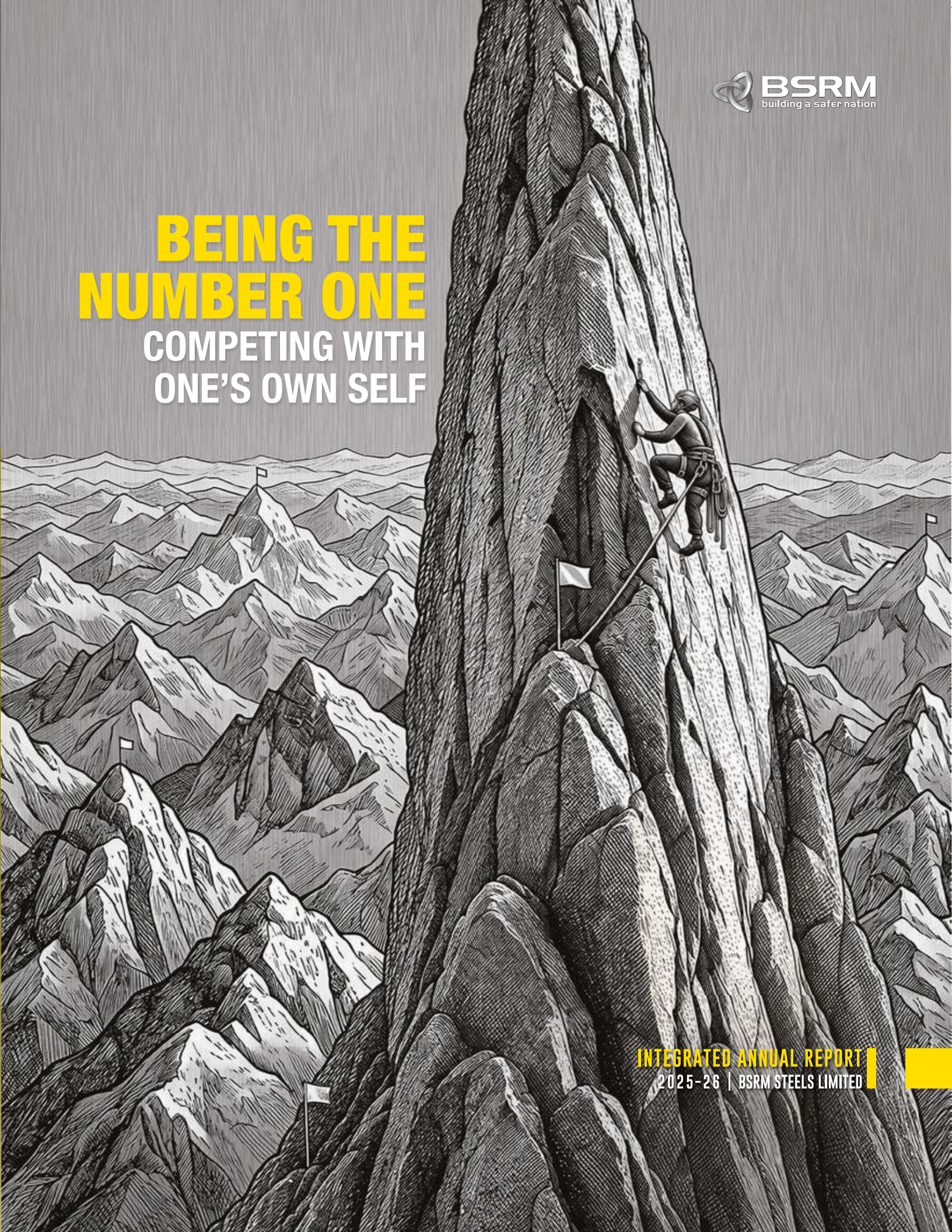
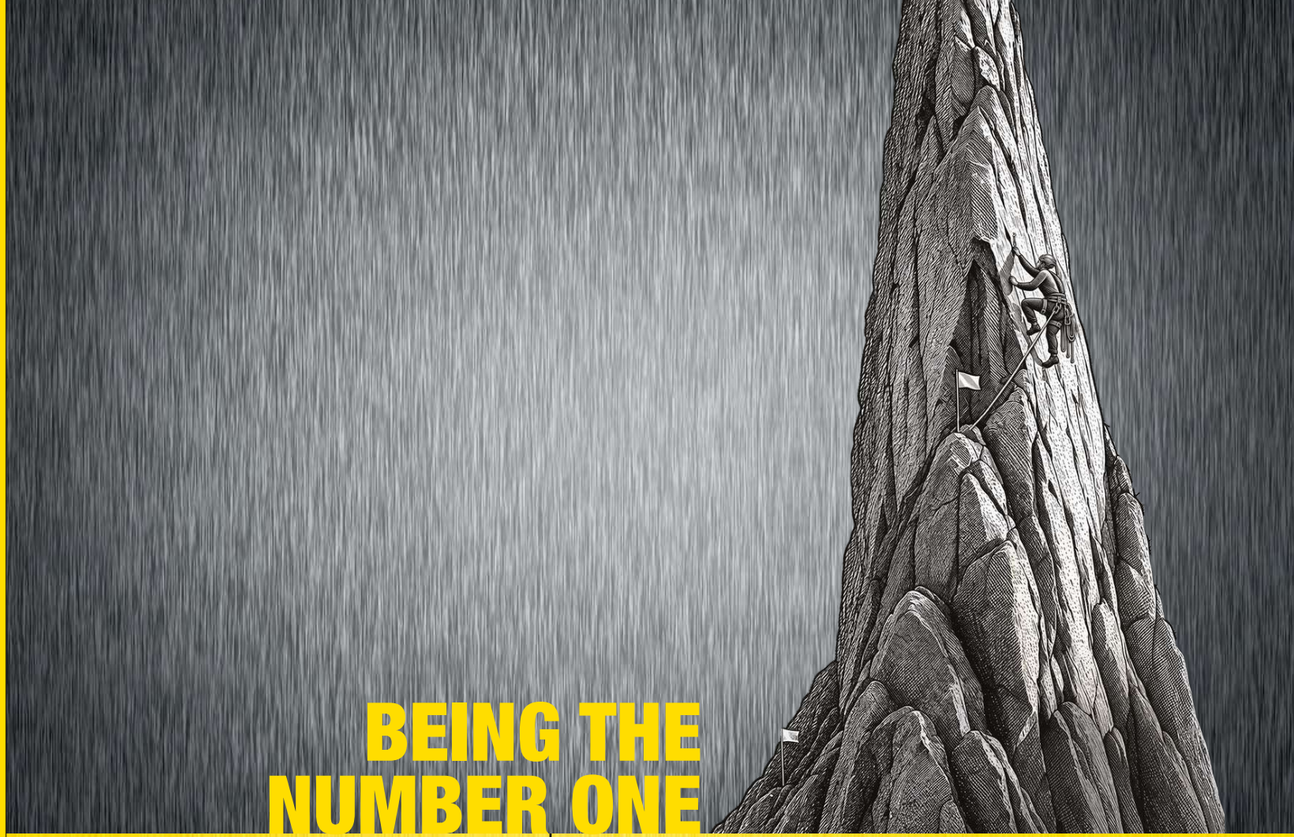

BSRM
building a safer nation
BEING THE NUMBER ONE
COMPETING WITH ONE'S OWN SELF
INTEGRATED ANNUAL REPORT
2025-26 | BSRM STEELS LIMITED




Integrated
Annual Report
2025–26

# COMPETING WITH ONE'S OWN SELF

There's a version of success that looks outward — at rivals, at rankings, at the gap between you and the next name on the list. And then there's the harder discipline: when you've already reached the top, and the only competition left is the standard you set yesterday.

The greatest record–holders in history share one trait. They didn't measure themselves against their competitors. They measured themselves against their own best — and found it insufficient. That relentless dissatisfaction with yesterday's peak is what separates those who reach the top from those who stay there.

Fourteen years at No. 1 in Bangladesh's steel industry hasn't made BSRM comfortable. It's made them more exacting. More innovative. The targets get higher not because the market demands it — but because BSRM does. From production benchmarks to product innovation, from expanding ranges to records no competitor has approached — the real rivalry has always been internal. That's not complacency in disguise. That's the truest form of ambition.

Each separator in this report will feature a record–holder — an individual like Michael Phelps, a company, or a nation — that reached the summit of its field and then chose to climb further. Taken together, they form a portrait of what sustained excellence actually looks like.

# CREATING VALUE FOR ALL IN 2025-26

**All figures are in BDT unless otherwise specified**

## Delivering Value to Shareholders

Revenue
**129,488 MN**
2024–25: 103,665 MN

EBITDA
**13,850 MN**
2024–25: 10,814 MN

Net Profit
**7,153 MN**
2024–25: 5,176 MN

Proposed dividend
**6.00 per share**
2024–25: 5.00 per share

Earnings Per Share
**19.03 per share**
2024–25: 13.77 per share



## Supporting Goverment

Total GDP Contribution
**118,700 MN**

Total Taxes and VAT Paid
**6,368 MN**

Customs Duty Paid
**4,577 MN**

Paid against Power Consumption
**10,079 MN**

Paid against Natural Gas Consumption
**1,400 MN**

## Building Modern, Agile & Digital Talents

Achieve Training Hour
**158,123 Hours**

A **highly skilled** pool Engineers, Analytics, and talents, Collective Brains

**5/5**
Employee engagement rate

**29%**
More than 10 Years Employees

Promoting hyper–collaboration and co–creation between our diverse talent

## Supporting Communities

Supported
**2,037**
jobs directly

**126,300**
lives Impacted by CSR Activities

Employee Benefits Paid
**2,604 MN**

Contribution for CSR initiatives
**288 MN**

## Minimising Environmental Impact

Launched
**BSRM Net–Zero Carbon Initiatives**

**Scrap steel recycled**
**2.34 MN MT**
Transforming Scrap into Sustainability

**Carbon Savings**
**3.51 MN tons**
$CO_2$ avoided through scrap–based steelmaking

Decarbonization & Environmental Stewardship
**19 MWp**
solar capacity planned

# TABLE OF CONTENTS

## Introduction


About the Report 8
About Us 8
Our History, Our Journey 10
Competitive Edge 12


## Overview


Contribution to UN SDG's 16
Vision and Mission 24
Our Core Values 25
Code of Conduct 26
Strategic Foucs of BSRM 27
Overall Strategic Objectives 30
Brands, Products & Services 32
BSRM Business Framework 38
Performance at a Glance 41
Awards & Recognition 42
Corporate Contact Information 46


## Leadership Insight


Meet Our Leadership Team 50
Key Management 57
Corporate Structure 58


## Reviewing Our Operations


Message from the Chairman 60
Message from the Managing Director 64
**Directors' Report 67**
Industry Outlook and Future Developments 67
Steel Industry Outlook 67
Bangladesh Economic Outlook 67
A General Review of the Future Prospects/Outlook of BSRM 68
Segment Wise or Product Wise Performance 68
Managing Risks and Concerns 68
Strategic Outcomes 69
Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin 69
Extraordinary Gain or Loss 70
Explanation on Significant Deviation Between Quarterly and Annual Financial Performance 70
Production & Sales 70
Gross Profit 70
Net Profit after Tax 70
Quarterly Performance 70
Significant deviations from the last year's operating results 71
Operating Results 71
Key Operating and Financial Data of Preceding 5 (Five) Years 72
Operational Performance 73
Related Party Transactions 73
Board of Directors 73
Appointment/Reappointment of Directors 73
Composition and Size of the Board Details of Directors Being Appointed and Re-Appointed 73
Details of Directors being appointed and re-appointed 73
Appointment of Independent Director (s) 73
Brief Profile and Corporate Affiliations 74
Board Meeting and Attendance 74
Pattern of Shareholding Position 74
Parent/Subsidiary/Associated Companies and other Related Parties 74
Directors/CEO/CS/CFO/Head of Internal Audit & Compliance and Their Spouses and Minor Children 74
Shareholding Status of Top 5 Salaried Employees other than CEO, CS, CFO & HIAC 75
Shareholders Holding 10% or More Voting Interest in the Company 75
Remuneration of Directors Including Independent Director 75
Management Discussion & Analysis 76
Certification by the CEO & the CFO 76
Compliance Certificate 76
Credit Rating 76
Fair Presentation of Financial Statements 76
Maintenance of Books of Accounts 77
Consistency in Accounting Policies 77
Application of IAS and IFRS 77
Internal Control System 77
Protection of Minority Shareholders 77
Going Concern 77
Unclaimed Dividend Disclosure 77
Dividend Distribution Policy 78
Contribution to National Exchequer 78
Corporate Social Responsibilities 78
Appointment of Statutory Auditors 78
Ensuring Accountability and Accuracy 78
Shareholders' Approval 78
Ensuring Corporate Governance Excellence 78
Appointment of a Professional Accountant 79
Shareholder's Approval 79
Transparency in Reporting 79
Subsequent Events 79
Declaration of CEO & CFO 80
Certificate on Compliance with Conditions of Corporate Governance Code 81
Corporate Governance Compliance Status 82
Management Discussion and Analysis 94
Statement of Corporate Governance 98
Governance Philosophy 98
Board of Directors and Leadership 99
Governance Practices 99
Key Pillars of Corporate Governance at BSRM 99
Focus Areas of Corporate Governance at BSRM 99
Key Elements of Good Corporate Governance at BSRM 100
Regulatory Compliance Report 102
Report of the Audit Committee 104
Report of the Nomination and Remuneration Committee (NRC) 106
Dividend Distribution Policy 109
Information on Internal Controls 111
Information Technology Initiatives 113
Membership Certificate of BAPLC 114
6 Years Performance 115
Key Performance Indicators 117
Credit Rating 119
Value Added Statement 121
Horizontal Analysis 123
Vertical Analysis 124
Segment Analysis 125
Corporate Benefit to Shareholders 127
Grievance Redressal 129
Key Events 2026 131

## How We Create Value


| | |
|---|---|
| How We Create Value | 135 |
| Business Model | 136 |


## Our Capital


| | |
|---|---|
| Advancing Sustainable Growth | 149 |


## Stakeholder Engagement and Materiality


| | |
|---|---|
| Stakeholder's Management to Create Shared Value | 171 |


## Integrated Report


| | |
|---|---|
| Our Approach to Integrated Report | 186 |
| Organizational Overview and External Environment | 191 |
| Porter's Five Forces Model | 191 |
| PESTEL Analysis | 196 |
| SWOT Analysis | 199 |
| Governance | 200 |
| Business Model | 208 |
| Risk and Opportunities | 209 |
| Strategy And Resource Allocation | 216 |
| Performance | 221 |
| Outlook | 222 |
| Basis of Preparation and Presentation of Integrated Report | 223 |
| Qualitative Characteristics Of BSRM's Integrated Report | 225 |
| Strategic Focus & Future Orientation | 225 |
| Connectivity of Information | 225 |
| Conciseness | 225 |
| Consistency and Comparability | 225 |
| Reliability and Completeness | 225 |
| Materiality | 225 |
| Stakeholder Relationship | 226 |
| Assurance on the Report | 227 |


## Environmental, Social and Governance (ESG) Report


| | |
|---|---|
| Contents of the Report | 230 |
| Message from Leadership | 231 |
| About this Report | 232 |
| Highlights 2025-26 | 234 |
| Our ESG Journey | 238 |
| Awards, Certifications & Memberships | 240 |
| ESG Materiality Assessment | 241 |
| Materiality Matrix and Continuous Improvement | 242 |
| BSRM's Approach to ESG | 243 |
| Our ESG Framework | 244 |
| SDG Alignment | 245 |
| **Environmental** | 246 |
| BSRM Environmental Highlights 2025-2026 | 247 |
| Resource Preservation | 248 |
| Clean Energy Milestones | 249 |
| IFRS S1 & S2 Disclosure | 252 |
| Risk Management (IFRS S2, TCFD) | 253 |
| Metrics & Targets (IFRS S1, IFRS S2, GRI) | 254 |
| SBTI Commitment | 255 |
| BSRM'S Green Transition | 260 |
| Air Emissions Management | 261 |
| Energy Management | 262 |
| Waste & Hazardous Materials Management | 263 |
| Water Management | 264 |
| Biodiversity Impacts, Biodiversity and Ecosystem Management | 265 |
| ESG Performance Snapshot – 2026 | 266 |
| **Social** | 268 |
| BSRM's Contribution to a Sustainable Global Economy | 269 |
| Our People | 272 |
| Our Working Culture | 273 |
| Diversity, Equality & Inclusion | 280 |
| Learning & Development | 283 |
| Workplace Wellbeing | 284 |
| About our Supply Chain | 288 |
| BSRM Health, Safety & Wellbeing | 291 |
| Corporate Social Responsibility | 302 |
| Education & Skill Development | 312 |
| Health & Wellbeing | 315 |
| Sustainable Livelihood | 321 |
| Environment | 322 |
| BSRM Tree Plantation (BTP) | 324 |
| BSRM's Philanthropic Activities | 328 |
| **Governance** | 329 |
| Board of Directors and Governance Structure | 330 |
| ESG Oversight and Management | 331 |
| Ethical Governance and Code of Conduct | 331 |
| Shareholder Rights and Transparency | 331 |
| ESG Risk Management | 332 |
| ESG Data Book 2026 | 333 |


## Transparency and Accountability


| | |
|---|---|
| Independent Auditor's Report & Audited Financial Statements | 339 |


## Shareholder's Service


| | |
|---|---|
| Glossary of Terms | 401 |
| Shareholders' Information | 402 |
| Notice of AGM | 404 |
| Proxy Form | 405 |

# ABOUT THE REPORT



At BSRM Steels Limited, being number one is not simply about holding a leading position in the steel industry; it is about continually challenging ourselves to do better. Guided by this belief, our Integrated Annual Report for FY 2025–26 reflects a year of progress, reflection and renewed ambition. Under the theme “Being the Number One, Competing with One’s Own Self”, we highlight our commitment to raising our own standards, strengthening our capabilities and creating greater value for all our stakeholders.

Covering the period from 1 July 2025 to 30 June 2026, this report presents a comprehensive account of our financial and non–financial performance, strategic priorities, governance practices and sustainability initiatives. It also reflects how we are responding to the changing needs of Bangladesh’s construction and infrastructure sectors while remaining focused on operational excellence, responsible resource management and long–term business resilience.

Prepared with reference to the International Integrated Reporting Framework, GRI Standards and applicable IFRS Sustainability Disclosure Standards, this report aims to provide our stakeholders with a transparent and balanced understanding of our business and its impact.

As a company BSRM’s contribution to Bangladesh’s industrial development, we believe that leadership comes with responsibility. Our ambition is not merely to stay ahead of the competition, but to surpass our own achievements year after year — delivering stronger performance, building lasting trust and contributing to a more sustainable future for Bangladesh.

# ABOUT US

## Forging the Future with Strength, Innovation, and Sustainability

For over seven decades, BSRM has stood as the cornerstone of Bangladesh’s steel industry — shaping skylines, strengthening infrastructure, and driving industrial progress.
As the nation’s most trusted steel manufacturer, we remain committed to building a resilient Bangladesh through innovation, safety, and sustainability in every product we create.

## Our Legacy of Trust and Excellence

Founded in 1952, BSRM has evolved from a small re–rolling mill into Bangladesh’s largest and most advanced steel producer, embodying a legacy built on integrity and continuous innovation. Over the years, our steels have been integral to the country’s landmark infrastructure — from iconic bridges and expressways to modern industrial and residential projects — reflecting our enduring contribution to national development.

### Driving Responsible Growth

In FY2026, BSRM strengthened its leadership by advancing its sustainability and decarbonization agenda, expanding the use of renewable energy, and scaling up circular steelmaking through scrap recycling and energy–efficient technologies. Our operations are guided by a deep sense of responsibility — ensuring every ton of steel we produce upholds the principles of quality, environmental stewardship, and social impact.

### Innovation for a Resilient Tomorrow

As Bangladesh moves toward rapid urbanization and industrial transformation, BSRM continues to anticipate future challenges through innovation, digitalization, and smart manufacturing. Leveraging automation, R&D, and data–driven insights, we are redefining efficiency and resilience while remaining aligned with global climate goals and sustainable development priorities.

## Creating Value for the Future

Our commitment extends beyond production — it lies in creating shared value for everyone connected to BSRM:

### Customers

Delivering world–class, safe, and durable steel solutions that enable the infrastructure of tomorrow.

### Communities

Promoting inclusive growth through education, health, and environmental initiatives that uplift society.

### Employees

Fostering a culture of safety, innovation, and continuous learning that empowers our people.

### Shareholders

Sustaining profitability and long–term value through strategic investments and responsible growth.

## Our Philosophy and Values

At BSRM, we believe that progress and responsibility go hand in hand. Guided by our vision, we continue to integrate sustainability into our core business, aligning with global ESG standards and the UN Sustainable Development Goals (SDGs). With over 75 years of leadership, BSRM stands ready for the future — building not just steel, but strength, trust, and sustainable prosperity for generations to come.

# OUR HISTORY, **OUR JOURNEY**

## 1952

- The BSRM saga began with the first steel re-rolling mills to emerge in the then East Bengal.

## 1984

- Introduced high strength cold twisted steel bars (TORSTEEL) to the construction industry.

## 1987

- Introduced High Strength Deformed reinforcing steel bars conforming to ASTM 615 Grade 60 for the construction industry.

## 1996

- Commissioned the then-largest billet making plant in the country - Meghna Engineering Works Limited, now known as Steel Melting Works (SMW) unit of Bangladesh Steel Re-Rolling Mills Ltd.

## 2006

- Introduced micro reinforcement wires, below 8mm, for low cost rural construction.

## 2008

- BSRM Steels Limited commenced production of internationally recognized Grade 500 steel bars branded as "Xtreme500W" conforming to ISO 6935-2.

## 2009

- Entrance in the Capital Market: Shares of BSRM Steels Limited, the flagship company of BSRM Group were listed with the country's premier bourses Dhaka Stock Exchange (DSE)Ltd. and Chittagong Stock Exchange (CSE) Ltd. on 8th January 2009.

## 2012

- Production capacity of BSRM Steels Limited enhanced to 600,000 MT per year.

## 2013

- A syndicated term loan of USD 40 million and BDT 5,908 million, raised by a consortium of 25 banks and financial institutions, for BSRM Steel Mills Limited. It is the largest ever syndicated loan facility arranged for a private company in Bangladesh.

## 2014

- Oracle e-BS-12 went GO LIVE on 1st March 2014. Oracle Financials, Costing, Purchasing, Manufacturing, EAM, Inventory & Order Management are now integrated on a single platform which ensures the accuracy, accountability and reliability of the Group.

## 2015

1. Capacity of BSRM Steels Limited enhanced from 600,000 MT to 700,000 MT per annum.
2. Introduced a new product - "BSRM Maxima"
3. Capacity of Bangladesh Steel Re-Rolling Mills increased from 120,000 MT to 540,000 MT per annum which is the first and largest merchant mill in Bangladesh.
4. Listing of Bangladesh Steel Re-Rolling Mills Limited with the stock exchanges (DSE & CSE).

## 2016–17

1. For first time in the history of BSRM Group, sales of MS Products cross one million M. ton in the year of 2016.
2. BSRM Steel Mills Limited, the largest billet making plant in the country, started commercial production in June 2016.
3. BSRM Ultima -a landmark innovation of BSRM is introduced first time in Bangladesh.
4. EPOXY coated bars for corrosion-free structures-CENTURA is introduced.

## 2018–19

- BSRM Steels Limited commences another melting plant for producing MS billets on April 16, 2019. The capacity of the plant is 430,000 M.Ton, situated at Sonapahar, Mirsharai, Chattogram.

## 2021–22

- A state-of-the-art Galvanized Iron (GL) wire, LRPC wire, Welding Electrode and CO2 wire manufacturing plant in the name of BSRM Wires Limited started commercial production.

## 2023–24

- BSRM Steels Limited competed the capacity enhancement of 2.5 lac ton melting production during the year 2023-24

## 2024–25

- Setting up of the new bar and wire rolling and expansion of melting unit to enhance the capacity of rolling by 6 lac M. Ton per annum and melting 2.5 lac M. Ton per annum in the name of BSRM Steels Limited.

## 2025–26

- BSRM has invested BDT 618.44 million in the installation of solar power systems, achieving a renewable energy generation capacity of 10.07 MWp. This investment reflects BSRM's continued commitment to increasing the use of renewable energy and reducing its environmental footprint.

  The solar energy expansion will continue into the next financial year, with a target of increasing the total installed solar capacity to 18.79 MWp. To achieve this target, BSRM plans to make an additional investment of approximately BDT 1142.12 million in the next financial year. This initiative will further support the Company's transition toward cleaner energy, enhance energy efficiency, and contribute to its long-term climate and sustainability goals.

## AND BEYOND

# COMPETITIVE EDGE

**75 YEARS**
OF EXPERIENCE EXCLUSIVELY IN STEEL–MAKING

**HIGHEST SUPPLIER**
OF CONSTRUCTION STEEL IN THE COUNTRY

Highest Ever Revenue
**TK 129,488 MN**
2024–25 TK. 103,665 MN

BEST BRAND AWARD Bangladesh

Best Brand Award for the 14th consecutive year
**Strong Brand Recognition, highly valued by all stakeholders**

worldsteel ASSOCIATION

**Low–cost high–grade products**
First Bangladeshi company to be the member in WorldSteel Association

Rolling Production Capacity Utilization
**114%**

Largest Production Capacity of
**MT 1.4 MN**
per annum in Bangladesh

**2,037 EXPERIENCED**
**and Qualified engineers and management personnel**

**BIGGEST SUPPLY CHAIN**
**networks within the steel industry of Bangladesh**

**FULLY AUTOMATIC**
**steel re–rolling mill in the country**

Strong Products Distribution Lineup
**690+**
**DEALERS ALL OVER THE COUNTRY**

**26**
**sales and supply depots all over the country**

Market leader in the steel Market of Bangladesh
**±30%**
**MARKET SHARE IN THE STEEL SECTOR**

Contribution to National Exchequer
**TK 22,424 MN**
**2024–25: Tk 16,274 MN**

Production of rod
**MT 1.59 MN**
**2024–25: MT 1.23 MN**

Sales Quantity
**MT 1.55 MN**
**2024–25 MT 1.19 MN**

Gross profit
**TK 14,102 MN**
**2024–25 TK. 11,505 MN**

Operating Profit
**TK 11,745 MN**
**2024–25 TK. 9,053 MN**

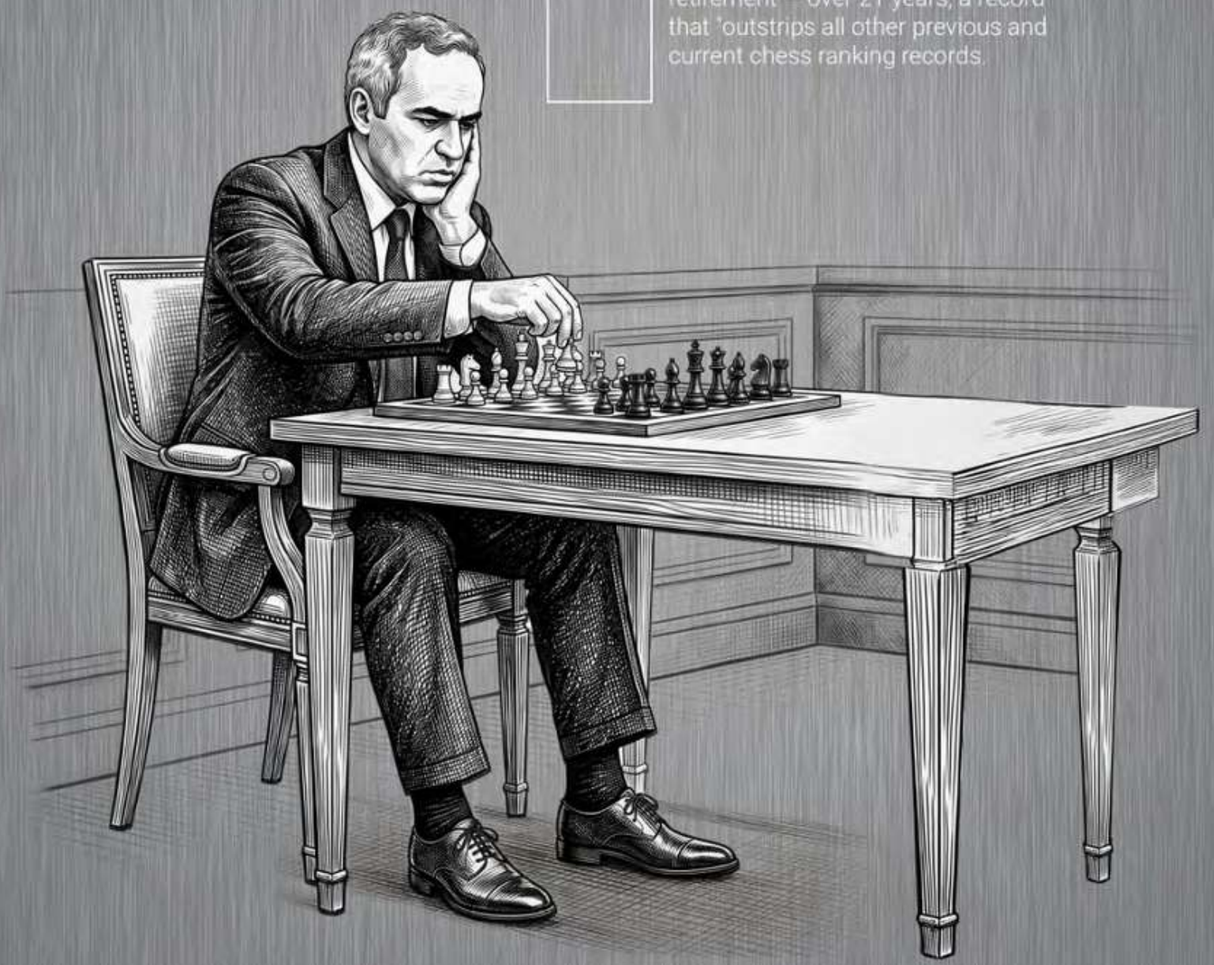
Net Profit
**TK 7,153 MN**
**2024–25 TK. 5,176 MN**

1

# GARRY KASPAROV

**1984-2005**

Ranked world No. 1 for 255 months overall — 1984 until his 2005 retirement — over 21 years, a record that "outstrips all other previous and current chess ranking records.



# CONTRIBUTION TO UN SDGS

# CONTRIBUTION TO UN SDGS
# SUSTAINABLE GROWTH ALIGNED WITH A SHARED GOAL

**The Sustainable Development Goals (SDGs), introduced by the United Nations (UN), represent a global call to action to eliminate poverty, protect the environment, and ensure that all people experience peace and prosperity by 2030. Since the SDGs were launched, BSRM has been steadfast in its commitment to advancing these goals through our operations, products, workforce, and community engagement efforts. As a responsible corporate citizen, we have conducted an internal assessment to identify and prioritize the SDGs and relevant targets that are most pertinent to BSRM, considering the national and regional context, our current impact, and our potential to drive greater positive change. The prioritized SDGs for BSRM, as determined by this assessment, are highlighted below:**




**The SDGs are integral to identifying our material issues, which feeds into our strategic planning process, resulting in the formulation of our Strategic Objectives (SOs) and Strategic Enablers (SEs). These SOs and SEs are realized through the process of managing our Capitals (financial, intellectual, manufactured, human, natural, and social & relationship) and thereby contribute to the achievement of the UN SDGs as depicted in the following pages:**



## Prioritised SDG linkage with our BSRM's Capitals, initiatives and outcomes

1 NO POVERTY

**Linked Capital(s)**
- Social & Relationship

**3/7** No. of SDG targets relevant for BSRM out of the total targets for SDG 1

**Key FY 2025– 2026 Initiatives**
- Empowering Girls at Jashore Center (500+ Families)
- Revolving farming funds (Bandarban)
- Livelihood skills & entrepreneurship programs

**Key FY2025– 2026 Outcomes**
- 2,750 women gained training from BFTC Jashore
- Household Income Improved
- Women skills developed

2 ZERO HUNGER

**Linked Capital(s)**
- Social and Relationship Capital

**4/8** No. of SDG targets relevant for BSRM out of the total targets for SDG 2

**Key FY 2025– 2026 Initiatives**
- YPSA Agro Project (800 farmers)
- Organic farming under BGI
- Nutrition support (Global One, orphans)

**Key FY2025– 2026 Outcomes**
- Improved nutrition for 2,000+ families
- Year-round safe food production promoted
- Utilized unused lands around BSRM factories for tree plantation

3 GOOD HEALTH AND WELL-BEING

**Linked Capital(s)**
- Social & Relationship

**4/13** No. of SDG targets relevant for BSRM out of the total targets for SDG 3

**Key FY 2025– 2026 Initiatives**
- Medical Centers: Mirsharai (15,000+), Bayezid (9,100+), Bakalia (opening 2025)
- ICU support (icddr,b)
- Autism/NDD programs (PFDA, Ashar Alo, Moonflower, Nishpap Autism, Autism Welfare Foundation, )
- Smile Train cleft surgeries (469 children since 2019)

**Key FY2025– 2026 Outcomes**
- 24,000+ patients served
- ~400 children/youth with disabilities supported
- 469 cleft surgeries completed
- 1,000+ autisitc individuals supported through various projects

## 4 QUALITY EDUCATION

**Linked Capital(s)**
- Social
- Human

**8/10**

No. of SDG targets relevant for BSRM out of the total targets for SDG 4

### Key FY 2025– 2026 Initiatives
- Burhani BSRM School (850+ students)
- BSRM School of Engineering (launched 2025)
- BFTTC vocational training
- Scholarships (Shaheen, CPS&C, Genius)
- BEEP employee education

### Key FY2025– 2026 Outcomes
- 1,000+ students/trainees supported
- 850+ at Burhani School
- 600+ youth trained at BFTTC
- 400+ scholarships provided through various scholarship programs
- BSRM Support staffs provided with Basic English Education

## 5 GENDER EQUALITY

**Linked Capital(s)**
- Social
- Human

**4/9**

No. of SDG targets relevant for BSRM out of the total targets for SDG 5

### Key FY 2025– 2026 Initiatives
- Women's anti-trafficking training (Jessore)
- Rural women entrepreneurship (200)
- Training provided to disabled individuals (CRP, Handicap International, SOS Children's Village)
- Transgender empowerment (200+)
- Inclusion via PFDA & Moonflower

### Key FY2025– 2026 Outcomes
- 350+ women trained
- 200+ transgender beneficiaries
- Women's role in income expanded
- 200+ Disabled individuals trained to ensure their financial independence

## 6 CLEAN WATER AND SANITATION

**Linked Capital(s)**
- Manufactured
- Natural
- Social

**8/8**

No. of SDG targets relevant for BSRM out of the total targets for SDG 6

### Key FY 2025– 2026 Initiatives
- Rainwater harvesting (405 persons)
- Uttaran Water pump installation (20,000+ beneficiaries)
- AWLI WASH project (3,000+)
- Industrial closed-loop cooling
- Healthy Latrine and Gravity powered water system installed in Bandarban

### Key FY2025– 2026 Outcomes
- 20,000+ people gained safe water
- 25 water committees formed
- Ensured safe toilets and water to 2,000+ individuals at the hilltracks

## 7 AFFORDABLE AND CLEAN ENERGY

**Linked Capital(s)**
- Manufactured
- Natural

**2/5**

No. of SDG targets relevant for BSRM out of the total targets for SDG 7

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- Renewable energy projects
- Energy efficient lighting, motors and HVAC systems
- Use of natural gas to replace coal
- Implementing Solar Panel Use
- Solar irrigation (Patuakhali)
- Energy efficiency upgrades

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Specific energy consumption
- Capacity of renewable energy projects
- Reduction of $CO_2$ emission intensity

## 8 DECENT WORK AND ECONOMIC GROWTH

**Linked Capital(s)**
- Financial
- Human
- Social

**7/12**

No. of SDG targets relevant for BSRM out of the total targets for SDG 8

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- Employee productivity improvement initiatives
- Sales growth initiatives
- Initiative to increase raw material yield etc. on improving material consumption rates
- Solid waste management practices
- Employee welfare Program and Diversity & Inclusion Programs
- HR training (158,123 hrs)
- Vendor capacity building
- Youth empowerment (CPD, 720 trained)
- No child labour policy

**Community development initiatives:**
- Skill development
- Education Programme
- Livelihoods (Agriculture, Skill development, Entrepreneurship)
- Disability-linked initiatives

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Record Turnover
- Employee productivity
- Economic value distributed
- Efficient utilization of production capacity
- Material efficiency

**Community development outcomes:**
- Youth completed/placed or self-employed through skill development courses
- Universalization of elementary education and zero child labour
- Increase in aggregate household income through livelihood programme
- Linkage of Persons with Disability (PWDs) to government schemes or opportunities




**Linked Capital(s)**
- Financial
- Manufactured
- Intellectual
- Social and Relationship

**4/8**

No. of SDG targets relevant for BSRM out of the total targets for SDG 9

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- Sales growth initiatives
- Annual recruitment of personnel
- Long-term decarbonisation projects
- Energy efficiency initiatives
- Adoption of Best Available Technologies
- Finished goods quality improvement
- Drive for growth in market share
- Collaborations across tech, startups, and academia
- R&D projects
- Total Quality Management

**Community development initiatives:**
- Development Corridor
- Public infrastructure development

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Road and sea transportation volumes
- CO2 emissions – absolute and intensity
- Specific energy consumption
- Record turnover achievement
- Number of permanent employees and contract workforce
- Economic value distributed
- R&D spend
- R&D and technology professionals
- Value created from waste

**Community development outcomes:**
- No. of public infrastructure requirements of communities fulfilled




**Linked Capital(s)**
- Human
- Social and Relationship

**7/12**

No. of SDG targets relevant for BSRM out of the total targets for SDG 10

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- D&I initiatives – skilling focused people

**Community development initiatives:**
- Disability inclusion (UNICEF: 5,000+ youth)
- Transgender empowerment (200+)
- Rural women projects (200+)
- Tribal community support (AWLI, Bandarban)

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Diversity in workforce
- No. of women in the workforce
- No. of sexual harassments cases received and resolved

**Community development outcomes:**
- Increase in aggregate household income
- Provide education and zero child labour
- No. of tribal communities and population of tribals reached
- 5,000+ disabled youth supported
- 400+ women & transgender empowered






**Linked Capital(s)**
- Financial
- Manufactured
- Natural
- Social and Relationship

**8/11**

No. of SDG targets relevant for BSRM out of the total targets for SDG 11

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- Upgradation of facilities like electrostatic precipitator and other Air Pollution Control Equipment (APCE)

**Community development initiatives:**
- Skill based livelihood – BSRM Burhani School
- Tribal community support (AWLI, Bandarban)

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Emission intensity – Dust, SOx, NOx

**Community development outcomes:**
- No. of tribes touched through circular Ecosystem




**Linked Capital(s)**
- Manufactured Capital
- Natural Capital
- Social and Relationship Capital

**8/11**

No. of SDG targets relevant for BSRM out of the total targets for SDG 12

### Key FY 2025– 2026 Initiatives

- Initiatives to reduce coke rate, increase raw material yield, etc. on improving material consumption rates
- Solid waste management practices
- Steel Recycling Business
- Publication of annual Integrated Report and disclosures through website
- Responsible Supply Chain  Policy, awareness and assessments with supply chain partners
- Renewable energy projects
- Sustainability campaigns and awareness drives

### Key FY2025– 2026 Outcomes

- Material efficiency
- Coke rate
- Raw material consumption
- Solid waste utilisation
- Capacity of steel recycling business (SRB)
- No. of supply chain partners
- assessed on Responsible Supply Chain Policy
- Capacity of renewable projects
- Publication of annual Integrated Report

**Linked Capital(s)**
- Financial
- Natural
- Social and Relationship

**8/11** No. of SDG targets relevant for BSRM out of the total targets for SDG 12

### Key FY 2025– 2026 Initiatives

**Company specific initiatives:**
- Long-term decarbonisation projects
- Energy efficiency initiatives
- Adoption of Best Available Technologies
- Raw material quality improvement
- volume based growth
- Collaborations with technology providers, start-ups and academia
- Climate change physical risk assessment
- Disaster management plan
- Deployment of Responsible Supply Chain Policy
- Sustainability campaigns and awareness drives

**Community development Initiatives:**
- Ground water recharge initiatives

### Key FY2025– 2026 Outcomes

**Company specific outcomes:**
- Absolute CO2 emissions
- CO2 emission intensity
- No. of collaborations on decarbonisation

**Community development outcomes:**
- Volume of ground water recharged



**Linked Capital(s)**
- Natural

**8/12** No. of SDG targets relevant for BSRM out of the total targets for SDG 8

### Key FY 2025– 2026 Initiatives
- Consideration of importance of Biodiversity Management Plans (BMPs)

### Key FY2025– 2026 Outcomes
- No. of BMPs evaluated

**Linked Capital(s)**
- Natural
- Social and Relationship

**2/19** No. of SDG targets relevant for BSRM out of the total targets for SDG 9

### Key FY 2025– 2026 Initiatives
- Collaborations with technology providers, start-ups and academia
- Collaborations with NGOs and other social agencies for community development initiatives

### Key FY2025– 2026 Outcomes
- No. of collaborations with technical institutes and other external agencies

# VISION

## WE AT BSRM GROUP ASPIRE TO..

- Maintain our leadership positions in the steel industry by– producing the best quality steel products, continuously enhancing customer satisfaction and becoming a reliable business partner of our Customers and Suppliers.
- Be an employer of choice, with focus on nurturing talent and developing future leaders of the organization.
- Protect the interest of our shareholders through sustainable growth and value creation.
- Preserve the trust of all our stakeholders by adopting ethical business practices.
- Support the society through Corporate Social Responsibility initiatives.

# MISSION

BSRM aims to lead the steel industry with quality products, sustainable growth, and ethical practices while fostering talent and uplifting society.



# OUR CORE VALUES

### SUSTAINABLE GROWTH

Consistent improvement in the quality of products and services, efficiency of processes and profitability of business; continuously anticipating and responding to the changing business and environmental needs using innovation; sharing knowledge and experience within the organization.

### QUALITY

Create products and services valued by our customers; constantly improving our processes through innovation and adopting best practices; reducing wastage; minimizing costs; investing in systems and technology and developing our people to build a highly capable workforce.

### RELIABILITY

Be the preferred business partner of our customers and suppliers by offering quality products; providing our best and timely service before, during and after the business transactions and honoring all our commitments despite challenges.

### TRUST

Preserve the faith and goodwill of all our stakeholders – Customers, shareholders, suppliers, employees, regulatory bodies and society by–adopting ethical and transparent business practices, being fair and honest in all our dealings and building robust governance and risk management processes.

### LEADERSHIP

Be a role model, setting benchmarks through our products, processes and people; constantly moving ahead of competition by differentiating our products, innovating our processes, increasing our market share and nurturing talent to develop leaders within the organization.

### SOCIAL RESPONSIBILITY

Acknowledge and fulfill our obligations towards the society by undertaking initiatives for the general uplifting of the society, building capability and making facilities available to the underprivileged.

### CUSTOMER SATISFACTION

Delight our external and internal customers at every stage of our interaction with them by truly understanding their needs, offering them our best products and services, treating them with respect and actively seeking and acting on their feedback.

# CODE OF CONDUCT

**BSRM's Code of Conduct embodies our commitment to ethical principles, guiding our interactions with employees, customers, and the community. Our principles of corporate transparency, community outreach, data protection, integrity, fairness, accountability, honesty, respect for laws, loyalty, and environmental concern ensure that we conduct our business responsibly and sustainably. By adhering to these principles, BSRM fosters a culture of trust, respect, and ethical behavior, contributing to our long–term success and positive impact on society.**

### Corporate Transparency

BSRM practices transparency by delivering clear communication both with employees and customers. This means that communication is done unambiguously, so there's no confusion about the policies or priorities that guide business decisions. BSRM Transparent corporate communications are also honest and truthful.

### Community Outreach

BSRM feels an ethical obligation to help the communities where it conducts business. This can take the form of volunteer programs for stakeholders. These programs not only help those in need but also help develop respect and trust within the community.

### Data Protection

BSRM often collects information about their customers. This may only be an email address, but it could also be their physical address or financial information, depending on the nature of the business. BSRM usually promises to secure that information and not share it without the customer's permission. The same applies to employee information. Business ethics protect employees' personnel records and allow access only to those with a valid need to know.

### Integrity

BSRM exhibits integrity by acting and speaking consistently, which fosters confidence and trust. Integrity entails maintaining promises, upholding obligations, meeting deadlines, and refraining from dishonest behavior in personal and professional endeavors.

### Loyalty

Being loyal to coworkers, clients, business partners, and suppliers, as well as never disclosing information that has been acquired in confidence, are ways to demonstrate loyalty. Loyal employees avoid conflicts of interest, contribute to preserving and enhancing the company's good name, and lift the spirits of their coworkers.

### Honesty

Everyone on staff must be dedicated to speaking the truth in all interactions and all acts. This never includes intentional making false assertions, exaggerations, misrepresentations, or selective omissions. Regardless of the news, positive or negative, ethical employees of BSRM will treat them equally.

### Accountability

Ethical workers understand and take personal accountability for the morality of their actions toward themselves, their coworkers, their businesses, and their communities. Responsibility necessitates a complete dedication to the ethics of all decisions, acts, and relations.

### Fairness

BSRM treats others fairly and is the cornerstone of all trades and relations. Fairness entails treating everyone with respect and on an equal footing, never abusing others' position of authority, and never taking advantage of someone else's flaws or errors to further the company's interests. Fairness in the workplace of BSRM fosters a community where workers feel at ease, which raises engagement.

### Respect for laws

BSRM is always committed to complying with all laws and regulations. Employees also follow any other mandatory organizational rules, practices, and processes.

### Environmental concern

BSRM management and employees are continuously paying attention to the global climate situation. Making decisions that limit or reduce our negative influence on the environment is part of ethical business practices. Examples include:

- lowering carbon emissions
- reducing the amount of waste produced
- promoting energy–saving measures

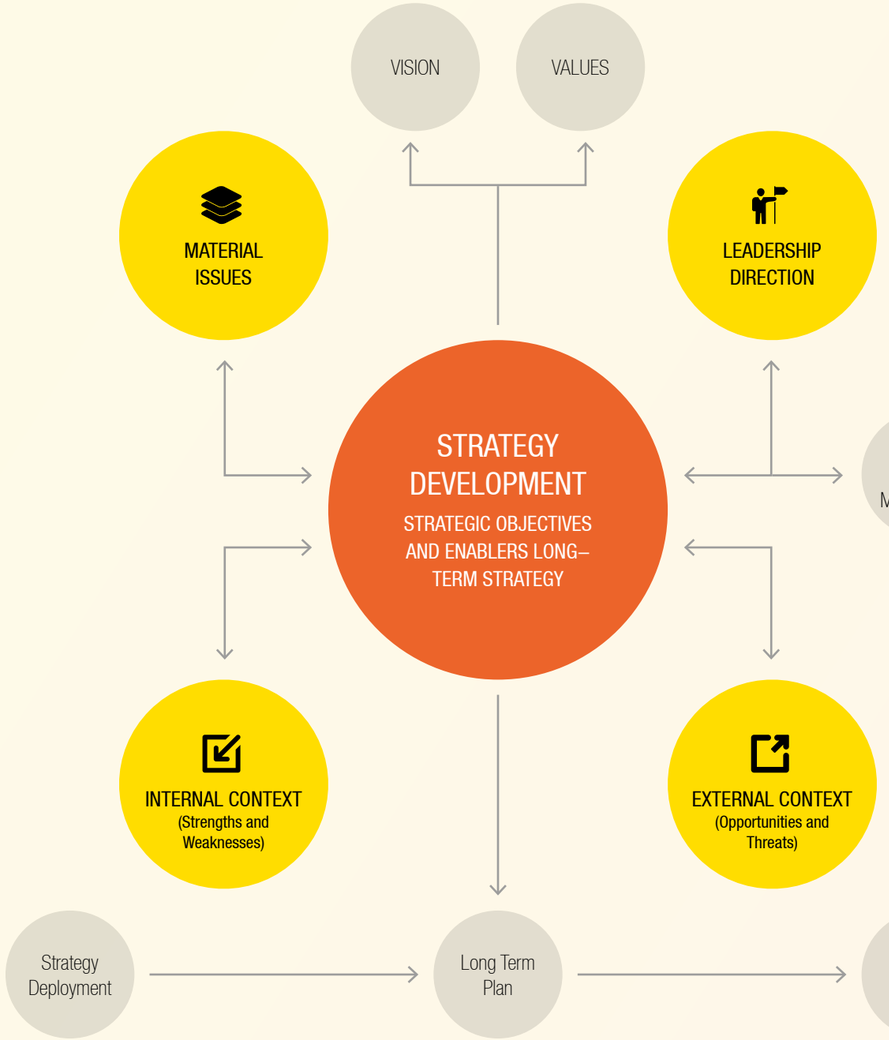
**CULTURE** | The company's vision and values, together with its cultural and ethical principles, constitute the way of working of each one of BSRM's employees, management, and board members.



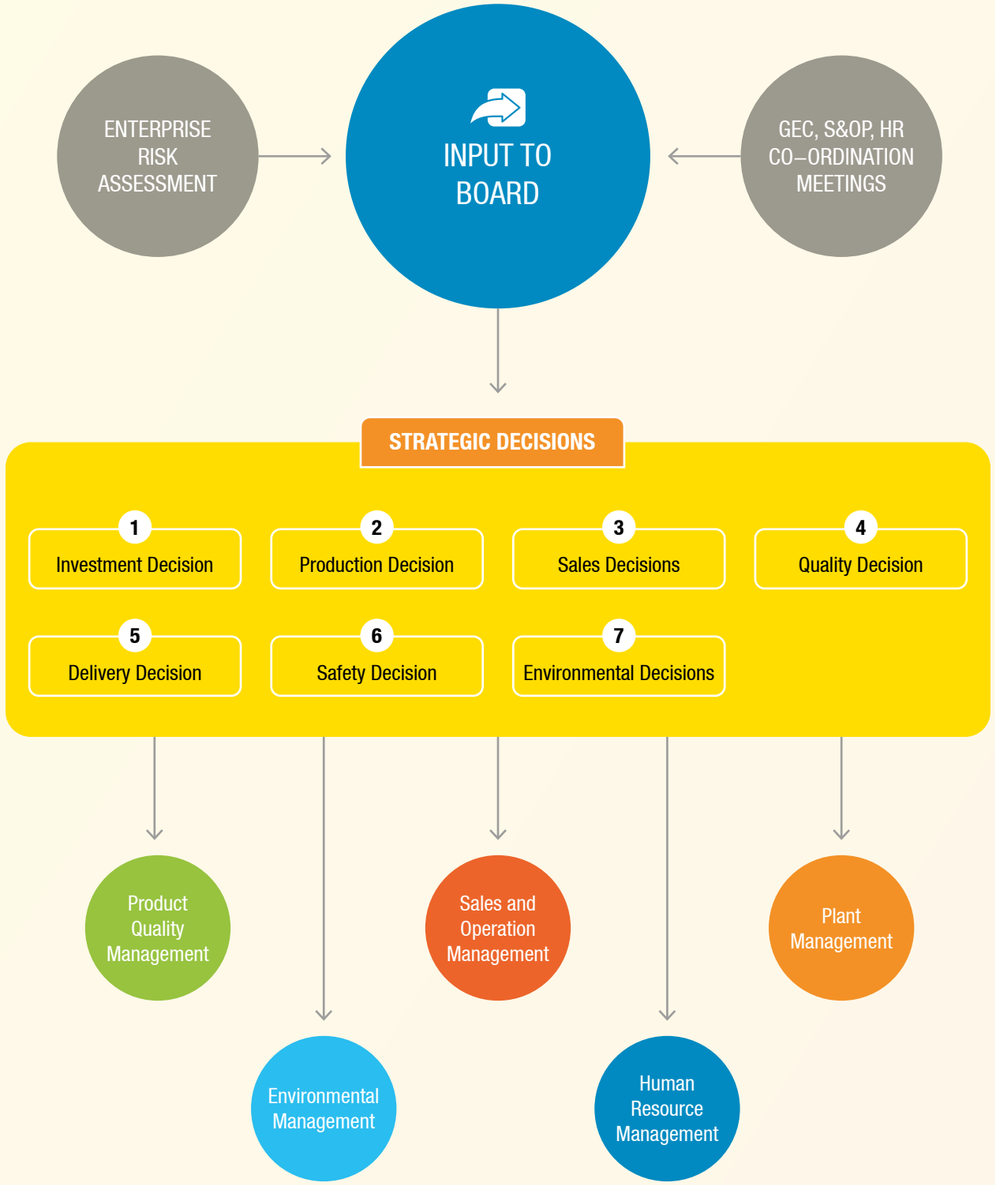
# STRATEGIC FOCUS OF BSRM

## Outlining a blueprint for tomorrow

The Vision and Values of the Organization guide our strategy planning process. As part of the process, we examine the external and internal business environment and factors in potential risks and opportunities that could disrupt the industry. Materiality assessment provides insights into the changing needs of all our stakeholders. Our long-term plans are formulated as an outcome of the integrated strategy planning process. The overall strategy and goals are cascaded down to individual departments with clearly defined responsibilities across all levels.

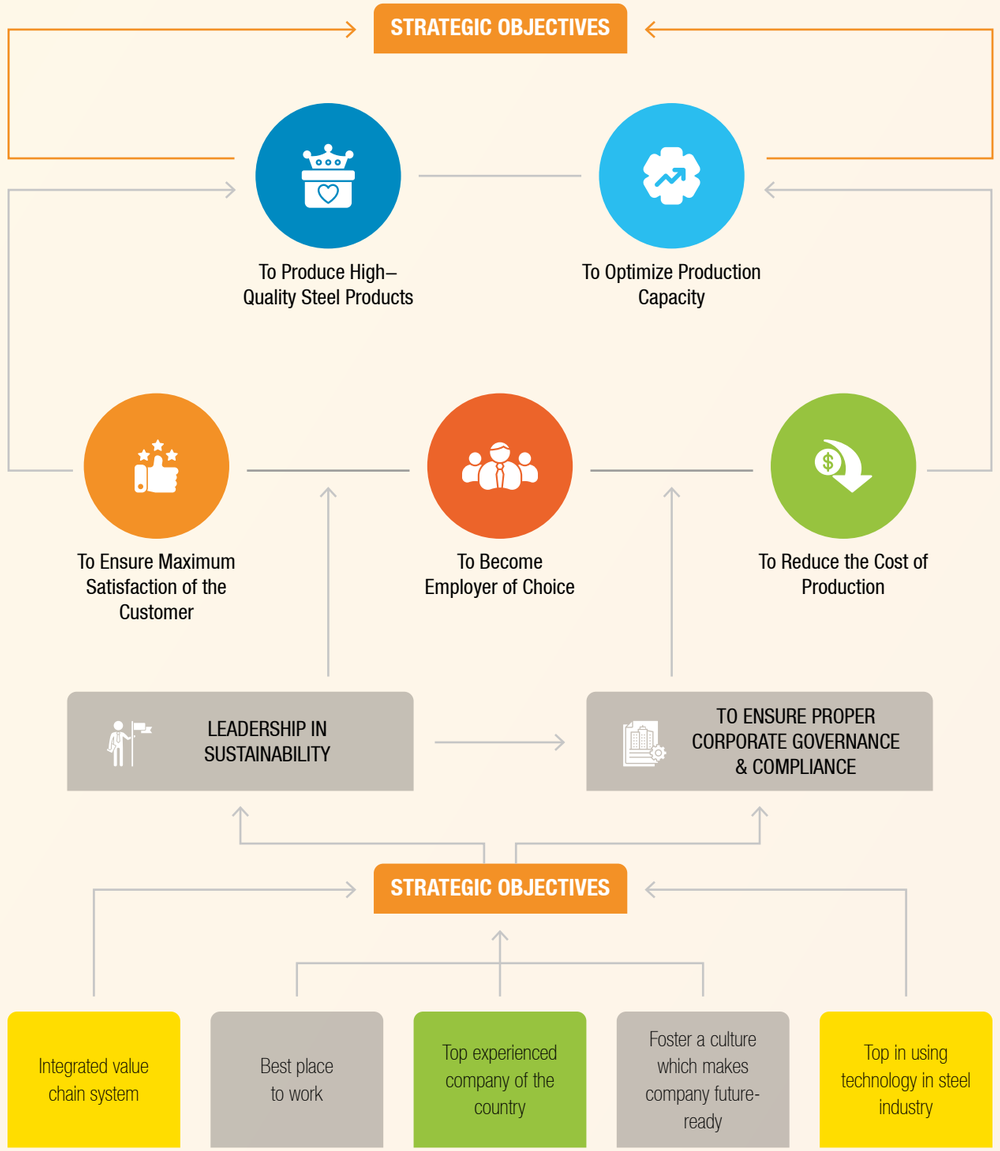


## INTERACTION OF PROCESS AT TOP MANAGEMENT LEVEL




## STRATEGIC ROADMAP TO OVERALL STRATEGIC OBJECTIVES

Our Overall strategic objectives ensure alignment of our business goals with our Vision and Values. ESG principles are integrated with all aspects of our business.



# OVERALL STRATEGIC OBJECTIVES

## Strengthening future readiness

At BSRM, we aspire to be future-ready structurally, financially, and culturally to be the most valuable and respected steel company. We have identified Seven Strategic Objectives (SOs) to create sustainable and profitable growth.

**SO1**
To Produce High-Quality Steel Products

**SO2**
To Reduce the Cost of Production

**SO3**
To Optimize Production Capacity

**SO4**
To Ensure Maximum Satisfaction of the Customer

**SO5**
To become employer of choice

**SO6**
To Ensure Proper Corporate Governance & Compliance

**SO7**
Leadership in sustainability

| Strategic Objectives | Focus areas | Goals | UN SDG GOAL |
|---|---|---|---|
| **SO1 To Produce High–Quality Steel Products** | • Maintain product quality consistently<br>• Innovate and introduce high-quality products<br>• Use state-of-the-art technology | • Continuous effort and investment to introduce innovative quality products<br>• Revisiting existing product lines and realignment to cater to new customer segments | 3 GOOD HEALTH AND WELL-BEING<br>8 DECENT WORK AND ECONOMIC GROWTH<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| **SO2 To Reduce the Cost of Production** | • Continue to invest in raw material security<br>• Cost improvement and value enhancement through structural interventions and continuous improvement programmes | • Maintain cost leadership at a market price of raw materials<br>• Cost reduction and value enhancement | 8 DECENT WORK AND ECONOMIC GROWTH<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| **SO3 To Optimize Production Capacity** | • Increase capacity through organic and inorganic growth<br>• Attain and retain leadership in chosen segments (current and new) | • Enter new segments and sustain #1 position in existing chosen segments | 8 DECENT WORK AND ECONOMIC GROWTH<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| **SO4 To Ensure Maximum Satisfaction of the Customer** | • Improve customer satisfaction and achieve brand loyalty<br>• Attract new customer segments | • Continue communication with the clients<br>• Realignment to cater to new customer segments and offer a competitive rate<br>• Development of AI/chat boat-based customer service solution | 8 DECENT WORK AND ECONOMIC GROWTH<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE |
| **SO5 To become an employer of choice** | • Increase productivity and engagement of Employees | • Placing the right people in the right place, establishing career planning with a competitive remuneration package<br>• Invest in human capital by regular spending on local/ foreign training & development program | 3 GOOD HEALTH AND WELL-BEING<br>4 QUALITY EDUCATION<br>5 GENDER EQUALITY<br>8 DECENT WORK AND ECONOMIC GROWTH<br>10 REDUCED INEQUALITIES |
| **SO6 To Ensure Proper Corporate Governance & Compliance** | • Comply with all applicable laws and regulations and adopt ethical and transparent practices in every action | • Process reengineering to meet regulatory issues<br>• Improvement of rapport with all regulators | 5 GENDER EQUALITY<br>8 DECENT WORK AND ECONOMIC GROWTH<br>10 REDUCED INEQUALITIES |
| **SO7 Leadership in Sustainability** | • Benchmark in CO2 emissions<br>• Benchmark in specific water consumption<br>• Value creation using Circular Economy business models<br>• Move closer to net zero emission | • Increasing investments in green financing to leave a good impact on the environment and to build a better future.<br>• Increase EBITDA of business | 6 CLEAN WATER AND SANITATION<br>7 AFFORDABLE AND CLEAN ENERGY<br>11 SUSTAINABLE CITIES AND COMMUNITIES<br>13 CLIMATE ACTION |





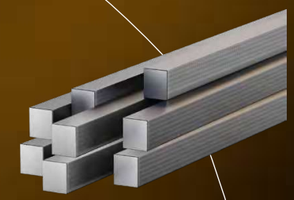


# BRANDS, PRODUCTS & SERVICES



## BSRM MAXIMA

High–Strength Reinforcement



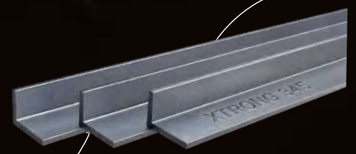
## BSRM SQUARE BAR

Strength & Versatility



## BSRM FASTBUILD SERVICES

Customized Rebar Solutions



## BSRM XTRONG

High–Strength Structural Steel



## BSRM WIRE ROD

High–Quality Wire Rods

## XTREME B500CWR & B500DWR

Superior Strength & Ductility



BSRM, a pioneer in Bangladesh's construction sector since 1952, provides cutting–edge steel solutions to meet the nation's growing infrastructure needs. Its flagship products include Xtreme B500CWR and B500DWR rebars, known for their high strength, safety, and compliance with global and national standards. For large–scale projects, BSRM Maxima offers reinforced steel that reduces congestion in construction, ensuring efficiency and durability. The Xtrong series, including unequal–leg angles, caters to heavy–duty applications with eco–friendly and cost–effective structural steel. BSRM's Square Bars, available in multiple sizes, serve diverse purposes like architectural elements and industrial use. The company also introduces specialty products like Ultima for earthquake resilience and Centura, the first Fusion Bonded Epoxy Coated Rebar in Bangladesh, designed for corrosion resistance in coastal infrastructure. Through its FastBuild service, BSRM provides customized rebar solutions, minimizing waste and enhancing project efficiency. The company underscores its commitment to sustainability by utilizing steel byproducts like slag in construction.

## XTREME B500CWR & B500DWR

BSRM, the most preferred reinforcing steel maker for major national landmark projects in Bangladesh, is committed to building a safer nation since 1952. As part of our continuous endeavor in research and innovation, we bring–forth another rebar brand Xtreme B500DWR, which fully conforms to BDS ISO 6935–2:2021. Grade B500DWR also conforms to Fe 500S of IS 1786:2008.The uniqueness of B500DWR is its minimum Tensile Strength to Yield Strength (T/Y) Ratio: 1.25 making it the toughest steel brand in Bangladesh. The product complies with the provisions of the Bangladesh National Building Code (BNBC).

**BENEFITS AND AREA OF APPLICATION:**

- Combinations of higher strength & higher ductility.
- Reduces the chance of sudden collapse of the structure.
- Provides more safety.
- Higher ductility– the capacity to absorb large amounts of energy released during earthquakes.
- Ensures the highest Elongation at Maximum Force (EMF)
- Applicable for all types of structures in any location.






## BSRM MAXIMA

In 2016, BSRM introduced 80 grade steel reinforcement with the brand name of BSRM Maxima which conforms to the U.S standard ASTM A706–16 Grade 80 and BDS ISO 6935–2: 2021. BSRM Maxima is exactly the right material for the construction of projects which need extra strength combined with added safety measures. It has a minimum Yield strength of 80,000 psi [550MPa] and a Tensile strength of minimum 100,000 psi [690 MPa] along with a minimum TY ratio of 1.25. The higher strength steel further provides "congestion relief" in any construction member which ensures better concrete placing & compaction, thus making it safer & economical.

**BSRM INTRODUCES TWO DIFFERENT GRADED HIGH–STRENGTH STEEL FOR REINFORCING, NAMELY:**

- MAXIMA B500D (80Grade) conforming to BDS ISO 6935–2: 2021 & ASTM A 706: 2016
- MAXIMA B600D–R conforming to BDS ISO 6935–2: 2021.

**Available Sizes: 8 mm to 50 mm dia.**



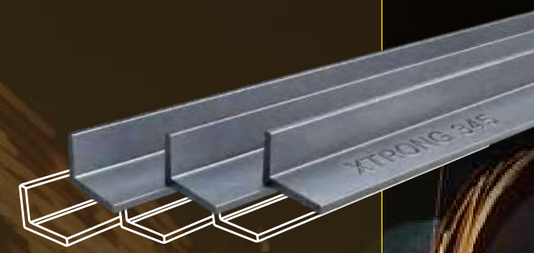

## BSRM XTRONG

From the perspective of providing a complete steel solution for any construction–related requirement, BSRM has high–strength structural steels in its portfolio, knowingly marketed with the brand name BSRM Xtrong. BSRM Xtrong angle and channel are high–strength structural steel conforming to U.S standard ASTM A572 Grade 50 and BDS ISO 630–3–2012 Grade 345. BSRM Xtrong Angle & Channel sections provide an economical alternative to steel fabricated structures compared to traditional ASTM A–36 steel.

Xtrong Grade SG 345 Our unequal leg angles, which we introduced first in Bangladesh, are engineered to meet the demands of modern construction and industrial applications. With legs of varying lengths, these angles provide unique structural benefits, ensuring reliability and strength. We have a wide range of sizes available for equal and unequal leg angles.

**ADVANTAGES:**

- Efficient Design: Unequal leg angles offer optimal material usage.
- Cost–Effective: Reduces material quantity and subsequent project costs.
- Ease of Fabrication: Perfect design ensures hassle–free fabrication and meets project requirements.
- Eco–Friendly: 100% recyclable steel, supporting sustainable construction practices.

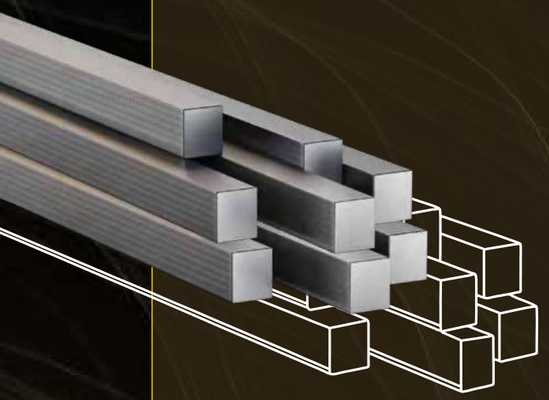


# BSRM SQUARE BAR

BSRM first introduced 415 Graded Square Bar in Bangladesh, made from quality billets. It conforms to ISO 630–3–2012 SG415. The uniform length and weight of BSRM Square Bar ensures the economic benefit of the client. Since the Square Bar is manufactured from quality billets, it ensures guaranteed strength and safe welding.

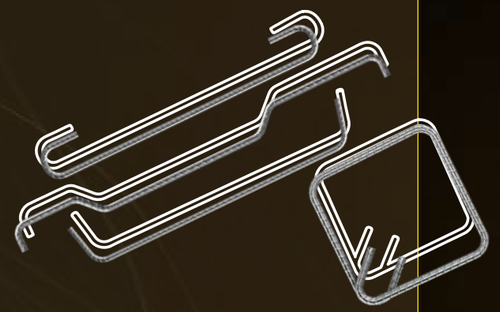
BSRM Square Bar can be used in articulated design of the structures. It can be used to construct window grills, staircase railings, entrance gates, steel furniture etc.

**Available Sizes: 8 mm to 50 mm dia.**



# BSRM FASTBUILD SERVICES

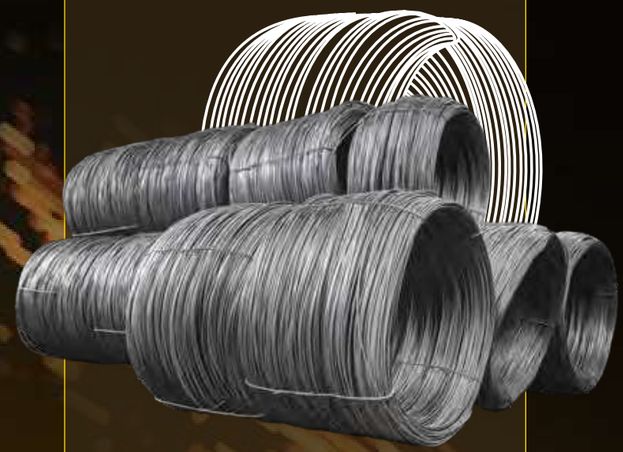
BSRM FastBuild is an innovative downstream service from BSRM, which gives customized rebar solutions for all construction–related needs. Under these value–added customized services, BSRM offers BBS (Bar Bending Schedule) development, cut & bend, and stirrups or ties. Every structure comes with its unique requirements of design and shapes. The practice of fabrication of rebar at construction sites to meet individual requirements can be labour intensive and time–consuming, resulting in enormous wastage of material. The storage issue of materials at construction sites is also a great headache. Our main purpose is to provide simplified rebar solutions so that your construction becomes compliant with regulations in a safe & cost–effective manner. And most importantly, your life becomes easier and stress–free. It should be mentioned that BSRM FastBuild follows Bangladesh National Building Code and ACI to deliver all these customized rebar solutions.





# BSRM WIRE ROD

BSRM Wire Rods are manufactured in grades ranging from low–carbon (B1008, B1010, B1012, B1015, B1018, B1025) to fastener–grade wire rods (B1010, B1012, B1015) and bar–in–coil rebar grades B500CWR and B500DWR, conforming to international standards including BDS ISO 6935–2 and stringent in–house metallurgical specifications. These wire rods are engineered for a wide spectrum of applications such as fine wire drawing, binding wire, galvanized wire, welding electrodes, fasteners (nuts, bolts, screws, rivets), spring steel, bright bars, and rebar applications. Their superior drawability, controlled chemistry, and consistent mechanical properties ensure reliable performance across diverse industrial processes.



# BSRM BUSINESS FRAMEWORK

## Building a Stronger Future Through Innovation and Sustainability

BSRM is dedicated to producing world-class steel solutions that drive infrastructure development and industrial growth, while maintaining a commitment to sustainability, innovation, and quality. Our business model is designed to ensure long-term success by leveraging advanced technology, strategic partnerships, and a focus on eco-friendly production practices. We believe in creating value not just for our customers, but for society and the environment.

BSRM Business Framework

### Sustainable Manufacturing Practices

Prioritizing eco–friendly production processes, reducing emissions, and promoting recycling.

### Commitment to Innovation

Investing in research and development to enhance product quality and drive technological advancements.

### Operational Excellence

Ensuring efficient production, logistics, and distribution to meet market demands.

### Social Responsibility and Community Engagement

Supporting societal welfare programs in education, healthcare, and infrastructure.

### Leadership in Quality and Compliance

Upholding high standards of quality and ensuring regulatory compliance.



# PRINCIPAL ACTIVITIES

## From Raw Material to Finished Steel: The BSRM Value Chain

**Raw Material Sourcing**

Responsible sourcing from trusted suppliers who share our values for quality and sustainability.

**Steel Production**

Advanced manufacturing: Utilizing the latest technologies in steel re-rolling to produce high-strength steel products such as BSRM Xtreme B500 DWR/CWR, BSRM Ultima, BSRM Maxima and other tailored solutions.

**Quality Assurance**

World-class standards: Rigorous testing and quality control measures ensure that every BSRM product meets the strictest quality requirements.

**Sustainable Stewardship**

Eco-friendly production: Recycling scrap steel and adopting energy-efficient practices to minimize environmental impact.

**Empowering the Workforce**

Training and development: Investing in the continuous growth and well-being of our employees to foster a highly skilled and motivated workforce.

**Delivering Value**

On-time delivery: Efficient logistics and supply chain management ensure timely delivery to domestic and international markets.

### End–to–End Impact

From raw material to finished steel, BSRM's commitment to excellence ensures that we provide top-quality steel products while supporting sustainable development. Our products are integral to the success of major projects, including bridges, highways, power plants, and residential developments, contributing to Bangladesh's economic and infrastructural growth.

# MARKETS WE SERVE

### Domestic Market Leadership

As Bangladesh's foremost steel manufacturer, BSRM plays a vital role in the country's infrastructural and economic development. Our steel products are widely used in national construction projects, from high–rise buildings to transportation infrastructure, ensuring the strength and longevity of Bangladesh's growth.

### Expanding Export Markets

BSRM is expanding its footprint beyond Bangladesh, exporting high–quality steel to markets such as Tripura, India. Our international expansion strategy is built on the reputation we have cultivated for delivering reliable steel solutions that meet global standards.

### Partnering with Government and Mega Projects

BSRM is a key supplier to some of the most significant infrastructure projects in Bangladesh, including the iconic Padma Bridge, Rooppur Nuclear Power Plant, Bangabandhu Tunnel, Dhaka Elevated Expressway, and Padma Rail Link Project. These collaborations demonstrate BSRM's ability to meet the demands of complex, large–scale construction projects while ensuring top–notch quality and timely delivery.

**Driving Economic Growth**

Strengthening Bangladesh's infrastructure with durable, cost-effective, and sustainable steel.

**World–Class Innovation**

Leading the way with innovative steel products that boost efficiency and sustainability.

**Purpose–Driven Profits**

Channeling profits into social programs that promote national development.




**Strong Regulatory Compliance**

Ensuring adherence to safety and quality standards.

**Diverse Product Range**

Offering a wide range of steel products tailored to various industry requirements.

**OUR PROMISE**

BSRM is committed to building a stronger and more sustainable future for Bangladesh through innovation, quality, and environmental responsibility. Our value–driven approach ensures that we meet today's needs while safeguarding tomorrow's growth.

