599	31,071,510	10,141,362	5,816,833
Operating profit	3,918,517,794	1,535,891,989	2,368,045,613	877,082,187
Finance costs	(1,508,984,295)	(2,258,004,405)	(578,939,523)	(326,490,107)
Finance income	57,811,860	103,824,193	35,661,618	48,455,153
Net finance cost	(1,451,172,435)	(2,154,180,213)	(543,277,905)	(278,034,954)
Non-operating Income/ (Loss)	26,993,980	26,915,974	13,443,850	13,587,838
Profit/(Loss) before WPPF and Welfare Fund	2,494,339,339	(591,372,249)	1,838,211,559	612,635,070
Contribution to WPPF and Welfare Fund	(139,251,951)	-	(106,480,540)	-
Share of (loss)/profit of equity accounted investee, net of tax	482,179,442	28,070,721	339,835,131	136,619,772
Profit/(Loss) before tax	2,837,266,829	(563,301,528)	2,071,566,150	749,254,842
Income tax expense:			-	-
Current year	(855,846,210)	(474,626,485)	(627,121,499)	(263,824,086)
Previous year	-	663,894	-	663,894
Deferred tax	(115,391,171)	(64,139,350)	(116,464,163)	56,766,316
Total income tax expense	(971,237,381)	(538,101,940)	(743,585,662)	(206,393,876)
Profit/(Loss) after tax	1,866,029,448	(1,101,403,468)	1,327,980,488	542,860,967
Other comprehensive income:			-	-
Item that are or may be reclassified subsequently to PL:			-	-
Exchange differences on translation of foreign operations	1,764,782	8,142,783	930,961	4,828,164
Items that will not be reclassified to profit or loss			-	-
Fair value reserve on financial asset (Net of Tax) of associate	-	(70,331,102)	-	(26,677,315)
Other comprehensive income for the year, net of tax	1,764,782	(62,188,319)	930,961	(21,849,151)
Total comprehensive income	1,867,794,231	(1,163,591,788)	1,328,911,449	521,011,816
Profit/(Loss) attributable to:			-	-
Owners of the company	1,867,794,231	(1,163,591,788)	1,328,911,449	521,011,815
Non-controlling interests	-	-	-	-
Total comprehensive income attributable to:			-	-
Owners of the company	1,867,794,231	(1,163,591,788)	1,328,911,449	521,011,815
Non-controlling interests	-	-	-	-
Earnings per share			-	-
Earnings per share (Taka)	Note-20.04	6.25	(3.69)	4.45
				1.82


 Chief Financial Officer

 Managing Director


 Director


 Company Secretary

 Chairman

Chattogram, 29 January 2024



Bangladesh Steel Re-Rolling Mills Limited and its subsidiary
Consolidated statement of changes in equity
For the period from 1 July 2023 to 31 December 2023

Attributable to owners of the company								
In Taka	Share Capital	Share Premium	Fair value Reserve of Associates	General Reserve	Foreign currency translation reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 July 2022	2,985,846,260	2,057,514,350	517,198,576	30,170,818	26,460,769	17,062,603,781	17,415,689,540	40,095,484,094
Transfer against difference in depreciation between cost and revalued amount	-	-	-	-	-	(5,854,793)	7,554,572	1,699,779
Fair value Reserve	-	-	(43,653,787)	-	-	-	-	(43,653,787)
Cash Dividend for year 2020-21	-	-	-	-	-	-	(1,045,046,191)	(1,045,046,191)
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation between cost and revalued amount	-	-	-	-	-	-	259,808	259,808
Exchange difference on translation of foreign operations	-	-	-	-	8,142,783	-	-	8,142,783
Net profit after tax for the Period	-	-	-	-	-	-	(1,101,403,468)	(1,101,403,468)
Balance as on 31 December 2022	2,985,846,260	2,057,514,350	473,544,789	30,170,818	34,603,552	17,056,748,988	15,277,054,261	37,915,483,017

Attributable to owners of the company								
In Taka	Share Capital	Share Premium	Fair value Reserve of Associates	General Reserve	Foreign currency translation reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 July 2023	2,985,846,260	2,057,514,350	446,867,474	30,170,818	52,856,841	16,604,549,419	19,760,360,237	41,938,165,400
Transfer against difference in depreciation between cost and revalued amount	-	-	-	-	-	(5,270,188)	6,800,242	1,530,054
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation between cost and revalued amount	-	-	-	-	-	-	493,635	493,635
Exchange difference on foreign operations	-	-	-	-	1,764,782	-	-	1,764,782
Net profit/(loss) after tax for the Period	-	-	-	-	-	-	1,866,029,448	1,866,029,448
Balance as on 31 December 2023	2,985,846,260	2,057,514,350	446,867,474	30,170,818	54,621,623	16,599,279,231	20,887,221,998	43,061,521,754


