

Bangladesh Steel Re-Rolling Mills Limited

Independent Auditor's Report,
Consolidated and Separate Financial Statements
As at and for the year ended 30 June 2026



INDEPENDENT AUDITOR'S REPORT
To the Shareholders of
Bangladesh Steel Re-Rolling Mills Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Bangladesh Steel Re-Rolling Mills Limited and its subsidiary (the Group), as well as the separate financial statements of Bangladesh Steel Re-Rolling Mills Limited ("the Company") which comprise the consolidated and separate statement of financial position as at 30 June 2026, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2026 and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by Financial Reporting Council (FRC) of Bangladesh.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in Auditor's Responsibilities for the Audit of the Consolidated and separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the ethical requirements of Financial Reporting Council together with the ethical requirements of the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws that are relevant to audits of the financial statements of public interest entities in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in our audit of the consolidated and the separate financial statements for the current period. These matters were addressed in the context of our audit of the consolidated and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matter	How our audit addressed the key audit matter
1. Inventories	
Refer to Note 4.05 & 11 & 11a	
The Company & Group have shown inventory BDT 29,228.09 million in separate & consolidated financial statement. Inventory is carried in the separate & consolidated financial statements at the lower of cost and net realisable value. The exercise for the assessment of the net realisable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions and is therefore considered a significant key audit matter.	<ul style="list-style-type: none"> • Verified a sample of inventory items to ensure that costs have been appropriately recorded. • Tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Confirmed physical existence and completeness by performing annual physical inventory on a sample basis. • Confirmed all necessary disclosures have been made and that the information is appropriately presented.



Key audit matter	How our audit addressed the key audit matter
2. Revenue	
<p>Refer to Note 4.16 & 33 & 33a</p> <p>Revenue recognition has significant and wide influence on the separate and the consolidated financial statements.</p> <p>The Company & Group recognize revenue upon transfer of control as per IFRS 15 – Revenue from Contracts with Customers in its separate and consolidated financial statements.</p> <p>The Company & Group have reported revenue BDT 109,136.27 and BDT 109,947.73 million in the separate and consolidated financial statements.</p> <p>This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from which revenue is being recognized.</p> <p>Against this background, the proper application of the accounting standards is considered to be complex and assumptions made by management.</p>	<ul style="list-style-type: none"> Assessed the relevant system to confirm proper accounting of revenue. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. Performed walkthrough test to understand the adequacy and the design of the revenue cycle. Assessed the invoicing and measurement systems up to entries in the general ledger. Examined customer contracts, invoices and receipts of invoice amount on a test basis. Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis. Obtained and reviewed supporting documents for sales transactions recorded. Tested the timing of revenue recognition as well as cut off checked. Tested the revenue charging model against the regulatory guidelines, contractual provisions and accounting standards, on a sample basis & assessed whether the sufficient disclosure has been given.

Key audit matter	How our audit addressed the key audit matter
3. Leases	
<p>Refer to Note 4.03 & 31 & 31a</p> <p>The Company & Group have reported right-of-use assets (ROU) BDT 153.58 million and lease liabilities BDT 161.48 million in its separate and consolidated financial statements which is arising from the lease rental agreements for its land, warehouse and office spaces.</p> <p>For calculation of the lease liability, the management applies its judgement in determination of lease term where certainty of exercising the option to extend or the option not to terminate the lease is considered.</p> <p>The incremental borrowing rate is used as discounting rate in calculation of lease liability. We considered the implementation of IFRS 16 Leases as a key audit matter.</p> <p>Management had to apply several judgments and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summarize the lease data for input into their lease calculation model.</p>	<ul style="list-style-type: none"> Obtained an understanding of the managements approach for implementing IFRS 16 and its impact on the financial statements. Obtained, read and evaluated the contracts (sample basis) for lease rental arrangements, especially the terms and conditions related to payments, lease incentives, any indirect costs, dismantling and restoration, option to extend the lease or not to terminate the lease. Tested the lease amortization schedule and depreciation schedule of the leases on sample basis. Assessed whether the disclosures within the financial statements are as prescribed by the relevant IFRS Standards. Tested managements assumptions in determining the certainty of exercising option to extend or terminate lease and the discounting rate applied to calculate lease liability.



Key audit matter	How our audit addressed the key audit matter
4. Related party disclosures	
<p>Refer to Note 13, 13a, 26 & 45</p> <p>We determined the identification and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter due to high volume of business transactions with numerous related parties during the year ended 30 June 2026.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the Company's processes and procedures in respect of identifying related parties; approval and recording of related party transactions including how management determines all transactions/balances with related parties are determined at arm's length and entered into in the normal course of business and disclosed in the separate & consolidated financial statements. • Tested, on a sample basis, related party transactions with the underlying documents and for authorization and approval for such transactions. • Obtained balance confirmation from the related parties. • Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year. • Evaluated the completeness of the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Key audit matter	How our audit addressed the key audit matter
5. Deferred tax	
<p>Refer to Note 4.17, 23 & 23a</p> <p>As at 30 June 2026, the Company & Group have reported deferred tax liabilities amounted to BDT 5,060.02 million in its separate and consolidated financial statement. Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.</p> <p>The calculation of deferred taxes takes into account the expected point in time when, and the manner in which, the assets and liabilities are expected to be realized or settled. The applied tax rates correspond to those that are enacted or substantively enacted at the balance sheet date.</p> <p>Deferred taxes primarily results from tangible and intangible assets including revaluated tangible asset, Investment in associate and employee benefits.</p> <p>These calculations are complex because of the applicable tax rules and the necessary subjective estimates and accompanying uncertainty.</p> <p>Therefore, we have defined the carrying amount of deferred tax liabilities as a key audit matter.</p>	<ul style="list-style-type: none"> • Obtained an understanding, evaluated the design, and tested the operational effectiveness of the key control over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the deductible temporary difference. • Assessed the completeness and accuracy of the data used for the estimations of the deductible temporary difference. • Performed the mathematical accuracy of the deferred tax calculation. • Engaged tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities. • We also assessed the appropriateness of presentation of disclosures against IAS 12-Income Taxes.



Key audit matter	How our audit addressed the key audit matter
<p>6. Long term borrowings</p> <p>Refer to Note 19.00, 19.a, 25.02 & 25.b</p> <p>The Company & Group have recognized long-term loans amounting to BDT 2,811.80 million in the separate and consolidated financial statements. These loans were sanctioned to support companies in recovering foreign currency transaction losses incurred in prior years. The accounting treatment, classification, and related disclosures require significant management judgment to ensure compliance with applicable financial reporting standards and regulatory requirements. This includes determining appropriate recognition and measurement of the loan at amortized cost, assessment of related covenants or conditions imposed by Banks, and ensuring adequate disclosures in the financial statements.</p>	<ul style="list-style-type: none"> • Obtained and reviewed sanction letters and loan agreements to understand the requirements, purpose, and terms of the borrowing. • Verified that the loan proceeds were utilized in line with the stated purpose through examination of fund movements and relevant supporting documentation. • Evaluated management's accounting treatment and classification between current and non-current portions to ensure consistency with applicable financial reporting standards. • Tested loan balances, interest computations, and repayments, and obtained direct confirmations from the lending banks. • Assessed whether any conditions or covenants were breached that could affect classification or measurement.
Key audit matter	How our audit addressed the key audit matter
<p>7. Early Adoption of IFRS 18 – Presentation and Disclosure in Financial Statements</p> <p>Refer to Note 2.10</p> <p>During the financial year ended 30 June 2026, the Company and the Group have early adopted IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1, Presentation of Financial Statements, and introduces significant changes to the structure, presentation and disclosure of financial statements. The adoption required management to reassess the presentation of the statement of profit or loss, including the classification of income and expenses into the operating, investing and financing categories, as applicable, and the presentation of specified subtotals, including operating profit and profit before financing and income taxes.</p> <p>The adoption also required management to evaluate the aggregation and disaggregation of financial information, review the presentation of material information, assess the requirements relating to management-defined performance measures (MPMs), where applicable, and provide the required disclosures and reconciliations. In addition, the Company and the Group were required to retrospectively apply the relevant presentation and disclosure requirements to comparative information, where applicable, and assess the resulting reclassifications and changes in disclosures.</p> <p>We considered this matter to be a key audit matter because the early adoption involved significant changes to the financial reporting presentation, required management judgement in classifying and aggregating certain income and expense items, and necessitated the reassessment of comparative information and related disclosures. The extent of the changes and the need to ensure consistency between the underlying accounting records, the financial statements and the accompanying notes required significant auditor attention.</p>	<p>Our audit procedures in relation to the early adoption of IFRS 18 included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of management's assessment of IFRS 18 and evaluated the implementation approach adopted by the Company and the Group, including the identification of relevant changes to the existing financial statement presentation and disclosure requirements. • Examined the mapping of income and expense accounts from the general ledger and trial balance to the categories required by IFRS 18 and assessed the appropriateness of the classification of items within the operating, investing and financing categories, as applicable, based on the nature of the underlying transactions and the requirements of the Standard. • Evaluated the presentation of the statement of profit or loss, including the required subtotals, such as operating profit and profit before financing and income taxes, where applicable, and checked the mathematical accuracy of the relevant calculations and reconciliations. • Reviewed management's assessment of the aggregation and disaggregation of financial information to determine whether material information was appropriately presented and disclosed and whether the presentation of line items and accompanying notes was consistent with the requirements of IFRS 18. • Where applicable, examined the identification and presentation of management-defined performance measure communicated in public communications, assessed the identification of the most directly comparable IFRS-defined subtotal, and checked the related reconciliation, explanations of usefulness and calculation methodology, and the disclosure of the income tax effect of reconciling items. • Assessed the retrospective application of the relevant presentation and disclosure requirements to the comparative period, including the appropriateness of reclassifications, the consistency of comparative figures with the underlying accounting records, and the adequacy of related disclosures. • Evaluated whether the accounting policy disclosures and other explanatory notes had been updated to reflect the adoption of IFRS 18 and whether the significant judgements made by management in applying the new requirements were appropriately disclosed, where required.



Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Bangladesh Steel Re-Rolling Mills Limited's annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon. The draft annual report is expected to be made available to us after the date of this auditors' report but before finalization of the annual report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.

Responsibilities of Management and Those Charged with Governance for the Consolidated and the Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and adopted by FRC, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group and the company audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group and the Company as a basis for forming an opinion on the group and the company financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, and actions taken to eliminate threats or safeguard applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and Financial Reporting Act 2015, we also report the following:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books and proper returns adequate for the purposes of our audit have been received from branch not visited by us;
- iii) The consolidated and separate statement of financial position and the consolidated and separate statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- iv) The consolidated and separate financial statements have been prepared in accordance with standards, framework, compliance and guidelines adopted and promulgated by Financial Reporting Council.

Signature of the auditor

:

Name of Partner, Enrollment Number:

: Sarwar Uddin FCA, ICAB Enrollment No: 0779
FRC Enlistment No: CA-001-136

Name of the Firm

: Hussain Farhad & Co. Chartered Accountants

Firm FRC Enlistment Number

: CAF-001-125

Place/Location

: Chattogram

Date

: 14 OCT 2026

DVC No.

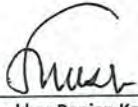
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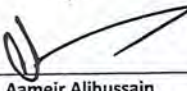


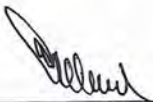
Bangladesh Steel Re-Rolling Mills Limited
Statement of Financial Position
As at 30 June 2026

As at 30 June 2026						
	Note(s)	Separate		Note(s)	Consolidated	
		30 June 2026	30 June 2025		30 June 2026	30 June 2025
		BDT	BDT		BDT	BDT
ASSETS						
Non-current assets						
Property, plant and equipment	5.00	35,439,292,897	35,412,618,287	5.a	35,439,665,102	35,412,811,740
Capital work-in-progress	6.00	2,172,889,192	1,764,256,758	6.a	2,172,889,192	1,764,256,758
Right-of-use assets	31.00	153,584,425	54,577,144	31.a	153,584,425	54,577,144
Intangible assets	7.00	15,181	60,722	7.a	15,181	60,722
Investment in subsidiary and associate	8.00	14,772,718,813	10,746,011,954	8.a	14,628,686,138	10,614,063,144
Other investments	9.00	106,276,149	218,202,069	9.a	106,276,149	218,202,069
Total non-current assets		52,644,776,657	48,195,726,933		52,501,116,186	48,063,971,577
Current assets						
Short term investments	10.00	3,478,092,872	373,179,040	10.a	3,478,092,872	373,179,040
Inventories	11.00	29,228,086,918	24,159,029,257	11.a	29,228,086,918	24,159,029,257
Trade and other receivables	12.00	5,194,549,168	2,177,147,692	12.a	5,501,875,903	2,298,811,327
Current account with related companies	13.00	1,664,701,587	5,683,710,445	13.a	1,649,093,443	5,668,151,062
Advances and deposits	14.00	9,737,973,284	11,032,328,905	14.a	9,771,229,731	11,062,660,639
Cash and cash equivalents	15.00	779,357,181	2,049,813,826	15.a	792,056,401	2,117,368,251
Total current assets		50,082,761,010	45,475,209,164		50,420,435,269	45,679,199,576
Total assets		102,727,537,667	93,670,936,098		102,921,551,455	93,743,171,152
EQUITY AND LIABILITIES						
Shareholder's equity						
Share capital	16.00	2,985,846,260	2,985,846,260	16.00	2,985,846,260	2,985,846,260
Share premium	17.00	2,057,514,350	2,057,514,350	17.00	2,057,514,350	2,057,514,350
General reserve	18.00	30,170,818	30,170,818	18.00	30,170,818	30,170,818
Revaluation reserve	18.02	15,854,574,864	15,861,375,424	18.02	15,854,574,864	15,861,375,424
Fair value reserve		541,146,282	330,457,375		541,146,282	330,457,375
Foreign currency translation reserve		73,735,301	70,751,267		73,735,301	70,751,267
Retained earnings		34,011,732,715	28,464,852,835		34,011,732,715	28,464,852,835
Equity attributable to owners of the parent		55,554,720,589	49,800,968,329		55,554,720,589	49,800,968,329
Non-controlling Interest		-	-		-	-
Total equity		55,554,720,589	49,800,968,329		55,554,720,589	49,800,968,329
Non-current liabilities						
Long term borrowings- non-current portion	19.00	2,340,659,094	1,404,313,865	19.a	2,340,659,094	1,404,313,865
Defined benefit obligations- gratuity	20.00	480,194,336	448,971,920	20.a	480,194,336	448,971,920
Lease liabilities- non-current portion	31.00	101,669,105	25,543,234	31.00	101,669,105	25,543,234
Deferred tax liabilities	23.00	5,060,017,699	4,893,695,071	23.a	5,060,017,699	4,893,695,071
Total non-current liabilities		7,982,540,234	6,772,524,091		7,982,540,234	6,772,524,091
Current liabilities						
Trade payables	24.00	728,861,605	1,456,101,236	24.a	728,861,605	1,456,101,236
Short term borrowings	25.01	33,492,896,728	30,866,422,449	25.a	33,677,352,328	30,920,775,060
Long term borrowings - current portion	25.02	471,135,981	426,215,970	25.b	471,135,981	426,215,970
Current account with related companies		-	-	26.00	-	-
Contract liabilities	27.00	583,402,301	506,528,295	27.a	583,402,301	506,528,295
Liabilities for expenses	28.00	1,629,109,361	1,699,476,641	28.a	1,629,314,536	1,708,324,418
Provision for income tax	21.00	1,686,500,954	1,621,338,317	21.a	1,695,853,967	1,630,372,983
Provision for WPPF and Welfare Fund	29.00	380,158,172	343,042,811	29.a	380,158,172	343,042,811
Lease liabilities-current portion	31.00	59,815,401	36,009,962	31.00	59,815,401	36,009,962
Other liabilities	30.00	155,543,590	139,918,466	30.a	155,543,590	139,918,466
Unclaimed dividend account	32.00	2,852,749	2,389,531	32.00	2,852,749	2,389,531
Total current liabilities		39,190,276,844	37,097,443,678		39,384,290,632	37,169,678,732
Total liabilities		47,172,817,078	43,869,967,768		47,366,830,866	43,942,202,822
Total equity and liabilities		102,727,537,667	93,670,936,098		102,921,551,455	93,743,171,152
Net Assets Value (NAV) per share	42.00	186.06	166.79	42.a	186.06	166.79

The annexed notes 1 to 54 form an integral part of these financial statements


Shekhar Ranjan Kar FCA
Company Secretary


Aameir Alihussain
Managing Director


Alihussain Akherali FCA
Chairman

Signed in terms of our annexed report of same date

Place : Chattogram

Dated : 14 OCT 2026

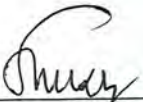
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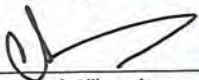

Sarwar Uddin FCA
ICAB Enrolment No: 0779
Partner
Hussain Farhad & Co.
Chartered Accountants

Bangladesh Steel Re-Rolling Mills Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2026

	Note(s)	Separate		Note(s)	Consolidated	
		01 July 2025	01 July 2024		01 July 2025	01 July 2024
		to 30 June 2026	to 30 June 2025		to 30 June 2026	to 30 June 2025
		Restated			Restated	
		See note 2.08 & 2.10			See note 2.08 & 2.10	
		BDT	BDT		BDT	BDT
Revenue	33.00	109,136,270,903	95,720,261,577	33.a	109,947,733,616	96,638,069,905
Cost of Sales	34.00	(99,092,818,632)	(84,375,591,552)	34.a	(99,853,476,251)	(85,223,598,699)
Gross profit		10,043,452,270	11,344,670,024		10,094,257,365	11,414,471,206
Selling and distribution expenses	35.00	(1,085,122,165)	(1,377,102,042)	35.a	(1,085,122,165)	(1,377,102,042)
Administrative expenses	36.00	(1,239,767,376)	(1,035,513,053)	36.a	(1,281,784,821)	(1,066,861,657)
Other operating income	37.00	19,221,228	29,619,409	37.a	37,256,337	71,841,817
Foreign exchange differences	38.02	(12,623,950)	2,833,537	38.02	(12,623,950)	2,833,537
Operating profit		7,725,160,007	8,964,507,875		7,751,982,766	9,045,182,861
Share of profit of subsidiary and associate (net of tax)	40.00	2,240,349,126	1,673,602,717	40.a	2,224,102,663	1,614,325,602
Other Investment Income	39.00	162,538,553	137,423,353	39.a	162,538,553	137,423,353
Foreign exchange differences on cash and short term investment	38.02	2,505,903	2,975,044	38.02	2,505,903	2,975,044
Profit before financing and income taxes		10,130,553,590	10,778,508,989		10,141,129,885	10,799,906,860
Finance costs	38.00	(998,503,563)	(2,514,136,387)	38.a	(1,007,631,687)	(2,526,932,051)
Foreign exchange differences for interest bearing loan and borrowings	38.02	109,871,314	(113,592,362)	38.02	109,871,314	(113,592,362)
Profit before WPPF and Welfare Fund		9,241,921,340	8,150,780,240		9,243,369,512	8,159,382,447
Contribution to WPPF and Welfare Fund	29.01	(380,158,172)	(343,042,811)	29.01.a	(380,158,172)	(343,042,811)
Profit before income tax		8,861,763,168	7,807,737,430		8,863,211,339	7,816,339,637
Income tax expenses						
Current Tax	22.00	(1,664,098,917)	(1,624,905,443)	22.a	(1,665,547,088)	(1,633,507,650)
Deferred Tax	23.01	(168,235,536)	(40,653,898)	23.01.a	(168,235,536)	(40,653,898)
Total income tax expenses		(1,832,334,452)	(1,665,559,341)		(1,833,782,624)	(1,674,161,548)
Net profit after tax		7,029,428,716	6,142,178,088		7,029,428,716	6,142,178,088
Profit attributable to:						
Owners of the company		-	-		7,029,428,716	6,142,178,088
Non-controlling interests		-	-		-	-
		-	-		7,029,428,716	6,142,178,088
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
Exchange differences on translation of foreign operations		2,984,033	11,169,890		2,984,033	11,169,890
		2,984,033	11,169,890		2,984,033	11,169,890
Items that will never be reclassified to profit or loss						
Transfer to deferred tax from revaluation reserve for land		-	-		-	-
Fair value reserve on financial assets (net of tax)		210,688,907	(116,410,100)		210,688,907	(116,410,100)
		210,688,907	(116,410,100)		210,688,907	(116,410,100)
Total other comprehensive income/ (loss) for the year, net of tax		213,672,941	(105,240,209)		213,672,941	(105,240,209)
Total comprehensive income for the year, net of tax		7,243,101,656	6,036,937,879		7,243,101,656	6,036,937,879
Total comprehensive income attributable to:						
Owners of the company		-	-		7,243,101,656	6,036,937,879
Non-controlling interests		-	-		-	-
		-	-		7,243,101,656	6,036,937,879
Earnings per share	41.01	23.54	20.57	41.a	23.54	20.57

The annexed notes 1 to 54 form an integral part of these financial statements


Shekhar Ranjan Kar FCA
Company Secretary


Aameir Alihussain
Managing Director


Alihussain Akberali FCA
Chairman

Signed in terms of our annexed report of same date

Place : Chattogram

Dated : 14 OCT 2026

DVC : 2610140779AS983814


Sarwar Uddin FCA
ICAB Enrolment No: 0779
Partner
Hussain Farhad & Co.
Chartered Accountants

Amount in Taka



Bangladesh Steel Re-Rolling Mills Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2026

Particulars	Attributable to owners of the company							Non- controlling interests	Total	
	Share capital	Share premium	General reserve	Revaluation reserve	Fair Value Reserve	Foreign currency translation reserve	Retained earnings			Total
Balance as at 1 July 2024	2,985,846,260	2,057,514,350	30,170,818	15,871,703,334	446,867,474	59,581,377	23,352,617,517	44,804,301,130	44,804,301,130	
Fair value reserve on financial assets of BSL	-	-	-	-	(116,410,100)	-	-	(116,410,100)	(116,410,100)	
Annual cash dividend paid @35% for 2024	-	-	-	-	-	-	(1,045,046,191)	(1,045,046,191)	(1,045,046,191)	
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(10,327,909)	-	-	13,326,335	2,998,425	2,998,425	
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation between cost and revalued model	-	-	-	-	-	-	1,777,086	1,777,086	1,777,086	
Exchange difference on translation of foreign operations	-	-	-	-	-	11,169,890	-	11,169,890	11,169,890	
Profit after tax for the year	-	-	-	-	-	-	6,142,178,088	6,142,178,088	6,142,178,088	
Balance as at 30 June 2025	2,985,846,260	2,057,514,350	30,170,818	15,861,375,424	330,457,375	70,751,267	28,464,852,835	49,800,968,329	49,800,968,329	
Balance as at 1 July 2025	2,985,846,260	2,057,514,350	30,170,818	15,861,375,424	330,457,375	70,751,267	28,464,852,835	49,800,968,329	49,800,968,329	
Fair value reserve on financial assets of BSL	-	-	-	-	210,688,907	-	-	210,688,907	210,688,907	
Annual cash dividend paid @50% for 2025	-	-	-	-	-	-	(1,492,923,130)	(1,492,923,130)	(1,492,923,130)	
Transfer against difference in depreciation between cost and revalued amount	-	-	-	(6,800,560)	-	-	8,774,917	1,974,356	1,974,356	
Transfer of deferred tax to retained earnings by the equity accounted investees due to excess depreciation between cost and revalued model	-	-	-	-	-	-	1,599,377	1,599,377	1,599,377	
Exchange difference on translation of foreign operations	-	-	-	-	-	2,984,033	-	2,984,033	2,984,033	
Profit after tax for the year	-	-	-	-	-	-	7,029,428,716	7,029,428,716	7,029,428,716	
Balance as at 30 June 2026	2,985,846,260	2,057,514,350	30,170,818	15,854,574,864	541,146,282	73,735,301	34,011,732,715	55,554,720,589	55,554,720,589	



Bangladesh Steel Re-Rolling Mills Limited
Statement of Cash Flows
For the year ended 30 June 2026

	Separate		Note(s)	Consolidated	
	01 July 2025	01 July 2024		01 July 2025	01 July 2024
	to 30 June 2026	to 30 June 2025		to 30 June 2026	to 30 June 2025
	Restated			Restated	
	See note 2.08 & 2.10			See note 2.08 & 2.10	
Note(s)	BDT	BDT	Note(s)	BDT	BDT
Cash flows from operating activities					
Cash receipts from customers and others	106,215,417,410	96,019,566,892		107,745,423,066	97,866,461,778
Cash payments to suppliers and employees	(102,582,714,150)	(79,588,849,477)		(104,264,557,719)	(81,178,540,310)
Income tax paid	(1,541,610,333)	(1,116,870,533)		(1,541,610,333)	(1,116,870,533)
Net cash from operating activities	2,091,092,926	15,313,846,881		1,939,255,014	15,571,050,935
Cash flows from investing activities					
Acquisition of property, plant and equipment	(1,264,406,425)	(646,616,288)		(1,264,694,543)	(646,794,007)
Acquisition of intangible Assets	-	(2,162,887)		-	(2,162,887)
Addition of capital work-in-progress	(610,645,591)	(765,989,722)		(610,645,591)	(765,989,722)
Proceed from the sale of fixed assets	6,656,899	10,411,500		6,656,899	10,411,500
Interest received	103,548,273	78,881,524		103,548,273	78,881,524
Dividend received	601,591,230	383,678,688		601,591,230	383,678,688
Rental income received	61,496,183	61,516,873		61,496,183	61,516,873
(Increase)/decrease in investments	(5,155,001,432)	462,219,422		(5,155,001,432)	462,219,422
Net cash from/(used) in investing activities	(6,256,760,862)	(418,060,890)		(6,257,048,980)	(418,238,609)
Cash flows from financing activities					
(Repayment) / receipt of long term loans	981,265,240	1,830,529,835		981,265,240	1,830,529,835
Dividend paid	(1,492,459,912)	(1,044,949,853)		(1,507,831,212)	(1,054,143,821)
Interest paid	(982,648,264)	(2,618,153,715)		(991,796,218)	(2,740,827,243)
Lease rent payment	31.00 (81,515,756)	(77,222,524)		(81,515,756)	(77,222,524)
(Repayment) / receipt of short term borrowings	451,541,701	(10,079,048,682)		573,120,075	(10,139,783,517)
Loan (to)/from related companies	4,019,008,858	(2,066,053,797)		4,019,008,858	(2,066,053,797)
Net cash from/(used in) financing activities	2,895,191,867	(14,054,898,736)		2,992,250,988	(14,247,501,067)
Net increase/(decrease) in cash and cash equivalent	(1,270,476,069)	840,887,255		(1,325,542,979)	905,311,259
Cash and cash equivalents at 01 July	2,049,813,826	1,208,960,610		2,117,368,251	1,211,843,583
Effect of movements in exchange rates on cash and cash equivalents held	19,424	(34,039)		231,128	213,409
Cash and cash equivalents at 30 June	15.00 779,357,181	2,049,813,826	15.a	792,056,401	2,117,368,251
Net operating cash flow per share	43.00 7.00	51.29	43.a	6.49	52.15



Bangladesh Steel Re-Rolling Mills Limited
Notes to the separate and consolidated financial statements
As at and for the year ended 30 June 2026

1.00 Reporting entity

1.01 Company profile

Bangladesh Steel Re-Rolling Mills Limited, a public company limited by shares is domiciled in Bangladesh. The company was formed and incorporated with the Registrar of Joint Stock Companies and Firms in Bangladesh on 28 December 1960 vide the certificate C/186-No. 1491/92 E.P. of 1960-1961 under Companies Act 1913 (since repealed and substituted by the Companies Act 1994) as a private company limited by share. The company was converted into a public limited company on 03 November 2009 under the Companies Act 1994. The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a public limited company. Trading of the shares of the company started in two stock exchanges on 27 April 2015.