# PERFORMANCE **AT A GLANCE**

**MT 1.59 MN**
2024–25 MT 1.23 MN
◂ Production Quantity

Revenue ▸
**TK. 129,488 MN**
2024–25 TK. 103,665 MN

**MT 1.55 MN**
2024–25 MT 1.19 MN
◂ Sales Quantity

Gross Profit ▸
**TK. 14,102 MN**
2024–25 TK. 11,505 MN

**TK. 11,745 MN**
2024–25 TK. 9,053 MN
◂ Operating Profit

Net Profit ▸
**TK. 7,153 MN**
2024–25 TK. 5,176 MN

**TK. 106.36**
2024–25 TK. 90.52
◂ Net Asset Value per Share

Net Operating Cash Flow per Share ▸
**Tk. 24.46**
2024–25 Tk. 45.02

**TK. 19.03**
2024–25 TK. 13.77
◂ Earnings per Share

# AWARDS & RECOGNITION

**SDG Brand champion awards 2025**

most sustainable manufacturing company of the year

**Winner of most**

innovative environmental solution 2023

**ICMAB Best Corporate Gold Award**

2019, 2020, 2021 2022, 2023 & 2024

**National Export Award**

2013-14. 2015-16, 2016-17 & 2017-18

**Bangladesh Business Awards 2024**

as the enterprise of the year




**SDG Brand champion awards 2025**

most sustainable estate company of the year building materials




**ICSB National Awards**

For corporate governance excellence Silver Award 2024







**Certificate of merit from SAFA**

2015 & 2018




**Certificate of merit from SAFA**

2015 & 2018

**CIP Award**

In large industry manufacturing 2021

**CSR Award**

For Best CSR Initiative 2021

**SDG brand champion awards 2023**

in responsible consumption and production category

**UoC Award**

for excellence in corporate citizenship

**Best Brand Award**

In Steel Category for 2011-2023



**National Export Award**

2013–2014, 2015–2016, 2016–2017 & 2017–2018

**Tax Card for "2nd Highest Tax Payer"**

In engineering category for the tax period 2019-2020

**2nd Highest Tax Payer 2021–22**

in manufacturing category

**President's Award**

for industrial development 2014

**Bangabandhu Sheikh Mujib Industrial Award 2022**

in the large industry category



**Bangladesh Project Management Awards 2024**

For Feni river water intake and treatment system for industrial use







**Tax card for "1st highest tax payer"**

in engineering category for 2016-2017

**ICAB NATIONAL AWARDS**

most sustainable manufacturing company of the year

**ICAB national awards**

for best presented annual report 2012, 2014 & 2015

**19th ICAB National Award**

for best presented annual report 2018

**National productivity and quality excellence award 2017**

**ICAB National Awards**

for best presented annual report 2012, 2014 & 2015



**National Export Award**

2013–14, 2015–16, 2016–17 & 2017–18

# CORPORATE CONTACT INFORMATION

## COMPANY NAME

BSRM Steels Limited

## DATE OF INCORPORATION

20th July, 2002

## DATE OF COMMERCIAL OPERATION

1st April, 2008

## SHARE CAPITAL

**Authorized capital**
BD Tk. 500.00 Crore

**Paid Up Capital**
BD Tk. 375.95 Crore

## BORAD OF DIRECTORS

Alihussain Akberali FCA, Chairman
Aameir Alihussain, Managing Director
Zohair Taherali, Director
Tehseen Zohair Taherali, Director
Gobinda Chandra Paul FCA, Independent Director
Dr. Suraiya Nazneen, Independent Director

## COMPANY SECRETARY

Shekhar Ranjan Kar FCA

## HEAD OF INTERNAL AUDIT & COMPLIANCE

Mohammed Reazul Kabir FCA

## CHIEF FINANCIAL OFFICER

S.M. NURUL KARIM

## AUDIT COMMITTEE

Gobinda Chandra Paul FCA, Chairman
Aameir Alihussain, Member
Zohair Taherali, Member
Shekhar Ranjan Kar FCA, Secretary

## NOMINATION & REMUNERATION COMMITTEE (NRC)

Gobinda Chandra Paul FCA, Chairman
Aameir Alihussain, Member
Zohair Taherali, Member
Shekhar Ranjan Kar FCA, Secretary

## AUDITOR

A Qasem & Co. Chartered Accountants
Faruk Mahal (3rd Floor), Plot # 93,Agrabad C/A,
Chattogram-4100, Bangladesh

## LOCATIONS

### CORPORATE OFFICE

Ali Mansion 1207/1099, Sadarghat Road
Chattogram, Bangladesh.
Tel: +88 02 3333 54901-10
Email: mail@bsrm.com
Web: www.bsrm.com

### ROLLING PLANT 1:

4, Fouzderhat Industrial Estate Chattogram,
Tel: +88-031-2770191-93

### ROLLING PLANT 2:

Khilmurari, Zorargonj,
Mirsarai, Chattogram,
Tel: +88-031-626312-3, 632130, 632144

### MELTING PLANT 1:

202-205, Nasirabad Industrial Estate,
Baizid Bostami Road,
Chattogram.
Tel: +88-031-2581361-3

### MELTING PLANT 2:

Khilmurari, Zorargonj,
Mirsarai, Chattogram.
Tel: +88-031-626312-3, 632130, 632144

### DHAKA CORPORATE OFFICE

Nasir Uddin Tower, 4th Floor,
Bir Uttam Samsul Alam Road
104/1 Kakrail, Dhaka-1000.
Tel: 88 02 8300591-95, Fax: 88 02 8300590
Email: dhaka@bsrm.com

### UTTARA OFFICE

Atlanta Trade Center, Level-6,
Plot # 1, Road # 1/A
Sector-4, Uttara Model Town, Dhaka.
Tel: +8802-58957891, +8802-48958029
Fax: +8802-48956496

## REGIONAL OFFICES

**Sylhet**
102, Jhornar Par, Eidgah Road,
Kumarpara, Sylhet.
Tel: +88 01730-787096,
Email: sylhet@bsrm.com

**Bogura Sales office and warehouse**
Tin Matha Rail Gate (near to North Bengal Petrol Pump), Puran Bogura, Bogura.
Tel: +88051-60792, +8801730784825
E-mail:bogra@bsrm.com

**Cumilla**
Chandrima Super Market, Airport Road
(Near to EPZ Main Gate), Cumilla.
Tel: +88 01708-494898,
E-mail:comilla@bsrm.com

**Khulna**
Khan Tower (5th Floor), A-50, KDA Majid Sharani Road, Shibbari More, Khulna
Tel: +88 01755-545910,
E-mail: khulna@bsrm.com

**Barishal Sales office and warehouse**
Shohid Mukhtojoddha ADC Kazi Azizul Islam Sarak, (30 go-down road),
South Alekanda, Barishal
Tel: +88 0431-2177518, +88 0431-62048, +88 017 3070 3013

**Narayangonj Office**
Jungail, Barpara, Bandar, Narayangonj.
Tel: +88 01714080514

**Rangpur Sales Office and Warehouse**
Ulipur Market, Goneshpur,
RK Road, Rangpur
Tel: +8801730-787099

**Benapole Office**
50 Kagonjpukur Benapole Port,
Sharsa, Jessore.
Tel: +88 017 3070 3045

**Mirsharai Warehouse and Noakhali office**
Madhya Sonapahar, 3 No. Zorargonj,
Mirsarai, Chattogram.
Tel: +88 017 1324 8755

**Mymensingh Sales Office and Warehouse**
Jamtoli, Churkhai, Mymensingh
Tel: +88 01714-105052

**Cox's Bazar**
S.K Tower, 2nd floor, Taraboinarchora
Khurushkul Road, Coxsbazar.
Tel: +88 01713362984

**Gazipur**
Amanta S. H. Tower (3rd Floor),
Naljani, Joydebpur Road,
Chowrasta, Gazipur – 1702
Tel: +88 01714087682

**Narshingdi**
Ripon Tower (1st Floor), House # 492, Titas Gas Office Road, Chinishpur, Narsingdi.
Tel: +88 01714094579

**Kushtia**
Aleya Tower, Puraton Alpha More,
Dadpur Road, West Mojompur, Kushtia
Tel: +88 01714031110

**Faridpur**
Hafez Building (2nd Floor), Mujib Sharak Niltuli, Faridpur Sadar, Faridpur.
Tel: +88 01708-125158

**Rajshahi**
Shefali Tower (5th Floor),
Bindur More, Gourhanga, Ghoramara,
Boalia, Rajshahi
Tel: +8801730014986

**Tangail**
Basak Tower (1st Floor)
Boro kalibari Road, Sadar, Tangail.
Tel: +88 01730-007898

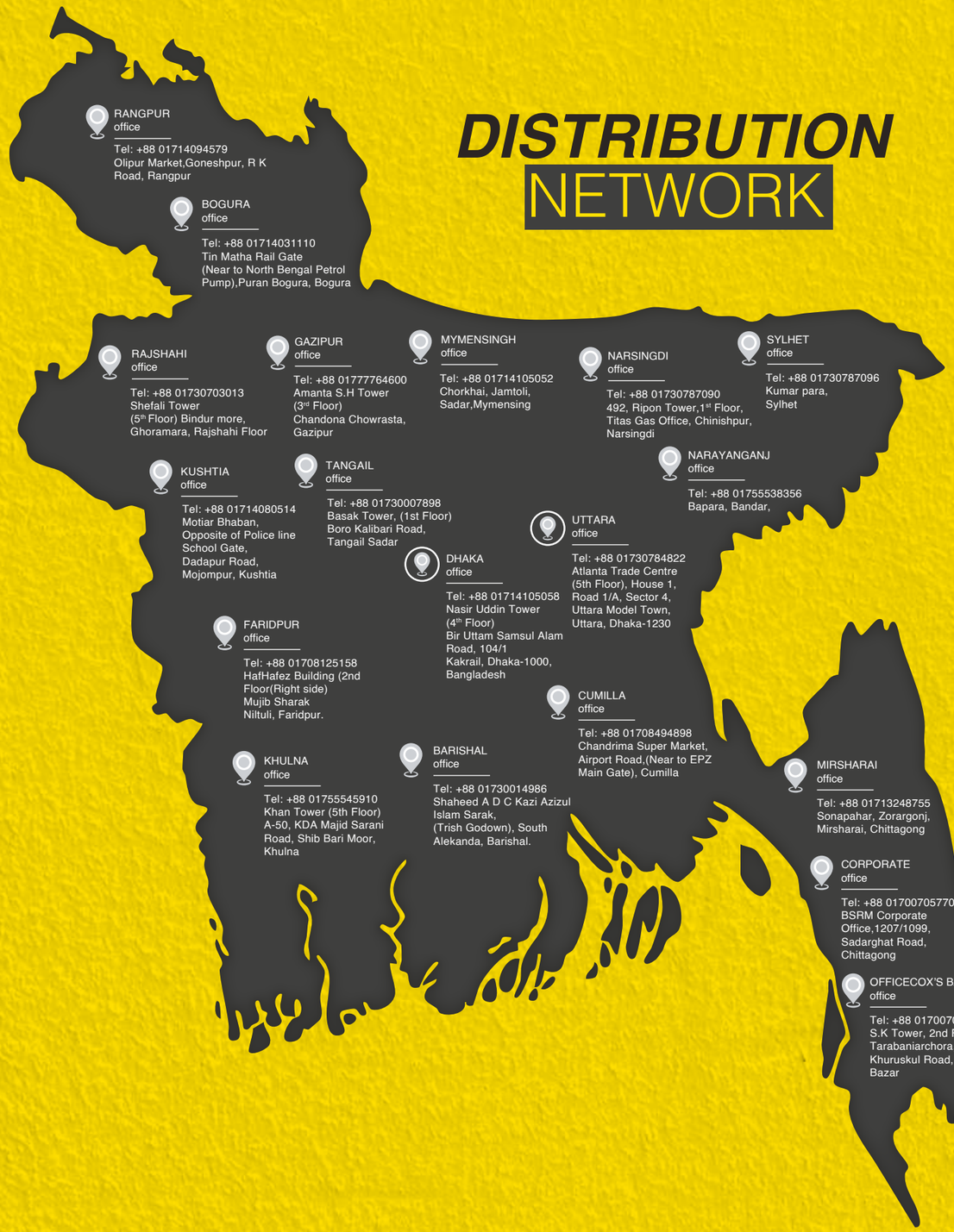
**Dinajpur**
Taj Tower (2nd floor), Mirjapur Bus Terminal,
Dinajpur Sadar.
Tel: +88 01755520538







# DISTRIBUTION NETWORK



**RANGPUR**
office
Tel: +88 01714094579
Olipur Market,Goneshpur, R K Road, Rangpur

**BOGURA**
office
Tel: +88 01714031110
Tin Matha Rail Gate
(Near to North Bengal Petrol Pump),Puran Bogura, Bogura

**RAJSHAHI**
office
Tel: +88 01730703013
Shefali Tower
(5th Floor) Bindur more,
Ghoramara, Rajshahi Floor

**GAZIPUR**
office
Tel: +88 01777764600
Amanta S.H Tower
(3rd Floor)
Chandona Chowrasta,
Gazipur

**MYMENSINGH**
office
Tel: +88 01714105052
Chorkhai, Jamtoli,
Sadar,Mymensing

**NARSINGDI**
office
Tel: +88 01730787090
492, Ripon Tower,1st Floor,
Titas Gas Office, Chinishpur,
Narsingdi

**SYLHET**
office
Tel: +88 01730787096
Kumar para,
Sylhet

**KUSHTIA**
office
Tel: +88 01714080514
Motiar Bhaban,
Opposite of Police line
School Gate,
Dadapur Road,
Mojompur, Kushtia

**TANGAIL**
office
Tel: +88 01730007898
Basak Tower, (1st Floor)
Boro Kalibari Road,
Tangail Sadar

**NARAYANGANJ**
office
Tel: +88 01755538356
Bapara, Bandar,

**DHAKA**
office
Tel: +88 01714105058
Nasir Uddin Tower
(4th Floor)
Bir Uttam Samsul Alam Road, 104/1
Kakrail, Dhaka-1000,
Bangladesh

**UTTARA**
office
Tel: +88 01730784822
Atlanta Trade Centre
(5th Floor), House 1,
Road 1/A, Sector 4,
Uttara Model Town,
Uttara, Dhaka-1230

**FARIDPUR**
office
Tel: +88 01708125158
HafHafez Building (2nd Floor(Right side)
Mujib Sharak
Niltuli, Faridpur.

**CUMILLA**
office
Tel: +88 01708494898
Chandrima Super Market,
Airport Road,(Near to EPZ Main Gate), Cumilla

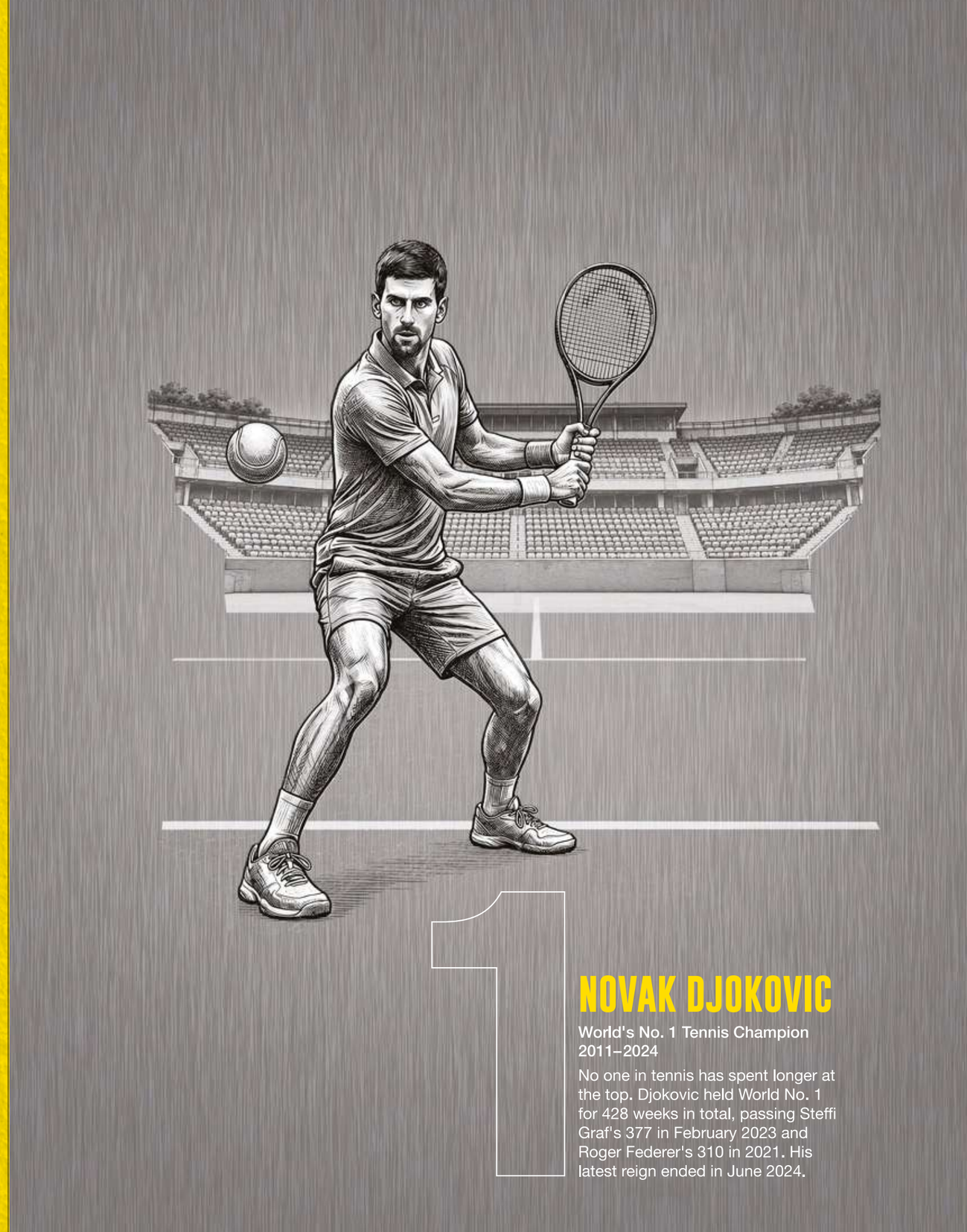
**KHULNA**
office
Tel: +88 01755545910
Khan Tower (5th Floor)
A-50, KDA Majid Sarani
Road, Shib Bari Moor,
Khulna

**BARISHAL**
office
Tel: +88 01730014986
Shaheed A D C Kazi Azizul Islam Sarak,
(Trish Godown), South
Alekanda, Barishal.

**MIRSHARAI**
office
Tel: +88 01713248755
Sonapahar, Zorargonj,
Mirsharai, Chittagong

**CORPORATE**
office
Tel: +88 01700705770
BSRM Corporate Office,1207/1099,
Sadarghat Road,
Chittagong

**OFFICECOX'S BAZAR**
office
Tel: +88 01700705775
S.K Tower, 2nd Floor
Tarabaniarchora,
Khuruskul Road, Cox's Bazar



1

## NOVAK DJOKOVIC

**World's No. 1 Tennis Champion 2011–2024**

No one in tennis has spent longer at the top. Djokovic held World No. 1 for 428 weeks in total, passing Steffi Graf's 377 in February 2023 and Roger Federer's 310 in 2021. His latest reign ended in June 2024.

# MEET OUR
# LEADERSHIP TEAM



Sitting (from left to right)

- **Zohair Taherali**
  Director
- **Alihussain Akberali FCA**
  Chairman
- **Aameir Alihussain**
  Managing Director

Standing (from left to right)

- **Dr. Suraiya Nazneen**
  Independent Director
- **Tehseen Zohair**
  Director
- **Gobinda Chandra Paul FCA**
  Independent Director

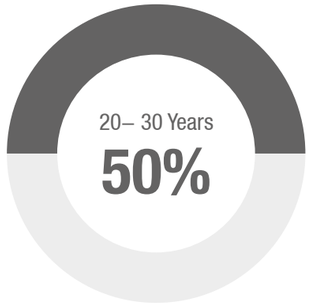
## Guiding Innovation and Sustainability

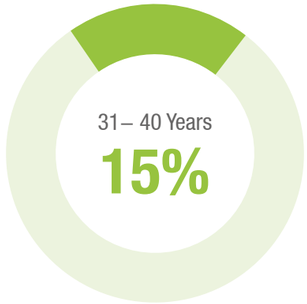
BSRM's Board of Directors is committed to fostering innovation, operational excellence, and sustainable growth. With an extensive array of expertise across multiple sectors, they ensure that BSRM remains a leader in Bangladesh's steel industry, continually setting benchmarks for quality, sustainability, and governance.

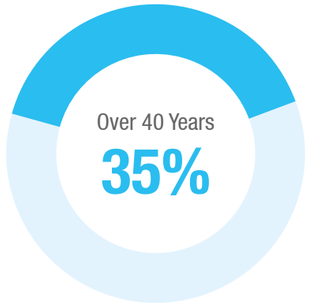
## Board Expertise

- **Steel Manufacturing and Industrial Operations**
- **Market Dynamics and Strategic Planning**
- **Technological Innovation in Steel Production**
- **Financial Management and Corporate Governance**
- **Regulatory Compliance and Industry Standards**
- **Business Development and Market Expansion**
- **Human Resources and Organizational Development**

## Experience Overview












## Alihussain Akberali FCA
Chairman

Mr. Alihussain Akberali FCA is a leading industrialist and one of the principal architects of Bangladesh's modern steel industry. As Chairman of BSRM and BSRM Steels, he has guided the Group's strategic growth, technological advancement, and market leadership for nearly four decades.

A Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB), he assumed full leadership of the company in 1985. Under his stewardship, BSRM has evolved into the country's largest and most trusted steel manufacturer, operating nine factories and generating employment for approximately 10,000 people directly and indirectly.

He has been instrumental in modernizing Bangladesh's steel sector through the adoption of advanced European technologies and the introduction of high–strength steel grades, including 500–grade and 80–grade products designed for high–rise structures, bridges, nuclear facilities, and specialized infrastructure. BSRM products have been supplied to virtually every major national project, reinforcing the Group's reputation for quality and reliability.

Beyond commercial success, Mr. Akberali champions responsible industrial growth. Through structured corporate social responsibility initiatives, BSRM supports education, vocational training, healthcare access, and engineering talent development to strengthen the nation's long–term capacity.

Recognized ten times as a Commercially Important Person (CIP) for his contribution to large–scale industry, he is widely respected for disciplined leadership, strategic foresight, and an unwavering commitment to excellence.

His guiding belief: There is no easy path to success; there is no alternative to hard work.



## Aameir Alihussain
Managing Director

Mr. Aameir Alihussain, the Managing Director of the Company, is a visionary leader who emphasized operational excellence by investing in advanced technologies and sustainable practices to meet evolving demand of Bangladesh's booming construction sector and also diversifying into new business ventures. His leadership focused on global benchmarking, team–centric culture, supply chain optimization, innovation and sustainability.

His commitment has guided BSRM to ensure environmentally friendly manufacturing systems, including advanced air pollution control technologies, process water recycling, promong energy efficiency, and circular reuse of materials. He also priorized employee well–being through competitive benefits and development opportunities, making the group an employer of choice in manufacturing industry. His stewardship has strengthened the company's position as the market leader, commanding the highest market share in country's reinforcing steel segment by being the most trusted brand that builds a safe nation.

Mr. Aameir prioritizes corporate social responsibility (CSR), with initiatives focused on community support and environmental care. His vision for BSRM extends beyond profitability aiming to create long–term value for society. Under his leadership BSRM partnered with Brac University to establish BSRM School of Engineering turning raw potential into skill engineers through transformative scholarships. He strongly believes that the youth of today will take the nation ahead. To encourage youth and sports, Mr. Aameir's leadership initiated another milestone by being the development partner of Bangladesh Football Federation with the hope to see Bangladesh in the World Cup in near future.

Mr. Aameir the only son of Alihussain Akberali, joined the family–owned company in 2001 with the aim to set high industry guidelines for the performance of the organization. He studied Economics from McGill University, Canada and did his MBA from LUMS (Lahore University of Management & Sciences). As a third–generaon member of the distinguished Akberali family, Mr. Aameir carries forward a legacy of enterprise with a modern, values–driven approach. He was recognized amongst the highest taxpayer by the National Board of Revenue (NBR).

**Membership & Social Affiliation:**

- Executive Member, Bangladesh Steel Manufacturers Association (BSMA)
- Member, Bangladesh Chamber of Commerce and Industry (FBCCI)
- Member, BSRM Audit Committee and Nomination & Remuneration Committee (NRC)





## Zohair Taherali
Director

**Educational Background:**

Bachelor of Commerce

**Career Highlights:**

Mr. Zohair Taherali has been playing an important role for the Company's growth. As the Director of Finance, he is undertaking the responsibility for the management of Financial and Administrative aspects of the Company. Mr. Zohair Taherali and his family were recognized by National Board of Revenue (NBR) as 'Kar Bahadur' in 2016–2017 for paying highest tax to national exchequer from Chattogram.

**Membership & Social Affiliation:**

- Member, Bangladesh Steel Manufacturers Association (BSMA)
- Member, BSRM Audit Committee and Nomination & Remuneration Committee (NRC)



## Tehseen Zohair
Director

**Educational Background:**

- Bachelor of Arts
- Bachelor of English Language Teaching
- Master in Education, Ashford University, USA
- Diploma in School Management, Harvard University, USA

**Career Highlights:**

Mrs. Tehseen Zohair Taherali has been actively involved in various educational and social initiatives. As a Board member, she contributes to the governance and strategic direction of BSRM, while also being deeply committed to supporting the community through her work with many social organizations. Her efforts have earned her recognition as one of the top women tax–paying entrepreneurs in Chattogram. Mrs. Zohair is committed to fostering early childhood education, emphasizing a play–based learning approach that nurtures creativity and cognitive development. She also introduced inclusion education and STEM in Bangladesh.

**Membership & Social Affiliation:**

She is involved in many social organizations including being an Advisory member of Down Syndrome Association and Advisory member of Spectra School of Autism. Besides this she is involved in woman chamber of commerce and International woman association.



**Gobinda Chandra Paul FCA**
Independent Director

**Educational Background:**

FCA, Institute of Chartered Accountants of Bangladesh (ICAB)

**Career Highlights:**

Mr. Gobinda Chandra Paul has over 45 years of experience in auditing, risk management, and corporate governance. He is a Managing Partner of Basu Banerjee Nath & Co., Chartered Accountants. As Independent Director, he ensures compliance with international accounting standards, playing a crucial role in ensuring BSRM's compliance with best corporate governance practices and guides the company in financial reporting and risk management.

**Membership & Social Affiliation:**

- Chairperson, BSRM Audit Committee and Nomination & Remuneration Committee
- Fellow Member, Institute of Chartered Accountants of Bangladesh (ICAB)

**Date of Retirement:**

October 31, 2026



**Dr. Suraiya Nazneen**
Independent Director

**Educational Background:**

- Ph.D. in Finance from the University of Chittagong
- M. Com. in Finance, First Class (Second Position), University of Chittagong, Bangladesh

**Career Highlights:**

Mrs. Dr. Suraiya Nazneen is a distinguished academician with extensive teaching experience and profound academic expertise in finance, accounting, financial management and business administration. She has been serving as a Professor in the Department of Finance at the University of Chittagong, Bangladesh, since 1998. Throughout her academic career, she has developed extensive knowledge and expertise in financial accounting, financial management, capital markets, banking, taxation, auditing and investment management.

Her strong academic background and in–depth understanding of financial systems, corporate finance and financial governance enable her to bring valuable insights to the Board, particularly in areas of financial decision–making, risk assessment, internal control, strategic planning, corporate accountability and sustainable business growth.

**Research and publications:**

Dr. Suraiya Nazneen has extensive research experience in finance, accounting, microfinance, corporate financing, investment decisions and working capital management. She has published several research papers in national and international journals and conference proceedings, covering areas such as corporate financial performance, dividend policy, capital markets, women's economic development, financial management and risk management.

**Date of Appointment:**

October 25, 2026





**Qazi Meraz Uddin Arif, FCCA, FCMA**
Independent Director (Proposed)

**Educational Background:**

- FCMA, Institute of Cost and Management Accountants of Bangladesh (ICMAB)
- FCCA, Association of Chartered Certified Accountants (ACCA)
- Master in Accounting, University of Chittagong, Bangladesh

**Career Highlights:**

Mr. Qazi Meraz Uddin Arif, FCCA, FCMA, is an accomplished finance and audit professional with more than 30 years of extensive professional experience in financial management, auditing, assurance, budgeting, financial analysis, project evaluation, institutional governance and infrastructure development. He previously served as the Chief Audit Officer of Chittagong Port Authority, where he gained substantial experience in financial oversight, internal control, risk management, institutional accountability and strategic financial management.

With his strong professional qualifications and extensive leadership experience, Mr. Meraz brings independent judgment and strategic insights to the Board, contributing to sound corporate governance, effective financial oversight, robust internal controls and the Company's sustainable growth.

**Membership & Professional Affiliation:**

- Fellow Member, Institute of Cost and Management Accountants of Bangladesh (ICMAB)
- Fellow Member, Association of Chartered Certified Accountants (ACCA)
- Financial Management and Disbursement Methods of World Bank–Financed Projects, World Bank Open Learning Campus (OLC)

## Names of companies in which directors hold the directorship and the membership of committees of the Board

| Name of Companies | Mr. Alihussain Akberali FCA | Mr. Aameir Alihussain | Mr. Zohair Taherali | Mrs. Tehseen Zohair Taherali | Mr. Gobinda Chandra Paul FCA | Mrs. Dr. Suraiya Nazneen |
|---|---|---|---|---|---|---|
| Bangladesh Steel Re-Rolling Mills Limited | Chairman | Managing Director | Director | --- | --- | --- |
| BSRM Wires Limited | Managing Director | Director | Chairman | Director | --- | --- |
| Chittagong Power Company Ltd. | Chairman & Managing Director | Director | Director | --- | --- | --- |
| H. Akberali & Co. Limited | Chairman & Managing Director | Director | Director | Director | --- | --- |
| BSRM SteelEdge PLC | Chairman | Managing Director | Director | --- | --- | --- |
| BSRM Ispat Limited | Director | Managing Director | Chairman | Director | --- | --- |
| BSRM Logistics Limited | Chairman | Director | Managing Director | --- | --- | --- |
| BSRM Real Estates Limited | Chairman | Managing Director | Director | Director | --- | --- |
| BSRM Metals Limited | Chairman | Managing Director | Director | Director | --- | --- |
| Bangladesh Steels Limited | Director | Managing Director | Chairman | Director | --- | --- |
| Karnafully Engineering Works Limited | Chairman | Director | Managing Director | Director | --- | --- |
| Section Steel Industries Limited | Managing Director | Chairman | --- | --- | --- | --- |
| Arco Industries Limited | Director | Director | Managing Director | Director | --- | --- |
| Bangladesh Agriculture Products Limited | Chairman | Managing Director | Director | Director | --- | --- |
| Polyhose Bangladesh Limited | --- | Director | Chairman | --- | --- | --- |
| East Bengal Trading & Industrial Corporation Limited | Director | Managing Director | Chairman | Director | --- | --- |



# KEY MANAGEMENT

## KEY MANAGEMENT

- **Tapan Sengupta**, Deputy Managing Director
- **Hasan Zafar Chowdhury**, Chief Operating Officer
- **Shekhar Ranjan Kar FCA**, Head of Finance & Accounts and Company Secretary
- **Md. Azizul Haque**, Head of Manufacturing
- **Saumitra Kumar Mutsuddi**, Head of Corporate Affairs, Dhaka Corporate Office
- **Sunil Kumar Das**, Country Head, India
- **Mohinder Singh Hanspal**, Head of Rolling
- **Bipin Sharma**, Head of QMCI & Risk Management
- **Sanjay Mukundbhai Thakkar**, Head of Strategic Projects
- **Mohammad Imtiaz Uddin Chowdhury**, Head of Sales & Marketing
- **Mohammed Reazul Kabir FCA**, Head of Internal Audit & Compliance
- **Mohammad Monir Hossain**, Head of Corporate Strategy & Projects
- **AKM Saifuddin Khan,** Head of Administration
- **Mohammad Yousuf,** Head of Estates
- **Mohammed Tamim Wahid Al–Helal**, Head of Information Technology
- **Sanjoy Kumar Ghosh**, Head of Supply Chain Management
- **Rabiul Hossain**, Head of Human Resource
- **Surendra Jagdale**, Technical Adviser

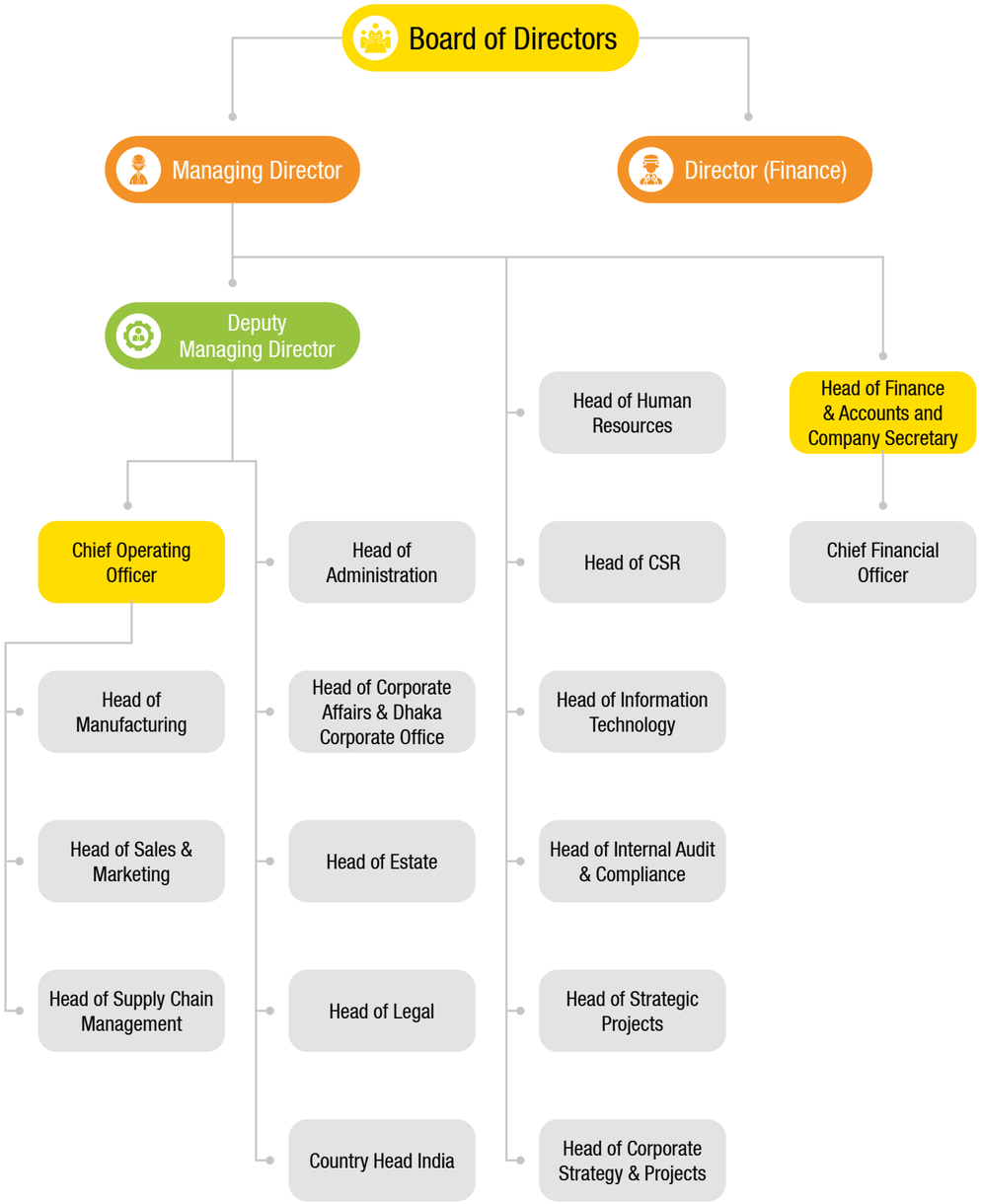
## ADVISERS

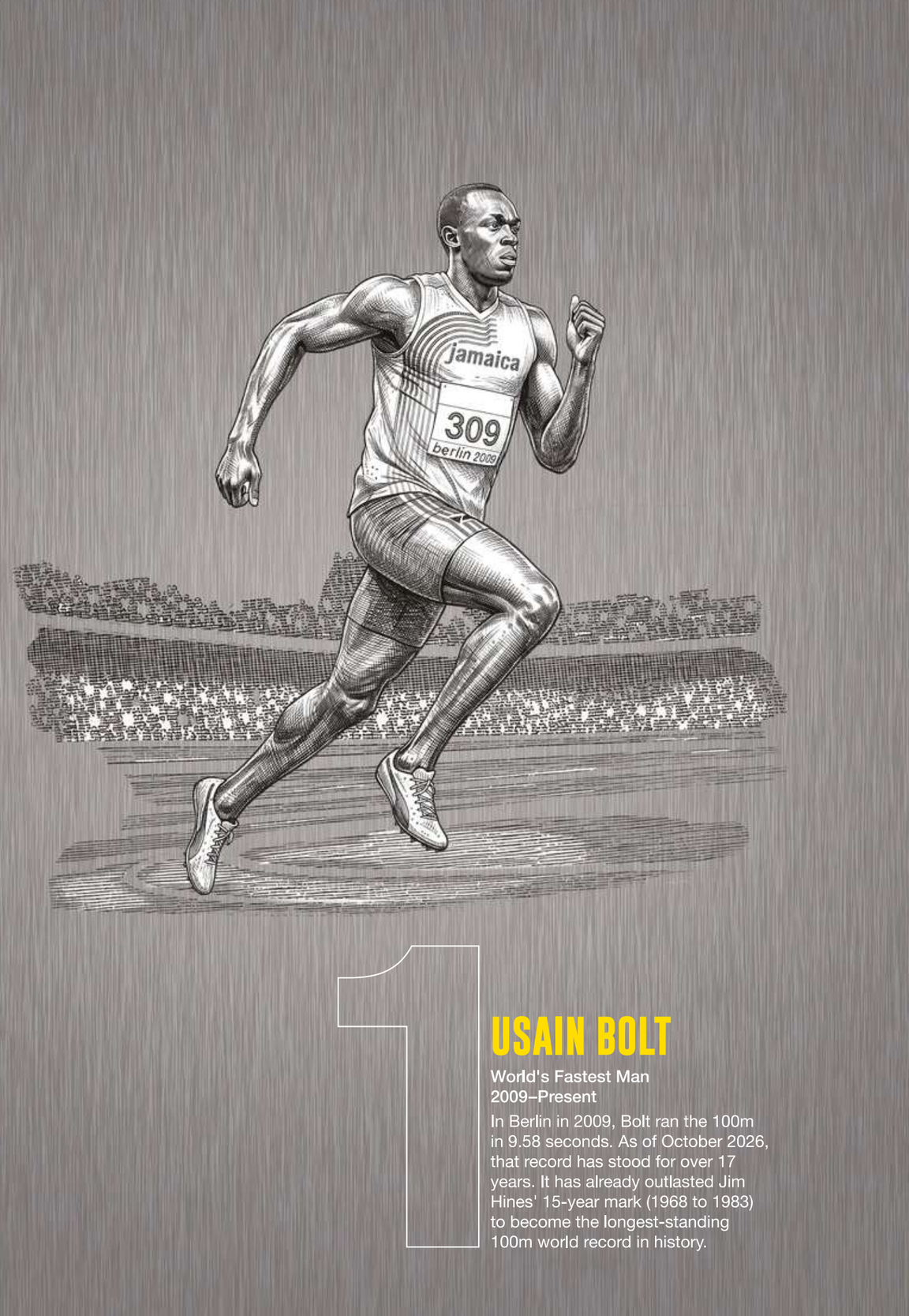
- Kazi Anwar Ahmed
- Tapan Podder FCA, FCMA, Financial Consultant
- Ms. Ruhi Murshed Ahmed
- Md. Mazharul Islam





# CORPORATE **STRUCTURE**




## USAIN BOLT

**World's Fastest Man**
**2009–Present**

In Berlin in 2009, Bolt ran the 100m in 9.58 seconds. As of October 2026, that record has stood for over 17 years. It has already outlasted Jim Hines' 15-year mark (1968 to 1983) to become the longest-standing 100m world record in history.

# MESSAGE FROM THE CHAIRMAN



**Alihussain Akberali, FCA**
Chairman

> **We plan to expand our solar generation capacity to 19 MWp. We will also explore further opportunities to optimize energy consumption through more efficient machinery and improved waste heat utilization.**

**Dear Valued Shareholders,**

Assalamu Alaikum and a very warm welcome.

It is my privilege to welcome you to the 24th Annual General Meeting of BSRM Steels Limited. On behalf of the Board, I extend my heartfelt gratitude to our valued shareholders and stakeholders for their continued confidence and support throughout a year of both opportunities and challenges.

## Record Financial Performance

I am delighted to share that FY 2025–26 was the most successful year in the Company's history. We achieved record revenue of Tk. 129,488 million, representing 25% growth over the previous year. Net profit also reached an all-time high of Tk. 7,153 million, translating into earnings per share of Tk. 19.03.

These achievements reflect robust market demand, disciplined cost management and the dedication of our people. On behalf of the Board, I extend my sincere appreciation to every member of the BSRM family for their contribution to this outstanding performance.

## Dividend Declaration and Shareholder Returns

Recognizing the continued trust and confidence of our shareholders, the Board of Directors has recommended a 60% cash dividend for the financial year 2025–26. This recommendation reflects the Company's strong financial performance and commitment to delivering sustainable returns to shareholders while maintaining adequate resources to support future growth and investment.

## Bangladesh Steel Industry – Opportunities and Outlook

The year was one of resilience and opportunity for Bangladesh's steel industry. Despite a challenging macroeconomic environment, demand remained supported by urban development, industrial expansion and steady activity from individual home builders. Continued investment in infrastructure and construction reaffirmed the steel sector's vital role in national development and its potential for sustained growth in the years ahead.

## Community Development and Social Responsibility

We believe that a strong company grows together with the communities in which it operates. During the year, we invested Tk. 288 million in community development initiatives, directly benefiting approximately 126,300 people. Our medical centres provided healthcare services to more than 32,200 patients.

Our contributions to education continued through Burhani BSRM School, BSRM School of Engineering and scholarship programmes. We also supported livelihood development initiatives for rural women and farmers and planted more than 1,500 trees. Alongside these initiatives, we remain committed to investing in air pollution control and water treatment facilities to strengthen our environmental performance.

## Renewable Energy and Clean Power Initiatives

Steel manufacturing is energy-intensive, making energy one of our most significant cost components. We believe the industry's future depends increasingly on access to cleaner, more reliable and cost-effective energy. In line with this vision, we have continued investing in renewable energy, particularly solar power, achieving an installed generation capacity of 10 MWp.

Our solar investments offer three important benefits: reducing long-term electricity costs, lowering dependence on grid power and conventional fuel, and reducing carbon emissions. These initiatives are increasingly important to our customers, lenders and other stakeholders, as well as to the environment.

Looking ahead, we plan to expand our solar generation capacity to 19 MWp. We will also explore further opportunities to optimize energy consumption through more efficient machinery and improved waste heat utilization.

## Acknowledgement

I sincerely thank our shareholders, stakeholders, regulatory authorities and banking partners for their steadfast support and confidence in our long-term vision. I also express my appreciation to my fellow Directors for their valuable guidance and strategic counsel.

Above all, we remain deeply grateful to our millions of customers whose continued trust and confidence inspire us to strive for greater achievements. With the collective commitment of our people and the continued support of all our stakeholders, we look to the future with confidence and determination.

Thank you.



**Alihussain Akberali, FCA**
Chairman

**ALWAYS REMEMBER, THERE IS NO SHORTCUT TO SUCCESS AND NO ALTERNATIVE TO HARD WORK.**

**Alihussain Akberali, FCA**
Chairman



# MESSAGE FROM THE **MANAGING DIRECTOR**



**Aameir Alihussain**
Managing Director

> **Our ambition is to be not only the country's leading steel manufacturer but also a sustainable and socially responsible organization.**

**Dear Shareholders,**

It is my great pleasure to address you at the 24th Annual General Meeting of BSRM Steels Limited. The financial year ended 30 June 2026 was marked by significant milestones and record achievements. Despite global and domestic economic uncertainties, we remained focused on our strategic priorities, supported by the dedication of our employees, the commitment of our management team and the continued confidence of our shareholders.

**Financial Performance**

We achieved record financial performance during the year, reflecting strong business growth and improved profitability.

Revenue (MN)
**129,488**
2024–25 : **103,665**
↑ 25%

Net profit after tax (MN)
**7,153**
2024–25 : **5,176**
↑ 38%

Earnings per share (TK.)
**19.03**
2024–25 : **13.77**
↑ 38%

Revenue reached Tk. 129,488 million, up 25% from the previous year, while net profit after tax increased by 38% to Tk. 7,153 million. Earnings per share also rose to Tk. 19.03 from Tk. 13.77, demonstrating our ability to translate business growth into improved financial returns.

## Production Capacity and Operational Excellence

With the new rolling mills, which commenced commercial operations on 1 January 2025, contributing for the full year, our total rolling capacity now stands at 1.4 million MT per annum. During the year, we produced 1.59 million MT and sold 1.55 million MT of steel products, representing 30% growth over the previous year, with capacity utilization reaching 114%.

Our trusted brands, including Xtreme B500, Ultima, Maxima and Wire Rod, continued to earn the confidence of builders, engineers and customers. Effective planning, cost discipline and preventive maintenance remained key drivers of our operational efficiency.

## Advancing Our ESG Journey

During the year, we formally embarked on our Environmental, Social and Governance (ESG) journey, engaging a leading consultancy firm to guide us in developing a structured ESG framework. This initiative will help us assess our impact, establish measurable targets and enhance transparency in sustainability reporting. Our ambition is to be not only the country's leading steel manufacturer but also a sustainable and socially responsible organization.

## Building a Sustainable Future

Our long-term sustainability agenda rests on four key foundations: maintaining a strong financial position through prudent investment and healthy debt management; promoting responsible operations by reducing energy, water consumption and waste; investing in our people through training, workplace safety and equal opportunities; and upholding good corporate governance through transparent reporting and ethical business practices.

We will also continue investing in air pollution control and water treatment facilities while supporting education, healthcare and community development through our CSR initiatives.

## Industry Outlook

We remain optimistic about the long-term prospects of the steel industry in Bangladesh. Infrastructure development, rapid urbanization, industrial expansion and sustained demand from individual home builders are expected to support steel consumption over the medium and long term. With our established brands, strong operational capabilities and rolling capacity of 1.4 million MT per annum, we are well positioned to serve this growing market.

## Strategic Priorities

Our focus will remain on strengthening operational efficiency through effective planning, cost discipline and preventive maintenance; investing in modern technology and innovation to enhance productivity, quality and product diversification; expanding renewable energy initiatives, particularly solar power; optimizing energy and resource consumption; and further strengthening our ESG framework. These priorities will support our competitiveness, resilience and sustainable growth.

## Acknowledgement

On behalf of the Board, I express my sincere gratitude to our valued shareholders, stakeholders, regulatory authorities and banking partners for their continued trust and support. I also extend my appreciation to my fellow Directors for their invaluable guidance and counsel, and to the entire BSRM family for their dedication, commitment and resilience.

Together, we will continue to create lasting value for our shareholders and contribute to the industrial and economic development of Bangladesh.

With best regards,



**Aameir Alihussain**
Managing Director



# DIRECTORS' REPORT

**Dear Shareholders,**

The Board of Directors of BSRM Steels Limited is pleased to present the Directors' Report, together with the Audited Financial Statements and the Independent Auditors' Report, for the financial year ended 30 June 2026, in compliance with Section 184 of the Companies Act, 1994, and the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code, 2018.

This report reflects the Company's commitment to transparency, accountability, and effective communication with its shareholders and other stakeholders. It provides a comprehensive overview of the Company's financial performance and position, operational achievements, key business developments, and strategic priorities during the year.

This year the Company delivered strong growth in sales, production, net profit, and earnings per share, demonstrating its operational resilience and ability to capitalize on market opportunities. These achievements were supported by the strategic direction of the Board, the dedicated efforts of the management team, and the collective commitment of our employees. Our continued focus on operational excellence, cost efficiency, sustainable business practices, and prudent financial management remains central to strengthening the Company's competitive position and creating sustainable long-term value for our shareholders.

## Industry Outlook and Future Developments

### Global Economic Situations

According to the IMF, global economic growth is projected at 3.1% in 2026, with an improvement to 3.4% in 2027, while inflation is expected to gradually moderate. Despite ongoing geopolitical and trade-related uncertainties, the global economy is expected to demonstrate resilience, supported by continued infrastructure investment, industrial expansion, technological advancement and growing demand from emerging economies. These positive developments, together with the gradual recovery of industrial production and infrastructure-related investments, are expected to strengthen global economic activity and create new growth opportunities for the steel industry over the medium term.

### Steel Industry Outlook

China, the world's largest steel-consuming market, is expected to experience a contraction in steel demand of approximately 2.0% in 2026, followed by a comparatively moderate decline of 1.0% in 2027. In contrast, India is expected to remain one of the fastest-growing major steel markets, with demand projected to increase by 7.9% in 2026 and 8.0% in 2027, supported by infrastructure development, urbanization, construction activities, and expanding manufacturing capabilities.

Looking ahead, the gradual recovery in global industrial activity, sustained infrastructure investment, and expanding demand across emerging economies are expected to provide support to the steel industry during 2026–27. However, the pace of recovery will remain dependent on geopolitical developments, global economic conditions, commodity-price movements, and the stability of international supply chains.

## Bangladesh Economic Outlook

### Gradual Recovery Amid Reform Priorities

**Economic Growth**

Bangladesh's economy demonstrated resilience during FY 2025–26, supported by improved remittance inflows and gradual improvements in external-sector conditions. Recovery in private investment, industrial activities and infrastructure development is expected to strengthen economic growth prospects.

**Inflation and External Conditions**

Despite inflationary pressures, improved remittance inflows and gradual stabilization of foreign exchange reserves contributed positively to economic stability. Continued policy measures and improved external-sector management are expected to support a more favourable business environment.

**Key Challenges and Priorities**

Ongoing economic reforms, financial-sector strengthening, improved energy security, infrastructure development and export diversification are expected to enhance economic resilience, attract investment and support sustainable growth.







## A General Review of the Future Prospects/Outlook of BSRM

The future prospects of BSRM Steels Limited remain promising, supported by Bangladesh's long-term infrastructure development, urbanization and industrialization potential. With its expanded production capacity, strong market presence and established distribution network, the Company is well-positioned to capitalize on emerging opportunities. Moving forward, the Company will focus on operational efficiency, cost competitiveness, prudent financial management and sustainable business growth to enhance shareholder value and contribute to the country's industrial development.

Segment wise or product wise performance:

| Products | Production (M. Ton) | | Sales (M. Ton) | |
|---|---|---|---|---|
| | Jun'26 | Jun'25 | Jun'26 | Jun'25 |
| Xtreme B500 DWR/CWR | 1,486,723 | 1,179,347 | 1,438,549 | 1,117,875 |
| Others M. S Rod | 111,793 | 51,231 | 114,380 | 78,741 |
| M. S Billet | 1,076,261 | 928,769 | - | - |

The steel manufacturing process primarily comprises two key stages: Melting and Rolling. Reflecting the nature of these product-based operations, the Company has classified its business activities into two distinct reportable operating segments, as described below:

### Melting Plants:

The Company operates two melting plants with a combined installed production capacity of 1.00 million MT per annum. These facilities manufacture MS billets of various grades, which serve as the primary raw materials for the Company's rolling operations. The billets are subsequently transferred to the rolling mills for further processing into high-quality MS rods and wire rods.

### Rolling Mills

Under the Rolling Mills segment, the Company operates two re-rolling plants with a combined installed production capacity of 1.3 million MT of MS products and 0.1 million MT of wire rods per annum. The finished products are marketed and distributed nationwide through an extensive distribution network, catering to a diverse customer base comprising dealers, corporate clients, government infrastructure projects, and entities operating in Export Processing Zones (EPZs).

In addition to serving the domestic market, the Company continued to expand its presence in international markets during the year. As part of its export diversification strategy, the Company exported steel products valued at Tk. 1,031million to China, Tk. 34 million to the United States of America, marking its maiden export to this market, Tk. 208 million to Vietnam, and Tk. 11 million to India. These export activities reflect the Company's continued efforts to diversify its market reach and strengthen its position in the international steel market.

Segment information is included in note 7.20 and note 32.02 of the Audited Financial Statements.

## Managing Risks and Concerns

The steel industry operates in a dynamic and challenging business environment, characterized by significant capital investment, market volatility, operational complexities, and evolving regulatory requirements. These factors expose the Company to various risks that may affect its business operations, financial performance, and long-term sustainability.

The Company has established an Enterprise Risk Management (ERM) framework to systematically identify, assess, monitor and mitigate strategic, financial, operational, market and regulatory risks. This integrated approach strengthens business resilience, safeguards assets, ensures business continuity and protects long-term shareholder value.

Through continuous risk assessment, appropriate mitigation measures, and regular monitoring, the Company strives to strengthen organizational resilience, enhance operational efficiency, support informed decision-making, and ensure sustainable business growth while safeguarding the interests of all stakeholders.

## Key Risk Management Strategies

**Raw Material Price and Supply Chain Risk**

The Company is exposed to fluctuations in the prices and availability of key raw materials particularly scrap, sponge iron, ferroalloys and other melting consumables & spares. To mitigate these risks, the Company focuses on supplier diversification, strategic procurement planning, inventory management, and continuous monitoring of global markets.

**Foreign Exchange Rate and Currency Fluctuation Risk**

The Company's exposure to foreign exchange risk arises primarily from the import of raw materials, melting consumables and machinery spares, and foreign currency-denominated borrowings. The Company manages this exposure through foreign currency cash flow through export, timely settlement of import liabilities, forward exchange arrangements where appropriate, and maintaining a balanced foreign currency position.

**Interest Rate and Financing Risk**

Changes in market interest rates may increase borrowing costs and affect the Company's profitability and cash flows. The Company manages this risk through prudent borrowing strategies, regular monitoring of interest rate movements, maintaining an appropriate debt structure, and negotiating competitive financing terms with domestic and international financial institutions.

**Operational and Production Risk**

The Company strengthens operational reliability through preventive maintenance, regular inspections, quality control and continuous improvement initiatives. Total Productive Maintenance (TPM) has been introduced across all factories to enhance equipment effectiveness, minimize operational disruptions and promote the goal of zero breakdowns, zero defects and zero accidents.

**Environmental, Health and Safety (EHS) Risk**

The Company's manufacturing activities involve environmental and occupational health and safety risks, including industrial emissions, waste management, workplace hazards, and operational accidents. The Company emphasizes compliance with applicable environmental and safety standards, regular workplace inspections, employee training, appropriate safety equipment, and pollution control measures.

**Information Technology and Cybersecurity Risk**

The Company's reliance on information technology and integrated ERP systems exposes it to risks relating to data security, unauthorized access, system disruptions, and potential cyber threats. The Company seeks to mitigate these risks through access controls, regular data backups, system monitoring, cybersecurity measures, and periodic review of IT controls.

## Strategic Outcomes

The Company's integrated risk management approach strengthens business resilience, financial stability and operational excellence. By incorporating risk considerations into strategic planning and business decisions, the Company aims to ensure business continuity, promote sustainable growth, strengthen corporate governance and safeguard long-term shareholder value.

A detailed discussion of the significant risks and the risk management strategies adopted by our company is presented in this report under the chapter titled "RISK AND OPPORTUNITIES" on page 209, and further disclosed in Note 52 of the Financial Statements.

## Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin

MN TK.

| Particulars | Jun'26 | Jun'25 | Change (%) |
|---|---|---|---|
| Cost of goods sold (COGS) | 115,386 | 92,161 | 25.20 |
| Gross Profit | 14,102 | 11,505 | 22.57 |
| Gross Profit Margin (%) | 10.89 | 11.10 | (1.89) |
| Net Profit | 7,153 | 5,176 | 38.20 |
| Net Profit Margin (%) | 5.52 | 4.99 | 10.62 |

The Company delivered a strong financial performance during the year, achieving its highest-ever net sales revenue of BDT 129,488 million, representing 24.91% growth over the previous year, supported by a 29.78% increase in sales volume. Gross profit grew by 22.57%, with a healthy gross profit margin of 10.89%. Net profit after tax increased significantly by 38.20% to BDT 7,153 million from BDT 5,176 million in the previous year, reflecting effective cost management, economies of scale and improved operational efficiency. These results demonstrate the Company's strong business performance and ability to generate sustainable value for shareholders.







## Extraordinary Gain or Loss

For the financial year 2025-26, the Company did not incur any extraordinary gain or loss. All income and expenses recognized during the year arose from the regular business operations. Accordingly, no separate disclosure for extraordinary items is required.

### Explanation on significant deviation between quarterly and annual financial performance:

MN TK.

| Particulars | Units | For the Year | | For the period | | | |
|---|---|---|---|---|---|---|---|
| | | Jun'26 | Jun'25 | Apr'26 to Jun'26 | Jan'26 to Mar'26 | Oct'25 to Dec'25 | July'25 to Sept'25 |
| Production | M.Ton | 1,598,516 | 1,230,578 | 411,698 | 445,113 | 394,242 | 347,463 |
| Sales | M.Ton | 1,552,928 | 1,196,616 | 309,840 | 504,285 | 419,841 | 318,962 |
| Revenue | MN TK | 129,488 | 103,665 | 28,473 | 41,251 | 33,388 | 26,376 |
| Cost of Goods Sold | MN TK | 115,386 | 92,161 | 24,116 | 36,652 | 30,729 | 23,889 |
| Gross Profit | MN TK | 14,102 | 11,505 | 4,357 | 4,600 | 2,659 | 2,486 |
| Profit Before Tax | MN TK | 9,090 | 6,612 | 3,442 | 3,172 | 1,218 | 1,258 |
| Income Tax Expense | MN TK | 1,936 | 1,436 | 608 | 783 | 263 | 282 |
| Profit after Tax | MN TK | 7,153 | 5,176 | 2,833 | 2,389 | 955 | 976 |
| Basic EPS | TK | 19.03 | 13.77 | 7.54 | 6.35 | 2.54 | 2.60 |

**Production & Sales:**

The Company recorded its highest-ever MS Rod production of 1,598,516 metric tons, reflecting its strengthened manufacturing capabilities and increased production capacity. This achievement was supported by the full-year contribution of the newly established Rolling Unit-02, which commenced commercial operations on January 1, 2025. The additional capacity enabled the Company to enhance production output and respond more effectively to growing market demand.

The Company's sales performance also reached a historic high, with total sales volume of 1,552,928 metric tons, representing a robust growth of 29.78% compared to the previous year. This strong performance reflects the Company's enhanced production capacity, effective sales and distribution strategies, and continued efforts to strengthen its market position.

**Gross Profit:**

The Company's gross profit reached BDT 14,102 million, reflecting an increase of BDT 2,597 million, or 22.57%, over the previous year's BDT 11,505 million. The improvement was largely attributable to increased sales volume, while the gross profit margin remained broadly unchanged. This performance demonstrates the Company's ability to sustain its profitability while expanding its business operations.

**Net Profit After Tax:**

The Company's profitability improved significantly during the year, with profit after tax increasing by 38.20% to Tk. 7,153 million from Tk. 5,176 million in the preceding year. This strong growth was driven by higher sales volumes, effective cost management, improved operational efficiency and economies of scale, reflecting the Company's strong earnings performance.

**Quarterly Performance:**

The Company's profitability demonstrated a notable improvement in the second half of the financial year compared to the first half. Performance in the first two quarters was relatively subdued, reflecting lower sales volumes, compressed gross profit margins, and higher finance costs arising from short-term borrowings. However, business momentum strengthened significantly from the third quarter, supported by increased sales volumes and improved sales margins, with this positive trend continuing through the fourth quarter. Furthermore, stronger operating cash flows enabled the Company to substantially reduce its short-term borrowings, resulting in a significant reduction in finance costs during the final two quarters. The combined effect of improved sales performance, better margins, and lower borrowing costs contributed to a stronger bottom-line performance in the second half of the year.



## Significant deviations from the last year's operating results:

**Melting Plants Performance**

| Particulars | Jun'26 | Jun'25 |
|---|---|---|
| Installed Capacity-Melting (M. Ton) | 1,000,000 | 1,000,000 |
| Production-Billet (M. Ton) | 1,076,261 | 928,769 |
| Capacity Utilization (%) | 108 | 93 |

**Rolling Plants Performance**

| Particulars | Jun'26 | Jun'25 |
|---|---|---|
| Installed Capacity-Rolling (M. Ton) | 1,400,000 | 1,400,000 |
| Production-Rolling (M. Ton) | 1,598,516 | 1,230,578 |
| Capacity Utilization (%) | 114 | *112 |
| Sales (M. Ton) | 1,552,928 | 1,196,616 |

*Full-capacity production at the new rolling unit commenced in January 2025.

**Melting Plant Production:**

The Company's two melting plants, with a combined installed capacity of 1.00 million MT per annum, produced 1.08 million MT of billets, achieving 108% capacity utilization and 15.88% year-on-year growth. This strong performance reflects effective capacity utilization and ensures a reliable billet supply for the Company's rolling operations.

**Rolling Plant Production & Sales:**

The Company's rolling operations achieved record MS Rod production of 1.60 million MT, with capacity utilization of approximately 114%. The successful operation of Rolling Unit-02, which commenced commercial production on January 1, 2025, increased total rolling capacity from 0.80 million to 1.40 million MT per annum, strengthening the Company's production capability and market position.

### Operating Results:

| Particulars | Unit | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|---|
| Revenue from sales | MN TK | 129,488 | 103,665 | 82,706 | 84,525 | 67,121 | 54,983 |
| Gross Profit | MN TK | 14,102 | 11,505 | 9,176 | 8,114 | 7,046 | 7,231 |
| EBITDA | MN TK | 13,850 | 10,814 | 7,813 | 7,388 | 6,497 | 6,672 |
| Finance Cost | MN TK | 2,515 | 2,423 | 1,767 | 3,023 | 1,735 | 518 |
| Tax expenses | MN TK | 1,936 | 1,436 | 1,281 | 792 | 1,227 | 872 |
| Net Profit after Tax | MN TK | 7,153 | 5,176 | 3,797 | 2,979 | 3,278 | 3,047 |
| Earnings Per Share (EPS) | TK | 19.03 | 13.77 | 10.10 | 7.92 | 8.72 | 8.10 |



**Revenue:**

The Company's revenue increased by 24.91% during the year, supported by a 29.78% growth in sales volume compared to the previous year. The full-year contribution of the additional 6.00 lakh MT rolling capacity, taking total installed capacity to 14.00 lakh MT per annum, significantly strengthened production capability. Increased production, stronger market penetration and the ability to meet growing customer demand contributed to this robust revenue growth.

**Gross Profit:**

The Company achieved a gross profit of BDT 14,102 million during the year, compared to BDT 11,505 million in the previous year, registering growth of 22.57%. This improvement was primarily driven by higher sales volumes, effective cost management and improved operational efficiency. Despite the expansion in business activities, the Company maintained a healthy gross profit margin of 10.89%, reflecting its continued focus on cost competitiveness and sustainable profitability.

**Finance Cost:**

The Company's total finance costs increased by 3.77% to Tk. 2,515 million from Tk. 2,423 million in the previous year. Finance costs on short-term borrowings declined by 56.28%, reflecting improved cash flow generation and repayment of borrowings. However, finance costs on long-term borrowings increased by 81.21%, primarily due to the recognition of a full year's financing costs on project loans, compared to partial recognition in the previous year.

## Key operating and financial data of preceding 5 (five) years

To provide shareholders with a comprehensive perspective on the Company's financial performance and financial progress, a comparative summary of its key financial indicators over the past five years is presented below.

| Particulars | Unit | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|---|
| **Operations & Market** | | | | | | | |
| Installed Capacity | M. Ton | 1,400,000 | 1,400,000 | 800,000 | 800,000 | 800,000 | 800,000 |
| Production Quantity | M. Ton | 1,598,516 | 1,230,578 | 907,480 | 920,257 | 868,454 | 816,494 |
| Capacity Utilization | % | 114 | 112* | 113 | 115 | 109 | 102 |
| Sales Quantity | M. Ton | 1,552,928 | 1,196,616 | 869,725 | 904,002 | 849,336 | 868,497 |
| **Operational Results** | | | | | | | |
| Revenue from Sales | MN TK | 129,488 | 103,665 | 82,706 | 84,525 | 67,121 | 54,983 |
| Gross Profit | MN TK | 14,102 | 11,505 | 9,176 | 8,114 | 7,046 | 7,231 |
| Gross Profit Ratio | % | 10.89 | 11.10 | 11.09 | 9.60 | 10.50 | 13.15 |
| Net Profit After Tax | MN TK | 7,153 | 5,176 | 3,797 | 2,979 | 3,278 | 3,047 |
| Net Profit Ratio | % | 5.52 | 4.99 | 4.59 | 3.52 | 4.88 | 5.54 |
| Earnings Per Share (EPS) | TK | 19.03 | 13.77 | 10.10 | 7.92 | 8.72 | 8.10 |
| **Financial Position** | | | | | | | |
| Paid Up Capital | MN TK | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 |
| Share Holders' Equity | MN TK | 39,987 | 34,033 | 30,428 | 27,565 | 25,935 | 23,452 |
| Current Liabilities | MN TK | 36,306 | 29,394 | 56,239 | 42,858 | 48,891 | 40,141 |
| Non-current Liabilities | MN TK | 22,974 | 24,397 | 10,501 | 6,477 | 7,195 | 8,792 |
| Net Addition to fixed assets & CWIP | MN TK | 970 | 4,580 | 7,507 | 9,661 | 1,367 | 236 |
| Operating cash flow | MN TK | 9,197 | 16,925 | 6,134 | 10,961 | 3,993 | 7,846 |
| NAV per share | TK | 106.36 | 90.52 | 80.93 | 73.32 | 68.99 | 62.38 |



## Operational Performance

### Rolling Plant Production

The Company's rolling operations achieved record MS Rod production of 16 lakh MT, the highest in its history. The commissioning of Rolling Unit-02 on January 1, 2025, added 6.00 lakh MT to the existing capacity of 8.00 lakh MT, increasing total rolling capacity to 14.00 lakh MT per annum. With a full year of operation, capacity utilization reached approximately 114%, reflecting effective production planning, operational efficiency and strong market demand.

### Revenue

The Company's revenue increased by 24.91% during the year, supported by 29.78% growth in sales volume compared to the previous year. The increased production capacity, full-year contribution of the new rolling facility and stronger market penetration enabled the Company to capitalize on market demand and achieve significant business growth.

### Liabilities

Current liabilities increased mainly due to the reclassification of the current portion of long-term project borrowings, higher trade payables arising from billet purchases and increased IFDBC liabilities. Meanwhile, non-current liabilities gradually declined as the Company commenced repayment of project-related term loans in line with the agreed repayment schedules.

### Net Asset Value (NAV) per Share

The Company's NAV per share reached Tk. 106.36 during the year, maintaining its consistent upward trend. Over the past five years, NAV per share increased by 70.50%, reflecting the Company's sustained financial strength, sound operational management and continued commitment to enhancing shareholder value.

## Related Party Transactions

The Company remains committed to ensuring that all transactions with related parties are conducted in accordance with applicable laws, regulations, and established corporate governance practices. Such transactions are subject to appropriate review and oversight to ensure transparency, accountability, and fairness, while safeguarding the interests of the Company and its shareholders.

Details of related-party transactions are disclosed in Note 46 of the financial statements, in accordance with applicable IFRS/IAS requirements.

### Utilization of IPO/Right Issue Proceeds

During FY2025-26, the Company did not raise any funds through public offerings, rights issues, or other capital-raising instruments. Accordingly, no statement regarding the utilization of proceeds is applicable for the year.

### Financial Results Post–IPO

This requirement is not applicable, as the Company did not undertake any Initial Public Offering (IPO), Repeat Public Offering (RPO), or Direct Listing during the reporting period.

## Board of Directors

### Appointment/Reappointment of Directors

All members of the Board remain in their roles, ensuring continued leadership and strategic guidance for the company.

### Composition and size of the Board:

The Board comprises six members, including the Chairman, the Managing Director, two directors and two Independent Directors, one of whom is female, in accordance with the BSEC Corporate Governance Code. This balanced composition brings diverse expertise, experience, and perspectives to strengthen strategic oversight, promote accountability, and support sustainable value creation.

### Details of Directors being appointed and re–appointed:

At the conclusion of the forthcoming Annual General Meeting (AGM), **Mr. Alihussain Akberali FCA** and **Mrs. Tehseen Zohair Taherali** will retire by rotation in accordance with the Company's Articles of Association. Both Directors, being eligible, have offered themselves for re-election. In recognition of their valuable contributions, experience, and continued commitment to the Company, the Board recommends their re-election for shareholders' approval.

### Appointment of Independent Director (s):

**a) Mrs. Dr. Suraiya Nazneen**

Following receipt of consent from the BSEC, the Board of Directors appointed Mrs. Dr. Suraiya Nazneen, Professor in the Department of Finance, University of Chittagong, Bangladesh, as an Independent Director of the Company for a term of three (3) years, effective from October 25, 2026, subject to approval by the shareholders at the Company's 24th Annual General Meeting (AGM). Her profile is presented in the Board of Directors section.

**b) Mr. Qazi Meraz Uddin Arif, FCCA, FCMA**

Mr. Gobinda Chandra Paul, FCA, retired from the position of Independent Director on October 31, 2026, upon completion of his tenure in accordance with BSEC directives. Subsequently, the Board decided to appoint Mr. Qazi Meraz Uddin Arif, FCCA, FCMA, former Chief Audit Officer of Chittagong Port Authority, as an Independent Director for a three-year term, subject to the approval of the BSEC and the shareholders at the Company's 24th Annual General Meeting (AGM). His profile is presented in the Board of Directors section of this Annual Report.





### Brief Profile and Corporate Affiliations:

Profiles of all Directors, including the newly appointed Independent Director, together with their affiliations, directorships, and memberships in other companies, are provided in the Meet the Leadership section of this Annual Report to ensure transparency and informed stakeholder assessment.

### Board Meeting and attendance:

During the financial year from July 1, 2025, to June 30, 2026, the Board of Directors held eleven meetings to review the Company's operational and financial performance, deliberate on key business matters, and provide strategic guidance on important corporate decisions. The attendance of each Director at Board meetings was duly recorded in accordance with applicable corporate governance requirements.

In cases where Directors were unable to attend meetings due to other professional commitments or travel, their absences were appropriately recorded and dealt with in accordance with the Company's established procedures. The Board's meeting practices reflect its commitment to effective governance, responsible oversight, and active participation in the Company's strategic and policy-making processes.

| Name of the Directors | Position | Number of meetings held | Number of Meeting Attended |
|---|---|---|---|
| Mr. Alihussain Akberali FCA | Chairman | 11 | 11 |
| Mr. Aameir Alihussain | Managing Director | 11 | 11 |
| Mr. Zohair Taherali | Director | 11 | 10 |
| Mrs. Tehseen Zohair Taherali | Director | 11 | 11 |
| Mr. Gobinda Chandra Paul FCA | Independent Director | 11 | 10 |
| Mrs. Dr. Suraiya Nazneen* | Independent Director | - | - |

* appointed on October 25, 2026

## The pattern of shareholding position on June 30, 2026:

a) Parent/Subsidiary/Associated companies and other related parties

| Name | Status | No. of Shares Held |
|---|---|---|
| Bangladesh Steel Re-Rolling Mills Limited | Affiliated Company | 117,253,590 |
| H. Akberali & Co. Limited | Affiliated Company | 90,301,081 |
| **Total** | | **207,554,671** |

b) Directors /CEO/CS/CFO/Head of Internal Audit & Compliance and their spouses and minor children.

| Name | Relation/Designation | No. of Shares Held |
|---|---|---|
| Mr. Alihussain Akberali FCA | Chairman | 38,486,794 |
| Mr. Aameir Alihussain | Managing Director | 7,519,050 |
| Mr. Zohair Taherali (Nominated Director of Bangladesh Steel Re-Rolling Mills Limited) | Director | 117,253,590 |
| Mrs. Tehseen Zohair Taherali (Nominated Director of H. Akberali & Co. Limited) | Director | 90,301,081 |
| Mrs. Sabeen Aameir | Wife of Mr. Aameir Alihussain | 7,969 |
| Mrs. Bilkis Alihussain | Wife of Mr. Alihussain Akberali | 3,013,099 |
| Mr. Shekhar Ranjan Kar FCA | General Manager-F&A and Company Secretary | 30,006 |
| Mr. S.M. Nurul Karim | Sr. Manager & Chief Financial Officer | 1,000 |
| Mohammed Reazul Kabir FCA | Head of Internal Audit & Compliance | 17,601 |

C) Shareholding status of top 5 salaried employees other than CEO, CS, CFO & HIAC

| Name | Designation | No. of Shares Held |
|---|---|---|
| Hasan Zafar Chowdhury | Chief Operating Officer | 5,000 |
| Surendra Jagdale | Technical Adviser | Nil |
| Mohammad Monir Hossain | DGM, Corporate Strategy & Projects | Nil |
| Parimal Kumar Sarkar | Senior Manager, Quality Control & Management | Nil |
| Mohindra Singh Hanspal | Head of Rolling | Nil |

D) Shareholders holding 10% or more voting interest in the company.

| Name | Status | No. of Shares Held |
|---|---|---|
| Mr. Alihussain Akberali FCA | Chairman | 38,486,794 |
| Bangladesh Steel Re-Rolling Mills Ltd. | Affiliated Company | 117,253,590 |
| H. Akberali & Co. Limited | Affiliated Company | 90,301,081 |

## Remuneration of Directors including Independent Director

The remuneration of the Directors was determined in accordance with the Company's established policies and applicable governance practices, considering relevant market benchmarks, individual responsibilities, and the Company's overall financial performance. The process was designed to ensure fairness, transparency, and consistency with the Company's long-term objectives.







A full disclosure of the Directors' remuneration is provided in Note 35.01 of the Financial Statements.

| Name | Position | Attendance Fees | Remuneration | Total Paid |
|---|---|---|---|---|
| Mr. Alihussain Akberali FCA | Chairman | 23,000 | 48,000,000 | 48,023,000 |
| Mr. Aameir Alihussain | Managing Director | 23,000 | 42,000,000 | 42,023,000 |
| Mr. Zohair Taherali | Director | 17,250 | 13,200,000 | 13,217,250 |
| Mrs. Tehseen Zohair Taherali | Director | 23,000 | 7,800,000 | 7,823,000 |
| Mr. Gobinda Chandra Paul FCA | Independent Director | 258,750 | - | 258,750 |
| Dr. Suraiya Nazneen | Independent Director | - | - | - |
| **Total Taka** | | **345,000** | **111,000,000** | **111,345,000** |

## Management Discussion & Analysis

The Management Discussion and Analysis, duly reviewed and endorsed by the Managing Director, is presented in **Annexure–D**. It provides a comprehensive assessment of the Company's operational activities, financial position, business performance, and strategic priorities. The report also highlights significant developments and movements in the financial statements, enabling shareholders and other stakeholders to gain a better understanding of the Company's overall performance, financial position, and future prospects.

## Certification by the CEO & the CFO

The declaration jointly provided by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), in compliance with Condition No. 3(3) of the applicable Corporate Governance Code, is presented in **Annexure–A**. The declaration confirms their responsibility for the accuracy and reliability of the Company's financial statements and their compliance with applicable financial reporting standards and regulatory requirements, thereby providing the Board with assurance regarding the integrity of the Company's financial reporting process.

## Compliance Certificate

The report and certificate on compliance with the conditions of this Code, as required under Condition No. 9, are disclosed in **Annexures B** and **C**, respectively.

## Credit Rating

Credit Rating Information and Services Limited (CRISL) has assigned the following credit rating to the company:

| Long Term | Short Term |
|---|---|
| **AAA** | **ST–1** |

BSRM Steels Limited has been assigned the highest long-term credit rating of **AAA** by Credit Rating Information and Services Limited (CRISL), with a Stable Outlook. This rating reflects the Company's strong financial position, sound creditworthiness, robust financial management, and capacity to meet its financial obligations, demonstrating resilience in responding to changing economic conditions.

For FY2025-26, the Company has also received a **ST–1** short-term credit rating, indicating a very strong capacity to meet its short-term financial commitments in a timely manner. This assessment reflects the Company's sound liquidity position, strong financial fundamentals, and high degree of certainty regarding timely payment of its obligations.

These ratings demonstrate the Company's continued financial strength, prudent management of financial resources, and ability to sustain its creditworthiness, thereby reinforcing the confidence of lenders, investors, and other stakeholders.

## Fair Presentation of Financial Statements

The Company's financial statements have been prepared by management in accordance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), ensuring a fair presentation of its financial position, financial performance, cash flows, and changes in equity for the year ended June 30, 2026.

The Independent Auditor's Report, containing the auditor's opinion on the financial statements for the year ended June 30, 2026, is presented in the Annual Report for the consideration of shareholders and other stakeholders. Please refer to page 349.



## Maintenance of Books of Accounts

The Company has maintained proper books of account and supporting records in accordance with the requirements of the Companies Act, 1994, and other applicable laws and regulatory provisions.

## Consistency in Accounting Policies

The Company has consistently applied appropriate accounting policies and adopted reasonable and prudent judgments and estimates in preparing the financial statements, in accordance with applicable laws, regulations, and relevant accounting standards.

## Application of IAS and IFRS

The Company's financial statements have been prepared in accordance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). During the year, the Company early adopted IFRS 18, Presentation and Disclosure in Financial Statements, for the financial year ended June 30, 2026, applying the standard retrospectively in accordance with its transition requirements.

Details have been disclosed and explained in Note 2.01 to 2.03 of the Financial Statements.

## Internal Control System

The Company maintains an effective internal control framework to protect its assets, ensure the accuracy and reliability of financial reporting, and promote operational efficiency. The internal control mechanisms are subject to periodic review and monitoring to assess their adequacy and effectiveness, identify potential weaknesses, and facilitate necessary improvements in line with the Company's operational and financial requirements.

Details of the company's Internal control systems are found in page 111.

## Protection of Minority Shareholders

The Company remains committed to safeguarding the rights and interests of minority shareholders by ensuring equitable treatment of all shareholders and protecting them against any potential abuse by controlling shareholders. Appropriate mechanisms are maintained to facilitate the effective redress of grievances and address any concerns raised by minority shareholders in accordance with applicable laws and regulatory requirements.

## Going Concern

The Company's financial statements for the year ended June 30, 2026, have been prepared on a going concern basis, considering management's assessment of the Company's ability to continue its operations for the foreseeable future. This assessment is supported by the Company's sound financial position, consistent profitability, growth in net asset value, stable operational performance, and positive operating cash flows.

Furthermore, ongoing investments in production capacity, a strong market position, and favorable long-term prospects for the domestic steel industry contribute to the Company's business sustainability. The Company also maintains appropriate financial and risk management practices to address potential challenges arising from market volatility and foreign currency fluctuations. Based on this assessment, management considers that there are no material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

## Dividend

The Board of Directors has recommended a 60% cash dividend for the financial year ended June 30, 2026. Upon approval at the upcoming Annual General Meeting (AGM), the dividend will be distributed to those shareholders whose names appear in the Company's Register of Members as of the designated Record Date.

### Unclaimed Dividend Disclosure: Upholding Transparency and Accountability

The company has presented the unclaimed dividend status as a separate line item in the Balance Sheet and has also made this information available on the company's website, as detailed below:

| Particulars | 30 June 2026 | 30 June 2025 |
|---|---|---|
| 2024-25 | 2,228,506 | - |
| 2023-24 | 1,778,865 | 3,795,771 |
| 2022-23 | 1,221,897 | 1,241,522 |
| 2021-22 | - | 1,340,963 |
| **Total** | **5,229,268** | **6,378,256** |



### Dividend Distribution Policy

The Company follows a well-defined dividend distribution policy aimed at ensuring fair and consistent returns to shareholders while maintaining an appropriate level of retained earnings to support future business growth. The policy seeks to strike a balance between rewarding shareholders and reinvesting profits in strategic expansion initiatives, strengthening operational capabilities, and ensuring the Company's long-term financial sustainability and value creation.