 Chief Financial Officer

 Managing Director
 Chattogram, 29 January 2024


 Director


 Chairman


 Company Secretary



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Bangladesh Steel Re-Rolling Mills Limited and its subsidiary
Consolidated statement of cash flows

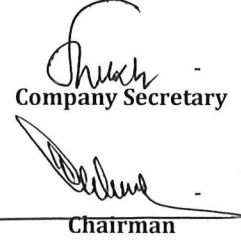
	For the period	
	July'23-Dec'23	July'22-Dec'22
a. Cash flows from operating activities		
Cash receipts from customers	43,371,830,846	44,087,625,641
Cash payments to suppliers and employees	(38,616,973,031)	(41,211,446,518)
Net finance cost	54,398,780	(1,320,605,272)
Net cash from operating activities	4,809,256,595	1,555,573,850
b. Cash flows from investing activities		
Acquisition of Property, plant and equipment & CWIP	(273,456,689)	(246,073,427)
Disposal of Property, plant and equipment	64,500	5,683,700
Investment	-	46,675,428
Short term and other investments	(335,381,745)	2,871,184,667
Net cash used in investing activities	(608,773,934)	2,677,470,369
c. Cash flows from financing activities		
(Repayments) / Receipts of long term Loans	(333,631,929)	(341,203,685)
Issuance of Ordinary Shares	-	(46,675,428)
Dividend Paid	(49,597)	(27,989)
Lease payment	(32,069,658)	(22,437,921)
Short Term Borrowings/repayment	(4,343,401,102)	(14,577,701,634)
Loan to/ from Related Companies	(399,496,297)	5,456,350,883
Net cash from financing activities	(5,108,648,583)	(9,531,695,774)
d. Net (decrease)/ increase in cash and cash equivalents (a+b+c)	(908,165,922)	(5,298,651,554)
e. Opening cash and cash equivalents	1,873,768,817	5,750,673,133
f. Effect of movements in exchange rates on cash and cash equivalents held	111,709	7,398,759
g. Closing cash and cash equivalent (d+e+f)	965,714,607	459,420,338
Net Operating Cash flow per share Note: 20.06	16.11	5.21


 Chief Financial Officer


 Managing Director

Chattogram, 29 January 2024


 Director


 Company Secretary

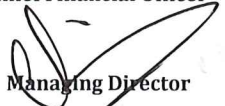

 Chairman



Bangladesh Steel Re-Rolling Mills Limited
Separate statement of financial position

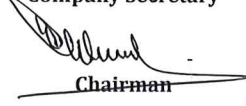
<i>In Taka</i>	Notes	31 December 2023	30 June 2023
ASSETS			
Property, plant and equipment	14.01	36,276,874,597	36,745,942,106
Capital work-in-progress	15.00	918,277,221	971,979,504
Right of -use assets		103,888,701	130,365,111
Intangible assets	16.00	7,507,247	10,959,972
Investment in subsidiaries and associates	17.00	8,868,277,186	8,674,947,315
Other investments	18.00	211,103,121	211,103,121
Non-current assets		46,385,928,073	46,745,297,128
Short term investment	19.00	2,048,820,288	1,713,438,543
Inventories	20.00	40,391,110,434	27,831,434,156
Trade and other receivables	21.00	2,781,329,050	5,433,526,873
Current account with related companies	22.00	4,640,355,921	4,236,181,646
Advances and deposits	23.00	16,816,084,340	16,133,048,372
Cash and cash equivalents	24.00	947,495,212	1,868,160,881
Current assets		67,625,195,244	57,215,790,471
Total Assets		114,011,123,317	103,961,087,599
EQUITY			
Share capital	25.00	2,985,846,260	2,985,846,260
Share premium	26.00	2,057,514,350	2,057,514,350
General reserve		30,170,818	30,170,818
Revaluation reserve		16,599,279,229	16,604,549,417
Fair Value Reserve of associate		446,867,474	446,867,474
Foreign currency translation reserve		54,621,623	52,856,841
Retained earnings		20,887,221,999	19,760,360,239
Total equity		43,061,521,754	41,938,165,398
Liabilities			
Long term borrowings- non current portion	27.00	-	26,103,658
Defined benefit obligations - Gratuity	28.00	365,326,564	410,905,410
Lease liabilities- non-current portion		81,861,043	99,605,774
Deferred tax liability	29.00	3,961,886,139	3,848,030,683
Non-current liabilities		4,409,073,746	4,384,645,526
Trade payables	30.00	1,750,376,074	687,650,579
Short term borrowings	31.00	60,086,402,739	53,459,038,280
Current portion of long term borrowings	32.00	-	307,528,271
Current account with related companies	33.00	4,677,978	-
Contract liabilities	34.00	370,007,924	528,907,843
Liabilities for expenses	35.00	1,221,270,894	1,221,275,338
Current tax liability	36.00	1,899,830,408	1,044,185,027
Provision for WPPF and Welfare Fund	37.00	176,364,220	185,561,343
Lease liabilities -Current portion		35,083,304	42,688,189
Other liabilities	39.00	994,388,185	159,266,115
Unclaimed dividend	38.00	2,126,091	2,175,688
Current liabilities		66,540,527,817	57,638,276,673
Total liabilities		70,949,601,563	62,022,922,199
Total equity and liabilities		114,011,123,317	103,961,087,599
Net Asset Value Per Share	18.01	144.22	140.46