The company has set up its Re-Rolling Mill and Steel Melting Workshop (SMW previously known as Meghna Engineering Works Limited) at 147/148/149 and 78/79 Baizid Bostami Road, Nasirabad Industrial Area, Chattogram, Bangladesh respectively and commenced commercial production from 1987 after first BMRE. The principal place of business is located at Ali Mansion, 1207/1099, Sadarghat Road, Chattogram, Bangladesh. It has current capacity of producing 175,000 MT billet.

Another Billet-making plant named- Melting Unit-2 (SML), located at Sonapahar, 03 No. Zorargonj, Mirsarai, Chattogram previously known as BSRM Steel Mills Limited was merged with the Company on February 01, 2021. The production capacity of this plant is 1,125,000 MT per year.

1.02 Description of the companies and nature of business

Bangladesh Steel Re-Rolling Mills Limited (BSRM) primarily engages in the production of M.S. (Mild Steel) products through the establishment of melting, rolling, and re-rolling mills.

M.S. billets are produced from scrap metal and sponge iron at BSRM's Steel Melting Works (BSRM Melting-1 and BSRM Melting-2). These billets are then re-rolled at BSRM's re-rolling mills to manufacture a variety of M.S. products, including Angle, Channel and Square bar. The company is also involved in the sale of these M.S. products in domestic and international markets.

Branch office of the company

BSRM operates branch offices in Kolkata and Agartala, India, with the approval of the Reserve Bank of India. This approval was granted through letters Ref: FC.CO.FID/455/10.83.493/2014, dated 28 October 2014, and Ref: FE.CO.FID/1707/10.83.493/2014-15, dated 24 April 2015. These branch offices are authorized to engage in export and import activities. They have been allowed to access short-term loans against SBDC, as per approval by Bangladesh Bank (Ref No: FEPD (Import Policy)/117/2015-11287, dated 30 December 2015), with renewals as needed, including the latest on Ref: FEPD (NFBP)/103/2025-2771 Date: 27/05/2025. The Kolkata branch office is actively involved in BSRM's export and import operations.

BSRM (Hong Kong) Limited- subsidiary

BSRM (Hong Kong) Limited was incorporated on 30 May 2018 in Hong Kong as a private company limited by shares. The registered office of the company is in Hong Kong. The company has a share capital of HKD 3,920,000 (3,920,000 shares) which is owned by Bangladesh Steel Re-Rolling Mills Limited.

BSRM Steels Limited- associate

BSRM Steels Limited was incorporated on 20 July 2002, vide the certificate C-No. 4392 of 2002, as a private limited company under the Companies Act 1994. The company was converted to a public limited company on 20 December 2006. The company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly quoted company. Trading of the company's shares started in two stock exchanges on 18 January 2009. Bangladesh Steel Re-Rolling Mills Limited directly holds 31.19% of ordinary shares in BSRM Steels Limited.

The main objective of BSRM Steels Limited is to manufacture M.S. products by setting up rolling and re-rolling mills. The company has set up its Rolling mill at 4, Fouzderhat Industrial Estate, Latifpur, Sitakunda, Chattogram and commenced commercial production from 01 April 2008.

In addition to the Rolling unit, the company produce M.S. Billets at Mirsharai, Chattogram, since April 16, 2019. This unit is supplying Billet to the rolling unit of BSRM Steels Limited. The annual production capacity of this plant is 750,000 MT and it has another plant to produce M.S. Billets at Baizid Bostami Road, Nasirabad Industrial Area, Chattogram with 250,000 MT capacity per annum.

The company launched two major capital investment projects in July 2021 to expand its melting and rolling capacities. An additional 250,000 MT of MS billets capacity became operational on January 1, 2024, while a new rolling mill with 500,000 MT of MS products and 100,000 MT of wire rods commenced operations on January 1, 2025. Both projects are located in Mirsarai.



BSRM Wires Limited- associate

BSRM Wires Limited was incorporated on July 7, 2002 as a private limited company on 7 July 2002 vide registration no. C-No 4373 of 2002 under the Companies Act, 1994 with an authorized capital of Tk. 3,500,000,000 (Three Hundred Fifty Crore) divided into 350,000,000 ordinary shares of Tk. 10 each. Bangladesh Steel Re-Rolling Mills Limited directly holds 31.76% of ordinary shares in BSRM Wires Limited.

The principal activities of the company among others is to set up Galvanize Wires (GI Wires), Electrode & LRPC plants to make different quality GI Wire, Electrode Wire, CO₂ MiG Wire, Razor Wire.

2.00 Basis of preparation

2.01 Statement of compliance

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by Financial Reporting Council (FRC) of Bangladesh, the Company Act, 1994, the Securities and Exchange Rules, 2020, and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules, 2020. However, these consolidated and separate financial statements have been prepared by early adopting IFRS 18, Presentation and Disclosure in Financial Statements, for the year ended 30 June 2026, with a view to providing a more relevant and useful presentation and disclosure of the financial performance and financial position of the Group.

The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirements of the Companies Act, 1994. However, such differences are not material, and in the view of management, IFRS format gives a better presentation to the shareholders.

Compliance with other laws and regulations of various government bodies are as follows:

The financial statements are prepared also considering below laws and regulations:

- The Income Tax Act, 2023 & applicable Income Tax Rules
- The Value Added Tax and Supplementary Duty Act, 2012
- The Value Added Tax and Supplementary Duty Rules, 2016
- The Customs Act, 2023
- Bangladesh Labour Act, 2006 (Amended in 2018)
- The Securities and Exchange Ordinance, 1969
- The Securities and Exchange Rules, 2020
- The Financial Reporting Act, 2015

The following IASs and IFRSs are applicable for the preparation of standalone and consolidated financial statements for the year under review.

IFRS 18	Presentation and Disclosure in Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Basis of Preparation of Financial Statements
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 28	Investments in Associates
IAS 33	Earnings Per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IFRS 3	Business Combinations
IFRS 7	Financial Instruments, disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair value Measurement
IFRS 15	Revenue from Contract with Customers
IFRS 16	Lease
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures

2.02 Authorization for issue

These consolidated financial statements for the year ended 30 June, 2026 have been authorized for issue by the Board of Directors on **14 OCT 2026**



2.03 Reporting period

The separate financial statements of the company and the consolidated financial statements of the group cover twelve months from 1 July to 30 June and is followed consistently.

2.04 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (BDT), which is the functional currency of the Group and the Company. All financial information presented in Taka has been rounded off to the nearest integer except when otherwise indicated.

2.05 Basis of measurement

These financial statements have been prepared on accrual basis following the going concern concept under the historical cost convention. Property, plant, and equipment are measured following the revaluation model. Financial instrument items are measured at fair value.

2.06 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future. In assessing the appropriateness of the going concern assumption, management has considered all available information about the future, covering a period of at least, but not limited to, twelve months from the end of the reporting period.

Management's assessment takes into consideration the Company's financial position and liquidity, access to financial resources, operating performance, projected future cash flows, expected profitability, debt repayment obligations, availability of financing, prevailing market conditions and other relevant internal and external factors that may affect the Company's ability to continue its operations.

Based on this assessment, management considers that the Company has adequate resources to continue in operational existence for the foreseeable future and has no intention or necessity to liquidate the Company or cease its operations. Accordingly, management considers the going concern basis of accounting to be appropriate in preparing these financial statements. Management has not identified any material uncertainties arising from events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

2.07 Consistency

The accounting policies have been applied consistently to similar transactions, other events and conditions in the preparation of the financial statements for the year ended 30 June 2026, except where an IFRS Accounting Standard specifically requires or permits the application of different accounting policies to particular categories of items. Where such categorisation is required or permitted, the relevant accounting policies have been selected and applied consistently to each category.

The accounting policies and methods of computation applied in the preparation of the financial statements for the year ended 30 June 2026 are consistent with those applied in the preparation of the financial statements for the year ended 30 June 2025, except for the adoption of IFRS 18, Presentation and Disclosure in Financial Statements, which the Group has early adopted for the year ended 30 June 2026. Accordingly, the comparative figures for the year ended 30 June 2025 have been reclassified and restated, where applicable, to conform to the presentation and disclosure requirements of IFRS 18.

2.08 Comparative information

Comparative information has been disclosed in respect of FY 2024-25 in accordance with IFRS 18, Presentation and Disclosure in Financial Statements, for all numeric information in the financial statements and, where relevant, the narrative and descriptive information necessary for an understanding of the current period's financial statements. Following the early adoption of IFRS 18 for the year ended 30 June 2026, the comparative figures for the year ended 30 June 2025 have been restated and rearranged, where applicable, to confirm to the presentation and disclosure requirements of IFRS 18 and to ensure comparability with the current year. The reconciliation of the differences between the amounts previously presented in accordance with IAS 1 and those presented in accordance with IFRS 18 is disclosed in Note 2.10 to the financial statements.

2.09 Aggregation and Disaggregation

Items presented in the financial statements and notes are aggregated or disaggregated based on their shared characteristics, nature and function, as appropriate. Items with different characteristics are not aggregated where doing so would obscure material information. In determining the appropriate level of aggregation or disaggregation, the Company and the Group consider the respective roles of the primary financial statements and the notes and provide additional disaggregation where necessary to present a useful and structured summary of the Company's and the Group's financial information.



2.10 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company and the Group have early adopted IFRS 18 and related consequential amendments, which is effective for annual periods beginning on or after 1 January 2027. The Company and the Group have not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 18 Presentation and Disclosure in Financial Statements

The Company and the Group early adopted IFRS 18, which supersedes IAS 1 and made consequential amendments to other standards. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations.

It also requires disclosure of management-defined performance measures (Note 2.11), and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, consequential amendments have been made to IAS 7. In addition, there are consequential amendments to several other standards, including IAS 8.

Income and expenses in the statement of profit or loss are classified into operating, investing, financing, income taxes and discontinued operations categories.

Operating category: The operating category includes income and expenses arising from the entity's main business activities and other income and expenses that are not classified as investing, financing, income taxes or discontinued operations.

Investing category: The investing category includes income and expenses arising from investments in associates, joint ventures and unconsolidated subsidiaries, cash and cash equivalents and other assets if they generate a return individually and largely independently of the entity's other resources.

Financing category: The financing category includes income and expenses arising from liabilities related to obtaining finance, as well as interest income and expenses, or income and expenses arising from changes in interest rates, on liabilities arising from transactions that do not involve only the raising of finance.

Reconciliation on statement of profit or loss for the year ended 30 June 2025:

In accordance with the transition requirements of IFRS 18, the comparative information for the year ended 30 June 2025, previously presented in accordance with IAS 1, Presentation of Financial Statements, has been rearranged to conform to the presentation and disclosure requirements of IFRS 18.

Accordingly, a reconciliation of the comparative amounts previously presented under IAS 1 to the amounts presented under IFRS 18 has been provided in the financial statements. The reconciliation primarily reflects changes in the classification and presentation of income and expenses in the statement of profit or loss arising from the adoption of IFRS 18. These changes do not affect the total profit or loss, total comprehensive income, total assets, total liabilities or total equity previously reported.

Reconciliation on statement of profit or loss for the year ended 30 June 2025 from IAS 1 to IFRS 18:

Ref.	01 July 2024 to 30 June 2025		
	IAS 1	Adjustments	IFRS 18
Continuing Operation			
Revenue	95,720,261,577	-	95,720,261,577
Cost of Sales	(84,375,591,552)	-	(84,375,591,552)
Gross profit	11,344,670,024	-	11,344,670,024
Selling and distribution expenses	(1,377,102,042)	-	(1,377,102,042)
Administrative expenses	(1,035,513,053)	-	(1,035,513,053)
Other operating income	a 29,444,875	174,534	29,619,409
Foreign exchange differences	c -	2,833,537	2,833,537
Operating Profit	8,961,499,804	3,008,071	8,964,507,875
Share of profit of subsidiary and associate (net of tax)	1,673,602,717	-	1,673,602,717
Other Investment Income	b -	137,423,353	137,423,353
Foreign exchange differences on cash and short term investment	c -	2,975,044	2,975,044
Profit before financing and income taxes	10,635,102,521	143,406,468	10,778,508,989



	Ref.	01 July 2024 to 30 June 2025		
		IAS 1	Adjustments	IFRS 18
Finance costs	c	(2,621,920,168)	107,783,781	(2,514,136,387)
Finance Income	b	75,906,480	(75,906,480)	-
Non-Operating Income	a,b	61,691,407	(61,691,407)	-
Foreign exchange differences for interest bearing loan and borrowings	c	-	(113,592,362)	(113,592,362)
Profit before WPPF and Welfare Fund		8,150,780,240	-	8,150,780,240
Contribution to WPPF and Welfare Fund		(343,042,811)	-	(343,042,811)
Profit before income tax		7,807,737,430	-	7,807,737,430
Income tax expenses				
Current Tax		(1,624,905,443)	-	(1,624,905,443)
Deferred Tax		(40,653,898)	-	(40,653,898)
Total income tax expenses		(1,665,559,341)	-	(1,665,559,341)
Net profit after tax		6,142,178,088	-	6,142,178,088

a. PF forfeiture income amounting to BDT 174,534, which was previously presented under Non-operating Income in accordance with IAS 1, has been reclassified to the Operating Category upon adoption of IFRS 18, based on the nature of the underlying income.

b. Rental income and finance income amounting to BDT 61,516,873 and BDT 75,906,480, respectively, totalling BDT 137,423,353, which were previously presented under Non-operating Income and Finance Income in accordance with IAS 1, have been reclassified to the Investing Category upon adoption of IFRS 18, based on the nature of the underlying income.

c. Foreign exchange differences amounting to BDT 107,783,781, which were previously included under Finance Expenses in accordance with IAS 1, have been reclassified into the Operating, Investing, and Financing Categories upon adoption of IFRS 18, based on the nature of the underlying transactions. The amounts reclassified are BDT 2,833,537 to the Operating Category, BDT 2,975,044 to the Investing Category, and BDT 113,592,362 to the Financing Category. Foreign exchange differences on cash and investment are classified under the investing category. Foreign exchange differences on interest-bearing loans and borrowings are classified under the financing category.

Reconciliation on statement of cash flows for the year ended 30 June 2025 from previous IAS 7 to amended IAS 7

In accordance with the transition requirements of IFRS 18: Presentation and Disclosure in Financial Statements and the consequential amendments to IAS 7: Statement of Cash Flows, the comparative information for the year ended 30 June 2025 has been reclassified to conform to the amended presentation and classification requirements.

The amendments to IAS 7 eliminate the previous accounting policy choices for the classification of interest and dividend cash flows. Accordingly, interest and dividends received are classified as investing activities, while interest paid is classified as a financing activity. Cash flows arising from income taxes continue to be classified as operating activities. Furthermore, cash flows relating to income and expenses are classified in accordance with the category to which the related income or expense is assigned in the statement of profit or loss under IFRS 18. Consequently, rental income, interest income and foreign exchange differences arising from cash and investments are classified as investing activities, whereas interest expense and foreign exchange differences arising from interest-bearing loans and borrowings are classified as financing. A reconciliation of the comparative amounts previously reported under the former IAS 7 requirements to the amounts presented in accordance with the amended IAS 7 is provided below.

These changes relate solely to the reclassification of cash flows among operating, investing and financing activities. They have no impact on the net increase in cash and cash equivalents during the year or on the opening and closing balances of cash and cash equivalents.

Reconciliation on statement of cash flows for the year ended 30 June 2025:

	Ref.	01 July 2024 to 30 June 2025		
		As per Previous IAS-7	Adjustment	As per amended IAS-7
Cash flows from operating activities				
Cash receipts from customers and others	a	96,081,083,765	(61,516,873)	96,019,566,892
Cash payments to suppliers and employees	b	(79,864,378,803)	275,529,325	(79,588,849,477)
Income tax paid		(1,116,870,533)	-	(1,116,870,533)
Interest paid	c	(2,263,742,865)	2,263,742,865	-
Net cash from operating activities		12,836,091,563	2,477,755,318	15,313,846,881

		01 July 2024 to 30 June 2025		
	Ref.	As per Previous IAS-7	Adjustment	As per amended IAS-7
Cash flows from investing activities				
Acquisition of property, plant and equipment		(646,616,288)	-	(646,616,288)
Acquisition of intangible assets		(2,162,887)	-	(2,162,887)
Addition of capital work-in-progress		(765,989,722)	-	(765,989,722)
Proceed from the sale of fixed assets		10,411,500	-	10,411,500
Dividend received		383,678,688	-	383,678,688
Increase/ (Decrease) in investments		462,219,422	-	462,219,422
Interest received	b,c	-	78,881,524	78,881,524
Rental income received	a	-	61,516,873	61,516,873
Net cash from/(used) in investing activities		(558,459,287)	140,398,397	(418,060,890)
Cash flows from financing activities				
(Repayment)/Receipt of long term loans		1,830,529,835	-	1,830,529,835
Dividend paid		(1,044,949,853)	-	(1,044,949,853)
Lease rent payment		(77,222,524)	-	(77,222,524)
(Repayment)/Receipt of short term borrowings	b	(10,079,048,682)	-	(10,079,048,682)
Loan (to)/from related companies		(2,066,053,797)	-	(2,066,053,797)
Interest paid	c	-	(2,618,153,715)	(2,618,153,715)
Net cash from/(used in) financing activities		(11,436,745,021)	(2,618,153,715)	(14,054,898,736)
Net increase/(decrease) in cash and cash equivalent		840,887,255	-	840,887,255
Cash and cash equivalents at 01 July		1,208,960,610	-	1,208,960,610
Effect of movements in exchange rates on cash and cash equivalents held		(34,039)	-	(34,039)
Cash and cash equivalents at 30 June		2,049,813,826	-	2,049,813,826
Net Operating Cash flow per share	d	42.99		51.29

Notes to the reconciliation

a. Rental income received amounting to BDT 61,516,873, previously classified as cash receipts from customers and others under operating activities, has been reclassified to investing activities in accordance with the amended requirements of IAS 7, Statement of Cash Flows, based on the nature of the underlying income.

b. Interest income received amounting to BDT 75,906,480, previously presented as part of operating cash flows, has been reclassified to investing activities. Similarly, foreign exchange differences on cash and investments amounting to BDT 2,975,044, previously included in cash payments to suppliers and employees, have been reclassified to investing activities. Consequently, cash payments to suppliers and employees have been adjusted by a net amount of BDT 275,529,325 to ensure appropriate classification and presentation of cash flows.

c. Interest paid amounting to BDT 2,339,649,345, previously presented within operating activities on a net basis after offsetting interest income of BDT 75,906,480 against interest paid of BDT 2,263,742,865, has been reclassified from operating activities to financing activities. In addition, foreign exchange differences amounting to BDT 278,504,370 arising from interest-bearing loans and borrowings, which were previously included in cash payments to suppliers and employees under operating activities, have been reclassified to financing activities. Accordingly, the total reclassification adjustment to financing activities amounts to BDT 2,618,153,715.

d. The above changes relate solely to the reclassification of amounts within the financial statements and have no impact on the previously reported net increase in cash and cash equivalents, total profit or loss, total comprehensive income, total assets, total liabilities or total equity. However, as a result of the reclassification, net operating cash flow per share has been restated from BDT 42.99 to BDT 51.29.



2.11 Management-defined Performance Measure (MPM)

The Company and the Group use 'adjusted EBITDA' as a management-defined performance measure in their public communications to communicate management's view of an aspect of the financial performance of the Company and the Group as whole. Adjusted EBITDA is not a measure defined by IFRS Accounting Standards and, accordingly, may not be directly comparable to similarly labelled measures presented by other entities.

Management considers adjusted EBITDA to be a useful supplementary measure for assessing the underlying financial performance of the Company and the Group, as it provides an indication of profitability before the effects of financing costs, depreciation and amortisation, and certain items that management considers not indicative of the ongoing operating activities of the business. This measure assists users in evaluating underlying profitability trends and management's assessment of the Company's and the Group's ability to generate sustainable earnings from its core operations.

Calculation methodology:

Adjusted EBITDA is calculated by starting with profit before income tax and adding back finance costs, including the exchange impact included therein, depreciation and amortisation, and deducting gains arising from the disposal of property, plant and equipment. Gains or losses arising from such disposals are excluded because management considers them not representative of the ongoing operating performance of the Company and the Group.

The calculation methodology is applied consistently to the current and comparative reporting periods. The reconciliation below presents adjusted EBITDA alongside the relevant financial statement amounts and the income tax effect of the reconciling item. Tax impact of each reconciling item is determined using the statutory tax rate of 22.5%.