For stakeholders seeking further information, the complete details of our dividend distribution policy can be found on our official website as well as in this report at page 109.

### Interim Dividend

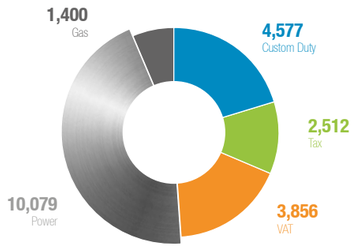
The Company did not declare or distribute any interim dividend in the form of bonus shares or stock dividends during FY2025-26.

## Contribution to National Exchequer

During FY2025-26, the Company made a substantial contribution to the National Exchequer, reflecting its significant role in supporting the country's economic and fiscal development. As a major contributor to government revenue in the manufacturing sector, the Company paid a total of Tk. 22,424 million in duties, income tax, VAT, and utility-related payments during the year. This contribution underscores the Company's commitment to fulfilling its statutory obligations and supporting the nation's economic development.

A detailed breakdown of the Company's contributions under the respective heads for FY2025-26 is presented below, highlighting its contribution to public revenue and national development.

**Contribution to National Exchequer** MN TK.




## Corporate Social Responsibilities

BSRM's Corporate Social Responsibility (CSR) policy is focused on creating a positive impact through sustainable community development. The company adopts a 360° project approach, ensuring that each CSR initiative is thoroughly planned, executed, and monitored with stakeholder involvement. BSRM aligns its CSR activities with the UN Sustainable Development Goals (UNSDGs), focusing on areas such as poverty eradication, education promotion, gender equality, environmental sustainability, and health initiatives. A details of CSR activities has presented in our ESG report part , refer to page 302.

## Appointment of Statutory Auditors

### Ensuring Accountability and Accuracy

Our current auditor, M/S A. Qasem & Co., Chartered Accountants (a member firm of ECOVIS International), located at Faruk Mahal (3rd Floor), Plot # 93, Agrabad Commercial Area, Chattogram, will retire as the Company's statutory auditors upon conclusion of the 24th AGM after completing their third year of appointment and will not be eligible for reappointment for FY 2026-27 under applicable BSEC directives.

The Board has recommended the appointment of Hussain Farhad & Co., Chartered Accountants, of Yunusco City Center (9th Floor), 807 CDA Avenue, Nasirabad Chattogram, as statutory auditors for the financial year ending June 30, 2027, subject to shareholders' approval at the forthcoming AGM.

### Ensuring Accountability and Precision:

The recommendation reflects the Company's commitment to maintaining high standards of accountability, transparency, and accuracy in financial reporting. The professional expertise and reputation of M/s. Hussain Farhad & Co., Chartered Accountants, are consistent with the Company's emphasis on maintaining integrity, reliability, and credibility in its financial reporting and audit processes.

### Shareholders' Approval

The appointment is contingent upon the approval of our valued shareholders at the forthcoming Annual General Meeting (AGM). We are confident that their continued trust will further strengthen the principles of transparency, integrity, and accountability that define BSRM Steels Limited.

## Ensuring Corporate Governance Excellence

The Company remains committed to maintaining sound corporate governance practices and ensuring strict adherence to the directives of the Bangladesh Securities and Exchange Commission (BSEC) and other applicable regulatory requirements. Appropriate policies, procedures, and oversight mechanisms are maintained to promote transparency, accountability, and ethical business conduct across all levels of the organization.

### Appointment of Professional Accountant

In accordance with the directives of the Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors has recommended the appointment of Mr. Md. Sultan Mahmood, FCA, Partner of MABS & J Partners, Chartered Accountants, having its office at Jahan Building 5 (3rd Floor), 74 Agrabad C/A, Chattogram, as the Professional Accountant to issue the Compliance Certificate for the financial year ending June 30, 2027. The proposed appointment will be placed before the shareholders for approval at the forthcoming Annual General Meeting (AGM).

### Shareholders' Approval

The proposed appointment will be placed before the shareholders for consideration and approval at the forthcoming Annual General Meeting (AGM), in accordance with applicable regulatory requirements.

### Transparency in Reporting

The Company remains committed to maintaining transparency, accountability, and regulatory compliance in accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018. The Company's compliance status with the applicable requirements is presented in Annexure-C of this Annual Report.

## Subsequent Events

### Update on Subsequent Events

Based on management's assessment, no material events or transactions requiring adjustment to, or disclosure in, the financial statements have occurred between the reporting date of June 30, 2026, and the date of approval of the financial statements. Accordingly, no significant subsequent events have been identified that would materially affect the Company's financial position or performance as reported for the year.

## Acknowledgements

On behalf of the Board of Directors, I extend my sincere appreciation to our valued shareholders for their continued trust and confidence. We also gratefully acknowledge the guidance and cooperation of the RJSC, NBR and regulatory authorities, including the BSEC, DSE and CSE, in supporting our commitment to sound corporate governance and regulatory compliance.

Our heartfelt thanks also go to our customers, dedicated employees, banking and financial partners and all other stakeholders for their continued support and contributions. Their trust, commitment and collaboration have been instrumental in the Company's progress and achievements. We look forward to building on these valued relationships as we continue to pursue sustainable growth and create long-term value for all our stakeholders.

With warm Regards
On behalf of Board of Directors



**Alihussain Akberali, FCA**
Chairman







# DECLARATION BY **CEO AND CFO**

ANNEXURE- A

Dated: October 14, 2026

The Board of Directors
BSRM Steels Limited
Ali Mansion, 1207/1099 Sadarghat Road,
Chattogram

**Subject: Declaration on Financial Statements for the year ended on 30th June 2026**

Dear Sir (s),

Pursuant to the condition No. 1(5) (xxvi) imposed vide the commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 under section 2CC of the Securities and Exchange Ordinance 1969, we do hereby declare that:

1. The Financial Statements of BSRM Steels Limited for the year ended on 30th June 2026 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the company has been taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

(i) We have reviewed the financial statements for the year ended on June 30, 2026 and that to the best of our knowledge and belief:

   a) these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

(ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

**Aameir Alihussain**
Managing Director

**S. M. Nurul Karim**
Sr. Manager & Chief Financial Officer

# CERTIFICATE ON COMPLIANCE WITH **CONDITIONS OF CORPORATE GOVERNANCE CODE**

ANNEXURE- B



ম্যাবস্ এন্ড জে পার্টনার্স | Nexia in bangladesh
MABS & J Partners
Chartered Accountants

**Report to the Shareholders of BSRM Steels Limited on compliance on the Corporate Governance Code**

[Certificate as per condition No. 1(5)(xxvii)]

We have examined the compliance status to the Corporate Governance Code by **BSRM Steels Limited** for the year ended 30 June 2026. This Code relate to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October 2023 of the Bangladesh Securities and Exchange Commission.

Such Compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the condition of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are no inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except condition no 1.4 (c), 3.1 (c), 5.2(b) & 6.2 (b).

b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

d) The Governance of the Company is satisfactory.

Place: Chattogram
Dated: 08 November 2026

For & On Behalf of
**MABS & J Partners**
Chartered Accountants

**Md. Sultan Mahmood FCA, ACA(ICAEW)**
**Partner**
**Enrollment No: - 2024**

**Corporate Office:**
SMC Tower (Level 5 & 7) 33, Banani C/A
Road 17, Dhaka-1213, Bangladesh
Phone : +880-2-222275057-58
+880-2-222275365-66
E-mail : info@mabsj.com
Web : www.mabsj.com, www.nexia.com

**Chattogram Office :**
Jahan Building 5 (Level 3)
74 Agrabad C/A, Chattogram-4100, Bangladesh
Phone : +88-01722-156260
E-mail : info@mabsj.com
Web : www.mabsj.com, www.nexia.com

Member firm of Nexia International, UK





# CORPORATE GOVERNANCE
# COMPLIANCE STATUS

ANNEXURE- C

## [AS PER CONDITION NO. 1(5)(XXVII)]

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD /2006-158/207/Admin/80, dated 3 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969):

**(Report under Condition No. 9)**

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1 | 2 | 3 | 4 | 5 |
| 1 | **Board of Directors:** | | | |
| 1.1 | **Size of the Board of Directors:** The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty), | √ | | The Board is comprised of 6 (Six) Directors |
| 1.2 | **Independent Directors:** All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following: | | | |
| 1.2(a) | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least-1(one) female independent director in the Board of Directors of the company. | √ | | DO |
| 1.2(b)(i) | Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director—"<br><br>who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company; | √ | | A declaration was received from ID in this regard.<br>After thorough examination of the qualification and<br>fulfillment of all conditions, BSEC has approved the<br>appointment of the ID. |
| 1.2(b)ii) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members; | √ | | Do |
| 1.2(b)iii) | Who has not been executive of the company in immediately preceding 2 (two) financial year. | √ | | Do |
| 1.2(b)iv) | who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies; | √ | | Do |
| 1.2(b)v) | who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of a stock exchange; | √ | | Do |
| 1.2(b)vi) | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | √ | | Do |
| 1.2(b)vii) | Who is not partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code. | √ | | Do |
| 1.2(b)viii) | Who is not independent director in more than 5 (five) listed companies. | √ | | Do |
| 1.2(b)ix) | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and" | √ | | Do |
| 1.2(b)x) | who has not been convicted for a criminal offence involving moral turpitude | √ | | Do |
| 1.2 (c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM):<br>Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NBC) of the company; | √ | | DO |
| 1.2 (d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; | √ | | |
| 1.2 (e) | **The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:** Provided that a former independent director maybe considered for reappointment for another tenure after a time gap of one tenure i.e., three years from his or her completion of<br>consecutive two tenures [i.e. six years]: provided further that the independent director shall not be subject to retirement by rotation as per (Companies Act, 1994). explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure. | √ | | Tenure of ID has not completed yet. |
| **1.3** | **Qualification of Independent Director (ID)** | | | |
| 1.3(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business | √ | | The qualifications and background of IDs rationalize his abilities |
| 1.3(b) | Independent director shall have following qualifications.: | | | |
| 1.3(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered | | | Not Applicable |
| 1.3(b)(ii) | Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company or; | | | Not Applicable |

MABS & J Partners Chittagram Chartered Accountants

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1.3(b)iii) | iii) Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or" | | | Not Applicable |
| 1.3(b)iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | √ | | Female ID |
| 1.3(b)v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification | √ | | Male ID |
| 1.3(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b) | √ | | |
| 1.3(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | | | Not Applicable |
| **1..4** | **Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer: -** | | | |
| 1.4(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | √ | | |
| 1.4(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | | | Not Applicable** |
| 1.4(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | | √ | All the members of AC are executive directors except ID |
| 1.4(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer; | √ | | The Board clearly defined roles and responsibilities of the Chairperson and the MD. |
| 1.4(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | | | No such incidence arose in the reporting period |
| **1.5** | **The Directors' Report to Shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): -** | √ | | |
| 1.5(i) | An industry outlook and possible future developments in the industry; | √ | | Included in Directors' Report |
| 1.5(ii) | The segment-wise or product-wise performance | √ | | Do |
| 1.5(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | | Do |
| 1.5(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable | √ | | Do |
| 1.5(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | √ | | Do |
| 1 .5(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related 'a transactions; | √ | | Do |
| 1.5(vii) | A statement of utilization of proceeds raised through public issues, rights issues /or any other instruments | | | Not Applicable |
| 1.5(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO) Rights Share Offer, Direct Listing etc. | | | Not Applicable |



| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1.5(ix) | An explanation on any significant variance that occurs between Quarterly Financial and Annual Financial Statements; | √ | | Significant variance, If any, were explained. |
| 1.5(x) | A statement of remuneration paid to the directors including independent directors; | √ | | Included in Directors' Report and Audited Financial Statement |
| 1.5(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | Included in Director's report |
| 1.5(xii) | A statement that proper books of account of the issuer company have been maintained; | √ | | Do |
| 1.5(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment | √ | | Do |
| 1.5(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | √ | | Do |
| 1.5 (xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored | √ | | Do |
| 1.5(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | √ | | Do |
| 1.5(xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | √ | | Do |
| 1.5(xviii) | An explanation that significant deviations from the last year's operating results of issuer company shall be highlighted and the reasons thereof shall be explained. | √ | | Do |
| 1.5(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized; | √ | | Included in Directors' Report |
| 1.5(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year | | | Not Applicable |
| 1.5(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | | | Not Applicable |
| 1.5(xxii) | The total number of Board meetings held during the year and attendance by each director; | .√ | | |
| **1.5(xxiii)** | **A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details were stated below) held by: -** | | | |
| 1.5(xxiii)a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | √ | | Included in Directors' Report |
| 1.5(xxiii)b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer,1 Head of Internal Audit and Compliance and their spouses and minor children (name-wise details); | √ | | Do |
| 1 .5 (xxiii)c) | Executives; and | √ | | Do |
| 1.5(xxiii) d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); **Explanation:** For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance. | √ | | Do |
| **1.5(xxiv)** | **In case of the appointment or reappointment of a director, a 'disclosure on the following information to the shareholders:** | | | |

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1.5(xxiv)(a) | a brief resume of the director; | √ | | Presented on Board of Directors' Biography section in Annual Report |
| 1.5(xxiv) b) | nature of his or her expertise in specific functional areas; and | √ | | Do |
| 1.5(xxiv) c) | names of companies in which the person also holds the directorship and the membership of committees of the Board; | √ | | Do |
| 1.5(xxv) | **A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:** | | | |
| 1.5(xxv)a) | accounting policies and estimation for preparation of financial statements; | √ | | Included in the Annual Report; Signed by Managing Director |
| 1.5(xxv)b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | √ | | Do |
| 1.5(xxv)c) | comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof; | √ | | Do |
| 1.5(xxv)d) | compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | √ | | Do |
| I.5(xxv)e) | briefly explain the financial and economic scenario of the country and the globe; | √ | | Do |
| 1.5(xxv)f) | risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | √ | | Do |
| 1.5(xxv)g) | future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | √ | | Do |
| 1.5 (xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A, | √ | | Included in the Annual Report |
| 1.5(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No, 9 shall be disclosed as per Annexure-B and Annexure-C; | √ | | Included in the Annual Report |
| 1.5(xxvi) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality." | | | The Directors' report does not disclose business confidentiality |
| **1.6** | **Meetings of the Board of Directors** | | | |
| | The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | √ | | In Practice |
| **1.7** | **Code of Conduct for the Chairperson, other Board members and Chief Executive Officer** | | | |

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1.7(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | √ | | |
| 1.7(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | √ | | |
| **2** | **Governance of Board of Directors of Subsidiary Company.** | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company; | | | Not Applicable |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | | | Not Applicable |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company; | | | Not Applicable |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | | | Not Applicable |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | | | Not Applicable |
| **3** | **Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).** | | | |
| 3.1(a) | **Appointment:** The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | √ | | In Practice |
| 3.1(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | √ | | |
| 3.1(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time; Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;" | | √ | HIAC also play the same role in another listed company of BSRM group |
| 3.1(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | The Board clearly defined roles and responsibilities of the CFO, the HIAC and the CS. |
| 3.1(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | | | No such incidence arose in the reporting Period |

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) | Condition No. |
|---|---|---|---|---|---|
| | | Complied | Not Complied | | |
| **3(2)** | **Requirement to attend Board of Directors' Meetings** | | | | |
| | **The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:** Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters. | √ | | | In Practice |
| **3.3** | **Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)** | | | | |
| 3.3(a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | √ | | | Disclosed in the Annual Report |
| 3.3(a)ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | √ | | | Do |
| 3.3(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | √ | | | Do |
| 3.3(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | | | Do |
| **4** | **Board of Directors' Committee. -** | | | | |
| 4(i) | **For ensuring good governance in the company, the Board shall have at least followed sub-committee: Audit Committee; and** | √ | | | In Practice |
| 4(ii) | Nomination and Remuneration Committee. | √ | | | In Practice |
| **5** | **AUDIT COMMITTEE:** | | | | |
| **5.1** | **Responsibility to the Board of Directors:** | | | | |
| 5.1(a) | The company shall have an Audit Committee as a subcommittee of the Board; | √ | | | In Practice |
| 5.1(b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | √ | | | The Audit Committee (AC) discharged its responsibilities as per CG Code |
| 5.1(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | √ | | | |
| **5.2** | **Constitution of the Audit Committee:** | | | | |
| 5.2(a) | The Audit Committee shall be composed of at least 3 (three) members; | √ | | | AC comprises of 3 (three) members, out of which 1 (one) is ID |
| 5.2(b) | The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director, | | √ | | All the members of AC are executive directors except ID |
| 5.2(c) | All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | √ | | | The qualifications and background of AC members rationalizes their competences |



| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5.5(k) | review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | | | Such Letter has not been produced for audit committee review |
| 5.5(l) | oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | √ | | |
| 5.5(m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (100) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the 'Annual Report along with the comments of the Audit Committee. | | | Not Applicable |
| **5.6** | **Reporting of the Audit Committee:** | | | |
| **5.6(a)** | **Reporting to the Board of Directors:** | | | |
| 5.6(a)i) | The Audit Committee shall report on its activities to the Board. | √ | | In Practice |
| 5.6(a)ii) | The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: - | | | |
| 5.6(a)(ii) a) | report on conflicts of interests; | | | Not Applicable |
| 5.6(a)(ii) b) | suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | Not Applicable |
| 5.6(a)(ii) c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | | | Not Applicable |
| 5.6(a)(ii) d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | | | Not Applicable |
| 5.6(b) | **Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | | | Not Applicable |
| 5.7 | **Reporting to the Shareholders and General Investors:** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | | |
| **6** | **Nomination and Remuneration Committee (NRC). -** | | | |
| **6.1** | **Responsibility to the Board of Directors** | | | |
| 6.1(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board | √ | | In Practice |
| 6.1(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | √ | | The NRC discharged its responsibilities as per CG Code |

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5.2(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | | | No such vacancy arose in the reporting Period |
| 5.2(e) | The company secretary shall act as the secretary of the Committee; | √ | | In Practice |
| 5.2(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | √ | | In Practice |
| **5.3** | **Chairman of the Audit Committee:** | | | |
| 5.3(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | √ | | Chairperson of the AC is an Independent Director |
| 5.3(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | | | No such incidence arose in the reporting period |
| 5.3(c) | **Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):** Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM. | √ | | The Chairperson of the AC attended at the 23rd AGM held on 24 December 2025 |
| **5.4** | **Meeting of the Audit Committee** | | | |
| 5.4(a) | The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | √ | | There were 4 (four) meetings held during the reporting period |
| 5.4(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | In Practice |
| 5.5 | **Role of Audit Committee:** The Audit Committee shall: | | | |
| 5.5(a) | Oversee the financial reporting process; | √ | | The AC performed in line with CG Code |
| 5.5(b) | monitor choice of accounting policies and principles; | √ | | Do |
| 5.5(c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | √ | | Do |
| 5.5(d) | oversee hiring and performance of external auditors; | √ | | Do |
| 5.5(e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | √ | | Do |
| 5.5(f) | review along with the management, the annual financial statements before submission to the Board for approval; | √ | | Do |
| 5.5(g) | review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | √ | | Do |
| 5.5(h) | review the adequacy of internal audit function; | √ | | Do |
| 5.5(i) | review the Management's Discussion and Analysis before disclosing in the Annual Report; | √ | | Do |
| 5.5(j) | review statement of all related party transactions submitted by the management; | √ | | Do |



| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6.1(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(6). | √ | | In line with CG Code, the responsibilities of the NRC are clearly defined in NRC Charter |
| **6.2** | **Constitution of the NRC** | | | |
| 6.2(a) | The Committee shall comprise of at least three members including an independent director; | √ | | |
| 6.2(b) | At least 02 (two) members of the Committee shall be non-executive directors;" | | √ | All the members of AC are executive directors except ID |
| 6.2(c) | Members of the Committee shall be nominated and appointed by the Board; | √ | | In Practice |
| 6.2(d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | | In Practice |
| 6.2(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | | | No such vacancy arose in the reporting period |
| 6.2(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | | | No such appointment/ co-opt required in the reporting period |
| 6.2(g) | The company secretary shall act as the secretary of the Committee; | √ | | In Practice |
| 6.2(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | | Do |
| 6.2(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | | Do |
| **6.3** | **Chairperson of the NRC** | | | |
| 6.3(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | | Chairperson of the NRC is an Independent Director |
| 6.3(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | | | No such incidence arose in the reporting period |
| 6.3(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | √ | | The Chairperson of the NRC attended at the 23rd AGM held on 24 December 2025 |
| **6.4** | **Meeting of the NRC** | | | |
| 6.4(a) | The NRC shall conduct at least one meeting in a financial year | √ | | 01 (one) meeting was held during the reporting period |
| 6.4(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC | | | No such incidence arose in the reporting period |
| 6.4(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h) | √ | | In Practice |
| 6.4(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | √ | | Do |
| **6.5** | **Role of the NRC** | | | |
| 6.5(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | The NRC performed in line with CG Code |
| 6.5(b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | √ | | |

| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6.5(b)(i) | **formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:** | | | |
| 6.5(b)(i)(a) | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | √ | | Do |
| 6.5(b)(i)(b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | √ | | Do |
| 6.5(b)(i)(c) | remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | √ | | Do |
| 6.5(b)(ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | √ | | Do |
| 6.5(b)(iii) | identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | √ | | Do |
| 6.5(b)(iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | √ | | Do |
| 6.5(b)(v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | √ | | Do |
| 6.5(b)(vi) | developing, recommending and reviewing annually the company's human resources and training policies; | √ | | Do |
| 6.5(c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | Disclosed in the NRC Report annexed to the Annual Report |
| 7 | **EXTERNAL/STATUTORY AUDITORS:** | | | |
| 7.1(i) | 'The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -<br>appraisal or valuation services or fairness opinions | √ | | During the reporting period, the Company did not engage its statutory auditors to perform as such |
| 7.1(ii) | financial information systems design and implementation; | √ | | Do |
| 7.1 (iii) | book-keeping or other services related to the accounting records or financial statements; | √ | | Do |
| 7.1(iv) | broker-dealer services; | √ | | Do |
| 7.1(v) | actuarial services; | √ | | Do |
| 7.1(vi) | internal audit services or special audit services; | √ | | Do |
| 7.1(vii) | any service that the Audit Committee determines; | √ | | Do |
| 7.1 (viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | √ | | Do |
| 7.1(ix) | any other service that creates conflict of interest. | √ | | Do |
| 7.2 | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:<br>Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members. | √ | | As declared by the statutory auditors |
| 7.3 | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | √ | | Representative of statutory auditors attended at the 23rd AGM held on 24 December 2025 |



| Condition No. | Title | Compliance status Put √ in the appropriate column | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 8 | **Maintaining a website by the Company** | | | |
| 8.1 | The company shall have an official website linked with the website of the stock exchange. | √ | | In Practice |
| 8.2 | The company shall keep the website functional from the date of listing. | √ | | In Practice |
| 8.3 | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | √ | | In Practice |
| 9.0 | **Reporting and Compliance of Corporate Governance.** | | | |
| 9.1 | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit fim on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. Explanation: "Chartered Accountant" means Chartered Accountant as defined in the Bangladesh Chartered Accountants Order, 1973 (President's Order No. 2 of 1973); "Cost and Management Accountant" means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); "Chartered Secretary" means Chartered Secretary as defined in the Chartered Secretaries Act, 2010. | √ | | The Company obtained the certificate from MABS & J Partners, Chartered Accountants and such certificate is presented in this Annual Report |
| 9.2 | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | √ | | In Practice |
| 9.3 | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | √ | | |

•* Permission has been taken from Ministry of Commerce of People's Republic of Bangladesh under section 109 of Companies Act 1994 to hold the position as Managing Director in other some companies vide letter নং- বাম/টিঔ-১/এমডি/২১/২০১৬/৩২৬, তারিখঃ ০২ জুলাই ২০১৭.

# MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE- D

## Introduction

Since its establishment in 1952, BSRM has grown alongside Bangladesh and established itself as a trusted name in the country's steel industry. Its reputation is built on product quality, manufacturing excellence, customer confidence and a strong nationwide distribution network. BSRM remains committed to supporting the country's development through quality steel and responsible business practices.

This Management Discussion and Analysis reviews the Company's financial and operational performance for the year ended 30 June 2026, along with the key developments affecting its business. The year was marked by record revenue and profit, supported by the full-year contribution of the new rolling plant. Construction activity also gained momentum following the national election in February 2026, while the industry continued to face higher energy, freight and raw material costs.

## Financial and Operational Highlights

The new rolling plant, with an annual capacity of 600,000 MT, commenced commercial operations on 1 January 2025, increasing the Company's total rolling capacity to 1.4 million MT per annum. This expansion strengthened our ability to meet growing market demand.

During the year, revenue increased by 24.91% to Tk. 129,488 million, while profit after tax grew by 38.20% to Tk. 7,153 million. Earnings per share also increased to Tk. 19.03 from Tk. 13.77, reflecting improved financial performance.

## Accounting Policies and Estimates for Preparation of Financial Statements

The financial statements have been prepared in accordance with IFRS, the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Financial Reporting Act, 2015 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are presented using the direct method.

The financial statements follow the going concern assumption and historical cost convention, except for certain classes of property, plant and equipment carried at revalued amounts. Details of significant accounting policies and estimates are provided in Notes 7.00 and 4.00 of the audited financial statements.

## Changes in Accounting Policies and Estimates

The accounting policies remain consistent with those applied in the previous year, except for the early adoption of IFRS 18 during the current financial year. The Company has not early adopted any other new standards, interpretations or amendments that are not yet effective.

## Financial Performance Review

### Revenue

Revenue increased by 24.91% to Tk. 129,488 million from Tk. 103,665 million in the previous year, reflecting increased sales and sustained market demand.

### Gross Profit

Gross profit increased by 22.57% to Tk. 14,102 million from Tk. 11,505 million. The gross profit margin stood at 10.89%, compared to 11.10% in the previous year.

### Finance Cost

Net finance cost increased slightly by 2.39% to Tk. 2,270 million from Tk. 2,217 million. The Company continues to monitor its financing costs and working capital requirements.

### Net Profit

Profit after tax increased by 38.19% to Tk. 7,153 million from Tk. 5,176 million. Earnings per share improved to Tk. 19.03 from Tk. 13.77, while the net profit margin increased to 5.52% from 4.99%. This reflects improved profitability and the Company's continued focus on operational efficiency and shareholder value.





Comparative Analysis on Financial Position of the Company — MN TK.

| Particulars | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| Paid Up Capital | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 |
| Share Holders' Equity | 39,987 | 34,033 | 30,428 | 27,565 | 25,935 | 23,452 |
| Current Liabilities | 36,306 | 29,394 | 56,239 | 42,858 | 48,891 | 40,141 |
| Non-current Liabilities | 22,974 | 24,397 | 10,501 | 6,477 | 7,195 | 8,792 |
| Net Addition to Fixed Assets & CWIP | 970 | 4,580 | 7,507 | 9,661 | 1,367 | 236 |
| Net Assets Value per share (TK) | 106.36 | 90.52 | 80.93 | 73.32 | 68.99 | 62.38 |
| Inventories | 31,400 | 24,919 | 24,907 | 18,502 | 26,718 | 13,647 |
| Trade & Other Receivables | 5,921 | 7,131 | 7,181 | 7,143 | 7,143 | 7,704 |

Comparative Analysis on Financial Performance of the Company — MN TK.

| Financial performance: | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| Revenue | 129,488 | 103,665 | 82,706 | 84,525 | 67,121 | 54,983 |
| Cost of goods sold | 115,386 | 92,161 | 73,530 | 76,411 | 60,076 | 47,752 |
| Gross Profit | 14,102 | 11,505 | 9,176 | 8,114 | 7,046 | 7,231 |
| Selling and Distribution Expenses | 1,419 | 1,675 | 1,723 | 1,035 | 1,094 | 1,169 |
| Administrative Expenses | 1,000 | 856 | 720 | 638 | 537 | 485 |
| Net Finance Cost | 2,270 | 2,217 | 1,480 | 2,592 | 799 | 405 |
| Income tax expenses | 1,936 | 1,436 | 1,281 | 792 | 1,227 | 872 |
| Profit after Tax | 7,153 | 5,176 | 3,797 | 2,979 | 3,278 | 3,047 |
| EPS (TK) | 19.03 | 13.77 | 10.10 | 7.92 | 8.72 | 8.10 |

## Financial Position Review

Shareholders' equity increased by 17.50% to Tk. 39,987 million from Tk. 34,033 million, reflecting improved profitability. Net additions to fixed assets and capital work-in-progress stood at Tk. 970 million, compared to Tk. 4,580 million in the previous year.

Current liabilities increased by 23.52% to Tk. 36,306 million, while non-current liabilities decreased by 5.83% to Tk. 22,974 million. The Company continues to monitor its liquidity, debt and working capital position.

NAV per share increased by 17.50% to Tk. 106.36 from Tk. 90.52 in the previous year, reflecting growth in the Company's net worth.

Inventory stood at Tk. 31,400 million, compared to Tk. 24,919 million in the previous year, while trade and other receivables decreased to Tk. 5,921 million from Tk. 7,131 million. The Company continues to maintain effective working capital management to support smooth operations.

## Cash Flow from Operating Activities

Net cash generated from operating activities was Tk. 9,197 million, compared to Tk. 16,925 million in the previous year. Cash generated from operations was Tk. 10,403 million, while income tax paid amounted to Tk. 1,205 million.

## Cash Flow from Investing Activities

Net cash outflow from investing activities decreased by 26.36% to Tk. 2,762 million from Tk. 3,751 million, mainly due to lower capital expenditure following the completion of the new rolling plant.



## Cash Flow from Financing Activities

Net cash outflow from financing activities was Tk. 1,750 million, compared to Tk. 16,638 million in the previous year, reflecting changes in the Company's financing and repayment activities.

Comparative Analysis on Cash Flow of the Company — MN TK.

| Cash Flow Movement: | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| Cash generate from operating activities | 10,403 | 18,148 | 8,146 | 13,588 | 4,742 | 9,232 |
| Income Tax Paid | (1,205) | (1,223) | (1,149) | (790) | (1,134) | (1,069) |
| Net Cash Flow from operating activities | 9,197 | 16,925 | 6,997 | 12,798 | 3,609 | 8,163 |
| Net Cash Flow used in investing activities | (2,762) | (3,751) | (11,513) | (7,328) | (2,563) | (1,647) |
| Net Cash Flow used in financing activities | (1,750) | (16,638) | 5,452 | (10,100) | (8,389) | 8,955 |
| Net Increase in Cash & Cash Equivalent | 4,685 | (3,463) | 937 | (4,631) | (7,343) | 15,471 |
| Cash & Cash Equivalent (Opening) | 1,917 | 5,380 | 4,443 | 9,074 | 16,417 | 946 |
| Cash & Cash Equivalent (Closing) | 6,602 | 1,917 | 5,380 | 4,443 | 9,074 | 16,417 |

## Financial Performance of Peer Industry

GPH Ispat Limited — MN TK.

| Operational Results: | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| Revenue (Net) | 39,401 | 56,064 | 55,829 | 57,657 | 46,828 | 28,166 |
| Gross Profit | 7,052 | 7,839 | 7,996 | 7,960 | 6,349 | 4,201 |
| Profit after Tax | 35.48 | (245.70) | 858 | 268 | 1494 | 1661 |
| Earnings per share (TK.) | 0.07 | (0.51) | 1.77 | 0.55 | 3.42 | 4.18 |
| NAV per share (TK.) | 51.81 | 51.72 | 52.43 | 53.08 | 28.79 | 29.86 |
| NOCF per share (TK.) | 15.73 | 5.78 | 9.89 | 2.94 | (7.15) | (4.05) |

Bangladesh Steel Re–Rolling Mills Limited — MN TK.

| Operational Results | Jun'26 | Jun'25 | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| Revenue | 109,136 | 95,720 | 82,796 | 115,061 | 79,783 | 59,876 |
| Gross Profit | 10,043 | 11,345 | 9,563 | 10,319 | 6,486 | 7,097 |
| Profit after Tax | 7,029 | 6,142 | 4,323 | 2,914 | 3,088 | 4,970 |
| Earnings per share (TK.) | 23.54 | 20.57 | 14.48 | 9.76 | 10.34 | 18.96 |
| NAV per share (TK.) | 186.06 | 166.79 | 150.06 | 140.46 | 134.29 | 127.56 |
| NOCF per share (TK.) | 7.00 | 51.29 | 13.89 | 10.74 | 22.50 | 29.24 |



## Global and Local Economic Scenario

### Southeast Asian Steel Industry Overview

Southeast Asia remains a growing steel market. According to the World Steel Association's October 2026 outlook, steel demand in the five major ASEAN economies is expected to grow by 5.2% in 2026 and 3.2% in 2027, supported by urbanization, infrastructure investment and construction activities. These trends offer positive prospects for the steel industry.

### Bangladesh Economy and Steel Industry

Bangladesh's economy showed signs of recovery in FY 2025–26, with GDP growth of 3.68% and average inflation declining to 8.68%. Steel market activity improved following the February 2026 national election, supported by renewed construction activity and improved business confidence.

Despite strong industry competition, BSRM maintained its market position through product quality, established brands and nationwide distribution. The new rolling plant also contributed to higher sales and operational efficiency.

The outlook remains encouraging, driven by infrastructure development, industrial expansion and housing demand. The FY 2026–27 budget targets 6.5% GDP growth, while continued investment in infrastructure is expected to support steel consumption.

## Risk Identification and Mitigation Plan

The Company's key business risks and mitigation measures include:

### Raw Material and Foreign Exchange

Diversified sourcing, inventory planning and prudent procurement to manage price and exchange rate volatility.

### Energy

Improving energy efficiency and investing in modern technology to manage rising energy costs and supply constraints.

### Competition

Maintaining product quality, brand strength, distribution reach and cost efficiency.

### Regulatory and Environmental

Monitoring regulatory changes and investing in cleaner technologies and environmental compliance.

### Financial and Liquidity

Strengthening cash flow and working capital management while maintaining a prudent debt position.

These measures support the Company's financial stability and operational resilience.

## Future Planning

In FY 2026–27, our priority is to maximize the benefits of the expanded rolling capacity of 1.4 million MT per annum while maintaining efficiency and healthy margins.

We will continue investing in renewable energy, cleaner technologies, automation and digital initiatives to improve productivity and sustainability. Future investments in capacity expansion and other business segments will be considered in line with market demand, business growth opportunities and the Company's financial capacity.

The Company will maintain its CSR commitment by allocating fund to education, healthcare, community development and environmental initiatives.

## Conclusion

FY 2025–26 was a landmark year, with record revenue of Tk. 129,488 million and profit after tax of Tk. 7,153 million. The Board has recommended a 60% cash dividend, subject to shareholders' approval.

Looking ahead, we remain optimistic about industry growth and will focus on operational efficiency, prudent financial management and responsible business practices to create sustainable value for our shareholders and contribute to national development.

With best regards,



**Aameir Alihussain**
Managing Director







# LEADING WITH
# STRATEGIC GOVERNANCE

## Statement of Corporate Governance

At BSRM, we are committed to maintaining the highest standards of corporate governance through transparency, accountability, integrity, and ethical business practices. As a leading steel manufacturer in Bangladesh, we recognize that sound governance is essential to building stakeholder confidence and ensuring sustainable business growth. The Board of Directors provides strategic leadership and oversight to safeguard stakeholders' interests and promote long-term value creation.

## Governance Philosophy

BSRM believes that effective corporate governance is fundamental to sustainable business success. Our governance philosophy is built on the principles of integrity, transparency, fairness, and accountability, which guide our business operations, decision-making processes, and relationships with stakeholders.

### Regulatory Compliance

We adhere to all regulatory requirements and corporate governance codes, ensuring that we operate with full compliance and accountability.

### Strategic Board Oversight

Our Board of Directors is well–informed and equipped to provide strategic guidance, ensuring strong governance at all levels.

### Transparent Communication

We maintain open and transparent dialogue with shareholders, fostering trust and clear communication.

### Ethical Leadership

We promote ethical behavior and accountability within the organization, reinforcing a culture of integrity.



## Board of Directors and Leadership

The Board of Directors at BSRM is committed to providing effective leadership and strategic oversight. The Board ensures that the company remains compliant with all relevant regulatory frameworks, while also driving long-term value for shareholders. Key committees, such as the Audit Committee and Risk Management Committee, support the Board in maintaining strong internal controls and managing risks effectively.

## Governance Practices

At BSRM, we consistently review and enhance our governance practices to ensure they remain aligned with global best practices. Our governance framework is designed to support sustainable growth, mitigate risks, and foster accountability across the organization. Key aspects of our governance model include:

- Strong internal controls and risk management systems
- Transparent communication with shareholders
- A commitment to ethical business conduct
- Continuous improvement of corporate governance policies

## KEY PILLARS OF CORPORATE GOVERNANCE AT BSRM

**Compliance Framework**
Strong governance, aligned with regulations, ensuring internal controls.

**Governance Culture**
Ethical leadership, long-term focus, promoting integrity and fairness.

**Accountability and Transparency**
Clear stakeholder engagement, regular audits, full regulatory compliance.

**Sustainable Growth**
Focus on sustainability, long-term value, and social responsibility.

## FOCUS AREAS OF CORPORATE GOVERNANCE AT BSRM

BSRM's corporate governance framework is designed to ensure sustainable growth, accountability, and transparency across all levels of the organization. Our key focus areas reflect our commitment to adhering to regulatory standards and fostering trust among our stakeholders. These focus areas align with the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code of 2018, ensuring that BSRM continues to operate with integrity and responsibility.

### Strategic Planning

BSRM prioritizes long-term strategic planning, ensuring that the company's vision and values are aligned with market demands and stakeholder expectations. The Board of Directors is actively involved in setting the strategic direction, reviewing performance, and ensuring that the company is on track to achieve its objectives.

### Policy Development

We maintain robust policies covering risk management, financial control, ethical business practices, and sustainability. These policies are regularly reviewed and updated to ensure compliance with evolving regulations and best practices in corporate governance.







### Stakeholder Engagement

BSRM is committed to maintaining transparent and open communication with all stakeholders, including shareholders, employees, customers, suppliers, and the community. We ensure that our governance practices foster trust, accountability, and engagement through regular updates and interactions.

### Financial Oversight and Budget Control

BSRM implements stringent financial controls to ensure that the company operates efficiently and remains financially sound. Regular internal audits, risk assessments, and financial reporting are conducted to maintain transparency and accountability in financial operations.

### Dividend Policy

BSRM's dividend policy is formulated with the objective of maximizing shareholder value while maintaining financial stability. The Board regularly reviews dividend decisions in line with the company's financial performance, market conditions, and shareholder expectations.

### Regulatory Compliance

Compliance with local and international laws, regulations, and the BSEC Corporate Governance Code is a cornerstone of BSRM's governance framework. We rigorously adhere to these standards to ensure legal and regulatory compliance, minimizing risk and protecting stakeholder interests.

### Talent Management

We recognize that our employees are critical to the company's success. BSRM's governance practices include a strong focus on talent development, ethical leadership, and fostering a culture of integrity. Our Board ensures that the company remains an employer of choice by investing in employee growth and well-being.

## KEY ELEMENTS OF GOOD CORPORATE GOVERNANCE AT BSRM

### Leadership and Board Oversight

- Balanced Board composition with executive, non-executive, and independent directors.
- Board ensures strategic direction and oversight in the best interest of stakeholders.

### Risk Management and Internal Controls

- Robust risk management processes to identify, assess, and mitigate risks.
- Regular audits and internal controls to safeguard against financial, operational, and reputational risks.

### Compliance with Regulatory Standards

- Full adherence to the BSEC Corporate Governance Code and other regulatory requirements.
- High standards of accountability and transparency in all operations.

### Ethical Business Practices

- Commitment to integrity and ethical behavior across all levels of the organization.
- Zero-tolerance policy for corruption, bribery, and unethical practices.

### Transparency and Accountability

- Regular disclosures of financial performance and strategic decisions.
- Open communication with shareholders, employees, customers, and the community

### Sustainable Development and Corporate Social Responsibility (CSR)

- Integration of environmental and social considerations in decision-making.
- Commitment to CSR and sustainable practices to promote long-term value and societal impact.

### Stakeholder Rights and Engagement

- Protection of stakeholder rights with accessible platforms for engagement.
- Prioritization of the interests of shareholders, employees, customers, and the broader community.







# REGULATORY
# COMPLIANCE REPORT

## Corporate Governance

Corporate governance encompasses the systems and practices through which a company is directed and controlled, promoting transparency, accountability, ethical conduct and effective decision-making.

BSRM Steels Limited is committed to maintaining high standards of corporate governance in accordance with applicable laws, regulations, and the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC), thereby safeguarding stakeholder interests and promoting sustainable value creation.

## Board of Directors

The Board of Directors provides strategic leadership and oversight, establishes corporate objectives, monitors performance, and safeguards shareholders' interests. The Board comprises six members, including the Chairman, the Managing Director, and two Independent Directors, one of whom is female, in accordance with applicable regulatory requirements.

## Selection and Appointment of Directors

The Board periodically reviews its size, structure, composition and competencies to ensure an appropriate balance of skills, experience, independence, and diversity. Director appointments and nominations are undertaken in accordance with applicable laws, the Company's Articles of Association, and BSEC requirements. The Board also ensures compliance with requirements relating to Independent Directors and the filling of casual vacancies.

## Retirement and Re–election of Directors

In accordance with the Company's Articles of Association, one-third of the Directors retire by rotation at each Annual General Meeting (AGM), with those longest in office since their last election retiring first. Retiring Directors are eligible for re-election.

## Audit Committee

The Audit Committee, a subcommittee of the Board, comprises three members, including one Independent Director. It assists the Board in overseeing financial reporting, internal controls, risk management, and compliance. The Committee reports directly to the Board, and its responsibilities are formally defined.

A detailed report of the Audit Committee is presented separately in this Annual Report.

## Nomination and Remuneration Committee (NRC)

The NRC is a three-member subcommittee of the Board, including one Independent Director. It assists the Board in establishing policies and criteria for the nomination, selection, evaluation, and remuneration of Directors and senior management, including matters relating to qualifications, experience, and independence.

A detailed report of the NRC is presented separately in this Annual Report.

## Separation of the Chairman and Managing Director

The positions of Chairman and Managing Director are held by separate individuals, with clearly defined roles and responsibilities. The Managing Director also serves as the Chief Executive Officer and is responsible for the Company's day-to-day operations.

## Directors' Report to Shareholders

The Board presents an annual report to shareholders covering the Company's operational and financial performance, significant achievements, industry developments, business outlook, and future plans.

## Company Secretary, Chief Financial Officer, and Head of Internal Audit & Compliance

The Company has appointed qualified professionals to the positions of Company Secretary, Chief Financial Officer (CFO), and Head of Internal Audit & Compliance (HIAC). They advise and assist the Board on matters relating to corporate governance, financial reporting, regulatory compliance, and internal control. Their respective roles and responsibilities are formally defined, and they attend Board meetings in accordance with applicable regulatory requirements.

## Internal Audit and Control

The Company maintains an Internal Audit Department headed by the HIAC, which conducts audits in accordance with an annual audit plan. The Department evaluates internal controls, risk management, regulatory compliance, and operational processes and reports its findings through the established governance structure.

## External Auditors

External auditors are appointed by shareholders at the AGM in accordance with the Companies Act, 1994, and applicable BSEC requirements. The Company ensures that the external auditors' engagement remains limited to statutory audit services, subject to applicable regulatory requirements.

## Management Committee

The Management Committee supports the Board in implementing corporate strategies, reviewing business performance, and coordinating key operational and management matters. The Committee meets regularly to review the Company's activities and progress towards its objectives.

## Compliance with the BSEC Corporate Governance Code

A certificate issued by Mr. Md. Sultan Mahmood FCA of MABS & J Partners, Chartered Accountants, confirming compliance with the applicable conditions of the BSEC Corporate Governance Code, is included as Annexure B to this Annual Report.







# REPORT OF THE AUDIT COMMITTEE

The Audit Committee of BSRM Steels Limited is pleased to present its report on the Committee's activities and key areas of oversight for the financial year ended June 30, 2026.

## Constitution and Composition

In accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 3, 2018, the Board of Directors constituted the Audit Committee as a sub-committee of the Board. The Committee assists the Board in overseeing financial reporting, internal controls, internal audit, risk management, and regulatory compliance, thereby supporting the integrity and reliability of the Company's financial statements.

The Committee comprised the following members during the reporting period:

| | |
|---|---|
| Mr. Gobinda Chandra Paul FCA | Chairman |
| Mr. Aameir Alihussain | Member |
| Mr. Zohair Taherali | Member |
| Mr. Shekhar Ranjan Kar FCA | Secretary |

The Committee members possess the financial literacy and expertise required to discharge their responsibilities effectively, including the review of accounting policies, financial reporting, internal audit, internal controls, and compliance matters.

## Terms of Reference

The Board has established the Committee's Terms of Reference in accordance with applicable BSEC requirements. The Committee reports regularly to the Board and supports its oversight of financial reporting, internal control systems, internal audit, and compliance with applicable laws, regulations, and corporate governance requirements.

## Roles of the Audit Committee

The principal responsibilities of the Audit Committee include:

- Overseeing the financial reporting process and reviewing quarterly, half-yearly, and annual financial statements before submission to the Board.
- Reviewing accounting policies, principles, and significant financial reporting matters.
- Monitoring the effectiveness and adequacy of internal controls and the internal audit and compliance functions, including the review of audit plans, findings, and corrective actions.
- Overseeing the appointment, performance, independence, and remuneration of external auditors in accordance with applicable requirements.
- Reviewing the Management's Discussion and Analysis, related-party transactions, and management letters or reports on internal control weaknesses issued by statutory auditors.
- Meeting with external auditors, as appropriate, to discuss audit findings and the annual financial statements before their submission to the Board.
- Monitoring compliance with the BSEC Corporate Governance Code and other applicable statutory and regulatory requirements.

## Activities During the Reporting Year

The Audit Committee held four meetings during the financial year and undertook the following key activities:

- Reviewed the Company's quarterly, half-yearly, and annual financial statements and recommended them to the Board for approval.
- Examined the Management's Discussion and Analysis for inclusion in the Annual Report.
- Assessed the effectiveness of the internal audit function, reviewed audit findings, and monitored corrective actions.
- Reviewed the application of IFRS 16 in the Company's financial statements.
- Considered external audit findings and the application of applicable IAS and IFRS requirements in financial reporting.
- Reviewed the adequacy of the Company's internal control systems.
- Monitored compliance with BSEC directives, applicable laws, regulations, and other relevant requirements.

Through these activities, the Committee continued to support transparent financial reporting, effective internal controls, and sound corporate governance.

## Appointment of Statutory Auditors

A. Qasem & Co., Chartered Accountants, will retire as the Company's statutory auditors upon conclusion of the 64th Annual General Meeting (AGM), having completed their third year of appointment. In accordance with applicable BSEC directives, they will not be eligible for reappointment for the financial year 2026–2027.

The Audit Committee has recommended to the Board the appointment of Hussain Farhad & Co., Chartered Accountants, of Yunusco City Center (9th Floor), 807 CDA Avenue, Nasirabad Chattogram, as the Company's statutory auditors for the financial year ending June 30, 2027, subject to shareholders' approval at the forthcoming AGM.

## Acknowledgement

The Audit Committee expresses its sincere appreciation to the Board of Directors, the Internal Audit Team, the Accounts and Finance Team, and the Management for their continued support and cooperation in fulfilling the Committee's responsibilities.

On behalf of the Audit Committee

**Gobinda Chandra Paul FCA**
Independent Director and Chairman of the Audit Committee
Date: October 14, 2026







# REPORT OF THE NOMINATION AND **REMUNERATION COMMITTEE (NRC)**

The Nomination and Remuneration Committee (NRC) of BSRM Steels Limited is pleased to present its report on the Committee's activities for the financial year 2025–26.

## Formation and Composition

The NRC was constituted as a subcommittee of the Board of Directors in accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 3, 2018. The Committee assists the Board in matters relating to the nomination, selection, evaluation, and remuneration of Directors and top-level executives.

The Committee comprises the following members:

| | |
|---|---|
| Mr. Gobinda Chandra Paul FCA | Chairman |
| Mr. Aameir Alihussain | Member |
| Mr. Zohair Taherali | Member |
| Mr. Shekhar Ranjan Kar FCA | Secretary |

## Terms of Reference and Key Responsibilities

The NRC operates under terms of reference approved by the Board in accordance with applicable BSEC requirements. Its key responsibilities include:

- Developing criteria for the qualifications, experience, integrity, and independence of Directors and top-level executives.
- Recommending nomination and remuneration policies to the Board.
- Reviewing Board composition and promoting diversity in age, gender, experience, and educational background.
- Identifying suitable candidates for appointment and recommending their appointment or removal.
- Establishing performance evaluation criteria for the Board, Independent Directors, and top-level executives.
- Reviewing employee requirements, recruitment, promotion, succession planning, and career development.
- Reviewing human resource, remuneration, employee benefits, training, and development policies.

## Meetings and Activities During FY 2025–26

During the reporting period, the NRC held three meetings to review the Company's nomination and remuneration policies and related human resource initiatives.

**The Committee reviewed the following key matters:**

- Appointment, retirement, tenure, and performance evaluation of Directors and top-level executives.
- Remuneration policies and the relationship between performance and compensation.
- Organizational structure, reporting lines, workforce planning, and job-level pay structures.
- Performance management, annual increments, promotions, and employee benefits.
- Recruitment and selection, succession planning, career development, and training initiatives.

The Committee also reviewed the HR Department's initiatives to strengthen employee performance, develop future leaders, attract and retain talent, and support the Company's long-term objectives.

## Nomination and Remuneration Policy

The Company's Nomination and Remuneration Policy aim to attract, motivate, and retain qualified individuals while promoting sound corporate governance and long-term shareholder value.

**The policy provides a framework for:**

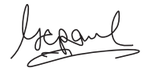
- **Appointment and removal:** Assessing the qualifications, integrity, expertise, and experience of Directors and senior executives.
- **Performance evaluation:** Evaluating the performance of Directors and top-level executives periodically.
- **Remuneration:** Recommending appropriate remuneration based on responsibilities, performance, and the Company's objectives, with due consideration of short- and long-term performance.
- **Retirement:** Applying the Company's retirement policy, subject to applicable requirements and the Board's discretion.
- **Succession and development:** Supporting workforce planning, leadership development, training, and career progression.

The appointment, removal, and remuneration of Directors and executives are subject to the Company's policies, Board approval, and applicable legal and regulatory requirements.

## Acknowledgement

The NRC expresses its sincere appreciation to the Board of Directors and management for their continued support and cooperation in carrying out the Committee's responsibilities.

On behalf of the Nomination and Remuneration Committee



**Gobinda Chandra Paul FCA**
Independent Director and Chairman of the NRC
Date: October 14, 2026







## NON-COMPLIANCE AND MANDATORY REQUIREMENTS

BSRM Steels Limited is fully compliant with all corporate governance guidelines and applicable regulations, including those issued by the BSEC. Should there be any instances of non-compliance, the company ensures that explanations are provided and corrective actions are taken. For the reporting year, there were no instances of non-compliance with mandatory requirements.

## CERTIFICATE OF COMPLIANCE WITH ETHICS AND BUSINESS CODE OF CONDUCT

BSRM Steels Limited operates under a strict Code of Conduct that emphasizes integrity, transparency, and ethical behavior. Each year, a compliance certificate is issued, signed by all Board members, confirming adherence to the company's ethical standards and business practices. This certification is included in the page no. 81 of this report.

## KEY POLICIES AND PRACTICES

BSRM Steels Limited has developed a robust set of policies to guide its operations, ensuring that all business activities align with international standards and ethical practices. These include:

- **Code of Conduct:**

  Ensuring ethical business practices at all levels. Detail found on page no. 26.

- **Corporate Social Responsibility (CSR) Policy:**

  Aligning with the UN Sustainable Development Goals (SDGs). Detail found on page no. 16.

- **Whistleblower Policy:**

  Providing employees with a confidential mechanism to report unethical behavior.

- **Risk Management Policy:**

  Outlining the company's approach to managing financial, operational, and ESG risks. Detail found on page no. 68.

- **Dividend Distribution Policy:**

  Detail found on page no. 109.

These policies are reviewed annually to ensure compliance with global standards and evolving regulatory requirements.



# DIVIDEND **DISTRIBUTION POLICY**



## Objective

This Dividend Distribution Policy ("the Dividend Distribution Policy") aims to ensure the entitlement of shareholders and profits to be retained in the business for expansion or other business purposes.

Further, this Policy will also ensure that the dividend is distributed following the applicable legislation in the interests of the shareholders and will also address the management of unclaimed prizes.

## Scope and Legal Basis

This Policy has been prepared under the Directive No. BSEC/CMRRCD/2021-386/03 as issued on January 14,2021, by the Bangladesh Securities and Exchange Commission (BSEC) and Income Tax Ordinance 1984. The Policy shall have immediate effect.

## Approval of Dividend

The dividend would continue to be declared/ recommended on a percent basis on the Ordinary Equity Shares of the Company having a face value of Tk. 10/- each. Therefore, dividends approved by the shareholders will be distributed amongst all shareholders, based on their shareholding and whose name would appear in the Register of the Central Depository Bangladesh Ltd. (CDBL) as on the record date.

## Factors to be considered

Before declaring the dividend, the board shall consider the following factors:

a) Net operating profit after tax, EPS;

b) Working capital requirements;

c) Capital expenditure requirements for expansion of business, including expansion plans and investment in subsidiaries/ associate company;

d) Past Dividend Trends

e) Income tax implications

f) Other factors which the Company's Board may consider.

g) Any rules, directives, or guidelines BSEC or other regulatory authorities issued.

The Board may consider not declaring a Dividend or recommend a lower payout for a given financial year based on its financial performance, challenges, and opportunities for which the Board will provide rationale in the Annual Report.

## Procedures for Declaration and Distribution of Dividends

1) Based on the financial performance and considering other factors, the Company's Board of Directors shall declare/ recommend interim or final cash/stock Dividend as decided in the meeting.

2) Where a Dividend declaration or recommendation is proposed for consideration of the Board, it shall be a specific agenda.

3) Dividends will generally be recommended by the Board of Directors once a year after the announcement of the year-end financial results, which the shareholders will approve in the Annual General Meeting (AGM). The Board may also declare interim dividends as permitted by the Companies Act/ BSEC guidelines.

4) The Company shall pay all Dividends by this Policy through BEFTN.

5) The Company shall ensure compliance with applicable laws and this Policy about Dividend declaration and distribution by the Company.

## Other conditions

The Company Shall Comply with the following regarding dividends:

1. The Dividend Distribution Policy shall be disclosed in the annual report and website of the Company.
2. The company shall pay off the annual or final dividend to the entitled shareholders within 30 days of approval/ AGM.

   It provided that the interim dividend shall be paid off to the entitled shareholders within 30 days of the record date.
3. Cash dividend shall be distributed in the following manner and procedures, namely:

   I. Within 10 (ten) days of declaration/ approval of cash dividend by the Board of Directors of the Company or AGM, as the case may be, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of the Company, dedicated for this purpose;

   II. The Company shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participant (DP) or the bank account as provided by the shareholder in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN):



Provided that the Company may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

III. The Company, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has a debit balance or margin loan, or as per the intention of the client of a stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or the separate Bank account of the merchant banker or portfolio manager through BEFTN based on the information provided by the stock broker, merchant banker, or portfolio manager.

IV. The Company shall issue a cash dividend warrant in case of non-availability of bank account information, or it is impossible to distribute cash dividends through BEFTN or any electronic payment system.

V. The Company shall pay off cash dividends to non-resident sponsors, directors, shareholders, or foreign portfolio investors (FPI) through the security custodian in compliance with the rules or regulations in this regard;

VI. The Company, immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;

VII. The Company shall maintain information on unpaid or unclaimed dividends of shareholders. It shall also disclose the summary of information above in the annual report and the statements of financial position (Quarterly/ annually) as a separate line item as "Unclaimed Dividend Account" and publish the year-wise unclaimed dividend on the website.

4. The Company shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

5. The Company shall maintain a Suspense BO Account for undistributed or unclaimed stock dividends or bonus shares and follow the procedure per BSEC guidelines.

6. The Company shall submit a compliance report to the Commission and the exchange(s) in a specified format provided by the Bangladesh Securities and Exchange Commission within 7 (seven) working days of completion of dividend distribution:

   It provided that the Company shall publish the compliance report on its website.

7. The Company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force.

8. If any cash dividend remains unpaid or unclaimed or unsettled, including accrued interest (after adjustment of bank charge, if any) thereon for 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the Company to the Fund as directed or prescribed by the Commission:

   Provided that the Company shall provide detailed information to the manager of the Fund during the transfer of cash dividends as directed or prescribed by the Commission:

   Provided further that if any shareholder or unit holder claims his cash dividend after transfer of such compensation to the Fund, within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant by the provisions and procedures as directed or prescribed by the Commission.

9. If any stock dividend or bonus shares remain unclaimed or unsettled, including corporate benefit in terms of bonus shares thereon for 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund:

   Provided that the Company shall provide detailed information to the manager of the Fund during the transfer of stock dividend or bonus shares as directed or prescribed by the Commission:

   Provided further that if any shareholder claims their stock dividend or bonus shares after Transfer of such dividend or bonus shares to the BO Account of the Fund within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account by the provisions and procedures as directed or prescribed by the Commission.

The Board may review this Policy if and where necessary, and they will be notified.



# INFORMATION ON INTERNAL CONTROLS

## Overview of Internal Controls

BSRM has established a comprehensive internal control framework overseen by the Board of Directors and management. The system provides reasonable assurance in achieving the following key objectives:

- **Operational Efficiency:** Ensuring effective operations, safeguarding assets, identifying process gaps, and preventing fraud.
- **Regulatory Compliance:** Ensuring adherence to applicable laws, regulations, and internal policies.
- **Reliable Financial Reporting:** Ensuring the accuracy, completeness, and reliability of financial information while preventing and detecting errors and fraud.

## Internal Control Structure Components

### Control Environment

BSRM's Board of Directors and Management are committed to maintaining a strong control environment that supports operational efficiency, financial integrity, and regulatory compliance.

- Board & Audit Committee: The Audit Committee comprises independent and non-executive directors with strong financial expertise and extensive industry experience, providing effective oversight of financial reporting, internal controls, and risk management.
- Ethical Foundation: A comprehensive Code of Ethics establishes clear standards of conduct, promotes transparency, addresses conflicts of interest, and applies to all employees, management, and the Board across BSRM's operations.

### Risk Assessment

BSRM adopts a proactive approach to managing risks arising from its capital-intensive and operationally complex manufacturing activities.

- Enterprise Risk Management: Enterprise Risk Management (ERM) provides a structured, holistic approach to managing market, operational, and regulatory risks. By integrating risk assessment and mitigation across the organization, ERM strengthens resilience, supports informed decision-making, and safeguards long-term stakeholder value.

### Control Activities

Control activities are embedded throughout BSRM's daily business cycles to ensure management directives are carried out seamlessly.

- ERP–Driven System Controls: BSRM utilizes an integrated Enterprise Resource Planning (ERP) system as its central operational backbone. The ERP enforces automated controls, including three-way/four-way matching for procurement, automated credit limits, and strict system-enforced Segregation of Duties (SoD).
- Physical and Process Controls: Rigorous inventory count protocols for raw materials (scrap, billets) and finished goods (rebars) are enforced alongside strict safety and quality assurance checklists at production lines.

### Information & Communication

BSRM ensures the timely and reliable flow of information across all levels of the organization to support informed, data-driven decision-making.

- IT Governance: A robust IT governance framework aligns technology investments with business objectives while ensuring the security and integrity of enterprise information systems.
- Reporting Channels: ERP provides timely, accurate, and secure operational information, while confidential whistleblower channels enable employees to report ethical or financial concerns without fear of retaliation.

### Monitoring Activities

BSRM management conducts continuous monitoring of internal controls to ensure the achievement of organizational objectives. Management Review Meetings (MRMs) are held regularly, where higher management evaluates performance and addresses deficiencies or risks.







## Assurance on Internal Controls

BSRM assures the effectiveness of its internal controls through the following measures:

- **Management Self–Assessment and Control Activities:** BSRM management regularly evaluates internal control performance through self- assessments and defined control activities.
- **Internal Audit:** The Internal Audit function is headed by a Fellow Chartered Accountant (FCA) who maintains an independent reporting line directly to the Board of Directors. This function provides objective assurance through three distinct, highly specialized wings:

| Internal Audit Wing | Core Composition | Key Areas of Focus |
|---|---|---|
| **Processes & Systems Audit** | Partly qualified Chartered Accountancy professionals, Electrical Engineers, and Civil Engineers | Manufacturing efficiency, asset management, scrap yield, safety, and process optimization. |
| **Financial Audit & Compliances** | Partly qualified Chartered Accountancy professionals | Statutory compliance, tax & VAT, documentation, and ledger reconciliation |
| **Information Systems Audit** | Experienced personnel in IS audit | ERP access, data security, cyber risks, business continuity, and ITGC |

- **External Auditors:** BSRM's external auditors provide assurance through financial statement audits and compliance audits, ensuring alignment with regulatory requirements.
- **Regulatory Oversight:** Regulatory bodies conduct regular inspections and examinations, ensuring that BSRM adheres to all regulatory requirements.



# INFORMATION TECHNOLOGY INITIATIVES

## DRIVING DIGITAL TRANSFORMATION

BSRM continued its digital transformation journey during the year, with a focus on improving business processes, strengthening the Cloud ERP ecosystem, increasing automation, making data more accessible, improving employee services and preparing the organization for the growing use of AI.

As part of the continued improvement of the Cloud ERP ecosystem, BSRM implemented a world-class Tier-1 Demand and Supply Planning solution, implemented by one of the Big Four consulting firms. The solution is helping the Company improve demand and supply planning and maintain a smoother supply chain.

The Company also implemented a Tier-1 Procure-to-Pay solution, implemented by a Big Four consulting firm. The solution covers key procurement activities including bidding, purchase processes, automated workflows and communication between suppliers and buyers. This has improved transparency, control and efficiency in the procurement process.

The Order-to-Cash process was also revamped and developed by a Big Four consulting firm to make the sales process faster, more transparent and better controlled.

BSRM further improved its collection and payment processes by integrating the ERP directly with multiple banks, including Standard Chartered Bank, BRAC Bank and other banking partners. Faster collection confirmation has improved credit control and helped speed up delivery decisions. Payment integration has also made the payment cycle faster and contributed to smoother demand and supply operations.

The Company continued to strengthen process automation through Robotic Process Automation (RPA). RPA is being used to automate repetitive and rule-based activities, reducing manual work, processing time and errors, while allowing employees to focus on more important tasks.

Data, analytics and business intelligence remained an important part of BSRM's digital transformation. Improved reporting and analytics are helping management get timely business information and monitor key performance indicators. Role-based analytics have also been added to the employee self-service mobile platform, allowing employees to quickly access the information relevant to their roles.

Recognizing the importance of continuous learning, BSRM integrated a renowned digital learning platform with its HR system. This gives employees easy access to learning resources and supports continuous skill development through self-learning.

In the era of AI, BSRM is also exploring opportunities in Artificial Intelligence, Generative AI and intelligent automation. The Company is evaluating practical AI use cases in enterprise systems and authorized business applications to improve productivity, analytics, knowledge management and employee services, while also building awareness and capabilities for responsible use of AI.

Apart from core operations, BSRM also expanded and improved its digital business applications and support functions, including Visitor Management, Employee Fund Management, Non-Management Employee Self-Service and Overtime Management, along with other workflow-based solutions. These initiatives are reducing manual work, improving process visibility and upgrading existing systems for better security, performance and scalability.

Cybersecurity and digital awareness remained a key priority. Awareness programs were conducted to improve employees' understanding of cyber risks, phishing, data protection, secure digital practices and responsible use of technology. These efforts are helping build a stronger security-conscious culture across the organization.

Going forward, BSRM will continue to focus on digital integration, automation, cloud adoption, data-driven decision-making, cybersecurity and AI-enabled innovation. Through continued investment in technology and people, the Company aims to improve operational efficiency and build a resilient, connected and digitally empowered organization.







# BAPLC
# MEMBERSHIP CERTIFICATE




# 6 YEARS
# PERFORMANCE

| Particulars | Jun'26 | Jun'25* | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| **Assets Employed** | | | | | | |
| Non-current Assets | 45,566 | 43,864 | 41,435 | 34,969 | 26,521 | 25,674 |
| Net Current Assets | 17,395 | 14,566 | -506 | -928 | 6,609 | 6,570 |
| **Total Assets Employed** | **62,961** | **58,430** | **40,929** | **34,041** | **33,130** | **32,243** |
| | | | | | | |
| **Financed by** | | | | | | |
| Share Capital | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 | 3,760 |
| Revaluation Reserve | 7,833 | 7,850 | 7,870 | 7,892 | 7,903 | 7,915 |
| Fair Value Reserve | 1,735 | 1,060 | 1,433 | 1,433 | 1,658 | 1,329 |
| Retained Earnings | 26,660 | 21,364 | 17,365 | 14,481 | 12,614 | 10,448 |
| **Shareholders' Equity** | **39,987** | **34,033** | **30,428** | **27,565** | **25,935** | **23,452** |
| | | | | | | |
| Long Term borrowings | 20,600 | 22,245 | 8,442 | 4,398 | 4,996 | 6,681 |
| Retirement benefit obligations - Gratuity | 312 | 322 | 283 | 260 | 240 | 231 |
| Deferred Tax Liabilities | 1,984 | 1,733 | 1,609 | 1,660 | 1,756 | 1,800 |
| Finance Lease Obligations- non Current Portion | 78 | 97 | 167 | 159 | 204 | 80 |
| **Total Capital Employed** | **62,961** | **58,430** | **40,929** | **34,041** | **33,130** | **32,243** |
| | | | | | | |
| **Operational Results** | | | | | | |
| Revenue | 129,488 | 103,665 | 82,706 | 84,525 | 67,121 | 54,983 |
| Gross Profit | 14,102 | 11,505 | 9,176 | 8,114 | 7,046 | 7,231 |
| Profit from Operations | 11,745 | 9,053 | 6,752 | 6,461 | 5,428 | 5,596 |
| EBITDA | 13,850 | 10,814 | 7,813 | 7,388 | 6,497 | 6,672 |
| Profit before Tax | 9,090 | 6,612 | 5,077 | 3,771 | 4,505 | 3,919 |
| Profit after Tax | 7,153 | 5,176 | 3,797 | 2,979 | 3,278 | 3,047 |

* Restated figure





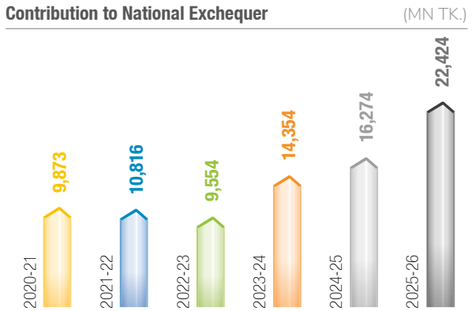


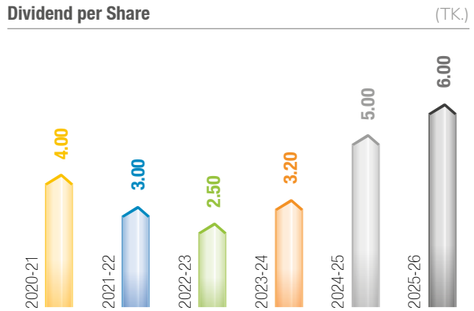
| Particulars | Jun'26 | Jun'25* | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| **Ratios** | | | | | | |
| Gross Profit ratio - % | 10.89 | 11.10 | 11.09 | 9.60 | 10.50 | 13.15 |
| Net Profit ratio - % | 5.52 | 4.99 | 4.59 | 3.52 | 4.88 | 5.54 |
| EBITDA margin to Sales - % | 10.70 | 10.43 | 9.45 | 8.74 | 9.68 | 12.13 |
| Return on Shareholders Equity - % | 17.89 | 15.21 | 12.48 | 10.81 | 12.64 | 12.99 |
| Return on Capital Employed - % | 11.36 | 8.86 | 9.28 | 8.75 | 9.90 | 9.45 |
| Return on Assets-% | 7.65 | 5.60 | 4.36 | 3.75 | 4.25 | 4.45 |
| Return on Investment-% | 23.52 | 20.60 | 17.97 | 16.33 | 20.02 | 21.45 |
| Current Ratio - Times | 1.48 | 1.50 | 0.99 | 0.98 | 1.14 | 1.16 |
| Quick / Acid test ratio-Times | 0.61 | 0.65 | 0.55 | 0.55 | 0.59 | 0.82 |
| Inventory turnover ratio - Times | 4.10 | 3.70 | 3.39 | 3.38 | 2.98 | 3.35 |
| Total Assets turnover ratio - Times | 1.38 | 1.12 | 0.95 | 1.06 | 0.87 | 0.80 |
| Earnings per Share (EPS) - Taka | 19.03 | 13.77 | 10.10 | 7.92 | 8.72 | 8.10 |
| Price/Earnings (P/E) ratio - Times | 4.55 | 4.05 | 5.73 | 8.06 | 7.71 | 6.91 |
| Price/Equity ratio - Times | 8.66 | 5.58 | 5.79 | 6.39 | 6.72 | 5.60 |
| Dividend per share (DPS) - Taka | 6.00 | 5.00 | 3.20 | 2.50 | 3.00 | 4.00 |
| Dividend Payout ratio | 0.32 | 0.36 | 0.32 | 0.32 | 0.34 | 0.49 |
| Dividend Cover ratio | 3.17 | 2.75 | 3.16 | 3.17 | 2.91 | 2.03 |
| Net Assets Value (NAV) per share - Taka | 106.36 | 90.52 | 80.93 | 73.32 | 68.99 | 62.38 |
| Net Operating Cash Flow per share - Taka | 24.46 | 45.02 | 16.32 | 29.15 | 10.62 | 20.87 |
| Gearing ratio-Times | 0.99 | 1.27 | 1.78 | 1.31 | 1.55 | 1.07 |
| Interest coverage ratio-Times | 5.17 | 4.08 | 4.56 | 2.49 | 6.80 | 13.83 |
| Market price per share at 30th June | 86.60 | 55.80 | 57.90 | 63.90 | 67.20 | 56.00 |
| Market Capitalization at 30th June(Million) | 32,557 | 20,978 | 21,768 | 24,023 | 25,264 | 21,053 |
| Contribution to National Exchequer( Million) | 22,424 | 16,274 | 14,354 | 9,554 | 10,816 | 9,873 |
| Average Number of Employees | 2,037 | 1,934 | 1,743 | 1,557 | 1,455 | 1,416 |
| Employee Productivity Rate(Million) | 63.54 | 53.60 | 47.45 | 54.29 | 46.13 | 38.83 |
| Customer Retention Ratio | 100.00 | 100.00 | 99.90 | 99.95 | 99.96 | 100.00 |

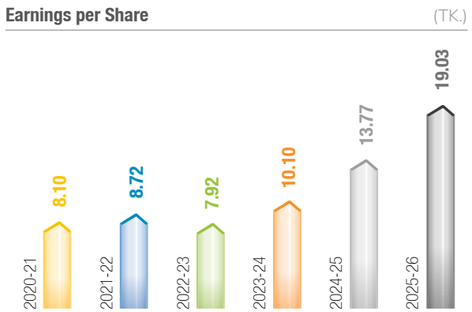
* Restated figure

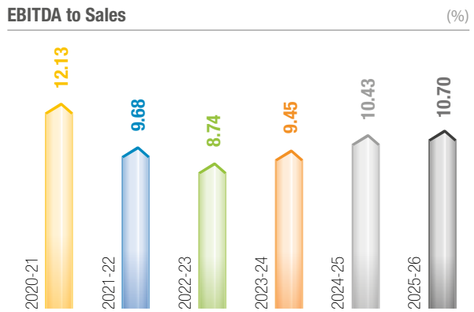


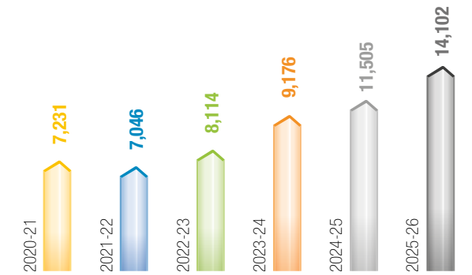
# KEY PERFORMANCE INDICATOR

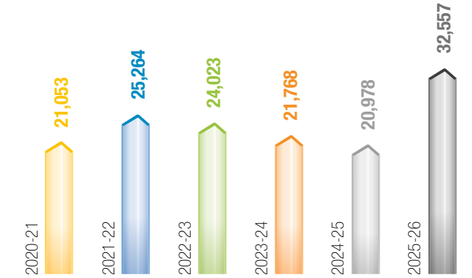


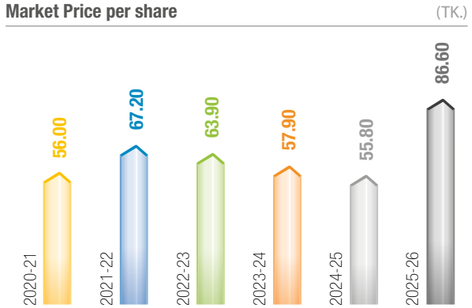



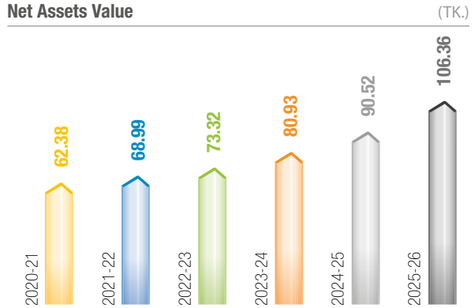



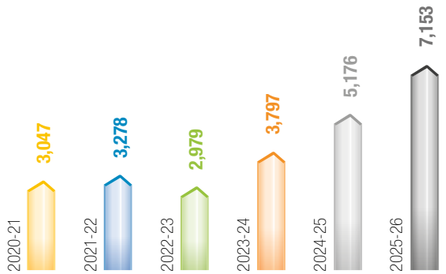



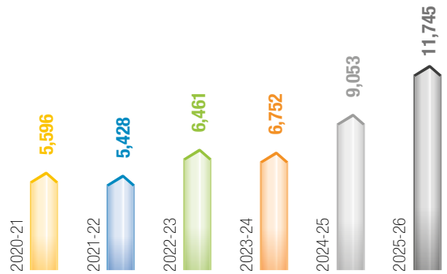



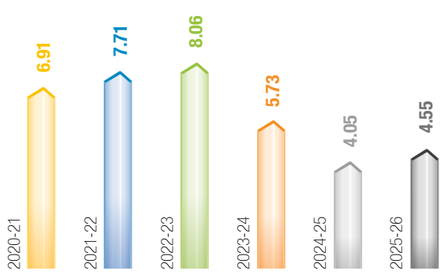
**Net Profit After Tax** (MN TK.)



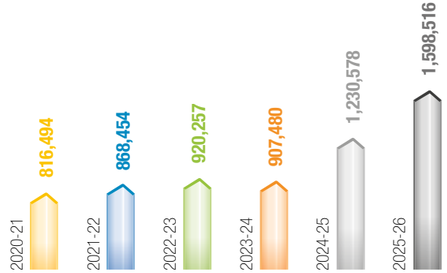

**Operating Profit** (MN TK.)



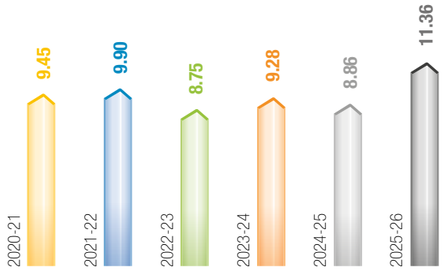

**Price Earnings Ratio** (TIMES)



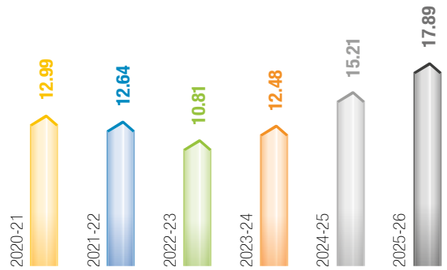

**Production Quantity** (M. TON)



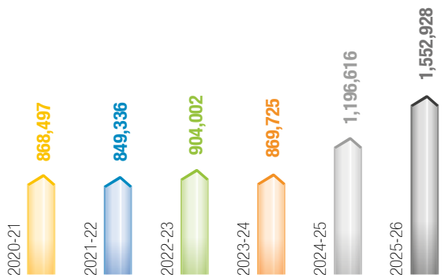

**Return on Capital Employed** (%)



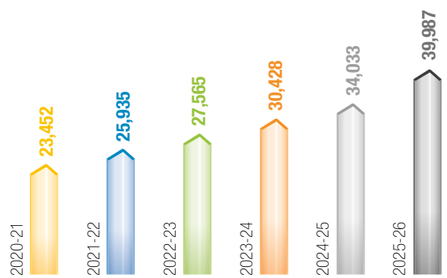

**Return on Shareholders' Equity** (%)




**Sales Quantity** (M. TON)




**Shareholders' Equity** (MN TK.)






# CREDIT RATING

CRISL has reaffirmed the Long-Term Rating of BSRM Steels Limited (BSRMSL) at 'AAA' (pronounced as Triple A) and the Short-Term Rating at 'ST-1', based on the company's audited financial statements for FY2025-26, unaudited financial statements for Q1 FY2026-27, and comprehensive qualitative and quantitative assessments of information available up to the date of rating. The reaffirmation primarily reflects the company's sustained business growth, substantial improvement in profitability, strong financial fundamentals, and sound debt servicing capacity. During FY2025-26, the company recorded notable growth in revenue and profitability, primarily driven by higher sales volume and increased deliveries, supplemented by favorable selling prices and product mix. Notably, the growth in sales volume remained the principal contributor to the overall revenue expansion. The company's operating performance gained further momentum in Q1 FY2026-27, with substantial year-on-year growth in revenue, gross profit and net profit, reinforcing the positive assessment of its business and financial performance.