 Chief Financial Officer


 Managing Director


 Director


 Company Secretary


 Chairman

Chattogram, 29 January 2024



Bangladesh Steel Re-Rolling Mills Limited
Separate Statement of Profit or Loss and Other Comprehensive Income

For the period

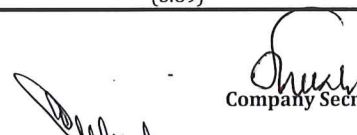
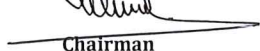
<i>In Taka</i>		July'23-Dec'23	July'22-Dec'22	Oct'23-Dec'23	Oct'22-Dec'22
Revenue	5.00	39,676,464,053	43,644,640,381	19,475,623,484	22,891,484,463
Cost of sales	6.00	(34,579,231,420)	(41,255,063,095)	(16,414,221,017)	(21,538,754,867)
Gross profit/(Loss)		5,097,232,633	2,389,577,286	3,061,402,468	1,352,729,595
Selling and distribution costs	7.00	(734,885,610)	(374,376,912)	(473,077,552)	(198,242,647)
Administrative costs	8.00	(467,853,749)	(502,963,134)	(233,596,500)	(279,258,049)
Other-operating Income/ (Loss)	9.00	18,357,599	30,618,289	10,141,362	5,571,294
Operating profit/(Loss)		3,912,850,873	1,542,855,530	2,364,869,777	880,800,193
Finance costs	10.00	(1,505,751,663)	(2,257,843,222)	(577,498,422)	(326,412,121)
Finance income	11.00	57,811,860	103,824,193	35,661,618	48,455,153
Net finance costs		(1,447,939,804)	(2,154,019,030)	(541,836,804)	(277,956,968)
Non-operating Income	12.00	26,993,980	26,915,974	13,443,850	13,587,838
Profit/ (Loss) before WPPF and Welfare Fund		2,491,905,049	(584,247,526)	1,836,476,823	616,431,063
Contribution to WPPF and Welfare Fund	37.00	(139,251,951)	-	(106,480,540)	-
Share of profit of equity accounted investees, net of tax	17.02	484,412,902	20,945,998	341,426,750	132,823,781
Profit/(Loss) before tax		2,837,066,000	(563,301,527)	2,071,423,033	749,254,843
Income tax expenses					
Current year	13.00	(855,645,381)	(474,626,485)	(626,978,383)	(263,824,086)
Previous year		-	663,894	-	663,894
Deferred tax	29.01	(115,391,171)	(64,139,350)	(116,464,163)	56,766,316
Total income tax expense		(971,036,552)	(538,101,940)	(743,442,546)	(206,393,876)
Profit/(Loss) after tax		1,866,029,448	(1,101,403,468)	1,327,980,487	542,860,967
Total comprehensive income					
Item that are or may be reclassified subsequently to P/L:					
Exchange differences on translation of foreign operations		1,764,782	8,142,783	930,961	4,828,164
Items that will not be reclassified to profit or loss:					
Fair Value Reserve on Financial Asset (Net of Tax) of associate		-	(70,331,102)	-	(26,677,314)
Other comprehensive income for the year, net of tax		1,764,782	(62,188,319)	930,961	(21,849,150)
Total comprehensive income		1,867,794,230	(1,163,591,787)	1,328,911,448	521,011,816
Earnings per share					
Earnings per share (Taka) Note: 20.03		6.25	(3.69)	4.45	1.82


 Chief Financial Officer

 Managing Director

Chattogram, 29 January 2024


 Director


 Company Secretary

 Chairman



Bangladesh Steel Re-Rolling Mills Limited
Separate statement of changes in equity
For the period from 1 July 2023 to 31 December 2023