Reconciliation of Adjusted EBITDA

The reconciliation of adjusted EBITDA to the financial statement subtotal used as the starting point for its calculation, together with the income tax effect of the adjustment, is presented below:

	<u>Reconciliation</u>	<u>Income tax</u>	<u>Total</u>
Year ended 30 June 2026			
Profit before income tax	8,861,763,168	-	8,861,763,168
Add: Finance costs with exchange impact	898,750,296	-	898,750,296
Add: Depreciation	1,496,764,035	-	1,496,764,035
Add: Amortization	45,541	-	45,541
EBITDA	11,257,323,041	-	11,257,323,041
Less: Gains on the disposal of property, plant, and equipment	(4,158,641)	935,694	(3,222,947)
Adjusted EBITDA (MPM)	11,253,164,400	935,694	11,254,100,094
Year ended 30 June 2025			
Profit before income tax	7,807,737,430	-	7,807,737,430
Add: Finance costs with exchange impact	2,621,920,168	-	2,621,920,168
Add: Depreciation	1,589,749,112	-	1,589,749,112
Add: Amortization	5,562,162	-	5,562,162
EBITDA	12,024,968,871	-	12,024,968,871
Less: Gains on the disposal of property, plant, and equipment	(10,345,061)	2,327,639	(8,017,422)
Adjusted EBITDA (MPM)	12,014,623,810	2,327,639	12,016,951,449

2.12 Consolidation of Financial Statements

These consolidated financial statements comprise the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the results of operations and total assets and liabilities of its subsidiary is included in the consolidated financial statements on a line by line basis.

I. Basis of consolidation

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Group's separate financial statements.

IFRS-10 "Consolidated Financial Statements" introduces a control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. An investor has power over an investee when the investor has existing rights that gives it the current ability to direct the relevant activities that significantly affect the investee's returns.

Power arises from rights. An investor is exposed, or has rights, to variable returns from its involvement with the investee when the investor's returns from its involvement have the potential to vary as a result of the investee's performance. An investor controls an investee if the investor not only has the power over the investee and exposure or rights to variable returns from its involvement with the investee, but also has the ability to use its power to affect the investor's return from its involvement with the investee.



II. Investment in Subsidiary

Subsidiary is the entity, controlled by the Bangladesh Steel Re-Rolling Mills Limited (BSRM). Control exists when BSRM has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control power over the investee, exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns are taken into account. The consolidated financial statements of subsidiary have been included in the consolidated financial statements from the year when control is established until the date that it ceases.

III. Loss of control

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in consolidated statement of profit or loss and other comprehensive income. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

IV. Investment in Associate

Associate is the entity in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Investment in associate is accounted for using the equity method and are recognized initially at cost. The consolidated financial statements include the Group's share of the consolidated comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

V. Intra-Group transactions

Intra-Group balances and transactions, and any unrealized income and expenses arising from intra-Group transactions are eliminated in preparing consolidated financial statements.

VI. Non-controlling interest

Non-controlling interest is the net assets of consolidated subsidiary consists of the amount of equity attributable to the non-controlling shareholders at the time on which investments were made by the Group in its subsidiary company and further movements in their share in equity, subsequent to the dates of investment. However, the Group is holding 100% share of subsidiary companies, so no non-controlling interest is presented in the consolidated financial statements.

VII. Companies considered in consolidated financial statements

Name of Company	% holding	Relationship with the group
BSRM (Hong Kong) Limited	100%	Subsidiary
BSRM Steels Limited	31.19%	Associate
BSRM Wires Limited	31.76%	Associate

3.00 Use of estimates and judgements

In preparing these consolidated and separate financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and have the most significant effect on the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

In preparing these consolidated and separate financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying entities accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

Note	5.00 & 5.a	Property, plant and equipment
Note	7 & 7.a	Intangible assets
Note	11 & 11.a	Inventories
Note	12 & 12.a	Trade and other receivables
Note	20 & 20.a	Defined benefit obligations- gratuity
Note	21 & 21.a	Provision for income tax
Note	23 & 23.a	Deferred tax liabilities
Note	28 & 28.a	Liabilities for expenses
Note	30 & 30.a	Other liabilities
Note	31 & 31.a	Right-of-use assets
Note	46.00	Contingent liabilities



Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values as per below, and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4.00 Material accounting policy information

BSRM has consistently applied the accounting policies set out in these financial statements to all periods presented. The Group has early adopted IFRS 18, Presentation and Disclosure in Financial Statements, from 1 July 2025, which has resulted in changes to the presentation and disclosure of financial information but has not affected the recognition or measurement of assets, liabilities, equity, income or expenses.

Below is an index of the material accounting policy information, the details of which can be found on the current and subsequent pages:

4.01	Property, plant and equipment
4.02	Intangible assets
4.03	Right of use assets
4.04	Investment Property
4.05	Inventories
4.06	Financial instruments
4.07	Impairment
4.08	Cash and cash equivalents
4.09	Share capital
4.10	Dividend to the equity holders
4.11	Employee benefits
4.12	Accruals
4.13	Provisions
4.14	Contingencies
4.15	Foreign currency transactions
4.16	Revenue from contract with customers
4.17	Income tax
4.18	Finance income and finance expense
4.19	Current versus non-current classification
4.20	Statement of cash flows
4.21	Materiality
4.22	Earnings per share
4.23	Events after the reporting

4.01 Property, plant and equipment

1. Recognition and measurement

Property, plant and equipment are stated at revalued amount less 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 includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located.



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.

II. 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 Group and its cost can be measured reliably. The costs of the day to day servicing of Property, plant and equipment are recognized in Statement of profit and loss as incurred.

III. 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 (years)</u>	<u>Rates</u>
Factory building and shed	15-30	3%-7%
Boundary wall, road & pavements	20-35	3%-5%
Plant and machinery	5-35	5%-20%
Motor vehicles	5-35	5%-20%
Furniture and fixtures	5-13	5%-8%
Office equipment	5-20	5%-20%
Computer & IT equipment	5-11	9%-20%

Depreciation method, 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.

IV. Non-current asset held for sale

Non-current assets that are highly probable to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are recognized to revaluation reserve to the extent of revaluation surplus, in excess of revaluation surplus and subsequent gains or losses on remeasurement are recognized in the Statement of profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

If criteria for an asset to be classified as held for sale are no longer met, then the asset or disposal group ceases to be held for sale.

In this case, the asset or disposal group should be valued at the lower of the carrying amount before the asset or disposal group was classified as held for sale (as adjusted for any subsequent depreciation, amortization, or revaluation) and its recoverable amount at the date of the decision not to sell.

V. Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for and measured at cost as capital work-in-progress until construction/acquisition is completed and it is ready for use.

VI. Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

4.02 Intangible assets

I. Recognition and measurement

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38: Intangible Assets are met. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

II. Subsequent costs

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the Statement of profit or loss as incurred.

III. Amortisation

Amortisation is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives and rates of amortization are as follows:

Category of assets

ORACLE EBS software

Useful life

10 years

IV. Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognized in profit or loss.

4.03 Right of use assets

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised and lease payments made at or before the commencement date less any lease incentives received.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company presents right-of-use assets and lease liabilities in the statement of financial position.

4.04 Investment Property

Investment property is land or a building (including part of a building) or both that is:

- Held to earn rentals or for capital appreciation or both;
- Not owner-occupied;
- Not used in production or supply of goods and services, or for administration; and
- Not held for sale in the ordinary course of business.

Investment property may include investment property that is being redeveloped. An investment property is measured initially at cost. For subsequent measurement an entity must adopt either the fair value model or the cost model as its accounting policy for all investment properties. Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. Fair value is disclosed. Gains and losses on disposal are recognised in profit or loss.

4.05 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Stores and spares are measured following weighted average cost method (subject to impairment review) and material in transit are measured at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

4.06 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise deposits, trade and other receivables, cash and cash equivalents, trade and other payables, intercompany payables, share capital and interest-bearing borrowings.

(i) Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The Company's financial assets comprise trade and other receivables, current account with related companies, investment in FDR, deposits and cash and cash equivalents.

a) Trade and other receivables

Trade and other receivables consist of unpaid bills receivable from customers and other parties. Trade and other receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less expected credit loss at the year end, which is made at the discretion of the management.

Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. BSRM uses Lifetime Expected Credit Loss method for trade receivables.

b) Deposits

Short-term investment consists of fixed deposits with original maturity of more than three months to one year. The Company has the positive intent and ability to hold FDR to maturity, and such financial assets are carried as financial assets at amortised cost. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

d) Advances, deposits and prepayments

After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory and expenses etc. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges for the period.

(ii) Financial liabilities

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include trade and other payables, short-term & long-term loans and borrowing etc.

(a) Trade and other payables

The Company recognises trade and intercompany payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Loans and borrowings

The Company derecognises loans and borrowings when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises loans and borrowings when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

(iii) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



4.07 Impairment

i. Financial assets

The Company recognises loss allowances for ECLs on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

ii) Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.08 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the company in the management of its short term commitments.

4.09 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

4.10 Dividend to the equity holders

The Company recognises a liability to make cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.11 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The Group maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

ii. Defined contribution plan (Provident Fund)

A defined contribution plan is a post employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Recognized Provident Fund for all permanent employees to which both the company and employees contribute @ 10% of basic salary. The Employees' Provident Fund was obtained recognition from Income Tax Authority on August 05, 1975 which was effective from September 30, 1973 and is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in IAS 19: Employee Benefits.

Obligation for contribution to a defined contribution plan is recognized as provident fund contribution expenses in the Statement of profit or loss in the period during which services are rendered by employees. Advance against Provident Fund is recognized as an asset to the extent that a cash refund or a reduction in future payments is available.



iii. Defined Benefit Plan (Gratuity)

The Group maintains an funded gratuity scheme and provision in respect of which is made annually for the employees. Gratuity payable at the end of each year is determined on the basis of following rules and regulations of the group.

<u>Service length</u>	<u>Payment basis</u>
Less than five (5) years	Nil
For five (5) years and more	Two (2) times of last month's basic salary multiplied by year of service.

iv. Workers' Profit Participation and Welfare Funds

The Company operates fund for workers as workers' profit participation and welfare fund ("the Fund") and provides 5% of its profit before tax as per provision of the Bangladesh Labour Act 2006. The Company recognises the contribution to the fund as short term employee benefits.

The Fund is governed by Bangladesh Labour Act, 2006 as amended up to 2018 and the trust deed.

4.12 Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

4.13 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

4.14 Contingencies

i) Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position of the Company. Moreover, contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

ii) Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise contingent asset.

4.15 Foreign currency transactions

Transactions in foreign currencies are translated to BDT at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to BDT at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in the consolidated statement of profit or loss and other comprehensive income as per IAS-21: The Effects of Changes in Foreign Exchange Rates.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transactions.

4.16 Revenue from contract with customers

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle company follow IFRS-15 five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of Value Added Tax (VAT). Gross turnover comprises local sales of M.S. Rod, M.S. Billet, By-products, export of M.S. Rod and includes VAT paid to the Government of Bangladesh.



The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers:

Type of products	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Local sales	Customers obtain control of products when goods are delivered at factory gate. Invoices are generated through oracle system as per management approved price list at that point in time. Invoices are usually paid in cheque or bank transfer as advance before getting delivery of the goods or customers are allowed a credit period of 30 to 60 days.	Revenue is recognized when (or as) the entity satisfies a performance obligation by transferring the promised good or service to a customer.
Export sales		
By-products		

4.17 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Provision for corporate income tax is made following the rate applicable for companies as per Income Tax Act 2023 i.e. 22.5%.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.18 Finance income and finance expense

i) Finance income

Finance income comprises interest earned on funds invested and is recognized when the amount is actually realized, as confirmed by the bank and reflected in the bank statement, using the effective interest method.

ii) Finance cost

Finance costs comprise interest expense on borrowings and foreign exchange gain or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

4.19 Current versus non-current classification

Current versus non-current classification

The Group and the Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle, or
- Held primarily for the purpose of trading, or
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.



4.20 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7: Statement of Cash Flows and the cash flows from operating activities have been presented under direct method.

4.21 Materiality

Information is considered material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions of the primary users of the financial statements. Materiality is assessed based on the nature and/or magnitude of the information, both individually and in combination with other information, in the context of the financial statements as a whole, taking into account the specific circumstances of the Company and the needs of its primary users. The Company ensures that material information is presented clearly and appropriately, without being obscured by vague wording, inappropriate aggregation or disaggregation, or immaterial information.

4.22 Earnings per share

The Company presents its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, if any. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares at the reporting date.

4.23 Events after the reporting

If the Company and the Group receive information after the reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the reporting period, they will assess whether the information affects the amounts that they recognize in their separate and the consolidated financial statements. The Company and the Group will adjust the amounts recognized in their financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company and the Group will not change the amounts recognized in their separate and consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of their financial effect, or a statement that such an estimate cannot be made, if applicable.



Notes to the Financial Statements (Continued)

5.00 Property, plant and equipment (PPE) - revaluation model

See accounting policy in note 4.01

Bangladesh Steel Re-Rolling Mills Limited-HO

Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch

	30 June 2026	30 June 2025
	BDT	BDT
Note(s)		
5.01	35,435,262,504	35,411,774,957
	4,030,393	843,330
	<u>35,439,292,897</u>	<u>35,412,618,287</u>

5.01 Bangladesh Steel Re-Rolling Mills Limited-HO

Particulars	Land and land development	Factory building and shed	Boundary wall, road & pavements	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Computer & IT equipment	Total
At Revaluation									
Balance at 1 July 2024	18,092,023,879	7,700,731,070	1,474,216,692	21,940,328,011	84,801,023	128,735,366	171,748,431	91,840,834	49,684,425,307
Additions	584,456,356	386,205	-	97,384,395	16,763,196	2,231,396	5,699,052	5,582,758	712,503,358
Disposal	-	-	-	(1,748,000)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,076,757)
Balance at 30 June 2025	18,676,480,235	7,701,117,275	1,474,216,692	22,035,964,406	85,050,397	130,964,078	177,015,733	97,043,093	50,377,851,908
Balance at 1 July 2025	18,676,480,235	7,701,117,275	1,474,216,692	22,035,964,406	85,050,397	130,964,078	177,015,733	97,043,093	50,377,851,908
Additions	1,135,787,709	20,476,132	18,788,492	306,744,281	9,231,051	8,107,822	8,835,192	14,779,160	1,522,749,840
Disposal	-	-	-	-	(10,754,039)	(519,845)	(195,765)	(964,385)	(12,434,033)
Balance at 30 June 2026	19,812,267,944	7,721,593,407	1,493,005,185	22,342,708,687	83,527,409	138,552,055	185,655,160	110,857,868	51,888,167,715

Accumulated depreciation

Balance at 1 July 2024	-	2,672,790,840	512,219,289	9,823,100,627	56,881,446	122,633,336	146,790,083	60,922,535	13,395,338,157
Charged for the year	-	297,733,967	55,042,902	1,207,269,215	8,488,266	3,206,461	6,844,220	11,164,081	1,589,749,112
Adjustment for disposal	-	-	-	(1,681,561)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,010,318)
Balance at 30 June 2025	-	2,970,524,807	567,262,191	11,028,688,281	48,855,891	125,837,113	153,202,553	71,706,116	14,966,076,951
Balance at 1 July 2025	-	2,970,524,807	567,262,191	11,028,688,281	48,855,891	125,837,113	153,202,553	71,706,116	14,966,076,951
Charged for the year	-	298,867,041	53,186,949	1,111,885,069	9,728,748	2,819,197	7,872,512	12,404,519	1,496,764,035
Adjustment for disposal	-	-	-	-	(8,283,980)	(519,845)	(167,565)	(964,385)	(9,935,775)
Balance at 30 June 2026	-	3,269,391,848	620,449,140	12,140,573,350	50,300,659	128,136,465	160,907,500	83,146,250	16,452,905,211
Carrying amount									
As at 30 June 2025	18,676,480,235	4,730,592,468	906,954,502	11,007,276,125	36,194,506	5,126,965	23,813,180	25,336,976	35,411,774,957
As at 30 June 2026	19,812,267,944	4,452,201,559	872,556,045	10,202,135,337	33,226,750	10,415,590	24,747,660	27,711,618	35,435,262,504

Depreciation allocation:

Cost of sales
Selling & distribution costs
Administrative costs

	01 July 2025	01 July 2024
	to 30 June 2026	to 30 June 2025
Note(s)	BDT	BDT
34.02	1,434,165,859	1,529,045,469
35.01	45,142,470	45,028,182
36.01	17,455,705	15,675,461
	<u>1,496,764,035</u>	<u>1,589,749,112</u>



Notes to the Financial Statements (Continued)

5.02 Property, plant and equipment (PPE) - cost model

	30 June 2026	30 June 2025
	BDT	BDT
Note(s)		
5.03	21,660,036,809	21,627,774,345
	4,030,393	843,330
	<u>21,664,067,202</u>	<u>21,628,617,675</u>

Bangladesh Steel Re-Rolling Mills Limited-HO
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch

5.03 Bangladesh Steel Re-Rolling Mills Limited-HO

Particulars	Land and land development	Factory building and shed	Boundary wall, road & pavements	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Computer & IT equipment	Total
At cost									
Balance at 1 July 2024	4,171,752,795	7,830,440,384	1,474,216,692	22,796,179,784	114,704,244	142,971,751	188,746,927	91,840,835	36,810,853,413
Additions	584,456,356	386,205	-	97,384,395	16,763,196	2,231,396	5,699,052	5,582,758	712,503,358
Disposal	-	-	-	(1,748,000)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,076,757)
Balance at 30 June 2025	4,756,209,151	7,830,826,589	1,474,216,692	22,891,816,178	114,953,618	145,200,463	194,014,229	97,043,093	37,504,280,014
Balance at 1 July 2025	4,756,209,151	7,830,826,589	1,474,216,692	22,891,816,178	114,953,618	145,200,463	194,014,229	97,043,093	37,504,280,014
Additions	1,135,787,709	20,476,132	18,788,492	306,744,281	9,231,051	8,107,822	8,835,192	14,779,160	1,522,749,840
Disposal	-	-	-	-	(10,754,039)	(519,845)	(195,765)	(964,385)	(12,434,033)
Balance at 30 June 2026	5,891,996,860	7,851,302,721	1,493,005,185	23,198,560,459	113,430,630	152,788,440	202,653,657	110,857,869	39,014,595,821

Accumulated depreciation

Balance at 1 July 2024	-	2,835,626,019	512,219,289	10,541,194,568	73,525,458	136,889,668	158,715,683	60,922,524	14,319,093,208
Charged for the year	-	295,764,679	55,042,902	1,195,946,393	8,454,042	3,206,461	6,844,220	11,164,081	1,576,422,778
Adjustment for disposal	-	-	-	(1,681,561)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,010,318)
Balance at 30 June 2025	-	3,131,390,697	567,262,190	11,735,459,400	65,465,678	140,093,445	165,128,152	71,706,105	15,876,505,668
Balance at 1 July 2025	-	3,131,390,697	567,262,190	11,735,459,400	65,465,678	140,093,445	165,128,152	71,706,105	15,876,505,668
Charged for the year	-	296,897,753	53,186,949	1,105,110,814	9,697,375	2,819,197	7,872,512	12,404,519	1,487,989,118
Adjustment for disposal	-	-	-	-	(8,283,980)	(519,845)	(167,565)	(964,385)	(9,935,775)
Balance at 30 June 2026	-	3,428,288,450	620,449,139	12,840,570,214	66,879,073	142,392,797	172,833,099	83,146,239	17,354,559,012

Carrying amount

As at 30 June 2025	4,756,209,151	4,699,435,891	906,954,502	11,156,356,778	49,487,940	5,107,018	28,886,077	25,336,988	21,627,774,345
As at 30 June 2026	5,891,996,860	4,423,014,270	872,556,045	10,357,990,245	46,551,558	10,395,643	29,820,557	27,711,630	21,660,036,809



Notes to the Financial Statements (Continued)

5.a CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT (PPE)-REVALUATION MODEL

Bangladesh Steel Re-Rolling Mills Limited-HO
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch

BSRM (Hong Kong) Limited

	30 June 2026	30 June 2025
	BDT	BDT
Note(s)		
5.01	35,435,262,504	35,411,774,957
	4,030,393	843,330
	35,439,292,897	35,412,618,287
	372,205	193,452
5.a.i	35,439,665,102	35,412,811,740

5.a.i Bangladesh Steel Re-Rolling Mills Limited-HO, Bangladesh Steel Re-Rolling Mills Limited (Kolkata) and BSRM (Hong Kong) Limited

Particulars	Land and land development	Factory building and shed	Boundary wall, road & pavements	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Computer & IT equipment	Total
At revaluation									
Balance at 1 July 2024	18,092,023,880	7,701,063,457	1,474,216,692	21,940,392,301	85,982,935	131,236,305	172,036,334	92,516,956	49,689,468,861
Additions (BSRM- HO)	584,456,356	386,205	-	97,384,395	16,763,196	2,231,396	5,699,052	5,582,758	712,503,358
Additions (BSRM- Kolkata)	-	-	-	-	-	-	-	58,255	58,255
Additions (BSRM- Hong Kong)	-	-	-	-	-	62,544	-	115,175	177,719
Disposal (BSRM- HO)	-	-	-	(1,748,000)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,076,757)
Balance at 30 June 2025	18,676,480,236	7,701,449,662	1,474,216,692	22,036,028,695	86,232,309	133,527,561	177,303,635	97,892,644	50,383,131,436
Balance at 1 July 2025	18,676,480,236	7,701,449,662	1,474,216,692	22,036,028,695	86,232,309	133,527,561	177,303,635	97,892,644	50,383,131,436
Additions (BSRM- HO)	1,135,787,709	20,476,132	18,788,492	306,744,281	9,231,051	8,107,822	8,835,192	14,779,160	1,522,749,840
Additions (BSRM- Kolkata)	-	-	-	-	-	3,572,372	679,131	208,671	4,460,174
Additions (BSRM- Hong Kong)	-	-	-	-	-	156,379	-	131,738	288,118
Disposal (BSRM- Kolkata)	-	-	-	-	-	(1,669,391)	(500,127)	-	(2,169,519)
Disposal (BSRM- HO)	-	-	-	-	(10,754,039)	(519,845)	(195,765)	(964,385)	(12,434,033)
Balance at 30 June 2026	19,812,267,945	7,721,925,794	1,493,005,185	22,342,772,976	84,709,321	143,174,898	186,122,067	112,047,829	51,896,026,015

Accumulated depreciation

Balance at 1 July 2024	-	2,672,937,262	512,219,289	9,823,100,628	58,051,883	124,393,347	147,051,338	61,821,959	13,399,303,461
Charged for the year (BSRM- HO)	-	297,733,967	55,042,902	1,207,269,215	8,488,266	3,206,461	6,844,220	11,164,081	1,589,749,112
Charged for the year (BSRM- Kolkata)	-	-	-	-	4,387	212,398	28,167	2,923	247,874
Charged for the year (BSRM- Hong Kong)	-	-	-	-	-	12,509	-	39,665	52,174
Adjustment for Foreign Exchange	-	-	-	-	-	-	-	-	(22,607)
Adjustment for disposal (BSRM- HO)	-	-	-	(1,681,561)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,010,318)
Balance at 30 June 2025	-	2,970,671,229	567,262,191	11,028,688,282	50,030,714	127,822,030	153,491,974	72,648,128	14,970,319,696
Balance at 1 July 2025	-	2,970,671,229	567,262,191	11,028,688,282	50,030,714	127,822,030	153,491,974	72,648,128	14,970,319,696
Charged for the year (BSRM- HO)	-	298,867,041	53,186,949	1,111,885,069	9,728,748	2,819,197	7,872,512	12,404,519	1,496,764,035
Charged for the year (BSRM- Kolkata)	-	-	-	-	1,056	633,248	167,771	97,521	899,597
Charged for the year (BSRM- Hong Kong)	-	-	-	-	-	43,824	-	66,147	109,971
Adjustment for disposal (BSRM- Kolkata)	-	-	-	-	-	(1,409,928)	(464,224)	-	(1,874,152)
Adjustment for Foreign Exchange	-	-	-	-	-	-	-	-	77,542
Adjustment for disposal (BSRM- HO)	-	-	-	-	(8,283,980)	(519,845)	(167,565)	(964,385)	(9,935,775)
Balance at 30 June 2026	-	3,269,538,270	620,449,140	12,140,573,351	51,476,539	129,388,525	160,900,468	84,251,930	16,456,360,913

Carrying amount

As at 30 June 2025	18,676,480,236	4,730,778,433	906,954,502	11,007,340,414	36,201,595	5,705,531	23,811,661	25,244,517	35,412,811,740
As at 30 June 2026	19,812,267,945	4,452,387,524	872,556,045	10,202,199,626	33,232,783	13,786,372	25,221,599	27,795,899	35,439,665,102



Notes to the Financial Statements (Continued)

5.b CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT (PPE)- COST MODEL

	30 June 2026	30 June 2025
	BDT	BDT
Note(s)		
5.03	21,660,036,809	21,627,774,345
	372,205	193,452
	21,660,409,014	21,627,967,797
	4,030,393	843,330
5.b.i	21,664,439,407	21,628,811,127