The Long-Term rating of 'AAA' indicates the highest level of credit quality, with the entity adjudged to be of the best quality and offering the highest degree of safety. The risk factors are considered negligible, with creditworthiness approaching that of risk-free Government bonds and securities. Changing economic circumstances are unlikely to have any serious adverse impact on entities in this category. The Short-Term rating of 'ST-1' indicates the highest certainty of timely payment, supported by very strong short-term liquidity, including internal fund generation, and outstanding access to alternative sources of funds. The degree of safety is considered almost equivalent to that of risk-free Government short-term obligations.

CRISL has also assigned a 'Stable Outlook', considering the company's established business and financial fundamentals, strong Group affiliation, funding flexibility, and demonstrated debt servicing capacity, which are expected to remain broadly sustainable in the foreseeable future.

Strong Credit Rating Maintained
over the period

# Outlook: Stable

**AAA**

Highest Safety and
Highest Credit Quality

**ST–1**

Highest Certainty of
Timely payment and
Strong liquidity factors

| Ratings | 2027 | 2026 |
|---|---|---|
| Long Term | AAA | AAA |
| Short Term | ST–1 | ST–1 |

**Rated by CRISL on November 23, 2026 &
valid up to November 03, 2027**

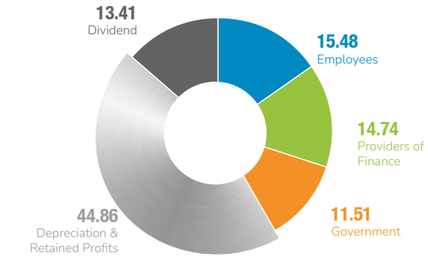
Based on Financials June 2026 and Unaudited Financials up to September 30, 2026

BSRM
building a safer nation

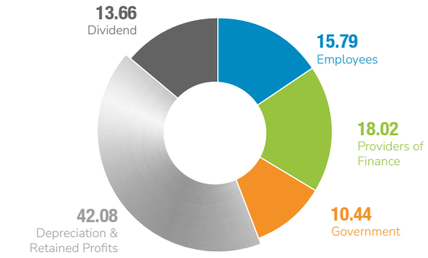
# VALUE ADDED STATEMENT

| | Jun'26 Tk. in Million | % | Jun'25 Tk. in Million | % |
|---|---|---|---|---|
| **Value Added:** | | | | |
| Revenue | 129,488 | | 103,665 | |
| Other Income | 436 | | 354 | |
| | 129,934 | | 104,019 | |
| Less : Paid to suppliers for materials and services | 113,103 | | 90,260 | |
| | 16,821 | 100 | 13,759 | 100 |
| **Distributed as follows:** | | | | |
| **EMPLOYEES** | | | | |
| Wages, Salaries, bonus, commissions, pensions and other benefits | 2,604 | 15.48 | 2,173 | 15.79 |
| **PROVIDERS OF FINANCE** | 2,479 | 14.74 | 2,480 | 18.02 |
| **GOVERNMENT** | 1,936 | 11.51 | 1,436 | 10.44 |
| **DIVIDEND** | 2,256 | 13.41 | 1,880 | 13.66 |
| | **9,275** | **55.14** | **7,968** | **57.92** |
| **RETAINED FOR REINVESTMENT & FUTURE GROWTH** | | | | |
| Depreciation & Amortization | 2,249 | 13.37 | 1,792 | 13.02 |
| Retained Profit | 5,296 | 31.49 | 3,998 | 29.06 |
| | **7,545** | **44.86** | **5,790** | **42.08** |
| | **16,821** | **100** | **13,759** | **100** |

Jun'26 (%)




Jun'25 (%)






# ECONOMIC VALUE ADDED (EVA)

Economic value added attempts to capture the true economic profit of a company. It is also provides a measurement of a company's economic success (or failure) over a period of time.

| | Jun'26 | Jun'25 |
|---|---|---|
| | Tk. in Million | Tk. in Million |
| **Calculation of EVA** | | |
| Net Operating profit after Tax (NOPAT) | 9,809 | 7,617 |
| Total Capital Employed | 62,961 | 58,430 |
| Cost of Capital in % | 10.00% | 10.00% |
| Cost of Capital (COC) | 6,296 | 5,843 |
| **EVA = NOPAT – COC** | **3,513** | **1,774** |

The positive number of EVA reveals that the Company is more than covered its cost of capital.

* Represents restated value as per present FS



# HORIZONTAL ANALYSIS

| Horizontal | Jun'26 | Jun'25* | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| **Separate Statement of Profit or Loss and Other Comprehensive Income** | | | | | | |
| Net revenue from contract with customer | 235% | 168% | 114% | 119% | 74% | 42% |
| Gross profit | 173% | 122% | 77% | 57% | 36% | 40% |
| Operating profit | 229% | 153% | 89% | 81% | 52% | 57% |
| Profit before tax | 398% | 262% | 178% | 107% | 147% | 115% |
| Profit for the year | 864% | 597% | 411% | 301% | 342% | 311% |
| Earnings per share | 866% | 599% | 413% | 302% | 343% | 311% |
| **Separate statement of financial position** | | | | | | |
| Total non-current assets | 65% | 59% | 50% | 27% | -4% | -7% |
| Total current assets | 45% | 19% | 51% | 13% | 50% | 26% |
| Total Assets | 54% | 36% | 50% | 19% | 27% | 12% |
| Share Capital | 0% | 0% | 0% | 0% | 0% | 0% |
| Retained Earnings | 175% | 121% | 79% | 50% | 30% | 8% |
| **Total Equity attributable to owners of the company** | **87%** | **59%** | **42%** | **29%** | **21%** | **10%** |
| Non-current liabilities | 130% | 145% | 5% | -35% | -28% | -12% |
| Current liabilities | 9% | -12% | 69% | 29% | 47% | 21% |
| Total liabilities | 37% | 24% | 54% | 14% | 30% | 13% |
| **Total equity and liabilities** | **54%** | **36%** | **50%** | **19%** | **27%** | **12%** |





# VERTICAL ANALYSIS

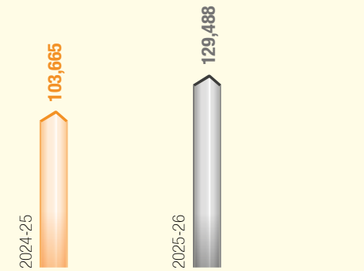
| Vertical | Jun'26 | Jun'25* | Jun'24 | Jun'23 | Jun'22 | Jun'21 |
|---|---|---|---|---|---|---|
| **Separate Statement of Profit or Loss and Other Comprehensive Income** | | | | | | |
| Net revenue from contract with customer | 100% | 100% | 100% | 100% | 100% | 100% |
| Gross profit | 11% | 11% | 11% | 10% | 10% | 13% |
| Operating profit | 9% | 9% | 8% | 8% | 8% | 10% |
| Profit before tax | 7% | 6% | 6% | 4% | 7% | 7% |
| Profit for the year | 6% | 5% | 5% | 4% | 5% | 6% |
| **Separate statement of financial position** | | | | | | |
| Total non-current assets | 46% | 50% | 43% | 45% | 32% | 35% |
| Total current assets | 54% | 50% | 57% | 55% | 68% | 65% |
| Total Assets | 100% | 100% | 100% | 100% | 100% | 100% |
| Share Capital | 4% | 4% | 4% | 5% | 5% | 5% |
| Retained Earnings | 27% | 24% | 18% | 19% | 15% | 14% |
| **Total Equity attributable to owners of the company** | **40%** | **39%** | **31%** | **36%** | **32%** | **32%** |
| Non-current liabilities | 23% | 28% | 11% | 8% | 9% | 12% |
| Current liabilities | 37% | 33% | 58% | 56% | 60% | 55% |
| Total liabilities | 60% | 61% | 69% | 64% | 68% | 68% |
| **Total equity and liabilities** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |



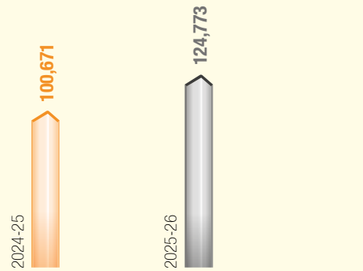
# SEGMENT ANALYSIS



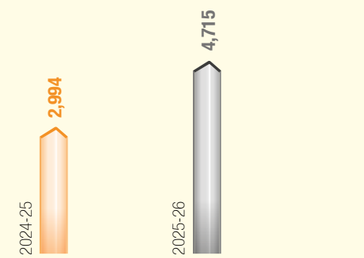
**Revenue** (MN TK.)




**Total Local Sales** (MN TK.)




**Export Sales** (MN TK.)




**Sales of Main Products** (MN TK.)



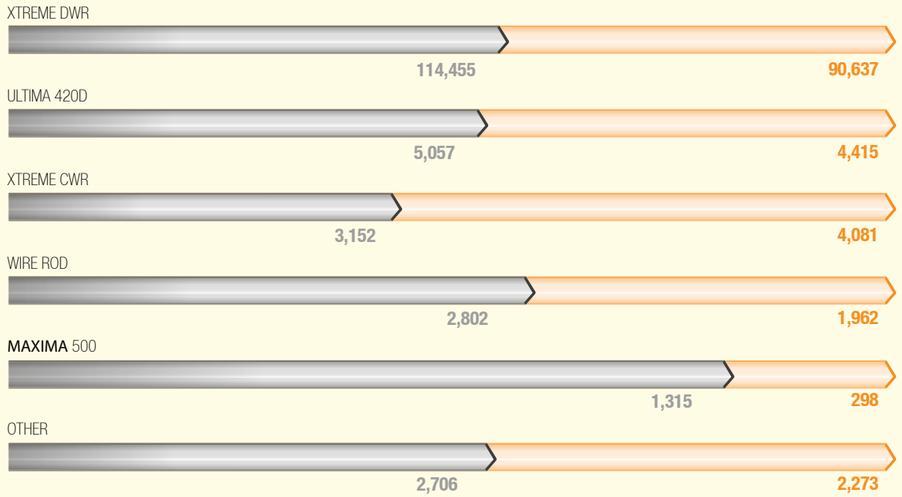

**Sales of By–Products** (MN TK.)



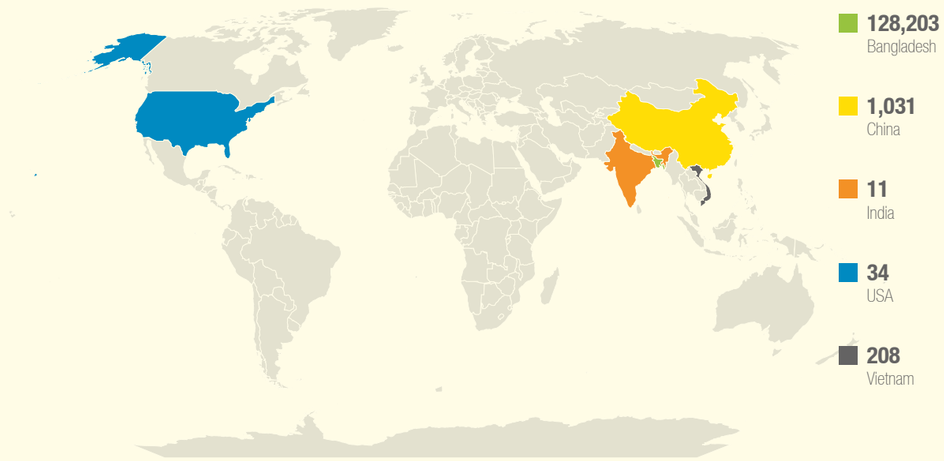





**Product wise Revenue** (MN TK.)




**Geographical Market** (MN TK






# CORPORATE BENEFITS TO SHAREHOLDERS: VALUE APPRECIATION, DIVIDEND, AND OTHER RETURNS



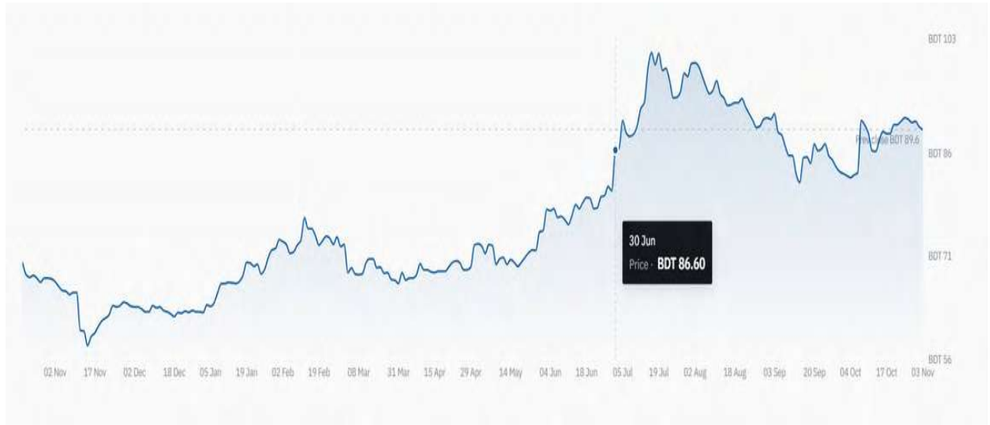
BSRM provides consistent corporate benefits to its shareholders in the form of value appreciation, dividend distributions, earnings growth, and net asset value (NAV) per share. This ensures that shareholders receive financial returns and see the long-term value growth of their investments.

## Value Appreciation

BSRM's share performance on the Dhaka Stock Exchange (DSE) has reflected steady growth over the years. The closing price as of June 30, 2026, was Tk. 86.60 per share, maintaining shareholder confidence and market stability. BSRM's market capitalization stood at Tk. 32,557 million at June 30,2026 indicating robust shareholder value over time.

**SHARE PERFORMANCE ON STOCK EXCHANGES**

Movement of share price on Dhaka Stock Exchange Ltd. (DSE) during the year 2025-26:




## Dividend History

BSRM has a solid history of rewarding its shareholders through consistent dividends. The dividend payout for FY 2025-26 is 60 % in cash (recommended). The company has distributed cash dividends ranging from 25% to 50% in recent years, providing steady returns to its shareholders. Notably, BSRM has maintained this practice even during challenging economic times, showing resilience and commitment to shareholder returns.

| Year | Rate of Dividend | Form of Dividend |
|---|---|---|
| 2025-26 | 60% | Cash (Recommended) |
| 2024-25 | 50% | Cash |
| 2023-24 | 32% | Cash |



| Year | Rate of Dividend | Form of Dividend |
|---|---|---|
| 2022-23 | 25% | Cash |
| 2021-22 | 30% | Cash |
| 2020-21 | 30% | Cash |
| 2020-21 | 10% | Cash (Interim) |
| 2019-20 | 15% | Cash |
| 2018-19 | 25% | Cash |
| 2017-18 | 10% and 10% | Stock & Cash respectively |

## Earnings Per Share (EPS)

Earnings Per Share (EPS) for FY 2025-26 is reported at Tk. 19.03, reflecting an increase from Tk. 13.77 in the previous year. This growth in EPS demonstrates the company's financial strength and profitability, further contributing to shareholder value.

| Year | Taka |
|---|---|
| 2025-26 | 19.03 |
| 2024-25 | 13.77 |
| 2023-24 | 10.10 |
| 2022-23 | 7.92 |
| 2021-22 | 8.72 |
| 2020-21 | 8.10 |
| 2019-20 | 1.97 |
| 2018-19 | 4.60 |
| 2017-18 | 4.79 |

## Net Asset Value

Net Asset Value (NAV) per share for FY 2025-26 stands at Tk. 106.36, up from Tk. 90.52 in FY 2024-25. This steady increase in NAV is a positive indicator of BSRM's ability to create value for its shareholders over the long term.

| Year | Taka |
|---|---|
| 2025-26 | 106.36 |
| 2024-25 | 90.52 |
| 2023-24 | 80.93 |

*2024-25 re-stated figures

| Year | Taka |
|---|---|
| 2022-23 | 73.32 |
| 2021-22 | 68.99 |
| 2020-21 | 62.38 |
| 2019-20 | 56.84 |
| 2018-19 | 55.58 |
| 2017-18 | 37.48 |

## Net Operating Cash Flow Per Share (NOCFPS):

The Net Operating Cash Flow Per Share for FY 2025-26 improved to Tk. 24.46, showcasing the company's ability to generate cash from operations, further strengthening its financial position and shareholder returns.

| Year | Taka |
|---|---|
| 2025-26 | 24.46 |
| 2024-25 | 45.02* |
| 2023-24 | 16.32 |
| 2022-23 | 29.15 |
| 2021-22 | 10.62 |
| 2020-21 | 20.87 |
| 2019-20 | 5.57 |
| 2018-19 | (12.43) |
| 2017-18 | 2.90 |





# GRIEVANCE REDRESSAL SHAREHOLDER'S PERSPECTIVE

BSRM strongly believes in maintaining smooth and interactive relationships with the stakeholders. We proactively pursue a high–quality stakeholder redressal policy to handle all types of grievances and complaints effectively and fairly. BSRM strongly believes in the equitable treatment of every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the company's stipulated time frame.

## REDRESSAL POLICY

**BSRM redressal system covers the following issues**

- Receiving complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend;
- Clarification of any price-sensitive information over the telephone;
- Grievance for not receiving the Annual Report, quarterly. Half-yearly financial information/ position within the timeframe.

Any Investors may lodge their complaint about their investment in the company through a formal letter, the Company's official e-mail ID, i.e., investors@bsrm.com. and a phone call to the Company Secretary and Share Department. We focus on addressing those complaints within the shortest possible time.

## REDRESSAL PROCESS OF BSRM

- Complaints raised by the investors/ shareholders dealt with courtesy and promptly
- Complaints are treated and solved efficiently and treated fairly
- We communicate to the shareholders to collect the dividend warrants, which have been refunded for non-delivery by the courier.
- Cheques are re-issued against expired dividend warrants upon demand.
- Dividend warrants are issued in case of failure to send dividends through the BEFTN system.
- We issue dividend notice (CDBL Shareholding report as on record date) after completing dividend disbursement and send dividend notice through e-mail/courier/direct as and when required.
- An E-mail or letter must be sent to all the investors who have submitted written complaints.



## Redressal Statistics for 2025–26

**Requests received from shareholders**

- A 50% Cash Dividend has been credited to Shareholders' Bank accounts through The Hongkong and Shanghai Banking Corporation Limited (HSBC) using the BEFTN System of Bangladesh Bank on January 19, 2026, which was approved in the 23rd Annual General Meeting of the Company held on December 25, 2025.
- 771 dividend warrants have been re-issued for 2024-25 (which were returned from BEFTN).
- A Dividend Notice for 2024-25 has been issued for income tax and other purposes.

The company continues to communicate regularly with the shareholders through periodic performance updates and at any time when it believes it is generally in the best interest of shareholders.

| PROCESS | REDRESSAL | CHECKLIST | |
|---|---|---|---|
| | | Yes | No |
| Queries/Complaints/grievance lodged by Shareholder | Shareholders are adequately communicated that collection warrants have been refunded for non-delivery by the Courier. | ✓ | |
| | Cheque re-issue against expired dividend warrants upon demand | ✓ | |
| Review all logs objectively and fairly and give solutions within a short time frame | Issue of dividend warrants, in case of failure to send dividends through the BEFTN system | ✓ | |
| Send information to concerned shareholders after redressal by the Share department | Issue dividend notice (CDBL Shareholding report as on record date) after completing dividend disbursement, send dividend notice through e-mail/courier/direct as and when required | ✓ | |



# KEY EVENTS | 2026

## BSRM Honored with BBR Corporate Award 2025 in Steel Manufacturing



BSRM received the prestigious BBR Corporate Award 2025 in the Steel Manufacturing Category, recognising its sustainable performance, innovation, and commitment to excellence.

## 12th ICSB National Award 2024




BSRM Steels Limited received the Silver Award at the 12th ICSB National Award 2024 in the Engineering Category, recognising its commitment to corporate governance and excellence.

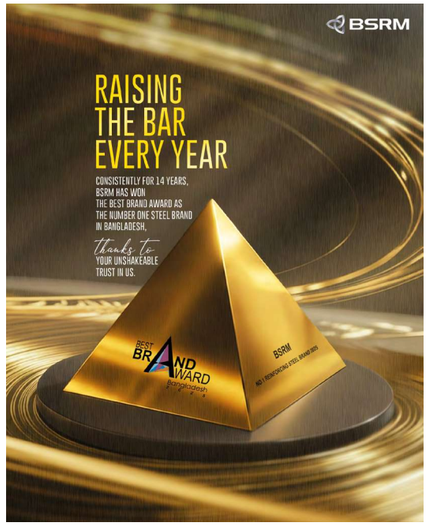
## BSRM is proud to receive the SDG Brand Champion Award




BSRM is proud to receive the SDG Brand Champion Award in the Sustainable Partnerships & Institutions category for BSRM School of Engineering – An Industry–Academia Partnership with BRAC University.

This recognition reinforces our commitment to fostering industry–academia collaboration and advancing sustainable development through quality education.

## Bangladesh's No. 1 Steel Brand — 14 Years and Counting




For 14 consecutive years, BSRM has proudly been recognized with the Best Brand Award as the Number One Steel Brand in Bangladesh. This remarkable achievement is more than an award—it is a reflection of the trust, confidence, and loyalty of millions who choose BSRM every day.

Built on Trust, Forged with Excellence.



## 15th ICMAB Corporate Award
## **Gold Award**




BSRM received the Gold Award at the 15th ICMAB Best Corporate Award 2025 in the Engineering & Other Manufacturing Category, recognising its commitment to corporate excellence and transparency.

## BSRM Triumphs Again at Bangladesh Project Management Awards 2025




BSRM proudly celebrates a remarkable achievement at the Bangladesh Project Management Awards 2025, held at the Radisson Blu Water Garden Hotel, Dhaka, on 8th November 2025.




## LIONEL MESSI

**World's Most Decorated Footballer 2007–2017**

Eight Ballon d'Ors, including four in a row from 2009 to 2012, a feat no one else has matched. He also holds the record for most top-three finishes, fourteen in all, eleven of them consecutive from 2007 to 2017. In 2023, at 36, he won again, the only player to take the award across three decades.

# HOW WE CREATE VALUE

## Value Creation

Our goal is to create long-term value for BSRM customers, employees, investors, stakeholders and society as a whole. We also work hard to minimize the negative effects of our operational activities on social issues and the environment.

**Revenue achieved in 2025–2026**

**129,488 MN TK.**

This section is devoted to value creation. Over the next few pages, we will look in more detail at how we create value for our stakeholders.

## BSRM Value Creation Model, Business Model, and Capitals

### Business Model Overview:

**Building a Stronger Future through Innovation and Sustainability**

BSRM's business model focuses on driving infrastructure development and industrial growth in Bangladesh and beyond, while maintaining a commitment to sustainability, innovation, and operational excellence. Our business model leverages advanced technology, strategic partnerships, and eco-friendly production practices, ensuring long-term value creation for all stakeholders.

## Inputs, Activities, Outputs and Outcomes

### Explicit identification of key elements of the business model:

BSRM's business model can be clearly defined by identifying the key elements that contribute to value creation. These elements include:

**INPUTS**

Resources used by BSRM to create value, including financial, manufactured, natural, intellectual, human, and social capital.

- **Financial:** Investments and revenue.
- **Raw Materials:** Sourced sustainably.
- **Human Capital:** Skilled workforce.

**BUSINESS ACTIVITIES**

Core operations that transform inputs into outputs.

- **Steel Production:** Converting raw materials into high-quality finished steel products.
- **Logistics:** Efficient product delivery domestically and internationally.
- **R&D:** Continuous innovation to improve products and processes.

**OUTPUTS**

The direct results of BSRM's business activities, including products, services, and by-products.

- **High–quality steel products:** Xtreme B500 DWR/CWR, Ultima, Maxima, Wire Rod
- **By–products:** Recyclable scrap steel.
- **Social benefits:** CSR programs, job creation.

**OUTCOMES**

The long-term impact of BSRM's outputs on stakeholders and the environment.

- **Internal:** Strong financial performance, improved operational efficiency, higher employee satisfaction.
- **External:** Positive environmental impact, customer satisfaction, contribution to national infrastructure development.



## INPUT

### FINANCIAL CAPITAL
Market Capitalization
Capital Employed
Debt

### MANUFACTURED CAPITAL
Plant Capacity
Installed Melting Capacity:
Safety at workplace
Shopfloor training
Plant & Machinery

### INTELLECTUAL CAPITAL
Royalty
Research & Development
Technological Innovation
Adoption of New Software

### HUMAN CAPITAL
Employee Salaries and benefits
Employee Training & Development
Employee well being
Employee empowerment
Succession planning
Diversity equity and inclusion

### SOCIAL AND RELATIONSHIP CAPITAL
Community and social development
Stakeholder engagement

### NATURAL CAPITAL
Zero–waste mindset
Responsible use of scarce resources
Biodiversity and eco–system preservation

## VALUE CREATION PROCESS

### EXTERNAL ENVIRONMENT

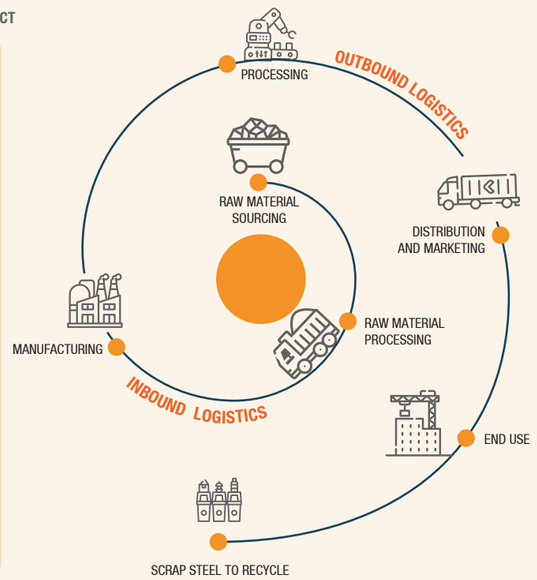
GOVERNANCE

| OUR VISION | OUR VALUES | OVERALL STRATEGIC OBJECTIVES |
|---|---|---|
| • Maintain our leadership positions in the steel industry by–producing the best quality steel products, continuously enhancing customer satisfaction and becoming a reliable business partner of our Customers and Suppliers.<br>• Be an employer of choice, with focus on nurturing talent and developing future leaders of the organization.<br>• Protect the interest of our shareholders through sustainable growth and value creation.<br>• Preserve the trust of all our stakeholders by adopting ethical business practices.<br>• Support the society through Corporate Social Responsibility initiatives. | • Sustainable Growth<br>• Quality<br>• Reliability<br>• Trust<br>• Leadership<br>• Social Responsibility<br>• Customer Satisfaction | • To Produce High–Quality Steel Products<br>• To Reduce the Cost of Production<br>• To Optimize Production Capacity<br>• To Ensure Maximum Satisfaction of the Customer<br>• To Recruit and Develop Workforce<br>• To Ensure Proper Corporate Governance & Compliance<br>• To Ensure Value Creation for the Shareholders |

STRATEGY AND RESOURCE ALLOCATION

BY–PRODUCT

ACTIVITIES ACROSS THE VALUE CHAIN




PRODUCT

PERFORMANCE

RISK MANAGEMENT

## OUTPUT

### GROWTH DRIVERS

- INTEGRATED VALUE CHAIN FOR BEST QUALITY PRODUCTS
- FOCUSSED CAPACITY EXPANSION THROUGH INNOVATION
- COMMERCIAL SUCCESS
- CUSTOMER & SUPPLIER PARTNERSHIP
- STRONG BALANCE SHEET
- SUSTAINABLE GROWTH

**1,076,261 MT**
MS Billet Produce

**1,598,516 MT**
MS Rod Produce

**1,552,928 MT**
MS Rod Sold

## OUTCOMES

### Financial Capital
Net Revenue: 129,488 MN
EBITDA: 13,850 MN
Profit After Tax: 7,153 MN
Contribution to National Exchequer: 22,424 MN
For more information
See page 150

### Manufactured Capital
Production of Steel:
1,598,516 MT
For more information
See page 154

### Intellectual Capital:
Royalty payment: 343 MN
Software cost: 6.86 MN
For more information
See page 158

### Human Capital
Employee benefit cost: 2,604 MN
Employee Training Hours: 158,123
For more information
See page 160

### Social and Relationship Capital
CSR expenditure: 137 MN

For more information
See page 167

### Natural Capital
Climate Action
$CO_2$ Emission Control
Reduction of wastage through monitoring
Conserve water resources
Air pollution control
APC Dust Export

For more information
See page 165

## UN SDGs

### Financial Capital
### Manufactured Capital
### Intellectual Capital
### Human Capital
### Social and Relationship Capital
### Natural Capital

## Key Resources and Capabilities Providing Sustainable Competitive Advantage

BSRM's business activities rely on several key resources and capabilities, which provide us with a sustainable competitive advantage:

### Financial Capital

Sufficient financial resources to invest in growth, innovation, and sustainability.

For more information see page no. 150

### Manufactured Capital

State–of–the–art steel production facilities and infrastructure.

For more information see page no. 154

### Intellectual Capital

Continuous R&D investment, fostering innovation and improved operational processes.

For more information see page no. 158

### Human Capital

Skilled workforce empowered by comprehensive training and development programs.

For more information see page no. 160

### Social and Relationship Capital

Long–standing partnerships with suppliers, customers, and local communities.

For more information see page no. 167

### Natural Capital

Sustainable raw material sourcing and eco–friendly production methods that minimize environmental impact.

For more information see page no. 165

## Activities and Supporting Elements

BSRM's activities focus on maximizing the use of these resources to create value at every step of the production process:

### Raw Material Sourcing

We prioritize responsible sourcing, partnering with trusted suppliers to ensure consistent quality.

For more information see page no. 288

### Steel Production

Using advanced technologies to manufacture high–strength steel products such as BSRM Xtreme B500DWR, Ultima, Maxima, Wire Rod.

For more information see page no. 32

### Quality Assurance

Rigorous testing throughout the production cycle ensures world–class standards.

For more information see page no. 32 & 156

### Sustainable Manufacturing

Emphasizing recycling and energy–efficient practices to reduce environmental impact.

For more information see page no. 246

### Logistics & Distribution

Ensuring timely product delivery to domestic and international markets.

For more information see page no. 288





## Value Created by BSRM and for Whom

BSRM generates value for various stakeholders through its strategic use of resources and capabilities. The table below outlines the key value propositions for customers, shareholders, employees, communities, the government, and the environment, highlighting how BSRM contributes to their growth and development.

| Stakeholder | Value Created | Impact |
|---|---|---|
| Customers | High-quality, durable steel products for infrastructure and construction. | Supports completion of major projects, ensuring safety and longevity. |
| Shareholders | Sustainable financial returns through market leadership and operational efficiency. | Consistent financial performance, profitability, and long-term growth. |
| Employees | Job satisfaction, career growth, and a supportive work environment. | Motivated, skilled workforce leading to operational excellence. |
| Communities | Positive societal impact through CSR programs in education, healthcare, and development. | Improved living standards and community development. |
| Government and Public Infrastructure | Contributions to national infrastructure and power plants. | Enhancement of public projects like bridges, highways, services and development. |
| Environment | Reducing environmental footprint through sustainable and eco-friendly production practices. | Conservation of resources, reduced pollution, and support for global sustainability. |



## Six Major Capitals and Their Inter–relationship and Interdependence

BSRM operates using six key capitals: Financial, Manufactured, Intellectual, Human, Social & Relationship, and Natural Capital. Each of these capitals plays a vital role in driving the company's success, with their inter-relationships fostering a holistic approach to sustainable value creation. Below is an explanation of how these capitals interacting and contribute to BSRM's business model:

| Capital | Definition | Interdependence & Value Created | Linked Capitals |
|---|---|---|---|
| Financial Capital | Financial resources available for operations and investments. | Fuels investments in manufactured, intellectual, and human capital to drive growth, innovation, and sustainability. | Manufactured, Intellectual, Human |
| Manufactured Capital | Physical assets like plants, machinery, and infrastructure. | Supported by financial capital and driven by intellectual and human capital to produce high-quality steel products. | Financial, Intellectual, Human |
| Intellectual Capital | Knowledge-based assets such as patents, R&D, and innovation. | Enhances manufactured capital and operational excellence, supported by financial capital and implemented by human capital. | Financial, Manufactured, Human |
| Human Capital | The skills, expertise, and competencies of BSRM's workforce. | Powers intellectual and manufactured capital through employee innovation and productivity. Linked to social capital for reputation building. | Intellectual, Manufactured, Social |
| Social & Relationship Capital | Relationships with stakeholders, including communities, suppliers, and customers. | Builds trust and enhances financial, human, and natural capital through sustainable and ethical business practices. | Financial, Human, Natural |
| Natural Capital | Environmental resources like raw materials and energy. | Supports all other capitals by promoting responsible production, sustainable resource management, and eco-friendly practices. | Manufactured, Social, Financial |





## Connectivity of Financial Performance with Other Capitals and Risk Management

BSRM's financial performance is directly linked to its strategy for managing the six capitals. The company's resource allocation plans and risk management strategies ensure that all capitals are optimized to deliver both short-term financial results and long-term sustainability.

## Impact of Capitals on Financial Performance and Strategic Resource Allocation at BSRM

| Capital | Impact on Financial Performance | Strategic Resource Allocation |
|---|---|---|
| **Financial Capital** | Financial capital provides the necessary funding for investments in other capitals, enabling BSRM to drive growth, innovation, and operational excellence. | BSRM allocates investments to boost production capacity, improve operational efficiency, and expand market presence. This results in higher financial returns through the development of advanced products like Xtreme B500 DWR/ CWR, which is designed to be used in mega structures. |
| **Manufactured Capital** | The efficient use of physical assets, including plants, machinery, and infrastructure, leads to higher productivity and reduced operational costs for BSRM. | BSRM regularly invests in maintaining and upgrading its manufacturing facilities. For example, the company's cutting-edge re-rolling mills increase production efficiency, ensuring high-quality steel products that meet global standards, reducing waste, and lowering operating costs. |
| **Intellectual Capital** | Innovations in manufacturing processes and product development increase BSRM's competitiveness, driving higher revenues. | BSRM focuses on research and development (R&D) to enhance its product offerings and reduce production costs. The introduction of BSRM Wire Rod demonstrates the company's commitment to innovation, allowing faster and more efficient construction solutions, thus gaining a competitive edge in the market. |
| **Human Capital** | A highly skilled and motivated workforce drives productivity, leading to greater operational efficiency and profitability for BSRM. | BSRM invests heavily in employee training and development programs. These initiatives not only enhance workers' skills but also encourage innovation and operational excellence. For example, BSRM's continuous investment in workforce development helps maintain industry-leading safety standards and production efficiency. |
| **Social & Relationship Capital** | Strong relationships with stakeholders, including suppliers, customers, and local communities, enhance BSRM's brand reputation and customer loyalty, driving long-term financial growth. | BSRM actively allocates resources to Corporate Social Responsibility (CSR) initiatives and stakeholder engagement programs. For instance, BSRM's CSR activities, such as providing education scholarships and healthcare programs, build trust within the community, further strengthening its market presence and stakeholder relationships. |
| **Natural Capital** | Sustainable use of natural resources reduces costs and ensures long-term environmental compliance, helping BSRM maintain a positive environmental reputation. | BSRM invests in eco-friendly production methods, such as using scrap steel for recycling and adopting energy-efficient processes. This commitment to sustainability reduces waste and emissions, ensuring cost-efficiency while contributing to global sustainability goals. |



## Risk Management Practices and Capital Allocation

Risk management is integrated into BSRM's strategic planning to protect its capitals and ensure stable financial performance. Here are some key risk management practices linked to each capital:

| Capital | Risk Management Practices | Outcome |
|---|---|---|
| **Financial Capital** | Diversifying revenue streams and maintaining liquidity to reduce financial risk. | Stable financial returns and resilience in market fluctuations. |
| **Manufactured Capital** | Regular maintenance and upgrades to prevent operational disruptions. | Improved asset longevity, reduced downtime, and consistent production. |
| **Intellectual Capital** | Protecting intellectual property and investing in innovation to stay ahead of competition. | Increased competitiveness and market differentiation. |
| **Human Capital** | Employee engagement and health/ safety programs to mitigate labor-related risks. | Higher employee retention, better productivity, and reduced workplace accidents. |
| **Social & Relationship Capital** | Engaging stakeholders through transparent communication and ethical practices. | Enhanced brand reputation and stronger community and customer relationships. |
| **Natural Capital** | Implementing eco-friendly practices to comply with regulations and avoid environmental penalties. | Lower environmental risks, reduced waste, and alignment with sustainability goals. |





## Identification of Critical Stakeholders and External Dependencies

BSRM's business model is highly dependent on several critical stakeholders and external factors:

| | |
|---|---|
| **Suppliers** | The company relies on trusted suppliers for raw materials, such as scrap steel. Maintaining strong relationships with suppliers ensures a steady flow of high-quality resources. |
| **Customers** | Dealers, retailers, construction companies, government infrastructure projects, and industrial sectors are BSRM's main customers. These clients depend on timely delivery of steel products for completing large-scale projects. |
| **Employees** | Skilled workers in BSRM's production plants ensure operational efficiency and product quality. |
| **Communities** | BSRM's commitment to CSR initiatives, such as education and healthcare programs, strengthens its relationships with local communities. |
| **Environmental Factors** | BSRM's dependence on natural resources, such as energy and raw materials, is subject to fluctuations in supply and environmental regulations. The company mitigates these risks by adopting sustainable production methods and using recycled materials, thereby reducing its environmental footprint. |

## Connection to Strategy, Risks, Opportunities, and Performance

BSRM's strategy revolves around expanding its production capacity, investing in innovation, and maintaining a strong commitment to sustainability. These strategies help the company identify risks and capitalize on opportunities for growth.

### Risks

Fluctuations in raw material prices and environmental regulations are potential risks. BSRM mitigates these by securing stable supply chains and adopting eco-friendly production practices, such as using scrap steel in its manufacturing processes. Details are given on page no. 218.

### Opportunities

There are significant opportunities in infrastructure development across Bangladesh. BSRM capitalizes on these by producing high-quality steel for government mega-projects, such as the Padma Bridge, Rooppur Nuclear Power Plant and Karnaphuli Tunnel.

### Performance

BSRM measures its success through key performance indicators (KPIs) such as product quality, customer satisfaction, revenue growth, and environmental impact. By continuously improving these KPIs, BSRM ensures its competitiveness and resilience in the market. Details are given on page no. 117.

## Input and Capitals in Differentiation and Resilience

BSRM's inputs, which include financial, natural, and intellectual capitals, are central to its ability to differentiate itself in the marketplace and ensure resilience. The company's focus on sustainable resource use, such as recycling scrap steel, positions BSRM as an industry leader in environmental stewardship.

By integrating sustainable practices, BSRM not only complies with environmental regulations but also reduces operational costs. For example, the use of scrap steel helps lower material costs while aligning with BSRM's environmental goals. This strategic use of inputs allows BSRM to build a resilient business model capable of adapting to changes in market conditions and environmental demands.

## Business Model Differentiation and Adaptation

### How BSRM Stands Out in the Market

- **Product Differentiation:** Offering specialized steel solutions such as BSRM Wire Rod, designed for faster and more efficient construction, providing high strength and durability for large infrastructure projects.
- **Market Segmentation:** Serving a diverse customer base, from domestic construction projects to government mega-projects and international markets.
- **Innovation:** Investing in cutting-edge technologies to improve product quality and enhance operational efficiency.
- **Flexibility:** Adapting to changes in market demand and industry trends, including sustainability goals.

## Post–Sale Revenue Generation in BSRM's Business Model

BSRM's business model primarily focuses on generating revenue through the initial sale of steel products, such as BSRM Xtreme B500DWR, which are widely used in large infrastructure projects. While BSRM does not rely on traditional post-sale revenue streams like extended warranties or in other forms and charges, it enhances customer relationships through ongoing support and consultation.

For instance, BSRM provides technical assistance and project-specific services, ensuring product quality and timely delivery for major national projects like the Padma Bridge and Rooppur Nuclear Power Plant. This post-sale engagement helps build strong customer relationships, leading to repeat business and long-term contracts, which indirectly contribute to continued revenue generation by securing future orders.

## BSRM's Approach to Innovation

BSRM continuously embraces innovation to stay competitive and meet the evolving demands of the steel industry. The company approaches innovation by investing in research and development (R&D), adopting advanced technologies, and improving product offerings to address specific market needs.

For example, BSRM developed BSRM Xtreme B500DWR, a specialized steel solution designed for faster and more efficient construction, catering to large infrastructure projects requiring high strength and durability. Similarly, BSRM Centura was introduced as a corrosion-resistant product, specifically designed for coastal environments, where traditional steel might not last as long.



Through such innovations, BSRM ensures that it remains at the forefront of the steel industry, providing solutions that not only meet current customer needs but also anticipate future market trends and challenges.

## BSRM's Business Model Adapts to Change

BSRM has designed its business model to be flexible and adaptable to changes in market conditions, industry demands, and environmental considerations. The company achieves this through continuous process improvement, employee training, and relationship management.

For instance, BSRM developed BSRM Xtreme B500DWR/CWR, a high-strength steel product specifically designed for large-scale infrastructure projects that require extra durability and load-bearing capacity. This innovative product allows BSRM to cater to the increasing demand for more robust materials in high-rise buildings and bridges. By focusing on advanced technologies and adapting to the evolving needs of the construction industry, BSRM ensures operational efficiency and long-term success in a competitive market.

## Organizational Success through Strategic Initiatives

BSRM's long-term success is built on key initiatives such as:

- **Process Improvement:** BSRM continuously enhances its production methods to improve efficiency, reduce waste, and lower costs. This results in higher productivity and stronger market competitiveness.
- **Employee Training:** The company prioritizes the development of its workforce through regular training programs, ensuring employees are skilled in the latest industry practices and technologies.
- **Relationship Management:** BSRM maintains strong relationships with customers and stakeholders, fostering trust and securing long-term contracts, especially for mega projects like the Padma Bridge and Rooppur Nuclear Power Plant.

These initiatives have contributed significantly to BSRM's sustained growth and market leadership.

## Key Outputs in BSRM's Business Model

BSRM's integrated report highlights its core outputs, which include:

- **Steel Products:** High-quality steel products such as Xtreme B500DWR for mega projects.
- **By–Products:** Recycled steel from scrap materials, which is reintegrated into production to reduce environmental impact.
- **Waste Management:** BSRM discloses information about emissions and waste, ensuring that its business activities comply with environmental regulations and support sustainability goals.

## Internal and External Outcomes

BSRM's business model produces a range of internal and external outcomes:

| | | |
|---|---|---|
| **Internal outcomes** | **Employee Morale** | High employee satisfaction due to training, career growth opportunities, and a safe working environment. |
| | **Revenue Growth** | Consistent financial performance driven by operational efficiency and product innovation. |
| **External outcomes** | **Customer Satisfaction** | BSRM's reliable delivery of high-quality products has earned the company strong customer loyalty and trust. |
| | **Brand Reputation** | The company's focus on sustainability and CSR has improved its reputation as a socially responsible organization. |
| | **Social Impact** | BSRM contributes to economic development by supporting national infrastructure projects and participating in CSR initiatives such as healthcare and education. |

## Positive and Negative Outcomes

### Positive Outcomes

BSRM's emphasis on innovation and quality has resulted in greater customer loyalty, increased revenues, and a stronger market presence.

Sustainability initiatives, such as using recycled steel, have improved environmental outcomes, reducing emissions and waste.

### Negative Outcomes

Potential negative impacts could include environmental risks from steel production, but BSRM manages this by implementing strict environmental policies and mitigating waste and emissions.

## Distinct Business Models by Market Segment

BSRM operates with distinct business models to cater to different market segments:

- **Domestic Market:** BSRM's primary business model focuses on producing high-quality steel for Bangladesh's growing infrastructure needs. This model emphasizes timely delivery, customer service, and local relationships.
- **Export Market:** BSRM exports products like rebar and wire rods to neighboring countries, particularly Tripura, India. This model requires adherence to international standards and export regulations.

## Balancing Transparency and Complexity in BSRM's Integrated Reporting

In BSRM's integrated reporting, it is crucial to balance transparency while managing complexity. The company provides clear disclosures about its distinct business models, highlighting their contributions to overall success, without overwhelming stakeholders with excessive detail. Material information is included to offer a comprehensive view of how these models contribute to BSRM's long-term growth and resilience.









1

## UNITED STATES

**World's Largest Economy**
**1890 (approx.)–Present**

By nominal GDP, the U.S. has been the world's largest economy for over a century, according to *Statista*. Some sources date its unbroken run to the 1980s, but the position has stayed in American hands.

# ADVANCING SUSTAINABLE GROWTH

### Integrated Approach to Value Creation

At BSRM, we continue to develop innovative solutions and breakthrough technologies across the steel value chain by leveraging our strengths and collaborating with research and industrial organizations. Our sustained success is attributed to our capability to strike the optimal balance between growth and sustainability. We prioritize integrated thinking, ensuring each of our capitals works harmoniously to foster long–term value creation for all stakeholders. This approach has played a pivotal role in ensuring the economic sustainability of our organization.



- FINANCIAL CAPITAL
- MANUFACTURED CAPITAL
- INTELLECTUAL CAPITAL
- HUMAN CAPITAL
- NATURAL CAPITAL
- SOCIAL AND RELATIONSHIP CAPITAL

# FINANCIAL CAPITAL

Our financial capital includes the value we add to society through paying taxes to governments, dividends to investors, and salaries and benefits to employees. Beyond this, our profits allow us to reinvest in growth, innovation, and customer service improvement.

SDGs impacted:




## FY 2025–26 Performance

Key Input

| | |
|---|---|
| Total assets employed | 62,961 MN TK. |
| Debt | 59,280 MN TK. |
| Cash & cash equivalent | 6,602 MN TK. |

Key Output

| | |
|---|---|
| Growth in net profit | 38.20% |
| Return on capital employed | 11.36% |
| Contribution to the national exchequer | 22,424 MN TK. |
| Dividend | 2,256 MN TK. |

## Overview

BSRM's management of financial capital is integral to our strategic vision of growth, innovation, and sustainability. Our approach to financial capital encompasses revenue generation, disciplined cost management, targeted investments in technology, market expansion, and the creation of shareholder value. We follow global best practices to ensure efficient capital deployment while addressing current challenges and navigating market volatility.

### Key Areas of Financial Capital Management

**Revenue Generation and Profitability**

- **Diversified Revenue Streams:** BSRM's core revenue is driven by the production and sale of high-quality steel products. The introduction of innovative products like BSRM Xtreme B500DWR/CWR, Wire Rod has opened new market opportunities and enhanced revenue streams.
- **Profitability Focus:** We continuously optimize cost management and improve operational efficiencies, maintaining healthy profit margins. Profits are strategically reinvested to support long-term growth initiatives, like facility modernization.

**Investment in Growth and Innovation**

- **Capital Expenditure on Technology:** BSRM allocates substantial financial resources towards upgrading our production technology, improving supply chain resilience, and increasing automation. These investments are designed to enhance operational efficiency and reduce production costs.
- **Research & Development (R&D):** We are committed to innovation, directing financial capital towards R&D to introduce new products and processes that meet evolving market demands. This includes exploring sustainable steel production techniques that align with environmental goals.

**Cost Management and Efficiency**

- **Lean Manufacturing Practices:** BSRM implements continuous improvement programs aimed at reducing production costs and waste. These efforts have improved our margins and enhanced our competitiveness in a price-sensitive industry.
- **Supply Chain Optimization:** We invest in supply chain enhancements to minimize production disruptions, control input costs, and ensure the timely delivery of raw materials. This approach strengthens our operational flexibility.

**Sustainability Integration**

- **Eco–Friendly Investments:** BSRM dedicates financial capital to sustainability initiatives. Investments include energy-efficient machinery, emission-reduction technologies, and waste management programs. Our long-term goal is to lead the steel industry in eco-friendly practices, and these initiatives support that vision.
- **Sustainability as a Value Driver:** We view sustainability not only as a regulatory requirement but also as a competitive advantage. Our investments in this area help reduce operational costs, enhance brand reputation, and attract sustainability-conscious customers and investors.

**Capital Structure and Financing**

- **Debt Management:** BSRM maintains a prudent debt-to-equity ratio, ensuring financial stability while enabling growth investments. We utilize both internal and external financing to support our capital-intensive projects while maintaining a strong balance sheet.
- **Equity Financing and Shareholder Returns:** In addition to debt, we carefully manage equity to maximize shareholder value. BSRM ensures consistent returns through dividends while retaining a portion of earnings for reinvestment.

### Current Challenges

**Market Volatility**

- **Impact on Steel Demand:** Global economic uncertainties, supply chain disruptions, and geopolitical tensions can affect the demand for steel products. Fluctuations in steel prices and raw material costs present a challenge in maintaining steady profitability.
- **Currency Exchange Risks:** As BSRM imports raw materials and exports products, we face exposure to foreign exchange volatility. This can impact both our cost structure and revenue.

**Raw Material & Shipping Costs**

- **Price Fluctuations:** Rising costs of key raw materials, such as scrap and other consumable items, directly affect our production costs. This can compress margins if not effectively managed through pricing strategies or cost controls.

**Regulatory Pressures**

- **Environmental Regulations:** Increasing regulations around carbon emissions and energy consumption require us to continually invest in cleaner production technologies. While this enhances our sustainability profile, it also imposes additional financial burdens.

**Foreign Exchange (FEX) Management**

To mitigate risks associated with foreign exchange fluctuations, BSRM employs the following strategies:

- **Hedging:** We utilize hedging instruments to protect against unfavorable currency movements, ensuring that the cost of imported raw materials remains predictable.
- **Diversified Sourcing:** To mitigate currency risk, BSRM diversifies its sourcing by procuring raw materials from multiple countries. While the cost in dollars remains consistent, this strategy enhances flexibility in supplier selection and contract negotiations, allowing us to optimize costs and ensure stability in our supply chain by leveraging competitive pricing and favorable terms across various regions.
- **Cash Flow Planning:** Our treasury team closely monitors cash flows and exchange rate trends, adjusting payment schedules and forward contracts to optimize currency-related costs.
- **Risk Monitoring and Sensitivity Analysis:** BSRM's finance team conducts regular sensitivity analysis and scenario planning to evaluate the potential impact of currency shifts. This enables proactive decision-making and adjustments to our foreign exchange management strategy, ensuring the business remains resilient against adverse movements in exchange rates.

### Management's Approach to Addressing Challenges

**Proactive Risk Management**

- **Scenario Planning:** BSRM conducts regular scenario analyses to anticipate potential risks, such as raw material price increases or supply chain disruptions. This enables us to proactively adjust our sourcing, pricing, and production strategies.
- **Cost Control:** We continuously evaluate our cost structure and identify opportunities for savings through lean manufacturing, improved procurement practices, and technological upgrades.







### Strategic Investments

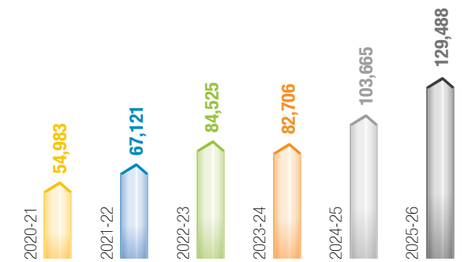
- **Capacity Expansion:** Despite challenges, BSRM remains committed to expanding production capacity to meet rising demand. New investments in automated production lines and energy-efficient machinery will help control costs and enhance profitability.
- **Sustainability:** We will continue investing in sustainable production methods to comply with environmental regulations while enhancing our brand value in an increasingly eco-conscious market.

### Focus on Market Diversification

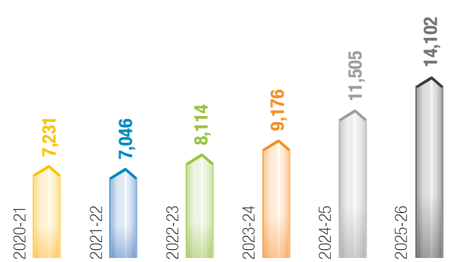
- **Geographical Expansion:** To mitigate the impact of market volatility, BSRM is actively expanding into new markets. Diversification across multiple regions reduces reliance on a single market.
- **Product Diversification:** We continue to develop specialized steel products that cater to niche markets, such as corrosion-resistant steel and high-strength construction materials. This strategy ensures a steady revenue stream even during periods of general market fluctuation.

## Key Financial Performance

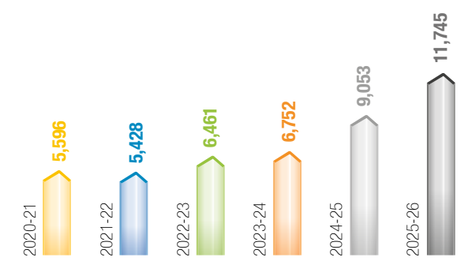
**Revenue** MN TK.



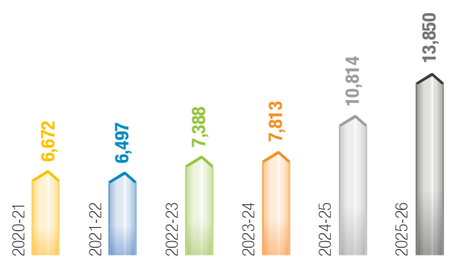

**Gross Profit** MN TK.



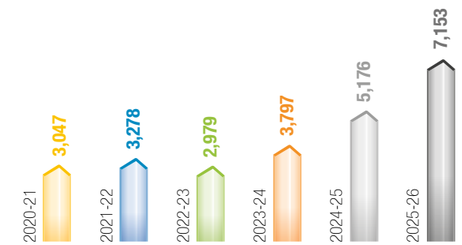

**Operating Profit** MN TK.



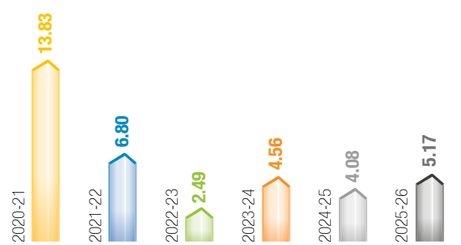

**EBITDA** MN TK.




**Net Profit After Tax** MN TK.



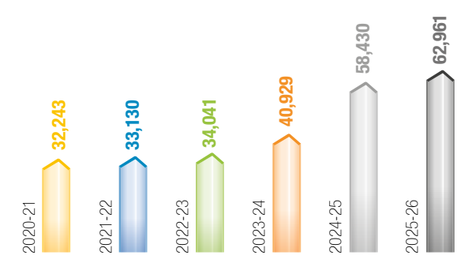

**Interest Coverage Ratio** TIMES



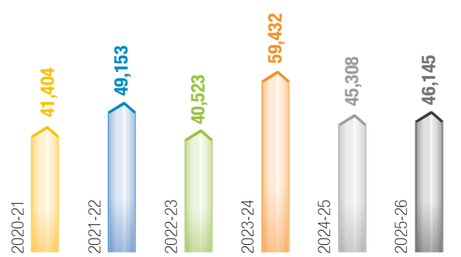



## Financial Position

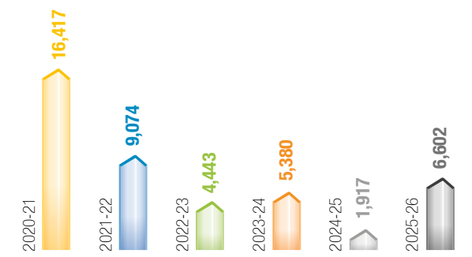
**Total Asset Employed** MN TK.



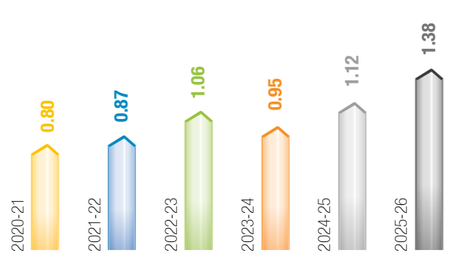

**Total Debt** MN TK.




**Cash & Cash Equivalents** MN TK.




**Total Asset Turnover Ratio** TIMES










# MANUFACTURED CAPITAL

BSRM strives to achieve excellence in melting and rolling production, warehouses, and logistics facilities for our stakeholders. We are investing consistently in augmenting our capacities through organic routes and reinforcing BSRM's leadership in the industry. Our integrated operations and continuous efficiency-enhancing efforts are helping us remain cost-competitive in the markets.

SDGs impacted:




## Performance

| Indicator | FY 2025–26 |
|---|---|
| MS Rod production | 1,598,516 MT |
| MS Rod sales | 1,552,928 MT |
| MS Billets production in melting units | 1,076,261 MT |
| Capacity utilization at rolling units | 114% |
| Capacity utilization at melting units | 108% |
| Use of raw material recycled | 100% |

At BSRM, steels are recycled over and over without any loss of quality to the products being produced.

## Overview

Liquid steel is produced using an Electric Induction Furnace (EIF) where scrap is the primary input, and melting does not require carbonaceous material (Electrode/CPC/Met. Coke), oxygen, or fluxes. Consumption of refractory is also less, resulting in reduced generation of dust, gas smoke, noise, and waste residue.

After melting scrap and DRI, the liquid steel is shifted to a ladle refining furnace for further refining and controlling/homogenizing its chemistry and temperature, which is then converted into continuously cast steel billets. These billets are then hot rolled (rolling mill with water quenching facility) into different rebar/angle/channel/square bar sizes. Re-bars are further sent for epoxy coating and to the bar service center for a customized process.

BSRM strictly adheres to its philosophy and commitment to producing and delivering quality products to its valued customers, continuous improvement, and practicing clean, safe, environment-friendly steel making.



## Key Achievements (2025–26)

During FY 2025–26, BSRM's manufacturing capabilities gained further momentum as the new rolling mill operated throughout the year, making a significant contribution to overall production capacity and operational efficiency. Its hot-charging capability helped improve productivity while optimizing energy consumption. Alongside this, continued efforts in process improvement, scrap recycling and resource conservation strengthened our manufacturing performance. These achievements reflect our commitment to building on our own strengths, setting higher benchmarks and making every year better than the last.




### Capacity Expansion & Productivity

- Commissioned a new rolling mill with hot-charging capability of billets in the reheating furnace, enabling higher efficiency in the rolling of wire rod and rebar.
- **Production Growth:** Rolled product and billet output increased by 29.90% and 15.88%, respectively, compared to FY 2024-25.
- Ribbed wire production started to cater to rising demand and improved operational throughput.

### Circularity & Resource Efficiency

- **Recycling Leadership:** Over 2.34 million MT of scrap steel (internal and purchased) were recycled at our melting units, reaffirming BSRM's position as Bangladesh's leading recycler of ferrous scrap.
- **Yield Improvements:** Scrap-to-billet yield increased by 0.175%, further optimizing material efficiency.
- Reduced sponge iron (DRI) use by 23.75 % per MT of billet production.

### Energy & Resource Conservation

- **Natural Gas Savings:** Reduced natural gas consumption in melting units by 5.25% per MT, compared to FY 2024-2025.
- **Fuel Efficiency:** Lowered Light Diesel Oil (LDO) consumption by 65.84 % per MT of rolled product compared to the prior year.
- Petroleum Coke use decreased by 20% per MT of billet production.
- **Power Efficiency:** Maintained melting energy intensity at 667.3 KWh/MT and rolling energy intensity at 75.5 KWh/MT of rebar.

### Water Stewardship

- Achieved an 11.70% reduction in water consumption per MT of billet production, demonstrating strong progress in responsible water use.

### By–Product Utilization & Recovery

- Metal recovery from slags stood at 5.32% (IF) and 3.98% (LRF), ensuring efficient secondary resource use.
- APC dust and mill scale exports increased by 56.90%, contributing to circular economy practices.



## Conclusion and Way Forward

FY 2025-26 marked a year of resilience and transformation for BSRM's manufacturing capital. With the successful commissioning of a new rolling mill, steady improvements in yield, and significant reductions in fuel, water, and raw material intensity, we strengthened both productivity and sustainability across our operations. Our ability to recycle over 2.34 million MT of scrap steel and recover value from by-products underscores our leadership in driving a circular economy in Bangladesh's steel sector.

Looking ahead, BSRM will continue to pursue process innovation, digital integration, and cleaner technologies to further optimize energy and resource efficiency. Expanding the use of renewable energy, investing in advanced waste recovery, and scaling capacity for low-carbon steel production remain key priorities. Through these initiatives, we aim to enhance long-term value creation, maintain global competitiveness, and contribute meaningfully to Bangladesh's sustainable industrial growth.

## Quality Assurance and Laboratory Excellence

### Overview

BSRM ensures quality at every step, from the input of raw material (examining the radioactive substances of scrap and specific quality requirements of other consumables) during manufacturing to the final product delivered on site. It can produce the country's best structural product with a highly automated plant and continuous checks at every level. The qualified and experienced quality team is equipped with modern testing facilities to ensure that the products meet stringent norms and quality standards.

### Laboratory Facilities

- Wet chemical analysis for testing of various consumables and by-products
- Spectrometer for quick and accurate chemical composition testing of steel
- Macro testing for checking the internal soundness of billets
- Universal testing machine for mechanical testing of finished products
- Bend testing machine
- Impact testing machine
- Metallurgical microscope to check martensitic ring and microstructure
- Various dimension and weight-checking instruments

### Quality Management

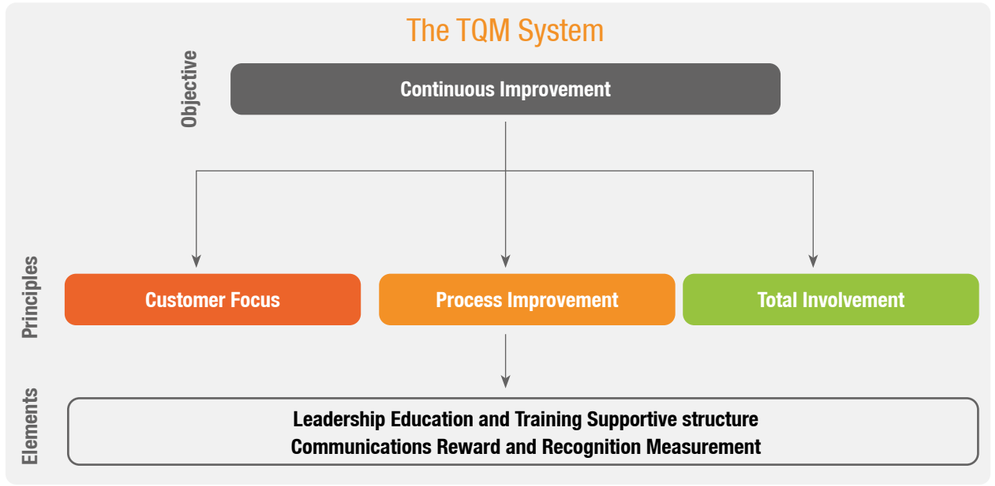
The entire Quality Management passes through four levels:

- Inspection of raw material
- Control over the process of production
- Assurance: inspection, correction, and investigation to find the cause of the problems and take action to prevent errors from re-occurring
- Total Quality Management (TQM)

## Plan–Do–Check–Act Cycle

| Stage | Description |
|---|---|
| Plan | Establish the objectives and process necessary to deliver precise results per the customer's requirements and the organization's policies. |
| Do | Implement the process. |
| Check | Monitor and measure processes and products against policies, objectives, and requirements of the product to ensure strict adherence to them and detailed reporting of the results. |
| Act | Take action to improve process performance continuously. |




### Key Highlights

- No genuine quality complaints were reported in the last two financial years.
- Only BSRM has the mechanical testing facility of 50mm dia rebar in Bangladesh, and support is also being provided to our customers.
- Calibration of all equipment as per defined procedures is ensured.
- BSTI approves steel for concrete reinforcement (ribbed bar).
- BSRM rolled products are approved by the Bureau of Indian Standards for sections and rebars.
- BSRM is an approved manufacturer of steel plates, strips, sections, and bars for grade A with a maximum thickness of up to 160mm and 10mm, respectively, for semi-finished & rolled products by Lloyd's Register.

# INTELLECTUAL CAPITAL

## Innovating for Good

Our intangible and knowledge-based assets make up our intellectual capital. Everything from our people's knowledge of protocols, procedures, divisions, and customers to the innovations we develop to meet customer needs and improve our processes and services to add value to society.

SDGs impacted:




## Overview

At BSRM, intellectual capital forms the cornerstone of our competitive advantage and long-term sustainability in Bangladesh's steel industry. Our intellectual capital encompasses the knowledge, innovation, systems, and relationships that enable us to stay ahead in the market. By investing in our people, processes, and partnerships, we continue to strengthen our position as the leading steel manufacturer in Bangladesh. This section outlines our approach to developing and leveraging intellectual capital, focusing on human, structural, and relational aspects.

## How We Develop Our Intellectual Capital

BSRM's highly skilled and dedicated workforce is at the heart of our intellectual capital. Our team brings vast industry knowledge and expertise from engineers to operations and support staff, driving our success and enabling continuous innovation.

- **Skilled and Experienced Workforce:** Our employees, with extensive industry experience, contribute significantly to BSRM's ability to innovate and adapt. This deep domain knowledge allows us to improve operations, enhance product quality, and introduce new steel solutions tailored to market needs.
- **Culture of Integrity and Innovation:** At BSRM, we prioritize integrity, respect, and collaboration. These values underpin our operational excellence and innovation culture. Our annual Vision and Values Awards recognize employees who have made significant contributions in culture, competition, innovation, or sustainability.
- **Continuous Learning and Development:** We invest in robust training and development programs to ensure that our workforce remains updated with the latest industry trends and technologies. This helps us maintain operational excellence and stay agile in an evolving market.
- **Operational Innovation:** Our culture of innovation encourages employees to contribute ideas for improving processes. For example, we developed a new process for rolling rebar that reduced power consumption by 5-6 KWH/MT in the previous financial year, showcasing our commitment to operational efficiency.

## Structural Capital

BSRM's structural capital comprises the systems, technologies, and processes that support our operational excellence. These elements ensure that we maintain high-quality production standards and drive efficiency throughout our operations.

- **Proprietary Production Techniques:** Our proprietary steelmaking processes enable us to deliver superior products while minimizing waste and optimizing resource use. These techniques set us apart from our competitors and reinforce our market leadership.
- **Knowledge Management Systems:** We have implemented advanced knowledge management systems that facilitate the efficient sharing and dissemination of critical information across the organization. This ensures continuous learning, operational improvements, and the retention of institutional knowledge.

## Relational Capital

Our strong relationships with stakeholders (suppliers, customers, and research institutions) enhance BSRM's intellectual capital by fostering collaboration and knowledge sharing. These partnerships are vital to our operational success and market leadership.

- **Strategic Supplier Relationships:** We have cultivated long-term relationships with trusted suppliers, ensuring a reliable supply of high-quality raw materials. These partnerships provide stability and help mitigate risks in our supply chain.
- **Customer Loyalty and Engagement:** BSRM's customer-centric approach has resulted in enduring relationships with clients who value our consistent product quality and on-time delivery. We engage closely with customers to understand their needs and deliver tailored steel solutions.
- **Collaborative Research and Development:** BSRM actively collaborates with local universities and industry associations to drive research and development. These collaborations give us access to cutting-edge technologies and market insights, helping us stay ahead of industry trends.

## Innovation and Research

Innovation is central to BSRM's intellectual capital strategy. Our commitment to research and development enables us to improve product quality, reduce environmental impact, and enhance operational efficiency.

- **Focus on Product and Process Innovation:** Our R&D efforts are focused on developing innovative steel products and optimizing production processes to meet customer needs. Our innovations like BSRM FastBuild and BSRM Centura (Bangladesh's first corrosion-resistant steel) demonstrate our ability to lead the market with cutting-edge solutions.
- **Intellectual Property Protection:** BSRM employs rigorous intellectual property strategies to safeguard our innovations and proprietary technologies, ensuring that we maintain our competitive advantage in the market.

## Operational Efficiency

BSRM continuously harnesses its intellectual capital to drive operational efficiency and reduce costs. By leveraging data, automation, and best practices, we optimize production processes and resource usage, ensuring that we remain the most efficient steel producer in Bangladesh.

- **Lean Management and Efficiency Gains:** Our Lean2Lead programs have been implemented across all operational areas, resulting in notable efficiency gains and cost reductions. These programs help streamline operations and eliminate waste, contributing to overall productivity.
- **Advanced Analytics and Automation:** BSRM integrates advanced data analytics and machine learning tools to optimize production scheduling, predictive maintenance, and resource management. This helps reduce downtime, improve energy efficiency, and enhance production output.
- **Best Practices for Continuous Improvement:** We emphasize the sharing of best practices across all departments to drive continuous process improvements. This focus on operational excellence ensures we remain agile, efficient, and responsive to market demands.

Our commitment to leveraging intellectual capital ensures that BSRM remains at the forefront of Bangladesh's steel industry, ready to meet future challenges and capitalize on new opportunities.







# HUMAN CAPITAL

## Building a Culture of Care

We believe profoundly that our people are the heart and soul of our organization. Strengthening our human capital is vital to our growth strategy, achieved by offering an inclusive, fair, and safe workplace that empowers employees through learning and development initiatives.

SDGs impacted:




## FY 2025–26 Performance

| Indicator | FY 2025–26 |
|---|---|
| Employee benefit cost | BDT 2,604 MN |
| Total strength | 2,037 |
| Technical strength | 60% |
| Non-technical strength | 40% |
| Outsource employees | 793 |

## Our Approach

We believe in empowering our employees with a sense of ownership as we strive to create a culture to become the preferred employer in our industry. We are committed to fostering a supportive, inclusive work environment where every employee feels valued, secure, connected, and treated with respect and empathy.

## Competency–Based Recruitment

We always welcome candidates from different disciplines with adequate experience to join us. Our HR team works hard to search for talent for a role based on the required competencies. We are an equal-opportunity employer where candidates are judged on their ability to perform specific jobs. Our unbiased approach makes us an 'Employer of Choice.' We aspire to select people aligned with our vision and values and make them a key factor for success in business transformation and change processes.

## Learning & Development

To nurture talent, we believe institutionalizing a learning culture positively helps the organization's safety, sustainability, quality, and productivity. Our Learning and Development activities are systematic and organized and ensure that individual training needs are well-defined, understood, and catered to. Frequent training, local and abroad, are provided to confirm adequate development opportunities for all our people.

## Number of Training Conducted

| Training Type | FY 2025–26 |
|---|---|
| Achieved training man-hours | 158,123 |
| Per employee training hours | 31.22 |
| Female | 31.11 |
| Male | 40.54 |










## Performance–Based Culture

Our KPI-based performance management system helps people to be accountable for their roles and analyses their improvement areas that need further development. It helps us to identify high performers for more prominent roles within the group. The HR team strives to maintain a performance-based culture, recognizing critical positions, finding possible successors, and helping them develop for future leadership.

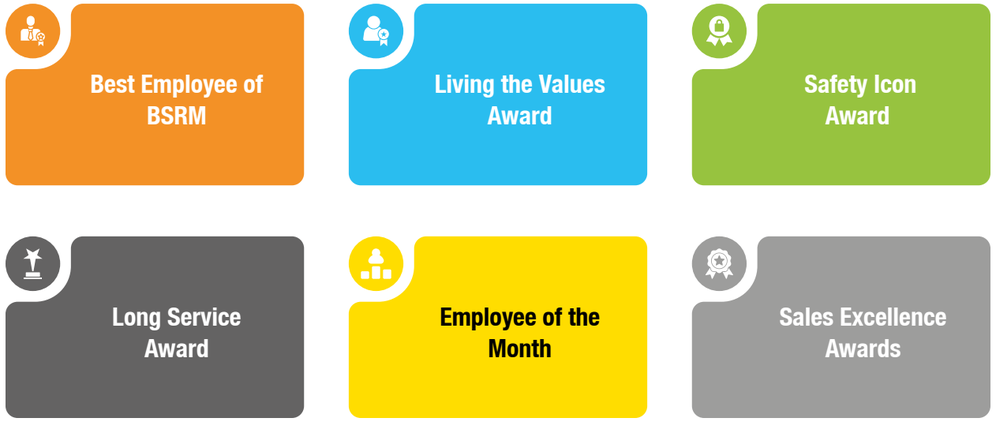
We have a structured Succession Planning program to systematically identify and nurture the organization's talents and have successors ready for critical roles within the organization to minimize risks in smooth operation and future business growth.

## Future–Readiness & Digital Transformation

We are investing in upskilling and reskilling to prepare employees for Industry 4.0 and advanced manufacturing technologies. With SAP SuccessFactors, our employees access real-time HR services, career paths, and analytics dashboards, enhancing transparency, decision-making, and employee experience.

## Recognition

Celebrating achievements is core to our culture. Recognition programs include




These recognitions inspire appreciation, motivation, and continuous improvement. For details on Human Capital, please see Page 160 under Social of the ESG Report

## Prioritizing Safety

### Key Highlights 2025–26

- TPM Safety Pillar implementation is nearing completion, with measures such as red zone management, machine guarding, safety corners, safe walkway markings, and integration with 5S audits.
- Safety Circle activities are actively running across all plants, warehouses, and jetties, engaging employees in continuous safety improvement.
- Deployment plans with timelines for critical HSE SOPs (LOTO, Work at Height, Confined Space Entry, Chemical Handling, Emergency Preparedness) have been prepared and implemented under Corporate HSE guidance.
- Complete Electrical System assessment by DIFE authorized inspector for all of our manufacturing units.
- Complete testing and inspection of all pressure vessels by DIFE authorized inspector.
- Occupancy Certificates were successfully obtained for five plants, ensuring compliance with regulatory building and safety standards.
- Two major safety campaigns (Hazard Hunt and Road Safety) were completed, and an Ergonomics campaign has been initiated to enhance workplace safety and health.
- The number of HSE initiatives raised significantly increased to 167, demonstrating improved safety culture and proactive risk management.
- All plants have ensured proper use of PPE aligned with safety standards to protect their workforce consistently.

### Health and Safety

BSRM promotes high health and safety standards to ensure a healthy, safe, and secure workplace. Securing sustainable business practices is crucial to maintaining H&S for our employees and society. Ensuring well-being and a sustainable work-life balance will empower employees to perform in their roles and make BSRM an attractive employer.

**“BSRM’s ambition is zero fatalities in our operations and warehouses nationwide”**

We continuously seek to improve and define relevant measures to improve our health and safety performance to reach our long-term objective. Focusing on our quality reporting is critical for BSRM, and we have implemented a revised set of key performance indicators (KPIs) to ensure quality reporting internally and externally.

### HSE Policy Scheme

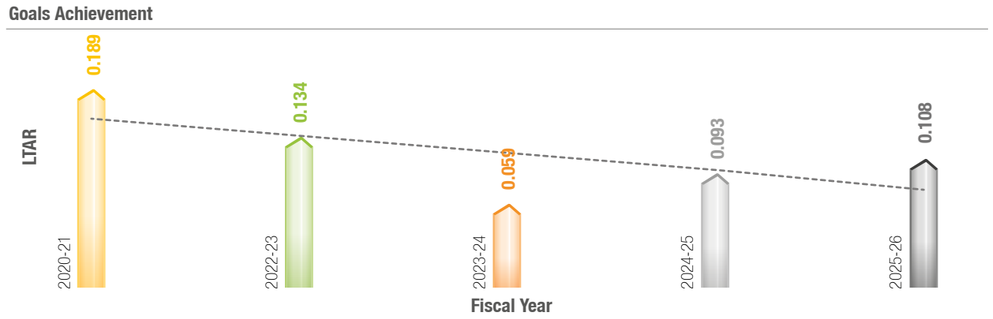
BSRM is committed to achieving excellence in Health and Safety by providing and maintaining safe and healthy working conditions. Management is firmly devoted to the policy, enabling all work activities to be carried out safely and with all possible measures taken to remove (or at least reduce) risks to the health, safety, and welfare of workers, contractors, authorized visitors, and all other stakeholders.

Our management believes that all workplace injuries and occupational diseases are preventable. We are therefore committed to setting a culture of OHSMS (Occupational Health and Safety Management Systems) excellence in the organization that will result in an accident-free and healthy workplace.