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<i>In Taka</i>	Share Capital	Share Premium	Fair value Reserve of Associates	General Reserve	Foreign currency translation reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 July 2022	2,985,846,260	2,057,514,350	517,198,576	30,170,818	26,460,769	17,062,603,779	17,415,689,542	40,095,484,094
Transfer against difference in depreciation between cost and revalued amount	-	-	-	-	-	(5,854,793)	7,554,572	1,699,779
Cash Dividend for year end June 30, 2022	-	-	-	-	-	-	(1,045,046,191)	(1,045,046,191)
Fair value Reserve	-	-	(43,653,787)	-	-	-	-	(43,653,787)
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation	-	-	-	-	-	-	259,808	259,808
Exchange difference on foreign operations	-	-	-	-	8,142,783	-	-	8,142,783
Net profit/(loss) after tax for the Period	-	-	-	-	-	-	(1,101,403,468)	(1,101,403,468)
Balance as on 31 December 2022	2,985,846,260	2,057,514,350	473,544,789	30,170,818	34,603,552	17,056,748,986	15,277,054,263	37,915,483,017

<i>In Taka</i>	Share Capital	Share premium	Fair value Reserve of Associates	General Reserve	Foreign currency translation reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 July 2023	2,985,846,260	2,057,514,350	446,867,474	30,170,818	52,856,841	16,604,549,417	19,760,360,239	41,938,165,400
Transfer against difference in depreciation between cost and revalued amount	-	-	-	-	-	(5,270,188)	6,800,242	1,530,054
Transfer of revaluation surplus on sale of revalued assets	-	-	-	-	-	-	-	-
Cash Dividend for year end June 30, 2023	-	-	-	-	-	-	(746,461,565)	(746,461,565)
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation between cost and revalued amount	-	-	-	-	-	-	493,635	493,635
Exchange difference on foreign operations	-	-	-	-	1,764,782	-	-	1,764,782
Fair value reserve on financial asset of BSL	-	-	-	-	-	-	-	-
Net profit/(loss) after tax for the Period	-	-	-	-	-	-	1,866,029,448	1,866,029,448
Balance as on 31 December 2023	2,985,846,260	2,057,514,350	446,867,474	30,170,818	54,621,623	16,599,279,229	20,887,221,999	43,061,521,754

Chief Financial Officer

Managing Director

Chattogram, 29 January 2024

Director

Company Secretary

Chairman

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Bangladesh Steel
Re-Rolling Mills Limited



Bangladesh Steel Re-Rolling Mills Limited
Separate statement of cash flows

<i>In Taka</i>	For the period	
	July'23-Dec'23	July'22-Dec'22
a. Cash flows from operating activities		
Cash receipts from customers	42,733,488,478	44,041,481,704
Cash payments to suppliers, employees and advance tax	(38,076,717,254)	(41,163,979,865)
Net finance cost	57,627,976	(1,320,442,168)
Net cash from operating activities	4,714,399,201	1,557,059,671
b. Cash flows from investing activities		
Acquisition of Property, plant and equipment	(273,456,689)	(246,073,427)
Disposal of Property, plant and equipment	64,500	5,683,700
Short term and other investments	(335,381,745)	2,871,184,667
Net cash used in investing activities	(608,773,934)	2,630,794,940
c. Cash flows from financing activities		
(Repayment) / Receipt of Long term loans	(333,631,929)	(341,203,685)
Dividend paid	(49,597)	(27,989)
Lease rent payment	(32,069,658)	(22,437,921)
Receipt/(Repayment) of short term borrowings	(4,261,043,455)	(14,577,701,634)
Loan to/from related Companies	(399,496,297)	5,456,350,883
Net cash from financing activities	(5,026,290,937)	(9,485,020,346)
d. Net increase/(decrease) in cash and cash equivalent (a+b+c)	(920,665,670)	(5,297,165,734)
e. Opening cash and cash equivalents	1,868,160,881	5,682,463,553
g. Closing cash and cash equivalents (d+e+f)	947,495,212	385,297,820
Net Operating Cash flow per share Note: 20.05	15.79	5.21


 Chief Financial Officer

 Managing Director


 Director


 Company Secretary

 Chairman

Chattogram, 29 January 2024



Bangladesh Steel Re-Rolling Mills Limited and its subsidiary

For the period July'23-Dec'23

Notes to the Un audited financial statements

1.00 Basis of accounting Statement of compliance

These Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Commission Rules 1987.

Summary of significant accounting policies

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

The quarterly unaudited financial statements of Bangladesh Steel Re-Rolling Mills Limited has been prepared following the opinions of IASB on its discussion papers on Business Combination under Common Control issued November 2020.

As per opinion of IASB, Book value method has been followed to prepare the merged financial statements. Assets, liabilities, income and expenses of BSRM Steel Mills Limited (Transferor Company) has been included from 1 February, 2021 (Combination date) without restating pre-combination information.