Bangladesh Steel Re-Rolling Mills Limited-HO
BSRM (Hong Kong) Limited

Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch

5.b.i Bangladesh Steel Re-Rolling Mills Limited-HO, Bangladesh Steel Re-Rolling Mills Limited (Kolkata) and BSRM (Hong Kong) Limited

Particulars	Land and land development	Factory building and shed	Boundary wall, road & pavements	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Computer & IT equipment	Total
At cost									
Balance at 1 July 2024	4,171,752,795	7,830,772,771	1,474,216,692	22,796,244,072	115,886,155	145,472,691	189,034,830	97,516,958	36,815,896,961
Additions (BSRM- HO)	584,456,356	386,205	-	97,384,395	16,763,196	2,231,396	5,699,052	5,582,758	712,503,358
Additions (BSRM- Kolkata)	-	-	-	-	-	-	-	58,255	58,255
Additions (BSRM- Hong Kong)	-	-	-	-	-	62,544	-	115,175	177,719
Disposal (BSRM- HO)	-	-	-	(1,748,000)	(16,513,822)	(2,685)	(431,750)	(380,500)	(19,076,757)
Balance at 30 June 2025	4,756,209,151	7,831,158,976	1,474,216,692	22,891,880,467	116,135,529	147,763,946	194,302,132	97,892,646	37,509,559,536
Balance at 1 July 2025	4,756,209,151	7,831,158,976	1,474,216,692	22,891,880,467	116,135,529	147,763,946	194,302,132	97,892,646	37,509,559,536
Additions (BSRM- HO)	1,135,787,709	20,476,132	18,788,492	306,744,281	9,231,051	8,107,822	8,835,192	14,779,160	1,522,749,840
Additions (BSRM- Kolkata)	-	-	-	-	-	3,572,372	679,131	208,671	4,460,174
Additions (BSRM- Hong Kong)	-	-	-	-	-	156,379	-	131,738	288,118
Disposal (BSRM- Kolkata)	-	-	-	-	-	(1,669,391)	(500,127)	-	(2,169,519)
Disposal (BSRM- HO)	-	-	-	-	(10,754,039)	(519,845)	(195,765)	(964,385)	(12,434,033)
Balance at 30 June 2026	5,891,996,860	7,851,635,108	1,493,005,184	23,198,624,748	114,612,541	157,411,283	203,120,564	112,047,831	39,022,454,116

Accumulated depreciation

Balance at 1 July 2024	2,835,772,441	512,219,288	10,541,194,570	74,695,897	138,649,678	158,976,936	61,821,946	14,323,058,513
Charged for the year (BSRM- HO)	295,764,679	55,042,902	1,195,946,393	8,454,042	3,206,461	6,844,220	11,164,081	1,576,422,778
Charged for the year (BSRM- Kolkata)	-	-	-	4,387	212,398	28,167	2,923	247,874
Charged for the year (BSRM- Hong Kong)	-	-	-	-	12,509	-	39,665	52,174
Adjustment for Foreign Exchange	-	-	-	-	-	-	-	(22,607)
Adjustment for disposal (BSRM- HO)	-	-	-	(1,681,561)	(2,685)	(431,750)	(380,500)	(19,010,318)
Balance at 30 June 2025	3,131,537,120	567,262,190	11,735,459,402	66,640,504	142,078,361	165,417,573	72,648,116	15,880,748,413
Balance at 1 July 2025	3,131,537,120	567,262,190	11,735,459,402	66,640,504	142,078,361	165,417,573	72,648,116	15,880,748,413
Charged for the year (BSRM- HO)	296,897,753	53,186,949	1,105,110,814	9,697,375	2,819,197	7,872,512	12,404,519	1,487,989,118
Charged for the year (BSRM- Kolkata)	-	-	-	1,056	633,248	167,771	97,521	899,597
Charged for the year (BSRM- Hong Kong)	-	-	-	-	43,824	-	66,147	109,971
Adjustment for disposal (BSRM- Kolkata)	-	-	-	-	(1,409,928)	(464,224)	-	(1,874,152)
Adjustment for Foreign Exchange	-	-	-	-	-	-	-	77,542
Adjustment for disposal (BSRM- HO)	-	-	-	(8,283,980)	(519,845)	(167,565)	(964,385)	(9,935,775)
Balance at 30 June 2026	3,428,434,873	620,449,139	12,840,570,215	68,054,955	143,644,857	172,826,067	84,251,918	17,358,014,713

Carrying amount

As at 30 June 2025	4,756,209,151	4,699,621,856	906,954,502	11,156,421,065	49,495,025	5,685,585	28,884,559	25,244,530	21,628,811,127
As at 30 June 2026	5,891,996,860	4,423,200,235	872,556,045	10,358,054,533	46,557,586	13,766,426	30,294,497	27,795,913	21,664,439,407



Notes to the Financial Statements (Continued)

5.04 Revaluation of Property, plant and equipment

All the revaluations made against Property, plant and equipment are summarized below:

Revaluation period	Class of assets revalued	Valuation method	Effective date	Valuer	Recognized into FS	Net revaluation gain
2008	All Property, plant and equipment	Replacement cost and net realizable value method	31-Dec-06	Hoda Vasi Chowdhury & Co., Chartered Accountants.	Beginning of 2008	1,673,400,176
2012			31-Dec-12		Beginning of 2012	2,004,256,895
2019	Land and land developments	Net realizable value/fair market value method	30-Jun-19	ACNABIN, Chartered Accountants.	30 June 2019	3,480,930,388

Replacement cost and net realizable value method, as applicable, were used by the independent valuer in re-valuation of Property, plant and equipment.

Difference of depreciation between revalued carrying amount and depreciation based on carrying amount as per assets' original cost was transferred from Revaluation Reserve to Retained Earnings as shown in Statement of Changes in Equity.

		Note(s)	30 June 2026 BDT	30 June 2025 BDT
6.00 Capital work-in-progress				
See accounting policy in note 4.01 (V)				
Bangladesh Steel Re-Rolling Mills Limited-HO		6.01	2,172,889,192	1,764,256,758
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch				
			<u>2,172,889,192</u>	<u>1,764,256,758</u>
6.01 Bangladesh Steel Re-Rolling Mills Limited-HO				
Opening balance		6.02	1,764,256,758	1,090,653,159
Add: Additions during the year			671,436,023	739,548,924
			2,435,692,781	1,830,202,082
			(262,803,588)	(65,945,325)
Less: Capitalized during the year			<u>2,172,889,192</u>	<u>1,764,256,758</u>
6.02 Details of Capital work-in-progress				
	Opening Balance	Additions	Capitalized during the year	Closing Balance
Factory building and shed	691,865,086	345,510,194	(20,177,369)	1,017,197,911
Plant and machineries	894,736,209	250,319,144	(223,837,727)	921,217,625
Boundary wall, drainage System, roads and pavement	177,655,464	75,606,685	(18,788,492)	234,473,657
	<u>1,764,256,758</u>	<u>671,436,023</u>	<u>(262,803,588)</u>	<u>2,172,889,192</u>
Property, Plant and Equipment under construction/acquisition is accounted for and measured at cost as capital work-in-progress until construction/acquisition is completed and it is ready for use.				
6.a CONSOLIDATED CAPITAL WORK IN PROGRESS				
Bangladesh Steel Re-Rolling Mills Limited		6.00	2,172,889,192	1,764,256,758
BSRM (Hong Kong) Limited				
			<u>2,172,889,192</u>	<u>1,764,256,758</u>



Notes to the Financial Statements (Continued)

		30 June 2026	30 June 2025		
		BDT	BDT		
	Note(s)				
7.00	Intangible assets				
	See accounting policy in note 4.02				
	Bangladesh Steel Re-Rolling Mills Limited-HO	7.01	15,181	60,722	
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-	
			15,181	60,722	
7.01	Bangladesh Steel Re-Rolling Mills Limited-HO				
	At Cost		66,536,118	64,373,231	
	Balance as at July 01		-	2,162,887	
	Addition during the year		66,536,118	66,536,118	
	Balance as at June 30				
	Accumulated Amortisation		66,475,396	60,913,234	
	Balance as at July 01		45,541	5,562,162	
	Amortisation during the year		66,520,938	66,475,396	
	Balance as at June 30		15,181	60,722	
	Carrying Amount				
7.a	CONSOLIDATED INTANGIBLE ASSETS	7.00	15,181	60,722	
	Bangladesh Steel Re-Rolling Mills Limited		-	-	
	BSRM (Hong Kong) Limited		15,181	60,722	
8.00	Investment in subsidiaries and associate				
	Subsidiary company				
	BSRM (Hong Kong) Limited (BSRM HK)	8.01 & 8.02	144,032,676	131,948,810	
	Associate company				
	BSRM Steels Limited (BSL)	8.01 & 8.03	12,471,131,942	10,614,063,144	
	BSRM Wires Limited (BWL)	8.01 & 8.04	2,157,554,196	-	
			14,772,718,813	10,746,011,954	
8.01	Movement of Investment in Associate and Subsidiary				
		Note(s)	BWL	BSL	BSRM HK
	Balance at 1 July 2025		-	10,614,063,144	131,948,810
	Transfer from Other investment	9.02	164,500,000	-	-
	Investment made		2,000,000,000	-	-
	Addition/adjustments during the year:				
	Share of profit/(loss) of equity accounted Investees		(6,945,804)	2,231,048,464	16,246,463
	Effect of foreign currency rate fluctuation		-	-	448,793
	Transfer of Deferred Tax to Retained Earnings by the equity accounted investees due to excess deprecation between cost and revalued model		-	1,599,377	-
			-	210,688,907	-
	Fair Value Reserve		-	(586,267,950)	(4,611,390)
	Dividend received/receivable		-	-	-
	Balance at 30 June 2026		2,157,554,196	12,471,131,942	144,032,676
			BWL	BSL	BSRM HK
	Balance at 1 July 2024		-	9,489,582,046	81,011,174
	Investment made		-	-	-
	Addition/adjustments during the year:				
	Share of profit/(loss) of equity accounted Investees		-	1,614,325,599	59,277,115
	Effect of foreign currency rate fluctuation		-	-	6,983,800
	Transfer of Deferred Tax to Retained Earnings by the equity accounted investees due to excess deprecation between cost and revalued model		-	1,777,086	-
			-	(116,410,100)	-
	Fair Value Reserve		-	(375,211,488)	(15,323,280)
	Dividend received/receivable		-	-	-
	Balance at 30 June 2025		-	10,614,063,144	131,948,810



Notes to the Financial Statements (Continued)

8.02 Investment in subsidiary company- BSRM (Hong Kong) Limited

Bangladesh Bank allowed the Company to remit and invest USD 500,000 in the equity shares of BSRM (Hong Kong) Limited (Ref: EFID/DIBA/703(2)/42/2622-585 dated 15 February 2022). Accordingly, the Company remitted USD 500,000. On 28 April 2022, 39,19,999 Nos ordinary shares @ HKD 1 (equivalent to TK. 4,26,24,990) were issued by BSRM (Hong Kong) Limited. Now Bangladesh Steel Re-Rolling Mills Limited is holding 39,20,000 nos ordinary shares @ HKD 1 each in BSRM (Hong Kong) Limited and has become the 100% shareholder of BSRM (Hong Kong) Limited.

Summary of financial information of subsidiary:

	30 June 2026	30 June 2025
	HKD	HKD
Non-current assets	23,730	12,372
Current assets	22,817,583	15,021,302
Total assets	22,841,313	15,033,674
Share capital	3,920,000	3,920,000
Retained earnings	5,262,829	4,518,783
Total equity	9,182,829	8,438,783
Current liabilities	13,658,484	6,594,891
Total liabilities	13,658,484	6,594,891
Total equity & liabilities	22,841,313	15,033,674
Revenue	108,672,462	126,726,916
Expenses	(107,634,416)	(122,933,909)
Profit for the year	1,038,046	3,793,007

8.02.01 Dividend from BSRM (Hong Kong)

The Board of Directors of BSRM (Hong Kong) Limited approved a cash dividend of 7.5% on 24 August 2026. The dividend was distributed on 31 August 2026 and the corresponding amount was credited to BSRM Ltd.'s bank account on 08 September 2026.

8.03 Investment in associate company- BSRM Steels Limited

Bangladesh Steel Re-Rolling Mills Limited has 31.19% equity interest in BSRM Steels Limited (BSL) i.e. 117,253,590 Ordinary Shares of Tk. 10 each. BSRM Steels Limited has been considered as an equity accounted investee of the Company and has been accounted for according to IAS 28: Investments in Associates and Joint Ventures. Reporting date of BSL is 30 June.

Summary of financial information of associate:

	30 June 2026	30 June 2025
	BDT	BDT
Non-current assets	45,566,213,600	43,863,951,642
Current assets	53,701,265,687	43,960,342,226
Total assets	99,267,479,288	87,824,293,868
Share capital	3,759,525,000	3,759,525,000
Fair Value Reserve	1,735,088,000	1,059,552,000
Revaluation reserve	7,832,604,063	7,850,267,571
Retained earnings	26,660,161,916	21,363,678,067
Total Equity	39,987,378,979	34,033,022,638
Non-current liabilities	22,974,119,849	24,397,346,484
Current liabilities	36,305,980,460	29,393,924,746
Total liabilities	59,280,100,309	53,791,271,230
Total equity & liabilities	99,267,479,288	87,824,293,869
Net asset value (NAV) per share	106.36	90.52
Revenue	129,488,018,313	103,665,210,348
Other income	435,625,861	353,761,641
Expenses	(122,770,189,448)	(98,842,927,956)
Profit for the year	7,153,454,726	5,176,044,033
Other comprehensive income	675,536,000	(373,248,000)
Total Comprehensive income attributable to owners of the company	7,828,990,726	4,802,796,033
Earnings per share (EPS)	19.03	13.77

The market price of the Ordinary shares of BSRM Steels Limited (BSL) was Tk. 86.60 per share on 30 June 2026. Fair value of investments in BSL for 117,253,590 numbers of share has been estimated at Tk. 10,154,160,894.



Notes to the Financial Statements (Continued)

8.04 Investment in associate company- BSRM Wires Limited

Bangladesh Steel Re-Rolling Mills Limited has 31.76% equity interest in BSRM Wires Limited (BWL) i.e. 96,450,000 Ordinary Shares of Tk. 10 each. BSRM Wires Limited has been considered as an equity accounted investee of the Company and has been accounted for according to IAS 28: Investments in Associates and Joint Ventures. Reporting date of BWL is 30 June.

Summary of financial information of associate:

	30 June 2026	30 June 2025
	BDT	BDT
Non-current assets	8,050,836,864	-
Current assets	3,856,776,649	-
Total assets	11,907,613,513	-
Share capital	3,036,677,920	-
Share premium	2,990,411,060	-
Revaluation reserve	1,101,407,267	-
Retained earnings	(1,116,798,972)	-
Total Equity	6,011,697,275	-
Non-current liabilities	1,755,450,604	-
Current liabilities	4,140,465,634	-
Total liabilities	5,895,916,238	-
Total equity & liabilities	11,907,613,513	-
Net asset value (NAV) per share	19.80	-
Revenue	6,008,599,316	-
Other income	4,939,649	-
Expenses	(6,080,648,891)	-
Profit for the year	(67,109,926)	-
Other comprehensive income	-	-
Total Comprehensive income attributable to owners of the company	(67,109,926)	-
Earnings per share (EPS)	(0.22)	-

8.a CONSOLIDATED INVESTMENT IN SUBSIDIARIES AND ASSOCIATE

BSRM Steel Limited	8.01	12,471,131,942	10,614,063,144
BSRM Wires Limited	8.01	2,157,554,196	-
BSRM (Hong Kong) Limited	8.01	-	-
		14,628,686,138	10,614,063,144



Notes to the Financial Statements (Continued)

Notes to the Financial Statements (Continued)					30 June 2026	30 June 2025
	Note(s)			BDT	BDT	
9.00 Other investments						
Bangladesh Steel Re-Rolling Mills Limited-HO	9.01			106,276,149	218,202,069	
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch				-	-	
				106,276,149	218,202,069	
9.01 Bangladesh Steel Re-Rolling Mills Limited-HO						
Investment in non-tradable shares	9.02			106,276,149	218,202,069	
				106,276,149	218,202,069	
9.02 Investment in non-tradable shares						
Islamic Steamship Co. Limited				300	300	
BSRM Wires Limited				164,500,000	164,500,000	
Transferred to Investment in subsidiaries and associate	8.01			(164,500,000)	-	
BMS Steel Limited	9.02.01			55,188,249	52,701,769	
BSRM SteelEdge PLC- Investment In Other Related Parties				1,000,000	1,000,000	
SAJIDA Foundation Orange Zero Bond	9.02.02			50,087,600	-	
				106,276,149	218,202,069	
9.02.01 Bangladesh Bank allowed the Company to remit and invest in the BMS Steel Limited USD 27,000 by its approval Letter Ref: বৈমুবি/৭০১/ বিওশে/১৩৪৮/ ওআই/ ২০১৯, তারিখ ১৯ জুন ২০১৯ ইং, USD 45,000 by its approval Letter Ref: বৈমুবি/ ৭০৩(৩)/ওবিশাএ/নন-ব্যাংক/২০২০-১২৬৪, তারিখ ২৫ মার্চ ২০২০ ইং and USD 5,28,000 by its approval Letter Ref: বৈমুবি/৭০৩(৩) /ওবিশাএ/নন-ব্যাংক/২০২০-২৪৩৮, তারিখ ২০ আগস্ট ২০২০ ইং. Accordingly the Company remitted USD 4,80,551 on 29 August 2021 and 59,580 nos Ordinary shares has been issued in favor of Bangladesh Steel Re-Rolling Mills Limited. Now the Company is holding 18% equity in BMS Steel Limited.						
9.02.02 The Company invested BDT 50,087,600 in 200 units of Sajida Foundation Non-Convertible, Fully Redeemable, Unsecured Orange Zero-Coupon Bonds, each having a face value of BDT 250,438, with a maturity period of three years. The investment was made through a jointly operated zero-coupon bond account maintained in the name of Bangladesh Steel Re-Rolling Mills Limited with BRAC Bank PLC, Gulshan Branch, Dhaka, pursuant to the approval of the Board of Directors at its meeting held on 18 May 2026.						
9.a CONSOLIDATED OTHER INVESTMENTS						
Bangladesh Steel Re-Rolling Mills Limited	9.00			106,276,149	218,202,069	
BSRM (Hong Kong) Limited				-	-	
				106,276,149	218,202,069	
10.00 Short term investments						
See accounting policy in note 4.06						
Bangladesh Steel Re-Rolling Mills Limited-HO	10.01			3,478,092,872	373,179,040	
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch				-	-	
				3,478,092,872	373,179,040	
10.01 Bangladesh Steel Re-Rolling Mills Limited-HO						
Investment in fixed deposit receipts	10.02			3,478,092,872	373,179,040	
				3,478,092,872	373,179,040	
10.02 Investment in fixed deposit receipts						
Name of financial company	Tenure	Purpose	Rate of Interest	30 June 2026	30 June 2025	
Agrani Bank PLC	3 Months	L/C Margin	7.50%	15,763,500	-	
Bank Asia PLC	6 Months	L/C Margin	8.75%-10%	100,999,711	-	
Commercial Bank of Ceylon PLC	6 Months	L/C Margin	8.25%-9.5%	69,140,202	-	
Dhaka Bank PLC	6 Months	L/C Margin	9.00%	33,594,010	196,754,171	
Eastern Bank PLC	3 Months	Investment	9.25%	500,000,000	-	
Fareast Finance and Investment Limited	6 Months	Security Deposit	10.00%	2,829,597	3,011,597	
Habib Bank Limited	3-6 Months	L/C Margin	4.50%	1,005,554	945,813	
HSBC	3 Months	Investment	8.75%	250,000,000	-	
IDLC Finance Limited	3 Months	Investment	10.35%	1,010,350,000	-	
IFIC Bank PLC	3 Months - 1 year	L/C Margin	9.75-10.50%	1,245,935	1,148,854	
International Leasing and Financial Services Limited	7 Months	Security Deposit	5.50%	33,110,975	33,110,975	
Jamuna Bank Limited	3 Months	Investment	7.25%	32,445,890	-	



Notes to the Financial Statements (Continued)

Name of financial company	Tenure	Purpose	Rate of Interest	30 June 2026	30 June 2025
Mercantile Bank PLC	3 Months - 1 year	L/C Margin	4.25% to 10.00%	66,091,031	50,012,243
Midland Bank PLC	3 Months	L/C Margin	10.50%	14,358,995	-
Mutual Trust Bank PLC	1 Year	L/C Margin	10.25%	-	31,991,590
NCC Bank Limited	3-6 Months	L/C Margin	9.50%-10.00%	166,281,296	-
One Bank PLC	1 year	L/C Margin	9.00%	135,844	126,720
Pubali Bank PLC	6 Months	L/C Margin	8.25%-9.00%	153,015,519	-
Southeast Bank PLC	3 Months	L/C Margin	5.50%	1,137,107	13,300,001
The City Bank PLC	3 Months	L/C Margin	10.25%	500,000,000	-
Trust Bank PLC	3 Months	L/C Margin	8.50%	503,623,107	42,777,076
United Commercial Bank Limited	6 Months	L/C Margin	10%	22,964,600	-
				3,478,092,872	373,179,040
		Note(s)		30 June 2026	30 June 2025
				BDT	BDT
10.a CONSOLIDATED SHORT TERM INVESTMENTS					
Bangladesh Steel Re-Rolling Mills Limited			10.00	3,478,092,872	373,179,040
BSRM (Hong Kong) Limited				-	-
				3,478,092,872	373,179,040
11.00 Inventories					
See accounting policy in note 4.05					
Bangladesh Steel Re-Rolling Mills Limited-HO			11.01	29,214,697,247	24,089,862,140
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch				13,389,671	69,167,117
				29,228,086,918	24,159,029,257
11.01 Bangladesh Steel Re-Rolling Mills Limited-HO					
<u>Raw material</u>					
Raw Materials- Billets				5,660,160,678	6,981,074,847
Raw Materials- Scraps and Ribbed Wire				13,590,658,675	8,294,897,429
				19,250,819,352	15,275,972,276
<u>Finished goods</u>					
Finished goods- own production				5,211,659,679	4,618,959,273
Finished goods- procured				450,506,031	487,218,819
				5,662,165,710	5,106,178,092
<u>Stores and spares</u>					
Mechanical stores				1,658,618,046	1,563,183,287
M.S. Roll				268,328,703	103,292,099
Electrical stores				891,082,499	790,767,985
General stores				52,434,206	38,899,872
Consumable stores				1,399,921,413	1,187,132,715
				4,270,384,867	3,683,275,958
<u>Fuel and lubricants</u>					
				31,327,318	24,435,814
				29,214,697,247	24,089,862,140
11.a CONSOLIDATED INVENTORIES					
Bangladesh Steel Re-Rolling Mills Limited			11.00	29,228,086,918	24,159,029,257
BSRM (Hong Kong) Limited				-	-
				29,228,086,918	24,159,029,257



Notes to the Financial Statements (Continued)