### Health, Safety, and Environmental (HSE) Goals & Achievement

- Conducting regular Safety Committee meetings is a legal requirement from the government and is a driving force in guaranteeing workplace safety. The dedicated safety team, along with other plant teams, actively engages in shaping, executing, and overseeing the company’s health and safety policies and procedures.
- Delivering Safety Awareness Training at the plant level (on-site) to enhance employee preparedness for emergencies and reduce workplace hazards.
- Using Safety Observation Targets (SOT) and Safety Observation Resolutions (SOR) as major tools to enhance safety culture by identifying and addressing potential hazards and unsafe behaviors, contributing to a safer workplace.
- Using LTAR (Lost Time Accident Rate) and SR (Severity Rate) as key safety metrics to measure and mitigate accidents. By monitoring these rates and implementing proactive safety measures, organizations can identify trends, reduce accident occurrences, and enhance workplace safety.
- Monitoring Health, Safety, and Environmental (HSE) conditions to ensure compliance with site HSE rules involves regularly assessing the workplace environment, processes, and practices to ensure they align with established safety and environmental guidelines. This proactive approach helps identify potential violations, hazards, or deviations from safety protocols, allowing for corrective actions to be taken promptly to maintain a safe and environmentally responsible work site.
- Utilizing Hazard Identification & Risk Assessment (HIRA) as a continual improvement tool is a proactive approach to maintaining a safe workplace, by regularly identifying potential hazards and assessing associated risks.
- Improving the reporting of unsafe conditions, unsafe acts, near misses, and first aid incidents to reduce further consequences and enhance workplace safety.

Achieving safety goals is a critical objective for BSRM, which is committed to maintaining a safe and healthy work environment. The company is focused on continuously improving HS&S parameters to establish a safe and healthy work environment by demonstrating its strong leadership commitment to people.




Lost Time Accident Rate (LTAR): Goals Achievement

### Focus on Safety KPI

BSRM, as a company, is dedicated to achieving better results in the Accident Triangle, a critical framework in safety management. With a commitment to the safety and well-being of its employees and stakeholders, BSRM recognizes the significance of reducing near misses and minor incidents to prevent serious accidents.

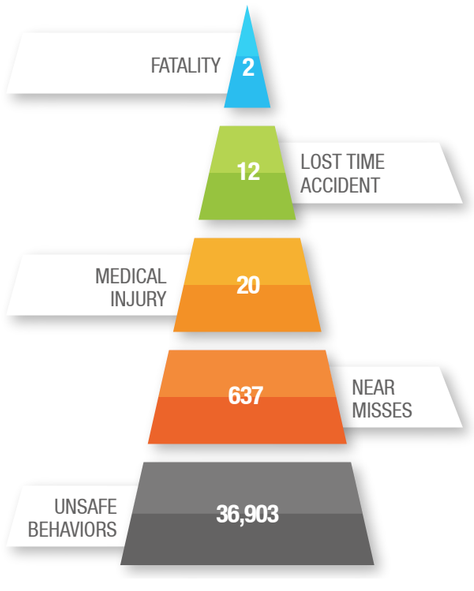
### Key Highlights:

1. BSRM prioritizes leading KPIs, such as safety training, safety audits, and increased safety observations, as part of its proactive approach.
2. BSRM equally focuses on lagging indicators, particularly aiming to reduce accident rates.
3. The company emphasizes emergency preparedness and actively involves workers in its safety program.

## Safety Performance Data (FY 2025–26)

| | |
|---|---|
| FATALITY | 2 |
| LOST TIME ACCIDENT | 12 |
| MEDICAL INJURY | 20 |
| NEAR MISSES | 637 |
| UNSAFE ACT/CONDITION | 36,903 |

### Accident Triangle 2025–26








# NATURAL CAPITAL

We are aware of our business impacts on the environment and communities. In keeping with this, we are conscious of our environmental performance, and we employ the most stringent systems, processes, and controls across our units for monitoring our ecological footprint. Our top priorities are incorporating the latest technologies, being mindful of proper waste management, prudent resource allocation, energy-saving initiatives, and other measures.

SDGs impacted:




## Overview

BSRM remains committed to leading the steel industry in sustainable practices and resource management. In alignment with industry benchmarks, the company has made significant strides in optimizing natural resource usage, minimizing environmental impacts, and contributing positively to ecological well-being.

## Industry Context

The steel industry is increasingly focused on sustainable development, with key players adopting measures to reduce their carbon footprint, enhance resource efficiency, and promote circular economy practices. BSRM's initiatives and performance are evaluated against these industry standards to highlight its commitment and leadership in natural capital management.

Key Input

| | |
|---|---|
| **Raw Materials** | **Scrap Steel:** sourced both externally and internally, minimizing the need for virgin raw materials.<br>**Ferro Alloys:** essential for steel production, with efforts to reduce consumption. |
| **Energy** | **Natural Gas:** used in melting processes, with ongoing reductions in consumption.<br>**Electricity:** critical for production, with initiatives to lower usage. |
| **Water** | Utilized in cooling and production processes, with a focus on reducing consumption. |

Key Output

| | |
|---|---|
| **Steel Products** | **Billets:** increased production efficiency and reduced resource consumption.<br>**Rolled Products:** enhanced production methods leading to lower resource consumption. |
| **By–Products and Waste Management** | **Recovered Metals:** significant recovery from slag, promoting resource efficiency.<br>**Slag:** processed, sold, and utilized, reducing landfill waste. |
| **Environmental Benefits** | **Greenhouse Gas Emissions:** substantial reductions through various projects.<br>**Organic Fertilizer:** produced from waste, supporting sustainable agriculture. |



## Natural Capital: Key Highlights

### Resource Efficiency and Savings

- **Scrap Recycling Leadership:** Recycled 2.34 million MT of steel scrap (internal + purchased), representing 92.5% of raw material input, reinforcing BSRM's position as Bangladesh's largest recycler of ferrous scrap.
- **Sponge Iron (DRI) Reduction:** Achieved a 23.75 % decrease in sponge iron consumption per MT of billet, lowering dependency on non-renewable inputs.
- **Yield Optimization:** Scrap-to-billet yield improved to 0.27%, an increase of 0.175% over last year.

### Energy and Fuel Savings

- **Natural Gas Savings:** Reduced gas consumption in melting units to 2.814 NM³/MT, a 5.25% reduction year-on-year.
- **LDO Efficiency:** Lowered Light Diesel Oil (LDO) consumption by 65.84% per MT of rolled product, cutting fuel intensity sharply.
- **Pet Coke Reduction:** Usage decreased by 20% per MT, reflecting better combustion efficiency.
- **Power Optimization:** Maintained competitive energy intensity at 667 KWh/MT (melting) and 75.5 KWh/MT (rolling) despite production growth.

### Water Stewardship

- **Freshwater Use Reduced:** Achieved an 11.70% reduction in freshwater consumption per MT of billet (0.238 m³/MT vs. 0.682 m³/MT).
- **100% Wastewater Recycling:** All generated wastewater was treated and recycled across operations.

### Waste and Circular Economy

- **Slag Recovery:** Processed over 60,578 tons of slag, recovering 5,926 tons of metal with a recovery efficiency of 5.05%.
- **By–Product Utilization:** Exports of APC dust + mill scale rose by 36.78%, contributing to a circular economy.
- **100% Waste Recycling:** Both hazardous and non-hazardous waste streams were fully recycled, ensuring zero landfill discharge.

### Air Emissions

- **Improved air quality indicators:** reduced SOx intensity to 16.10 µg/M³ (PPM).
- Maintained dust and NOx emissions within regulatory norms.

### Environmental Investment

- **Climate & Environment Capex:** Tk. 66.26 million invested in FY 2025-26 towards climate resilience, efficiency upgrades, and environmental management projects.

## Forward Approach

| | |
|---|---|
| **Enhancing Resource Efficiency** | Continued efforts to optimize the use of raw materials, energy, and water. Targeting further reductions in resource consumption and waste generation. |
| **Investing in Green Technologies** | Investment in advanced, energy-efficient equipment and renewable energy sources. |
| **Strengthening Community Engagement** | Expanding CSR initiatives to involve more community members in environmental projects. Raising awareness and fostering a culture of sustainability. |
| **Monitoring and Reporting** | Enhancing monitoring and reporting mechanisms to track progress on sustainability goals. Ensuring transparency in environmental performance. |

BSRM's focus on natural capital underscores its dedication to environmental stewardship and sustainable development. By implementing efficient resource management practices, reducing waste and emissions, and engaging in community-driven environmental initiatives, BSRM continues to set industry benchmarks and contribute to a healthier and more sustainable future.





# SOCIAL AND RELATIONSHIP CAPITAL

A long-term relationship is a crucial foundation for our long-term growth. Our relationships with our stakeholders are built on mutual trust, respect, and benefits, which are the cornerstones for building a robust relationship with our stakeholders. This protects us from adverse business and economic cycles.

SDGs impacted:




## BSRM Highlights 2025–26

BSRM is committed to building and nurturing strong relationships with its employees, suppliers, customers, shareholders, and the broader community. Here are our key activities and achievements for the fiscal year 2025-26

| Stakeholder | Overview | Key Highlights |
|---|---|---|
| Employees | Our employees are our most valuable asset. We foster a supportive and enriching work environment that promotes professional growth and personal well-being. | Total workforce: 2,037<br>Technical workforce: 60%.<br>Achieved training man-hours: 158,123<br>Per employee training hours: 31.22<br>Female: 31.11<br>Male: 40.54<br>Employee retention: 29% of our employees have been with the company for over 10 years. |
| Suppliers | Our supplier relationships are built on trust, mutual respect, and a commitment to sustainability. We strive to maintain transparent and ethical supply chain operations. | Strengthened partnerships through regular engagement and collaboration. Ensured a sustainable supply chain with stringent evaluation and auditing processes. |



| | | |
|---|---|---|
| Customers | BSRM is dedicated to delivering high-quality products and services, ensuring we meet and exceed customer expectations. | High customer satisfaction through consistent quality and reliable service. Expanded customer base with innovative solutions and advanced technology. |

| | | |
|---|---|---|
| Shareholders | Our shareholders support BSRM's growth and sustainability. We prioritize transparency and effective communication. | Regular shareholder meetings and comprehensive financial reporting. Strong financial performance and consistent returns. |

## Community

### Overall Impact

- **Total Beneficiaries:** 47,500 direct & 78,800 indirect lives impacted through CSR initiatives across Bangladesh.

### Education & Skills Development

- **Burhani BSRM School (Chattogram):** ~700 slum children received free schooling, books, IT, and stipends.
- **BSRM–BRAC University School of Engineering:** Inaugurated in 2025 to foster next-gen engineers and low-carbon steel research.1,290 students enrolled in 2025-26
- **DRRA Program (Dhaka slum):** 80 children with disabilities trained in hydroponics, crafts, and pre-vocational skills.
- **BFTTC Training Center:** 200 trainees completed electrical & mechanical trade training.
- **Scholarships:** 112+ students supported through Shaheen, Cantonment Public, and Genius programs.
- **BEEP (Employee Education Program):** 340+ employees/children supported with Qarz-e-Hasana loans.

### Health & Well–being

- **Medical Centers:** 24,100+ patients served at Mirsharai (~15,000) and Bayezid (~9,100); Bakalia center under setup.
- **Water Access Projects (ActionAid):** 405 families benefited through rainwater harvesting & solar irrigation.
- **Water Access Projects (BSRM–Uttaran):** 2,000 & 12,000 families gained access to safe drinking water in saline-prone areas.
- **Child Health & Disability Care:** 90 children supported under Ashar Alo (autism/NDD); 100 children received corrective surgeries under Child Health Foundation; icddr,b ICU program achieved a 88% survival rate, mostly women & under-five children.

### Livelihood & Poverty Alleviation

- **Gaibandha Self–Help Project:** 1,500 households supported through skills, livestock, and revolving funds.
- **YPSA Agro Project (Chattogram):** 800 farmers trained in pesticide-free farming; crop & income up by 35%
- **BNKS Cashew Farming (Bandarban):** Income of farmers (3000+) increased by 40%.
- **Women's Anti–Trafficking Training (Jessore):** 250+ women trained; 72% employed/self-employed, income increased almost 45%
- **3rd Gender Empowerment (Jamalpur):** 200+ beneficiaries gained jobs or businesses.
- **Youth Employment (CPD, Dhaka):** 720 youth trained, 82% employed.
- **Disability Empowerment (Kurigram/Sitakunda):** 21,000+ participants included through Handicap International; self-employed rate 68%

### Environment & Climate Action

- **Tree Plantation in 15 Schools (Dhaka/Chattogram):** 1,200 students trained, 85% survival rate of planted trees.
- **World Environment Day 2026:** Celebrated across 10 units with plantation & plastic awareness campaigns, aligning with the global theme of "Climate Action."
- **BSRM Tree Plantation (BTP):** Ongoing, with organic produce & employment generation. Target: Planting 1 MN trees by 2030

### Philanthropy & Relief

- 3 climate/disaster events supported (flood, cyclone, heatwave)
- BDT 8.6 million disbursed to environment-linked relief/ restoration
- 15,000 trees contributed via external partners (mangrove/ strip forestry)
- 12 localized shoreline, canal, and school campus clean-up drives
- 25,000 people provided with clean water, hygiene, and emergency disaster relief kits

### Summary and Way Forward

In FY 2025-26, BSRM's CSR initiatives delivered meaningful impact across Bangladesh, from educating children in underserved communities and providing free healthcare to thousands of patients, to empowering women, youth, and people with disabilities with livelihood opportunities. Our investments in safe water, tree plantation, and plastic reduction campaigns reflect our growing focus on environmental stewardship alongside social development. Together, these efforts touched more than 126,300 lives directly and indirectly, reaffirming our role as a responsible corporate citizen. Looking ahead, we will continue to scale our programs with three priorities:

- **Expanding education and skills:** scholarships, vocational training, and digital/STEM skills to prepare youth for the future workforce.
- **Strengthening community health and resilience:** more medical centers, clean water access, and specialized care for vulnerable groups.
- **Driving climate and livelihood sustainability:** afforestation, plastic reduction, renewable-energy-linked CSR, and climate-resilient farming.

Through these initiatives, BSRM aims to build long-term resilience in communities, contribute to Bangladesh's sustainable development goals, and ensure that inclusive growth remains at the heart of our business.







1

## AGATHA CHRISTIE

**World's Best-Selling Fiction Writer**
**1920–Present**

Her 78 crime novels and collections have sold an estimated 2 billion copies in over 100 languages. A century after her debut, Christie still leads the world, and the gap is widening, not fading.



# STAKEHOLDERS' MANAGEMENT TO CREATE SHARED VALUE

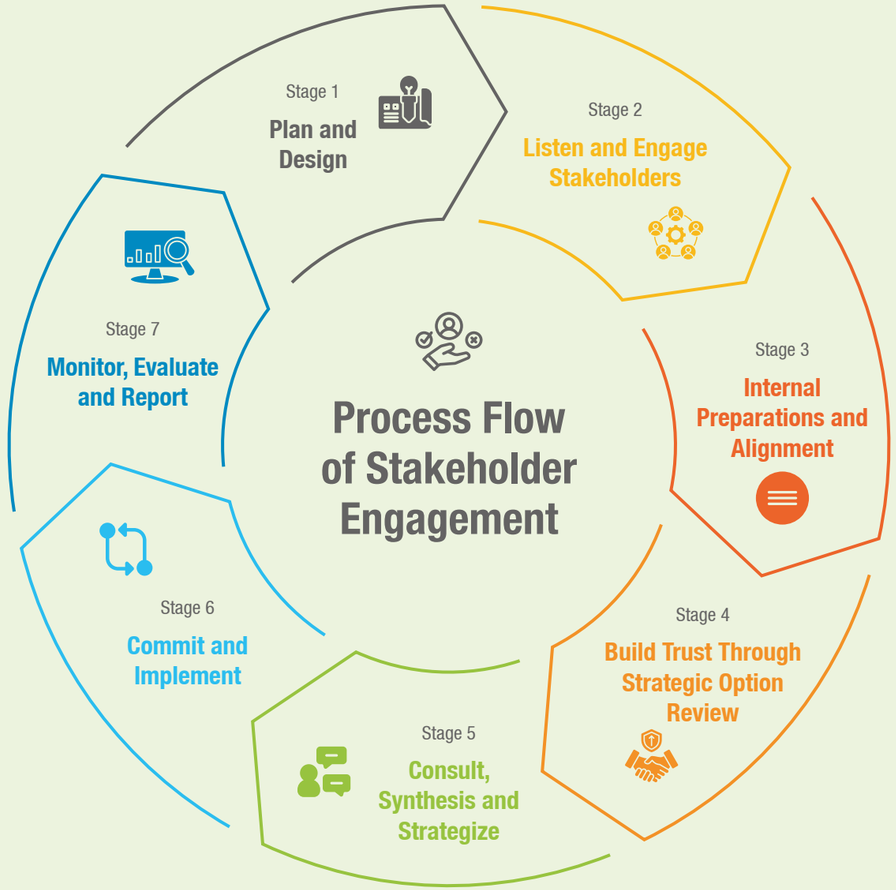
## GREATER INVOLVEMENT STRONGER TOGETHER

Our purpose can only be realized by working with our stakeholders. Through empowering our employees, engaging with our customers and suppliers, and with the support of our investors, we will create a more substantial legacy and a brighter future for generations to come. We regularly discuss topics relevant to our operations and our impact on society with our stakeholders. These conversations shape how we define and execute our strategy, including risk management, materiality, and new business opportunities.

### KEY STAKEHOLDERS



# STAKEHOLDER ENGAGEMENT PROCESS






# CUSTOMERS

Aligned with SDG



## Value proposition

Strong brands, differentiated products, services and solutions, engineering support, partnering for growth.

## Importance of the relationship

We sell our products and services to customers in the private and public sectors. Strong relationships with customers ensure the profitability and sustainability of our business. This ensures that BSRM attains and retains market leadership (current and new).

## How we engage

- Various physical and digital platforms to connect with customers, influencers, and channel partners

## Emphasis areas

- Competitive Pricing
- Reducing the cost of logistics
- Customer service
- Focus on the development of an enriched portfolio of high-end and downstream products and solutions
- Leveraging digitally to enhance customer experience across routes to market
- Focus on extending market-differentiating value-added services to discerning customers
- Ensure sustainable practices across the supply chain (channel partners) through the implementation of a Responsible Supply Chain Policy



# EMPLOYEES

Aligned with SDG




## Value proposition

Fair employee benefits, joint consultation system for working together, self-supervised structures, robust Reward and recognition schemes, opportunity for learning and growth, and focus on employee well-being, experience, and engagement.

## Importance of the relationship

Our employees are critical stakeholders that support the BSRM's ability to create value by developing and delivering our products and services to our customers.

- Understand and respond to the needs and concerns of our employees.
- Ensure we remain an employer of choice by providing a conducive working environment.
- Share the strategic direction of the Company.
- Share the performance of the Company

## How we engage

- Personal dialog
- Annual performance dialog
- Special Recognition award
- Speak up campaign
- Evaluation of training and development program

## Emphasis areas

- Salaries and benefits
- Competence building
- Leadership Skills
- Occupational health, safety and well-being
- Integrity
- Diversity

# SUPPLIERS

Aligned with SDG




## Value proposition

Building capabilities through skill development, growth opportunity, safe operations, and opportunity to innovate

## Importance of the relationship

Suppliers support the services and products we supply to our customers, and ensuring good relationships with these stakeholders secures our ability to create value. Moreover, it provides us with operational leverage to optimize the value chain, be cost-competitive, sustainable, and exceed customer expectations.

## How we engage

- Vendor meet
- Vendor satisfaction survey
- Vendor Capability Advancement Programme
- Vendor Grievance Redressal Committee
- Vendor Sustainability Assessment
- Program' – for smooth and faster onboarding of new vendors
- Helpdesk Service for addressing issues/queries
- Leadership Meetings: CEO/MD to CEO/MD connect with Strategic Suppliers
- Vendor Sustainability Meet

## Emphasis areas

- Health, safety, and human rights
- Carbon emission, water, air pollution, waste management, and renewable and clean energy
- Embed sustainability in the supply chain and promote responsible sourcing and circular economy
- Innovation and Technology







# GOVERNMENT & REGULATORY BODIES

Aligned with SDG

## Value proposition

Regular interaction with government to engage on industry concerns on existing/ future policies and regulations to advance ease of doing business

## Importance of the relationship

Ensuring compliance and business continuity in line with changing policies and partnering with agencies to create a favorable business ecosystem.

## How we engage

- Working with the government to develop policies and regulations that enable the growth of the industrial sector and steel sector in particular
- Advocating for new approaches/ amendments to existing rules at the national and regional levels to create and sustain an environment conducive to the development of Bangladesh
- Interacting with think tanks and sectoral experts to enable understanding of complex issues and global best practices

## Emphasis areas

- Improving ease and cost of doing business by reducing the compliance burden for the industry
- Achieving leadership in sustainability to move forward on the path of sustainable development
- Focus on technology and innovation, demand creation and enrichment of product portfolio, capacity expansion, etc.

# INVESTOR & LENDER

Aligned with SDG

## Value proposition

- Consistent returns on investments
- Highly profitable and best-in-class assets in Bangladesh
- Focus on deleveraging and funding profitable growth in Bangladesh
- Better disclosures, transparency, and credibility of financials

## Importance of the relationship

Providers of financial capital essential to fund growth

## How we engage

- Investor and analyst meets
- Periodic meetings including one-on-one or group meetings
- Annual Report, media updates, or earnings call on the Company's performance

## Emphasis areas

- Focus on strong operating and financial performance
- Focus on highlighting ESG commitments and disclosure



# COMMUNITIES & SOCIETIES

Aligned with SDG

## Value proposition

- Enable lasting betterment in the well-being of communities in the operating region through regional development models prioritizing the excluded and those proximate to business operations
- Addressing core development gaps at a national scale through replicable models of development

## Importance of the relationship

Conducive working environment ensuring social support, amity, and peace; avoid hostility, community agitations and protests

## How we engage

- A range of Proximate Community Development models with programs touching all significant aspects of life in the operating region
- Large-scale signature themes focusing on critical national development challenges creating aspirational development models
- Public consultations before business expansion

## Emphasis areas

- To ensure safety in operating sites so that the health & safety of communities is not compromised
- Sustain community outreach activities in areas where we operate
- Actively support communities through various initiatives encompassing public health, household nutrition, access to and conservation of water, household sanitation, holistic education, stable livelihoods, nurturing sporting talent, creating necessary public infrastructure and amenities, enabling grassroots leadership



# MEDIA

Aligned with SDG

## Value proposition

Disclosing and sharing relevant information and updates with the public

## Importance of the relationship

Reaching out to society and various stakeholders to communicate about the brand's vision and initiatives and drive corporate equity

## How we engage

- Press communication: Press releases, press meets, conference calls
- Response management for media queries
- Interviews of Senior Leadership
- Thought leadership and thematic articles
- Media events and sports engagement initiatives
- Familiarizations visits to manufacturing sites

## Emphasis areas

- Health, safety, and human rights
- Diversity, Equity & Inclusion
- Environment footprint – carbon, water, and energy
- Sustainability – processes and products
- Circular economy
- Innovation & technology
- Focus on operating and financial performance
- Business developments
- Steel Industry outlook/dynamics - global and domestic



# INDUSTRY BODIES

Aligned with SDG

## Value proposition

Sector-specific and industry-wide collaboration on crucial policy issues in sectors related to melting, rolling, manufacturing, trade, finance, sustainability, etc.

## Importance of the relationship

Industry bodies are essential to develop networks and enable consensus building to present a unified and mutually agreeable perspective to the government on various policy interventions.

## How we engage

- Participating in conferences and seminars/ meetings organized by industry bodies
- Participation in national and regional committees and sub-committees to deliberate on critical issues impacting the industry

## Emphasis areas

- Manufacturing, melting, and rolling-related issues impacting operations such as regulatory clearances, auctions, labor, logistics, Production Linked Incentives, etc.
- Trade and finance issues, including Free Trade Agreements (FTAs), level playing field, demand creation, tariff and non-tariff barriers, Tax, VAT, etc.
- Sustainability and low-carbon transition pathways on environmental, climate change, water, etc.

**We continue our support of the UN Global Compact and remain committed to reporting our progress within this framework via this Report.**



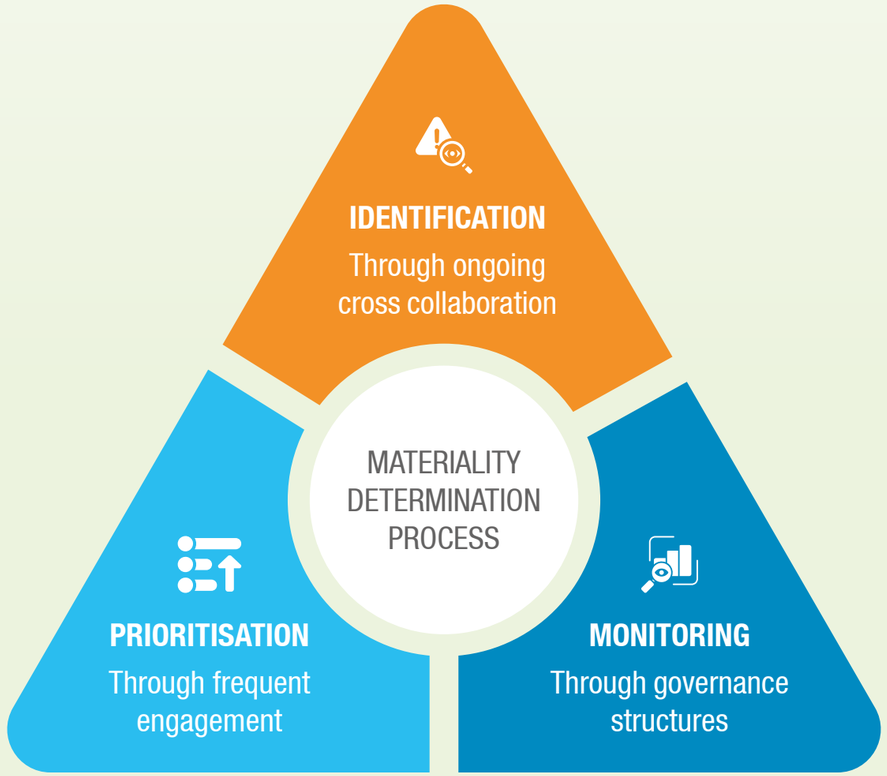
# MATERIALITY

## SHAPING OUR STRATEGY
## ALIGNING OUR PRIORITIES

As part of our strategic action plan, we regularly conduct materiality assessments and identify issues that have a significant potential to influence our business. We recognize the matters that are or have the potential to significantly impact our ability to deliver on our strategy and ensure sustainable value over the short–, medium– or long–term for our stakeholders.

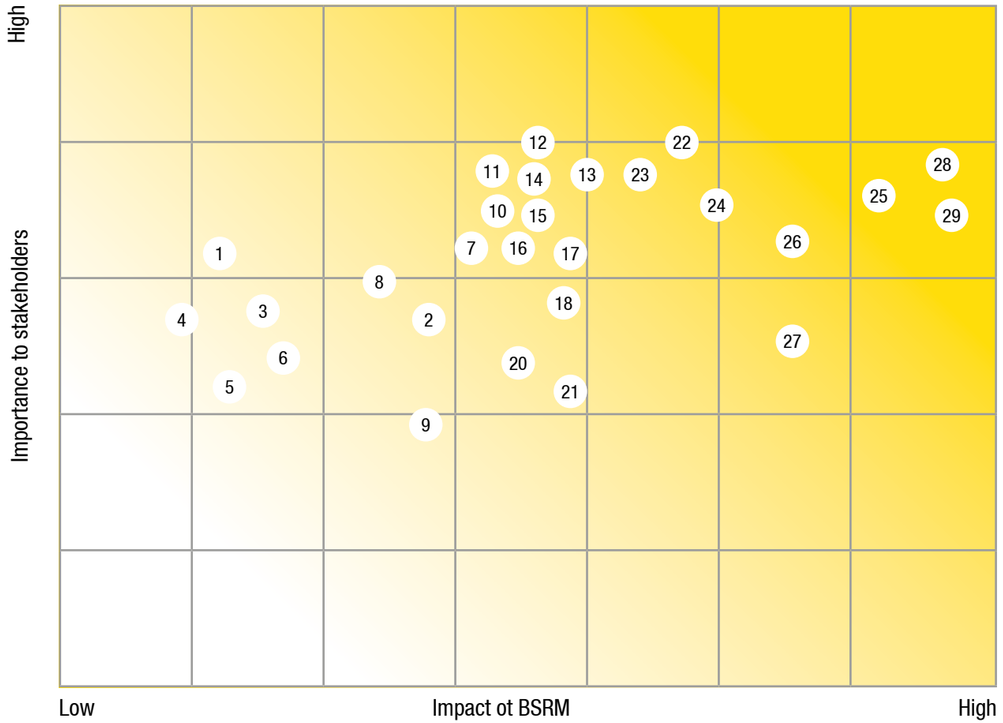
### MATERIALITY DETERMINATION PROCESS

**We apply the principle of materiality in assessing what information should be included in our integrated report through a structured process.**






## Materiality Matrix




Material topics (legend):

| | |
|---|---|
| 1 | Fair business practices and regulatory compliance |
| 2 | Market presence and customer focus |
| 3 | Vendor management and development |
| 4 | Contribution to local economy |
| 5 | Diversified product portfolio |
| 6 | Data privacy and security7 |
| 7 | Corporate governance, transparency and disclosures |
| 8 | Investment in clean technology and environmentally friendly products |
| 9 | Digitalisation and automation |
| 10 | Business ethics |

| | |
|---|---|
| 11 | Human rights |
| 12 | Water resources |
| 13 | Waste |
| 14 | Biodiversity |
| 15 | Waste Water |
| 16 | Technology, product and process innovation |
| 17 | Cultural heritage |
| 18 | Social sustainability |
| 19 | Economic performance |
| 20 | New growth opportunities |

| | |
|---|---|
| 21 | Resilient business model |
| 22 | Air emission |
| 23 | Energy |
| 24 | Employee health, safety and wellbeing |
| 25 | Use of Resources |
| 26 | Sustainable sourcing |
| 27 | Supply chain sustainability |
| 28 | Climate change |
| 29 | Local considerations |



# DOUBLE MATERIALITY

Double materiality is a comprehensive framework that combines two distinct but interconnected aspects–impact materiality and financial materiality. It recognizes the reciprocal relationship between an organization's sustainability impacts and financial performance. This is based on how sustainability affects the company's position and how the entity impacts the environment and society. By integrating impact materiality and financial materiality, the double materiality framework enables organizations to take a holistic approach to sustainability and value creation. It recognizes that an organization's value creation depends on financial considerations and its ability to address and manage sustainability impacts. At BSRM, we are committed to operating as a responsible and sustainable organization, and we believe that by adopting a comprehensive approach that encompasses both aspects, we can develop strategies that align economic success with environmental and social responsibility, fostering long-term resilience, stakeholder trust, and sustainable development. We are conducting a comprehensive double materiality assessment to guide future sustainability strategies, policies, and practices. It will enable us to make more informed decisions that balance our economic, social, and environmental impacts and make our organization more sustainable and resilient.

Impact of external factors on our Company

**Financial Materiality**

- Climate change
- Energy
- Water resources
- Air emissions
- Wastewater
- Supply chain sustainability
- Resources
- Technology, product and process innovation
- Sustainable Operations
- Employee health, safety and wellbeing
- Human rights
- Business ethics
- Corporate governance, transparency
- & disclosures
- Economic performance

Impact of our Company on the environment and society

**Economic & Social Materiality**







1

# FINLAND

**World's Happiest Country**
**2018–2026**

Nine years running, as of the 2026 report, Finland has been ranked the happiest country on earth. It is the longest streak since the index began in 2012.



# INTEGRATED REPORT



# OUR APPROACH TO
# INTEGRATED REPORT

Welcome to the BSRM Steels Limited (BSRM) Integrated Annual Report 2026. This report presents a comprehensive overview of our strategic direction, business performance, governance practices, and approach to sustainable value creation. It provides stakeholders with a concise and transparent account of our financial and non–financial performance, key developments, strategic priorities, and future outlook.

The report is intended to support informed assessment of BSRM's ability to create and sustain value over the short, medium, and long term, while contributing to the enduring prosperity of our stakeholders and the communities in which we operate.




## Scope and boundary

The report has been prepared by the International Integrated Reporting framework published by the International Integrated Reporting Council (IIRC). This Report describes our business model, strategy, significant risks, opportunities and issues, overall performance, and related outcomes and prospects for the year under review. The report is centered on the six capitals, a fundamental feature of Integrated Reporting. It addresses how, through efforts to transform the capital to create value for the company and others. Further to our financial performance, we also present information relating to our non-financial Environmental, Social, and Governance version to give the stakeholder an understanding of the company's contribution to the SDGs while reducing corporate risk and increasing opportunities that arise from sustainable development issues. The report is concise, reliable, and complete, including all material matters, both positive and negative, in a balanced way and without material error.

## Reporting period

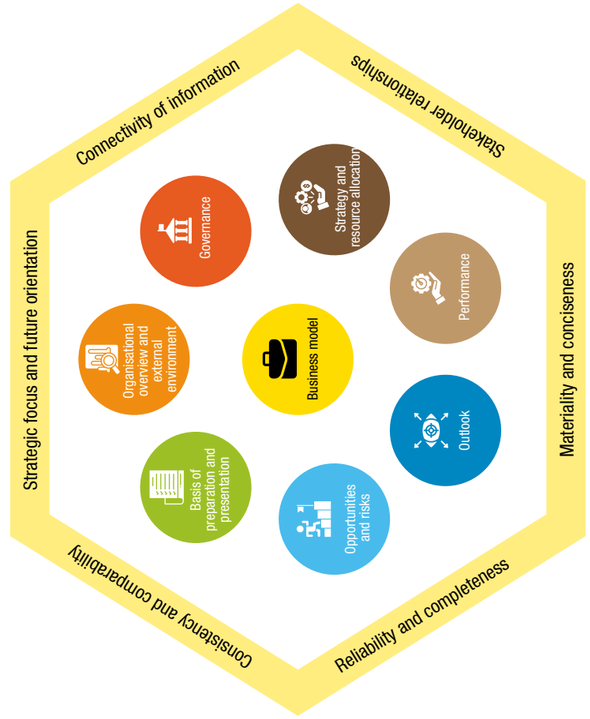
This Report covers the performance of BSRM for the financial year from 01 July 2025 to 30 June 2026. Comparative figures for the last three to five years have been incorporated in this Report to provide a holistic view.





## CONTENT ELEMENTS

- **Organizational overview and external environment:** Description of the organization and the external environment (e.g. competition).
- **Governance:** Description of the governance structure and its relation to value creation.
- **Business model:** Description of the business model with input, output and capitals included.
- **Risks and opportunities:** Description of the risks and opportunities and the risk mitigation system.
- **Strategy and resource allocation:** Description of the concrete strategy of the company, both short-term and long-term focused.
- **Performance:** Description of the results, compared with targets, previous years and capitals.
- **Outlook:** Description of the future challenges in relation to the company.
- **Basis of preparation and presentation:** Description of the materiality determination process, reporting boundaries and frameworks used.




The 7 Guiding Principles and 8 Content Elements from the IIRC (reproduced from the framework)

## GUIDING PRINCIPLES

- **Strategic focus and future orientation:** Description of the strategy of the company and its relation to value creation and capitals.
- **Connectivity of information:** Relates to the interrelatedness of the factors that affect the organization's ability to create value over time.
- **Stakeholder relationships:** Description of the key stakeholders, including how the stakeholder's interests are taken into account.
- **Materiality:** Relates to the number of disclosures about matters that affect the organization's ability to create value.
- **Conciseness:** Relates to the concise format of the report.
- **Reliability and completeness:** Relates to the balanced, complete character of the report, which should not include any material errors.
- **Consistency and comparability:** Relates to the consistency and comparability of the information within the report.



## Reporting Framework

The financial and statutory data is presented in this Integrated Annual Report in compliance with the following frameworks:

**Integrated Reporting**

Reporting <IR> Framework of the International Integrated Reporting Council (IIRC)

**Sustainability Reporting**

United Nations Sustainable Development Goals (SDGs)

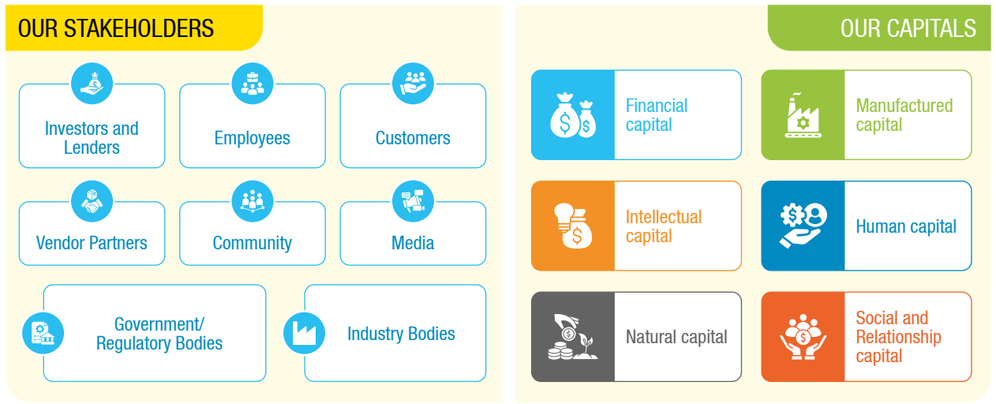
**Financial Reporting**

The Companies Act, 1994
Regulatory requirements

- BSEC
- DSE
- CSE and
- Other applicable rules International Financial Reporting Standards (IFRS)

## Forward–Looking Statements

Certain statements in this report concerning our future growth prospects are forward-looking, which involve several risks and uncertainties that could cause results to differ materially from those in such forward-looking statements. These assumptions are based on expectations, judgments, aspects, and opportunities. As there are uncertainties about the future outcomes, these statements are valid only for the publication date.








## Responsibility and Integrity of the Integrated Annual Report

The Board and the management ensure that the Integrated Annual Report has been prepared under the checklist by the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC). The Board and the management also ensure that reasonable care has been taken in preparing and presenting this Integrated Annual Report. It addresses all material issues and gives the company integrated performance and overall impact.

## Integrated Thinking and Reporting Process

### Internal Controls and Assurance

BSRM has adopted a combined assurance model that is risk-based and that covers strategy level risks and related material matters. Accountability is clear within the lines of defense model, with assurance providers working together to provide coordinated assurance. It applies as follows to the assurance over the IR:

- To support the integrity and transparency underlying integrated reporting, the combined assurance (CA) model incorporates independent assurance by Internal Audit, stakeholders and other regulators on non-financial metrics in addition to assurance on the integrity of the Annual Financial Statements
- The external auditors undertake audits of the Annual Financial Statements.
- External assurance for this report relating to financial information was provided by A. Qasem & Co., Chartered Accountants. (see the Independent Auditors Report page 340).

### Process to Produce Our Integrated Report

- The report preparation and presentation process is governed by our Board and management, with active participation by their direct reports. The management discuss, review and provide input for the production of the integrated report
- Our 2026 integrated report is prepared from internal management reports, including our dashboard reporting, SOPs, and using other resources.

Report drafts are reviewed and approved by the management.

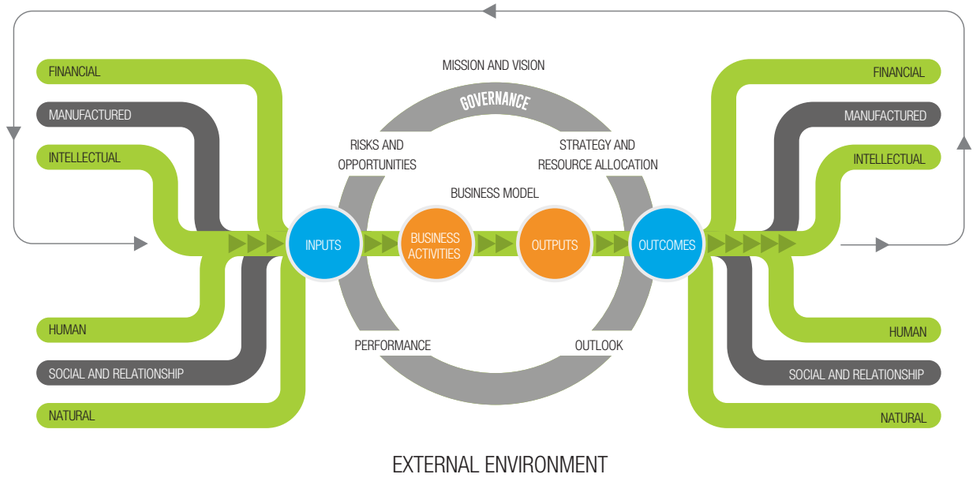
### Integrated Thinking

- Integrated thinking helps us to expand the boundaries of our mindset, seeing ourselves as part of a larger system and taking into account the wider impact of our decisions, beyond short-term financial rewards
- BSRM embraces integrated thinking and with the enduring effects of the macro-economic impact for a substantial part of the year under review, It is through our strong stakeholder relations, robust risk mitigation processes, strong governance, how we care for our employees, customers and all stakeholders, ongoing effective, transparent communication and embracing opportunities for innovation, that we ensured that our business has remained resilient.





## The process through which value is created, preserved, and eroded over time

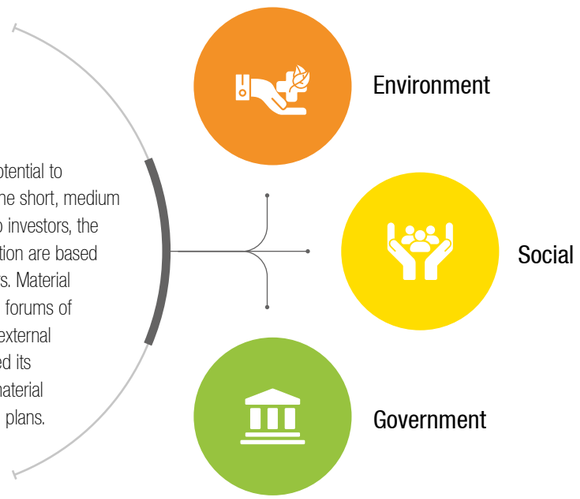



**Value creation (preservation, diminution) over time**

## Materiality of the Report

### Approach to materiality

This report focusses on factors that have the potential to significantly affect our ability to create value in the short, medium and long term and which are of most interest to investors, the primary audience. Report content and presentation are based on issues material to BSRM and its stakeholders. Material issues are gathered from multiple channels and forums of engagement across the organization and from external stakeholders. In FY 2025-2026, BSRM updated its Environmental, Social and Governance (ESG) material issues and incorporated them into its long-term plans.






# 1.1 Organizational Overview and External Environment

## a) Organizational Overview

BSRM Steels Limited, commonly known as BSRM, is a Bangladeshi steel manufacturing company based in Chattogram. It is the largest construction steel manufacturer company in Bangladesh. The details are available on page no. 46 of IAR-26 under Corporate Profile.

### 1.1.a.1 BSRM Vision and Values

As a corporate legal entity, we always try to uphold and embrace our specific vision and values in every possible business context—details on page. 24 of IAR-26.

### 1.1.a.2 BSRM Culture, Ethics, and Values

We have maintained a solid corporate culture with strict ethical policies and values. The details of which can be found on page 25 of IAR-26.

### 1.1.a.3 Ownership and Operating Structure

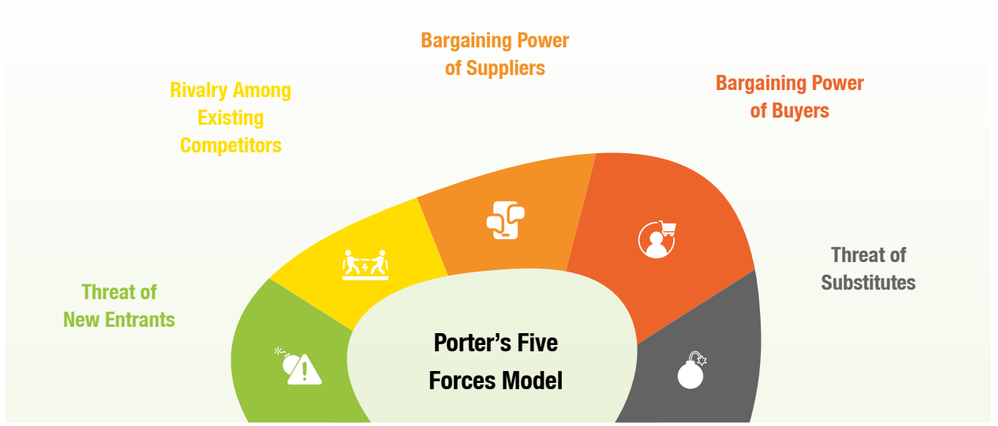
Incorporated on 20 July 2002 (C-No. 4392 of 2002) as a Private Limited Company under the Companies Act 1994. Converted to a Public Limited Company on 20 December 2006. Listed on Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE); trading began on both on 18 January 2009.

### 1.1.a.4 BSRM Principal activities and markets

Manufactures high-strength reinforced steel conforming to 10 global standards under the brand name BSRM. Revenue of BDT 129,488 million and net profit after tax of BDT 7,153 million during the year. Current capacity: rolling unit 1,400,000 MT and melting unit 1,000,000 MT per annum, meeting approximately 30% of Bangladesh's market demand (see page 39).

### 1.1.a.5 Competitive landscape and market positioning of BSRM

We analyzed the competitive landscape and market positioning of BSRM considering Porter's five forces: the Threat of new entrants, the Bargaining power of buyers, the Bargaining power of suppliers, the Threat of substitutes, and Competitive rivalry. This framework helps the company to understand what makes the industry profitable and provides insights needed to make strategic choices.










# Competitive Landscape and Market Positioning of BSRM

## BUYER POWER

MODERATE

### FACTORS

- Buyer may find the same product elsewhere at a low price;
- Chance of buyer backward integration to get the products;
- Distributors may exert a strong influence over end customers;
- Corporate clients exhibit greater price rate sensitivity compared to dealer/retail clients;
- Large infrastructure clients may increase buyer power as they can switch to one that offers them better.

### OUR STRATEGIC RESPONSE

- The company sells its product to a wide range of customers, including corporate, government, and dealer/retailer, to tackle or not depend on a single customer base;
- As price sensitivity is so high, the company consistently maintains the quality of products and always delivers innovative products;
- As the industry is so capital-intensive, buyer backward integration power is low.

## SUPPLIER POWER

MODERATE TO HIGH

### FACTORS

- Due to high dependency on import materials, importers may have more power than general suppliers;
- Switching the cost of the supplier to another manufacturer;
- Supplier backward integration.

### OUR STRATEGIC RESPONSE

- Create value through collaboration with suppliers and strive for fairness in all interactions;
- Retaining diversified valuable suppliers through maintaining strong relationships;
- Explore other suppliers consistently through R&D activities;

## THREAT OF NEW ENTRANTS

LOW TO MODERATE

### FACTORS

- Due to sizeable initial capital requirements and necessary regulatory requirements, barrier entry is high;
- Shifting focus to the unstructured market segment;
- The establishment of a new entity in the current market is competitive;

### OUR STRATEGIC RESPONSE

- Being the pioneer, the company has an edge in the steel sector, and we can utilize our expertise to tap into the grassroots-level segment;
- Being one of the largest and most well-reputed steel manufacturing companies in the country, BSRM has already built a sufficiently diverse and loyal customer base, which only continues to grow every year;
- Enact and maintain proper regulations in the corporation to capture the prestigious value of the company.

## THREAT OF SUBSTITUTE

LOW

### FACTORS

- Relative Price of substitute products;
- Switching Costs;
- Buyer propensity to substitutes;

### OUR STRATEGIC RESPONSE

- Relative price of substitutes is high;
- High switching cost. Quality reliability is not yet justified;
- Not much prevalent in Bangladesh.



HIGH

# COMPETITIVE RIVALRY

## FACTORS

- Competition from a large number of different steel companies;
- Low cost of switching for customers;
- Substitute products also competing for the same customer segment;
- Competitors are increasingly shifting their focus from corporate to the dealer and retail segment

## OUR STRATEGIC RESPONSE

- Always trying to maintain a good governance practice;
- More concentration on the adoption of best practices for providing innovative quality products and services to the customers;
- Retain existing and attract newer customers;
- Retain the trust of customers by providing quality services consistently;
- Extend the countrywide network to bring more customers under the company's umbrella;





# 1.1.b Company's Position Within the Value Chain

## BSRM's Strategic Position within the Value Chain

BSRM holds a dominant position in the steel industry's value chain, playing a crucial role from raw material procurement to delivering finished steel products. Here's an overview of BSRM's key activities across the value chain:

## Raw Material Procurement

- **International Presence:** BSRM's branch in Kolkata (India) and subsidiary in Hong Kong facilitate the sourcing of high-quality raw materials, including scrap steel and other essential inputs.
- **Strategic Sourcing:** By maintaining strong relationships with global suppliers, BSRM ensures the stability and reliability of its raw material supply.

## Production and Manufacturing

- **State–of–the–Art Facilities:** BSRM operates advanced melting and rolling units in Bangladesh, producing high-strength reinforced steel.
- **Meeting Market Demand:** BSRM's production capacity-1,400,000 M.Ton (rolling) and 1,000,000 M.Ton (melting)-supplies approximately 30% of the steel demand in Bangladesh

## Product Distribution

- **Extensive Network:** BSRM's distribution network efficiently delivers products like Xtreme 500W and MS Square Bar to major construction projects across Bangladesh.
- **Wide Portfolio:** BSRM's diverse steel offerings cater to various infrastructure and construction needs.

## End Markets

**Supporting Infrastructure Growth:**

BSRM's steel is used in key construction and infrastructure projects across the country, contributing to Bangladesh's economic growth.

**Reinforcing the Future:**

BSRM's commitment to high-quality steel production ensures that critical sectors like construction rely on its products for long-lasting infrastructure.

## Critical quantitative information on BSRM

BSRM, a leader in the steel industry, continues to adapt to changing market conditions while maintaining a strong global presence. Here's a snapshot of BSRM's key performance metrics for the fiscal year 2025-2026:

- **Employees:** BSRM employs 2,037 individuals, supporting its extensive operations in Bangladesh and its international branches. The workforce remains stable, with no significant changes in headcount or operational focus during this period.
- **Revenue:** BDT 129,488 million (FY2025-26) compared to BDT 103,665 million in the previous year, reflecting growing demand for quality steel products.
- **Major Changes:** Growth of 24.91 % in FY 2025-26 despite political challenges, indicating the potential, quality and sustainability to cope with change.



# 1.1.c External Environment

## The Legitimate Needs and Interests of Key Stakeholders

BSRM recognizes the importance of addressing the legitimate needs and interests of its key stakeholders, including employees, customers, suppliers, investors, regulators, and the communities in which it operates. The company is committed to fostering long-term relationships built on trust, transparency, and mutual benefit. Key stakeholder interests include product quality, ethical business practices, environmental sustainability, financial performance, and community engagement. BSRM actively engages with stakeholders to ensure their needs are met and integrated into the company's decision-making processes.

For more detailed information on BSRM's stakeholder engagement strategies and actions, please refer to page 136.

## PESTEL Analysis

We have analyzed the significant external factors through PESTEL Analysis, including political, environmental, social, technological, economic, legal, and regulatory factors that impact our business to create value in the short, medium and long term and our response to those risks.

### Political

- Government policy
- Political stability
- Corruption
- Foreign trade policy
- Tax policy
- Labour law
- Trade restrictions

### Economic

- Economic growth
- Exchange rates
- Interest rates
- Inflation rates
- Disposable income
- Unemployment rates

### Social

- Population growth rate
- Age distribution
- Career attitudes
- Safety emphasis
- Health consciousness
- Lifestyle attitudes
- Cultural barriers

### Technological

- Technology incentives
- Level of innovation
- Automation R&D activity
- Technological change
- Technological awareness

### Environmental

- Weather Climate
- Environmental policies
- Climate change
- Waste disposal

### Legal

- Business and corporate laws
- Labor Laws
- Health and Safety law
- Environmental law




## BSRM'S PESTEL Analysis

### POLITICAL

FACTORS

- Government Regulations
- Trade Policies
- Political Stability
- Taxation Policies

#### OUR STRATEGIC RESPONSE

**Regulatory Compliance:**

- Establishing robust compliance programs to meet regulatory standards.
- Regular audits and updates to ensure adherence to environmental and labor laws.

**Engagement in Policy Advocacy:**

- Active participation in industry associations to influence trade and regulatory policies.
- Advocacy for favorable policies and incentives for the steel industry.

**Risk Management and Contingency Planning:**

- Developing contingency plans to mitigate the impact of political instability.
- Diversifying markets and supply chains to reduce reliance on politically unstable regions.

**Optimizing Tax Strategy:**

- Strategic tax planning to maximize benefits from available incentives and rebates.
- Ensuring timely compliance with tax regulations to avoid penalties and optimize cash flow.

### ECONOMIC

FACTORS

- Economic Growth Rate
- Inflation Rate
- Interest Rates
- Exchange Rates
- Unemployment Rates

#### OUR STRATEGIC RESPONSE

- Cost Management and Efficiency: Implement lean manufacturing and cost-control measures to maintain profitability during inflationary periods.
- Financial Risk Management: Use financial instruments and hedging to manage interest rate and currency risks.
- Hedging Against Currency Fluctuations: Utilize forward contracts and other hedging tools to protect against adverse exchange rate movements.
- Workforce Optimization: Adjust workforce size and skillsets to match economic conditions and operational needs.

See also page 98 of Strategic Plan and Outlook

### SOCIAL

FACTORS

- Demographic Changes
- Urbanization
- Education and Skill Levels
- Health and Safety Concerns
- Corporate Social Responsibility (CSR)
- Consumer Preferences

#### OUR STRATEGIC RESPONSE

- Workforce Development Programs: Invest in training and skill development to enhance workforce capabilities and address youth unemployment.
- Urban Infrastructure Projects: Align business strategies with urbanization trends to capitalize on increased demand for steel in construction.
- Health and Safety Initiatives: Strengthen health and safety programs to ensure employee well-being and comply with regulations.
- CSR Engagement: Enhance CSR activities to build community goodwill and address social expectations.
- Sustainable Practices: Develop and market sustainable products to meet consumer demand for environmentally friendly solutions.
- Community Partnerships: Collaborate with local communities to support social development and foster positive relationships.

See also page 268 of Social in ESG Report



## TECHNOLOGICAL

### FACTORS

- Advancement in technologies and machineries
- Development in the ICT sector in Bangladesh
- New technology development and obsolescence

### OUR STRATEGIC RESPONSE

- To provide efficient customer service and establish a robust, faster, and uninterrupted service, the company continuously adopts the generation market competitive and secured technology. The company has also implemented the Oracle system with an upgraded database version that allows high availability, significantly improving system performance and horizontal scalability.
- World-class machinery and equipment are available at our manufacturing plant, and
- With the advancement of technology, we want to stay ahead of the curve and be a benchmark in technological adoption for others to follow. With our long-term vision to cater to customers' different needs, the Company always strives to achieve it.

## ENVIRONMENTAL

### FACTORS

- Climate Change
- Resource Scarcity
- Environmental Regulations
- Sustainability Expectations
- Energy Efficiency
- Waste Management

### OUR STRATEGIC RESPONSE

- Climate Adaptation Strategies: Implement measures to mitigate operational risks associated with climate change.
- Resource Optimization: Invest in technologies and processes to efficiently use raw materials and energy.
- Regulatory Compliance: Ensure adherence to environmental regulations through rigorous monitoring and reporting.
- Sustainable Product Development: Innovate and produce sustainable steel products to meet market demand.
- Energy Efficiency Programs: Enhance energy efficiency through upgrades and optimization of production processes.
- Waste Management Systems: Develop comprehensive waste management and recycling programs to minimize environmental impact.

See also page 246 of Environment in ESG Report

## LEGAL

### FACTORS

- Regulatory Compliance
- Labor Laws
- Environmental Laws
- Health and Safety Regulations
- Tax Policies
- Trade Laws

### OUR STRATEGIC RESPONSE

- Regulatory Compliance Programs: Establish comprehensive programs to ensure compliance with all relevant regulations.
- Labor Relations Management: Develop robust HR policies to adhere to labor laws and ensure worker rights.
- Environmental Law Adherence: Implement and monitor practices to meet environmental legal standards.
- Health and Safety Initiatives: Maintain rigorous health and safety protocols to comply with legal standards.
- Tax Strategy Optimization: Work with tax advisors to optimize tax strategy and ensure compliance.
- Trade Compliance: Stay informed on international trade laws and adjust strategies to mitigate risks related to tariffs and trade barriers.





# SWOT Analysis

BSRM uses SWOT (strengths, weaknesses, opportunities, and threats) analysis to evaluate the company's competitive position and to develop strategic planning. SWOT analysis assesses internal and external factors and current and future potential. It is designed to facilitate a realistic, fact–based, data–driven look at the strengths and weaknesses of the company's initiatives or within the industry.

## Strength

- Strong capital base
- Sound Credit Rating over the years
- Robust network to reach wide spread customer
- Focusing customer satisfaction as the main priority
- Brand Image validated locally as well as internationally through exploring transparency and reliability
- Pioneer in Manufacturing inclusion
- Strong human resource base

## Weakness

- Diversification of products & services
- Significantly dependent on imported scrap
- Dependency on industry culture
- Bottleneck in production capacity

## Opportunities

- Continuous expansion in untapped business and grab new opportunities
- Digitization to cater different needs of customers
- Emerging in new local and international market
- GDP Growth and National Development Plan
- Positive Investment Climate
- LDC Graduation

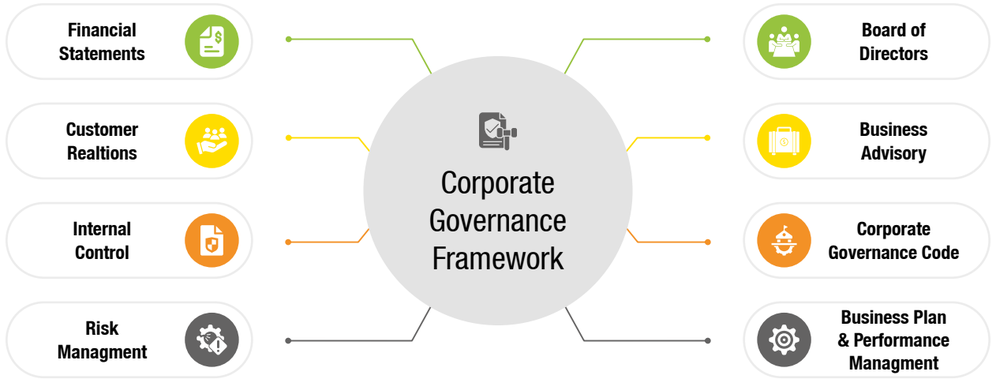
## Threats

- Economic Zones tax benefit
- Raw Material price volatilty and availability
- Rise in Competition
- Non availability of Natural Resources (Gas, water)
- Environmental Legislation
- Logistical Challenges



# 1.2 Governance

Corporate governance is the system of rules, practices, and processes by which the company is directed and controlled. Corporate governance essentially involves balancing the interests of the company's stakeholders, such as shareholders, employees, customers, suppliers, financiers, the government, and the community. It provides the framework for attaining the company's objectives; it encompasses practically every management sphere, from action plans and internal controls to performance measurement and corporate disclosure. As a legal corporate entity, we are committed to maintaining high levels of Corporate Governance by engaging the stakeholders to maximize our short–, medium–, and long–term values. Details on page no. 329 of IAR–26 under Corporate Governance Framework in BSRM.




## 1.2. a) BSRM's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence, and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure

BSRM's leadership structure is composed of a diverse and experienced Board of Directors and key management personnel, each bringing expertise across sectors such as steel manufacturing, finance, corporate governance, and risk management. The leadership team includes individuals with deep knowledge in industrial operations, regulatory compliance, human resources, and strategic planning, ensuring that BSRM operates effectively and responsibly in alignment with international standards.

The Board features a mix of executive, non-executive, and independent directors, with various levels of experience, including members with over 40 years in leadership roles. The diversity of backgrounds—spanning finance, education, corporate strategy, and technical expertise—ensures comprehensive governance.

BSRM complies with regulatory requirements such as the Bangladesh Securities and Exchange Commission's guidelines, influencing the inclusion of independent directors and the formation of specialized committees (e.g., Audit, CSR, and Nomination & Remuneration Committees). This governance structure fosters robust decision-making and supports the company's long-term sustainability goals. For further details, please refer to page 329.

## 1.2.b) Mandatory and voluntary code of corporate governance adopted by the Company

The company's corporate Governance policies and practices are focused on ensuring fairness, transparency, and accountability in the organization. The company is structured and systems and processes organized aligned with accepted Corporate Governance practices and also in line with guidelines of the revised Corporate Governance Code (CGC) BSEC/ CMRRCD/2006-158/207/ Admin/80, dated June 3, 2018, on financial reporting and disclosure issued by Bangladesh Securities and Exchange Commission (BSEC), listing regulations and directives of DSE and CSE and all aspects of other regulators directives.

## 1.2.c) Code of ethical conduct adopted by the Company about honest business.

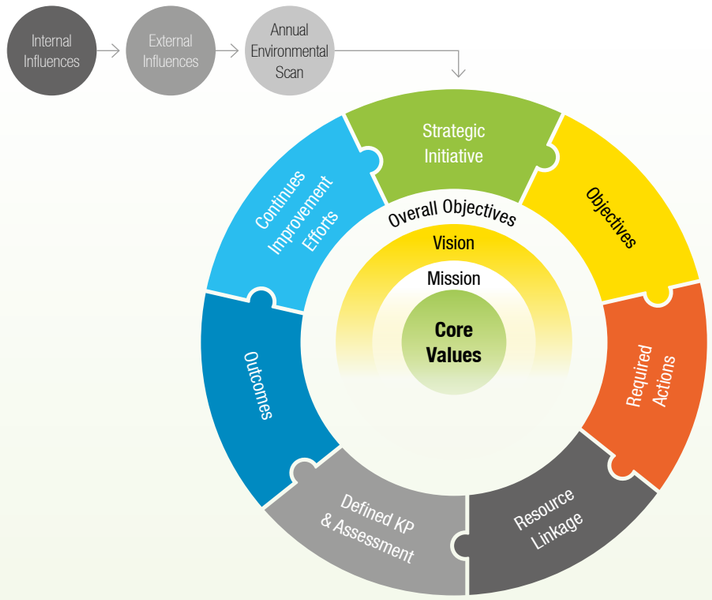
To maintain high standards of governance, BSRM recognizes the virtues of honesty and accountability and serves as a guideline for addressing situations involving ethical issues in all spheres of activities of the company. The Board of Directors follows a code of conduct which was adopted to guide directors to perform their duty in an honest, responsible, and business-like manner and within the scope of their authority, permitted by the Companies Act 1994 (amended up to 2020), as well as Memorandum of Association (MoA) and Articles of Association (AoA) of the company. For further details, please refer to page 26.

## 1.2.d) Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues

### Processes used to make strategic decisions

The process of strategic decision-making of BSRM is to align the company's short-term goals with long-term ones. So, whenever we are trying to launch a new product or service proposition, our strategy would include goal-setting, evaluate customer needs, and assess the competition. BSRM follows a data-driven, holistic, balanced, risk-aware, innovative, and agile approach for effective strategic decisions. By embracing these strategies, BSRM makes informed and effective strategic decisions that position us for long-term success.

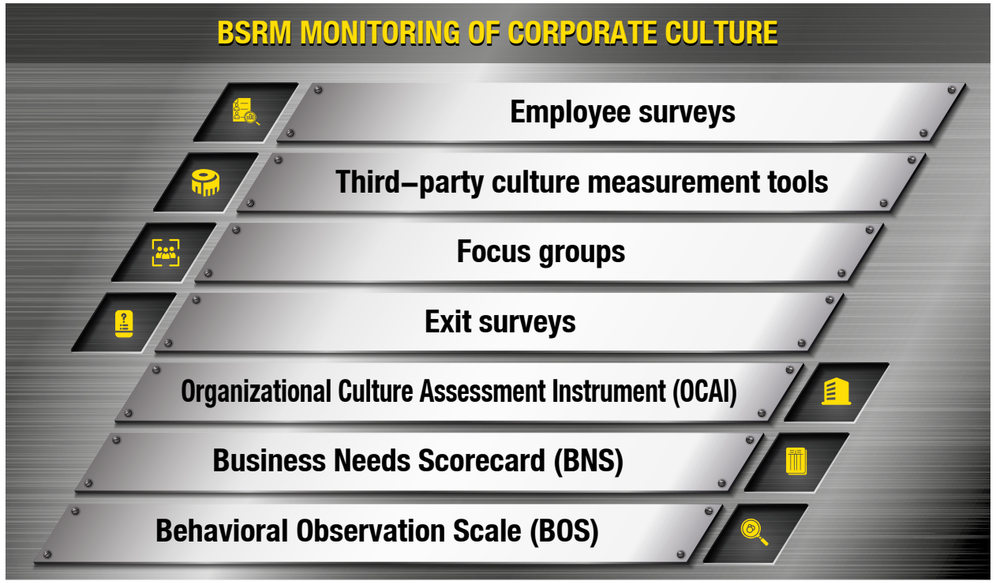
**BSRM Strategic Decision–Making Process**



### Monitoring Corporate Culture

BSRM constantly monitors its workforce by developing and maintaining a strong corporate culture to maintain a healthy, happy, and motivated work environment. It impacts the BSRM's capacity to create, retain, and inspire good, productive employees. It also affects perceptions of the BSRM's brand and reputation. BSRM is perceived as having an excellent corporate culture that increases its attractiveness to prospective new hires in monitoring and measuring corporate culture. BSRM's management review and discuss employee survey/engagement metrics with the employees regularly.

### BSRM Culture Assessment Instrument




Risk management is not only about avoiding or minimizing threats but also about seizing opportunities and creating value. As a leader in the steel industry, BSRM uses risk management to make strategic decisions that align with our vision and values to monitor the organization's culture, including its attitude to risk and mechanisms for addressing integrity and ethical issues. Effective risk management is beyond the regulatory requirement. In broad sight, risk can be divided into 02 (two) significant parts:

- Systematic Risk and
- Non-systematic Risk.

**1st line of defense**

**The business units**

The business units ensure that transactions are correctly priced & that the assumed risks are managed throughout the life of the transactions.

**2nd line of defense**

**The risk & compliance functions**

These are the independent units from business operations.

The risk function is responsible for identifying, measuring, monitoring & reporting risks.

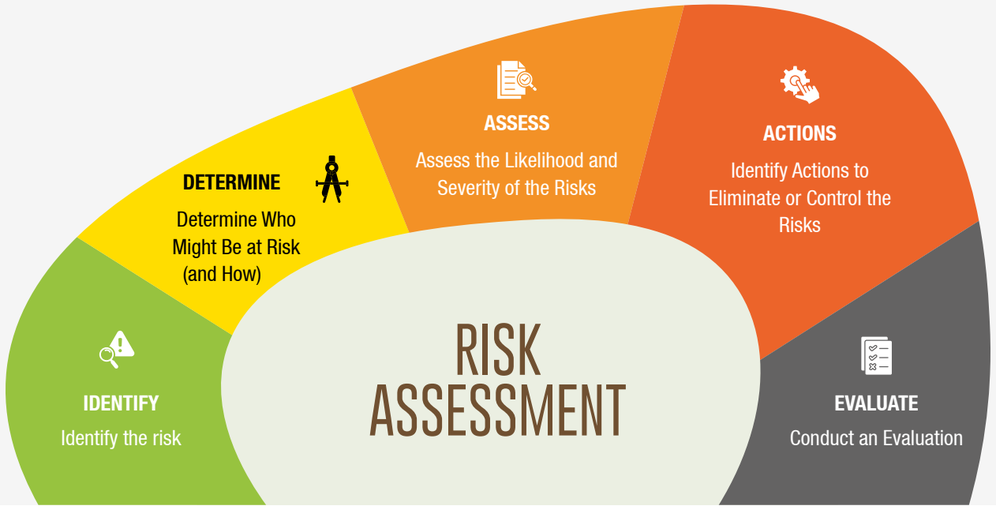
**3rd line of defense**

**Internal Audit**

Risk management is regularly reviewed and evaluate by Internal Audit to ensure that it is adequate and effective. Based on the evaluations, the processes in the first & second lines of defense are continuously strengthened.



**BSRM risk assessment is applied on an enterprise–wide basis and considering the following steps**




## 1.2.e) Actions of those charged with governance and their actions to monitor the organization's strategic direction and approach to risk management

BSRM's leadership actively shapes and monitors the company's strategic direction and risk management through key initiatives:

### Strategic Planning

- Align business strategy with market trends and sustainability goals.
- Regularly review and update strategic initiatives.
- Focus on long-term value creation and resilience.

### Risk Management

- Implement robust Enterprise Risk Management (ERM) to assess and mitigate risks.
- Develop contingency plans for operational, financial, and environmental risks.
- Continuous monitoring of emerging threats and market changes.

### Audit & Compliance

- Conduct regular internal and external audits to ensure compliance with laws and regulations.
- Maintain transparency in financial reporting and corporate governance.
- Implement and enforce internal controls to detect and prevent fraud.



**Performance Monitoring**

- Use Key Performance Indicators (KPIs) to measure progress against strategic goals.
- Regular board meetings to evaluate financial and non-financial performance.
- Introduce real-time business intelligence tools for enhanced decision-making.

**Stakeholder Engagement**

- Actively communicate with stakeholders, including shareholders, employees, and the community.
- Address stakeholder concerns through transparent reporting and feedback mechanisms.
- Integrate stakeholder feedback into strategy and operations to enhance trust and collaboration.

## 1.2.f) The organization's culture, ethics, and values are reflected in its use of and effects on the capital, including its relationships with key stakeholders

BSRM's culture, ethics, and values are integral to how the organization manages its resources and fosters relationships with key stakeholders. The company's operations and initiatives reflect these guiding principles in its everyday activities, ensuring sustainable growth and long-term value creation.

### Ethics and Corporate Values

**Integrity and Transparency:**

BSRM adheres to strict ethical guidelines in all its business dealings. The company prioritizes honesty and transparency in its operations, ensuring compliance with local and international regulations.

**Sustainability Initiatives:**

BSRM is committed to reducing its environmental footprint. Examples include recycling 2.34 million metric tons of scrap steel and implementing energy-efficient practices, such as reducing electricity and water consumption across production units.

**Innovation:**

BSRM continuously invests in advanced technologies, such as Robotic Process Automation (RPA) and Industry 4.0 initiatives, to enhance operational efficiency and reduce waste, reflecting its value-driven focus on long-term sustainability.



### Relationship with Key Stakeholders

**Employees:**

BSRM fosters a culture of respect, diversity, and continuous learning. Initiatives like employee training programs, safety protocols, and welfare schemes demonstrate the company's commitment to workforce development. Employee well-being is prioritized through various health and safety measures.

**Customers:**

BSRM maintains strong relationships with its customers by consistently delivering high-quality steel products. By introducing tailored solutions like Xtreme 500W-Stirrup and cut-and-bend products, the company ensures customer satisfaction and builds long-term partnerships.

**Suppliers:**

BSRM collaborates closely with suppliers to ensure ethical sourcing and a stable supply chain. The company values fairness and transparency in supplier relations, ensuring mutual growth and efficiency.

**Community:**

BSRM's CSR initiatives, such as contributions to education and healthcare, highlight the company's commitment to giving back to society. BSRM has spent more than 137 MN for social communities in 2025-2026 as part of its sustainability goals, reinforcing its role in environmental and community well-being.

### Use of Capital

**Financial Capital:**

BSRM strategically manages its financial resources to ensure profitability while supporting broader social and environmental goals. Its significant investments in energy-efficient technologies and waste management reflect a balanced approach to value creation.

**Social & Relationship Capital:**

By maintaining strong, ethical relationships with its stakeholders, BSRM builds trust and reinforces its reputation as a socially responsible company. This network of relationships supports long-term business sustainability.

**Human Capital:**

BSRM invests in its workforce by providing opportunities for growth and ensuring health and safety. The company recognizes that its people are its greatest asset and are vital to the execution of its strategic objectives.







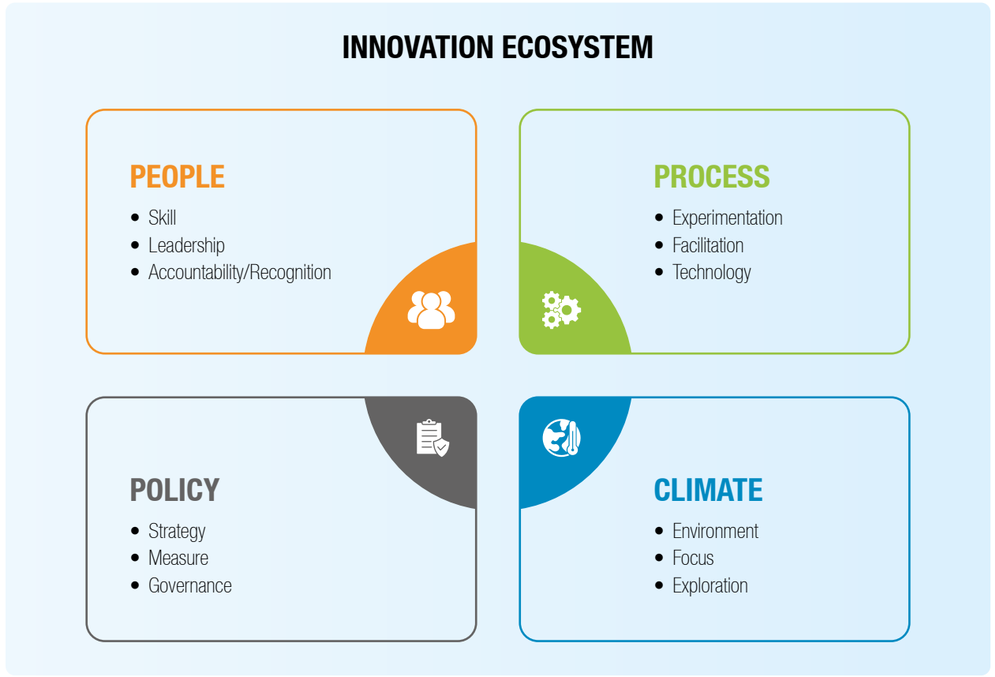
## 1.2.g) Exceeding Legal Requirements in Governance Practices

BSRM consistently implements governance practices that exceed legal requirements to ensure transparency, accountability, and sustainability across its operations. Key governance practices include:

- Board Oversight: BSRM maintains a strong and independent board, with regular meetings and a clear focus on integrating Environmental, Social, and Governance (ESG) considerations into decision-making processes, surpassing basic legal requirements.
- Audit and Compliance: The company conducts internal audits, risk assessments, and external independent audits to ensure financial transparency, operational integrity, and compliance with both local and international standards.
- Ethics and Business Conduct: BSRM has a robust Code of Conduct that fosters a culture of integrity, ethical behavior, and accountability, which all employees and stakeholders must follow. This goes beyond basic regulatory expectations.
- Corporate Social Responsibility (CSR): The company's extensive CSR activities, aligned with the UN Sustainable Development Goals (SDGs), reflect a commitment to community welfare, sustainability, and ethical corporate citizenship that exceeds statutory obligations.

## 1.2.h) The responsibility those charged with governance take for promoting and enabling innovation

BSRM's boards are engaged with the company's innovation journey and provide meaningful oversight and support. Boards recognize where the company stands today, seek external perspectives, and monitor emerging trends to identify opportunities for innovation and shape the company's future. When obstacles to innovation arise, boards take steps to guide the company around these challenges and stay focused on the ultimate destination.




BSRM has a well-defined and well-structured Corporate Governance framework to support the Board's aim of achieving long-term and sustainable value. Various committees across the company assist the Board in fulfilling its governance role effectively for promoting and enabling innovation for the long-term sustainability of the company businesses.

## 1.2.i) Remuneration and incentives linked to short, medium, and long–term value creation as well as the organization's use of and effects on the capitals

### Remuneration and Incentives Linked to Value Creation and Capital Impact

BSRM's remuneration and incentive structures are designed to support short-, medium- and long-term value creation. They are aligned with the organization's strategic objectives and consider its use of, and impacts on, the various capitals like financial, human, and social capital, ensuring sustainable growth and employee satisfaction.