2.00 Basis of consolidation and disclosure of interest in other entities

Subsidiary is an enterprise controlled by the parent entity. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements have been prepared in accordance with IFRS 10 "Consolidated Financial Statements".

The Financial Statements of the subsidiary company are incorporated on a line by line basis and the investment held by the parent is eliminated against the corresponding share capital of subsidiary in the consolidated financial statements. The accounting policies of subsidiary have been changed when it is necessary to align them with the policies adopted by BSRM Limited (Parent entity).

The group eliminates intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full).

3.00 Merger of Subsidiary Company-BSRM Steel Mills Limited

The Scheme of Amalgamation of Bangladesh Steel Re-Rolling Mills Limited (the transferee Company) with its subsidiary company-BSRM Steel Mills Limited (the transferor company) has been approved by the Honorable High Court division of Supreme court of Bangladesh (Ref: Company Matter No: 225 of 2019, dated 15 December 2020). As per order of the Honorable High Court, the judgment and order shall take effect after filing of the certified copy of the same to the Registrar of Joint Stock Companies and Firms by Bangladesh Steel Re-Rolling Mills Limited. The certified copy of the court order has been filed to the Registrar of Joint Stock Companies and Firms on 20 January, 2021 and the board has decided to merge both Company's accounts with effect from 1 February, 2021.




4.00 Property, Plant and Equipment

4.01 Recognition and Measurement

Property, Plant and Equipment are stated at cost less accumulated depreciation except Land & land development and Factory Building which are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed / installed assets When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

5.00 Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of Property, Plant and Equipment are recognized in profit and loss as incurred.

6.00 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation is charged on addition when it is ready for use and no depreciation is charged in the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The depreciation charge for the year is recognized as an expense unless it is included in the carrying amount of another asset.

The principal annual rates and useful lives under straight line method were as follows:

<u>Category of Assets</u>	<u>Useful lives (year)</u>	<u>Rates</u>
Plant and Machinery	7-25	4% - 15%
Motor Vehicle	6-15	6% - 16%
Furniture and Fixtures	5	20%
Office Equipment	5	20%
Factory Buildings	20	5%
Roads and Pavements	20	5%
Computer & IT equipment	5	20%

Depreciation methods, useful lives and residual values are reassessed at the reporting dates.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

7.00 Revenue Recognition

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 and there is no continuing management involvement with the goods. Sales revenue is recognized when the goods are delivered.

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

8.00 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

Basis of Earnings

This represents profit for the year attributable to ordinary shareholders and Non- Controlling shareholders. As there were no preference shares requiring returns or dividends, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.



Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted Earnings Per Share

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

9.00 Comparative Information and significant deviation:

Comparative information is disclosed in respect of the prior period/year in accordance with IAS-1: Presentation of Financial Statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's/year's financial statements. Prior period's/year's figures is rearranged wherever considered necessary to ensure comparability with the current period.

9.01 Deviation in financial performance:

	July'23-Dec'23	July'22-Dec'22	Changes
Separate Financial Statements	BD Tk in Million	BD Tk in Million	%
Revenue	39,676.46	43,644.64	-9.09%
Net Profit after tax	1,866.03	-1,101.40	269.42%
NOCF Per share	15.79	5.21	202.78%
Net finance costs	1,447.94	2,154.02	-32.78%
Selling and distribution costs	734.89	374.38	96.30%
Administrative costs	467.85	502.96	-6.98%
Consolidated Financial Statements:			
Revenue	39,950.91	43,677.80	-8.53%
Net Profit after tax	1,866.03	-1,101.40	269.42%
NOCF Per share	16.11	5.21	209.16%
Consolidated and Separate Financial statements			
Earning per share	6.25	(3.69)	269.42%
	31 December 2023	30 June 2023	
Net Asset Value per share	144.22	140.46	2.68%

Revenue in July'23-Dec'23 was decreased by -09.09% compared to July'22-Dec'22 as sales quantity of our finished product has been reduced during this period.

It should be noted that our finance costs have decreased significantly since we booked a significant amount of foreign currency translation losses in the previous fiscal year, which ended on June 30th, 2023. However, due to a further increase in the foreign currency conversion rate, we have experienced additional losses in the "Foreign Currency Translation Loss" category for this quarter (October 2023 to December 2023). Additionally, as a result of payments being made at lower rates, we have recorded a gain in the "Foreign Currency Transaction" category for the same period (July 2023 to December 2023). Taking all of these factors into account, the net foreign currency loss for the quarter stood at TK. 74,91,19,860.

During the period, considering the market situation and to induce the dealers and customers to buy Company products, brokerage and commission expenses as well as sales promotion expenses has been increased. As a result Selling and distribution expenses has also raised.