		30 June 2026	30 June 2025
	Note(s)	BDT	BDT
12.00 Trade and other receivables			
See accounting policy in note 4.06			
Bangladesh Steel Re-Rolling Mills Limited-HO	12.01	4,991,678,551	2,064,190,066
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		202,870,617	112,957,626
		5,194,549,168	2,177,147,692
12.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Trade receivables	12.02	4,943,386,801	2,005,186,426
Other receivables	12.03	48,291,750	59,003,640
		4,991,678,551	2,064,190,066
12.02 Trade receivables			
BSRM Steels Limited		2,984,208,574	404,415,198
BSRM Wires Limited		(0)	2,462
BSRM Logistics Limited		237,675	647,341
Bangladesh Agricultural Products Ltd		814,995	364,145
Other parties		1,979,011,790	1,605,553,330
		4,964,273,034	2,010,982,476
Provision for doubtful debt		(20,886,233)	(5,796,050)
Net Trade Receivables		4,943,386,801	2,005,186,426
12.03 Other receivables			
DEDO and other receivables		43,680,360	43,680,360
Dividend Receivable (BSRM Hong Kong Limited)		4,611,390	15,323,280
		48,291,750	59,003,640
12.04 Aging of trade receivables is as follows:			
Not yet due		4,476,357,194	1,523,066,636
Less than 3 months		291,709,533	291,709,533
Over 3 months but less than 6 months		55,243,082	55,243,082
Over 6 months		140,963,225	140,963,225
		4,964,273,034	2,010,982,476
12.a CONSOLIDATED TRADE AND OTHER RECEIVABLES			
Bangladesh Steel Re-Rolling Mills Limited	12.00	5,194,549,168	2,177,147,692
BSRM (Hong Kong) Limited		311,938,125	136,986,915
Less: Intra group elimination (Dividend Receivable)		(4,611,390)	(15,323,280)
		5,501,875,903	2,298,811,327
13.00 Current account with related companies			
BSRM Logistics Limited		456,837,714	388,936,157
BSRM Ispat Limited		641,589,804	895,647,804
BSRM Wires Limited		-	3,839,829,175
Chittagong Power Company Limited		550,665,926	543,737,926
BSRM (Hong Kong) Limited		15,608,144	15,559,383
		1,664,701,587	5,683,710,445
All transactions among the related companies have been made through account payee cheques or bank transfers and interests were charged at market rate on all related companies' balances.			
13.a CONSOLIDATED CURRENT ACCOUNT WITH RELATED COMPANIES			
Bangladesh Steel Re-Rolling Mills Limited	13.00	1,664,701,587	5,683,710,445
BSRM (Hong Kong) Limited		-	-
Less: Intra group elimination		(15,608,144)	(15,559,383)
		1,649,093,443	5,668,151,062
14.00 Advances and deposits			
See accounting policy in note 4.06			
Bangladesh Steel Re-Rolling Mills Limited-HO	14.01	9,585,620,087	10,878,585,585
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		152,353,197	153,743,320
		9,737,973,284	11,032,328,905



Notes to the Financial Statements (Continued)

	Note(s)	30 June 2026	30 June 2025
		BDT	BDT
14.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Advances	14.02	9,416,791,561	10,710,135,257
Deposits	14.03	168,828,526	168,450,328
		9,585,620,087	10,878,585,585
14.02 Advances			
For capital expenditure		11,169,369	65,761,807
For revenue expenses		373,096,113	293,856,988
For scrap purchase and others		742,441,461	2,954,842,300
For store and spares		693,230,320	2,023,662,230
Godown rent		2,247,518	2,741,506
Income tax		2,764,524,182	2,821,850,128
L/C margin		831,840,818	1,556,829,152
Against L/C		3,036,370,034	26,577,807
Land		896,169,870	894,586,170
Staff loan against salary		2,924,501	6,313,157
VAT account (Receivable)		43,777,375	43,514,012
Western Marine Shipyard Limited		19,000,000	19,600,000
		9,416,791,561	10,710,135,257
14.03 Deposits			
Bangladesh Ansar and VDP		825,682	825,682
Bank guarantee to Customs authority		5,969,357	5,964,357
Bureau of Indian Standards		2,440,000	2,440,000
Customs authority against claim		552,890	552,890
Karnaphuli Gas Distribution Co. Limited (KGDCL)		21,932,805	21,932,805
Linde Bangladesh Limited		1,439,900	879,900
Meghna Petroleum Limited		40,000	40,000
Maxicon Shipping Agencies (BD) Pvt. Limited		650,000	650,000
Power Development Board		131,938,368	131,949,368
Refundable security deposits for IPO		500,000	500,000
T & T and others		191,444	227,944
WASA		500,000	500,000
Others		1,848,080	1,987,382
		168,828,526	168,450,328
14.04 The directors consider that all the above advances, deposits and prepayments are either adjustable or recoverable in cash or in kind and that no provision against these are required at this stage.			
14.a CONSOLIDATED ADVANCE, DEPOSITS AND PREPAYMENTS			
Bangladesh Steel Re-Rolling Mills Limited	14.00	9,737,973,284	11,032,328,905
BSRM (Hong Kong) Limited		33,256,447	30,331,734
		9,771,229,731	11,062,660,639
15.00 Cash and cash equivalents			
See accounting policy in note 4.08			
Bangladesh Steel Re-Rolling Mills Limited-HO	15.01	759,998,360	2,044,900,442
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		19,358,821	4,913,384
		779,357,181	2,049,813,826
15.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Cash in hand	15.02	1,611,365	2,189,945
Cash at banks	15.03	758,386,995	2,042,710,497
		759,998,360	2,044,900,442
15.02 Cash in hand			
Corporate office		176,452	166,106
Factory office		970,510	1,702,851
Dhaka office		189,403	85,988
Mirsarai & other office (Warehouse)		275,000	235,000
		1,611,365	2,189,945



Notes to the Financial Statements (Continued)

15.03 Cash at banks

Name of the Banks	Branch	Account type	Currency		
AB Bank PLC	Agrabad	CD	BDT	34,798	1,882,913
AB Bank PLC	Agrabad	CD	USD	75	74
Agrani Bank PLC	Laldighi East	CD	BDT	340,025,437	297,136,748
Al-Arafah Islami Bank PLC	Agrabad	CD	BDT	8,484,836	14,472,069
Bank Alfalah Limited	Agrabad	OD	BDT	88,617	169,292,074
Bank Asia PLC	Agrabad	CD	BDT	27,900	5,266,624
BASIC Bank PLC	Dewanhath	CD	BDT	(294,757)	344,055
BRAC Bank PLC	Agrabad	CD	BDT	(7,222,443)	74,249,899
BRAC Bank PLC	Agrabad	FCY CD	USD	31,466,198	1,233
Commercial Bank of Ceylon PLC	Agrabad	CD	BDT	375,258	74,510
Dhaka Bank PLC	Jubilee Road	CD	BDT	47,708	837,943
Dutch Bangla Bank PLC	Jubilee Road	CD	BDT	50,000	33,463
Eastern Bank PLC	Agrabad	CD	BDT	10,439,108	443,969
Eastern Bank PLC	Agrabad	CD	BDT	263,450,091	636,243,160
EXIM Bank PLC	CDA Avenue	CD	BDT	22,461,155	2,547,345
HSBC Limited	Agrabad	CD	BDT	(140,306,159)	(83,577,637)
IFIC Bank PLC	Agrabad	CD	BDT	1,860,148	6,794,184
Islami Bank Bangladesh PLC	Jubilee Road	CD	BDT	2,044,671	145,103,813
Islami Bank Bangladesh PLC	Barayarhat	CD	BDT	1,074,050	905,641
Jamuna Bank PLC	Khatunjonj	CD	BDT	353	10,563,365
Janata Bank PLC	Laldighi East	CD	BDT	1,628,619	6,980
Meghna Bank PLC	Agrabad	CD	BDT	39,486	-
Mercantile Bank PLC	Jubilee Road	CD	BDT	110,148	53,445,254
Midland Bank PLC	Agrabad	CD	BDT	3,060,319	1,894,153
Modhumoti Bank PLC	Agrabad	CD	BDT	7,790	12,025
Mutual Trust Bank PLC	Jubilee Road	CD	BDT	2,104,324	107,306,161
National Bank PLC	Jubilee Road	CD	BDT	32,691	33,611
National Bank PLC	Jubilee Road	CC	BDT	-	4,451
NCC Bank PLC	Agrabad	CD	BDT	(29,878,172)	483,591,399
NCC Bank PLC	Agrabad	CD	BDT	75,623	75,968
NCC Bank PLC	Agrabad	ERQ	USD	84,481,113	72,536,119
NCC Bank PLC	Agrabad	FCY CD	USD	-	61
NCC Bank PLC	Agrabad	FCY CD	USD	22,793	350,284
NCC Bank PLC	Agrabad	FCY CD	USD	-	114
NRB Commercial Bank PLC	Agrabad	CD	BDT	22,309	131,707
NRB Commercial Bank PLC	Agrabad	CD	BDT	56,445	5,547
One Bank PLC	Agrabad	OD	BDT	-	3,829,597
Premier Bank PLC	O.R Nizam Road	CD	BDT	9,354,112	1,534,878
Prime Bank PLC	O.R Nizam Road	CD	BDT	8,477,600	90,902
Prime Bank PLC	Agrabad	SND	BDT	1,283,864	823,528
Pubali Bank PLC	Dhaka	CD	BDT	12,472	99,034
Pubali Bank PLC	Dhaka	CC	BDT	-	5,178,108
Shahjalal Islami Bank PLC	Jubilee Road	CD	BDT	6,679,860	75,128
Shahjalal Islami Bank PLC	Jubilee Road	FCY	USD	31,109	30,860
Shahjalal Islami Bank PLC	Jubilee Road	Retention-Quota	USD	68,094	67,549
Social Islami Bank PLC	Jubilee Road	CD	BDT	-	33,435
Sonali Bank PLC	Kalibari	CD	BDT	2,001	2,000
Sonali Bank PLC	Laldighi East	CD	BDT	1,160,079	98,019
Southeast Bank PLC	CDA Avenue	CD	BDT	18,322	17,284
Southeast Bank PLC	Pahartali	CD	BDT	2,300,401	3,571,012
Standard Bank PLC	Sadarghat Road	CD	BDT	3,726,137	15,412,274
Standard Bank PLC	Agrabad	CD	BDT	132,593	370,642
Standard Chartered Bank	Dhaka	CD	BDT	-	22,967
State Bank of India	Agrabad	CD	BDT	89,454	11,549
The City Bank PLC	Agrabad	CD	BDT	41,302,999	671,293
The City Bank PLC	Agrabad	DD	BDT	-	26,099
The City Bank PLC	Agrabad	FCY CD	USD	40,036	-
The City Bank PLC	Agrabad	FCY CD	USD	21,866,374	456,527
Trust Bank PLC	CDA Avenue	CD	BDT	48,431	7,534
Trust Bank PLC	CDA Avenue	OD	BDT	13,272,191	1,266,267
Uttara Bank PLC	Agrabad	CD	BDT	1,792	5,798,874



Notes to the Financial Statements (Continued)

Name of the Banks	Branch	Account type	Currency	Note(s)	30 June 2026	30 June 2025
					BDT	BDT
United Commercial Bank PLC	Jubilee Road	CD	BDT		51,537,638	32,453
United Commercial Bank PLC	Jubilee Road	CD	BDT		-	3,991
United Commercial Bank PLC	Jubilee Road	Escrow	BDT		-	4,041
					757,276,091	2,041,545,124
Standard Chartered Bank	Agrabad	CD	BDT	15.04	1,110,904	1,165,373
					1,110,904	1,165,373
					758,386,995	2,042,710,497

All Bank balances are reconciled with bank statements and negative balances shown in the bank book represent book overdraft.

- 15.04 These accounts were opened for deposit of Share Money (IPO) and payment of dividend. Balances in these accounts represent amount refundable to the applicants to whom shares were not allotted and unclaimed dividend.

15.a CONSOLIDATED CASH AND CASH EQUIVALENTS

Bangladesh Steel Re-Rolling Mills Limited	15.00	779,357,181	2,049,813,826
BSRM (Hong Kong) Limited		12,699,220	67,554,425
		792,056,401	2,117,368,251

16.00 Share capital

See accounting policy in note 4.09

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
2,146,748 Ordinary shares @ Tk. 10 each fully paid-up as Bonus Shares	214,607,480	214,607,480
62,516,390 share issued @Tk.10 each 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

16.01 Classification of shares by holding at 30 June 2026

Class by number of shares	No. of holders	No. of Shares	Holding (%)
Less than 500	3,819	520,416	0.17%
From 501 to 5000	1,917	3,008,886	1.01%
From 5,001 to 10,000	215	1,623,155	0.54%
From 10,001 to 20,000	125	1,842,790	0.62%
From 20,001 to 30,000	45	1,142,088	0.38%
From 30,001 to 40,000	14	497,424	0.17%
From 40,001 to 50,000	16	748,790	0.25%
From 50,001 to 100,000	36	2,731,376	0.91%
From 100,001 to 1,000,000	42	14,567,902	4.88%
From 10,000,001 to above	30	271,901,799	91.06%
	6,259	298,584,626	100%



Notes to the Financial Statements (Continued)

	Note(s)	30 June 2026	30 June 2025
		BDT	BDT
16.02 Composition of Shareholders at 30 June 2026			
<u>Name of shareholders</u>		<u>No. of shares</u>	<u>Holding (%)</u>
Directors:			
Mr. Alihussain Akberali		29,970,251	10.04%
Mr. Aameir Alihussain		25,409,856	8.51%
Mr. Zohair Taherali		46,835,044	15.69%
Mrs. Sabeen Aameir		28,800,000	9.65%
Shareholders other than Directors		167,569,475	56.12%
		298,584,626	100%
16.03 Composition of Shareholders at 30 June 2026			
<u>Nature of shareholders</u>	<u>No. of holders</u>	<u>No. of shares</u>	<u>Holding (%)</u>
Sponsor/Director Shareholders	5	140,703,407	47.12%
Foreign Shareholders	8	50,210,256	16.82%
Other Shareholders	6,246	107,670,963	36.06%
	6,259	298,584,626	100%
16.04 Dividends			
The following dividends were declared and paid/payable by the company for the year:	Date of board meeting	30 June 2026	30 June 2025
		BDT	BDT
50% annual cash dividend (Tk. 5.00) per qualifying ordinary share (For Jul'24-Jun'25)	18-Oct-25	1,492,923,130	-
35% annual cash dividend (Tk.3.50) per qualifying ordinary share (For Jul'23-Jun'24)	22-Oct-24	-	1,045,046,191
17.00 Share Premium			
Balance As at July 01		2,057,514,350	2,057,514,350
Balance As at June 30		2,057,514,350	2,057,514,350
18.00 General reserve			
Balance As at July 01		30,170,818	30,170,818
Balance As at June 30		30,170,818	30,170,818
18.01 General reserve			
The general reserve is created from time to time by transferring profits from retained earnings for appropriation purposes and to meet future known or unknown requirements. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.			
18.02 Revaluation reserve			
Balance As at July 01		15,861,375,424	15,871,703,334
Balance As at June 30		15,854,574,864	15,861,375,424
Revaluation reserve relates to the revaluation of property plant and equipment.			
19.00 Long term borrowings- non-current portion			
See accounting policy in note 4.19			
Bangladesh Steel Re-Rolling Mills Limited-HO	19.01	2,340,659,094	1,404,313,865
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-
		2,340,659,094	1,404,313,865
19.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
NCC Bank PLC	19.02	257,772,096	291,096,863
The City Bank PLC	19.03	562,298,686	470,054,663
Pubali Bank PLC	19.04	304,641,618	431,182,500
Shahjalal Islami Bank PLC	19.05	71,346,868	74,684,714
Uttara Bank PLC	19.06	123,682,975	137,295,125
BRAC Bank PLC	19.07	229,166,667	-
Dhaka Bank PLC	19.08	285,288,862	-
Dutch Bangla Bank PLC	19.09	413,834,978	-
The Trust Bank PLC	19.10	92,626,345	-
		2,340,659,094	1,404,313,865
19.02 NCC Bank PLC			
Due within one (1) year		33,345,947	18,765,700
Due after more than one (1) year		257,772,096	291,096,863
		291,118,043	309,862,563
19.03 The City Bank PLC			
Due within one (1) year		154,682,190	381,972,062
Due after more than one (1) year		562,298,686	470,054,663
		716,980,876	852,026,725



Notes to the Financial Statements (Continued)

Note(s)	30 June 2026	30 June 2025
	BDT	BDT
19.04 Pubali Bank PLC		
Due within one (1) year	101,414,749	-
Due after more than one (1) year	304,641,618	431,182,500
	406,056,367	431,182,500
19.05 Shahjalal Islami Bank PLC		
Due within one (1) year	11,314,438	-
Due after more than one (1) year	71,346,868	74,684,714
	82,661,306	74,684,714
19.06 Uttara Bank PLC		
Due within one (1) year	24,342,142	25,478,208
Due after more than one (1) year	123,682,975	137,295,125
	148,025,117	162,773,333
19.07 BRAC Bank PLC		
Due within one (1) year	20,833,333	-
Due after more than one (1) year	229,166,667	-
	250,000,000	-
19.08 Dhaka Bank PLC		
Due within one (1) year	51,878,676	-
Due after more than one (1) year	285,288,862	-
	337,167,538	-
19.09 Dutch Bangla Bank PLC		
Due within one (1) year	50,782,823	-
Due after more than one (1) year	413,834,978	-
	464,617,801	-
19.10 The Trust Bank PLC		
Due within one (1) year	22,541,682	-
Due after more than one (1) year	92,626,345	-
	115,168,027	-
19.a CONSOLIDATED LONG TERM BORROWING- NON CURRENT PORTION		
Bangladesh Steel Re-Rolling Mills Limited	2,340,659,094	1,404,313,865
BSRM (Hong Kong) Limited	-	-
	2,340,659,094	1,404,313,865



Notes to the Financial Statements (Continued)

Notes to the Financial Statements (Continued)		30 June 2026	30 June 2025	
		BDT	BDT	
Note(s)				
20.00	Defined benefit obligations - gratuity			
	See accounting policy in note 4.11	448,971,920	387,881,745	
	Opening balance	165,534,683	144,312,073	
	Add: Current service cost	614,506,603	532,193,818	
		(134,312,267)	(83,221,898)	
	Less: Payment made during the year	480,194,336	448,971,920	
		480,194,336	448,971,920	
	Closing balance			
	A funded gratuity scheme has been established with the prior approval from the National Board of Revenue vide Letter Ref: 08.01.0000.035..02.347.20/57 dated 18 February 2021. Following this approval, an amount of BDT 165,534,489 was transferred to the employee gratuity fund in subsequent period dated 07 September 2025.			
20.a	CONSOLIDATED DEFINED BENEFIT OBLIGATIONS-GRATUITY	20.00	480,194,336	448,971,920
	Bangladesh Steel Re-Rolling Mills Limited		-	-
	BSRM (Hong Kong) Limited		480,194,336	448,971,920
21.00	Provision for Income Tax			
	See accounting policy in note 4.17	21.01	1,686,500,954	1,621,338,317
	Bangladesh Steel Re-Rolling Mills Limited-HO		-	-
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		1,686,500,954	1,621,338,317
21.01	Bangladesh Steel Re-Rolling Mills Limited-HO			
	Opening Balance		1,621,338,317	1,251,402,262
	Add: Provision during the year		1,687,618,607	1,629,468,616
	Add/(Less): Previous year tax Adjustment		-	-
	Less: Advance Income Tax Adjusted during the year		(1,622,455,969)	(1,259,532,562)
	Closing Balance		1,686,500,954	1,621,338,317
21.a	CONSOLIDATED PROVISION FOR INCOME TAX	21.00	1,686,500,954	1,621,338,317
	Bangladesh Steel Re-Rolling Mills Limited		9,353,013	9,034,666
	BSRM (Hong Kong) Limited		1,695,853,967	1,630,372,983
22.00	Current Tax Expenses			
	See accounting policy in note 4.17			
	Bangladesh Steel Re-Rolling Mills Limited-HO		1,686,500,954	1,621,338,316
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		1,117,653	8,130,300
	Add/(Less): Previous year tax Adjustment		(23,519,690)	(4,563,173)
			1,664,098,917	1,624,905,443

22.01 Year wise income tax assessment status is as follows:

Accounting Year	Assessment Year	Charged/ (credited) to profit or loss	Demand created after Tribunal	Net Refund adjusting demand after Tribunal	Remarks
Year 2013	2014-2015	115,806,937	115,806,937	24,212,764	Reference to High Court.
Year 2014	2015-2016	92,358,470	92,358,470	87,234,315	Reference to High Court.
2018-19	2019-2020	328,027,740	328,027,740	-	Reference to High Court.
2016-17	2017-18_SML	41,222,592	41,222,592	-	Reference to High Court.
2017-18	2018-19_SML	154,265,339	154,265,339	882,920,762	Reference to High Court.
2018-19	2019-20_SML	300,588,625	300,588,625	495,743,735	Reference to High Court.

22.02 Reconciliation of effective tax rate

	2026		2025	
	Rate	Taka	Rate	Taka
Profit before tax		8,861,763,168		7,807,737,430
Tax using the applicable tax rate	22.5%	1,993,896,713	22.5%	1,756,740,922
Tax effect of:				
Share of loss/ (profit) of equity accounted investee	-5.69%	(504,078,553)	-4.82%	(376,560,611)
Difference between accounting and fiscal depreciation	2.05%	181,437,833	2.49%	194,762,956
Inadmissible expenses	0.52%	46,052,128	-0.27%	(21,399,285)
Rebate on export sales	-1.46%	(129,375,491)	-0.09%	(7,209,601)
Rebate on CSR	-0.16%	(14,187,304)	-0.03%	(2,136,297)
Implication for minimum tax	0.00%	-	0.02%	1,358,339
Bangladesh Steel Re-Rolling Mills Ltd. (Kolkata Branch)	-0.02%	(2,005,137)	0.15%	11,447,135
Effect of deferred tax	1.90%	168,235,536	0.52%	40,653,898
Prior year income tax	-0.27%	(23,519,690)	-0.06%	(4,563,173)
Gain/(loss) on sale of Non-current asset	-0.01%	(805,714)	-0.02%	(1,734,121)
Impact on cash dividend received	1.32%	116,684,132	0.95%	74,199,180
	20.68%	1,832,334,452	21.33%	1,665,559,341



Notes to the Financial Statements (Continued)

		Note(s)	30 June 2026 BDT	30 June 2025 BDT
22.a	CONSOLIDATED CURRENT TAX EXPENSES			
	Bangladesh Steel Re-Rolling Mills Limited	22.00	1,664,098,917	1,624,905,443
	BSRM (Hong Kong) Limited		1,448,171	8,602,207
			<u>1,665,547,088</u>	<u>1,633,507,650</u>
23.00	Deferred tax liability			
	See accounting policy in note 4.17			
	Bangladesh Steel Re-Rolling Mills Limited-HO	23.02	5,060,385,159	4,894,358,222
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		(367,460)	(663,151)
			<u>5,060,017,699</u>	<u>4,893,695,071</u>
23.01	Deferred Tax Expenses			
	See accounting policy in note 4.17			
	Bangladesh Steel Re-Rolling Mills Limited-HO	23.02.01	168,001,293	40,517,690
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		234,243	136,209
			<u>168,235,536</u>	<u>40,653,898</u>
23.02	Bangladesh Steel Re-Rolling Mills Limited-HO			
	Deferred tax liability has been calculated considering the temporary difference between the carrying value and tax base at the applicable tax rate.		4,894,358,222	4,856,838,958
	Balance at 1 July			
	Provided/ (adjusted) during the year:			
	For temporary difference of PPE and software (excluding land)		(178,455,693)	(191,045,542)
	Adjustment for gratuity		(7,025,044)	(13,745,289)
	Investments in associates		353,274,124	246,367,840
	Right of use of assets		(22,276,639)	11,508,834
	Lease liabilities		22,484,545	(12,568,154)
		23.02.01	<u>168,001,293</u>	<u>40,517,690</u>
	Deferred tax expenses through P/L			
	Deferred tax on land revaluation		-	-
	Adjustment for impact of excess depreciation on revaluation surplus		(1,974,356)	(2,998,425)
			<u>(1,974,356)</u>	<u>(2,998,425)</u>
	Deferred tax expenses through OCI			
			<u>5,060,385,159</u>	<u>4,894,358,222</u>
	Balance at 30 June			
	Reconciliation of Deferred tax liabilities/(assets) is as follows:			



Notes to the Financial Statements (Continued)