### Key Aspects:

**Short–Term Value Creation:**

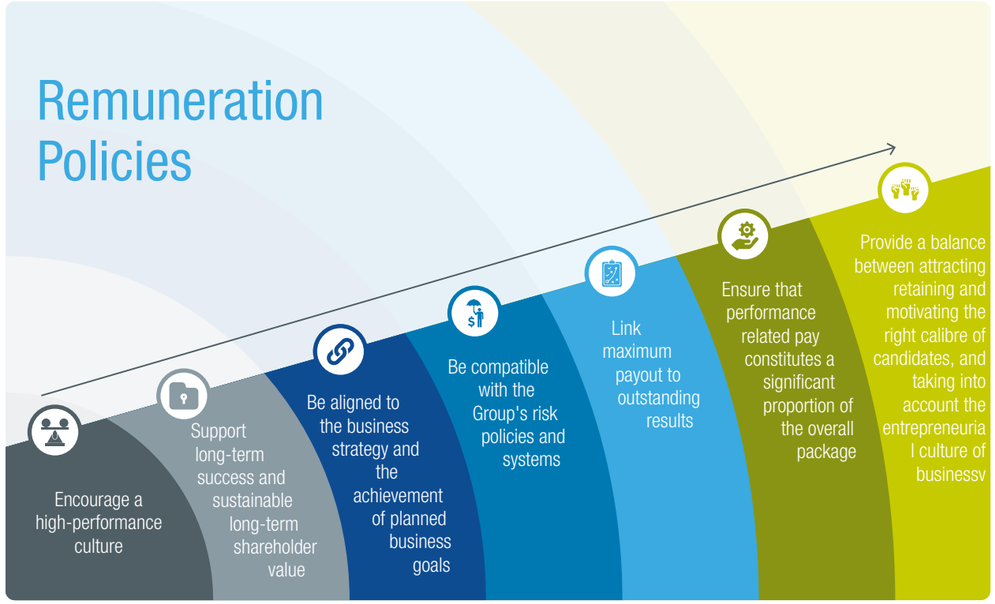
- **Eid Bonuses:** Annual Eid bonuses reward employees for their efforts, boosting short-term morale and contributing to immediate operational performance.
- **Performance–Based Salary Adjustments:** Salaries are regularly reviewed and adjusted based on performance metrics that align with quarterly and annual targets, driving operational efficiency and short-term financial gains.

**Medium–Term Value Creation:**

- **Profit Participation:** At year-end, employees participate in profit-sharing schemes based on company performance. This incentivizes them to contribute towards mid-term financial success and efficient use of company resources.
- **Employee Development Programs:** Incentives for employee training and development are designed to enhance skill sets, improving intellectual capital and driving medium-term productivity improvements.

**Long–Term Value Creation:**

- **Provident Fund & Gratuity:** BSRM offers long-term financial security through provident fund contributions and gratuity, fostering employee retention and long-term value creation.
- **Health and Welfare Programs:** Long-term health benefits, such as hospitalization schemes, ensure employee well-being, contributing to sustained human capital development over the years.




Successful implementation of the company's business strategy and the fostering of the company's long-term interests, including its sustainability, requires that the company is able, through competitive remuneration on market terms, to recruit, incentivize, and retain skilled employees.

# 1.3 Business Model

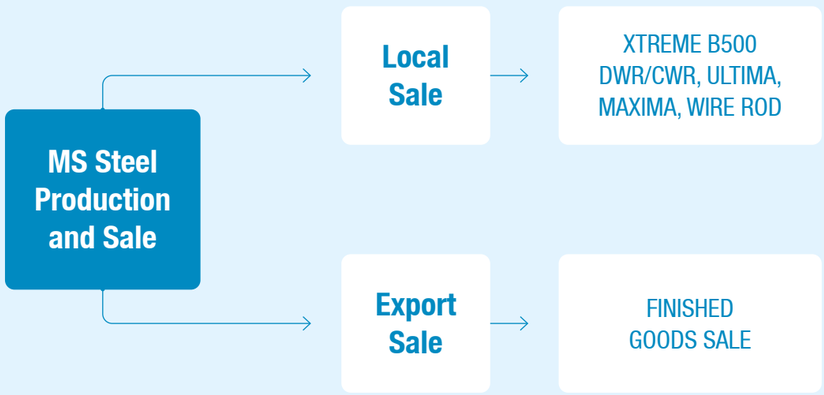
The business model of BSRM describes how the company creates, delivers, and captures value in economic, social, cultural, or other contexts. It is a system of transforming inputs, through its business activities, into outputs and outcomes that aim to fulfill the organization's strategic purposes and create value over the short, medium, and long term. Details of the Business model are given on page no. 136-137 of IAR-26.

## 1.3.1 BUSINESS MODEL OF BSRM

BSRM's business model can be described in single business segments, which revenue generation through MS Steel Production and Sales.

**MS Steel Production and Sale:** The Company generates revenue through MS steel production and sales to multiple segments of customers. This is further classified into the following.

### Single segment business model: MS steel production and sale






# 1.4 Risk and Opportunities

## 1.4.1 Enterprise Risk Management

The Enterprise Risk Management framework (ERM) is a set of components that provide the foundation for designing, implementing, monitoring, reviewing and continually improving risk management throughout the BSRM Group of Companies. The ERM framework for the Group has been developed keeping in mind the needs of internal and external stakeholders.

> The BSRM Group's ERM framework is based on the 'Risk Management – Principles and Guidelines' developed by the International Organization for Standardization (ISO 31000:2009 – Risk Management Principles and Guidelines).

In addition, several good practices recommended by the Committee of Sponsoring Organizations (COSO) for ERM have been incorporated into BSRM Group's endeavor to build a world-class ERM framework and processes.

BSRM Enterprise Risk Management ("ERM") Framework guides implementation of a consistent, efficient, and economical approach to identify, evaluate, and respond to critical risks that may impact business objectives. BSRM's enterprise risk management framework enables management to effectively deal with uncertainty and associated risks and opportunities, enhancing the capacity to build value. Its key objectives are:




ERM helps BSRM manage risks proactively towards achieving its business objectives, performance & profitability targets and prevent loss of resources. BSRM's ERM is directed to help ensure effective reporting and compliance with laws and regulations to avoid damage to the entity's reputation and its consequences.







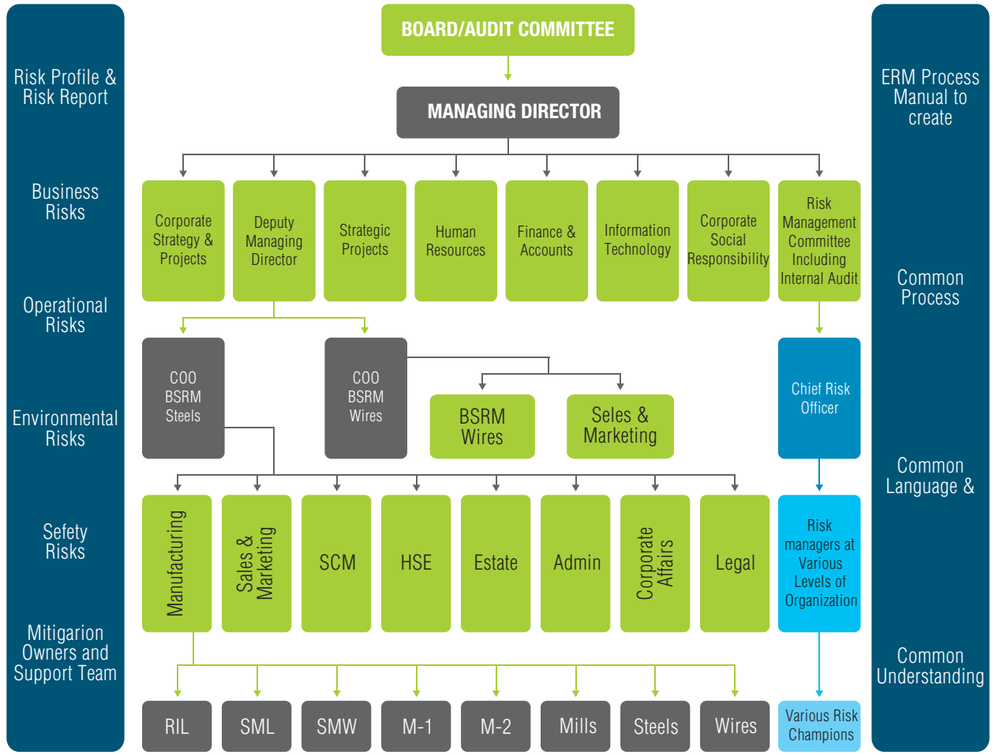
## 1.4.2 Enterprise Risk Management Structure

The Group's Enterprise Risk Management (ERM) organization structure identifies key internal stakeholders responsible for creating, implementing and sustaining the ERM initiative in the Group. The ERM structure leverages the existing Organizational structure in the Group.

The ERM structure aligns individuals, teams and departments with the intent of establishing responsibility and accountability for:

- Integrating ERM into the Group's culture
- Facilitating and monitoring effective implementation of the ERM framework
- Ensuring that the ERM framework and its components are current

### ERM Organizational Structure

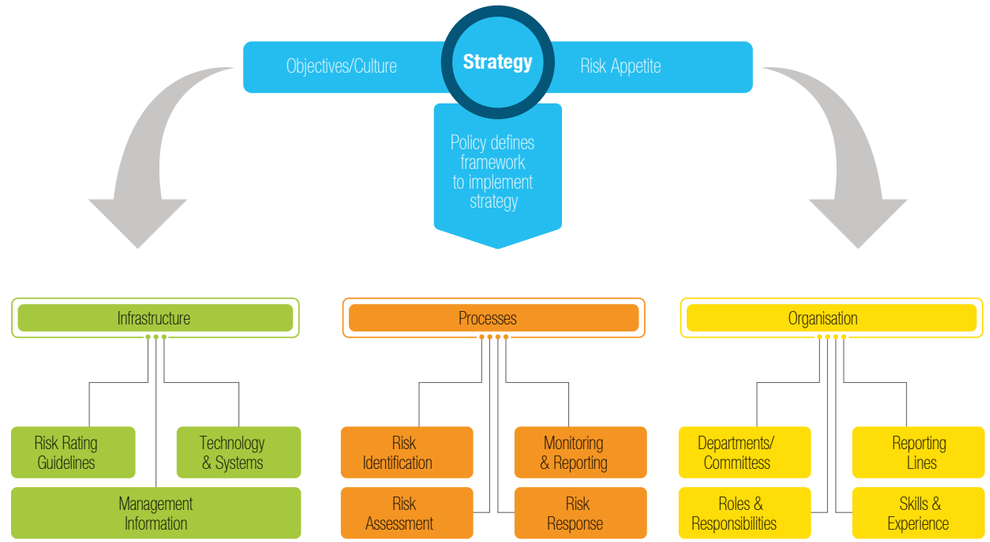



## 1.4.3 Fundamental Principles of ERM Framework

The guiding principles of BSRM's Risk Management Framework are as follows:

| | | | |
|---|---|---|---|
| Risk Management should be a continuous process | Risks should be understood and prioritized based on the event frequency and impact to one or more objectives | Risk response strategies are to be evaluated for those risks deemed to be high or medium priority | Policies, procedures and practices should be in synchronization with risks |
| Risk Management principles should be kept in mind during the strategy and objective setting processes as well as the day–to–day activities and decision–making | The same metrics used to measure objectives e.g., revenue, customer satisfaction metrics, are to be preferably leveraged during risk management activities | Key risk management information (e.g., key events, results of risk assessments, risk responses) is to be documented in a timely and structured manner | A portfolio view of risks is to be reviewed by the Board, Audit Committee, Management Team and Chief Risk Officer on a regular basis |

BSRM's Risk Management Framework comprises:



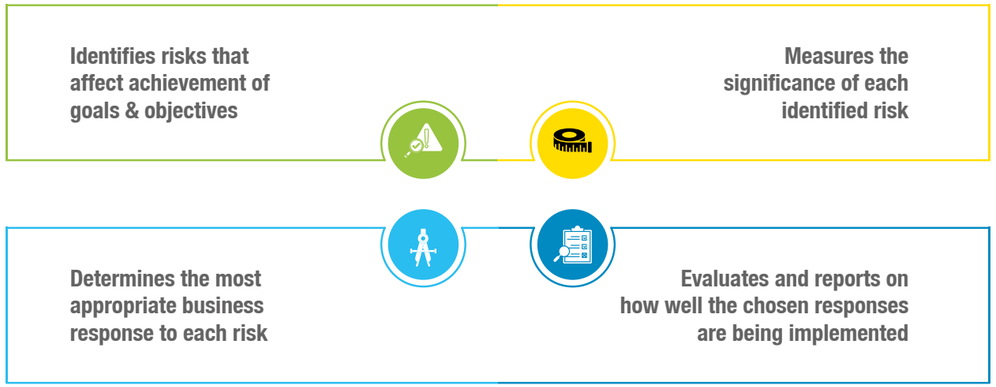
## 1.4.4 Risk Management Methodology of BSRM

### Risk

Risk is the possibility that an event will occur and adversely affect the achievement of objectives. Risks can be thought of as threats, uncertainty or lost opportunity.

### Risk Management as a process

The process of Risk Management deals with how the organization identifies, measures, responds to and monitors its risks:




## Sources of Risks and Opportunities

BSRM identifies risks and opportunities arising from both internal and external factors, often a combination of the two.

- Internal Sources: These include operational inefficiencies, employee skill gaps, technological capabilities, and resource allocation. For example, outdated technology or inadequate workforce training can pose risks, while operational upgrades and employee development provide opportunities for growth.
- External Sources: External risks and opportunities arise from market conditions, regulatory changes, supply chain disruptions, and environmental factors. Shifts in government policies, global steel prices, or trade regulations may impact BSRM's operations, while emerging markets and technological advancements offer new opportunities.

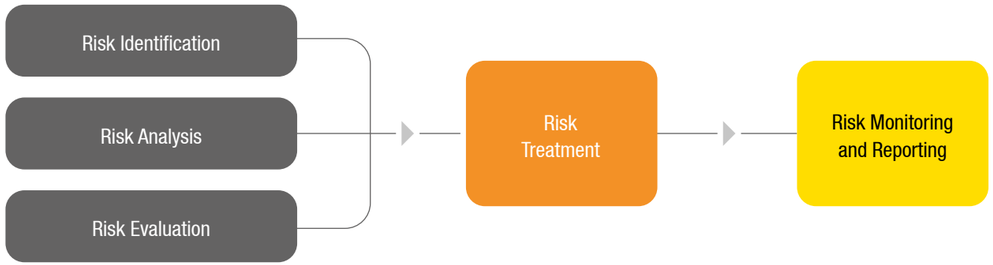
## 1.4.5 Risk Management Guidelines

The ERM guidelines provide supporting information to assist Management in the execution of the

### ERM processes.

ERM process is the systematic application of management policies, procedures and practices to communicate, consult and establish the context for ERM in BSRM Group of Companies. The ERM process comprising risk identification & assessment, risk treatment and monitoring applies across the organizational lifecycle.

Against the given background, the critical process constituents of ERM are:






## 1.4.6 Disclosure of Risk Reporting

We are following the below process for risk reporting in the BSRM Group of Companies:

| Documentation | Description | Monitored by |
|---|---|---|
| **Risk Register and Profile** | Record identified Risks and detailed description of risk that needs to be prioritized | Designated Risk Manager |
| **Risk response and mitigation** | Detailed current risk response and details of Management actions with timelines | Designated Mitigation Owner and Risk Manager |
| **Risk Report at the Business unit and corporate level** | A report/form of communication intended to inform particular stakeholders by providing information regarding the current state of critical risks and their management. It is represented by a "Heat Map" where key risks are plotted and supported by the detailed risk profiles | Risk Managers, Chief Risk Officer and Risk Steering Committee |
| **Risk report at group level** | Executive Summary Report with the selected top risks and responses at the group level | Chief Risk Officer. |

## 1.4.7 Risk and Opportunity Assessment

BSRM regularly assesses the likelihood of potential risks or opportunities materializing, along with the magnitude of their impact. The assessment is part of the company's Enterprise Risk Management framework, which evaluates risks based on probability and their financial, operational, and reputational impact. For high-probability risks, such as market volatility or supply chain disruptions, BSRM prepares mitigation strategies to minimize adverse effects. Similarly, opportunities for market expansion or technological advancement are carefully analyzed to ensure maximized returns and alignment with long-term growth strategies.

## 1.4.8 Effectiveness of Internal Controls and Board's Responsibility

BSRM's internal controls are designed to ensure the integrity of financial reporting, operational efficiency, and compliance with regulations, safeguarding the interests of all stakeholders. The Board of Directors holds ultimate responsibility for overseeing these controls, regularly reviewing their effectiveness, and ensuring robust systems are in place to manage risks and opportunities.

The Board also ensures transparency through accurate disclosures on internal controls, reinforcing trust and accountability towards stakeholders. Regular audits and compliance checks are conducted to maintain the effectiveness and reliability of these controls.

## 1.4.9 Principal Risks and Uncertainties

In a constantly evolving economic environment, BSRM faces a variety of risks that could impact its operations, financial performance, and long-term sustainability. These risks stem from operational disruptions, financial market fluctuations, regulatory changes, environmental challenges, and more. Recognizing the importance of proactively managing these uncertainties, BSRM has implemented a structured approach to identify, assess, and mitigate potential risks.





| Risk Category | Description | Mitigation Strategy |
|---|---|---|
| **Operational Risks** | Disruptions in production due to machinery breakdown, supply chain interruptions, or workforce issues. | • Implement predictive maintenance programs for machinery.<br>• Develop a diversified supply chain.<br>• Invest in employee training and retention programs. |
| **Financial Risks** | Volatility in raw material prices, exchange rate fluctuations, and changes in interest rates. | • Utilize hedging strategies.<br>• Implement currency risk management practices.<br>• Diversify funding sources. |
| **Regulatory Risks** | Changes in laws and regulations related to environmental standards, labor laws, and industry-specific regulations. | • Stay updated with regulatory changes.<br>• Engage with industry associations.<br>• Invest in compliance management systems. |
| **Market Risks** | Changes in market demand, increased competition, and economic downturns. | • Diversify product offerings.<br>• Enhance marketing and sales strategies.<br>• Conduct regular market research. |
| **Environmental Risks** | Natural disasters, climate change impacts, and non-compliance with environmental regulations. | • Implement robust environmental management systems.<br>• Invest in sustainable practices and technologies.<br>• Develop disaster recovery and business continuity plans. |
| **Technological Risks** | Rapid technological advancements and cybersecurity threats. | • Invest in the latest technology and regular upgrades.<br>• Implement comprehensive cybersecurity measures.<br>• Provide continuous training to employees. |
| **Strategic Risks** | Potential failure of strategic initiatives, mergers, acquisitions, or expansions. | • Conduct thorough due diligence.<br>• Develop a robust strategic planning process.<br>• Regularly review and adjust strategic plans. |



## 1.4.10 Our Growth Opportunities

BSRM, as one of Bangladesh's leading steel manufacturers, is positioned to leverage several growth opportunities in a dynamic and evolving market. With a strong foundation built on quality, innovation, and sustainability, the company is poised to capitalize on emerging trends and market demands. The following growth opportunities align with BSRM's strategic vision, focusing on market expansion, product diversification, technological advancement, and sustainability initiatives. By proactively pursuing these opportunities, BSRM aims to reinforce its market leadership, drive revenue growth, and contribute to the broader economic development of Bangladesh.

| Opportunity Category | Description | Strategic Response |
|---|---|---|
| **Market Expansion** | Expanding into untapped regions or countries to increase market share and revenue. | • Conduct market research to identify high-potential regions.<br>• Develop tailored market entry strategies for targeted regions. |
| **Product Diversification** | Introducing new steel products to meet evolving customer demands and reduce dependency on core products. | • Invest in R&D to develop innovative steel products.<br>• Explore market trends for product diversification. |
| **Sustainability Initiatives** | Enhancing reputation and compliance through sustainable practices, reducing carbon footprint. | • Implement energy-efficient manufacturing processes.<br>• Engage in community-based sustainability projects. |
| **Technological Innovation** | Leveraging advanced technology to enhance operational efficiency, reduce costs, and improve product quality. | • Adopt cutting-edge production technologies.<br>• Invest in automation and digital transformation initiatives. |
| **Strategic Partnerships** | Forming alliances to access new markets, share resources, and drive innovation. | • Identify key industry players for potential partnerships.<br>• Collaborate on joint ventures for mutual growth. |
| **CSR Initiatives** | Strengthening community relations and brand reputation through impactful Corporate Social Responsibility projects. | • Expand existing CSR programs in education and health.<br>• Partner with NGOs to broaden the scope of CSR activities. |
| **Green Steel Production** | Capitalizing on the growing demand for environmentally friendly steel products. | • Develop and market "green" steel products with lower environmental impact.<br>• Position BSRM as a leader in sustainable steel production. |
| **Infrastructure Development** | Tapping into government and private sector infrastructure projects to boost steel demand. | • Build strong relationships with key stakeholders in infrastructure projects.<br>• Offer customized steel solutions for large-scale projects. |
| **Supply Chain Optimization** | Enhancing supply chain resilience to mitigate disruptions and reduce costs. | • Implement advanced supply chain management systems.<br>• Diversify suppliers and explore local sourcing options. |







# 1.5 Strategy and Resource Allocation

## Strategy and Resource Allocation Overview

BSRM's strategy and resource allocation process is designed to optimize the use of resources to support its business vision and values. The company strategically selects and assigns available resources to ensure the effective execution of its plans, balancing competing needs and priorities. This process includes financial forecasts, budget projections, and the development of annual budgets, all of which are aligned with the company's long-term goals. The aim is to maximize the return on investment and achieve the best possible outcomes.

## Key Components

**Institutional and Program Plans**

These plans include the strategic plan, strategic projects, initiatives, program reviews, and annual department planning.

**Implementation Plans**

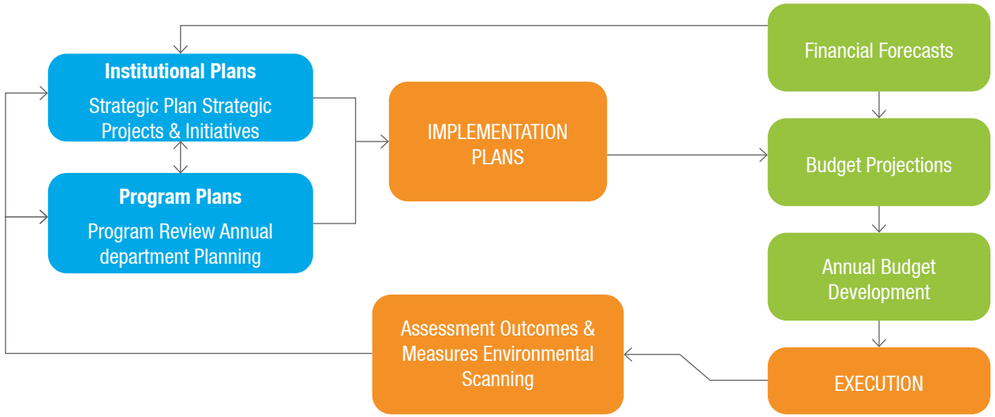
Derived from the institutional and program plans, these guide the allocation of resources.

**Assessment and Environmental Scanning**

Continuous assessment of outcomes, measures, and environmental factors helps refine strategies and resource allocations.

**Financial Management**

Involves forecasting, budget projection, annual budget development, and execution to ensure financial resources are utilized effectively.






BSRM's resource allocation is strategically selecting and assigning available resources to the task to support the business vision and values. Resource allocation involves balancing competing needs and priorities and determining the best course of action to maximize the use of limited resources and get the best return on investment. Our Integrated Report describes BSRM's strategic objectives for our current business model and the resource allocation plans to implement these strategies.

## 1.5.a) BSRM's short, medium, and long–term strategic objectives

BSRM has identified several short-, medium-, and long-term objectives that may affect our business operations.

### Short–Term Strategic Objectives:

**Enhance Operational Efficiencies**

Focus on improving immediate operational efficiencies and implementing effective cost management strategies to optimize resources.

**Boost Customer Satisfaction**

Elevate customer satisfaction by refining service delivery processes, reducing response times, and ensuring swift resolution of customer issues.

**Advance Technology Integration**

Implement key technology upgrades to enhance production processes, ensuring that the latest innovations are utilized to improve output and quality.

**Promote Immediate Marketing Campaigns**

Launch targeted marketing campaigns to promote specific products, services, or offers, aligning with immediate business objectives to drive sales and engagement.

**Expand Sales and Product Development**

Achieve a targeted increase in monthly sales and introduce new product campaigns, with a focus on BSRM's latest innovations like FastBuild and Centura.

### Medium–Term Strategic Objectives:

**Market Share Expansion**

Expand BSRM's market share in both existing and new regions, leveraging the company's strengths to capture a larger portion of the market.

**Innovative Product Development**

Continue developing and introducing new steel products tailored to emerging market needs, ensuring that BSRM remains at the forefront of innovation in the industry.

**Strengthen Supply Chain Resilience**

Enhance supply chain resilience by diversifying sourcing options and improving logistics, ensuring stability and reliability in the company's operations.

**Sustainability Targets**

Implement medium-term sustainability initiatives, such as reducing energy consumption and waste, to align with BSRM's long-term sustainability goals.





## Long–Term Strategic Objectives:

**Leadership in Sustainability**

Position BSRM as a leader in sustainability by adopting eco-friendly practices across all operations, setting benchmarks in the industry for environmental responsibility.

**Innovation Leadership**

Establish BSRM as an industry leader in innovation, continuously exploring new technologies, materials, and processes to maintain a competitive edge in the steel industry.

**Strategic Partnerships for Growth**

Forge strategic partnerships to explore new growth avenues and markets, expanding BSRM's footprint globally and unlocking new opportunities for expansion.

**Sustained Stakeholder Engagement**

Foster long-term relationships with stakeholders through transparent communication, regular updates, and proactive engagement, ensuring alignment with BSRM's strategic vision and goals.

## 1.5.b) BSRM's Strategic Focus to Implement Our Strategic Objectives

BSRM has outlined clear strategies to achieve its strategic objectives. These include:

- Expanding production capacity to meet growing market demand.
- Investing in advanced technologies to enhance operational efficiency.
- Strengthening sustainability efforts by adopting eco-friendly practices and reducing carbon emissions.
- Fostering innovation through continuous research and development.
- Enhancing workforce skills through targeted training programs.

**BSRM Strategic Focus**



**Strategic Planning**
(3–5 Years)

- Vision and Values
- Strategic Plan (including Directional Numbers)
- Business Model
- Strategic Milestones
- New Initiatives

**Operational Planning**
(Annually)

- Financial Projections & Budget Allocations
- Operational Analysis
- Annual Goals/Key Result Areas
- Performance Metrics (departmental & individually)

**Results Management**
(Quarterly)

- Budget Reports
- Management Reports on Key Result Areas
- Reporting on Metrics



The strategic objectives are the specific outcomes that we wish to achieve to attain the company's vision. These objectives are clear, measurable, and time-bound. Once realized, other purposes replace these detailed, quantifiable results. Achieving each strategic goal is a clear indicator of the progress of the strategic plan and tells the company that we are moving closer to our vision.

## 1.5.c) BSRM's Segment Analysis and industry position in terms of MS product production and sale, as well as Export and Import business

BSRM has cemented its position as the largest and most trusted steel manufacturer in Bangladesh. The company's product range, including high-strength reinforced steel, meets international standards, making it a preferred choice for major infrastructure projects, government initiatives, and retail customers. BSRM's focus on quality, sustainability, and innovation has enabled it to maintain a competitive edge in the steel industry. With a growing market presence in regional areas, including strategic offices in Kolkata and Hong Kong to facilitate raw material procurement and strategic growth, BSRM is well-positioned to expand its influence in both domestic and international markets.

Through Segment Analysis, we have provided an overview of BSRM's Operating Profit, Total Assets, and Profit before Tax. Details on page no. 126 of IAR-26 under company performance

An analysis of the BSRMS's performance compared to the steel industry and other competitor companies has been detailed on page no. 96 of IAR-26.

## 1.5.d) BSRM's current business model related to our strategic objectives

BSRM's business model defines transforming inputs through our business activities into outputs and outcomes that aim to fulfill our strategic purposes and create value over the short, medium, and long term-details on page no. 136 of IAR-26 under Our Business Model.

## 1.5.e) BSRM's resource allocation plans to implement our strategic objectives

BSRM's resource allocation strategy, detailed under our 2026 Strategic Plan and aligned with the "Six Capitals" framework, ensures that resources are effectively deployed to achieve both short-term and long-term objectives. The six capitals—Financial, Manufactured, Intellectual, Human, Social & Relationship, and Natural Capital—serve as a holistic foundation for guiding investments and operational decisions.

1. Financial Capital:

- We prioritize investments in advanced manufacturing technologies, R&D for innovative products, and market expansion to drive growth and competitiveness.

2. Manufactured Capital:

- Resources are allocated to upgrading production facilities and enhancing the supply chain to improve efficiency and ensure resilience in operations.

3. Intellectual Capital:

- Continued investment in R&D, product innovation, and brand reputation helps BSRM maintain leadership in the steel industry and meet evolving market demands.

4. Human Capital:

- We focus on employee development and talent acquisition, ensuring that our workforce is skilled and aligned with our strategic objectives.

5. Social & Relationship Capital:

- Strategic resources are dedicated to stakeholder engagement, fostering strong relationships, and advancing CSR initiatives that contribute to long-term sustainability.

6. Natural Capital:

- Significant resources are allocated to sustainability initiatives, including energy efficiency projects and eco-friendly practices, as part of our commitment to environmental leadership.

This integrated approach to resource allocation ensures BSRM's strategic goals are met while fostering long-term sustainability and value creation for all stakeholders.

BSRM's Resource allocation plan is discussed in detail under the BSRM strategic plan and our six capitals. Page no. 216 for the strategic plan and page no. 149 for six capitals of IAR-26.







## 1.5.f) BSRM's measure of achievements against target Outcomes

Measuring Achievements and Target Outcomes at BSRM

### Short–Term (1–2 years)

- **Key Metrics:** Quarterly revenue growth, operational efficiency, and production targets.
- **Focus Areas:** Immediate financial performance, reducing operational costs, increasing capacity utilization.
- **Measurement Tools:** Financial statements, monthly production reports, and cost control analysis.

### Medium–Term (3–5 years)

- **Key Metrics:** Market share expansion, product innovation, customer satisfaction, and employee engagement.
- **Focus Areas:** Achieving strategic milestones like capacity expansion, improving product lines, and enhancing customer relationships.
- **Measurement Tools:** Annual reports, customer feedback, market analysis, and employee satisfaction surveys.

### Long–Term (5+ years)

- **Key Metrics:** Sustainability goals, ESG compliance, profitability, and international market presence.
- **Focus Areas:** Sustainable growth, carbon footprint reduction, investment in technology, and global expansion.
- **Measurement Tools:** ESG reports, sustainability metrics, global market penetration reports, and long-term financial projections.

BSRM's achievement against set targets over major financial indicators, i.e., Debt to equity ratio, Gross profit margin, net profit margin, Return on Equity, Inventory turnover, working capital, and return on asset, etc., are detailed on page no. 115.

## 1.5.g Linkage Between Strategy and Resource Allocation Plans

### Relationship to Business Model and Adaptation to Change

BSRM's strategy is closely aligned with its business model, focusing on sustainable growth through innovation, operational efficiency, and market expansion. Necessary changes to the business model, such as digital transformation and capacity building, allow BSRM to adapt to evolving market conditions and emerging opportunities. This adaptability is essential for maintaining competitiveness and seizing new opportunities in a dynamic environment.

### Response to External Environment, Risks, and Opportunities

BSRM's resource allocation is influenced by external factors such as regulatory changes, economic conditions, and industry trends. The company identifies risks and opportunities that affect its capitals—financial, intellectual, human, and social—and adjusts its strategy accordingly. Risk management practices ensure that the organization's resources are used efficiently, mitigating risks while leveraging opportunities for value creation.

## 1.5.h What Differentiates BSRM to Give it a Competitive Advantage

### The Role of Innovation

BSRM integrates cutting-edge technologies such as Robotic Process Automation (RPA) and ERP systems to enhance operational efficiency and streamline production processes. These innovations reduce costs, improve accuracy, and enable BSRM to maintain a competitive edge in the steel industry by staying ahead of industry trends.

### Developing and Exploiting Intellectual Capital

BSRM invests in employee training, leadership development, and technical expertise to strengthen its intellectual capital. By fostering a culture of continuous learning and innovation, BSRM enhances productivity, encourages problem-solving, and ensures that its workforce remains competitive and knowledgeable.

### Environmental and Social Considerations for Competitive Advantage

BSRM embeds environmental and social considerations into its core strategy by focusing on sustainability initiatives like reducing carbon emissions, implementing water conservation programs, and practicing responsible waste management. These efforts not only comply with regulatory standards but also build trust with stakeholders, giving BSRM a distinct competitive advantage in a socially-conscious marketplace.

### Stakeholder Engagement for Strategy and Resource Allocation

BSRM actively engages with stakeholders—including customers, suppliers, employees, and regulators—to gather feedback and align its strategic priorities. The company incorporates insights from stakeholder engagement into its resource allocation plans, ensuring that its operations address the concerns and expectations of key stakeholders, thus fostering long-term value creation.

# 1.6 Performance

BSRM's integrated report explains how much we have achieved our Goals in line with our company's vision and values.

## Vision

- Maintain our leadership positions in the steel industry by producing the best quality steel products, continuously enhancing customer satisfaction, and becoming a reliable business partner of our Customers and Suppliers.
- Be an employer of choice, nurturing talent and developing future organization leaders.
- Protect the interest of our shareholders through sustainable growth and value creation.
- Preserve the trust of all our stakeholders by adopting ethical business practices.
- Support society through Corporate Social Responsibility initiatives.

## Values

- SUstainable Growth
- Quality
- Reliability
- Trust
- Leadership
- Social Responsibility
- Customer Satisfaction

## 1.6.a) Comparative analysis through Quantitative indicators of BSRM

An analysis of BSRM Five Years' Performance of several vital factors has been detailed on page no. 115 of IAR-26.

## 1.6.b) BSRM's material effects on capitals up and down the value chain

We have provided a detailed explanation of the material matters impacting our capital in the following pages:

**Financial Capital:** Page no. 150.

**Human Capital:** Page no. 160.

**Manufactured Capital:** Page no. 154.

**Intellectual Capital:** Page no. 158.

**Natural Capital:** Page no. 165.

**Social & Relationship Capital:** Page no 167.

## 1.6.c) Key stakeholder relationships and how BSRM has responded to critical stakeholders' legitimate needs and interests

Stakeholder engagement is the process by which BSRM involves people affected by the decisions it makes or can influence the implementation of its findings. They may support or oppose the decisions, be influential in the organization or within the company's community, hold relevant official positions, or be affected in the long term. Details on how we engage with our stakeholders have been provided on page no. 172 under Stakeholder engagement, and how we resolve stakeholder complaints and concerns have been provided on page no. 129 under Stakeholders Relationship/ Grievance Redressal.



## 1.6.d) Organization's outlook describes the linkages between past and current performance

| Particular | 2025–2026 | 2024–2025 | % Growth |
|---|---|---|---|
| Revenue (MN TK) | 129,488 | 103,665 | 24.91 |
| Gross Profit (MN TK) | 14,102 | 11,505 | 22.57 |
| Net Profit (MN TK) | 7,153 | 5,176 | 38.20 |

## Balance Sheet Including Human Capital

| Particular | 2025–26 | 2024–25 |
|---|---|---|
| Total assets | 96,284 | 85,287 |
| Human Asset (Individuals' value) | 2,854 | 2,398 |
| Value of investments | 130 | 140 |
| Total Asset including Human Asset | 99,267 | 87,824 |
| Capital & liabilities | | |
| Total Equity | 39,987 | 34,033 |
| Total Liabilities | 58,968 | 53,469 |
| Human Capital | 312 | 322 |
| **Total Equity and liabilities, including Human capital** | **99,267** | **87,824** |

# 1.7 Outlook

The outlook segment in our Integrated Report describes the challenges in pursuing our strategic objectives and the potential implications to our business model and future financial performance.

Details on page no. 136 of IAR-26 under Strategic Plans and Outlook of BSRM, page no. 27 of IAR-26 under Capital Planning.



# 1.8 Basis of Preparation and Presentation of Integrated Report

BSRM's Integrated Report 2026 has been prepared by the <IR> framework guideline as its basis as outlined by the International Integrated Reporting Council (IIRC).

## Integrated Reporting



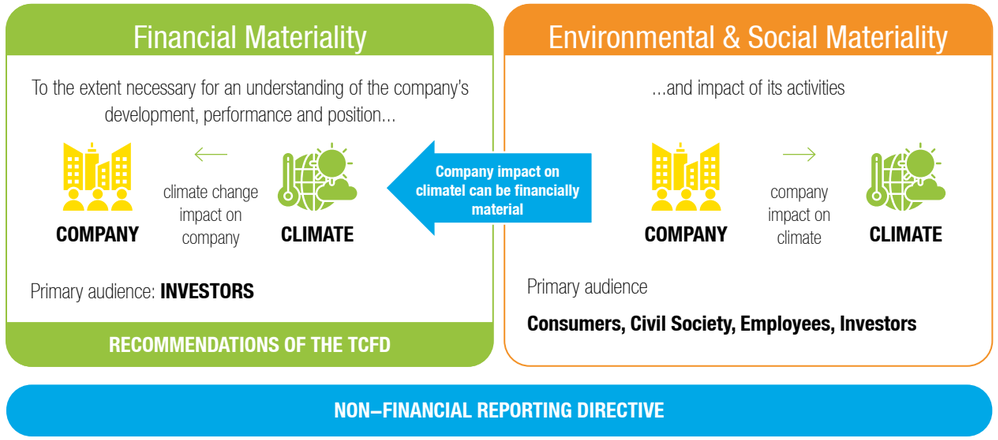

## 1.8.a) Factors considered in our materiality determination process

In our Integrated Report, the matters significantly affecting our organization's ability to create value in the short, medium, and long term are considered material. Details on page no. 181 of IAR-26 under materiality.

## 1.8.a.i) BSRM's Materiality Determination Process

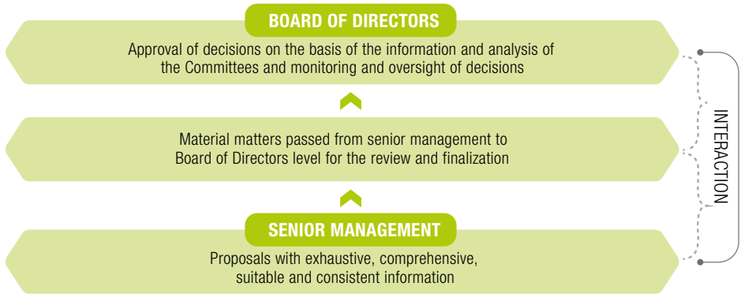
The process of determining materiality is entity-specific, based on industry and other factors, and multi-stakeholder perspectives. Through materiality analysis, BSRM can identify the vital priorities of the company so that we can delineate our key triple bottom line, keeping the short, medium, and long-term goals in mind. BSRM has an edge by developing strategies focusing on our fundamental priorities to facilitate our operational activities, embolden our goal-oriented performance, vitalize our sustainability framework, and institutionalize our corporate governance philosophy for internal and external stakeholders. Details on page no. 181 of IAR-26 under materiality.

Double Materiality:



## 1.8.a.ii) Role of those charged with governance and key personnel in the identification and prioritization of material matters

The Board and Senior Management Team are the key personnel in identifying and prioritizing material matters of BSRM. The senior management team prepares proposals after thorough analysis and feedback from the operational level, which the Board then approves of the Directors.




## 1.8.b) Reporting Boundary

The report boundary 2025-26 covers the BSRM's operation run by the corporate office and its Networks in Bangladesh.

## 1.8.c) Summary of the significant frameworks, standards, and principles used to evaluate BSRM material matters

Standards and Principles

| | |
|---|---|
| **Integrated Reporting**<br>• International Framework of the International Integrated Reporting Council (IIRC) | **Governance, Risk management, and operations**<br>• Companies Act, 1994<br>• BSEC Ordinance 1969<br>• Corporate Governance Code by BSEC in 2018<br>• DSE & CSE Listing Rules |
| **Sustainability Reporting**<br>• By the GRI Standards<br>• United Nations Sustainable Development Goals<br>• Task Force on Climate-related Financial Disclosures | **Financial Reporting**<br>• International Financial Reporting Standards<br>• International Accounting Standards<br>• Generally Accepted Accounting Principle |
| **Additional Reporting**<br>• International Standards on Auditing (ISAs)<br>• The Income Tax ACT 2023<br>• Value Added Tax Act 2012<br>• Value Added Tax Rules 2016<br>• Rules & Regulations of CDBL<br>• Other applicable rules and regulations of the land | |



## 1.8.d) Acknowledgement of the preparation and presentation of the integrated report

The Board and the management ensure that reasonable care has been taken in preparing and presenting this Integrated Annual Report. It addresses all material issues and makes a fair presentation on BSRM's integrated performance and overall impact.

## 1.8.e) Their opinion or conclusion about whether the integrated report is presented by the Framework

The Board and the management ensure that the Integrated Annual Report has been prepared under the International Framework of the International Integrated Reporting Council (IIRC) checklist. Details on page no. 186 of IAR-26 under Integrated report (referring to the top page of integrated information).

# Qualitative Characteristics of BSRM's Integrated Report

## Our Guiding Principles

The Guiding Principles underpin the preparation of the Integrated Report, informing the report's content and how information is presented. BSRM's Integrated Annual Report has been prepared by the Guiding Principles as laid out by the <IR> framework. Below is a brief outline of the key elements addressed by BSRM.

### 1. Strategic Focus & Future Orientation

The strategic focus of BSRM refers to the concentrated effort and attention that the company directs toward achieving its core objectives and long-term vision. It involves prioritizing certain areas, initiatives, or goals aligned with the organization's strategic direction. The importance of strategic focus lies in its ability to provide clarity and alignment within the organization.

Strategic focus and future orientation are discussed in detail on page 27 of IAR-26. Under Strategic Plan and Business Outlook

### 2. Connectivity of information

At BSRM, the principle of Connectivity of Information ensures that all aspects of our business—financial, operational, social, and environmental—are linked to present a clear, cohesive picture of how we create value.

### From BSRM's perspective, connectivity means:

- Aligning our strategic objectives with resource allocation across the six capitals, ensuring efficient use of resources to drive both short-term and long-term goals.
- Integrating financial and non-financial performance, demonstrating how our sustainability initiatives and CSR activities contribute to our overall success.
- Linking risks and opportunities to decision-making processes, showing how they influence our strategy and value creation.

### 3. Conciseness

BSRM integrated reports are prepared concisely and include sufficient context to understand the organization's strategy, governance, performance, and prospects without being burdened with less relevant information. The report provides cross-referencing where appropriate and keeps repetition minimal, if not avoided altogether. However, detailed explanation and referencing has been provided where necessary.

### 4. Consistency and comparability

At BSRM, Consistency ensures uniform reporting methods across periods, allowing stakeholders to track our progress. Comparability aligns our reporting with industry standards, enabling stakeholders to easily compare BSRM's performance with peers in key areas like financial results, sustainability, and innovation.

### 5. Reliability and completeness

Robust internal reporting systems, appropriate stakeholder engagement, and independent external assurance enhance BSRM's Integrated report's reliability and completeness. BSRM's integrated information includes all material matters, both internal and external, in a balanced way and without material error. BSRM's overall material aspects and boundaries have been explained on page no. 181 of IAR-26 and the material aspects of the six individual IR capitals and their capital trade-offs have been described in their respective segments from page no. 141 of IAR-26.

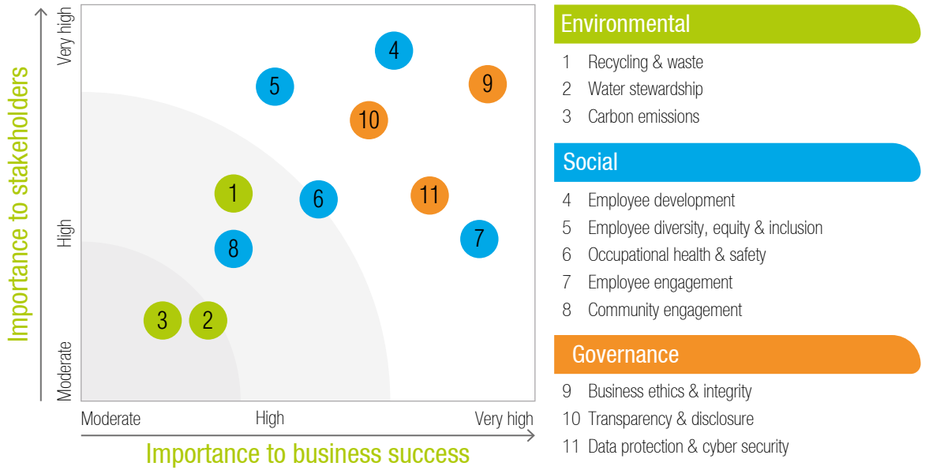
### 6. Materiality

BSRM's integrated report discloses matters that substantively affect our ability to create value over the short, medium, and long term. Details of materiality are given on page 181 of IAR-26.










**Environmental**

1 Recycling & waste
2 Water stewardship
3 Carbon emissions

**Social**

4 Employee development
5 Employee diversity, equity & inclusion
6 Occupational health & safety
7 Employee engagement
8 Community engagement

**Governance**

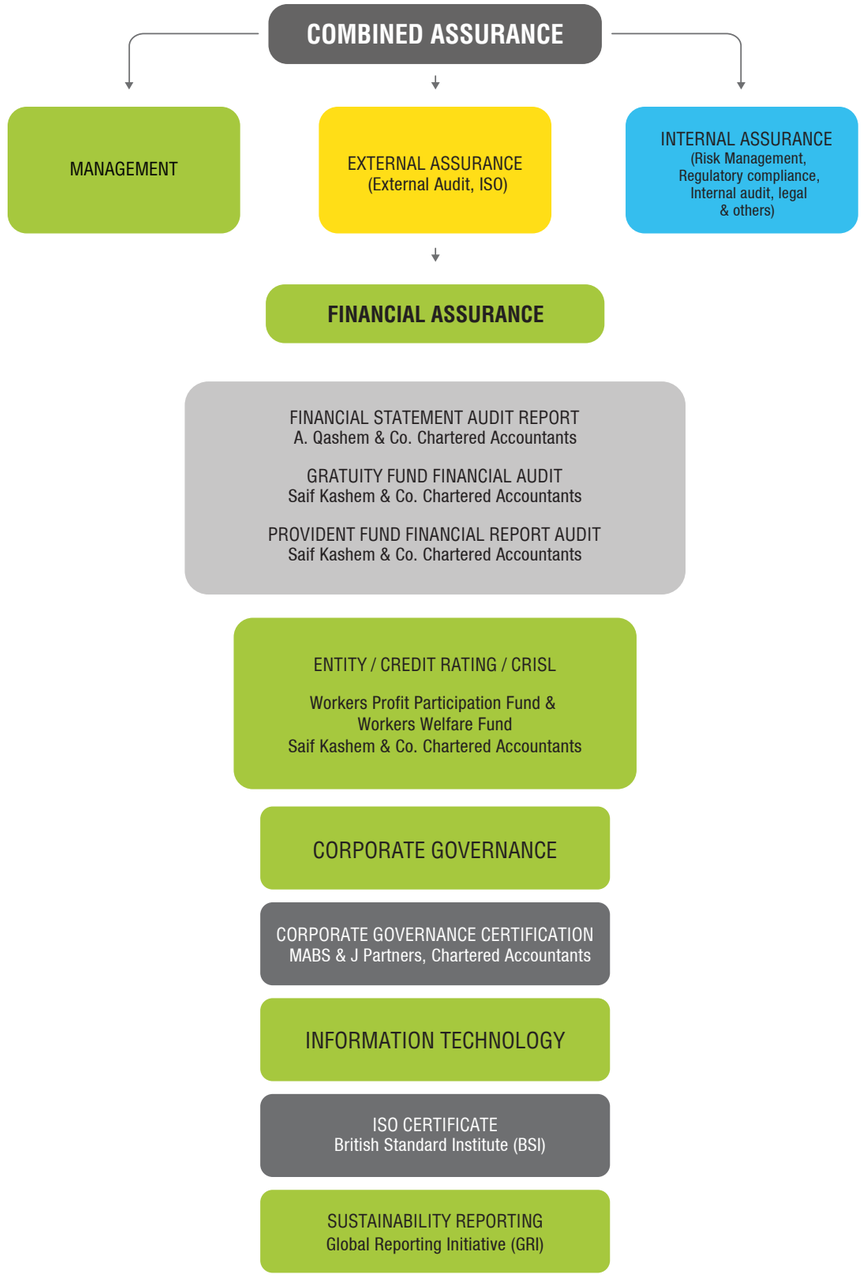
9 Business ethics & integrity
10 Transparency & disclosure
11 Data protection & cyber security

## 7. Stakeholder Relationship

BSRM's stakeholder relationships are discussed in detail on page 129 of IAR-26 of stakeholder relationship and grievance redressal.

## 8. Assurance of the Report

To maintain proper transparency, BSRM has always obtained Combined Assurance from the following perspective:











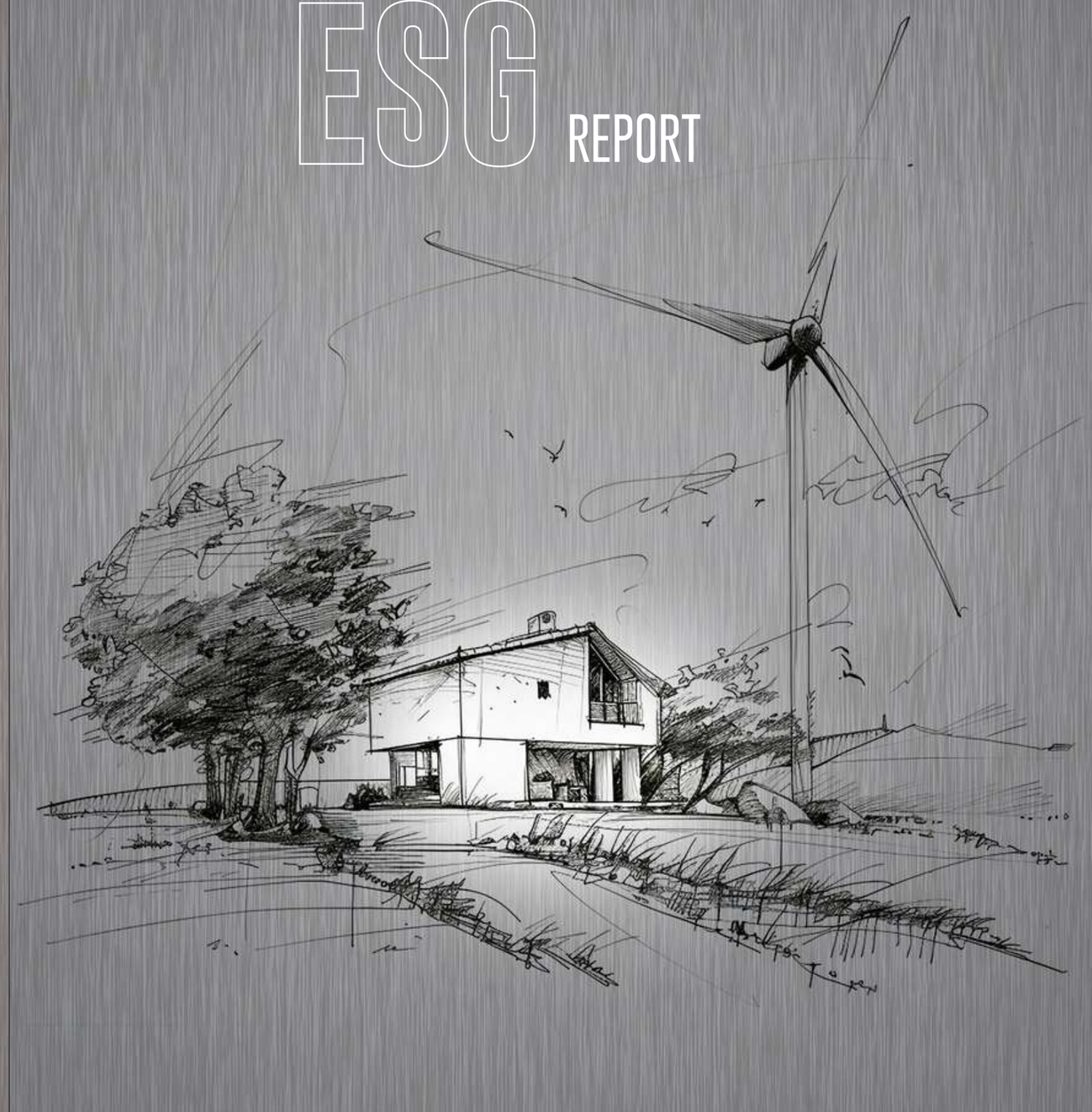

# 1

## BRAZIL

**Football's Longest-Running No. 1 Team 1994–2007**

No national team has spent more time at No. 1 in the FIFA rankings than Brazil. Their first reign lasted 2,491 days, from 1994 to 2001, and a second ran 1,659 days, from 2002 to 2007. Spain (1,960+ days) and Belgium (1,352+ days) are still behind.

# ESG REPORT





# ESG REPORT

Environmental
Social
Governance


## Introduction

- Message from Leadership
- About This Report
- Highlights of the Past Fiscal Year
- Our Sustainability Journey:
- About BSRM
- Our Purpose, Vision, & Values
- Fiscal Year 2025-2026 Company Figures
- Our ESG Journey
- Awards, Certifications & Memberships
- ISO Certifications and Accreditations
- ESG Materiality Assessment
- BSRM's Approach to ESG
- Our ESG Framework

## Environmental

- BSRM Environmental Highlights 2025-2026
- Transforming Scrap into Sustainability
- Clean Energy Milestones: BSRM's Pathway to Decarbonization & Environmental Stewardship
- Energy Efficiency Driving Environmental Impact
- BSRM Sustainable Technologies for a Low-Carbon Future
- IFRS S1 & S2 Disclosure – Climate & Resource Efficiency Performance
- Basis of Reporting
- Governance (IFRS S1 & S2, TCFD)
- Strategy – Climate & Resource Efficiency (IFRS S2, TCFD)
- Risk Management (IFRS S2, TCFD)
- Metrics & Targets (IFRS S1, IFRS S2, GRI)
- SBTi Commitment
- Scenario Analysis Roadmap (Target: Publish by FY2027)
- Scope 1 – Direct Emissions (tCO2e)
- Scope 2 – Indirect Emissions (Electricity & Heat)
- Scope 3 – Value Chain Emissions
- Water Stewardship (GRI 303)
- Waste & By-Product Utilization (GRI 306)
- Biodiversity & Social License (TNFD)
- Assurance & Verification
- BSRM's Green Transition: Climate Strategy & Environmental Roadmap 2025–2050
- Climate Change Mitigation & GHG Reduction
- Air Emissions Management
- Energy Management
- Waste & Hazardous Materials Management
- Water Management
- Biodiversity & Ecosystem Protection
- ESG Performance Snapshot 2026

## Social

- OUR People
- About our Supply Chain
- Our Health & Safety
- Corporate Social Responsibility
- Education & Skill Development
- Health
- Sustainable Livelihood
- Environment
- Philanthropic activities
- Stakeholders Relationship/ Grievance Redressal
- CUSTOMER'S PERSPECTIVE
- Employee's Perspective
- Snapshot 2025

## Governance

- Introduction
- Board of Directors and Governance Structure
- Board Roles & Responsibilities
- Board Committees
- ESG Oversight and Management
- ESG-Linked Remuneration
- Integrated Management System
- Ethical Governance & Code of Conduct
- Stakeholder Engagement and Transparency
- ESG Risk Management
- Transparency, Reporting & Assurance
- Continuous Improvement and Global Benchmarking
- External Assurance
- ESG Databook 2026
- Environment
- Social Databook
- Community Databook


# MESSAGE FROM LEADERSHIP

At BSRM Steels Limited, we believe that true leadership comes from continuous improvement. Our journey is not about competing with others; it is about challenging ourselves to do better every day.

As we present our **ESG Report 2026**, we reaffirm our commitment to building a stronger, more responsible, and more sustainable steel business. ESG is not simply a reporting exercise for us. It is about improving the way we operate, how we treat our people and communities, and how we create long-term value for all our stakeholders.

We continue to focus on using energy and resources more efficiently, reducing emissions, improving operational efficiency, increasing recycling, and adopting better technologies. Every improvement, however small, takes us one step closer to a more sustainable future.

**Our people remain at the centre of our journey.** We are committed to providing a safe workplace, developing our employees, encouraging innovation, and building a culture of integrity, respect, and teamwork. We also remain committed to supporting the communities where we operate.

Good governance is an important part of our progress. We continue to strengthen transparency, accountability, risk management, compliance, and responsible business practices. We are also working to improve the quality of our ESG data so that we can measure our progress more clearly and benchmark ourselves against global standards.

Looking ahead, our goal is simple: **to be better tomorrow than we are today**. We will continue to challenge our own standards, improve our performance, embrace innovation, and take greater responsibility for our environmental and social impact.

Being number one is not a destination. It is a continuous journey of improvement.

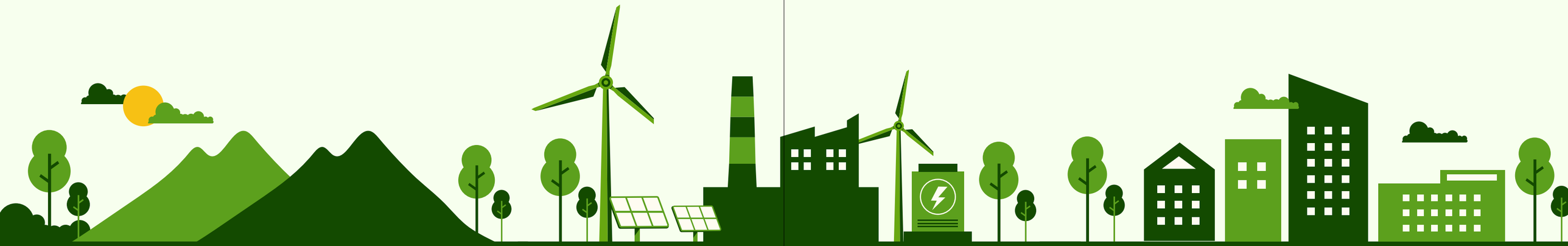
We thank our employees, customers, suppliers, investors, business partners, and communities for their continued trust and support.

Together, we will continue to challenge ourselves, improve every day, and build a stronger and more sustainable future.

**Aameir Alihussain**
Managing Director

> BEING NUMBER ONE IS NOT ABOUT BEING BETTER THAN OTHERS. IT IS ABOUT BEING BETTER THAN WE WERE YESTERDAY.





# INTRODUCTION

## ABOUT THIS REPORT

The BSRM 2026 ESG Report highlights the Group's progress, achievements and initiatives across environmental, social and governance (ESG) priorities, demonstrating its commitment to sustainability, transparency, accountability and responsible growth in the steel industry.

The report covers FY2025–26, from 1 July 2025 to 30 June 2026. All references to "FY" denote the 12-month period ending on 30 June of the specified year. Detailed year-on-year performance data is presented in the Data Appendix, prepared with reference to IFRS Sustainability Disclosure Standards and GRI Standards, aligned with applicable SASB industry standards and informed by TCFD recommendations.

### Reporting Scope and Boundary

The report covers the ESG performance of BSRM Group and its operating entities in Bangladesh and relevant overseas operations, including activities under the Group's operational and financial control. Disclosures are aligned with the consolidated audited financial statements unless otherwise stated.

The reporting boundary includes:

- Bangladesh Steel Re-Rolling Mills Limited
- BSRM Steels Limited
- BSRM Wires Limited
- BSRM (Hong Kong) Limited
- BSRM's Kolkata branch office
- Corporate and administrative offices
- Manufacturing plants and operational facilities in Chattogram and other operating locations

Suppliers, contractors and third-party logistics providers outside the Group's direct operational control are excluded, except where specifically disclosed.

## ABOUT BSRM

Established in 1952, BSRM is a leading steel manufacturer in Bangladesh with over 75 years of experience in quality, innovation and infrastructure development. The Group integrates economic performance with environmental stewardship and social responsibility, recognizing sustainability as essential to long-term success.

Building on its ESG reporting milestone in 2026, BSRM is committed to integrating ESG considerations into business strategy and operations, guided by GRI and other internationally recognized frameworks.

Key priorities include carbon-emission reduction, zero discharge, resource efficiency, employee health and safety, inclusive growth, ethical business conduct and strong corporate governance. Looking ahead, BSRM aims to establish clear ESG targets, improve performance continuously and engage expert consultants to strengthen employee capabilities and support a more sustainable and resilient future for all stakeholders.



# HIGHLIGHTS 2025-26

Established a **cross–functional ESG Working Group** to support the integration of ESG across the organization

**158,123**

hours

Achieved impressive training man–hours, reflecting our commitment to employee development and continuous learning

**317**

students

Hosted industrial attachments for 23 institutes.

**5.25%**

Achieved reduction in natural gas usage per MT in melting units compared to the previous year

**9.46%**

Reduced LDO and Natural Gas consumption per MT in rolled product compared to the previous year

**2.34 MN**

Recycled scrap steel, increased 25.8% compare to 2024–2025

**288 MN**

Contributed to education, health, and livelihood programs, making a significant impact for social community

**47,500**

lives

CSR initiatives direct impact in 2025–2026

**78,500**

lives

CSR initiatives Indirect impact in 2025–2026

**TPM Implementation**

Maintenance (TPM) Safety Pillar across all units

**ISO 45001:2018 certification**

Maintained for Occupational Health and Safety across all units

**Celebrate World Safety Day**

with extensive safety activities and recognition of outstanding safety practices







# FISCAL YEAR 2025-2026

## Revenue

FY 2025-2026
**129,488 MN TK.**

FY 2024-2025
**103,665 MN TK.**

## Profit from Operation

FY 2025-2026
**11,745 MN TK.**

FY 2024-2025
**9,053 MN TK.**

## Net Profit

FY 2025-2026
**7,153 MN TK.**

FY 2024-2025
**5,176 MN TK.**

## People

Employee of the company
**2,037**

Lives impacted by CSR activities in FY 2025-26
**126k**

## Paid for Employee benefits

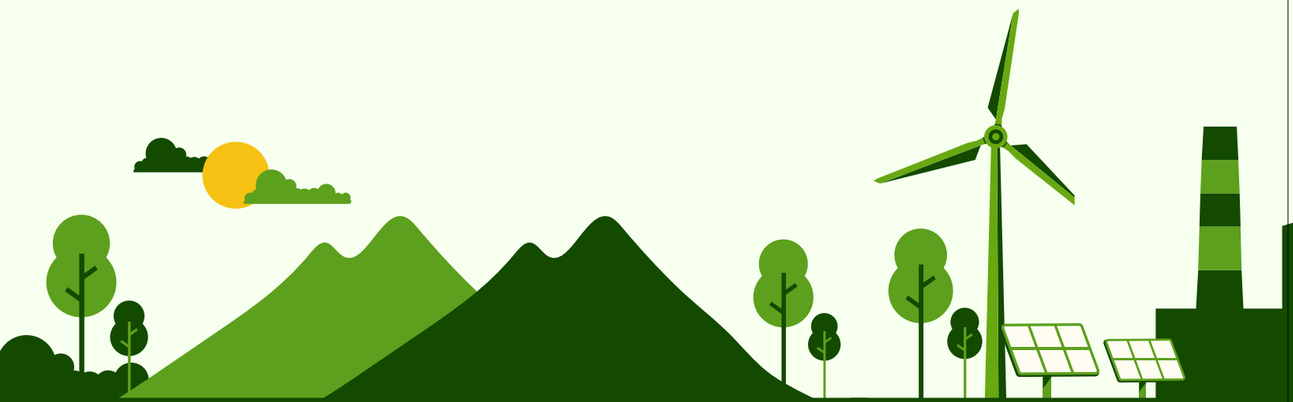
FY 2025-2026
**2,604 MN TK.**

FY 2024-2025
**2,173 MN TK.**

## Paid for Community Development

FY 2025-2026
**137 MN TK.**

FY 2024-2025
**51 MN TK.**





# OUR ESG JOURNEY

## 1952

The BSRM Saga Begins:

The first steel re-rolling mills emerge in East Bengal, laying the foundation for BSRM's growth and sustainability journey.

## 1984

Innovating Construction:

BSRM introduces high-strength cold twisted steel bars (TORSTEEL), revolutionizing the construction industry.

## 1987

Raising the Standard:

Launch of High Strength Deformed reinforcing steel bars conforming to ASTM 615 Grade 60, setting new benchmarks for quality.

## 1996

Pioneering Production:

Commissioning of the largest billet-making plant in the country at Meghna Engineering Works Limited (now SMW), expanding BSRM's production capacity and commitment to sustainable practices.

## 2006

Supporting Rural Development:

Introduction of micro reinforcement wires for low-cost rural construction, contributing to social sustainability.

## 2008

Global Recognition:

Production of internationally recognized Grade 500 steel bars ("Xtreme500W") begins, underscoring BSRM's commitment to quality and sustainability.

## 2009

Capital Market Entrance:

BSRM Steels Limited gets listed on the Dhaka and Chittagong Stock Exchanges, marking a new era of corporate transparency and growth.

## 2012

Capacity Enhancement:

Production capacity of BSRM Steels Limited is enhanced to 600,000 MT per year, reflecting continued investment in sustainable growth.

## 2013

Record Financing:

A USD 40 million and BDT 5,908 million syndicated term loan is secured, the largest ever for a private company in Bangladesh, facilitating further sustainable development.

## 2014

Technological Integration:

Launch of Oracle e-BS-12, integrating financials, manufacturing, and more on a single platform, ensuring operational efficiency and accountability.

## 2015

Expansion and Innovation:

1. Capacity enhancement at BSRM Steels Limited to 700,000 MT per annum.
2. Introduction of "BSRM Maxima" and other new products.
3. Increased capacity at Bangladesh Steel Re-Rolling Mills, making it the largest merchant mill in Bangladesh.

## 2016–17

Milestone Achievements:

1. Sales of MS Products exceed one million M. tons for the first time.
2. BSRM Steel Mills Limited begins commercial production.
3. Introduction of BSRM Ultima and EPOXY coated bars for corrosion-free structures ("CENTURA").

## 2018–19

Continued Growth:

BSRM Steels Limited commences another melting plant at Sonapahar, Mirsharai, with a capacity of 430,000 M. Ton, enhancing BSRM's production capabilities.

## 2021–22

New Horizons

A state-of-the-art manufacturing plant for Galvanized Iron (GL) wire, LRPC wire, Welding Electrode, and CO2 wire begins production under BSRM Wires Limited, contributing to the company's sustainable product line.

## 2022–23

Published first ESG Report

## 2024–25

Installed and commissioned a new hot-charging rolling mill that produces both rebar and wire rod along with expanded melting unit with latest advanced technology, boosting rolling capacity by 600,000 MT and melting by 250,000 MT annual

## 2025–26 and Beyond

Renewable Energy Investment

- BSRM has invested BDT 618.44 million in the installation of solar power systems, achieving a renewable energy generation capacity of 10.07 MWp. This investment reflects BSRM's continued commitment to increasing the use of renewable energy and reducing its environmental footprint.
- The solar energy expansion will continue into the next financial year, with a target of increasing the total installed solar capacity to 18.79 MWp. To achieve this target, BSRM plans to make an additional investment of approximately BDT 1142.12 million in the next financial year. This initiative will further support the Company's transition toward cleaner energy, enhance energy efficiency, and contribute to its long-term climate and sustainability goals.

# AWARDS, CERTIFICATIONS & MEMBERSHIPS

**Best Brand Award**

No. 1 Steel Brand in Bangladesh, 14 consecutive years, Consistent recognition of BSRM's leadership and trust in the steel category.

**Bloomberg ESG Rating**

Achieved the prestigious rating for the second consecutive year.

**BBR Corporate Award 2025**

BSRM was honored in the Steel Manufacturing Category at the BBR Corporate Award 2025.

**Bangladesh Project Management Awards 2025**

BSRM Group of Companies received Runner Up recognition in the PMO of the Year category.

**SDG Brand Champion Awards 2025**

BSRM Group of Companies as a Most sustainable manufacturing company of the year and BSRM FastBuild Solution were recognized most sustainable building materials.

**15th ICMAB Best Corporate Award (Gold award)**

Recognized for corporate governance and financial excellence.

**12th ICSB National Award (Silver award)**

Honored for excellence in corporate governance practices.

## ISO Certifications and Accreditations

**BSRM holds a range of certifications that underscore its commitment to maintaining high standards in quality, environmental management, and occupational health and safety:**

- **ISO 9001:2015** – Certification for Quality Management Systems, ensuring the company meets customer and regulatory requirements consistently.
- **ISO 14001:2015** – Certification for Environmental Management Systems, highlighting BSRM's dedication to minimizing environmental impact through efficient processes.
- **ISO 45001:2018** – Certification for Occupational Health and Safety Management Systems, focused on ensuring safe and healthy workplaces for employees.
- **Bureau of Indian Standards (BIS)** – Certification for Steel Products, confirming BSRM's compliance with Indian manufacturing and product standards.
- **Lloyd's Register –** Approved Manufacturer Certificate for semi-finished products and sections, verifying the quality and reliability of BSRM's steel products for global markets.

## Memberships

**As a prominent member of various steel and business associations, BSRM actively participates in driving industry standards and sustainable practices. Our key memberships include:**

- Bangladesh Steel Manufacturers Association (BSMA)
- World Steel Association (WSA)
- Chittagong Chamber of Commerce and Industry (CCCI)
- International Organization for Standardization (ISO)
- The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)





# ESG MATERIALITY ASSESSMENT

BSRM conducted an ESG materiality assessment to identify and prioritize the environmental, social and governance topics most relevant to its business, stakeholders and long-term value creation. The assessment supports ESG strategy, risk management, sustainability priorities and disclosures, considering stakeholder expectations, steel industry developments, regulatory requirements and global sustainability trends.

The assessment considered three-time horizons: short term (0–12 months), medium term (13–24 months) and long term (over 24 months) to address immediate priorities and emerging risks and opportunities.

## Materiality Assessment Process

### Identification of ESG Topics

Reviewed GRI and SASB Standards, TCFD recommendations, investor and customer expectations, industry benchmarks, ESG research and ratings, industry initiatives, and regulatory developments.

### Impact and Likelihood Assessment

Evaluated each topic based on its potential effects on business operations, financial performance, reputation, stakeholders, the environment and society, alongside the likelihood of occurrence across different time horizons.

### Prioritization

Ranked ESG topics according to their relative impact and likelihood, considering implications across operations, employees, supply chains, customers, communities and the environment.

### Validation and Governance

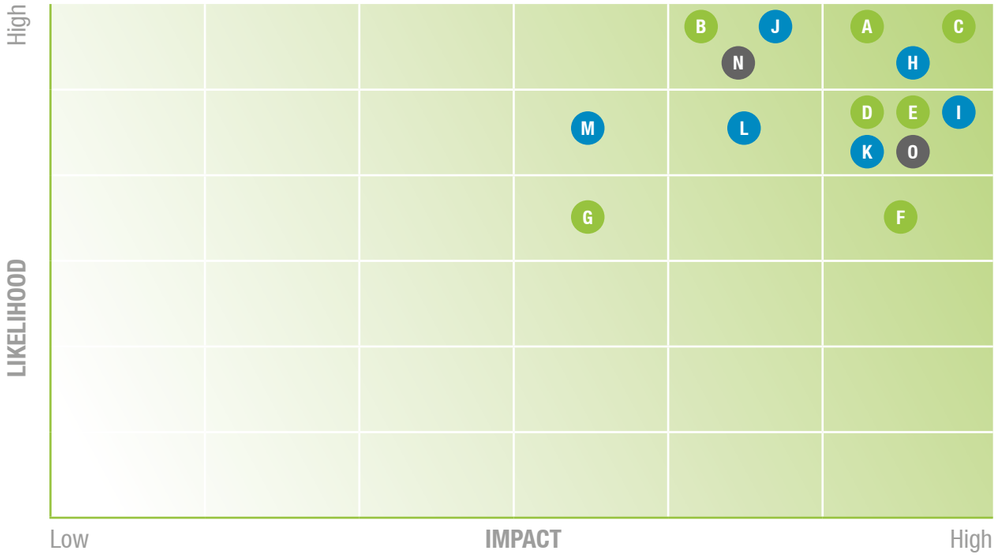
The ESG Working Group, Executive Leadership Team and Board of Directors reviewed and validated the assessment outcomes to ensure alignment with business strategy, stakeholder expectations, and ESG risks and opportunities.

# MATERIALITY MATRIX AND CONTINUOUS IMPROVEMENT

The 2026 Materiality Matrix presents BSRM's prioritized ESG topics based on their relative impact and likelihood. The identified material topics guide sustainability priorities, strategic decisions and reporting.

BSRM will review and update its materiality assessment periodically, at least annually, to reflect evolving climate risks, regulations, technologies, stakeholder expectations and developments across the steel value chain, ensuring continued relevance and alignment with global sustainability practices.

## Materiality Matrix 2026




### ENVIRONMENTAL

- A GHG Emissions
- B Air Emissions
- C Climate Change
- D Energy Management
- E Waste & Hazardous Materials Management
- F Water Management
- G Biodiversity Impacts

### SOCIAL SUSTAINABILITY

- H Workforce Health and Safety
- I Labour Relations
- J Human Capital Management
- K Rights of Indigenous Peoples
- L Community Relations
- M Supply Chain Management & Human Rights

### GOVERNANCE

- N ESG Governance
- O Business Ethics & Transparency



# BSRM'S APPROACH TO ESG

## Strategic Direction

BSRM integrates environmental stewardship, social responsibility and strong governance into its strategy and decision-making to create long-term stakeholder value, strengthen resilience and support sustainable growth.

### Environmental Stewardship

- **Sustainable Operations:** Improving energy efficiency, resource management, emissions reduction and adoption of sustainable technologies.
- **Climate Action and Resilience:** Addressing climate-related risks, reducing carbon emissions, improving value-chain sustainability and exploring renewable and lower-carbon energy.
- **Resource Efficiency:** Optimizing energy, water and raw material use while promoting waste reduction, responsible waste management and circularity.

### Social Responsibility

- **Diversity, Equity and Inclusion:** Promoting fair employment, equal opportunities, professional development and respect for diverse perspectives.
- **Employee Well–being and Development:** Ensuring workplace safety and supporting employee skills, capabilities, engagement and career growth.
- **Community Engagement and Development:** Supporting education, community development, livelihoods and economic resilience to create lasting social impact.

### Governance Excellence

- **Ethics, Integrity and Transparency:** Upholding ethical conduct, accountability and transparency through established policies and oversight.
- **Risk Management and ESG Integration:** Integrating material ESG risks and opportunities into risk management and decision-making to strengthen resilience and business continuity.
- **Responsible Business Practices:** Maintaining regulatory compliance, accountability and stakeholder engagement to build trust and support sustainable value creation.

### Looking Ahead

In 2027, BSRM will continue integrating ESG across its operations and value chain, focusing on measurable progress, transparency, continuous improvement and responsible growth to create lasting value for stakeholders and society.

# OUR ESG **FRAMEWORK**




## Environmental

**Strategic objective:** Lead the Bangladeshi steel industry's transition to a low carbon economy and minimize our environmental impact.

**Framework statement:**

We strive to be an industry leader in environmental stewardship and climate change in Bangladesh. Through our industry partnerships and our commitments to net-zero carbon emissions, we aim to enhance our leadership position in the industry's transition to a low carbon economy. Through our EAF transformation and continuous innovation in our products and steelmaking processes, we are committed to further minimizing our impact on the environment.

**Material Topics:**

- GHG Emissions
- Air Emissions
- Climate Change
- Energy Management
- Waste & Hazardous Materials Management
- Water Management
- Biodiversity Impacts

## Social

**Strategic objective:** Generate shared and sustainable value for our employees, stakeholders, and Indigenous communities.

**Framework statement:**

We are committed to achieving excellence in health and safety practices and institutionalizing a culture of safety both for our employees and communities. We aim to educate, train, develop, and engage our people, and foster a diverse, inclusive and equitable workforce. We also strive to generate shared value through our operations by continuously seeking opportunities to hire local employees and contractors, source materials responsibly and to engage, support, and partner with the communities in which we operate.

**Material Topics:**

- Workforce Health and Safety
- Labour Relations
- Human Capital Management
- Rights of Indigenous Peoples
- Community Relations
- Supply Chain Management & Human Rights

## Governance

**Strategic objective:** Enhance governance structures for the robust and effective oversight and management of our material ESG factors.

**Framework statement:**

We are committed to ensuring sound governance practices and strong corporate leadership drive our ESG commitments and efforts in alignment with our investor and stakeholder interests and expectations. We strive for robust and effective oversight of our ESG strategy and practices and ensure continuous improvement in our governance structure and processes.

**Material Topics:**

- ESG Governance
- Business Ethics & Transparency



# SDG **ALIGNMENT**

BSRM recognizes that sustainable value creation is essential to long-term business resilience and growth. As a leading steel manufacturer in Bangladesh, we aim to support inclusive economic development, responsible industrialization, resource efficiency, environmental stewardship and social well-being.

Our ESG priorities align with the United Nations Sustainable Development Goals (SDGs) relevant to our business, stakeholders and operating context, connecting our commitments with global and national development objectives through focused actions, measurable targets and meaningful outcomes.

Our contributions include:

**Responsible Resource and Energy Management:** Improving operational efficiency and reducing energy consumption and emissions.

**Climate Action and Environmental Stewardship:** Managing our environmental footprint and promoting resource-efficient operations.