Finance Cost: Though rate of interest has been increased, total finance Costs which include interest, charges, FC gain/ loss, etc during the period have been reduced due to the impact of FC transactions which were booked at higher rates in earlier years based on market trend but were actually paid off at lesser rate. Again amount of foreign liabilities have been reduced in the last two years resulting which a higher payment pressure leaves the FC gain during this period Jul'2023 to Dec'2023.

Administrative expenses have been decreased during the period due to the reduction of some significant expenses that include CSR program expenses, and medical expenses etc. comparing to the same period of the last quarter.



Income Tax Expenses: The Company has incurred profit during this period. As a result, we have to pay tax through proper calculation as per the guidelines of the Income Tax Act 2023 on the regular Profit, Tk 85,56,45,381 .

The economic situation globally and in Bangladesh was volatile during this period. The sharp increase in foreign currency conversion rates was on the rise. Additionally, there was a power shortage which forced us to curtail production, further increasing production costs. At the same time, the market for steel products was under severe pressure. However, to ensure the greater interest of the country and to keep development projects progressing, we were unable to increase the selling price of steel products in line with the cost of production. Despite the situation, we have made a profit during this period, and provide Income tax as per the Income Tax Act 2023. Nevertheless, Net Profit after Tax and Earnings per Share have increased due to the reduction in finance expenses compared to the last quarter, Jul'22 to Dec'22.

Both Net Profit and EPS has increased by 269.42% for current period for the reasons mentioned above.

10.00 Authorization for issue

Consolidated and Separate Financial Statements of Bangladesh Steel Re-Rolling Mills Limited for the period ended on 31 December 2023 has been approved by the Board of Directors on 29 January 2024.



11.00 Intangible assets

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited-HO	7,507,247	10,959,972
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	-	-
	7,507,247	10,959,972

11.01 Bangladesh Steel Re-Rolling Mills Limited-HO

<i>In Taka</i>	31 December 2023	30 June 2023
Computer Software (Oracle ERP)	7,507,247	10,959,972
	7,507,247	10,959,972

11.02 Consolidated intangible assets

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	7,507,247	10,959,972
BSRM (Hong Kong) Limited	-	-
	7,507,247	10,959,972

12.00 Investment in subsidiary and associate

<i>In Taka</i>	31 December 2023	30 June 2023
Subsidiary company:		
BSRM (Hong Kong) Limited	82,087,211	78,296,442
Associate company:		
BSRM Steels Limited	8,786,189,975	8,596,650,873
	8,868,277,186	8,674,947,315

13.00 Trade and Other Receivables

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited-HO	2,588,172,516	5,227,584,517
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	193,156,533	205,942,354
	2,781,329,050	5,433,526,873

13.01 Bangladesh Steel Re-Rolling Mills Limited-HO

<i>In Taka</i>	31 December 2023	30 June 2023
Trade Receivables	2,026,095,861	5,173,154,157
Other Receivables	562,076,655	54,430,360
	2,588,172,516	5,227,584,517

13.02 Trade Receivables

<i>In Taka</i>	31 December 2023	30 June 2023
BSRM Steels Limited	11,197,660	2,723,513,620
BSRM Wires Limited	247,895	116,047
BSRM Logistics Limited	693,319	-
H. Akberali & Co. Limited	693,151	1
Other Parties	2,014,535,685	2,450,813,459
	2,027,384,831	5,174,443,127
Less: Provision for doubtful debt	(1,288,970)	(1,288,970)
	2,026,095,861	5,173,154,157

13.03 Other Receivables

<i>In Taka</i>	31 December 2023	30 June 2023
Interest Receivables	225,262,320	-
Duty draw back	43,680,360	43,680,360
Dividend Receivable	293,133,975	10,750,000
	562,076,655	54,430,360



13.04 Consolidated trade and other receivables

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	2,781,329,050	5,433,526,873
BSRM (Hong Kong) Limited	-	-
	2,781,329,050	5,433,526,873

14.00 Current account with related companies

<i>In Taka</i>	31 December 2023	30 June 2023
BSRM Ispat Limited	992,703,302	994,803,302
BSRM Logistics Limited	387,584,582	432,865,312
BSRM (Hong Kong) Limited	14,011,007	13,737,356
BSRM Wires Limited	2,366,115,599	2,201,087,177
Chittagong Power Company Limited	542,537,926	542,437,926
H. Akberali & Co. Limited	337,346,016	51,250,574
BSRM Metal Ltd	15,000	-
Bangladesh Agriculture Products Ltd	42,488	-
	4,640,355,921	4,236,181,646

14.01 Consolidated current account with related companies

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	4,640,355,921	4,236,181,646
Less: Intra-company elimination	(14,011,007)	(13,737,356)
	4,626,344,913	4,222,444,290