			30 June 2026	30 June 2025
		Note(s)	BDT	BDT
24.00	Trade payables			
	See accounting policy in note 4.06			
	Bangladesh Steel Re-Rolling Mills Limited-HO	24.01	719,848,681	1,443,734,379
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		9,012,924	12,366,857
			728,861,605	1,456,101,236
24.01	Bangladesh Steel Re-Rolling Mills Limited-HO			
	BSRM Logistics Limited		71,383,824	4,349,842
	Goods & supplies		89,580,423	44,720,905
	Labor cost		2,007,875	890,486
	Payables for stores and spares		547,845,731	1,392,939,047
	BSRM Steels Limited		8,652,174	-
	BSRM Wires Limited		378,654	834,099
			719,848,681	1,443,734,379
These balances represent amounts payable against supply of raw materials and services.				
24.a	CONSOLIDATED TRADE PAYABLES	24.00	728,861,605	1,456,101,236
	Bangladesh Steel Re-Rolling Mills Limited		-	-
	BSRM (Hong Kong) Limited		-	-
	Less: Intra group elimination		728,861,605	1,456,101,236
25.00	Short term borrowings			
	See accounting policy in note 4.06			
	Short term borrowings	25.01	33,492,896,728	30,866,422,449
	Long term borrowings- current portion	25.02	471,135,981	426,215,970
			33,964,032,710	31,292,638,419
25.01	Short term borrowings			
	Time loan	25.01.01	265,351,712	4,675,563,662
	Bank overdraft, SOD and cash credit	25.01.02	2,119,435,914	1,403,775,661
	Demand Loan	25.01.03	-	7,160,003,221
	Liability for accepted bills for payment (ABP)	25.01.04	31,108,109,102	16,920,370,720
	Loan against Trust Receipt (LATR)	25.01.05	-	706,709,185
			33,492,896,728	30,866,422,449
25.01.01	Time loan			
	Bangladesh Steel Re-Rolling Mills Limited-HO	25.01.01.01	-	4,501,131,075
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		265,351,712	174,432,587
			265,351,712	4,675,563,662
25.01.01.01	Bangladesh Steel Re-Rolling Mills Limited-HO			
	BRAC Bank PLC		-	553,113,146
	Dutch Bangla Bank PLC		-	334,121,151
	Mutual Trust Bank PLC		-	510,833,333
	State Bank of India		-	354,666,667
	Habib Bank Limited		-	180,000,000
	HSBC Limited		-	642,361,162
	Standard Chartered Bank		-	416,007,795
	Eastern Bank Ltd		-	1,510,027,821
			-	4,501,131,075
25.01.02	Bank overdraft, SOD and cash credit			
	Agrani Bank PLC	Type	650,321,124	191,815,847
	Agrani Bank PLC	CC Hypo	(786)	50,286,746
	Bank Asia PLC	CC Pledge	(463,141)	64,240,316
	Dhaka Bank PLC	OD	327,226,378	244,756,300
	Dutch Bangla Bank PLC	OD	24,709,775	115,975,707
	Habib Bank Limited	OD	(2,300,924)	4,483,091
	IFIC Bank PLC	OD	31,587,338	540,067
	Jamuna Bank PLC	CC	31,200,187	860,769



Notes to the Financial Statements (Continued)

	Note(s)	30 June 2026	30 June 2025
		BDT	BDT
	Type		
Mercantile Bank PLC	CC	58,191,563	28,716,185
Midland Bank PLC	OD	31,791	201
Mutual Trust Bank PLC	OD	294,897,504	34,999,812
National Bank PLC	CC	20,053,952	-
NRB Commercial Bank PLC	OD	12,899,054	111,804,773
One Bank PLC	OD	5,833,531	-
Pubali Bank PLC	CC	15,393,053	-
Pubali Bank PLC	OD	330,503	62,354,264
Sonali Bank PLC	CC	235,008,990	33,662,767
Sonali Bank PLC	CC	(5,309)	1,689,864
Southeast Bank PLC	OD	(651,626)	11,501,104
Standard Chartered Bank	OD	(15,086,576)	6,968,598
State Bank of India	CC	312,649,027	293,161,654
The City bank PLC	OD	(8,282,097)	78,747,050
United Commercial Bank PLC	CC	120,319,245	51,605,222
Uttara Bank PLC	OD	5,573,358	15,605,324
		2,119,435,914	1,403,775,661
25.01.03 Demand Loan		-	896,853,652
Prime Bank PLC		-	1,042,289,319
Eastern Bank PLC		-	2,059,899,306
The City Bank PLC		-	2,122,810,944
Bank Asia PLC		-	437,750,000
Standard Bank PLC		-	600,400,000
NCC Bank Limited PLC		-	7,160,003,221
25.01.04 Liability for accepted bills for payment (ABP)		340,011,773	-
Agrani Bank PLC		349,062,595	-
Al-Arafah Bank PLC		1,848,631,453	1,611,332,441
Bank Asia PLC		2,343,077,291	1,601,787,139
BRAC Bank PLC		776,099,919	11,100,629
Commercial Bank of Ceylon PLC		803,242,017	741,725,615
Dhaka Bank PLC		2,421,333,240	436,615,015
Dutch Bangla Bank PLC		3,099,744,191	1,357,311,496
Eastern Bank PLC		1,621,987,737	1,861,091,843
HSBC Limited		-	53,535,248
IFIC Bank PLC		-	324,211,940
Islami Bank PLC		1,093,849,089	306,919,832
Jamuna Bank PLC		293,772,938	1,558,679,494
Mercantile Bank PLC		340,721,990	-
Midland Bank PLC		271,451,600	320,857,936
Mutual Trust Bank PLC		1,895,336,518	678,600,445
NCC Bank PLC		1,223,362,288	395,019,411
Prime Bank PLC		3,579,145,756	349,792,344
Pubali Bank PLC		283,648,750	1,270,432,130
Shahjalal Islami Bank PLC		-	320,456,632
Southeast Bank PLC		3,181,870,074	2,685,413,227
Standard Chartered Bank		313,885,000	-
State Bank of India		4,740,122,467	900,521,976
The City Bank PLC		15,467,808	134,965,927
Trust Bank PLC		272,284,608	-
United Commercial Bank PLC		31,108,109,102	16,920,370,720
25.01.05 Loan against Trust Receipt (LATR)		-	706,709,185
BRAC Bank PLC		-	706,709,185



Notes to the Financial Statements (Continued)

			30 June 2026	30 June 2025
		Note(s)	BDT	BDT
25.02	Long term borrowings- current portion			
	These balances represent current portion of long term loans from financial institutions which are repayable within next twelve months from reporting date and consist of as follows:			
	NCC Bank PLC	19.02	33,345,947	18,765,700
	The City Bank PLC	19.03	154,682,190	381,972,062
	Pubali Bank PLC	19.04	101,414,749	-
	Shahjalal Islami Bank PLC	19.05	11,314,438	-
	Uttara Bank PLC	19.06	24,342,142	25,478,208
	BRAC Bank PLC	19.07	20,833,333	-
	Dhaka Bank PLC	19.08	51,878,676	-
	Dutch Bangla Bank PLC	19.09	50,782,823	-
	The Trust Bank PLC	19.10	22,541,682	-
			471,135,981	426,215,970
25.a	<u>CONSOLIDATED SHORT TERM BORROWINGS</u>			
	Bangladesh Steel Re-Rolling Mills Limited	25.01	33,492,896,728	30,866,422,449
	BSRM (Hong Kong) Limited		184,455,600	54,352,611
			33,677,352,328	30,920,775,060
25.b	<u>CONSOLIDATED LONG TERM BORROWINGS CURRENT PORTION</u>			
	Bangladesh Steel Re-Rolling Mills Limited	25.02	471,135,981	426,215,970
	BSRM (Hong Kong) Limited		-	-
			471,135,981	426,215,970
26.00	<u>CONSOLIDATED CURRENT ACCOUNT WITH RELATED COMPANIES</u>			
	Bangladesh Steel Re-Rolling Mills Limited		-	-
	BSRM (Hong Kong) Limited		15,608,144	15,559,383
	Less: Intra group elimination		(15,608,144)	(15,559,383)
			-	-
27.00	Contract liabilities			
	Bangladesh Steel Re-Rolling Mills Limited-HO		583,402,301	506,528,295
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-
			583,402,301	506,528,295
	These balances represent advances received from different parties against sale of finished goods. Goods have not been delivered to them within the reporting date.			
27.a	<u>CONSOLIDATED CONTRACT LIABILITIES</u>			
	Bangladesh Steel Re-Rolling Mills Limited	27.00	583,402,301	506,528,295
	BSRM (Hong Kong) Limited		-	-
			583,402,301	506,528,295



Notes to the Financial Statements (Continued)

	Note(s)	30 June 2026	30 June 2025
		BDT	BDT
28.00 Liabilities for expenses			
See accounting policy in note 4.12 & 4.13			
Bangladesh Steel Re-Rolling Mills Limited-HO	28.01	1,629,109,361	1,699,476,641
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-
		1,629,109,361	1,699,476,641
28.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Brokerage and commission		255,811,751	269,121,891
C & F bill and others		9,005,929	5,098,553
Carriage on sales		89,034,812	102,937,597
Contractors		7,615,430	934,328
Karnaphuli Gas Distribution Co. Limited		-	62,684,990
Liability for fixed assets		5,156,139	4,055,547
Power Development Board for electricity (Factory)		1,041,696,977	814,905,986
Professional expenses		1,821,354	446,652
Repair and maintenance		424,650	-
Salary and allowances		18,277,859	27,496,100
Sales promotion		11,409,327	60,800
Unclaimed cheque		11,247,776	7,962,135
Audit fees	28.01.01	1,207,500	1,022,500
CSR expenses		333,623	6,491,486
Insurance expenses		190,403	584,211
Travelling and conveyance		1,610,334	2,744
WASA		19,531	29,965
Printing and stationeries		9,310	24,492
Rent Expenses		9,512	2,623
Others		174,227,144	395,614,041
		1,629,109,361	1,699,476,641
28.01.01 Audit fees			
Statutory Audit Fees (External Audit)		1,207,500	977,500
Others Audit Fees		-	45,000
		1,207,500	1,022,500
28.a CONSOLIDATED LIABILITIES FOR EXPENSES			
Bangladesh Steel Re-Rolling Mills Limited	28.00	1,629,109,361	1,699,476,641
BSRM (Hong Kong) Limited		4,816,565	24,171,057
Less: Intra group elimination		(4,611,390)	(15,323,280)
		1,629,314,536	1,708,324,418
29.00 Provision for WPPF and Welfare Fund			
See accounting policy in note 4.11			
Balance at 1 July	29.01	343,042,811	283,827,185
Provided during the year		380,158,172	343,042,811
Paid during the year		(343,042,811)	(283,827,185)
Balance at 30 June		380,158,172	343,042,811
29.01 Contribution to WPPF and Welfare Fund			
Profit before tax and WPPF and Welfare Fund		9,241,921,340	8,150,780,240
Share of profit of subsidiary and associate (net of tax)		(2,240,349,126)	(1,673,602,717)
Cash dividend received from investment in associates		586,267,950	375,211,488
Cash dividend received from investment in subsidiary		15,323,280	8,467,200
Profit applicable for WPPF and Welfare Fund		7,603,163,444	6,860,856,211
Contribution to WPPF and Welfare Fund at 5%		380,158,172	343,042,811
29.a CONSOLIDATED PROVISION FOR WPPF AND WELFARE FUND			
Bangladesh Steel Re-Rolling Mills Limited	29.00	380,158,172	343,042,811
BSRM (Hong Kong) Limited		-	-
		380,158,172	343,042,811



Notes to the Financial Statements (Continued)

Note(s)	30 June 2026	30 June 2025
	BDT	BDT
29.01.a CONSOLIDATED CONTRIBUTION TO WPPF AND WELFARE FUND		
Bangladesh Steel Re-Rolling Mills Limited	380,158,172	343,042,811
BSRM (Hong Kong) Limited	-	-
	380,158,172	343,042,811
30.00 Other liabilities		
See accounting policy in note 4.06		
Bangladesh Steel Re-Rolling Mills Limited-HO	30.01 134,109,530	122,246,781
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	21,434,060	17,671,685
	155,543,590	139,918,466
30.01 Bangladesh Steel Re-Rolling Mills Limited-HO		
Duty drawback	94,589,647	94,589,647
Retention money	32,479,895	21,642,154
Security deposit	7,039,988	6,014,980
	134,109,530	122,246,781
30.a CONSOLIDATED OTHER LIABILITIES		
Bangladesh Steel Re-Rolling Mills Limited	30.00 155,543,590	139,918,466
BSRM (Hong Kong) Limited	-	-
Less: Intra group elimination	-	-
	155,543,590	139,918,466



Notes to the Financial Statements (Continued)

31.00 Leases as a Lessee

See accounting policy in note 4.03

Set Out below are the carrying amounts of right of use assets recognised and the movements during the year:

	Land	Warehouse / Godown / Shed	Office Space	Total
As at 01 July 2024	44,226,624	38,665,913	22,834,981	105,727,517
Additions	-	1,656,500	5,403,146	7,059,646
Addition due to lease modification	2,248,261	4,192,586	209,107	6,649,954
Disposal during the year	-	-	(687,165)	(687,165)
Depreciation expense	(21,557,066)	(32,872,901)	(9,742,842)	(64,172,809)
As at 30 June 2025	24,917,819	11,642,098	18,017,227	54,577,144
As at 01 July 2025	24,917,819	11,642,098	18,017,227	54,577,144
Additions	-	5,355,780	-	5,355,780
Addition due to lease modification	63,051,142	79,782,467	17,866,681	160,700,289
Disposal during the year	-	-	-	-
Depreciation expense	(22,560,819)	(34,998,692)	(9,489,278)	(67,048,788)
As at 30 June 2026	65,408,142	61,781,653	26,394,630	153,584,425
Depreciation allocation:			30 June 2026	30 June 2025
Cost of sales	34.02		49,107,169	46,317,778
Selling & distribution costs	35.01		8,314,694	8,229,893
Administrative costs	36.01		9,626,925	9,625,138
			67,048,788	64,172,809

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	30 June 2026	30 June 2025
	BDT	BDT
As at 01 July	61,553,197	117,411,656
Additions	5,355,780	7,059,646
Addition due to lease modification	160,700,289	6,649,954
Accretion of interest	15,390,997	8,398,286
Payments	(81,515,756)	(77,222,524)
Disposal during the year	-	(743,821)
As at 30 June	161,484,507	61,553,197
Current	59,815,401	36,009,962
Non-current	101,669,105	25,543,234
31.01 Amounts recognized in statement of profit or loss		
Interest on lease liabilities	15,390,997	8,398,286
Depreciation charge on right-of-use assets	67,048,788	64,172,809
	82,439,784	72,571,095
31.02 Amount recognized in statement of cash flows		
Interest paid on lease liabilities	(15,390,997)	(8,398,286)
Principal paid on lease liabilities	(66,124,759)	(68,824,238)
31.03 Maturity analysis		
The following figures sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be made after the reporting date.		
Less than one year	74,744,220	39,723,408
One to two years	62,109,009	14,737,667
Two to three years	28,153,384	6,783,933
Three to four years	16,344,935	4,442,847
Four to five years	8,405,379	1,437,298
More than five years	1,256,096	1,864,212
	191,013,023	68,989,365
31.a CONSOLIDATED RIGHT OF USE ASSETS		
Bangladesh Steel Re-Rolling Mills Limited	153,584,425	54,577,144
BSRM (Hong Kong) Limited	-	-
	153,584,425	54,577,144



Notes to the Financial Statements (Continued)

32.00	Unclaimed dividend account
	Year wise unclaimed dividend as on June 30 2025
	Year- 2024-25
	Year- 2023-24
	Year- 2022-23
	Year- 2021-22

	30 June 2026	30 June 2025
Note(s)	BDT	BDT
	1,122,525	-
	1,125,871	1,246,437
	604,353	605,524
	-	537,570
	2,852,749	2,389,531

Tk. 5,05,077 was transferred to Capital Market Stabilization Fund, on May-04, 2026 through CQ No 1240812, Prime Bank Ltd as per Bangladesh Securities and Exchange Commission Letter No: SEC/SRMIC/65-2020/Part-1/182 dated July 19, 2021 and remaining 32,493 was transferred to the investor's accounts as per their claim.

33.00	Revenue
	See accounting policy in note 4.16
	Bangladesh Steel Re-Rolling Mills Limited-HO
	Less: VAT on sales
	Total excluding VAT
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch
	Less: Intra-company sales
	Net Revenue

	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Note(s)	BDT	BDT
33.01	110,378,854,432	97,200,194,735
	(3,101,058,220)	(2,227,152,485)
	107,277,796,212	94,973,042,250
	3,638,307,885	2,383,094,115
	(1,779,833,195)	(1,635,874,789)
	109,136,270,903	95,720,261,577
33.01	Bangladesh Steel Re-Rolling Mills Limited-HO	
	Local sales	94,013,355,185
	Export sales	959,687,065
	107,277,796,212	94,973,042,250
	3,101,058,220	2,227,152,485
	110,378,854,432	97,200,194,735

33.01.01	Local sales
	MS Rod/Channal/Angle/MS Billets etc.
	Scrap and by-products etc.

103,155,036,443	91,447,548,593
2,808,629,063	2,565,806,592
105,963,665,506	94,013,355,185

33.01.02	Export sales
	By Products
	Finished Products

1,242,935,025	938,744,618
71,195,681	20,942,447
1,314,130,706	959,687,065

Between 1st July 2025 to 30th June 2026, exports of finished products generated USD 5,77,323 at a volume of 850.880 metric tons. In comparison, during the period from 1st July 2024 to 30th June 2025, exports amounted to USD 1,69,753 for 87.30 metric tons of goods.

33.01-A	Revenue streams
	Revenue from contracts with customers

33.01.01 & 33.01.02	107,277,796,212	94,973,042,250
	107,277,796,212	94,973,042,250

33.01-B	Disaggregation of revenue from contracts with customers (net of VAT)
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Primary geographical markets

Bangladesh	106,034,321,816	94,033,489,602
China	1,189,697,353	781,190,500
Singapore	18,366,264	29,524,000
India	10,436,650	11,787,118
Hong Kong	-	117,051,031
South Korea	6,308,129	-
Dubai	18,666,000	-
	107,277,796,212	94,973,042,250

Major products lines or services

Xtreme 500DWR	25,715,763,033	32,368,389,850
Xtreme 500DWR-Stirrup	211,365,263	211,637,534
Xtreme 500DWR-Bend Cut	519,685,692	376,707,358
MS Square Bar	20,911,284,275	18,760,647,913
M.S Angel-Manufactured	16,639,663,836	14,214,690,313
Ribbed Wire Rod	1,718,698,095	1,516,036,456
M.S Billet-Manufactured	36,912,573,753	22,773,872,972
Others	4,648,762,266	4,751,059,854
Total Revenue from contracts with customers	107,277,796,212	94,973,042,250



Notes to the Financial Statements (Continued)

		01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
Timing of revenue recognition			
Products transferred at a point in time		107,277,796,212	94,973,042,250
		107,277,796,212	94,973,042,250
33.01-C Contract balances			
The following			
Receivables, which are included in 'trade and other receivables'	12.02	4,943,386,801	2,005,186,426
Contract liabilities	27.00	583,402,301	506,528,295
33.a CONSOLIDATED REVENUE			
Bangladesh Steel Re-Rolling Mills Limited	33.00	109,136,270,903	95,720,261,577
BSRM (Hong Kong) Limited		1,682,797,602	1,938,265,830
Less: Intra-group elimination		(871,334,888)	(1,020,457,501)
		109,947,733,616	96,638,069,905
34.00 Cost of sales			
Bangladesh Steel Re-Rolling Mills Limited-HO	34.01	97,603,425,459	83,874,565,437
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		3,269,226,367	2,136,900,904
Less: Intra-company sales		(1,779,833,195)	(1,635,874,789)
		99,092,818,632	84,375,591,552
34.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Cost of sales- own production	34.01.01	59,538,798,563	60,087,337,228
Cost of sales- finished goods procured and sold	34.01.02	644,490,466	701,667,144
Cost of sales- scrap and others	34.01.01	1,150,671,209	1,246,045,575
Cost of sales- billet	34.01.01	34,487,391,394	20,252,078,788
Cost of sales- ribbed wire	34.01.03	1,782,073,828	1,587,436,703
		97,603,425,459	83,874,565,437
34.01.01 Cost of sales- own production			
Stock of raw materials-scrap at 1 July		8,122,089,337	9,929,830,671
Purchase during the year		76,438,009,180	54,121,089,721
		84,560,098,518	64,050,920,391
Cost of scrap and others sales		(1,150,671,209)	(1,246,045,575)
Stock of raw materials-scrap at 30 June	11.01	(13,379,883,327)	(8,122,089,337)
Raw materials consumed-scrap		70,029,543,982	54,682,785,479
Factory overhead- Melting Unit	34.02.a	19,139,795,877	15,147,278,438
Cost of billet manufactured		89,169,339,859	69,830,063,917
Stock of billet at 1 July		6,367,692,889	7,628,060,661
Stock of billet available		95,537,032,748	77,458,124,578
Cost of billet sale		(34,487,391,394)	(20,252,078,788)
Stock of billet at 30 June	11.01	(4,990,761,440)	(6,367,692,889)
Billet transferred to Re-Rolling Unit		56,058,879,914	50,838,352,901
Stock of billet at 1 July		613,303,941	697,350,613
Purchase during the year		72,679,884	18,707,580
Stock of billet at 30 June	11.01	(669,399,238)	(613,303,941)
Billet consumed		56,075,464,501	50,941,107,153
Cost of packing materials		72,493,688	86,076,191
Factory overhead- Rolling Unit	34.02.b	3,103,314,748	3,049,837,515
Cost of Production of finished goods		59,251,272,937	54,077,020,860
Stock of finished goods at 1 July		4,574,984,137	9,898,745,869
Purchase FG for cut and bend during the year		325,524,416	322,068,772
Intransit Receipt/Shipment		(259,240,302)	(223,647,890)
Production cost for cut and bend		612,599,561	460,004,619
Stock of finished goods at 30 June	11.01	(5,121,020,834)	(4,574,984,137)
Goods available for sale		59,384,119,916	59,959,208,093
Own use		154,678,647	128,129,135
Cost of sales- own production		59,538,798,563	60,087,337,228



Notes to the Financial Statements (Continued)

		01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
Note(s)			
34.01.02 Cost of sales- finished goods procured and sold			
Stock of finished goods at 1 July		460,972,426	250,010,765
Finished goods imported		392,208,441	483,988,094
Finished goods purchased locally		356,282,007	631,257,267
Available for sale/consumption		1,209,462,874	1,365,256,126
Stock of finished goods at 30 June	11.01	(443,359,019)	(460,972,426)
Goods used by the company		(121,613,389)	(202,616,556)
Cost of sales- finished goods procured and sold		644,490,466	701,667,144
34.01.03 Cost of sales- Ribbed Wire			
Stock of raw materials-Ribbed Wire at 1 July		172,808,092	390,989,788
Purchase during the year		1,746,315,804	1,294,224,826
Stock of raw materials-Ribbed Wire at 30 June	11.01	(210,775,348)	(172,808,092)
Raw materials consumed-Wire Rod		1,708,348,548	1,512,406,522
Cost of Packing Materials		5,267,563	2,995,148
Factory overhead	34.02.c	99,017,267	89,675,378
Cost of Ribbed Wire manufactured		1,812,633,378	1,605,077,048
Stock of finished goods at 01 July		70,299,545	96,850,707
Stock of finished goods at 30 June	11.01	(97,785,857)	(70,299,545)
Goods available for sale		1,785,147,066	1,631,628,210
(Own use)/ Transfer		(3,532,305)	455,335
Transfer to rolling unit for binding		459,068	(44,646,842)
Cost of sales- Ribbed Wire		1,782,073,828	1,587,436,703
34.02 Factory overhead			
Factory overhead- Melting Unit	34.02.a	19,139,795,877	15,147,278,438
Factory overhead- Rolling Unit	34.02.b	3,103,314,748	3,049,837,515
Factory overhead- Ribbed Wire	34.02.c	99,017,267	89,675,378
		22,342,127,892	18,286,791,332
34.02.a Factory overhead- Melting Unit			
Salary and allowances		887,138,963	801,357,851
Casual Wages		385,455,499	300,194,410
Consumption of electrical stores		114,911,933	86,320,998
Consumption of general stores		52,537,400	45,888,438
Consumption of mechanical stores		386,520,618	335,571,533
Conveyance expenses		29,949,625	24,709,868
Depreciation	5.01	976,690,187	969,436,473
Direct materials consumed		4,990,709,678	3,946,390,640
Entertainment		23,727,147	20,355,241
Fees and renewals		10,429,415	7,922,353
Fuel and lubricants		425,848,301	340,524,064
Gas		114,421,907	97,371,501
Gratuity expenses		75,462,024	69,563,609
Guest house expenses		2,189,185	106,361
Guest house rent		1,820,851	1,586,578
Materials and finished goods handling charges		603,915,051	370,340,255
Medical expenses		13,359,898	8,959,713
Motor vehicle expenses		9,921,630	8,225,608
Postage and telegram		1,948	2,360
Power (factory)		9,885,089,294	7,575,069,068
Printing and stationery		817,432	422,795
Repairs and maintenance		73,157,478	71,131,744
Slag Processing Expenses		22,885,249	11,164,259
Travelling expenses		1,426,662	891,852
Testing Charges		719,589	1,239,260
Water bill- WASA		105,022	111,165
Depreciation- Right-of-use assets	31.00	32,181,656	30,517,769
Insurance expenses		15,017,096	15,632,885
Rent		3,385,138	6,269,788
		19,139,795,877	15,147,278,438



Notes to the Financial Statements (Continued)