**Circularity and Responsible Material Use:** Optimizing raw materials and reducing, recovering and recycling waste.

**Occupational Health, Safety and Employee Well–being:** Promoting safe, healthy and inclusive workplaces.

**People Development and Inclusive Employment:** Supporting employee learning, capability building and professional growth.

**Ethical Governance and Responsible Business:** Upholding accountability, transparency, sound governance and regulatory compliance.

**Community Engagement and Social Development:** Supporting the well-being and resilience of communities associated with our operations.

Through these initiatives, BSRM seeks to maximize its positive SDG contributions while managing environmental and social risks across its operations and value chain. Going forward, we will strengthen the alignment of our ESG strategy, SDG priorities, performance indicators and measurable outcomes, supporting long-term business resilience and Bangladesh's sustainable development ambitions.

## Environmental




## Social




## Governance









# ENVIRONMENTAL

## INVESTING IN POSITIVE IMPACT

### Our Approach

BSRM's environmental strategy focuses on minimizing the impact of our operations on the natural world through sustainable products, processes, and corporate policies. We are committed to reducing energy consumption and waste, utilizing green and sustainable resources, and implementing robust environmental management systems. Our ISO 14001:2015 certified Environmental Management System (EMS) ensures strict adherence to global standards, guiding our efforts in decarbonizing operations and lowering CO2 emissions.

We embrace the circular economy by maximizing recycling and minimizing waste. Our commitment extends to water conservation and reducing air pollutants, safeguarding both the environment and the health of nearby communities.






## BSRM ENVIRONMENTAL HIGHLIGHTS 2025-2026

TRANSFORMING
## SCRAP INTO SUSTAINABILITY

| 2.34 MN TON | VS | 1.86 MN TON |
|---|---|---|
| FY 2025-26 | | FY 2024-25 |

SCRAP STEEL RECYCLED

In FY2025–26, BSRM recycled more than 2.34 million metric tons of scrap steel across its melting units one of the largest recycling initiatives in the regional steel industry. This achievement not only demonstrates leadership in circular economy practices but also delivers measurable benefits for the climate, natural resources, and communities.

This created a profound positive effect on the environment:

## CARBON SAVINGS
## 3.51 MILLION TONS
$CO_2$ avoided through scrap–based steelmaking

Recycling scrap instead of using virgin raw materials delivers substantial carbon savings. On average, each ton of recycled scrap avoids around 1.5 tons of $CO_2$ emissions compared with ore–based steelmaking. For BSRM, this translates into approximately 3.51 million tons of $CO_2$ emissions avoided in FY2025 — 2026 equivalent to removing nearly 760,000 cars from the road for an entire year.

**Breaking this down across the value chain:**

- **Scope 1 (Direct emissions):** By using scrap, BSRM required less furnace fuel, avoiding an estimated 351,000 tons of $CO_2$ from direct combustion.
- **Scope 2 (Indirect electricity use):** Recycling consumes less electricity than primary production, preventing about 527,000 tons of $CO_2$.
- **Scope 3 (Upstream & downstream activities):** Avoided mining, transport, and processing of iron ore and coal reduced emissions by approximately 2.633 million tons of $CO_2$.

## RESOURCE PRESERVATION

Avoided the mining of approximately 4.5 million tons of iron ore and 2.01million tons of coal, reducing the ecological footprint of raw material extraction.

## WATER CONSERVATION

**30 MILLION M³**

Water saved versus primary production routes

Steel recycling consumes about 40% less water than primary production. The recycled scrap helped save an estimated 30 million cubic meters of water, enough to meet the annual needs of over 400,000 people.

## CIRCULAR ECONOMY

By turning waste scrap into valuable steel products, BSRM reinforced a closed–loop system that minimizes waste, maximizes resource efficiency, and supports Bangladesh's sustainable growth.





# CLEAN ENERGY MILESTONES



## BSRM'S PATHWAY TO DECARBONIZATION & ENVIRONMENTAL STEWARDSHIP

BSRM is advancing its renewable energy transition with a clear focus on decarbonization, operational efficiency, and long-term sustainability.

In FY 2023–24, the 114 kWp solar projects at the Feni River Water Intake were commissioned, already delivering measurable electricity savings, $CO_2$ reductions, and environmental benefits.

By FY 2024–25, total installed solar capacity expanded to 3.43 MWp, and delivering measurable electricity savings, $CO_2$ reductions, and environmental benefits in BSRM Wires Ltd.

And FY 2025–26 over 10.07 MWp of additional solar installations completed across steelmaking units, warehouses, dormitories, and educational facilities and significant amount of electricity has been delivered and saving on power cost and $CO_2$.

Next FY 2026-2027 over 18.79 MWp of additional solar installations are scheduled across steelmaking units, warehouses, dormitories, and educational facilities and planned to save $CO_2$ significantly.

## ENERGY EFFICIENCY DRIVING ENVIRONMENTAL IMPACT

In FY2025–26, BSRM continued to strengthen its environmental stewardship by embedding energy and resource efficiency across its steelmaking operations. Through focused improvements in operational efficiency, resource optimization, and responsible production practices, the Company reduced its environmental footprint while enhancing the resilience of its operations.

## NATURAL GAS REDUCTION IN MELTING UNITS

In FY2025–26, BSRM reduced natural gas consumption in its melting units by 5.25%, from 2.970 to 2.814 NM³ per metric ton of steel. At a total production of 2.38 million MT, this improvement saved approximately 371,000 NM³ of natural gas and avoided an estimated 750 tonnes of Scope 1 $CO_2$ emissions. This efficiency gain conserves national resources, reduces dependence on non-renewable energy and supports Bangladesh's transition to a low-carbon economy while lowering the carbon footprint of steel production.

**5.25%** REDUCED MELTING UNITS NATURAL GAS CONSUMPTION

**750 TONS** $CO_2$ EMISSIONS AVOIDED UNDER SCOPE 1 FOOTPRINT



## FUEL EFFICIENCY IN ROLLING UNITS

**9.46%** REDUCED ROLLING UNITS LDO AND NATURAL GAS CONSUMPTION

Rolling operations achieved a 9.46% decrease in LDO and natural gas use per MT, with LDO dropping dramatically from 0.277 to 0.082 liters per MT. This shift reduces the release of sulfur oxides (SOx), nitrogen oxides (NOx), and particulate matter, directly improving air quality in industrial zones. It also lowers dependence on liquid fossil fuels, which are among the more carbon-intensive energy sources.

## WATER CONSERVATION

**11.7%** IN MELTING UNITS — REDUCED MELTING UNITS WATER USAGE PER MT

**2.35%** IN ROLLING UNITS

**100%** RECYCLED USED WATER IS OUR TARGET

Water consumption in melting units decreased from 0.682 to 0.666 m³ per MT, resulting in savings of approximately 38.5 million liters annually. This is enough to meet the annual water needs of more than 43,457 people — or over 10,864 households.

Moreover, during the year, BSRM also achieved 100% recycling of used water, ensuring that every drop is reused, reducing pressure on freshwater resources and safeguarding ecosystems.

## SLAG UTILIZATION & METAL RECOVERY – CLOSING THE LOOP

**5.05%** METAL RECOVERY EFFICIENCY

Through advanced slag processing, BSRM recovered 5926 tons of metal and 1136 tons of metallic dust, improving metal recovery efficiency to 5.05%. This ensures valuable metals are reintroduced into the production cycle rather than lost as waste. By doing so, BSRM reduces the need for additional mining, conserves natural resources, and minimizes landfill waste.

## CLEANER OPERATIONS – APC DUST & BY-PRODUCT MANAGEMENT

APC dust exports increased from 14,900 tons to 20,380 tons (a 36.78% increase).

**Impact:** Higher APC dust handling, reducing potential particulate air pollution by 5,480 tons annually and reuse of dust indicter BSRM committed to clean environment.

**Mill Scale:** 32,017 tons exported for reuse, supporting downstream industries and reducing industrial waste.

**Positive Outcome:** Improved air quality and reduced environmental burden of waste disposal.





# WASTE MANAGEMENT & CIRCULAR ECONOMY

In FY 2025-2026 BSRM advanced sustainable waste management through metal recovery and by-product utilization.

**METAL RECOVERY FROM SLAG**

**5.32%** INDUCTION FURNACE (IF) SLAG

**3.98%** LADLE REFINING FURNACE (LRF) SLAG

**BY-PRODUCT UTILIZATION**

↑**56.9%** YEAR-ON-YEAR
APC DUST & MILL SCALE EXPORTS

Supported downstream industries and reduced landfill burden

**Impact:**
More waste converted into valuable resources, lower environmental footprint, and stronger circular economy integration.

# BSRM SUSTAINABLE TECHNOLOGIES FOR A LOW-CARBON FUTURE

BSRM is driving sustainability through modern technology, transparency, and innovation.

### ENVIRONMENTAL TECHNOLOGY

BSRM has implemented Environmental Product Declarations (EPDs) and completed Life–Cycle Assessments (LCAs) for all its finished products, using GaBi ts software by Sphera. These steps ensure transparency in communicating the environmental impact of BSRM's products, verified by external agencies according to international standards.

### HEALTH, SAFETY, AND ENVIRONMENT MANAGEMENT

A dedicated team oversees the implementation of environmental policies, ensuring compliance with laws, regulations, and internal standards. Regular audits and impact assessments are conducted to integrate environmental considerations into decision–making processes.

### ADVANCED TECHNOLOGY FOR POLLUTION CONTROL

BSRM has adopted cutting–edge pollution control technologies to reduce emissions and ensure the optimal performance of equipment. Continuous process monitoring and maintenance are prioritized to minimize air pollutants.

# IFRS S1 & S2 DISCLOSURE – CLIMATE & RESOURCE EFFICIENCY PERFORMANCE

In line with IFRS S1 and S2 sustainability disclosure standards, as well as GRI and TCFD recommendations, BSRM has made measurable progress in reducing its environmental footprint across Scope 1, Scope 2, and Scope 3 emissions, while strengthening circular economy and water stewardship.

## BASIS OF REPORTING

This disclosure has been prepared in accordance with:

- IFRS S1 – General Sustainability–related Disclosures
- IFRS S2 – Climate–related Disclosures
- GRI Standards (GRI 302, 303, 305, 306)
- TCFD Recommendations (Governance, Strategy, Risk, Metrics/Targets)

The boundary of reporting covers BSRM's steelmaking operations, rolling units, and downstream processing facilities in Bangladesh. Scope 1, 2, and 3 data are reported with defined methodologies, generated and managed by internal management of the company and also independent assurance providers where applicable.

## GOVERNANCE (IFRS S1 & S2, TCFD)

**Board Oversight:**
The Board's Sustainability & Risk Committee oversees climate-related risks and opportunities.

**Management Role:**
CEO & CFO lead ESG Steering Group with periodical reporting.

**Incentives:**
Senior leadership's KPIs include ESG performance and renewable adoption.

## STRATEGY – CLIMATE & RESOURCE EFFICIENCY (IFRS S2, TCFD)

### Short–term (to FY2028)

- Integrate solar power projects at Wires, Steels, and Melting facilities.
- Publish absolute Scope 1–3 emissions and intensity metrics ($tCO_2e$/ton steel).
- Integrate hot charging, solar expansion, and water recycling across core operations.

### Medium–term (to 2030)

- Enhance carbon and water efficiency across all units.
- Achieve full circular use of by-products and industrial waste.
- Expand renewable energy capacity and biodiversity programs.
- 25% reduction in freshwater intensity per ton steel.
- 100% slag, dust, and mill scale utilization.
- Deploy 18 MW solar capacity by 2030.
- 1 million trees planted under biodiversity program.

### Long–term (2050)

- Align decarbonization pathway with global frameworks (SBTi).
- Transition toward low-carbon steel technologies (hydrogen, carbon capture).
- Build a climate-resilient, resource-efficient steelmaking model.



# RISK MANAGEMENT (IFRS S2, TCFD)

## TRANSITION RISKS (PLANNING VIEW, FY2022 BASE)

**01 Planning Inventory (Scope 1+2)**

~0.91 $MtCO_2e$ (based on 1.75 Mt crude steel × 0.52 $tCO_2e$/t).

**02 Shadow Carbon Price Exposure (annual)**

- At $25/t → ~BDT 2.5–2.8 billion.
- At $50/t → ~BDT 5.0–5.6 billion.
  (FX assumption: 110–120 BDT/USD)

**03 Energy Cost Sensitivity**

+10–15% potential increase from gas, LDO, and grid tariff adjustments in Bangladesh.

**04 Mitigations Underway**

Hot-charging billets, furnace and process efficiency projects, >18 MWp solar capacity in pipeline, power factor and demand management, and exploration of renewable PPAs/ RECs as policy frameworks mature.

## PHYSICAL RISKS

**Primary hazards:** cyclone, storm surge, riverine/flash flood, heat stress (Chattogram/Mirsarai belt).

**Sites with material exposure:** ~8 operating locations.

**Resilience coverage:** ~100% of sites with documented climate-resilience & emergency/BCP plans. (drainage upgrades, elevated MCC rooms, backup power, critical spares).

## OPPORTUNITIES

- Growing green steel demand from global buyers.
- Competitive advantage via scrap-based EAF (lower carbon vs BF-BOF average).
- Access to sustainability-linked loans and bonds.



# METRICS & TARGETS (IFRS S1, IFRS S2, GRI)

## BASE YEAR DEFINITION (FY2022) & RECALCULATION POLICY

**Base Year:**

FY2022. Rationale:

(i) stable operations across major steelmaking & rolling assets;
(ii) pre–step-change decarbonization (before large solar roll-outs);
(iii) complete, auditable energy & production data enabling trend analysis to FY2026+;
(iv) peer comparability with pre-2023 baselines.

**Recalculation triggers (IFRS S2–aligned):**

Restate FY2022 and affected targets if any single event changes reported emissions by ≥5% (material M&A/ divestiture; insourcing/outsourcing; methodology or EF updates ≥7%; structural capacity change ≥5%; material error). Apply to both location- and market-based Scope 2 where relevant.

## EMISSIONS INTENSITY (BASELINE FY2022)

~0.52 $tCO_2e$ per ton of crude steel (Scope 1+2, location-based).

Method: GHG Protocol; Scope 2 location-based using Bangladesh grid factors. Market-based to be disclosed once RECs/PPAs commence, so far there is no mechanism in Bangladesh.





# SBTI COMMITMENT

BSRM is committed to aligning with the Science Based Targets initiative (SBTi) and the 1.5°C pathway, adapted to Bangladesh's energy and economic landscape.

**Timeline**

Targets will be submitted by FY2027 with validation in FY2028.

**Scope 1+2**

BSRM is reducing operational emissions through energy efficiency, waste–heat recovery, and gradual adoption of renewable electricity, following best practices of regional low–carbon steel producers.

**Scope 3**

BSRM engages key suppliers to enhance material efficiency and logistics, leveraging its scrap–based production model to cut value chain emissions and strengthen reporting transparency.

**Context**

Bangladesh's steel demand is expected to grow 7–8% annually, placing upward pressure on absolute emissions. BSRM's scrap–based production provides a structural carbon advantage over BF–BOF producers, though deeper decarbonization will rely on renewable energy access, transport electrification, and international climate finance.

## Scenario Analysis Roadmap (Target: Publish by FY2028)

**Evaluate climate–related risks and opportunities across operations and the value chain under multiple global temperature pathways.**

**Assess exposure to physical and transition risks, including energy transition, policy shifts, and market dynamics.**

**Integrate scenario insights into strategic planning, capital allocation, and resilience initiatives.**

**Align disclosure and governance processes with IFRS S2 and TCFD recommendations to enhance transparency and investor confidence.**

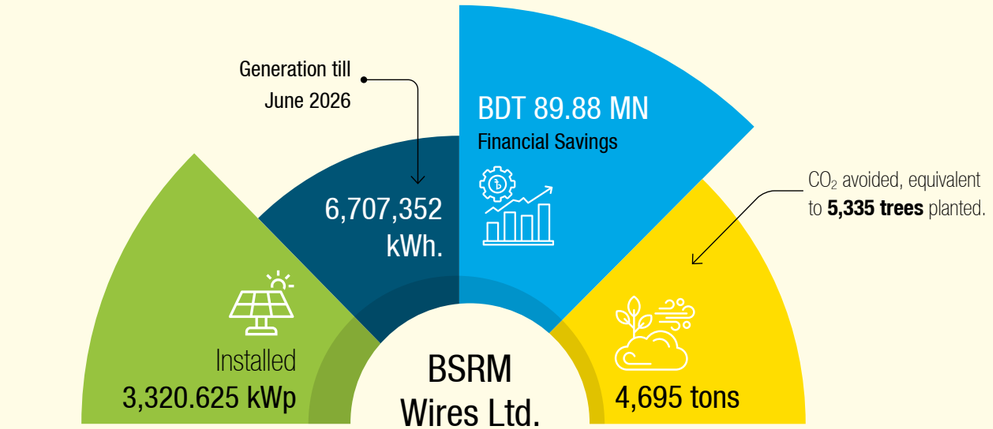
## Scope 1 – Direct Emissions ($tCO_2e$)

| Indicator | FY2025 | FY2026 | % Change | Benchmark (BF–BOF Avg) | Notes |
|---|---|---|---|---|---|
| **Natural Gas (Melting)** | 2.97 $NM^3$/MT | 2.814 $NM^3$/MT | ↓ 5.25% | 20–25 GJ/ton | 371,000 $NM^3$ saved (~750 $tCO_2$ avoided) |
| **LDO (Rolling)** | 0.243 L/MT | 0.082 L/MT | ↓ 65.84% | N/A | 380,000 liters saved (~1020 $tCO_2$ avoided) |
| **Petroleum Coke** | 0.169 Kg per MT | 0.135Kg Per MT | ↓ 20% | N/A | Lower SOx, NOx, PM emissions |
| **DRI** | 104 kg/MT | 79.340 kg/MT | ↓ 23.75% | N/A | Avoided ~87,000 tons of ore equivalent |

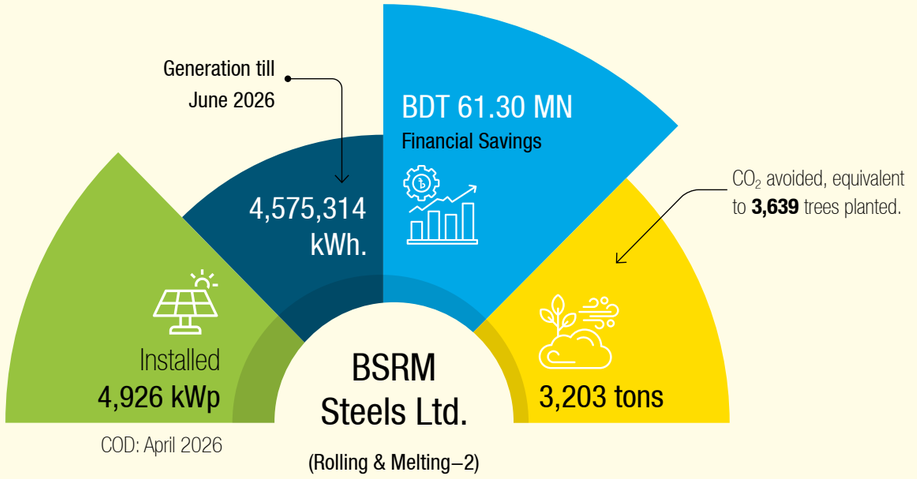
**Total Scope 1 Savings: ~1,770 $tCO_2$ avoided**

# SCOPE 2
## INDIRECT EMISSIONS (ELECTRICITY & HEAT)

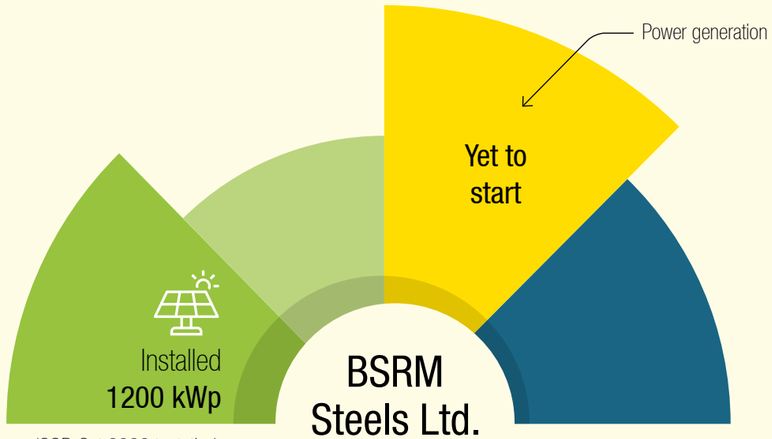
### RENEWABLE ENERGY TRANSITION – SOLAR PROJECTS:



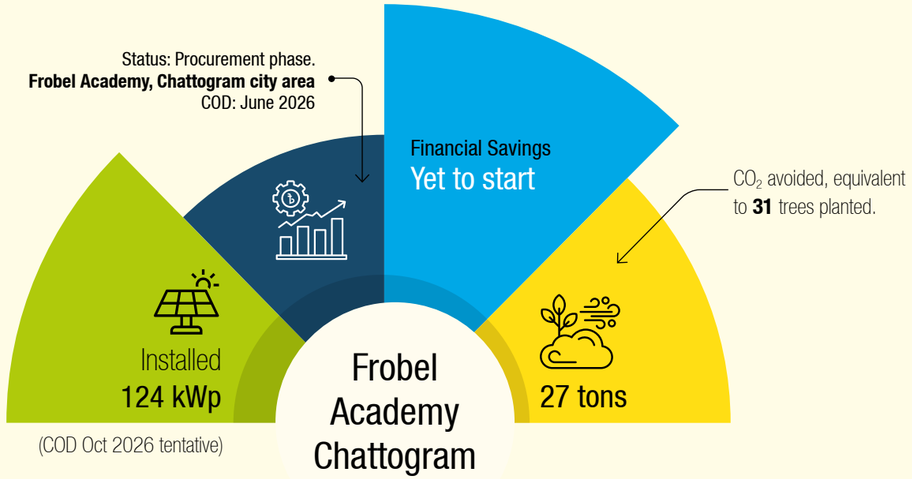

COD: April 2025; partial from Sep 2024




COD: April 2026




(COD Oct 2026 tentative).




(COD Oct 2026 tentative)

## Pipeline Projects

| Year | Operating units | Capacity | COD |
|---|---|---|---|
| FY 2026–27 | BSRM Steels Ltd. (Rolling-1 + RIL) | 3.15 MWp | COD Dec 2026 (tentative) |
| | BSRM Ltd. (City area units) | 3.63 MWp | COD Dec 2026 (tentative) |
| | BSRM Ltd. (Warehouses outside Ctg.) | 291 kWp | COD Dec 2026 (tentative) |

## Some more initiatives for Scope 2:

| Initiative | Performance | Impact | Benchmark |
|---|---|---|---|
| **Hot Charging (New Rolling Mill)** | Implemented | Reduced reheating demand, cut electricity & gas use | Best practice |
| **Scrap–to–Billet Yield** | +0.27% | Higher efficiency → reduced purchased electricity | Efficiency gain |

## Overall Scope 2 Impact (FY2026)

**Lower dependency on grid electricity.**

**~7,925 $tCO_2$ avoided**

# SCOPE 3 – VALUE CHAIN EMISSIONS

| Category | FY2026 Performance | Impact | Benchmark |
|---|---|---|---|
| **Scrap Recycling** | 2.34 million MT recycled | ~3.51 M $tCO_2$ avoided; 3.28 M MT iron ore + 1.73 M MT coal conserved | Global avg scrap use ~35% (BSRM significantly higher) |
| **Slag Processing** | 139,830 MT processed; 7,062 MT metal recovered; 1,136 MT metallic dust captured | Equivalent to ~20,000 MT iron ore mining avoided | Circular economy practice |
| **Dust & Mill Scale** | 52,397 MT reused; APC dust & mill scale exports increased by 56.9% (33,400 → 52,397 MT) | Lower landfill burden, improved industrial ecosystems | Industry best practice |

**Overall Scope 3 Impact:**
Avoided ~3.51 M $tCO_2$, strengthened circular economy.

### Water Stewardship (GRI 303)

- 11.7% reduction in water intensity in melting units (0.682 → 0.238 m³/MT).
- 2.35% reduction in water intensity in Rolling units (0.266 → 0.666 m³/MT).
- 104,316 m³ water saved annually (equal to 7000 + people's yearly needs).
- 100% closed-loop recycling in melting units.

**2030 Target:** 25% freshwater reduction (baseline FY2025).

### Waste & By–Product Utilization (GRI 306)

- Metal recovery efficiency: 5.05%.
- Mill scale reuse: 32,017 tons supplied to downstream industries.
- APC dust export increased: 36.78%
- Circular efficiency: >BDT 2,492 MN exported against by products for reuse.

**2030 Target:** 100% utilization of slag, dust, and mill scale.

### Biodiversity & Social License (TNFD)

- BSRM's Tree Plantation Program (BTP) continues to promote environmental restoration and community engagement through effective partnerships with stakeholders. More than 1,500 numbers of trees planted in FY 2025-2026 and overall tree planted 42,000 up to 2025-2026.
- The initiative supports local biodiversity enhancement, green cover expansion, and awareness on ecosystem conservation, contributing to broader environmental and social well-being.

### Assurance & Verification

Scope 1–3 emissions, water, and waste metrics are compiled using defined methodologies and verified internally by BSRM's sustainability and operations teams.

- Independent third-party assurance has not yet been undertaken.
- Plan: engage accredited providers by FY 2027 to validate under ISAE 3000 & ISO 14064.







# BSRM'S GREEN TRANSITION: CLIMATE STRATEGY & ENVIRONMENTAL ROADMAP 2025–2050

BSRM recognizes that sustainable steelmaking is central to Bangladesh's low-carbon transition. As climate change intensifies, our industry faces unprecedented scrutiny to reduce greenhouse gas (GHG) emissions, conserve resources, and safeguard ecosystems. In FY2025–26, BSRM made measurable progress in energy efficiency, emissions reduction, waste management, and water stewardship, while setting clear science-based targets to align with global benchmarks, including the Paris Agreement's 1.5°C pathway.

## Climate Change Mitigation & GHG Reduction

**Why This Matters:** The global steel sector contributes ~7% of GHG emissions. As Bangladesh industrializes, steel demand will rise, and low-carbon production will be critical.

### What We Achieved in FY 2026:

**Scope 1 (Direct)**

Reduced natural gas use in melting by 5.25% per MT (2.97 → 2.814 $NM^3$/MT) and LDO by 65.84% per MT (.243 → 0.082 L/MT), avoiding approximately 1,770 $tCO_2e$.

**Scope 2 (Indirect)**

Introduced hot-charging billets, reducing reheating furnace energy demand, and expanded renewable energy adoption through solar projects:

- **BSRM Wires Ltd. (3.59 million MWp):** Generated 3.159 million kWh, avoiding 2701 $tCO_2e$ (equivalent to 3,069 trees planted).
- **BSRM Steels Ltd. (4.57 Million MWp):** Generated 4.57 million kWh, avoiding 3203 $tCO_2e$ (equivalent to 3,639 trees).
- **BSRM Ltd. (0.145 million MWp):** Generated 0.145 million kWh, avoiding 101 $tCO_2e$ (equivalent to 115 trees).
- **Pipeline:** NMS Dormitory (1.2 MWp) and Frobel Academy, Chattogram.

**Scope 3 (Value Chain)**

Recycled 2.34 M MT scrap steel, avoiding ~3.51 M $tCO_2e$ and conserving 3.28 M tons of iron ore and 1.73 M tons of coal. Scrap recycling reduces manufacturing air pollution by 86% and water usage by 40%

### Targets & Way Forward:

- Publish Scope 1–3 emissions and intensity metrics.
- Strengthen energy efficiency and renewable integration.
- Align decarbonization pathway with SBTi and global practices.
- Promote circularity and low-carbon innovation across operations.





# AIR EMISSIONS MANAGEMENT

**Why This Matters:**

Air pollutants (SOx, NOx, PM) affect both environmental and community health.

## What We Achieved in FY2026

- Installed advanced fume treatment plants at all melting units and installed close custing system in another melting units in 2025.
- Increased APC dust exports by 36.78% (14900  20380 tons).
- Expanded use of dust–free scrap in melting, lowering particulate emissions.

## Targets & Way Forward

- Maintain 100% regulatory compliance with national and IFC standards.
- Deploy real–time emissions monitoring (CEMS)







# ENERGY MANAGEMENT

**Why This Matters:**

Steel is energy-intensive; energy cost and carbon footprint reduction are key to competitiveness.

## What We Achieved in FY2026

- Reduced electricity consumption by 1.173% per ton billet and 4.632% per ton rolled product.
- Achieved 1.56% reduction in ferro alloys use per ton billet.
- Reduced melting units natural gas consumption by 5.25% per MT, compared to 2024–2025.
- Converted 100% of lighting systems to LED.
- Initiated large–scale solar power projects totaling 18.79 MWp capacity under installation/operation (BSRM Wires Ltd, BSRM Ltd and BSRM Steels Ltd), delivering measurable $CO_2$ savings and financial benefits.

## Targets & Way Forward

- Expand renewable energy integration across production facilities.
- Enhance transparency by disclosing annual energy mix and efficiency metrics in ESG reports.
- Collaborate with industry peers and partners to adopt cleaner production and low–carbon energy solutions.
- Promote awareness and capacity–building programs on energy conservation within the organization.





# WASTE & HAZARDOUS MATERIALS MANAGEMENT

**Why This Matters:**

Steelmaking generates slag, dust, mill scale — if unmanaged, these harm land, water, and air.

## What We Achieved in FY2026

- Recycled 2.34 MT steel scrap.
- Processed 33,508.65 tons slag recovered 5,926 tons metal & 1,136 tons metallic dust.
- Exported 32,017 tons mill scale for reuse in related industry.
- Improved recovery efficiency to 5.05% (up from 4.87%).

## Targets & Way Forward

- Maximize recycling of slag, dust, and mill scale.
- Develop legacy waste recovery initiatives.
- Disclose waste diversion performance (GRI 306).
- Promote circular economy across the value chain.
- Achieve 100% utilization of slag, dust, and mill scale by 2028.





# WATER MANAGEMENT

**Why This Matters:**

Steelmaking requires significant water use; Bangladesh's climate vulnerability makes conservation critical.

## What We Achieved in FY2026

- The quantity of water utilized per MT of rolled product and billet production decreased by 11.7% and 2.35%, respectively, from the previous fiscal year.
- Saved 10,4316 m³ water, equal to annual needs of 7,000+ people.
- Achieved 100% water recirculation in closed–loop systems at core facilities.

## Targets & Way Forward

- Strengthen water efficiency and recycling across all operations.
- Implement rainwater harvesting and sustainable water use practices.
- Enhance disclosure of site–wise water withdrawal and discharge in line with GRI 303.
- Promote a culture of water stewardship and climate resilience within operations.





# BIODIVERSITY & ECOSYSTEM PROTECTION

**Why This Matters:**

Industrial activities can disrupt ecosystems; protecting biodiversity sustains social license to operate.

## What We Achieved in FY2026

- Expanded BSRM Tree Plantation Program (BTP) to 15 schools in Dhaka & Chattogram.
- Engaged communities and students in afforestation & site greening.

## Targets & Way Forward

- Plant 1 million trees by 2030 (monitor survival & $CO_2$ sequestration).
- Conduct baseline biodiversity surveys by FY 2027.
- Align disclosures with Taskforce on Nature–related Financial Disclosures (TNFD) by 2028.








# ESG PERFORMANCE SNAPSHOT – 2026

| Area | FY2026 Performance | Global Benchmark | 2030 Target |
|---|---|---|---|
| **Scope 1–3 Emissions** | ~3.51 M $tCO_2$ avoided via scrap; ~1,770 $tCO_2$ avoided via fuels; ~3,331 $tCO_2$ avoided via solar | Avg BF-BOF: 1.9 $tCO_2$/ ton steel | ↓15% carbon intensity; Net-zero by 2050 |
| **Scrap Recycling** | 2.34 milion MT recycled | Global avg scrap use ~35% | 100% maximization |
| **Water Intensity** | 0.0436 m³/MT (104.316 M liters saved; 100% recycling at melting units) | World avg: 3.8 m³/ton | ↓25% intensity by 2030 |
| **Energy** | 5.25% NG cut; 65.84% LDO cut; 18.665 MWp solar installed/underway ~BDT 151.18 million savings | 20–25 GJ/ton; <10% renewables in global avg | ↓15% intensity; 15 MW solar by 2030; 50 MW by 2040 (~30% electricity) |
| **Circular Economy** | 52,000+ tons by-products reused (slag, mill scale, APC dust) | Best practice = 100% utilization | 100% utilization by 2028 |

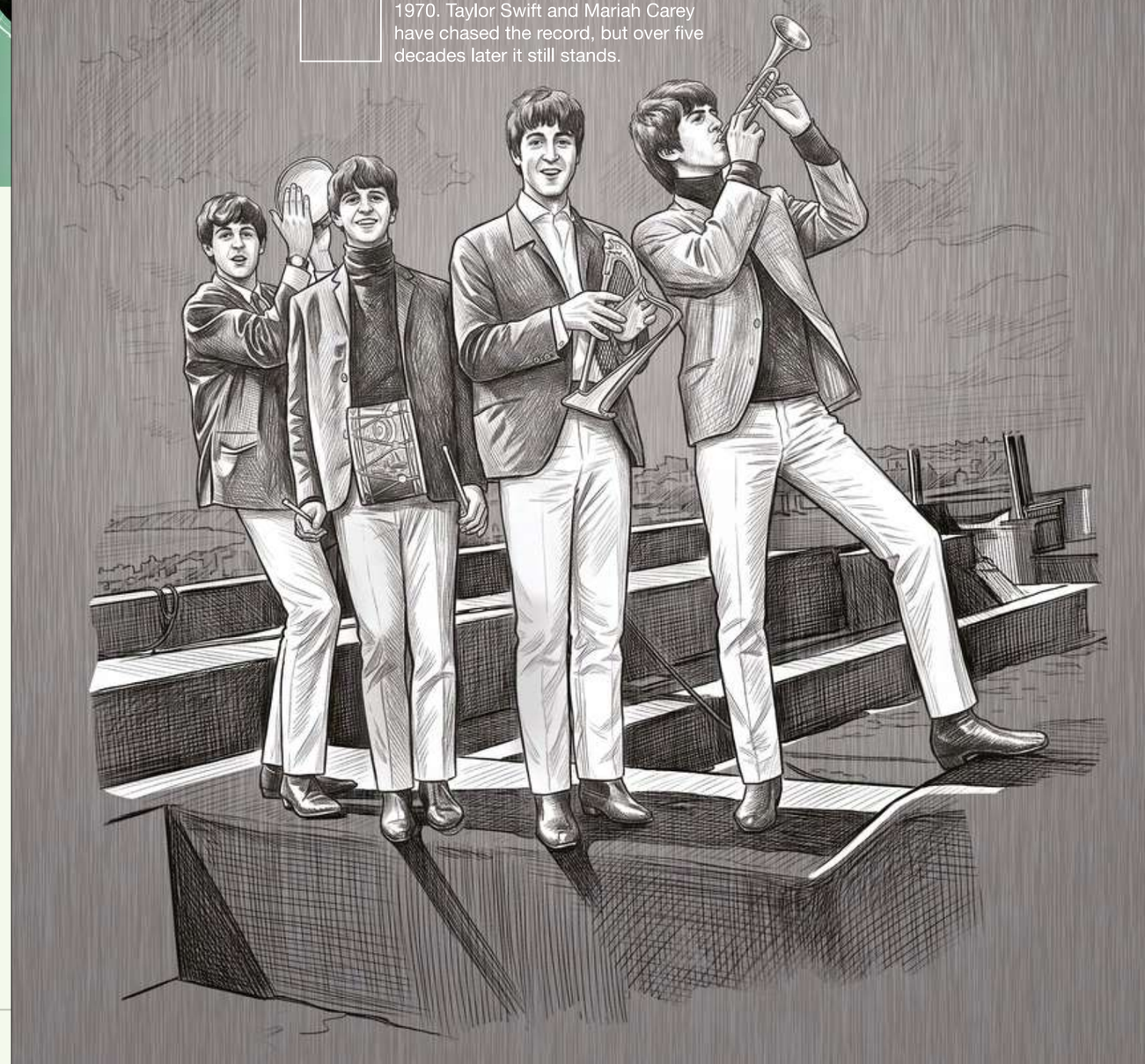


1

## THE BEATLES

**Most Billboard No. 1 Hits**
**1970–Present**

Twenty No. 1 hits on the Billboard Hot 100, and no one has topped it since 1970. Taylor Swift and Mariah Carey have chased the record, but over five decades later it still stands.






SOCIAL

# CULTIVATING CONNECTIONS

BSRM strives to create a culture that embraces diversity, equity, and inclusion and continues to optimize the success of its employees at every stage of the employee journey through benefits, growth opportunities, and wellness initiatives.

## How our approach to social issues supports the SDGs

### Good Health and Well–Being

We aspire to ensure health and well-being for all ages through equitable access to medicines and vaccines.

### Gender Equality

We aim to end discrimination against women and ensure equal leadership and workplace opportunities.

### Decent Work and Economic Growth

We promote inclusive and sustainable economic growth, employment, and decent and safe working environments.

### Reduced Inequalities

We empower and promote the social and economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or financial or other status.

### Partnerships for the Goals

We are working to create new partnerships to help attain relevant sustainable development goals.



## BSRM's Contribution to a Sustainable Global Economy through Social Initiatives

BSRM is committed to contributing to a sustainable global economy by addressing critical social issues through targeted initiatives. These initiatives focus on financial inclusion, employment generation, health, education, and community development, which are aligned with the United Nations Sustainable Development Goals (SDGs). By investing in these areas, BSRM aims to foster long-term social impact, promote inclusive growth, and uplift communities where it operates.

## FINANCIAL INCLUSION

### Empowering Local Communities through Access to Financial Resources

BSRM actively promotes financial inclusion by supporting local entrepreneurs, especially in marginalized communities. Through partnerships with microfinance institutions and local cooperatives, BSRM facilitates access to credit for small businesses, helping them grow and create more jobs. This initiative enables financial empowerment and builds economic resilience at the grassroots level, contributing to poverty alleviation and the economic inclusion of underserved populations.

### Key Actions:

- Partnerships with local financial institutions for micro–loans and entrepreneurial support.
- Financial literacy programs to equip communities with the knowledge to manage and grow their businesses.

## EMPLOYMENT GENERATION

### Driving Employment through Direct and Indirect Job Creation

As one of the largest steel producers in Bangladesh, BSRM plays a pivotal role in employment generation. The company directly employs thousands of individuals and indirectly supports thousands more through its supply chain and related industries. BSRM's operations also stimulate the local economy by engaging local suppliers and contractors, fostering job creation across the entire value chain.

### Key Actions:

- **Direct Employment:**
  BSRM creates jobs for skilled and unskilled labor within its plants and offices.
- **Indirect Employment:**
  Through its extensive supply chain, BSRM generates employment for local suppliers, logistics providers, and service industries.
- **Skill Development Programs:**
  The company invests in employee training and upskilling, ensuring a more qualified workforce that can meet the challenges of the modern economy.



## HEALTH INITIATIVES

### Improving Health and Well–Being through Accessible Healthcare Programs

BSRM is dedicated to enhancing the health and well–being of its employees and local communities. The company regularly conducts health camps in rural areas, offering free medical check–ups, vaccinations, and awareness programs. Additionally, BSRM provides healthcare services and health insurance to its employees, ensuring they have access to necessary medical care.

### Key Actions:

- **Health Camps:** Free medical camps in underserved areas, focusing on preventive care and treatment for common illnesses.
- **Employee Health Benefits:** Comprehensive health insurance and wellness programs for all employees.
- **Health Care:** Under the Health pillar of its ESG strategy, BSRM Group of Companies is committed to improving access to quality healthcare and strengthening the well–being of vulnerable communities. The Group's initiatives focus on delivering accessible primary and specialized healthcare services, promoting community sanitation and hygiene, and addressing childhood malnutrition among underserved populations.
- As part of this commitment, BSRM operates two hospitals, providing essential healthcare services to surrounding communities. During FY 2025–2026, more than 24,100 patients received treatment at these hospitals, reflecting the Group's continued efforts to improve access to quality healthcare and contribute to better health outcomes among the communities it serves.

## EDUCATION AND SKILL DEVELOPMENT

### Promoting Education and Vocational Training for Future Generations

BSRM places significant emphasis on education, understanding that it is critical for long–term social and economic development. The company has established several educational programs, providing scholarships to underprivileged students and supporting schools in rural communities. Additionally, BSRM runs vocational training programs to help young people acquire skills that enhance their employability in the job market.

### Key Actions:

- **Scholarship Programs:** Financial support for underprivileged students, enabling them to pursue higher education.
- **School Support:** Infrastructure improvements for local schools and provision of educational materials.
- **Vocational Training Centers:** Offering technical and vocational education in areas such as welding, machining, and electrical work, preparing young people for jobs in the steel and manufacturing industries.



## COMMUNITY DEVELOPMENT

### Fostering Inclusive and Resilient Communities

BSRM is deeply engaged in community development initiatives that are designed to improve the quality of life for local populations. The company supports infrastructure development, such as building roads, sanitation systems, and community centers in rural areas. Additionally, BSRM's social welfare programs provide housing, clean water, and sanitation facilities to impoverished communities, contributing to their overall well–being and resilience.

### Key Actions:

- **Infrastructure Development:**
  Contribution to community infrastructure projects, including road construction and the establishment of water and sanitation facilities.
- **Housing Projects:**
  BSRM provides financial and material support for housing projects aimed at improving living conditions for low–income families.
- **Social Welfare Programs:**
  Ongoing community outreach programs focusing on improving access to basic services and amenities.

### Impact and Alignment with Global Sustainability Goals

Through these social initiatives, BSRM not only improves the livelihoods of its employees and communities but also contributes to broader global efforts to achieve sustainable economic development. The company's efforts in financial inclusion, employment generation, health, education, and community development directly align with several United Nations Sustainable Development Goals (SDGs), including:



# OUR PEOPLE

BSRM considers its people a key driver of sustainable business performance, operational excellence and long-term growth. During FY2025–26, the Company focused on talent development, learning and capability building, performance management, succession planning, employee engagement, diversity and inclusion, and employee wellbeing.

Learning initiatives covered technical and functional skills, leadership, health and safety, digital capabilities, compliance and ESG. The Company leveraged SuccessFactors as its Learning Management System (LMS) and Skillsoft Percipio as its Learning Experience Platform (LXP), alongside induction, internal and external training, and Total Productive Maintenance (TPM)-related development initiatives.

BSRM maintained a systematic performance management process to align individual contributions with organizational objectives, provide regular feedback, recognize achievements and identify development needs. Employee engagement, recognition, health and wellbeing programs, grievance mechanisms and constructive employee relations further supported a fair, respectful and inclusive workplace. The Company also promotes responsible working conditions for third-party and outsourced workers.

## Employees (GRI 2–7)

As of 30 June 2026, BSRM employed 5,034 people, representing a 4.75% increase over the previous financial year. Certain detailed employee demographic and employment-contract information has not been disclosed due to confidentiality considerations.

## Our Human Capital

### Total Workforce Strength

**2,009** Employees

BSRM Ltd.

**2,037** Employees

BSRM Steels Ltd.

**988** Employees

Others Group Company

**5,034**

Total Employees

### New Employee Hires and Employee Turnover

BSRM is committed to providing equal employment opportunities regardless of age, gender, race, ethnicity or religion. During the reporting period from July 1, 2025 to June 30, 2026, BSRM recruited a total of 456 new employees. The age distribution of new hires was as follows:

- Under 30 years: **76%**
- 30–50 years: **23%**
- Over 50 years: **1%**

BSRM does not employ individuals below the age of 18 years, in accordance with its commitment to responsible employment practices and applicable legal requirements. During the period from July 31, 2025, to June 30, 2026, the voluntary employee turnover rate, excluding retirements and contract expirations, was 3.85%.

### Workforce Composition

**Technical strength**

BSRM **61%**

Steels **60%**

**Non–technical strength**

BSRM **39%**

Steels **40%**

## Workers who are not employees

BSRM engages non-employee workers through third-party and outsourcing arrangements to support its operations. These workers mainly assist in production, material handling, plant maintenance, housekeeping, security and other operational activities.



# OUR WORKING CULTURE

## A Structured and People–Centric Organization

We operate within a well-structured framework where roles and responsibilities are clearly defined, enabling accountability and alignment with business goals. HR policies are thoughtfully designed to balance employee wellbeing with responsible resource management. All policies are accessible via our HRIS portal, ensuring transparency.

## Performance–Based Culture & Leadership Development

Our KPI-driven performance system fosters accountability, identifies growth opportunities, and recognizes excellence. Through structured succession planning, we identify and prepare internal talent for leadership roles, minimizing operational risks.

## Succession Planning program

We have a structured Succession Planning Program to identify and nurture the organization's talents systematically and have successors ready for critical roles to minimize risks in smooth operation and future business growth.

### Engage our Employee

We nurture engagement through activities that promote collaboration, trust, and ethical values. Key initiatives include:

- **Attitude of Gratitude**
- **Team Huddles**
- **Vision and Values Celebrations**
- **Employees' Children Day & Education Achievement Awards**
- **Annual Mezban**
- **Nurture the Nature Program**
- **Different employee engagement event (world cup, world safety day etc.)**

### Engagement & Culture

At BSRM, employee engagement is more than a survey metric — it is a reflection of how connected, motivated, and aligned our people are with our purpose. We continuously invest in initiatives that foster collaboration, respect, and a strong sense of belonging.

**Recognition**

Celebrating achievements is core to our culture. Recognition programs include:

- **Best Employee of BSRM**
- **Living the Values Award**
- **Safety Icon Award**
- **Long Service Award**
- **Employee of the Month**
- **Sales Excellence Awards**

These recognitions inspire appreciation, motivation, and continuous improvement.



## Benefits provided to full–time employees that are not provided to temporary or part–time employees:

BSRM provides a range of employee benefits to eligible full-time employees in accordance with its HR policies and applicable rules. The eligibility varies by employee category and applicable policy. These benefits include

- Provident Fund and Gratuity;
- Healthcare and Hospitalization;
- Parental and Maternity Benefits;
- WPPF & Festival Bonuses
- Welfare benefits;
- Transportation/vehicle support where applicable;
- Employee Reward and Recognition

## Parental leave

BSRM provides maternity benefits to eligible female employees and paternity leave to eligible male management employees in accordance with its HR policies. Detailed leave utilization and return-to-work data are not publicly disclosed due to confidentiality considerations.

## Talent Acquisition & Development

Proportion of senior management hired from the local community

BSRM values professionals who understand the business environment, culture, and industry dynamics. The organization is committed to attracting, developing, and empowering talent by aiming sustainable business growth and building future leadership capabilities. During FY 2025–26, 100% of senior management at significant locations were hired from the local community (Senior Managers & Above). Key initiatives include:

1. Industrial visit and internship opportunities for graduating students to strengthen the talent pipeline.
2. Enabling and encouraging female engineers in heavy manufacturing sector through industrial attachment.
3. Industry-Academia Collaboration with different technical institutes and universities.
4. Participation in job fairs and seminars across Bangladesh to connect with emerging talent.




**Job Fair**

Security Personnel Trained in Human Rights Policies or Procedures

During FY2025–26, BSRM provided 1,200 man-hours of formal security training, including human rights. Informal awareness sessions on security and human rights practices were also conducted for employees and third-party security guards.

## Incidents of violations involving rights of indigenous peoples 411–1

No incidents of violations involving the rights of Indigenous Peoples were identified or reported during FY2025–26




**Celebrating PINK Month**




**BSRM Cricket Fest, 2026**



Celebrating Attitude of Gratitude Day




V&V Program




Children's Education Achievement Award








# NURTURE THE NATURE – EMPLOYEE ENGAGEMENT FOR SUSTAINABILITY

BSRM's "Nurture the Nature" initiative, implemented in collaboration with YPSA and BAPL, aims to strengthen employees' environmental awareness and promote sustainable agricultural practices. Through activities such as sapling plantation, organic farming and sustainable crop management, employees gain practical knowledge of environmental conservation and responsible resource use. The initiative also promotes employee wellbeing, teamwork and a sense of social responsibility, reflecting BSRM's commitment to sustainable development and a greener future.

## How many employees participate

Targeted employees are Management Employees of all bands.

We initially launched the program with Band E employees and have successfully organized four sessions — two at YPSA and two at BAPL — engaging 100 employees from various departments of our corporate office and manufacturing units. Encouraged by the positive response, we plan to continue this initiative over the next three years, as it has already emerged as one of the most preferred programs among our employee engagement initiatives.

## What Employees have experienced

Employees have the opportunity to engage in activities such as:

- **Sapling plantation and seed–bed preparation**
- **Learning about organic pesticide preparation and application**
- **Practicing fertilizer application and composting processes**
- **Exploring bio–friendly farming techniques** (pheromone, color traps, plantation in a GEO bag, etc.)

These hands-on experiences will not only provide relaxation but also help employees appreciate the hard work of farmers and the importance of eco-friendly agricultural practices.

## How Employees Benefit

### Stress Reduction & Well–being

Time spent in natural surroundings reduces stress, improves mood, and fosters creativity.

### Team Bonding

Shared activities in a different setting encourage collaboration and build stronger interpersonal connections.

### Fresh Thinking

Breaking away from daily routines inspires new perspectives and innovative ideas.

# DIVERSITY, EQUALITY & INCLUSION

At BSRM, we believe that diversity drives innovation, resilience, and long–term sustainability. A workforce that reflects the richness of society enables us to better understand our stakeholders, strengthen decision–making, and deliver inclusive growth.

**Our Commitments:**

### Inclusive Recruitment

All hiring practices are designed to ensure equitable access to opportunities, free from discrimination, bias, or barriers.

### Women Empowerment

Dedicated programs support the career progression of women, from entry–level to senior leadership roles, with mentorship, training, and leadership development tracks.

### Equal Opportunity Policy

A formally adopted Equal Opportunity Policy, aligned with ILO conventions and Bangladesh Labor Law, is fully integrated into our HRIS system and employee code of conduct.

### Community Engagement

BSRM actively partners with local communities and stakeholders to promote inclusion, equal access to skills development, and social equity.

### Ratio of basic salary and remuneration of women to men: 405–2

BSRM is committed to fair and equitable remuneration regardless of gender. Salaries are determined based on job responsibilities, qualifications, experience, skills, performance and organizational grade. Gender–based remuneration ratios are not publicly disclosed due to confidentiality considerations.



# PERFORMANCE & CAREER DEVELOPMENT

## Percentage of employees receiving regular performance and career development reviews 404–3

100% of our management employees are covered under a KPI-based performance management system. Within the management population, approximately –




At BSRM, Talent Management considered as high priority. Through performance management, succession planning and structured leadership development initiatives, we continue to build a strong internal talent pipeline that supports both the sustainable growth of our business and the long-term development of our people.

# COMPENSATION & BENEFITS

BSRM is committed to fair, competitive, and equitable compensation practices that support employee well-being and align with industry best practice.

## Pay Equity & Fair Wages

- **Median Employee Salary:** BDT 59,000 per month.
- **National Minimum Wage Benchmark:** BDT 8,000 per month (entry-level industrial workers).
- **% of Employees Above Minimum Wage:** 100% of BSRM employees earn above the statutory minimum wage.
- **COO–to–Median Pay Ratio:** Internally monitored in line with industry best practice, though not publicly disclosed.

**Rationale:** This demonstrates BSRM's strong commitment to equitable pay practices and compliance with both local law and global ESG benchmarks.



## Benefits Coverage

BSRM provides a comprehensive benefits package covering health, retirement, family support, education, and financial security.

| Benefit Category | Key Schemes | Coverage |
|---|---|---|
| **Health & Medical** | Hospitalization Scheme, Domiciliary Expenses, Executive Health Check-up | 100% employees covered |
| **Retirement & Security** | Provident Fund Policy, Gratuity Policy, Group Life Insurance | 100% employees covered |
| **Parental & Family Support** | Maternity Benefit, Parental Leave, Children's Education Scheme, Employee Children Achievement Award | 100% employees covered |
| **Leave & Travel** | Leave Policy, Hajj Leave, Leave Assistance, Leave Fare Assistance (LFA), Business Travel Policy | 100% employees eligible<br>*Designated employees are eligible for LFA |
| **Financial & Other Benefits** | Festival Bonus, Group Car/Motorcycle, Salary Advance, Loan Policy, Laptop Policy, Mobile SIM & Data Card, Rewards & Recognition | 100% employees eligible |



# LEARNING & DEVELOPMENT

## Average Hours of Training per Year per Employee

**Overall**
**31.22 hours**
per employee

**Male**
**40.54 hours**
per employee

**Female**
**31.11 hours**
per employee

## Training and Development

BSRM invests in employee learning and skill development through technical, functional, safety, leadership, digital and professional training. Training data covers BSRM Steels Limited, Bangladesh Steel Re-Rolling Mills Limited and BSRM Wires Limited.

Training programs are tailored to different employee categories, including the Leadership Team, Senior Management, Middle Management, Executive-level and Non-management employees. Key areas include leadership, technical and operational excellence, ESG, digital transformation, occupational health and safety, maintenance, sales, compliance and functional competencies.

## Internal Learning and Development Programs

BSRM provides internal training, induction and orientation programs to strengthen job-related knowledge, technical skills and operational efficiency. Programs cover product knowledge, manufacturing processes, TPM, 5S, workplace safety, digital tools, leadership, communication, finance, taxation, governance and sustainability.

SuccessFactors LMS and Skillsoft Percipio LXP support structured, role-based learning. TPM-related training also helps strengthen employee capabilities and supports the Company's progress toward TPM certification.



L.O.V.E Living Our Values Everyday" Training



Emergency Response Team

## External Learning & Development Programs

During FY2025–26, BSRM provided external learning opportunities in leadership, technical and operational excellence, digital transformation, sales, project management, ESG, safety and regulatory compliance. These programs engaged over 500 participants and delivered more than 7,000 training man-hours, strengthening employee capabilities through specialized knowledge and industry expertise.




"Bangladesh Labor Law" training



"TPM Training"

# WORKPLACE WELLBEING

A healthy workforce is central to our productivity. We offer hospitalization and domiciliary schemes, partnerships with leading hospitals, and preventive care programs:

- Eye Camps I Heart Check-ups I Diabetes Screening
- Basic Life Support (BLS) Training
- Executive Health Check-ups

## Eye Camp: Better Eyes for Better Life:




## Health Check–ups I Diabetes Screening:

BSRM promotes employee health and wellbeing through periodic health check-ups, on-site health camps and medical assistance. Regular monitoring of blood pressure, blood sugar, cholesterol and BMI, with special attention to high-risk employees, supports early detection and timely management of health conditions, ensuring a safer and healthier workplace.

## Workshop on Basic Life Support (BLS) & CPR:

BSRM organized a Basic Life Support (BLS) and CPR workshop in collaboration with an expert consultant from Evercare Hospital Chattogram. The workshop trained 66 participants, including 58 First Aiders and 8 Medical Assistants, along with Safety Team members, in life-saving techniques to respond effectively to cardiac emergencies, choking and sudden loss of consciousness.




Hepatitis-B Screening Campaign

# WOMEN
# EMPOWERMENT

At BSRM, we believe that gender diversity is not only essential for the growth of our organization but also vital for the progress of our nation. As an equal opportunity employer, we are committed to creating an inclusive environment where women are encouraged to thrive and contribute meaningfully.

We actively encourage female professionals to join our workforce and pursue fulfilling careers across all levels of the organization. Our workplace is designed to be safe, respectful, and supportive, ensuring that women feel empowered, motivated, and valued in everything they do.

By promoting women's participation and leadership, we are building a stronger, more diverse BSRM—one where every voice matters.

## Celebrating International Women's Day



Celebrating International Women's Day

## The industrial attachment has been given for:

**317 students**

## Industry visited

**748 students** from different institutes as part of their academic purpose.

Seen our modern technology of steel manufacturing process.

## Industry–Academia Collaboration

BSRM recognizes the importance of investing in the future workforce and is committed to providing training and development opportunities for young people in the local community. The organization has implemented several initiatives to support youth upskilling university students.









# INTERNSHIP
# PROGRAMS

BSRM runs an internship program designed to provide students with practical knowledge and experience through on-the-job training and project work. This hands-on approach ensures that interns can apply what they learn to their future professional careers. Additionally, the program allows us to identify potential candidates for future opportunities within BSRM. We have provided internship opportunities to 43 students from 21 number of universities in Bangladesh.




## Industrial Relations

Our skilled workforce is at the heart of producing the highest quality steel. We maintain close communication channels with employees, ensuring a safe and trusted workplace where every voice is heard.

# ABOUT OUR **SUPPLY CHAIN**

### Supply Chain Management

BSRM is committed to maintaining a responsible, resilient and transparent supply chain by integrating environmental, social and governance (ESG) considerations into procurement and supplier management. Its procurement covers scrap, raw materials, machinery, spare parts, consumables and logistics services, ensuring quality, competitive sourcing and reliable delivery.

During FY2025–26, 100% of newly onboarded Tier–1 suppliers were screened against environmental criteria, while new suppliers were assessed for labour practices, human rights and workplace safety. Minor safety non–compliances identified at two supplier facilities were addressed through corrective action plans. BSRM also promotes responsible sourcing, local procurement and logistics efficiency to reduce environmental impacts, support regional economies and strengthen supply chain resilience.

## Affiliations & Intelligence

**Proud Member**

worldsteel ASSOCIATION

ISRI Institute of Scrap Recycling Industries, Inc. — Voice of the Recycling Industry

Bureau of International Recycling

MATERIAL RECYCLING ASSOCIATION OF INDIA — Voice of the Indian Recycling Industry

## Our Expectation

**01. Assurance of Supply**

Ensure the supply of required resources as per location, quantity, quality and time.

**02. Quality**

Ensure the supply of quality as per systems/processes available, and health authority & governance structure.

**03. Service**

Ensure the supply of service based on cultural fit, training, expertise, outsourcing model, management support & oversight.

**04. Cost**

Ensure the effective cost based on competition, transparency, financial stability and financial models of the suppliers.

**05. Innovation**

Ensure the continuous innovation through statistical scientist group, productivity/ process improvements, and technological solutions.

**06. Regulatory Compliance**

Ensure the compliance with international and local standards and guidelines to reduce or eliminate risks and uncertainties.

**07. Environmental Compliance**

Ensure conformity to the eco-friendly product sourcing, environmental laws, regulations and standards (ISO and others).



# SUPPLY CHAIN & **HUMAN RIGHTS**




At BSRM, we recognize that our responsibility extends beyond our own operations into the supply chains that support our business. We are committed to building a transparent, ethical, and resilient supply chain that safeguards human rights, upholds labor standards, and ensures compliance with international best practices.

Our Supplier Code of Conduct, formally adopted and integrated into procurement contracts, is aligned with:

- ILO Core Conventions (freedom of association, no child/forced labor, fair wages, safe working conditions).
- UN Guiding Principles on Business & Human Rights (UNGPs).
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Bangladesh labor laws and international modern slavery standards.

This code covers:

**Labor Rights & Fair Compensation:**
Prohibition of child and forced labor, freedom of association, and fair wages.

**Working Hours & Benefits:**
Alignment with legal standards, including reasonable working hours and access to statutory benefits.

**Health & Safety:**
Proactive workplace safety, risk prevention, and compliance with occupational health standards.

**Ethical Business Practices:**
Zero tolerance for corruption, bribery, or conflict of interest in procurement.

**Environmental Responsibility:**
Resource efficiency, waste management, and compliance with environmental laws.

## FY2026 Oversight & Performance

### Supplier Screening & Coverage

- **% New Suppliers Screened:** 100% of new suppliers screened against ESG criteria prior to onboarding.
- **% of Spend Covered:** 100% of total procurement spend was with suppliers screened for compliance.
- **Screening Scope:** Criteria include labor rights, safety, wage compliance, corruption risk, and environmental performance.

### Supplier Risk Mapping

- All suppliers were mapped into **low, medium, and high–risk** categories based on sector, geography, and labor intensity.
- High-risk categories include raw materials and outsourced labor services.

### Grievance & Whistleblowing

- **Coverage:** Grievance mechanisms accessible to 100% of suppliers.

### Human Rights Due Diligence Beyond Tier 1

- While current monitoring focuses primarily on Tier 1 suppliers, BSRM has initiated a mapping exercise for Tier 2 and Tier 3 suppliers (particularly in raw materials and logistics) to enhance traceability and reduce hidden risks.

### Local Sourcing & Economic Impact

- 25% of total procurement spend directed to local suppliers, strengthening domestic supply chains, reducing logistics-related emissions, and supporting national economic resilience.





# BSRM HEALTH, SAFETY & WELL-BEING – FY2026



At BSRM, the health, safety, and well–being of our employees, contractors, and partners remain a core priority. We are committed to a zero–harm workplace and continuously strive to prevent accidents, protect health, and promote well–being across all operations.

Our practice and disclosure follow GRI 403: Occupational Health & Safety, IFRS S1 & S2 standards, and industry best practices for transparency, comparability, and accountability.

## Governance & Management

- Occupational Health & Safety Policy: Group-wide, aligned with ILO conventions, Bangladesh Labor Law, and international safety standards.
- OHSMS Integration: Safety is embedded into project planning, operational controls, contractor management, and daily work practices.
- Board Oversight: Safety performance is reviewed periodically by the Board's HSE Committee.
- Assurance Roadmap: Safety KPIs are internally verified;  External Audit is being done by ISOQAR on ISO 45001 every year.

## Safety Data Coverage

All safety data disclosed in this report covers 100% of direct employees and contractors engaged in our premises in FY2026 operations. Contractors are fully integrated into our safety programs, reporting, and training systems.

## Safety Performance – FY2025–26

Lagging Indicators (GRI 403–9)

| Indicator | Unit | FY2025 | FY2026 | Disaggregation (FY2025) |
|---|---|---|---|---|
| **Fatalities (employees + contractors)** | Number | 1 | 2 | 2 Contractors, from melting unit & Warehouse |
| **Lost Time Injuries (LTI)** | Number | 8 | 12 | 6 contractors, 2 permanent employees (all male, Melting & Rolling operations) |
| **Lost Time Injury Frequency Rate (LTIFR)** | Per 1m hours worked | 0.464 | 0.540 | - |
| **Total Recordable Injury Rate (TRIR)** | Per 200k hours worked | 0.093 | 0.108 | - |
| **Severity Rate (SR)** | Lost days per 200k hours worked | 6.05 | 7.73 | - |
| **Occupational Illness Cases** | Number | - | - | - |



**Formula for LTIFR**

$$\text{LTIFR} = \frac{\text{Number of LTIs} \times 1{,}000{,}000}{\text{Total hours worked}}$$

**FORMULA FOR TRIR**

$$\text{TRIR} = \frac{\text{TOTAL RECORDABLE INJURIES X 200,000}}{\text{TOTAL HOURS WORKED}}$$

## Leading Indicators (GRI 403–7, SASB)

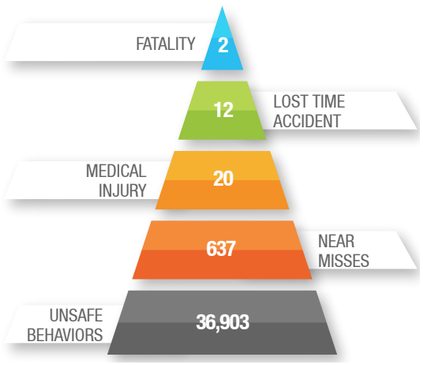
| Indicator | Unit | FY2025 | FY2026 | Target FY2027 |
|---|---|---|---|---|
| Near misses reported | Number | 272 | 637 | >300 |
| Unsafe acts/conditions reported | Number | 11,853 | 36,903 | >12,000 |
| Safety training hours delivered | Hours | 111,198 | 32,225 | >120,000 |
| Avg. safety training per employee | Hours | 14 | 3 | 15 |
| % workforce covered by safety training in BSRM premises | % | 100% | 100% | 100% |
| Corrective actions closed within timeframe | % | 95% | 97% | 100% |

During FY2025–26, BSRM conducted 1,685 safety training sessions and 1,908 inspections and safety audits across plants, warehouses and jetty operations. Other highlights included near-completion of the TPM Safety Pillar, an HSE Monitoring Matrix for all plants and warehouses, timelines for critical HSE SOPs (LOTO, work at height, confined space entry, chemical handling and emergency preparedness), and Occupancy Certificates for five plants.

**Goals Achievement**




### Data Combined for all Manufacturing Units:




| Indicator | Target FY2027 |
|---|---|
| Fatality | 2 |
| LTA | 12 |
| Medical Injury | 20 |
| Near miss | 637 |
| Unsafe act/condition | 36,903 |

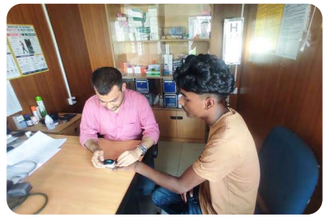




## Occupational Health & Well–Being (GRI 403–6)

BSRM recognizes that health and well-being are integral to safety performance.

- **Medical Check–ups:** Annual medical examinations provided to 100% of employees.
- **Ergonomic Assessments:** Conducted for high-risk jobs (rolling, melting, logistics).
- **Mental Health & Stress Management:** Counseling sessions and awareness programs held at major sites.
- **Occupational Disease Monitoring:**
  - Hearing loss: 0 cases
  - Respiratory illness: 0 cases
  - Ergonomic/musculoskeletal disorders: 0 cases reported in FY2026







## Safety Programs & Initiatives

BSRM recognizes that health and well-being are integral to safety performance.

### 1. Safety Monthly Gate Meeting

The Safety Monthly Gate Meeting was introduced across all plants from FY 2025–26 as a structured monthly platform to strengthen HSE leadership, accountability, and proactive safety management.

During each monthly meeting:

- Previous month's leading and lagging HSE KPIs are reviewed.
- Key incidents, near misses, observations, and HSE performance gaps are discussed.
- Plant-wise improvement priorities and required actions are identified.
- A monthly HSE theme is selected for the current month based on identified risks and organizational priorities.
- Focus areas may include Permit to Work (PTW), Work at Height, Chemical Safety, Emergency Preparedness, LOTO, Machine Safety, Fire Safety, etc.
- The selected theme is communicated to the workforce through toolbox talks, awareness sessions, inspections, and focused activities throughout the month.

**Purpose:** To move from reactive incident management toward a planned, risk-focused, and KPI-driven safety culture across all plants.













### 2. Safety Awareness Communications

A continuous Safety Awareness Communication Program was implemented to strengthen safety awareness and encourage proactive risk prevention across the organization.

**Key communications included:**

- Heat Stress Awareness – precautions and preventive measures during hot weather.
- External Fire Incident Learnings – safety alerts and lessons learned from fire incidents in other industries to prevent similar occurrences.
- Road Safety Communications – defensive driving, pedestrian safety, vehicle movement, and road safety awareness posters.
- Festival Safety Communications – safety precautions during major festivals and holidays.
- Seasonal Health Awareness – health and safety precautions associated with seasonal changes.
- Ramadan Health & Safety Awareness – guidance on maintaining health, hydration, fatigue management, and safe working practices during Ramadan.
- Emergency & Incident Awareness – relevant safety alerts and preventive messages based on emerging risks and incidents.

Purpose: To ensure that important HSE messages reach employees regularly and that lessons from internal, external, seasonal, and emerging risks are converted into preventive awareness actions.















## World Safety Day 2026 celebration

On **28 April 2026**, BSRM observed the **World Day for Safety and Health at Work** through a **Health & Safety Week** program across its units in Bangladesh.

The 2026 campaign was aligned with the theme **"A Safe Workplace Powers Sustainable Development"**, highlighting the connection between workplace safety, employee well-being, and sustainable organizational growth.

The Health & Safety Week featured various **awareness, engagement, and safety–focused activities** across plants, warehouses, and other BSRM locations. Employees from different levels and functions participated in the initiatives, creating wider engagement and reinforcing the importance of safety as a shared responsibility.







Message from Honorable Chairman sir

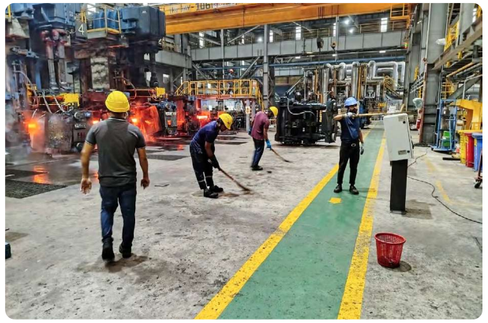
## Key Highlights

| | | |
|---|---|---|
| 1 | No of Plants | 10 |
| 2 | No of Warehouses | 10 |
| 3 | No of locations | 23 |
| 4 | No of category for competition | 8 |
| 5 | No of participants in competitions | 2500+ |
| 7 | No of departments awarded with safety culture trailblazer award | 10 |
| 8 | No of people engaged | 7000+ |
| 9 | No of partner contractors Organization Engaged | 65+ |












Pictures of World Safety Day celebrations in all our units

## World Environment Day 2026:

BSRM Group commemorated **World Environment Day 2026** across its operations, aligning with the global theme of **"Climate Action."** In line with this theme, BSRM is undertaking several initiatives focused on reducing environmental impact, conserving natural resources, and building a more sustainable and climate-resilient operation.







## Safety Campaigns & Engagement

### 1. Zero Access Movement Campaign 2026

BSRM Group of Companies launched a focused Zero Access Movement Campaign as part of our ongoing commitment to workplace safety and proactive risk management.

The campaign encouraged employees at all levels to actively identify and report potential hazards within their work areas, fostering a culture of vigilance and shared responsibility.

### Campaign Highlights:

- Conducted across 10 plants & 04 Warehouses within the group
- No of Toolbox on Machine Guarding 581
- 20 training session covered 337 employees
- No of machine accessed 1719, Gap identified 3126 and group closure percentage up to June 2025 is more than 90%

The campaign strengthened employee engagement and significantly enhanced our organization's overall safety culture, contributing to safer workplaces and reduced risks.



















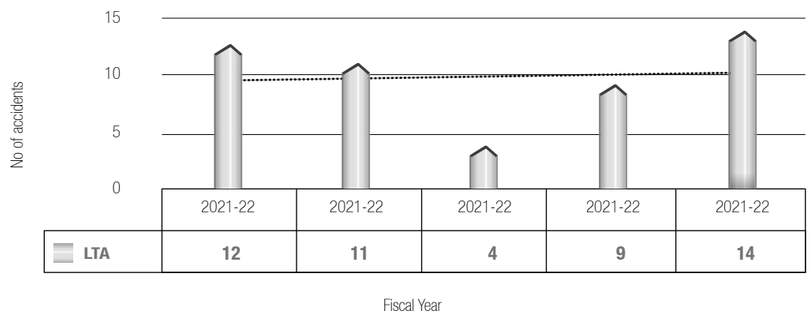

## Accident Management & Learning

### BSRM Commitment to prevent accidents:

During FY2025–26, BSRM Group strengthened workplace safety through systematic investigations of lost-time accidents, first-aid cases, near misses and dangerous occurrences. The Safety Team conducted root-cause analyses, risk assessments, inspections, training and awareness activities to prevent recurrence. Key initiatives included sharing One-Page Safety Learnings, applying Poka-Yoke (mistake-proofing) measures and replicating corrective actions across plants to enhance safety performance.

These initiatives demonstrate BSRM Group's continued commitment to learning from incidents, strengthening preventive controls, and continuously improving workplace safety performance.

**Accident Status**



## Contractor & Supply Chain Safety

Engagement of third-party contractors at BSRM is managed through a structured process in accordance with **BSRM policies, applicable legal requirements, and safety standards.** Safety requirements are incorporated into Supply Chain agreements to ensure contractors understand and comply with BSRM's safety expectations.

Before engagement, contractor **competency, capability, legal compliance, required licenses, statutory documents, and commitment to BSRM safety requirements** are assessed and verified.

### Key Safety Controls

- Contractor evaluation/trial for new contractors and new work areas.
- Activity- and role-wise **hazard identification, HIRA/JSA and safe work procedures** before work commencement.
- Mandatory **safety induction, specific and task–specific training.**
- **Competency assessment,** including verbal/written evaluations where required.
- Identification, provision and monitoring of **general and task–specific PPE.**
- Communication of **emergency procedures and safety requirements** before work.
- Initial supervised deployment of new workers through a **buddy/observer system.**
- Regular **HSE monitoring and contractor performance evaluation.**
- Periodic assessment of **training effectiveness and compliance** with documented records.

Through these controls, BSRM ensures third-party workers are **competent, trained, properly equipped, and compliant with company and applicable legal safety requirements** before and during their engagement.



## Safety Culture










- Recognition programs: Safety Icon Award, Living the Values, and contractor excellence awards.
- Safety Circles active in all plants and warehouses.
- Near-miss reporting encouraged with positive reinforcement.

## Path Forward – FY2027 Targets

1. Obtain ISO 45001 certification for all major plants.
2. Reduce LTIFR by 10% YoY.
3. Ensure 100% employee & contractor coverage in safety training.
4. Launch real-time group-wide HSE dashboard.
5. Introduce Behavior-Based Safety (BBS) program.
6. Achieve 100% closure rate on corrective actions.

Expand occupational health initiatives to include nutrition and mental wellness programs.









# CORPORATE SOCIAL RESPONSIBILITY (CSR)



## BSRM CSR APPROACH – 2026 & BEYOND

Corporate Social Responsibility (CSR) at BSRM is no longer just a compliance requirement — it is a core strategic pillar of our vision. In FY2026, we have strengthened our approach to ensure that every initiative not only uplifts communities but also generates shared and sustainable value for all stakeholders.

BSRM continues to invest in building social capital by working through community-driven partnerships and ownership models. Our focus remains on inclusive growth, ensuring that marginalized and vulnerable groups gain access to opportunities in education, healthcare, livelihoods, and climate resilience.

Through targeted outreach programs, structured investments, and socially conscious business practices, BSRM aims to:

- Empower underprivileged communities with tools for self-reliance.
- Bridge social and economic gaps through equitable access to resources.
- Promote sustainability by aligning community development with global goals (SDGs, GRI, IFRS S1/S2).

Our commitment for 2026 and beyond is clear: to create an ecosystem where business success and social progress move forward together — ensuring that BSRM plays a meaningful role in building a more inclusive, resilient, and equitable society.



# CORPORATE SOCIAL RESPONSIBILITY: POLICY AND IMPLEMENTATION AT BSRM

## CSR Policy Overview:

BSRM's Corporate Social Responsibility (CSR) policy is focused on creating a positive impact through sustainable community development. The company adopts a 360° project approach, ensuring that each CSR initiative is thoroughly planned, executed, and monitored with stakeholder involvement. BSRM aligns its CSR activities with the UN Sustainable Development Goals (UNSDGs), focusing on areas such as poverty eradication, education promotion, gender equality, environmental sustainability, and health initiatives.








## BSRM Group: Need Assessment Process Flow

**Community Consultation**
- Engagement with local stakeholders
- Identify felt vs. unexpressed needs

**Feasibility & Baseline Survey**
- Quantitative baseline data collection
- Across target beneficiary groups

**Approval & Alignment Strategic evaluation**
- against BSRM Group CSR Policy
- Alignment with national development goals

**Local Execution & Monitoring**
- Partnering with local administration and NGOs
- Transparent delivery

### Geographic Footprint

CSR Footprint FY 25-26

1,600 + Persons with Disabilities

500 + Gender -Diverse Population

1,400 + Trees Planted




Total Beneficiaries 126,300+

Direct Beneficiaries 47,500+

Indirect Beneficiaries 78,800+

Children 21,300+
Girls: 58.61%
Boys: 41.38%

Adults 26,200+
Female: 52.40%
Male: 47.60%

### BSRM CSR KEY PRINCIPLES

**COMMUNITY PARTICIPATION**
- Grassroots stakeholder engagement
- Projects reflect real, localized needs
- Foster community ownership

**TOTAL TRANSPARENCY**
- Clear financial reporting
- Structured progress audits
- Open communication channels

**STATUTORY COMPLIANCE**
- Adherence to national regulatory frameworks
- Follow government guidelines
- Meet international CSR standards

**ZERO–WASTE EXECUTION**
- Optimizing resource allocation
- Minimize administrative overhead
- Maximize direct on-the-ground impact

## CSR Investment & Governance – FY2026

| CSR Expenditure | Program Evaluation |
|---|---|
| BDT **137 MN**, representing **1.91%** of Profit After Tax (PAT) in FY2026. | **100%** of CSR initiatives were independently evaluated, with the remainder assessed through internal monitoring frameworks. |

### Board Oversight

The CSR committee of the Board plays a central role in governing BSRM's community and social investments. Its responsibilities include setting strategic direction, approving CSR policies and budgets, monitoring performance against KPIs, overseeing risk and compliance, facilitating stakeholder engagement and reviewing CSR disclosures.