15.00 Share capital

<i>In Taka</i>	31 December 2023	30 June 2023
Authorized capital		
500,000,000 Ordinary shares @ Tk. 10 each	5,000,000,000	5,000,000,000
	5,000,000,000	5,000,000,000

Issued, Subscribed and Paid-up capital

64,345,491 Ordinary shares @ Tk. 10 each issued in cash	643,454,910	643,454,910
64,345,491 Ordinary shares @ Tk. 10 each fully paid-up as Bonus Shares	643,454,910	643,454,910
27,160,056 Ordinary shares @ Tk. 10 each fully paid up (other than cash)	271,600,560	271,600,560
17,500,000 Ordinary shares @ Tk. 10 each issued through Initial Public Offering (IPO)	175,000,000	175,000,000
4,010,523 Ordinary shares @ Tk. 10 each issued against 12% Convertible coupon bond	40,105,230	40,105,230
17,736,156 Ordinary shares @ Tk. 10 each fully paid-up as Bonus Shares	177,361,560	177,361,560
19,509,771 Ordinary shares @ Tk. 10 each fully paid-up as Bonus Shares	195,097,710	195,097,710
21,460,748 Bonus share issued @Tk. 10 each fully paid	214,607,480	214,607,480
62,516,390 share issued @Tk. 10 each as merger with BSRM Steel Mills Ltd with 1:0.288 ratio	625,163,900	625,163,900
	2,985,846,260	2,985,846,260

16.00 Deferred tax liability

	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited-HO	3,962,595,636	3,848,734,519
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	(709,497)	(703,836)
	3,961,886,139	3,848,030,683



16.01 Reconciliation of deferred tax;

<i>In Taka</i>	31 December 2023	30 June 2023
Balance as on 1 July 2022	3,848,734,519	3,769,826,097
Provided/ (adjusted) during the year:		
Investments in associates	82,675,515	114,095,670
Unabsorbed depreciation	110,287,244	147,894,538
Adjustment for gratuity	10,255,240	(357,474)
Right of use of assets	5,957,192	(2,764,289)
Lease liabilities	(5,703,664)	3,271,346
Sale/ derecognition of revalued assets	-	(13,821,875)
For temporary difference of PPE and software (excluding land)	(88,080,356)	(166,173,249)
Adjusted for impact of excess depreciation on revaluation surplus	(1,530,054)	(3,236,244)
Deferred tax of overseas branch	(709,497)	(703,836)
Balance as on 31 December 2023	3,961,886,139	3,848,030,683

16.02 Consolidated deferred tax liability

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	3,961,886,139	3,848,030,683
BSRM (Hong Kong) Limited	-	-
	3,961,886,139	3,848,030,683

17.00 Trade payables

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited-HO	1,728,444,389	634,505,647
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	21,931,683	53,144,930
	1,750,376,074	687,650,579

17.01 Bangladesh Steel Re-Rolling Mills Limited-HO

<i>In Taka</i>	31 December 2023	30 June 2023
BSRM Wires Limited	2,194,417	89,147
BSRM Logistics Limited	4,201,694	31,252,532
Labor Cost	1,420,544	542,407
Goods & supplies	46,156,010	44,735,407
Payables for stores and spares	1,675,609,501	557,696,013
	1,728,444,389	634,505,647

17.02 Consolidated trade payables

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	1,750,376,074	687,650,579
BSRM (Hong Kong) Limited	-	-
	1,750,376,074	687,650,579

18.00 Current account with related companies

<i>In Taka</i>	31 December 2023	30 June 2023
Karnafully Engineering Works Limited	1,500,000	-
BD Steel Limited	-	-
H. Akberali & Co Limited	3,177,978	-
	4,677,978	-

18.01 Consolidated current account with related companies

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	4,677,978	-
BSRM (Hong Kong) Limited	14,011,007	13,737,356
Less: Intra group elimination	(14,011,007)	(13,737,356)
	4,677,978	-



19.00 Current tax liability

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited-HO	19.01 1,899,830,409	1,044,185,027
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	-	-
	1,899,830,409	1,044,185,027

19.01 Bangladesh Steel Re-Rolling Mills Limited

	31 December 2023	30 June 2023
Opening balance	1,044,185,027	1,122,047,427
Short provision for last year	-	22,154,118
Add: Provided for the period	855,645,381	1,097,879,880
Add: Previous year's adjustments	-	-
	1,899,830,409	2,242,081,425
Add/(adjustment): Advance tax	-	(1,197,896,397)
	1,899,830,409	1,044,185,027
Income tax paid	-	-
Closing balance	1,899,830,409	1,044,185,027