	Note(s)	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
34.02.b Factory overhead- Rolling Unit			
Salary and allowances		330,520,424	304,314,562
Casual Wages		54,358,372	46,971,828
Consumption of electrical stores		51,599,412	48,250,743
Consumption of general stores		38,517,944	27,051,992
Consumption of mechanical stores		218,602,030	209,252,204
Conveyance expenses		7,858,401	6,702,198
Depreciation	5.01	454,617,304	556,836,239
Other materials consumed		25,429,829	38,322,630
Entertainment		3,701,614	4,201,082
Fees and renewals		758,558	1,403,099
Fuel and lubricants		44,769,692	39,151,440
Gas		682,637,095	626,940,185
Gratuity expenses		38,225,293	38,964,874
Guest house expenses		329,866	-
Guest house rent		68,200	-
Insurance expenses		11,181,950	9,625,895
Materials and finished goods handling charges		304,228,411	283,272,026
Medical expenses		3,992,078	3,810,174
Motor vehicle expenses		5,193,891	4,278,729
Postage and telegram		43,225	26,403
Power (factory)		724,451,452	659,679,925
Printing and stationery		88,739	546,972
Rent		3,280,233	17,951,040
Repairs and maintenance		42,954,570	47,026,812
Travelling expenses		572,486	332,299
Testing Charges		1,090,569	685,318
Water bill- WASA		192,722	424,836
Consumption of MS Roll		37,124,876	58,014,001
Depreciation- Right-of-use assets	31.00	16,925,513	15,800,009
		3,103,314,748	3,049,837,515
34.02.c Factory overhead- Ribbed Wire			
Carrying charges		14,790	13,190
Consumption electrical stores		589,230	399,352
Consumption general stores		1,227,988	1,408,223
Consumption of Mechanical Stores		2,170,677	2,089,771
Conveyance expenses		1,049,840	690,734
Depreciation	5.01	2,858,368	2,772,757
Entertainment		436,278	449,894
Fuel and Lubricants		401,505	458,733
Gratuity expenses		6,097,716	4,998,606
Materials and finished goods handling charges		5,262,189	4,761,353
Medical expenses		909,714	811,885
Motor vehicles expenses		222,000	222,000
Postage and telegram		200	332
Power		6,204,744	5,796,490
Printing and stationery		46,928	40,191
Repairs and Maintenance		3,661,966	2,074,471
Salaries and allowances		61,683,132	56,463,552
Casual Wages		5,781,818	5,688,452
Testing Charges		326,804	446,060
Travelling expenses		11,400	69,206
Water bill-WASA		18,212	20,126
Other Material Consumed		41,769	-
		99,017,267	89,675,378
34.a CONSOLIDATED COST OF SALES			
Bangladesh Steel Re-Rolling Mills Limited	34.00	99,092,818,632	84,375,591,552
BSRM (Hong Kong) Limited		1,631,992,507	1,868,464,649
Less: Intra-group elimination		(871,334,888)	(1,020,457,501)
		99,853,476,251	85,223,598,699



Notes to the Financial Statements (Continued)

		01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
Note(s)			
35.00	Selling and distribution costs		
	Bangladesh Steel Re-Rolling Mills Limited-HO	1,085,122,165	1,377,102,042
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	-	-
		1,085,122,165	1,377,102,042
35.01	Bangladesh Steel Re-Rolling Mills Limited-HO		
	Salary and allowances	304,388,940	288,248,344
	Advertisement	137,187,147	147,076,319
	Bad debt	15,757,914	2,083,760
	Professional and legal expenses	97,000	185,886
	Sales promotion expenses	85,542,645	74,948,767
	Brokerage and commission	45,349,254	473,685,932
	Marketing expenses	84,225,345	59,843,173
	Carriage on sales	129,029,386	111,196,075
	Communication expenses	323,677	179,048
	Conveyance expenses	456,613	848,344
	Depreciation	45,142,470	45,028,182
	Electricity expenses	6,102,497	10,137,541
	Entertainment	7,531,515	11,882,633
	Finished goods handling charges	42,244,692	41,455,871
	Export charges	8,473,827	5,310,536
	Repair & maintenance	3,819,946	1,605,774
	Fees and renewals	376,660	289,392
	Godown rent	1,476,876	1,828,962
	Medical expenses	2,495,047	2,308,917
	Motor cycle expenses	18,073,977	17,089,631
	Printing and stationeries expenses	3,083,944	3,681,077
	Royalty expenses	118,258,915	57,753,858
	Testing charges	3,906,120	1,489,652
	Travelling expenses	5,475,177	4,826,807
	Depreciation- Right-of-use assets	8,314,694	8,229,893
	Gratuity expenses	7,987,887	5,887,668
		1,085,122,165	1,377,102,042
35.02	BSRM 'Xtreme', 'X-treme', 'Xtreme 500W', 'Xtrong', 'Xtrong 345', 'Maxima' and 'Maxima 500' have been officially registered under the ownership of 'H. Akberali & Co. Limited' (HACL) with the Department of Patents, Designs, and Trademarks of the Government of Bangladesh, in accordance with section 20(2) of the Trademark Act 2009. Pursuant to the provisions of the Trademark License Agreement, which was amended on 29 th June 2025 became effective from July 1 st , 2025, the company paid royalty fee of Tk. 230 per metric ton for the quantified volume of goods sold.		
35.a	CONSOLIDATED SELLING AND DISTRIBUTION COSTS		
	Bangladesh Steel Re-Rolling Mills Limited	1,085,122,165	1,377,102,042
	BSRM (Hong Kong) Limited	-	-
		1,085,122,165	1,377,102,042
36.00	Administrative costs		
	Bangladesh Steel Re-Rolling Mills Limited-HO	926,659,593	807,140,287
	Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch	313,107,783	228,372,766
		1,239,767,376	1,035,513,053
36.01	Bangladesh Steel Re-Rolling Mills Limited-HO		
	Salaries and allowances	403,039,540	360,982,503
	Directors' remuneration	166,500,000	166,500,000
	Advertisement expenses	365,373	397,306
	Audit fees	1,492,125	1,400,125
	Board meeting expenses	373,750	342,000
	Conveyance expenses	6,278,623	6,685,199
	Insurance expenses	34,374	56,891
	CSR expenses	151,995,330	92,068,795
	Depreciation	17,455,705	15,675,461
	Amortisation	45,541	5,562,162
	Donation and subscriptions	352,000	357,000
	Entertainment	18,098,733	15,995,234
	Fees and renewals	16,912,848	29,282,341
	Generator and fuel expenses	29,347	270,059



Notes to the Financial Statements (Continued)

		01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
Note(s)	BDT	BDT	BDT
Guest house expenses		1,742,331	2,458,003
Land revenue, municipal tax		2,817,290	2,518,360
Legal expenses		207,200	18,234
Medical expenses		11,152,176	8,091,156
Motor vehicle expenses		18,649,188	15,359,386
Office expenses		1,339,112	617,966
Postage expenses		91,079	470,737
Printing expenses		4,406,176	2,910,060
Professional expenses		18,336,514	12,671,252
Rent (office, depot and others)		1,803,787	2,081,327
Repair and maintenance		10,767,923	5,565,967
Telephone expenses		6,741,621	6,033,689
Internet expenses		2,672,003	2,406,670
Training expenses		5,255,466	5,634,697
Travelling expenses		7,416,992	7,936,292
Utility expenses		2,898,952	2,268,961
Gratuity expenses		37,761,569	24,897,316
Depreciation- Right-of-use assets	31.00	9,626,925	9,625,138
		926,659,593	807,140,287

36.01.01 Directors' remuneration

Details of directors' remuneration paid during the year are as follows:

Director's Name	Designation	Gross remuneration	Income tax deducted	Net paid
Mr. Alihussain Akberali	Chairman	66,000,000	19,800,000	46,200,000
Mr. Aameir Alihussain	Managing Director	64,500,000	19,350,000	45,150,000
Mr. Zohair Taherali	Director	28,500,000	8,550,000	19,950,000
Mrs. Sabeen Aameir	Director	7,500,000	1,875,000	5,625,000
		166,500,000	49,575,000	116,925,000

In addition to remuneration, directors avail company vehicles for transportation purposes. These key management personnel are not entitled to any other benefits. No amount is lying as receivable from the directors.

36.01.02 Audit fees

Statutory Audit Fees (External Audit)	1,207,500	977,500
Others Audit Fees	284,625	422,625
	1,492,125	1,400,125

36.a CONSOLIDATED ADMINISTRATIVE COSTS

Bangladesh Steel Re-Rolling Mills Limited	36.00	1,239,767,376	1,035,513,053
BSRM (Hong Kong) Limited		42,017,445	31,348,604
		1,281,784,821	1,066,861,657

37.00 Other operating income

Bangladesh Steel Re-Rolling Mills Limited-HO	37.01	19,221,228	29,619,409
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-
		19,221,228	29,619,409

37.01 Bangladesh Steel Re-Rolling Mills Limited-HO

Late payment charge		10,811,762	11,636,960
Other item sales		4,186,603	7,462,854
Gain/(loss) on sale of PPE		4,158,641	10,345,061
PF forfeiture		64,222	174,534
		19,221,228	29,619,409

37.a CONSOLIDATED OTHER OPERATING INCOME

Bangladesh Steel Re-Rolling Mills Limited	37.00	19,221,228	29,619,409
BSRM (Hong Kong) Limited		18,035,109	42,222,408
		37,256,337	71,841,817

38.00 Finance costs

See accounting policy in note 4.18			
Bangladesh Steel Re-Rolling Mills Limited-HO	38.01	956,408,896	2,481,574,452
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		42,094,667	32,561,935
		998,503,563	2,514,136,387



Notes to the Financial Statements (Continued)

	Note(s)	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
38.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Interest on LATR		11,452,782	201,602,363
Interest on Demand and Time loan		718,638,452	2,266,988,870
Interest on Overdraft		114,993,323	375,779,302
Interest on Term loan		344,872,777	76,349,389
Bank charges		19,329,808	34,465,258
Bank guarantee commission		13,802	211,695
Agency fee		1,725,000	1,725,000
Interest on balance due to inter companies		53,088,888	125,567,546
Interest on balance due from inter companies		(323,096,933)	(609,513,257)
Interest on lease liabilities	31.00	15,390,997	8,398,286
Foreign currency exchange rate fluctuation (gain)/loss	38.02	-	-
		956,408,896	2,481,574,452
38.02 Foreign currency exchange loss/(gain)			
Realized foreign currency transaction loss/(gain)		(310,403,543)	(162,325,926)
Unrealized foreign currency translation loss/(gain)		210,650,276	270,109,707
		(99,753,267)	107,783,781
Gain/(Loss) Transferred to foreign exchange difference relating to operation		(12,623,950)	2,833,537
Gain/(Loss) Transferred to foreign exchange difference relating to investment		2,505,903	2,975,044
Gain/(Loss) Transferred to foreign exchange difference relating to finance		109,871,314	(113,592,362)
		-	-
Foreign currency transaction loss/(gain)			
This represents net loss/(gain) on transaction in foreign currency during the year.			
Foreign currency translation loss/(gain)			
This represents net loss/(gain) on translation of foreign currencies into Bangladeshi Taka at the rate prevailing on reporting date.			
38.a CONSOLIDATED FINANCE COSTS			
Bangladesh Steel Re-Rolling Mills Limited	38.00	998,503,563	2,514,136,387
BSRM (Hong Kong) Limited		9,128,124	12,795,664
		1,007,631,687	2,526,932,051
39.00 Other Investment Income			
See accounting policy in note 4.18			
Bangladesh Steel Re-Rolling Mills Limited-HO	39.01	162,538,553	137,423,353
Bangladesh Steel Re-Rolling Mills Limited-Kolkata Branch		-	-
		162,538,553	137,423,353
39.01 Bangladesh Steel Re-Rolling Mills Limited-HO			
Bank Interest Income	39.01.01	101,042,370	75,906,480
Rental income		61,496,183	61,516,873
		162,538,553	137,423,353
39.01.01 Bank Interest Income			
Interest income on STD		39,474,377	27,028,739
Interest income from FDR		61,567,993	48,877,741
		101,042,370	75,906,480
39.a CONSOLIDATED FINANCE INCOME			
Bangladesh Steel Re-Rolling Mills Limited	39.00	162,538,553	137,423,353
BSRM (Hong Kong) Limited		-	-
		162,538,553	137,423,353



Notes to the Financial Statements (Continued)

	Note(s)	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
40.00 Share of (loss)/profit of equity accounted investees (Net of tax)			
Share of profit of subsidiary (BSRM (Hong Kong) Limited)	40.01	16,246,463	59,277,115
Share of profit of associate (BSRM Steels Limited)	40.02	2,231,048,467	1,614,325,602
Share of profit of associate (BSRM Wires Limited)	40.04	(6,945,804)	-
		<u>2,240,349,126</u>	<u>1,673,602,717</u>
40.01 Share of profit of subsidiary (BSRM (Hong Kong) Limited)			
Net profit/(loss) attributable to the shareholders' of BSRM (Hong Kong) Limited		16,246,463	59,277,115
Percentage of holding		100%	100%
Net profit attributable to BSRM Ltd.		<u>16,246,463</u>	<u>59,277,115</u>
40.02 Share of profit of associate (BSRM Steels Limited)			
Net profit attributable to the shareholders' of BSRM Steels Limited		7,153,454,726	5,176,044,033
Percentage of holding		31.19%	31.19%
Net profit attributable to BSRM Ltd.		<u>2,231,048,467</u>	<u>1,614,325,602</u>
40.03 Share of other comprehensive income of associate (BSRM Steels Limited) (Net of tax)			
Other comprehensive income attributable to the shareholders' of BSRM Steels Limited		(675,536,000)	373,248,000
Percentage of holding		31.19%	31.19%
Other comprehensive income attributable to BSRM Ltd.		<u>(210,688,907)</u>	<u>116,410,100</u>
40.04 Share of profit of associate (BSRM Wires Limited)			
Net profit attributable to the shareholders' of BSRM Wires Limited		(21,868,503)	-
Percentage of holding		31.76%	-
Net profit attributable to BSRM Ltd.		<u>(6,945,804)</u>	<u>-</u>
40.05 Share of other comprehensive income of associate (BSRM Wires Limited) (Net of tax)			
Other comprehensive income attributable to the shareholders' of BSRM Wires Limited		-	-
Percentage of holding		31.76%	-
Other comprehensive income attributable to BSRM Ltd.		<u>-</u>	<u>-</u>
40.a CONSOLIDATED SHARE OF (LOSS)/PROFIT OF EQUITY ACCOUNTED INVESTEES (NET OF TAX)			
BSRM Steels Limited		2,231,048,467	1,614,325,602
BSRM Wires Limited		(6,945,804)	-
		<u>2,224,102,663</u>	<u>1,614,325,602</u>
41.00 Earnings per share (EPS)			
See accounting policy in note 4.22			
41.01 Basic EPS			
Profit attributable to the ordinary shareholders		7,029,428,716	6,142,178,088
Number of ordinary shares at the year end		298,584,626	298,584,626
Weighted average no. of shares outstanding during the year (Nos.)		<u>298,584,626</u>	<u>298,584,626</u>
		<u>23.54</u>	<u>20.57</u>
41.a CONSOLIDATED EARNING PER SHARE			
Net profit after tax attributable to owners of the company (Taka)		7,029,428,716	6,142,178,088
Number of ordinary shares at the period end		298,584,626	298,584,626
Weighted average number of ordinary shares outstanding during the year (Nos.)		<u>298,584,626</u>	<u>298,584,626</u>
		<u>23.54</u>	<u>20.57</u>
Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 June 2026 in terms of International Accounting Standard (IAS-33).			
	Note(s)	30 June 2026	30 June 2025
		BDT	BDT
42.00 Net asset value per share (NAV)			
Total assets		102,727,537,667	93,670,936,098
Total liabilities		(47,172,817,078)	(43,869,967,768)
Net asset value (NAV)		<u>55,554,720,589</u>	<u>49,800,968,329</u>
Number of ordinary shares outstanding during the year		298,584,626	298,584,626
		<u>186.06</u>	<u>166.79</u>
42.a CONSOLIDATED NET ASSET VALUE PER SHARE (CNAV)			
Total assets		102,921,551,455	93,743,171,152
Total liabilities		(47,366,830,866)	(43,942,202,822)
Consolidated net asset value (CNAV)		<u>55,554,720,589</u>	<u>49,800,968,330</u>
Less: Non-controlling interest		-	-
Assets attributable to owners of the company		55,554,720,589	49,800,968,330
Number of ordinary shares outstanding during the year		298,584,626	298,584,626
		<u>186.06</u>	<u>166.79</u>
43.00 Net operating cash flow per share			
Net operating cash flow		2,091,092,926	15,313,846,881
Number of ordinary shares outstanding during the year		298,584,626	298,584,626
Net operating cash flow per share		<u>7.00</u>	<u>51.29</u>



Notes to the Financial Statements (Continued)

	Note(s)	01 July 2025 to 30 June 2026	01 July 2024 to 30 June 2025
		BDT	BDT
43.a CONSOLIDATED NET OPERATING CASH FLOW PER SHARE			
Consolidated net operating cash flow		1,939,255,014	15,571,050,935
Number of ordinary shares outstanding during the year		298,584,626	298,584,626
Net operating cash flow per share		<u>6.49</u>	<u>52.15</u>
44.00 Reconciliation of net income with cash flows from operating activities:			
Operating profit		7,725,160,007	8,964,507,875
Adjustments to reconcile net income with cash flows from operating activities:			
Amortisation		45,541	5,562,162
Gain/(loss) on sale of PPE		(4,158,641)	(10,345,061)
Depreciation		1,497,663,632	1,589,996,986
Depreciation on right-of-use-assets		67,048,788	64,172,809
		<u>1,560,599,320</u>	<u>1,649,386,895</u>
(Increase)/decrease in current assets:			
Trade and other receivables		(3,012,790,086)	109,205,567
Advances and deposits		3,468,824,830	(3,680,277,424)
Inventories		(5,069,057,662)	8,427,060,467
Increase/(decrease) in current liabilities:			
Trade payables		(742,562,911)	553,711,727
Other liabilities		15,625,124	(13,321,660)
Defined benefit obligations - gratuity		31,222,416	61,090,175
Advance against sales		76,874,006	170,825,400
Liabilities for expenses		(78,148,974)	472,355,576
Cash paid for WPPF & Welfare Fund		(343,042,811)	(283,827,185)
		<u>(5,653,056,068)</u>	<u>5,816,822,644</u>
Income tax paid		<u>(1,541,610,333)</u>	<u>(1,116,870,533)</u>
Net cash flow from operating activities		<u>2,091,092,926</u>	<u>15,313,846,881</u>
44.a Reconciliation of consolidated net income with cash flows from operating activities:			
Operating profit		7,751,982,766	9,045,182,861
Adjustments to			
Amortisation		45,541	5,562,162
Gain/(loss) on sale of PPE		(4,158,641)	(10,345,061)
Depreciation & Amortization of ROU Assets		1,564,822,390	1,654,221,969
Consolidation impact		8,409,405	17,650,249
		<u>1,569,118,695</u>	<u>1,667,089,319</u>
(Increase)/decrease in current assets:			
Trade and other receivables		(3,187,312,006)	(25,401,596)
Advances and deposits		3,465,995,170	(3,376,973,085)
Inventories		(5,069,057,662)	8,427,060,467
Increase/(decrease) in current liabilities:			
Trade payables		(751,207,228)	544,905,048
Other liabilities		15,625,124	(13,321,660)
Defined benefit obligations - gratuity		31,222,416	61,090,175
Advance against sales		76,874,006	170,825,400
Liabilities for expenses		(78,174,986)	471,498,119
Cash paid for WPPF & Welfare Fund		(343,042,811)	(283,827,185)
		<u>(5,839,077,977)</u>	<u>5,975,855,684</u>
Income tax paid		<u>(1,542,768,471)</u>	<u>(1,117,076,929)</u>
Net cash flow from operating activities		<u>1,939,255,014</u>	<u>15,571,050,935</u>



Notes to the Financial Statements (Continued)

45.00 Related party transactions

45.01 Transactions with key management personnel

Transactions with key management personnel						
Name of personnel	Relationship	Nature of transactions	Transactions values for the year ended 30 June		Balance outstanding as at 30 June	
			2026	2025	2025	2024
Mr. Alihussain Akberali	Chairman	Remuneration and other benefits	66,701,960	66,356,460	-	-
Mr. Aameir Alihussain	Managing Director		64,571,073	64,522,500	-	-
Mr. Zohair Taherali	Director		30,341,955	29,486,800	-	-
Mrs. Sabeen Aameir	Director		7,523,000	7,522,500	-	-
			169,137,988	167,888,260	-	-

45.02 Other related party transactions

During the year the company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The name of the related parties, nature of relationship, nature of transactions, transactions value at the reporting date and balance as at reporting date have been set out in accordance with the provisions of IAS 24: Related Party Disclosures.

Name of the party	Relationship	Nature of transactions	Transactions during the year		Balance outstanding as at 30 June	
			Addition	Adjustment	2026	2025
BSRM Hong Kong Limited	Subsidiary	Short Term Finance	48,761	-	15,608,144	15,559,383
		Investment	32,018,537	19,934,670	144,032,676	131,948,809
		Purchase	832,160,874	832,160,874	-	-
BSRM Steels Limited	Associate	Purchase	1,135,569,719	1,126,917,545	(8,652,174)	-
		Rental Income	49,337,100	49,337,100	-	-
		Sales Revenue	36,831,793,290	34,251,999,914	2,984,208,574	404,415,198
Investment		2,227,843,369	375,579,043	12,466,327,473	10,614,063,147	
Short Term Finance		-	3,839,829,175	-	3,839,829,175	
Purchase		39,465,496	39,920,941	(378,654)	(834,099)	
Land Purchase		557,611,350	557,611,350	-	-	
Investment		2,000,000,000	7,391,048	2,157,108,952	164,500,000	
Sales Revenue		10,944,248	10,944,248	(0)	(0)	
BSRM Logistics Limited		Sister Company	Short Term Finance	114,033,057	46,131,500	456,837,714
	Purchase		584,997,050	517,963,068	(71,383,824)	(4,349,842)
	Rental Expenses		4,908,591	4,908,591	-	-
	Rental Income		4,212,000	4,212,000	-	-
	Sales Revenue		527,128	936,793	237,676	647,341
	Short Term Finance		6,928,000	-	550,665,926	543,737,926
Chittagong Power Company Limited	Land Purchase		322,565,040	322,565,040	-	-
	Rental expenses		4,140,000	4,140,000	-	-
Karnafully Engineering Works Limited	Short Term Finance		40,800,000	40,800,000	-	-
	Rental expenses		23,445,000	23,445,000	-	-
H. Akber Ali & Co. Limited	Royalty Expenses		118,258,915	119,566,654	-	(1,307,739)
	Rental Expenses		19,747,703	19,747,703	-	-
	Sales Revenue		633,380	633,380	0	0
BSRM Ispat Limited	Short Term Finance		42,000	254,100,000	641,589,804	895,647,804
	Land Purchase		-	-	-	-
	Bangladesh Agricultural Products Limited		Short Term Finance	8,505,000	8,505,000	-
Sales Revenue			494,850	44,000	814,995	364,145
Purchase			70,260	112,245	-	(41,985)
Rental expenses			10,200,960	10,200,960	-	-
BMS Steels Limited	Investment		2,640,298	-	55,188,249	52,547,951
Total			44,983,941,976	42,489,637,843	19,392,205,529	17,045,663,370



Notes to the Financial Statements (Continued)

46.00 Contingent liabilities

See accounting policy in note 4.14

Contingent liabilities at the reporting date are as follows:

46.01 Bank guarantee

	30 June 2026	30 June 2025
Note(s)	BDT	BDT
Karnaphuli Gas Distribution Co. Limited	189,760,128	189,760,128
Bakhrabad Gas System	5,206,532	5,206,532
Customs authority	37,595,216	37,595,216
Chittagong Port	428,214	428,214
Pioneer Insurance Company Ltd.	1,000,000	1,000,000
Green Delta Insurance Co. Ltd.	1,000,000	1,000,000
Global insurance Ltd	500,000	500,000
United Insurance Co Limited	2,000,000	2,000,000
Comptroller of Export & Import	3,762,341	3,762,341
DGM, Foreign Ex. Control and Development Department Ctg.	523,360	523,360
Beiro of Indian Standard	1,230,684	1,230,684
	243,006,476	243,006,476

46.02 Corporate guarantee

As part of the Group's financial arrangements, the Company has provided corporate guarantees in support of financial facilities obtained by its sister companies within the Group, without any fee, premium or interest rate benefit to the respective borrowers.