19.02 Consolidated current tax liability

<i>In Taka</i>	31 December 2023	30 June 2023
Bangladesh Steel Re-Rolling Mills Limited	1,899,830,409	1,044,185,027
BSRM (Hong Kong) Limited	-	-
	1,899,830,409	1,044,185,027

19.03 Reconciliation of effective tax rate of Bangladesh Steel Re-Rolling Mills Limited

	31 December 2023	
	Rate	Taka
Profit/(Loss) before tax		2,837,066,000
Tax using the applicable tax rate	22.50%	638,339,850
Tax effect of:		
Share of loss/ (profit) of equity accounted investee	-3.84%	(108,992,903)
Impact of Indian Branch	-0.25%	(7,224,512)
Difference between accounting and fiscal	3.17%	90,024,026
Gain/(loss) on sale of Non-current asset	0.00%	24,578
Inadmissible expenses	6.63%	188,221,688
Rebate on export sales	-0.09%	(2,690,642)
Unabsorbed depreciation	0.00%	-
Impact on Minimum Tax	0.00%	-
Impact on cash dividend received	2.07%	58,626,795
Final tax on sale of revalued Land	0.00%	-
Rebate on CSR	-0.02%	(683,500)
Deferred tax	4.07%	115,391,171
Prior years tax	0.00%	-
	34.23%	971,036,552

20.00 Calculation of NAV, EPS and NOCFPS

20.01 Calculation of NAV(Separate)	31 December 2023	30 June 2023
No of issued shares	298,584,626	298,584,626
Net Assets Value (BD Tk)	43,061,521,754	41,938,165,398
Net Asset Value per Share	144.22	140.46
20.02 Calculation of NAV (Consolidated)	31 December 2023	30 June 2023
No of issued shares	298,584,626	298,584,626
Net Asset Value	43,061,521,754	41,938,165,398
Net Asset Value per Share	144.22	140.46



20.03	Calculation of Earnings per Share (EPS)-Separate	July'23-Dec'23	July'22-Dec'22
	No of issued shares	298,584,626	298,584,626
	Net profit after tax	1,866,029,448	(1,101,403,468)
	Earning per Share (EPS) -Separate	6.25	(3.69)
20.04	Calculation of Earnings per Share (EPS)-Consolidated	July'23-Dec'23	July'22-Dec'22
	No of issued shares	298,584,626	298,584,626
	Net profit after tax	1,866,029,448	(1,101,403,468)
	Earning per Share (EPS) -Consolidated	6.25	(3.69)
20.05	Calculation of Net Operating Cash flow per Share - Separate	July'23-Dec'23	July'22-Dec'22
	No of issued shares	298,584,626	298,584,626
	Net Operating Cash flow	4,714,399,201	1,557,059,671
	Net Operating Cash flow per share-Separate	15.79	5.21
20.06	Calculation of Net Operating Cash flow per Share - Consolidated	July'23-Dec'23	July'22-Dec'22
	No of issued shares	298,584,626	298,584,626
	Net Operating Cash flow	4,809,256,595	1,555,573,850
	Net Operating Cash flow per share-Consolidated	16.11	5.21
21.00	Reconciliation of net income with cash flows from operating activities:		
	<i>In taka</i>	July'23-Dec'23	July'22-Dec'22
	Net Profit/(loss) before Tax	2,837,066,000	(1,312,556,370)
	<i>Adjustment For-</i>		
	Depreciation	779,709,342	399,452,696
	Depreciation on right of use of Assets	26,476,410	36,360,841
	Intangible asset amortization	4,012,278	1,667,395
	Gain/(loss) on sale of PPE	-	(2,255,589)
	Non-operating income		
	Adjustment of Gain on sale of PPE	(21,352)	
	Interest on finance lease	6,720,042	2,681,955
	Unrealized foreign currency translation loss/(gain)	1,693,879,771	1,289,871,926
	Share of profit/(loss) of equity accounted investee, net of tax	(484,412,902)	111,877,782
		2,026,363,588	1,839,657,007
	<i>(Increase)/decrease in -</i>		
	Trade Receivable	2,945,331,798	(527,056,514)
	Advances, deposits and pre-payments and others	(3,547,535,832)	(453,737,478)
	<i>Increase/(decrease) in-</i>		
	Trade payables	1,062,725,495	1,713,634,988
	Liabilities for expenses	(9,323,832)	(110,282,556)
	Contract liabilities	(158,899,919)	303,165,229
	Defined benefit obligations - Gratuity	(45,578,846)	59,142,701
	WPPF and Welfare Fund	(9,197,122)	-
	Other liabilities	88,660,506	(27,456,984)
		326,182,248	957,409,385
	Tax paid	(475,212,636)	(205,071,886)
	Interest on finance lease	-	(2,681,955)
	Net cash flow from operating activities	4,714,399,201	1,276,756,181