The Company has decided to withdraw the corporate guarantees and initiated the necessary process with the respective lenders. As at the reporting date, the guarantees remained outstanding as follows:

Maximum limit in million

BSRM Steels Limited	L/C liability	6,850	7,883
		6,850	7,883

Moreover, a corporate guarantee amounting to USD 3.50 million has been provided by us on behalf of BSRM (Hong Kong) Limited through Standard Chartered Bank (Hong Kong) Limited against the credit facilities amounting to USD 3.50 million as per Bangladesh Bank Letter reference no FEID/OIBA/703(2)/42/2022-2737 dated 07/08/2022. The guarantee has been extended for 01 (one) year (up to 06/08/2026).

The company has not recognized a liability in respect of the financial guarantees as no liability is expected to arise, hence disclosed as a contingent liability where there is a present obligation but payment is not probable. The associated companies are in strong position to settle their financial obligations with the banks and financial institutions with no history of defaulting on their respective obligations. This is further supported by their respective credit ratings which is as follows:

	Credit rating	
	30 June 2026	30 June 2025
BSRM Steels Limited	AAA	AA+

46.03 Status of pending litigation with the Valued Added Tax (VAT) authority:

Subject matter	Current status
Claimed by VAT Commissionerate Office against Duty Drawback from 01 January 2015 to 31 August 2018.	At High Court (VAT Revision No 50 of 2021) (Appellate Tribunal Nothi No CEVT/Case(VAT)-55/2019)
Claimed by VAT Commissionerate Office against Duty Drawback from 01 September 2018 to 31 December 2018.	At High Court (VAT Revision No 49 of 2021) (Appellate Tribunal Nothi No CEVT/Case(VAT)-56/2019)
Trade VAT of K. Rahman warehouse regarding sale of wastage items (packing materials).	At High Court (VAT Revision No 33 of 2021) (Appellate Tribunal Nothi No CEVT/Case(VAT)-72/2019, Demand No 54/2019) for a demand of BDT 322,566.
Claim by VAT Commissionerate office against export of January 2019 to garments and projects.	At High Court (VAT Appeal No 62 of 2021) (Appellate Tribunal Nothi No CEVT/Case(VAT)-02/2020, Demand No 152/2019/4861 dated 04.12.2019)



Notes to the Financial Statements (Continued)

47.00 Capital expenditure commitment

The Company has no capital expenditure commitment at the reporting date.

48.00 Production capacity

(i) MS product- finished

Installed Capacity (In M.Ton)

Production (In M.Ton)

Capacity utilized (%)

(ii) MS billet

Installed Capacity (In M.Ton)

Production (In M.Ton)

Capacity utilized (%)

(iii) Wires Unit

Installed Capacity (In M.Ton)

Production (In M.Ton)

Capacity utilized (%)

49.00 No. of employees

Number of employees whose salary was below Tk. 3,000

Number of employees whose salary was above Tk. 3,000

The above mentioned number of employees represent employees working at the company (i.e. Parent Company) only.

50.00 Financial summary of Kolkata Branch office on 30 June 2025 as per audited financial statements:

	30 June 2026	30 June 2025
	INR	INR
Non-current assets	4,908,429	2,996,091
Current assets	299,444,851	237,724,116
Total assets	304,353,281	240,720,207
Head Office Account	(170,031,347)	(137,836,538)
Retained earnings	244,351,388	234,070,597
	74,320,042	96,234,060
Non-current liabilities	204,210,953	121,801,960
Current liabilities	25,822,286	22,684,187
Total liabilities	230,033,239	144,486,147
Total equity & liabilities	304,353,281	240,720,207
Revenue	2,695,042,878	1,679,417,981
Expenses	(2,684,762,087)	(1,689,806,628)
Profit for the year	10,280,791	(10,388,646)

50-A Events after the reporting period

The Board of Directors of the Bangladesh Steel Re-Rolling Mills Limited at its 482nd meeting held on 14th October 2026 recommended a final cash dividend amounting to BDT 1,642,215,443 being 55% of the paid up capital (i.e. BDT 5.50 Per Share) for the year ended 30 June 2026. This dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company.

50-B Minimum amount to be distributed as dividend as per tax law

As per Section 22 of ITA 2023, as a listed company, BSRM Limited shall declare and distribute at least 30% of its net profit after tax as dividend (as per section 22 stock and cash) to its shareholders, otherwise 10% tax shall be imposed on the difference between the 30% of the net distributable profit and the dividend declared during the period.

Distributable Profit

Net profit after tax

Un-realized share of profit from subsidiary and associate under equity method

Realized profit from subsidiary and associate as dividend received during this year

Distributable profit for the year

Rate Minimum dividend on current year's profit

Minimum Dividend payable during the year u/s 22 of the ITA 2023

Interim dividend paid during the year

Net Minimum dividend payable

Paid up share capital

Applicable Minimum Rate of Final Dividend

7,029,428,716

(2,240,349,126)

601,591,230

5,390,670,820

30%

1,617,201,246

-

1,617,201,246

2,985,846,260

54.16%

The Net Profit after tax of Tk. 7,029,428,716 includes Tk. 2,240,349,126 which is "share of profit of equity accounted investees". This Tk. 7,029,428,716 is an unrealized gain but included in the profit and loss statement as per International Accounting Standards-28: Investments in subsidiary and associates. As dividend cannot be declared and distributed from the unrealized gain/profit, hence Tk. 2,240,349,126 has been excluded in computing distributable profit for this year. Again dividend declared and received from subsidiary and associate companies amounting to Tk. 601,591,230 is not included in profit of Tk. 7,029,428,716. As this declared and distributed dividend by the subsidiary and associate are realized gain for the company and hence Tk. 601,591,230 has been included while computing distributable profit for the year.



Notes to the Financial Statements (Continued)

51.00 Segment Reporting

Determining Reportable Segments:

The Company is based in Bangladesh and produces and distributes M.S. products. The company has a branch office in India and a 100% owned subsidiary in Hong Kong. None of these units/any other brands contributes more than 10% of the total operating performance in the group in terms of revenue, profit, or assets.

Information about Profit or loss, assets, and liabilities:

The Company generates its revenue from the domestic and export sale of M.S. products. In 2026, the total revenue amounted to BDT 109,136.27 million, while in the previous year, it was BDT 95,720.26 million. It's worth a very insignificant portion of non-current assets outside of Bangladesh.

The Company achieved revenue from a single external customer was BDT 969.63 million in 2025-2026 and BDT 590.81 million in the previous year.

The main focus of the Company's business is manufacturing and selling M.S Rod in Bangladesh, although the Company has a variety of differentiated SKU in M.S Rod that are included below:

- 1) Xtreme 500W
- 2) Xtreme 500W-Stirrup
- 3) Xtreme 500W-Bend Cut
- 4) Xtreme 500W -Trading
- 5) ULTIMA 420D-Bend Cut
- 6) MS Square Bar
- 7) M.S Angel-Manufactured
- 8) Ribbed Wire Rod
- 9) M.S Channel-Manufactured
- 10) Xtreme 500W - Cross Welded Mash

The internal reporting system and operations are not tracked any grade/ brand wise. As a result, company does not allocate any assets, liabilities, interest expense, tax expense, or non-recurring gains and losses etc. separately to any reportable segments. Hence, it is difficult to accurately segment the company's financial results by grade /brand.

In addition to manufacturing M.S Rod, the Company also exports APC Dust (Zinc Ash) outside of Bangladesh. However, this contributes to less than 10% of the gross and net turnover. Further, details on the breakdown of sales, including M.S Rod and export sales, can be found in Note 33.00

Information about Geographical Areas (BDT in Million):

Particulars	Country of domicile	Foreign countries	Total
Revenue-External Customers	105,964	1,314	107,278
Non-Current Assets	52,442	203	52,645

52.00 Tax calculation of the Kolkata Branch:

As of June 30th, 2026, the income tax expense for the Kolkata operation has decreased compared to the previous year. Under the Indian Income Tax Act, a return is to be submitted based on the Financial Statements for the year ended on March 31st of every year, starting from April 1st. But being a branch office, we have to add financial information based on July to June to the accounts of Bangladesh. During the financial year ended on March 31st, 2026, the net profit of the branch office amounted to BDT 1,839,396, on which income tax was calculated at BDT 1,170,030. Again, profit for the period from 01 July 2025 to 30 June 2026 has been incurred to BDT 13,879,061, which indicates that the branch has incurred additional profit from its operation in the last three months (Apr'26 - Jun'26).



Notes to the Financial Statements (Continued)

53.00 Financial risk management

International Financial Reporting Standard IFRS 7: Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Group's policies for controlling risks and exposures.

The Group and the Company management has overall responsibility for the establishment and oversight of the group and the Company's risk management framework. The management policies are established to identify and analyze the risks faced by The Group and the Company to set appropriate risk limits and controls and to monitor risks and adherence to limit. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The Group and the Company has exposure to the following risks from its use of financial instruments:

- a) Credit risk 53.01
- b) Liquidity risk 53.02
- c) Market risk 53.03

53.01 Credit risk

Credit risk is the risk of a financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables and investments.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of steels (MS Rod and allied products).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

53.01.01 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

		30 June 2026	30 June 2025
	Note(s)	BDT	BDT
Investment in non-tradable shares	9.02	106,276,149	218,202,069
Investments in FDRs (Short term)	10.00	3,478,092,872	373,179,040
Advances and deposits	14.00	9,737,973,284	11,032,328,905
Trade and other receivables	12.00	5,194,549,168	2,177,147,692
Due from sister companies	13.00	1,664,701,587	5,683,710,445
Cash at bank	15.03	758,386,995	2,042,710,497
		20,939,980,054	21,527,278,648

53.01.01.a CONSOLIDATED EXPOSURE TO CREDIT RISK

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Investment in non-tradable shares	106,276,149	218,202,069
Investments in FDRs (Short term)	3,478,092,872	373,179,040
Advances and deposits	9,771,229,731	11,062,660,639
Trade and other receivables	5,501,875,903	2,298,811,327
Due from sister companies	1,649,093,443	5,668,151,062
Cash at bank	792,056,401	2,117,368,251
	21,298,624,499	21,738,372,388

53.01.02 Aging of trade receivables

Not yet due	4,476,357,194	1,523,066,636
Dues within 3 months	291,709,533	291,709,533
Dues over 3 months but less than 6 months	55,243,082	55,243,082
Dues over 6 months	140,963,225	140,963,225
	4,964,273,034	2,010,982,476

53.01.02.a AGING OF CONSOLIDATED TRADE RECEIVABLES

Not yet due	4,788,295,318	1,660,053,551
Dues within 3 months	291,709,533	291,709,533
Dues over 3 months but less than 6 months	55,243,082	55,243,082
Dues over 6 months	140,963,225	140,963,225
	5,276,211,158	2,147,969,391



Notes to the Financial Statements (Continued)

53.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

53.02.01 Exposure to Liquidity risk

The followings are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest Rate	Contractual cash flows		
			Within 12 months	2 to 5 years	More than 5 years
As At 30 June 2026					
Long term borrowings	2,811,795,075	12.00% & 13.50%	471,135,981	2,113,333,202	227,325,892
Defined benefit obligations - Gratuity	480,194,336	N/A	-	-	480,194,336
Trade payables	728,861,605	N/A	728,861,605	-	-
Short term borrowings	33,492,896,728	12%-13.05%	33,492,896,728	-	-
Liabilities for expenses	1,629,109,361	N/A	1,629,109,361	-	-
Provision for WPPF and Welfare Fund	380,158,172	N/A	380,158,172	-	-
Lease liabilities	161,484,507	9%-12%	59,815,401	101,669,105	-
Other liabilities	155,543,590	N/A	155,543,590	-	-
	39,840,043,375		36,917,520,840	2,215,002,307	707,520,228
As At 30 June 2025					
Long term borrowings	1,830,529,835	12.00% & 13.50%	426,215,970	1,304,880,363	99,433,502
Defined benefit obligations - Gratuity	448,971,920	N/A	-	-	448,971,920
Trade payables	1,456,101,236	N/A	1,456,101,236	-	-
Short term borrowings	30,866,422,449	12%-13.05%	30,866,422,449	-	-
Liabilities for expenses	1,699,476,641	N/A	1,699,476,641	-	-
Provision for WPPF and Welfare Fund	343,042,811	N/A	343,042,811	-	-
Lease liabilities	61,553,197	9%-12%	36,009,962	25,543,234	-
Other liabilities	139,918,466	N/A	139,918,466	-	-
	36,846,016,555		34,967,187,535	1,330,423,598	548,405,422

53.02.01.a CONSOLIDATED EXPOSURE TO LIQUIDITY RISK

The followings are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest Rate	Contractual cash flows		
			Within 12 months	2 to 5 years	More than 5 years
As At 30 June 2026					
Long term borrowings	2,811,795,075	12.00% & 13.50%	471,135,981	2,113,333,202	227,325,892
Defined benefit obligations - Gratuity	480,194,336	N/A	-	-	480,194,336
Trade payables	728,861,605	N/A	728,861,605	-	-
Short term borrowings	33,677,352,328	12%-13.05%	33,677,352,328	-	-
Liabilities for expenses	1,629,314,536	N/A	1,629,314,536	-	-
Provision for WPPF and Welfare Fund	380,158,172	N/A	380,158,172	-	-
Lease liabilities	161,484,507	9%-12%	59,815,401	101,669,105	-
Other liabilities	155,543,590	N/A	155,543,590	-	-
	40,024,704,150		37,102,181,615	2,215,002,307	707,520,228



Notes to the Financial Statements (Continued)

Non-derivative financial liabilities	Carrying amount	Interest Rate	Contractual cash flows		
			Within 12 months	2 to 5 years	More than 5 years
As At 30 June 2025					
Long term borrowings	1,830,529,835	12.00% & 13.50%	426,215,970	1,304,880,363	99,433,502
Defined benefit obligations - Gratuity	448,971,920	N/A	-	-	448,971,920
Trade payables	1,456,101,236	N/A	1,456,101,236	-	-
Short term borrowings	30,920,775,060	12%-13.05%	30,920,775,060	-	-
Liabilities for expenses	1,708,324,418	N/A	1,708,324,418	-	-
Provision for WPPF and Welfare Fund	343,042,811	N/A	343,042,811	-	-
Lease liabilities	61,553,197	9%-12%	36,009,962	25,543,234	-
Other liabilities	139,918,466	N/A	139,918,466	-	-
	36,909,216,943		35,030,387,923	1,330,423,598	548,405,422

53.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

53.03.01 Currency risk exposure and its management

The Group and the Company is exposed to currency risk on sales, purchases, borrowings, payables, bank balances and investments that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company has adopted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

As at 30 June 2026, The Group and the Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

53.03.02 Basis of consideration of foreign currency rate

Foreign currency transactions are initially recognised using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies, including UPAS loan liabilities, are translated using the closing exchange rates prevailing at 30 June 2026, in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates. Exchange differences arising from the settlement of foreign currency transactions and the translation of monetary items at the closing exchange rates are recognised in profit or loss, except where otherwise required by IFRS Accounting Standards.

53.03.02.01 Exposure to currency risk

	GBP	EURO	USD	Taka
30 June 2026				
Foreign currency denominated assets:				
Cash and cash equivalents	-	-	1,103,806	137,975,792
	-	-	1,103,806	137,975,792
Foreign currency denominated liabilities:				
Liability for accepted bills for payment (ABP)	-	-	248,864,873	31,108,109,102
	-	-	248,864,873	31,108,109,102
	-	-	(247,761,066)	(30,970,133,310)
Net exposure				
	GBP	EURO	USD	Taka
30 June 2025				
Foreign currency denominated assets:				
Cash and cash equivalents	-	-	592,281	73,442,821
	-	-	592,281	73,442,821
Foreign currency denominated liabilities:				
Liability for accepted bills for payment (ABP)	-	-	136,454,603	16,920,370,720
	-	-	136,454,603	16,920,370,720
	-	-	(135,862,322)	(16,846,927,899)
Net exposure				

The following significant exchange rates are applied during the year:

	30 June 2026	30 June 2025
US dollar	125	124
EURO	-	-
GBP	-	-



Notes to the Financial Statements (Continued)

53.03.02.02 Sensitivity analysis

A reasonably possible strengthening/weakening of foreign currencies against the Bangladesh Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

		30 June 2026			
		Profit or loss		Equity- net of tax	
		Strengthening	Weakening	Strengthening	Weakening
USD (2% movement)		(619,402,666)	619,402,666	(139,365,600)	139,365,600
		30 June 2025			
		Profit or loss		Equity- net of tax	
		Strengthening	Weakening	Strengthening	Weakening
USD (2% movement)		(336,938,558)	336,938,558	(75,811,176)	75,811,176
53.03.02.01.a	CONSOLIDATED EXPOSURE TO CURRENCY RISK	GBP	EURO	USD	BDT
30 June 2026					
<u>Foreign currency denominated assets:</u>					
Cash and cash equivalents		-	-	1,103,806	137,975,792
		-	-	1,103,806	137,975,792
<u>Foreign currency denominated liabilities:</u>					
Liability for accepted bills for payment (ABP)		-	-	248,864,873	31,108,109,102
		-	-	248,864,873	31,108,109,102
Net exposure		-	-	(247,761,066)	(30,970,133,310)
30 June 2025					
<u>Foreign currency denominated assets:</u>					
Cash and cash equivalents		-	-	592,281	73,442,821
		-	-	592,281	73,442,821
<u>Foreign currency denominated liabilities:</u>					
Liability for accepted bills for payment (ABP)		-	-	136,454,603	16,920,370,720
		-	-	136,454,603	16,920,370,720
Net exposure		-	-	(135,862,322)	(16,846,927,899)
The following significant exchange rate is applied during the year:					
		30 June 2026		30 June 2025	
US dollar		125		124	
EURO		-		-	
GBP		-		-	

53.03.02.02.a CONSOLIDATED EXPOSURE TO SENSITIVITY ANALYSIS

A reasonably possible strengthening/weakening of foreign currencies against the Bangladesh Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

		30 June 2026			
		Profit or loss		Equity- net of tax	
		Strengthening	Weakening	Strengthening	Weakening
USD (2% movement)		(619,402,666)	619,402,666	(139,365,600)	139,365,600
EURO (2% movement)		-	-	-	-
GBP (2% movement)		-	-	-	-
		30 June 2025			
		Profit or loss		Equity- net of tax	
		Strengthening	Weakening	Strengthening	Weakening
USD (2% movement)		(336,938,558)	336,938,558	(75,811,176)	75,811,176



Notes to the Financial Statements (Continued)

53.03.03 Transaction risk
Transaction risk is the risk that the Company will incur exchange losses when the accounting results are translated into the home currency.

53.03.04 Economic risk
Economic risk refers to the effect of exchange rate movements on the international competitiveness of the Company.

53.03.05 Interest risk
Interest rate risk arises from movement in interest rates. The Company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	30 June 2026	30 June 2025
Variable-rate instruments		
Financial assets	5,142,794,459	6,056,889,485
Financial liabilities	(36,304,691,803)	(32,696,952,284)
	(31,161,897,345)	(26,640,062,799)
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-

53.03.05.a CONSOLIDATED EXPOSURE TO INTEREST RATE RISK

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Variable-rate instruments		
Financial assets	5,127,186,315	6,041,330,102
Financial liabilities	(36,489,147,403)	(32,751,304,895)
	(31,361,961,088)	(26,709,974,793)
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-



Notes to the Financial Statements (Continued)

54.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Note(s)	Fair Value				Fair Value				Fair Value			
	Fair value through profit or loss	Fair value through other comprehensive income- debt instruments	Fair value through other comprehensive income- equity instruments	Carrying amount	Financial assets at amortized costs	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	Level 1
30 June 2026												
Financial assets not measured at fair value:												
Trade and other receivables	-	-	-	-	5,194,549,168	-	5,194,549,168	-	-	-	-	-
Due from sister companies	-	-	-	-	1,664,701,587	-	1,664,701,587	-	-	-	-	-
Investments in FDRs	-	-	-	-	3,478,092,872	-	3,478,092,872	-	-	-	-	-
Deposits	-	-	-	-	168,828,526	-	168,828,526	-	-	-	-	-
Cash at bank	-	-	-	-	758,386,995	-	758,386,995	-	-	-	-	-
	-	-	-	-	<u>11,264,559,149</u>	-	<u>11,264,559,149</u>	-	-	-	-	-
Financial liabilities not measured at fair value:												
Trade and other payables	-	-	-	-	-	728,861,605	728,861,605	-	-	-	-	-
Short term liabilities	-	-	-	-	-	33,492,896,728	33,492,896,728	-	-	-	-	-
Long term loan	-	-	-	-	-	2,811,795,075	2,811,795,075	-	-	-	-	-
Other liabilities	-	-	-	-	-	155,543,590	155,543,590	-	-	-	-	-
	-	-	-	-	-	<u>37,189,096,999</u>	<u>37,189,096,999</u>	-	-	-	-	-
30 June 2025												
Financial assets not measured at fair value:												
Trade and other receivables	-	-	-	-	2,177,147,692	-	2,177,147,692	-	-	-	-	-
Due from sister companies	-	-	-	-	5,683,710,445	-	5,683,710,445	-	-	-	-	-
Investments in FDRs	-	-	-	-	373,179,040	-	373,179,040	-	-	-	-	-
Deposits	-	-	-	-	168,450,328	-	168,450,328	-	-	-	-	-
Cash at bank	-	-	-	-	2,042,710,497	-	2,042,710,497	-	-	-	-	-
	-	-	-	-	<u>10,445,198,002</u>	-	<u>10,445,198,002</u>	-	-	-	-	-
Financial liabilities not measured at fair value:												
Trade and other payables	-	-	-	-	-	1,456,101,236	1,456,101,236	-	-	-	-	-
Short term liabilities	-	-	-	-	-	30,866,422,449	30,866,422,449	-	-	-	-	-
Long term loan	-	-	-	-	-	1,830,529,835	1,830,529,835	-	-	-	-	-
Other liabilities	-	-	-	-	-	139,918,466	139,918,466	-	-	-	-	-
	-	-	-	-	-	<u>34,292,971,986</u>	<u>34,292,971,986</u>	-	-	-	-	-



Notes to the Financial Statements (Continued)

54.a CONSOLIDATED FINANCIAL INSTRUMENTS- ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Note(s)	Carrying amount				Fair Value			
	Fair value through profit or loss	Fair value through other comprehensive income- debt instruments	Fair value through other comprehensive income- equity instruments	Financial assets at amortized costs	Other financial liabilities	Total	Level 1	Level 2
30 June 2026								
Financial assets not measured at fair value:								
12.a	-	-	-	5,501,875,903	-	5,501,875,903		
13.a	-	-	-	1,649,093,443	-	1,649,093,443		
10.a	-	-	-	3,478,092,872	-	3,478,092,872		
14.03 & 14.a	-	-	-	202,084,974	-	202,084,974		
15.03 & 15.a	-	-	-	771,086,215	-	771,086,215		
	-	-	-	11,602,233,407	-	11,602,233,407		
Financial liabilities not measured at fair value:								
24.a	-	-	-	-	728,861,605	728,861,605		
25.a	-	-	-	-	33,677,352,328	33,677,352,328		
25.b	-	-	-	-	2,811,795,075	2,811,795,075		
30.a	-	-	-	-	155,543,590	155,543,590		
	-	-	-	-	37,373,552,599	37,373,552,599		
Note(s)	Fair value				Fair Value			
	Fair value through profit or loss	Fair value through other comprehensive income- debt instruments	Fair value through other comprehensive income- equity instruments	Financial assets at amortized costs	Other financial liabilities	Total	Level 1	Level 2
30 June 2025								
Financial assets not measured at fair value:								
12.a	-	-	-	2,298,811,327	-	2,298,811,327		
13.a	-	-	-	5,668,151,062	-	5,668,151,062		
10.a	-	-	-	373,179,040	-	373,179,040		
14.03 & 14.a	-	-	-	198,782,062	-	198,782,062		
15.03 & 15.a	-	-	-	2,110,264,922	-	2,110,264,922		
	-	-	-	10,649,188,414	-	10,649,188,414		
Financial liabilities not measured at fair value:								
24.a	-	-	-	-	1,456,101,236	1,456,101,236		
25.a	-	-	-	-	30,920,775,060	30,920,775,060		
19.a & 25.b	-	-	-	-	1,830,529,835	1,830,529,835		
30.a	-	-	-	-	139,918,466	139,918,466		
	-	-	-	-	34,347,324,597	34,347,324,597		