**Assurance Roadmap:** All projects are currently monitored and evaluated internally.

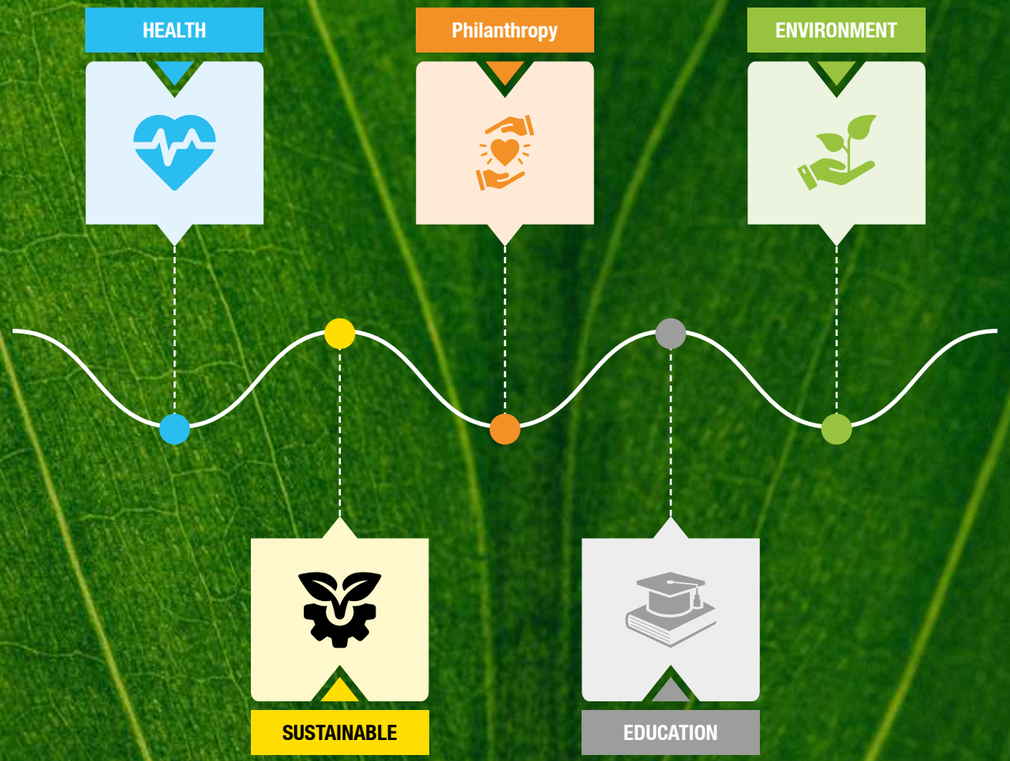
## BSRM CSR Impact Pillars – FY2026

| Area | Focus | Key Initiatives | Alignment |
|---|---|---|---|
| **Education & Skill Development** | Enhancing access to education and building a skilled future workforce. | • Burhani BSRM School (free schooling, books, IT training, stipends)<br>• BSRM School of Engineering (BRAC University)<br>• Technical Training Centers (BFTTC, Chattogram)<br>• Employee Education Program (BEEP loans for higher education)<br>• Industrial attachments, internships, and factory visits for students<br>• Global One (UK) – Orphan Education Support<br>• DRRA – Children with Disabilities Education<br>• Cantonment Public School & College (ex-Green Hill)<br>• BAF Shaheen Scholarship Program)<br>• Genius Scholarship (CZM) | GRI 404 – Training & Education<br>SDG 4 Quality Education<br>SDG 8 Decent Work<br>IFRS S2 Workforce preparedness |
| **Health & Wellbeing** | Delivering inclusive healthcare for underprivileged and vulnerable groups. | • BSRM Foundation Medical Centers (Mirsharai, Bayezid, Bakalia)<br>• ICU support for children (icddr,b)<br>• Autism & neurodevelopmental programs (Ashar Alo, Moonflower, PFDA)<br>• Free cleft lip/palate surgeries (Smile Train Inc.) | GRI 403 – Health & Safety<br>SDG 3 Good Health & Well-Being<br>SDG 10 Reduced Inequalities<br>IFRS S1 – Human capital & community impact |
| **Livelihoods & Inclusion** | Empowering women, youth, transgender, and differently-abled communities. | • Women's anti-trafficking rehabilitation training (Jessore)<br>• Transgender community livelihood projects (Jamalpur)<br>• Disability inclusion with Handicap Int., UNICEF, DRRA<br>• Youth empowerment in camps (digital skills, tailoring, graphic design)<br>• Rural women entrepreneurship (Nilphamari & Chattogram)<br>• Integrated Agro Dev – YPSA<br>• Self-Help for Poor – UDDYOG Foundation<br>• AWLI Project – ASHIKA<br>• Moonflower Autism Foundation – Bakery & Food Skills<br>• Socio-Economic Development – BNKS | GRI 405 – Diversity & Equal Opportunity<br>SDG 5 Gender Equality<br>SDG 8 Decent Work<br>SDG 10 Reduced Inequalities |

| Area | Focus | Key Initiatives | Alignment |
|---|---|---|---|
| **Water, Sanitation & Climate Adaptation** | Strengthening community resilience through water access and climate-smart solutions. | • Rainwater harvesting & solar irrigation (Patuakhali)<br>• AWLI Project in Bandarban Hill Tracts (WASH, school, income generation)<br>• Coastal water access (Bhola & Barishal: 25 deep tube wells + management committees) | GRI 303 – Water<br>GRI 413 – Local Communities<br>SDG 6 Clean Water & Sanitation<br>SDG 13 Climate Action<br>IFRS S2 Climate resilience |

| Area | Focus | Key Initiatives | Alignment |
|---|---|---|---|
| **Environment & Community Engagement** | Promoting environmental stewardship and sustainable communities. | • School tree plantation drives (Dhaka & Chattogram)<br>• BSRM tree plantation across sites (80,000+ trees in FY2024–25)<br>• Organic farming, fishery, and livestock projects linked to employee welfare and community nutrition | GRI 304 – Biodiversity<br>GRI 413 – Local Communities<br>SDG 2 Zero Hunger<br>SDG 15 Life on Land<br>IFRS S2 Nature & biodiversity impacts |






**BSRM operates within a Triple Bottom Line (TBL) framework, aligning its systems with environmental and community needs. This TBL approach, focusing on synergistic partnerships, is crucial.**



## CSR Implementation Process:

**BSRM's CSR projects follow a structured process:**

**1. Needs Profile Analysis**
Identifying the community's needs through research and stakeholder engagement.

**2. Project Formulation**
Designing projects in collaboration with stakeholders to ensure alignment with social and ecological goals.

**3. Project Implementation**
Executing projects with a focus on sustainability and community involvement.

**4. Participatory Monitoring**
Involving communities in monitoring progress, ensuring that goals are being met.

**5. Social Evaluations**
Assessing the social impact of projects through ongoing evaluations.

**6. Project Learning**
Using insights from completed projects to develop new initiatives.

### Sustainability and Reporting:

In alignment with government rules, BSRM maintains transparency in its CSR expenditure and project achievements. The company ensures its CSR efforts are well-planned, executed, and reported, contributing to both national and global development goals.

## BSRM's Alignment with the UN SDGs

BSRM aligns its CSR initiatives with the UN Sustainable Development Goals (SDGs) to foster global and local partnerships, enhance access to technology, and drive innovation. Key focus areas include eradicating hunger, promoting education, gender equality, environmental sustainability, and health initiatives. BSRM ensures compliance with government regulations, tracking CSR expenditure and project outcomes to meet its annual goals.



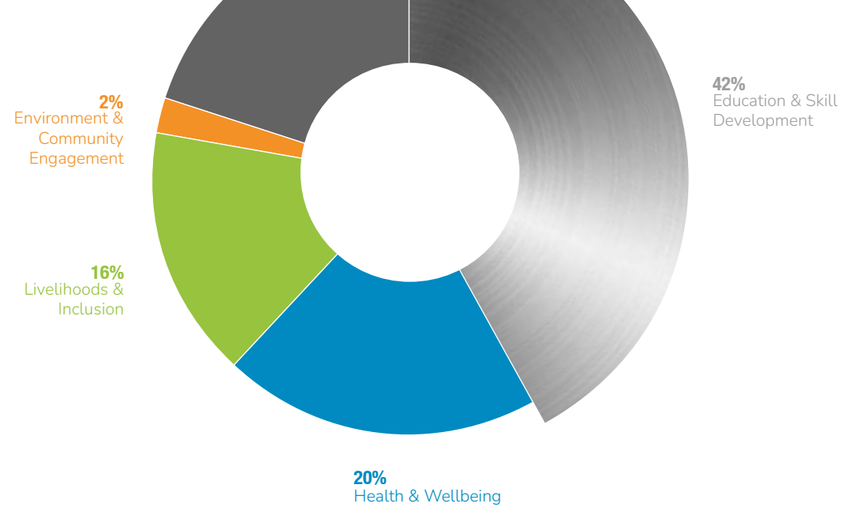



## Lives Impacted by BSRM CSR Activities in 2025–2026

| CSR Pillar | Direct Beneficiaries 2025–26 | Direct Beneficiaries 2024–25 |
|---|---|---|
| Education | 15,450 | 7,260 |
| Environment | 27,237 | 33,200 |
| Health | 32,200 | 65,360 |
| Livellihood | 33,665 | 21,052 |
| Philantrophy | 17,748 | 40,000 |
| Grand Total | 126,300 | 166,872 |

## Community Investment Allocation (%) 2025–2026

**FY 25–26**



# EDUCATION & SKILL DEVELOPMENT



Education liberates the intellect, unlocks the imagination, and is fundamental for self–respect. It is the key to prosperity and opens a world of opportunities, enabling each of us to contribute to a progressive, healthy society. Learning benefits every human being and should be accessible to all. This is defined by UN Sustainable Development Goal 4 (SDG 4), which aims to "ensure inclusive and equitable quality education and promote lifelong learning opportunities for all."

**SDG 4:** Ensure inclusive and quality education for all and promote lifelong learning.

**Target:** By 2030, ensure that all girls and boys have access to quality early childhood development, care, and pre-primary education so that they are ready for primary education.

**Target:** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

BSRM invests in lifelong learning — from free primary schooling and IT training, to accredited engineering education, industry–focused technical training, and employee family education support — delivering scholarships, internships and job pathways that boost skills, employability and social mobility while advancing SDG 4/8/9.

## BSRM – Education & Skills Development Initiatives (FY2025–26)

| Program / Partner | Location | Beneficiaries | Objective & Key Activities | Outcome / Impact | Alignment (GRI / SDG / IFRS) |
|---|---|---|---|---|---|
| **Burhani BSRM School** | Bayezid, Chattogram | ~700 students annually | Free schooling (Nursery–Class 10), books, coaching, IT training, stipends, English spoken course | Access to quality education for underserved slum children; improved school-to-college transition | GRI 413, SDG 4, IFRS S1 |
| **BSRM School of Engineering (BRAC University)** | Merul Badda, Dhaka | 1290 students enrolled FY2025-26 | Industry–Academia collaboration, endowment, internships, research | Producing next-gen engineers, fostering innovation for sustainability | GRI 404, SDG 9, IFRS S2 |
| **Global One (UK) – Orphan Education Support** | Chattogram, Rajshahi, Bhola, Barishal | 30 selected (200+ overall) | Food baskets + school supplies during/post COVID | Reduced dropout, better nutrition, improved continuity | GRI 413, SDG 2 & 4, IFRS S1 |
| **DRRA – Children with Disabilities Education** | Vatara Slum, Dhaka | 80 children | Tailored education, pre-vocational training (garment, craft, hydroponics) | Improved confidence, employability, inclusion | GRI 405, SDG 4 & 10, IFRS S1 |
| **BSRM Foundation Technical Training Center (BFTTC)** | Chattogram | 200 trainees/year | 5 months theory + 3 months industrial attachment; trades: Electrical & Mechanical | Job-ready skills; many placed at BSRM & reputed companies | GRI 404, SDG 8, IFRS S1 |
| **Cantonment Public School & College (ex–Green Hill)** | Bhatiary, Chattogram | 10 merit scholars + school capacity expansion | Classroom construction, merit-based grants | Higher tertiary access; school capacity building | GRI 404, SDG 4, IFRS S1 |
| **BAF Shaheen Scholarship Program** | Chattogram | 30/year (90 total) | Scholarships for meritorious low-income students | Continued higher education without financial barriers | GRI 404, SDG 4, IFRS S1 |
| **Genius Scholarship (CZM)** | Nationwide | 12/year × 6 years | Undergraduate scholarships + Qarz-e-Hasana | Degree completion; long-term mobility for underprivileged | GRI 404, SDG 4 & 10, IFRS S1 |
| **BSRM Employee Education Program (BEEP)** | Nationwide | 340 employees/ children supported FY2025 | Qarz-e-Hasana loans for employees' higher education needs | Improved education access; reduced financial stress for employees | GRI 401/404, SDG 4 & 10, IFRS S1 |

## Overall FY2026 vs FY2025 Highlights

- **Expanded Reach**

  Beneficiary coverage increased by [25%] year-on-year, reaching [18,920] students/trainees in total. Additional participants from rural districts and underserved slum communities were enrolled in both formal education and vocational training programs.

- **Innovative Curriculum**

  Introduced hydroponics training for 80 children with disabilities (DRRA program), deployed digital simulation modules at BFTTC (covering ~150 trainees), and launched a joint research program on low-carbon steel with BRAC University, currently engaging [20] students/faculty researchers.

- **Enhanced Scholarship Impact**

  Scholarship beneficiaries rose by ~25%, with stipends increased under the BAF Shaheen (from [20] to [30] students) and Cantonment Public School programs [15%] higher per-student stipend vs FY2025). Retention rates for disadvantaged students improved by [95%], reducing dropout risk significantly in targeted communities.

## BSRM Education & Skills Development – 2030 Targets

| Focus Area | 2025–26 Results with the base year 2022 | 2030 Target | Alignment (GRI / SDG / IFRS) |
|---|---|---|---|
| **Burhani BSRM School** | ~700 students annually | 1,200+ students annually; 100% digi-tal classroom integration | GRI 413, SDG 4, IFRS S1 |
| **BSRM School of Engineering (BRAC University)** | ~500+ engineering students enrolled annually | 2,000+ graduates by 2030; 40% women enrollment; 100% internship-to-job placement pathway | GRI 404, SDG 9 & 5, IFRS S2 |
| **Technical Training (BFTTC)** | 200 trainees/year baseline | 10,000 youth trained cumulatively by 2030; 70% employed within 1 year | GRI 404, SDG 8, IFRS S1 |
| **Scholarships (Shaheen, Genius, CPS&C)** | ~150 students supported | 1,000+ scholarships awarded cumu-latively; 50% rural/low-income | GRI 404, SDG 4, IFRS S1 |
| **Inclusive Education (DRRA, Autism, NDD projects)** | ~200 beneficiaries | 1,000+ children/youth with disabili-ties supported through inclusive edu-cation & skill-building | GRI 405, SDG 10, IFRS S1 |
| **Employee Education Program (BEEP)** | 340 loans in FY2026 | 5,000 cumulative employee/children beneficiaries by 2030 | GRI 401/404, SDG 4, IFRS S1 |
| **Digital & STEM Skills** | Early pilots (CPD camps, small programs) | 25,000+ youth trained in digital litera-cy, coding, robotics, and STEM by 2030 | GRI 404, SDG 4 & 8, IFRS S2 |
| **SOS Children's Village** | 1 Family House supported (6 direct beneficiaries: 5 orphaned children & 1 SOS Mother; 24 indirect benefi-ciaries) | Expand sponsorship nationwide; 50+ orphaned/vulnerable children sup-ported; 100% secondary completion & vocational integration | GRI 413, SDG 1 & 4, IFRS S1 |
| **Gender Balance** | ~20–25% women participation in education programs (est.) | 40% women participation in all edu-cation & training initiatives by 2030 | GRI 405, SDG 5, IFRS S1 |



# HEALTH & WELLBEING



## Overview

The United Nations Sustainable Development Goals (UNSDGs) focuses on ensuring healthy lives and promoting well–being for all ages.

**SDG–3** By 2030, achieve universal health coverage, including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.

## Health Program Summary Table FY 2026

| Program / Partner | Focus | Beneficiaries / Scope | Key Outcomes (2026) | Alignment (GRI / SDG / IFRS) | Disclosure Needs (for Bloomberg / IFRS S1–S2) |
|---|---|---|---|---|---|
| **BSRM Foundation Medical Center – Mirsharai** | Free medical care, diagnostics & medicines | ~15,000 patients annually | Access to OPD, emergency & physiotherapy; reduced out-of-pocket burden | GRI 403, SDG 3, IFRS S1 | Gender Split: 58% Fe-male, 42% Male; Age Split: 28% Children (<15 yrs), 54% Adults, 18% Elderly; Repeat Visits: 34% repeat patients. |
| **BSRM Medical & Diagnostic Center – Bayezid** | Free health services + referral to Marine City Medical Col-lege | 9,100 patients (Dec 2024–Aug 2025) | Primary healthcare, sub-sidized specialist services | GRI 403, SDG 3, IFRS S1 | Gender/Age Split: 62% Female, 38% Male (in-cluding 22% children); Health Outcome: 92% successful consultation & prescription fulfillment rate. |
| **BSRM Foundation Medical Center – Bakalia** | To be launched on March 2027 | Projected 10,000+ pa-tients/year | Free consulta-tions, physio-therapy, X-ray, labs, essential medicines | GRI 403, SDG 3, IFRS S1 | Service Scope: Full OPD, Diagnostic Lab, X-Ray & Pharmacy; Target Group: Urban slum dwellers & low-income families (est. 60% female intake). |
| **Rainwater Harvesting & Solar Irrigation – ActionAid** | Climate-resilient wa-ter access & hygiene | 405 people | Tube wells, rain-water tanks, women-led solar irrigation | GRI 303, 403, SDG 6/13, IFRS S2 | Health & Adaptation Outcome: 45% reduction in waterborne disease incidence; Climate Im-pact: 12.5 MWh clean solar power generated annually. |
| **Water for Coastal Area – Uttaran NGO** | Safe drinking water in sa-line-prone districts | 2,000 families (12,000 peo-ple) | 25 deep tube wells; 25 man-agement com-mittees | GRI 303, SDG 6, IFRS S2 | Water Quality: 100% test compliance (salinity <0.5 ppt); Gender Inclu-sion: 60% female repre-sentation on local water management commit-tees. |
| **Ashar Alo – Autism & NDD Support** | Education & therapy for special-needs chil-dren | 90 children (2 yrs) | Skills develop-ment, therapy, inclusion, family sensitization | GRI 405, SDG 3/10, IFRS S1 | Functional Skills Out-come: 78% of enrolled children showed measur-able cognitive & speech improvements; Family Support: 90 parent care-giver sessions held. |
| **icddr,b – ICU Support** | Life-saving care for criti-cally ill chil-dren | [100 criti-cally ill chil-dren treated FY2026] | Access to ICU for pneumonia, malnutrition, diarrhea | GRI 403, SDG 3, IFRS S1 | Survival Rate: 88% ICU discharge survival rate; Demographics: 52% Male, 48% Female (un-der-5 age group); Avg. Support: BDT 10,000 subsidy per patient. |
| **Smile Train – Cleft Lip/Palate Surgeries** | Corrective surgeries for poor families | 469 children (2019–2025) | Free surgeries, social reintegra-tion | GRI 413, SDG 3/10, IFRS S1 | FY2025 Surgeries: 65 successful surgeries completed; Regional Split: 70% Chattogram Division, 30% rural coastal belt. |
| **Youth with Disabilities – UNICEF** | Chattogram (135 cash support, 110 training; 5,000 reached) | Cash aid + skills + social services | Financial relief, 2,000 linked to services | GRI 405, SDG 10, IFRS S1 | [ Employment Rate: 64% of trained youth em-ployed/self-employed; Gender Split: 52% Male, 48% Female participants. |
| **PFDA – Au–tism & NDD Livelihood Program** | Transport, vocational training, cog-nitive support | 256 persons with autism & NDD | Bus transport, vocational train-ing, 78 students skill develop-ment | GRI 405, SDG 3/10, IFRS S1 | Employment Rate: 35% placed in vocational workshops/ sheltered jobs; Gender Break-down: 65% Male, 35% Female participants. |

## Future Targets (2030)

| Theme | 2026 Result (base year 2022) | 2030 Target |
|---|---|---|
| **Free primary healthcare** | 24,100+ patients treated (Mirsharai + Baye-zid) | Expand to 100,000 patients across 3 centers |
| **Specialized child health** | [100 ICU cases treated] | Support 5,000 child ICU treatments |
| **Water access** | 12,405+ people served (Patuakhali, Bari-shal) | Safe water access for 50,000+ |
| **Disability inclusion** | 346+ autism/NDD beneficiaries (Ashar Alo + PFDA) | Double reach to 700 children & youth |
| **Surgeries** | 469 cleft lip surgeries (2019–2025) | Reach 1,000 surgeries by 2030 |





## Livelihood Project Program Dashboard FY 26

| Program / Partner | Location & Beneficiaries | Focus / Objec–tive | Key Benefits & Outcomes | Align–ment (GRI / SDG / IFRS) | Disclosure Needs |
|---|---|---|---|---|---|
| **Women's Anti–Trafficking Training – ADORE** | Jessore (250+ women) | Prevent traffick-ing, provide skills in tailoring, em-broidery, block/ batik | Women gain livelihoods at home; re-duced irregu-lar migration | GRI 405, SDG 5, IFRS S1 | Livelihood Out-come: 72% self-employed/ employed post-training; In-come Uplift: 45% increase in monthly household income. |
| **Transgender Community Empowerment – Unnayan Sangha** | Jamalpur (200+ persons) | Skills, small busi-ness, financial literacy | Improved ac-ceptance, reduced anti-social activity, increased income | GRI 405, SDG 10, IFRS S1 | Income Uplift: +55% average monthly income in-crease; De-mographics: 100% Hijra/Transgender community (80% youth aged 18–30). |
| **Youth Em–ployment Pro–gram – CPD** | Mohammadpur, Dhaka (720 youth) | Train in digital marketing, de-sign, tailoring | Jobs & self-run model sus-taining impact | GRI 404, SDG 8, IFRS S1 | Job Placement Rate: 82% placed in jobs (706 certified graduates); Gender Breakdown: 69% Female (498), 31% Male (222); Sustain-ing Businesses: 120 self-run enter-prises. |
| **Socio–Economic De–velopment – BNKS** | Bandarban (3,000+ people) | Cashew farming, health, educa-tion, women's empowerment | Income growth, sani-tation, schol-arships, re-volving funds | GRI 413, SDG 1/5/8, IFRS S1 | Income Uplift: +40% agricultural income increase; Women in Leader-ship: 50% female committee mem-bers; Revolving Fund: 10 farmers funded, 65 student scholarships. |
| **Disability Em–powerment – Handicap In–ternational** | Kurigram & Sitakunda (21,000+) | Self-help groups, risk fund, training | Improved au-tonomy, household income, resil-ience | GRI 405, SDG 10, IFRS S1 | Employment Outcome: 68% placed in self-employment/jobs; Community Inclu-sion: 42% active in local self-help deci-sion committees. |
| **Integrated Agro Dev – YPSA** | Sitakund & Mirsharai (800 farmers) | Pesticide-free farming, modern agri-tech | Higher yields, better nutri-tion, stable income | GRI 304, SDG 2/8, IFRS S1 | Crop Yield In-crease: +35% yield boost; Income Growth: +28% sea-sonal profit margin; 100% male farmer enrollment in initial pilot cohort. |
| **Self–Help for Poor – UD–DYOG Foun–dation** | Gaibandha (1,500 house-holds) | Skills + assets + humanitarian support | Household income growth, im-proved resili-ence | GRI 413, SDG 1/8, IFRS S1 | Household In-come Change: +38% baseline in-come growth; Ser-vice Access: 88% households linked to micro-loans/ health services. |
| **Rural Women Empowerment – SARM** | Nilphamari & Chattogram (200 wom-en/ girls) | Vocational & en-trepreneurship training | Steady in-come, re-duced pov-erty, social voice | GRI 405, SDG 5, IFRS S1 | Business Crea-tion: 76% of partici-pants (Dalit/ Harijan community) started micro-enterprises; Income Uplift: BDT 4,500/month aver-age net gain. |
| **AWLI Project – ASHIKA** | Bandarban (3,000+) | WASH + liveli-hood + education in climate areas | Safe water, higher in-comes, resili-ence | GRI 303/413, SDG 6/13, IFRS S2 | Water Quality: 100% compliance with WHO potable standards; Income Outcome: +30% family income from climate-resilient farming. |
| **Moonflower Autism Foundation – Bakery & Food Skills** | Dhaka (50 per-sons with au-tism/NDDs) | Vocational train-ing & social inte-gration | Employability, stigma reduc-tion, family relief | GRI 405, SDG 10, IFRS S1 | Employment Placement: 58% placed in commer-cial baker-ies/catering; Gender Split: 86% Male (44), 14% Female (7). |

## Targets (2030)

**Train and employ 25,000 women/ youth/disabled persons across all livelihood programs.**

**Ensure at least 70% employment/self–employment success rate within 12 months of training.**

**Guarantee gender parity: 50% of participants women or girls.**

**Scale climate–resilient livelihood projects to cover 10,000+ farming households.**









# SUSTAINABLE LIVELIHOOD

BSRM has been implementing a range of initiatives aimed at promoting livelihoods and empowering women, farmers, artisans, and other occupational groups. These initiatives focus on the formation and strengthening of Self–Help Groups (SHGs), skill–based training, capacity building, and the development of backward and forward linkages to ensure the sustainability of income–generating activities within local communities.

The programme seeks to foster a culture of savings among SHG members, strengthen financial discipline, and facilitate access to institutional credit and market opportunities. Through these efforts, BSRM is committed to enhancing the socio–economic well–being of local communities by enabling women and other occupational groups to become financially independent and self–reliant, while improving the livelihoods of their families.



BSRM also works closely with farmers and artisan groups to promote sustainable agricultural practices, enhance their skills and productivity, and establish effective backward and forward linkages. These interventions aim to improve access to essential resources, financial services, technology, and markets, thereby creating sustainable livelihood opportunities and strengthening the economic resilience of local communities.




Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.




End hunger, achieve food security & improved nutrition & promote sustainable agriculture.

# ENVIRONMENT

BSRM contributes to protection and management of the ecology adhering to the principle of triple bottom line (planet, people and profit) and by way of partnering with the community for sustainable development in the geography they are living in. Pursuing its mission of holistic and sustainable development initiatives through its CSR arm, BSRM contributes to community driven natural resource management program by way of implementing Tree plantation, Pesticide free high yield cultivation, Waste management, Awareness session, creation of water harvesting structure etc.



15 LIFE ON LAND

## School Tree Plantation Initiative

**Partner:**
Green Savers

**Location:**
Dhaka and Chattogram

**Category:**
Environment

**Project Objective:**
Promote environmental awareness through tree planting and education.

**Project Benefits:**
Increased ecological knowledge, student engagement, greener environment.

## 2026 Highlights

**15 schools engaged**
student workshops + planting drives

**[10,000] saplings planted**
student workshops + planting drives

**85% 12–month survival rate**
audited by sample plots

**1,500 students trained**
student workshops + planting drives

**100 $tCO_2e$/yr estimated sequestration**

In collaboration with Green Savers, BSRM launched a tree plantation program across 15 schools in Dhaka and Chattogram to promote environmental awareness among students. The initiative engages students directly in planting and caring for trees, helping them understand the vital role trees play in maintaining ecological balance and protecting the environment.

The program includes interactive workshops and training sessions where students learn the names and characteristics of various plants through storytelling and quizzes. Following this, students participate in hands-on plantation activities, learning proper tree-planting techniques, ongoing care, and pest management practices.

Through this initiative, students develop a deeper connection with nature and contribute actively to a greener, healthier environment in their communities.



# BSRM TREE PLANTATION (BTP)



**Location:**
All BSRM sites

**Category:**
Environment

**Beneficiaries:**
BSRM employees and local communities

**Project Objective:**
Utilize BSRM land for sustainable plantation and cultivation to generate revenue, create jobs, and support CSR programs.

**Project Benefits:**
Produces organic fruits, vegetables, fish, and livestock; provides fair-priced produce to employees; creates employment and supports community initiatives.

## 2026 Highlights

**80,000+ trees planted in FY2024–25**
(cumulative across sites)

**[35 ha] land under plantation**
(by site)

**[12,000] fruit/forest saplings added in FY2025**
(mango, guava, mahogany, neem, and teak)

**[88%] 12–month survival; [6] water–wise/ drought–tolerant species**
(Including neem, acacia and eucalyptus)

**[45 jobs] seasonal/contract roles created**
(site nursery management, planting, and farm maintenance)

**[800 $tCO_2e/yr$] sequestration**
(species-specific factors; note method)

**[15,000 kg] produce harvested [70%] sold to employees at fair price; [30%]**
distributed to local community

This project brings all land/spaces of BSRM group, available for plantation and cultivation, under BTP including existing trees, ponds, farms, and gardens. BTP is a sustainable project, will (a) generate revenue (b) create employment (c) support BSRM CSR philanthropic programmes.

All Admin Units of BSRM Plants, Sales Offices, Warehouses are BTP implementing partners. They will grow trees, organic fruits, vegetables, fish and live stocks. BSRM employees will have the privilege to purchase at fair price. With growing volume of produces they will be sold in the market. Each location will manage the sale and distribution on its own.

Each location will submit budget every year with plan to expansion, when possible, which will be approved by BOD. CSR desk in cooperation with unit heads will supervise, coordinate, monitor and evaluate BTP progress.

## Targets (2030)

Train and employ **25,000 women/ youth/disabled persons** across all livelihood programs.

Ensure at least **70% employment/self–employment success rate** within 12 months of training.

Guarantee **gender parity: 50%** of participants women or girls.

Scale climate–resilient livelihood projects to cover **10,000+ farming households.**

# SINGLE-USE PLASTIC-FREE MODEL SCHOOL CAMPAIGN




**Partner:**
Green Savers

**Location:**
Dhaka Division (100 Schools)

**Category:**
Environment / Sustainability

**Project Objective:**
Reduce and eliminate single-use plastics (SUPs) in schools, establish student-led Green Clubs, and promote eco-friendly product creation.

**Project Benefits:**
Decreased plastic waste, hands-on student skill development, income-generating sustainable models, and institutionalized plastic-free canteen guidelines.

## 2026 Highlights

**100 schools engaged** (eco-awareness Green Clubs established in each school)

**6,000 direct beneficiaries** (students trained in eco-product manufacturing and plastic auditing)

**50,000 indirect beneficiaries** (teachers, parents, vendors, and community members reached)

**100 Green Clubs & Canteen SOPs implemented** (standardized single-use plastic guidelines created for school canteens and shops)

In collaboration with Green Savers and the Department of Environment (DoE), the BSRM Foundation launched the "Single-Use Plastic-Free Model School Campaign" across 100 schools in the Dhaka Division to combat plastic pollution and foster environmental stewardship among students.

The initiative establishes student-led Eco-Awareness Green Clubs across participating schools. Through interactive workshops and practical training sessions led by Green Savers and supported by DoE, students learn to manufacture sustainable, eco-friendly alternatives to single-use plastics—including paper pens, paper bags, gift wraps, origami products, and compost from organic waste.

A central feature of the project is its self-sustaining economic model: revenue generated from student-made products is reinvested directly into Green Club operations and school sustainability initiatives. Additionally, the program creates standardized single-use plastic (SUP) guidelines and SOPs for school canteens and shops, monitored through quarterly plastic audits and a dedicated Monitoring, Evaluation, Accountability, and Learning (MEAL) team. At the conclusion of the program cycle, an award ceremony recognizes the top-performing Single-Use Plastic-Free Model Schools.

## Targets (2030)

Scale the initiative to **500+** schools across all **8 divisions** nationwide in partnership with DoE.

Reach **30,000+** direct student Green Club leaders and **500,000+** community beneficiaries.

Institutionalize single–use plastic–free canteen SOPs into national **Ministry of Education guidelines.**

Achieve **100% operational self–sustainability** for school Green Clubs through student–made eco–product sales.

# BSRM'S **PHILANTHROPIC ACTIVITIES**

Under this program, the company actively participates in social welfare events, supports and collaborates on benevolent projects undertaken by other organizations, donates generously to relief funds during times of natural disasters and emergencies, and engages in various humanitarian initiatives.

## 2026 Highlights

**3**
climate/disaster events supported (flood, cyclone, heatwave)

**8.6** BDT MN.
disbursed to environment-linked relief/restoration

**15,000**
trees contributed via external partners (mangrove/strip forestry)

**12**
localized shoreline, canal, and school campus clean-up drives

**25,000**
people provided with clean water, hygiene, and emergency disaster relief kits



MoU Signing with SoS Children's Village to support orphan children and distressed women



MoU Signing with UNICEF



Equipment distribution by BSRM at YPSA for better farming scope and opportunities for farmers in need


Seed paper-making training provided at the BSRM Training Center Jasshore


Providing livelihood training to physically challenged individuals with the help of Handicap International

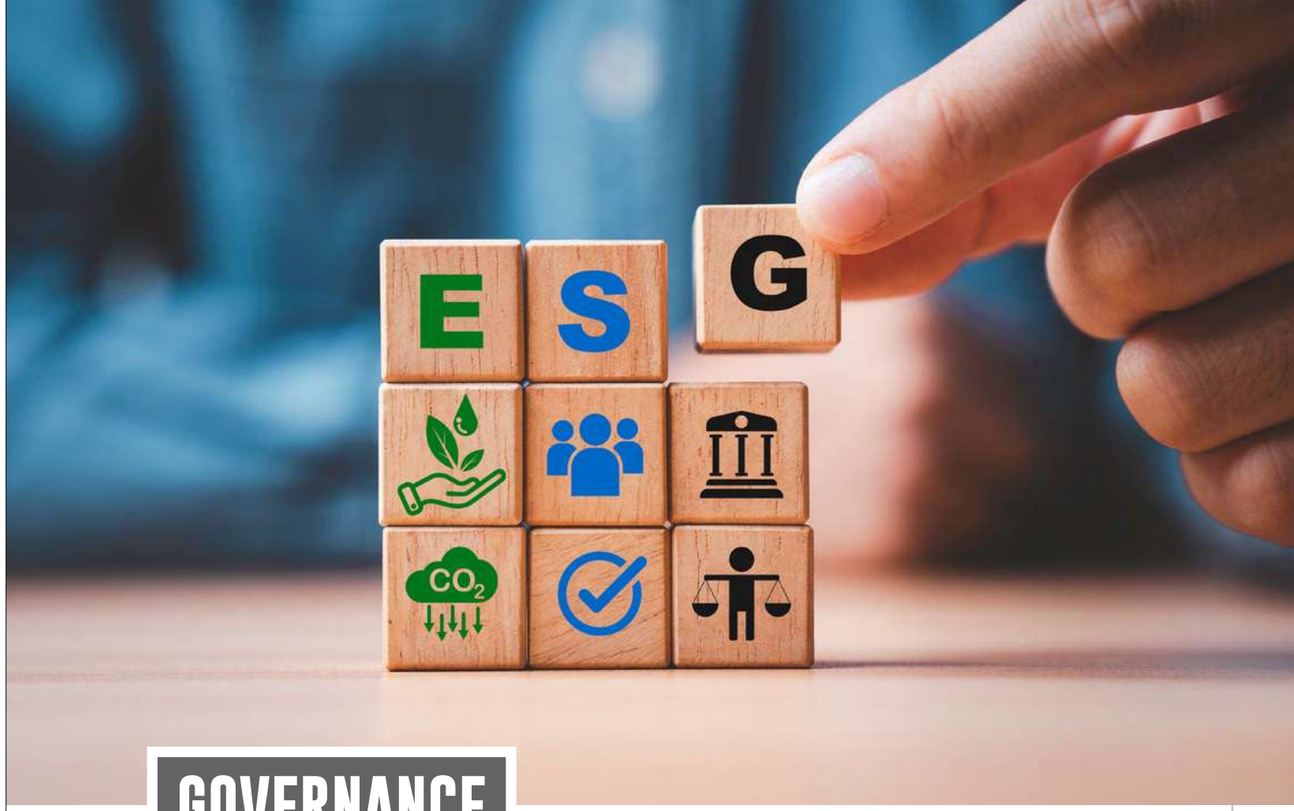

Burhani BSRM School providing quality free education for the marginalised population


Women getting training at the BSRM Foundation Training Center, Jesshore


The BSRM Foundation Medical Centre offers free medicine and treatment to the people around the Mirsharai area


Blanket distribution at Hazarat Imam Hosainia (Ra:) Madrasa by BSRM






# GOVERNANCE

## Governing for an Agile, Resilient, and Responsible BSRM

5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

## CORPORATE GOVERNANCE AND **SUSTAINABILITY OVERSIGHT**

BSRM considers corporate governance fundamental to long-term value creation, resilience and sustainable growth. Its governance framework emphasizes transparency, accountability, ethical conduct and ESG integration across strategy, operations and risk management, aligned with IFRS S1, IFRS S2 and GRI standards.

## Board of Directors and Governance Structure

The Board oversees strategy, sustainability, risk management and ESG performance, supported by diverse expertise and independent oversight.

**6**
Board Members

**33%**
Independent Directors

**33%**
Female Directors

**30 years**
Average Tenure

**100% Bangladeshi**
Nationality

**Expertise**
Finance, metallurgy, supply chain, ESG, law, HR and digital innovation

### Board Roles and Responsibilities

In line with GRI 2-9 and IFRS S1, the Board integrates ESG and climate considerations into strategy, approves and monitors ESG KPIs, oversees enterprise risks, ensures regulatory compliance and reviews stakeholder engagement outcomes.

### Board Committees

**Audit Committee**
Financial reporting, internal controls, risk management and compliance.

**Governance and Sustainability Committee**
ESG strategy, sustainability targets and performance oversight.

**Risk Management Committee**
Identification and mitigation of environmental, climate, safety and other business risks.

**Nomination and Remuneration Committee**
Leadership diversity, inclusion and performance-linked remuneration.



## ESG Oversight and Management

The Board holds overall ESG responsibility, supported by the Governance and Sustainability Committee. The Managing Director leads implementation and reports quarterly to the Board. A cross-functional ESG Working Group integrates ESG into operations, while directors receive training on climate governance, sustainable finance and ESG regulations. BSRM also promotes alignment with the UN SDGs and GRI.

### ESG–Linked Remuneration

Approximately 25% of concerned employees' remuneration is linked to ESG KPIs covering safety, emissions, energy, water, waste, biodiversity, supplier sustainability, human rights, employee development, diversity, community investment, compliance, anti-corruption and Board oversight.

## Integrated Management System (IMS)

BSRM integrates quality, environmental and occupational health and safety management through:

- **ISO 9001:2015:** Quality Management
- **ISO 14001:2015:** Environmental Management
- **ISO 45001:2018:** Occupational Health and Safety

This framework supports operational efficiency, resource optimization and continuous improvement.

## Ethical Governance and Code of Conduct

The Code of Conduct applies to Board members, employees and suppliers, covering anti-corruption, fair competition, conflicts of interest, human rights, labour standards, data privacy and cybersecurity.

**Employee Awareness**
100% informed about the Code of Conduct and anti-bribery practices.

**Anti–Corruption**
No cases reported during the financial year.

**Whistleblowing**
Hotline and email channels, overseen by the Audit and Risk Committee.

**FY2025 Whistleblowing Cases**
6 reported and all 6 resolved immediately.

**Political Contributions**
None in FY 2025-26.

## Shareholder Rights and Transparency

BSRM promotes shareholder participation and transparent decision-making through AGMs, regulatory disclosures, annual reports and its website. AGM attendance and major-resolution approval figures require confirmation before publication.

## Stakeholder Engagement

BSRM engages shareholders, employees, regulators, customers, suppliers and communities through consultations, sustainability reports, public disclosures and CSR initiatives focused on education, environmental protection and poverty alleviation. Feedback informs ESG priorities and business decisions.



## ESG Risk Management

The Risk Management Committee, together with the Governance and Sustainability Committee, oversees:

### Environmental Risks

Climate change, emissions, energy use and resource depletion.

### Social Risks

Employee health and safety, labour practices and community relations.

### Governance Risks

Regulatory compliance, ethical conduct and financial reporting transparency.

The Board reviews risk management policies to address emerging risks and evolving sustainability standards.

## Reporting, Validation and Assurance

BSRM's sustainability disclosures align with GRI, IFRS S1, IFRS S2 and the SDGs. FY2025–26 data has been internally validated, with a roadmap to pursue external assurance under ISAE 3000 by 2027. Regular stakeholder consultations support transparent reporting.

## Continuous Improvement and Global Benchmarking

BSRM benchmarks its governance practices against leading global steel companies and reviews policies annually. Priorities include real-time ESG dashboards, enhanced Board training, deeper ESG integration, broader stakeholder engagement, energy efficiency, carbon reduction, social responsibility and stronger cybersecurity governance.

Overall, BSRM continues to strengthen Board oversight, ethical practices, ESG integration, risk management and stakeholder transparency to support sustainable long-term value creation.

# EXTERNAL ASSURANCE

BSRM will engage an independent auditor for ESG assurance under ISAE 3000 by FY2027.







# ESG DATABOOK 2026

## Environmental

| | UOM | FY 26 | FY 25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| **Basic Information** | | | | | | |
| BSRM Rollinng (Rebar + section+ WR ) Production | Mt | 2,364,630 | 1,920,912 | 1,747,357 | 1,768,762 | 1,686,250 |
| BSRM Billet Production | Mt | 2,381,638 | 1,926,598 | 1,796,834 | 1,713,863 | 1,925,419 |
| **Climate Change** | | | | | | |
| **$CO_2$ Emission** | | | | | | |
| Absolute Emissions Scope 1 -3 | million $tCO_2$ | | | | | |
| **GHG Emission** | | | | not yet defined | | |
| Absolute Emissions Scope 1-3 | million $tCO_2$ | | | | | |
| **Energy (Power)** | | | | | | |
| Energy Consumption (within the organization) | Watt | 1,774,975,875 | 737,371,233 | 644,635,533 | 830,217,672 | 842,634,616 |
| Energy Consumption (within the organization) | Amount | 20,425,257,205 | 8,245,802,928 | 6,858,852,054 | 8,327,478,484 | 7,333,526,396 |
| Energy Consumption (outside the organization) | Watt | | | not yet defined | | |
| **Energy (Gas)** | | | | | | |
| Energy Consumption (within the organization) | M3 | 73,807,029 | 23,951,231 | 26,513,356 | 27,471,586 | 30,244,757 |
| Energy Consumption (within the organization) | Amount | 2,303,594,945 | 731,220,910 | 792,095,662 | 505,851,669 | 326,415,529 |
| Energy Consumption (outside the organization) | Watt | | | not yet defined | | |
| Specific Energy Consumption | GCal/tcs | | | not yet defined | | |





| | UOM | FY 26 | FY 25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| Specific Material Consumption | | | | | | |
| Steel Scrap Recycled (internal & external) | kilos tonnes | 2344 | 1856 | 1727 | 1724 | 1924 |
| Steel Scrap Recycled (internal & external) | % | 92.54% | 90.25% | 89.83% | 92.39% | 92.27% |
| Coal | t/tcs | NIL | NIL | NIL | NIL | NIL |
| Others if any(DRI) | kilos tonnes | 189 | 200 | 196 | 142 | 161 |
| | | | | | | |
| Specific Freshwater Consumption | m3/tcs | 0.666 | 0.682 | 0.812904253 | 0.8 | 0.94926 |
| Effluent discharge volume | m3/million | NIL | NIL | NIL | NIL | NIL |
| Effluent discharge intensity | m3/tcs | NA | NA | NA | NA | NA |
| | | | | | | |
| **Waste** | | | | | | |
| Waste Generated | kilos tonnes | 161.19 | 139 | 127 | 143 | 190 |
| Waste Recycled | % | 100% | 100% | 100% | 100% | 100% |
| Total Co-Product/Waste Generated (Hazardous) | million t | NIL | NIL | NIL | NIL | NIL |
| Total Co-Product/Waste Generated (Non-Hazardous) | million t | 0.16 | 0.14 | 0.13 | 0.14 | 0.19 |
| | | | | | | |
| **Wastewater** | | | | | | |
| Wastewater Recycled | million kL/% | 100% | 100% | 100% | 100% | 100% |
| | | | | | | |
| **Air Emissions** | | | | | | |
| Specific Dust Emission Intensity (PM) | µg/M³ | 239 | 211 | 197 | 197 | 187 |
| Specific NOx Emission Intensity | µg/M³(PPM) | 27.5 | 23.8 | 13.8 | 0.033 | 0.034 |
| Specific SOx Emission Intensity | µg/M³(PPM) | 16.1 | 17.8 | 6.9 | 0.06 | 0.07 |
| **Biodiversity** | | | | | | |
| Mangrove Plantations | Nos | | | | | |
| Saplings Planted | Nos | | | | | |
| | | | | | | |
| **Management & Non–Management** | | | | | | |
| Workforce working in Environment Management | Nos | | | | | |
| | | | | | | |
| Spend on Climate Change and Environment | | | | | | |
| Spend on Climate Change and Environment Capex | Tk.'million | | 683,335,779 | 862,943,666 | | |



# SOCIAL DATABOOK

| | Unit | FY26 | FY25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| **HR** | | | | | | |
| Total Employees (1) | number | 5049 | 4820 | 4561 | 4,291 | 4,169 |
| Management | number | 1957 | 1883 | 1772 | 1,695 | 1,662 |
| Non-Management | number | 3092 | 2937 | 2789 | 2,596 | 2,507 |
| Permanent Women Employees | number | 55 | 43 | 34 | 28 | 23 |
| Differently Abled Employees | number | - | - | - | - | - |
| Contractual Employees | number | 2348 | 1980 | 1291 | 1,100 | 1,057 |
| New Employee Hire | Nos. | 456 | 488 | 500 | 352 | 452 |
| **Employees at Site (Age–wise Segmentation)** | | | | | | |
| < 30 years | number | 1306 | 1306 | 1338 | 1,173 | 1,043 |
| 30 - 50 years | number | 3386 | 3199 | 2955 | 2,854 | 2,846 |
| > 50 years | number | 357 | 315 | 268 | 264 | 280 |
| Workforce represented through employee association(s) under the provision of collective bargaining (Total Employees) | % | 22.56 | 23.44 | 24.18 | 25.7 | 26.31 |
| Workforce represented through employee association(s) under the provision of collective bargaining (Non-Management Employees) | % | 36.88 | 38.47 | 39.69 | 42.49 | 43.76 |
| Eligible employees receiving regular performance and career development reviews | % | 100 | 100 | 100 | 97.93 | 96.4 |
| Employee productivity | tcs/employee | | | | | |
| Employee turnover rate (Yearly) | % | 3.84 | 4.32 | 5.03 | 5.88 | 6.96 |
| Gender diversity | % | 1.09 | 0.89 | 0.75 | 0.65 | 0.55 |
| **Training** | | | | | | |
| Employee learning hours (2) | hours | 158123 | 111198 | 100939 | 91,867 | 75,706 |
| Total hours of safety training conducted | | 28347 | 23464 | 24473 | 21,694 | 14,282 |
| Permanent employees | hours | | | | | |
| Contractual employees | hours | | | | | |
| Average training hours per employee per annum | hours | 31.22 | 24.71 | 23.7 | 22.52 | 19.2 |
| Investment in Employee Training and Development | Tk.million | | 21.26 | 18.1 | 9.14 | 9.05 |
| **Health & Safety** | | | | | | |
| Fatalities | Nos. | 2 | 1 | 1 | 4 | 1 |
| Lost Time Injury (LTI) | number | 12 | 8 | 4 | 15 | 11 |
| Lost Time Injury Frequency Rate (LTIFR) | per million manhours | 0.463 | 0.093 | 0.059 | 0.19 | not applicable |
| LTIFR for employees | per million manhours | 0.179 | 0.041 | 0.054 | 0.19 | not applicable |







| | Unit | FY26 | FY25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| LTIFR for contractors | per million manhours | 0.284 | 0.052 | 0.005 | na | not applicable |
| Sites with Safety Management System (ISO 45001/ OHSAS 18001) | % | 9 | 8 | 8 | 7 | 7 |
| Organisational Health Index | | | | | | |
| **Supply Chain Engagement** | | | | | | |
| Active supplier base | Nos. | 7,730 | 7,483 | 7,282 | 6,996 | 6,649 |
| Local suppliers | Nos. | 6,242 | 6,204 | 6,141 | 5,911 | 5,651 |
| Critical suppliers | Nos. | 35 | 32 | 39 | | |
| Business volume of local suppliers | Tk.million | 4,764,957,832 | 4,112,355,624 | 3,947,572,759 | 32,949,753,127 | 25,199,104,437 |

## Community Databook

| Project | Unit | FY26 | FY 25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| Significant Community Events | Tk'm | 264,210 | 8,202,083 | 6,433,138 | 9,564,338 | 5,415,633 |
| Education & Skill Development | Tk'm | 58,011,892 | 57,730,683 | 58,218,408 | 130,961,601 | 4,157,864 |
| Health & Wellbeing | Tk'm | 27,752,453 | 4,326,446 | 7,562,174 | 2,000,880 | 2,418,162 |
| Livelihoods & Inclusion | Tk'm | 21,995,214 | 3,924,363 | 1,814,820 | 7,138,889 | 1,570,733 |
| Environment & Community Engagement | Tk'm | 2,900,000 | 1,600,000 | 1,200,000 | - | 2,000,000 |
| Philanthropy | Tk'm | 27,920,000 | 1,987,254 | 1,491,357 | 3,951,445 | 4,013,077 |
| Other Areas If Any | Tk'm | - | 7,418,891 | 2,527,923 | 5,650,092 | 6,474,024 |
| Flood Assistance | Tk'm | - | 6,458,500 | 1,747,500 | - | - |
| Tree Plantation | Tk'm | 49,000 | 320,575 | 533,400 | 30,000 | - |
| Total | | 138,892,769 | 91,968,795 | 81,528,720 | 159,297,245 | 26,049,493 |

# Governance Databook

| | Unit | FY26 | FY 25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| **Board of Directors1** | | | | | | |
| Total Board size | Nos | 6 | 5 | 5 | 5 | 5 |
| Independent Directors | Nos | 1 | 1 | 1 | 1 | 1 |
| Women Directors | Nos | 2 | 1 | 1 | 1 | 1 |
| Board Attendance | % | 98 | 100 | 93 | 90 | 98 |
| Independent Directors in Audit Committee | Nos | 1 | 1 | 1 | 1 | 1 |
| Independent Directors in Nominations & Remunerations Committee | Nos | 1 | 1 | 1 | 1 | 1 |
| **Audit Committee** | | | | | | |
| Total Members | | 3 | 3 | 3 | 3 | 3 |
| Independent Directors | | 1 | 1 | 1 | 1 | 1 |



| | Unit | FY26 | FY 25 | FY 24 | FY 23 | FY 22 |
|---|---|---|---|---|---|---|
| Number of meetings | | 4 | 4 | 4 | 4 | 4 |
| **Nomination and Remuneration Committee** | | | | | | |
| Total Members | | 3 | 3 | 3 | 3 | 3 |
| Independent Directors | | 1 | 1 | 1 | 1 | 1 |
| Number of meetings | | 4 | 1 | 4 | 1 | 1 |
| | | | | | | |
| **Corporate Social Responsibility spends** | | | | | | |
| Total CSR expenditure | Tk. Million | | 91.97 | 81.53 | 159.69 | 26.05 |
| Ethics | | | | | | |
| **Investor Grievance redressal** | | | | | | |
| Shareholder's complaints received | Nos | 88 | 151 | 77 | 109 | |
| Shareholder's complaints resolved | Nos | 88 | 151 | 77 | 109 | |
| Shareholder's complaint pending resolution | Nos | 0 | 0 | 0 | 0 | |
| **Whistleblower** | | | | | | |
| **Prevention of Sexual Harrassment at work** | | | | | | |









1

## MICHAEL PHELPS

**World's Greatest Swimmer**
**2000–2016**

There is no formal ranking for it, yet no one disputes it. Across five Olympic Games from 2000 to 2016, Phelps won 28 medals, a record 23 of them gold. His true reign ran from 2004 to 2016.

# INDEPENDENT AUDITOR'S REPORT & **AUDITED FINANCIAL STATEMENTS**

BSRM Steels Limited

For the year ended 30 June 2026

**INDEPENDENT AUDITORS' REPORT**
**To the Shareholders of BSRM Steels Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of BSRM Steels Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2026, and the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements including material accounting policy information.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for opinion**

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| First-time application of IFRS 18 *Presentation and Disclosure in Financial Statements* | |
| **Referring to the Note 6.00 & notes to the Financial Statements**<br>The Company applied IFRS 18 for the first time for the year ended 30 June 2026, replacing IAS 1 Presentation of Financial Statements. The Company applied the standard retrospectively and restated the comparative information. IFRS 18 does not change the recognition or measurement of items, so profit for the year and equity are unaffected. | We obtained an understanding of the Company's IFRS 18 transition process and evaluated the related controls. These included the controls over the mapping of general ledger accounts to the new categories and over the preparation of the restated comparatives. |
| IFRS 18 requires income and expenses to be classified into the operating, investing, financing, income taxes and discontinued operations categories, with new subtotals for "operating profit" and "profit before financing and income taxes". | We tested, on a sample basis, the mapping of general ledger accounts to each category, and recalculated the new subtotals for the current and comparative periods. |
| Foreign exchange differences. IFRS 18 requires foreign exchange differences to be classified in the same category as the income and expenses arising from the items that gave rise to them. The Company has significant foreign currency balances, including foreign currency borrowings and export receivables. Management had to judge how to attribute the exchange differences on these balances between the operating and financing categories. The total net foreign exchange (loss)/gain for the year was BDT (35,737,875) (comparative: BDT 56,441,523). | For foreign exchange differences, we obtained management's analysis attributing exchange differences to the underlying monetary items. We then:<br>• agreed the underlying balances to the ledger and to the foreign currency revaluation workings;<br>• evaluated, by reference to the contractual terms, management's assessment of the nature of liabilities and the resulting operating or financing classification;<br>• recalculated, on a sample basis, the exchange differences attributed to each category; and<br>• assessed whether the classification policy was applied consistently to the current and comparative periods. |
| Statement of cash flows. The consequential amendments to IAS 7 require the indirect method to start from operating profit. Because the Company has no specified main business activity, interest and dividends received are now classified as investing activities, and interest paid and dividends paid as financing activities. As a result, the comparative statement of cash flows has been restated, and net cash from operating activities differs from the amount previously reported.<br><br>We considered this a key audit matter for three reasons: the changes affect the primary financial statements pervasively; classifying foreign exchange differences involves significant management judgement; and the restatement significantly changes subtotals that users rely on, including operating profit and net cash from operating activities. | For the statement of cash flows, we:<br>• checked that the reconciliation starts from operating profit and agrees to the statement of profit or loss;<br>• tested the reclassification of interest and dividend cash flows into the investing and financing categories for both periods; and<br>• agreed the restated comparative cash flows to the previously reported amounts and the adjustments made.<br><br>We tested the reconciliation in Note 6.04 between the amounts previously presented under IAS 1 and the restated IFRS 18 amounts for each line item of the comparative statement of profit or loss. We also assessed the adequacy of the transition disclosures, including the accounting policy for classifying foreign exchange differences. We involved our IFRS technical specialists in evaluating the classification judgements. |

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Revenue recognition** | |
| **Referring to the Note 32 and Note 7.14 to the financial statements**<br><br>During the year ended 30 June 2026 the Revenue of BDT 129,488 million has recognized in the statement of profit or loss and other comprehensive income of BSRM Steels Limited.<br><br>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management in order to meet expectations of the shareholders and also to achieve specific targets or expectations.<br><br>Revenue from the sale of goods is recognized, when the company has delivered products to the customers at the shipping point and control has passed. The sales of the Company are derived from factories and various depots located across the country with relatively transactions of small amounts. In determining the sales price, the company considers the effect of discounts.<br><br>We focused on the proper cut-off on sales to the company's customers due to the fact that the documents of confirming the acceptance of the products were provided by numerous customers based in different locations. There is a risk of differences between the timing of acceptance of the products by the company's customers and when revenue was recorded. Accordingly, there could be potential misstatements that these revenue transactions are not recognized in the proper reporting periods. | Our audit procedures included the following:<br><br>* We read the company's revenue recognition policy and assessed its compliance in terms of IFRS 15 'Revenue from contracts with customers'<br><br>* We assessed the design and tested the operating effectiveness of internal controls related to revenue recognition and applicable discounts.<br><br>* Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, we tested recognition of revenue based on underlying sales invoices, sales orders and other related documents.<br><br>* We selected a sample of invoices on which discounts were given and obtained the discount schemes approved by the management. We noted the accounting of discounts by the company for the selected sample.<br><br>* Selected samples of sales transactions recognized shortly before and after the reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct reporting periods.<br><br>* Assessed the relevant disclosures made within the financial statements |

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Identification and completeness of disclosure of related party transactions** | |
| **Referring to the Note 16 and Note 46 to the financial statements**<br><br>We identified the accuracy 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 the high volume of business transactions with related parties during the year ended 30 June 2026. | Our procedures in relation to the accuracy and completeness of disclosure of related parties' transactions included:<br><br>* Obtaining an understanding of the company's policies 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 further fully disclosed in the financial statement.<br><br>* We tested, on a sample basis, related party transactions with the underlying contracts and other documents and for appropriate authorization and approval for such transactions.<br><br>* We 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.<br><br>* Evaluating the completeness of the disclosures through review of statutory information, books and records and other documents obtained during the course of our audit. |

**Other information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. Of the components of the Annual Report, we obtained the Directors' Report and the Statement of Corporate Governance prior to the date of this auditors' report. The remaining components of the Annual Report is expected to be made available to us after that date.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 remaining components of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

a) identify and assess the risks of material misstatement of the 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.

b) 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 Company's internal control.

c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 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 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 Company to cease to continue as a going concern.

e) evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Securities and Exchange Rules, 2020, we also report the following;

a. 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;

b. 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;

c. The statement of financial position and 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;

d. The expenditure incurred was for the purposes of the Company's business.

**A. Qasem & Co.**
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

**Md. Johirul Islam FCA**
Partner
Enrolment Number: 1257
DVC: 2610141257AS160581

Place: Chattogram
Date: 14 OCT 2026

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

# BSRM STEELS LIMITED

## Statement of Financial Position

**As at 30 June 2026**

| | Notes | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|
| **ASSETS:** | | | |
| **Non-Current Assets:** | | | |
| Property, plant and equipment's | 08.00 | 39,940,470,769 | 40,453,032,079 |
| Right of use assets | 09.00 | 131,154,931 | 161,086,929 |
| Intangible assets | 10.00 | 40,223,156 | 41,672,853 |
| Capital work-in-progress | 11.00 | 267,758,309 | 929,879,781 |
| Investment in Associate | 12.00 | 1,994,238,835 | - |
| Investment in financial assets | 13.00 | 3,192,367,600 | 2,278,280,000 |
| **Total Non-Current Assets** | | **45,566,213,600** | **43,863,951,642** |
| **Current Assets:** | | | |
| Inventories | 14.00 | 31,400,292,247 | 24,919,098,090 |
| Trade and other receivables | 15.00 | 5,921,416,311 | 7,131,089,714 |
| Due from related companies | 16.00 | 2,723,145,569 | 4,672,669,603 |
| Advances, deposits and prepayments | 17.00 | 6,272,555,901 | 4,702,534,604 |
| Short term investments | 18.00 | 782,169,994 | 618,273,100 |
| Cash and cash equivalents | 19.00 | 6,601,685,665 | 1,916,677,115 |
| **Total Current Assets** | | **53,701,265,687** | **43,960,342,226** |
| **Total Assets** | | **99,267,479,287** | **87,824,293,868** |
| **EQUITY:** | | | |
| Share capital | 20.02 | 3,759,525,000 | 3,759,525,000 |
| Revaluation reserve | | 7,832,604,063 | 7,850,267,571 |
| Fair value reserve | | 1,735,088,000 | 1,059,552,000 |
| Retained earnings | | 26,660,161,916 | 21,363,678,067 |
| **Total Equity** | | **39,987,378,979** | **34,033,022,638** |
| **LIABILITIES :** | | | |
| **Non-Current Liabilities:** | | | |
| Long term loans - non-current portion | 21.03 | 20,600,426,155 | 22,244,751,182 |
| Defined benefit obligations - gratuity | 22.00 | 312,152,656 | 321,938,389 |
| Lease liabilities- non-current portion | 09.03 | 77,947,808 | 97,347,515 |
| Deferred tax liabilities | 23.00 | 1,983,593,229 | 1,733,309,398 |
| **Total Non-Current Liabilities** | | **22,974,119,848** | **24,397,346,484** |
| **Current Liabilities:** | | | |
| Trade payables | 24.00 | 3,855,808,721 | 860,278,160 |
| Short term loans | 25.00 | 22,766,228,410 | 21,502,128,448 |
| Long term loans - current portion | 21.02 | 2,778,004,296 | 1,560,776,913 |
| Lease liabilities- current portion | 09.03 | 68,957,876 | 83,219,206 |
| Liabilities for expenses | 26.00 | 1,915,942,259 | 1,879,156,341 |
| Provision for income tax | 27.00 | 2,170,711,490 | 1,506,833,523 |
| Provision for WPPF and Welfare Fund | 28.00 | 478,706,410 | 348,008,335 |
| Unclaimed dividend | 29.00 | 5,229,267 | 6,378,257 |
| Other liabilities | 30.00 | 889,019,712 | 934,938,282 |
| Contract liabilities | 31.00 | 1,377,372,019 | 712,207,281 |
| **Total Current Liabilities** | | **36,305,980,460** | **29,393,924,746** |
| **Total Liabilities** | | **59,280,100,308** | **53,791,271,230** |
| **Total Equity & Liabilities** | | **99,267,479,287** | **87,824,293,868** |
| **Net asset value (NAV) per share** | 44.00 | **106.36** | **90.52** |

**Footnotes:**
The notes 1 to 53 form an integral part of these financial statements.

**A. Qasem & Co.**
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

**Md. Johirul Islam FCA**
Partner
Enrolment Number: 1257
DVC: 2610141257AS160581

Place: Chattogram
Date: 14 OCT 2026

**Shekhar Ranjan Kar FCA**
Company Secretary

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

**Aameir Alihussain**
Managing Director

**Alihussain Akberali FCA**
Chairman

## BSRM STEELS LIMITED
# Statement of Profit or Loss and Other Comprehensive Income
**For the year ended 30 June 2026**

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| Revenue from contracts with customers | 32.00 | 129,488,018,313 | 103,665,210,348 |
| Cost of sales | 33.00 | (115,386,418,868) | (92,160,634,702) |
| **Gross profit for the year** | | **14,101,599,445** | **11,504,575,646** |
| Selling and distribution expenses | 34.00 | (1,418,919,353) | (1,675,437,425) |
| Administrative expenses | 35.00 | (999,565,271) | (855,879,346) |
| | | **11,683,114,821** | **8,973,258,875** |
| Foreign exchange gain/(loss) | 36.00 | 8,886,117 | 33,073,332 |
| Other operating income | 37.00 | 53,088,168 | 46,434,903 |
| **Operating profit for the year** | | **11,745,089,106** | **9,052,767,110** |
| Share of profit/ (Loss) from associates | 12.00 | (5,761,165) | - |
| Interest income on Deposits | 38.00 | 244,298,857 | 206,526,738 |
| Foreign exchange gain/(loss) on cash and cash equivalents | 39.00 | 3,883,764 | (339,166) |
| Dividend income | 40.00 | 144,000,001 | 100,800,000 |
| **Profit before financing and income tax** | | **12,131,510,563** | **9,359,754,682** |
| Finance costs | 41.00 | (2,514,635,779) | (2,423,295,329) |
| Foreign exchange gain/(loss) on interest-bearing borrowings | 42.00 | (48,507,756) | 23,707,357 |
| **Net profit before tax and WPPF** | | **9,568,367,028** | **6,960,166,709** |
| Contribution to WPPF and Welfare Fund | 28.00 | **(478,706,410)** | **(348,008,335)** |
| **Net profit before tax** | | **9,089,660,618** | **6,612,158,374** |
| Income tax (expenses)/benefits: | | | |
| Current tax | 27.00 | (1,869,257,946) | (1,264,902,650) |
| Deferred tax | 23.00 | (66,947,946) | (171,211,691) |
| | | **(1,936,205,892)** | **(1,436,114,341)** |
| **Net Profit After tax** | | **7,153,454,726** | **5,176,044,033** |
| **Other comprehensive income not to be reclassified to profit or loss** | | | |
| Fair value reserve on financial asset (Net of tax) | | 675,536,000 | (373,248,000) |
| **Total comprehensive income for the year, net of tax** | | **7,828,990,726** | **4,802,796,033** |
| **Earnings per share (EPS)** | 43.00 | **19.03** | **13.77** |

**Footnotes:**
The notes 1 to 53 form an integral part of these financial statements.

**A. Qasem & Co.**
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

**Md. Johirul Islam FCA**
Partner
Enrolment Number: 1257
DVC: 2610141257AS160581

**Shekhar Ranjan Kar FCA**
Company Secretary

**Aameir Alihussain**
Managing Director

**Alihussain Akberali FCA**
Chairman

Place: Chattogram
Date: 14 OCT 2026



## BSRM STEELS LIMITED
# Statement of Changes in Equity
**For the year ended 30 June 2026**

| Particulars | Share Capital | Revaluation Reserve | Fair Value Reserve | Retained Earnings | Total Equity |
|---|---|---|---|---|---|
| **Balance as at 01 July 2024** | **3,759,525,000** | **7,869,893,691** | **1,432,800,000** | **17,365,358,008** | **30,427,576,699** |
| Net profit after tax for the year ended 30 June 2025 | - | - | - | 5,176,044,033 | 5,176,044,033 |
| Fair value reserve on financial asset | - | - | (373,248,000) | - | (373,248,000) |
| Transfer against difference in depreciation between cost and revalued amount | - | (19,626,120) | - | 25,324,026 | 5,697,906 |
| Final cash dividend 2024 | - | - | - | (1,203,048,000) | (1,203,048,000) |
| **Balance as at 30 June 2025** | **3,759,525,000** | **7,850,267,571** | **1,059,552,000** | **21,363,678,067** | **34,033,022,638** |
| **Balance as at 01 July 2025** | **3,759,525,000** | **7,850,267,571** | **1,059,552,000** | **21,363,678,067** | **34,033,022,638** |
| Net profit after tax for the year ended 30 June 2026 | - | - | - | 7,153,454,726 | 7,153,454,726 |
| Fair value reserve on financial asset | - | - | 675,536,000 | - | 675,536,000 |
| Transfer against difference in depreciation between cost and revalued amount | - | (17,663,508) | - | 22,791,623 | 5,128,115 |
| Final cash dividend 2025 | - | - | - | (1,879,762,500) | (1,879,762,500) |
| **Balance as at 30 June 2026** | **3,759,525,000** | **7,832,604,063** | **1,735,088,000** | **26,660,161,916** | **39,987,378,979** |

**Footnotes:**
The notes 1 to 53 form an integral part of these financial statements.

**A. Qasem & Co.**
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

**Md. Johirul Islam FCA**
Partner
Enrolment Number: 1257
DVC: 2610141257AS160581

**Shekhar Ranjan Kar FCA**
Company Secretary

**Aameir Alihussain**
Managing Director

**Alihussain Akberali FCA**
Chairman

Place: Chattogram
Date: 14 OCT 2026

## BSRM STEELS LIMITED
## Statement of Cash Flows
**For the year ended 30 June 2026**

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **A. Operating activities** | | | |
| Receipts from customers against sales | | 131,420,685,381 | 103,627,383,727 |
| Cash Paid to suppliers, operating and other expenses | | (121,018,028,048) | (85,479,433,289) |
| Income tax paid | | (1,205,379,979) | (1,222,731,964) |
| **Net cash generated by operating activities** | **47** | **9,197,277,354** | **16,925,218,474** |
| **B. Investing activities** | | | |
| Acquisition of property, plant and equipments | | (565,682,533) | (955,800,420) |
| Acquisition of Intangible assets | | (5,418,939) | (10,179,680) |
| Addition to CWIP/Capitalized | | (373,184,653) | (3,743,625,638) |
| Proceeds from sale of property, plant and equipments | | 4,150,000 | 36,955,895 |
| Short term investments | | (163,896,894) | 616,027,011 |
| Dividend Received | | 144,000,001 | 100,800,000 |
| Interest Received | | 248,182,622 | 206,187,572 |
| Investment in Associates | | (2,000,000,000) | - |
| Investment in financial assets | | (50,087,600) | (1,000,000) |
| **Net cash provided by /(used in) investing activities** | | **(2,761,937,997)** | **(3,750,635,260)** |
| **C. Financing activities** | | | |
| Dividend paid | | (1,880,911,489) | (1,201,481,485) |
| Interest paid on borrowings | | (2,496,493,764) | (2,402,900,394) |
| Payment against Lease | | (110,944,149) | (109,278,964) |
| Receipt/(Re-payment) of long term loan | | (475,605,400) | 14,005,762,491 |
| Received from/paid against short term loan | | 1,264,099,962 | (28,106,595,261) |
| Loan received from /(paid to) related companies | | 1,949,524,034 | 1,176,937,534 |
| **Net cash provided by /(used in) financing activities** | | **(1,750,330,806)** | **(16,637,556,079)** |
| **D. Net increase / (Decrease) in cash and cash equivalents (A+B+C)** | | **4,685,008,550** | **(3,462,972,865)** |
| **E. Opening cash and cash equivalents** | | 1,916,677,115 | 5,379,649,980 |
| **Closing cash and cash equivalents (D+E)** | | **6,601,685,665** | **1,916,677,115** |
| **Net operating cash flows (NOCF) per share** | **45** | **24.46** | **45.02** |

**Footnotes:**
The notes 1 to 53 form an integral part of these financial statements.

**A. Qasem & Co.**
Chartered Accountants
Enlistment Registration No. of FRC: CAF-001-129

| | | | |
|---|---|---|---|
| **Md. Johirul Islam FCA** | **Shekhar Ranjan Kar FCA** | **Aameir Alihussain** | **Alihussain Akberali FCA** |
| Partner | Company Secretary | Managing Director | Chairman |

Enrolment Number: 1257
DVC: 2610141257AS160581

Place: Chattogram
Date: 14 OCT 2026

A QASEM & CO Chittagong CHARTERED ACCOUNTANTS



## BSRM STEELS LIMITED
## Notes to the Financial Statements
**As at and for the year ended 30 June 2026**

**1.00 REPORTING ENTITY**

**1.01 Company Profile**

BSRM Steels Limited (hereinafter referred to as 'BSL', 'the company' was incorporated on 20 July, 2002, vide the certificate C-No. 4392 of 2002 as a Private Limited Company in Bangladesh under Companies Act 1994. The company was converted to a Public Limited Company on 20 December 2006. The Company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly traded company. Trading of the shares of the company started in two stock exchanges from 18 January 2009.

The registered office of the company is situated at Ali Mansion, 1207/1099, Sadarghat Road, Chattogram, Bangladesh.The company has set up its rolling mill at 4, Fouzderhat Industrial Estate, Latifpur, Sitakunda, Chattogram and commenced commercial production from 1 April 2008. Its backward units are located at Khilmurari, Zorargonj, Chattogram and 202-205, Nasirabad Industrial Area, Baizid Bostami Road, Chattogram.

**1.02 Nature of the Business**

The main objective of the company is to manufacture M.S. products by setting up melting and re-rolling mills and marketing the same.

M.S. billets are manufactured from scraps and sponge iron etc. These billets are re-rolled in the next step at Re-Rolling Mills to manufacture M.S. products. The company also deals in sale of M.S. products like Xtreame 500W, Xtreame DWR, Xtreame CWR, Ultima 420D, Maxima 500 and MS Wire Rod etc.

**2.00 BASIS OF PREPARATION**

**2.01 Statement of Compliance**

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015.

**2.02 Basis of Reporting**

The financial statements have been prepared and presented for external users in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), including IFRS 18 Presentation and Disclosure in Financial Statements, the Companies Act 1994, and other applicable laws and regulations of Bangladesh. The financial statements comprise of:

a) A statement of financial position as at 30 June 2026
b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2026
c) A statement of changes in equity for the year ended 30 June 2026
d) A statement of cash flows for the year ended 30 June 2026
e) The disclosure of management-defined performance measures in note 48.00

**2.03 Early Application of IFRS 18 Presentation And Disclosure in Financial Statements**

The Company has early-applied IFRS 18, which replaces IAS 1 Presentation of Financial Statements, together with the related amendments to IAS 7, IAS 8 (retitled Basis of Preparation of Financial Statements), IAS 33 and IAS 34. The standard has been applied retrospectively, and comparative information for the year ended 30 June 2025 has been re-presented accordingly.

IFRS 18 affects presentation and disclosure only. It had no effect on the recognition or measurement of assets, liabilities, income or expenses, and no effect on reported profit or total equity. The main changes are:

1 Income and expenses are classified into defined categories with new mandatory subtotals;
2 The statement of cash flows now starts from operating profit or loss under the indirect method, and interest and dividend cash flows have a fixed classification;
3 Management-defined performance measures (MPMs) are disclosed in a single note, with reconciliation to the most directly comparable IFRS subtotal and the tax and non-controlling-interest effects; and
4 The principles of aggregation and disaggregation are applied to the primary statements and the notes.

A QASEM & CO Chittagong CHARTERED ACCOUNTANTS







**2.04 Other Regulatory Compliances**

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

A. The Income Tax Act, 2023
B. The Income Tax Rules, 1984
C. The Value Added Tax and Supplementary Duty Act, 2012
D. The Value Added Tax and Supplementary Duty Rule, 2016
E. The Securities and Exchange Ordinance, 1969
F. The Securities and Exchange Rules, 2020
G. Securities and Exchange Commission Act, 1993
H. The Customs Act, 1969
I. Bangladesh Labour Law, 2006
J. Financial Reporting Act, 2015

**2.05 Reporting Period**

The financial statements of the company covers the year from 01 July 2025 to 30 June 2026 and followed consistently.

**2.06 Authorization for Issue**

These financial statements for the year ended 30 June 2026 have been authorized for issue by the Board of Directors on 14 October 2026.

**2.07 Going Concern**

The financial statements have been prepared on a going concern basis. Management has assessed the Company's ability to continue as a going concern and is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the end of the reporting period.

**2.08 Comparative and reclassification**

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged / reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

The Company has early-applied IFRS 18 retrospectively. Accordingly, the comparative information for the year ended 30 June 2025 has been re-presented to reflect the new classification of income and expenses and the revised statement of cash flows requirements. The re-presentation affected presentation only. There was no effect on previously reported profit, total comprehensive income, total assets, total liabilities, equity or net cash flows.

A reconcialiation of the Statement of Profit and Loss and Other Comprehensive Income for the comparative period has been provided in **note 6.04**.

**2.09 Current versus non-current classification**

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:**

a) expected to be realised or intended to sold or consumed in the normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realised within twelve months after the reporting period; or
d) cash and 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:**

a) it is expected to be settled in the normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

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

**3.00 Functional and Presentation Currency**

These financial statements are presented in Bangladeshi Taka (Taka/TK/BDT) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest Taka.



**4.00 Use of Estimates and Judgments**

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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

| Area | Note | Nature of estimate or judgement |
|---|---|---|
| Property, plant and equipment | 8 | Useful lives, residual values and fair value |
| Right-of-use assets | 9 | Lease term and incremental borrowing rate |
| Intangible assets | 10 | Useful lives and impairment |
| Inventories | 14 | Net realizable value |
| Trade and other receivables | 15 | Expected credit losses |
| Defined benefit obligations – gratuity | 22 | Actuarial assumptions |
| Deferred tax liabilities | 23 | Tax rates, recoverability of deferred tax assets |
| Liabilities for expenses | 26 | Estimation of accrued amounts |
| Provision for income tax | 27 | Interpretation of tax law and tax positions |
| Contingent liabilities | 49 | Likelihood of outflow of resources |

**5.00 Basis of Measurement**

These financial statements have been prepared on going concern basis under the historical cost convention except for some classes of property, plant and equipments and investment in Bangladesh Steel Re-Rolling Mills Limited (financial asset) which are measured at fair value.

**6.00 Early adoption of IFRS 18 Presentation and Disclosure in Financial Statements**

**6.01 Early Application**

IFRS 18 Presentation and Disclosure in Financial Statements is mandatorily effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Company has early-applied IFRS 18 in preparing its financial statements for the year ended 30 June 2026.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. Together with IFRS 18, the Company has applied the related consequential amendments to IAS 7, IAS 8 (retitled Basis of Preparation of Financial Statements), IAS 33 and other standards.

**6.02 Transition and Effects of adoption**

The Company applied IFRS 18 retrospectively, and comparative information for the year ended 30 June 2025 has been re-presented accordingly. IFRS 18 affects presentation and disclosure only. It had no effect on the recognition or measurement of assets, liabilities, income or expenses, and no effect on reported profit, total comprehensive income, total assets, total liabilities or total equity for any period presented.

**6.03 Main changes introduced by IFRS 18**

(a) Income and expenses are classified into defined categories, with new mandatory subtotals;
(b) The statement of cash flows starts from operating profit or loss where the indirect method is used, and interest and dividend cash flows have a fixed classification. The Company reports operating cash flows under the direct method.
(c) Management-defined performance measures (MPMs) are disclosed in a single note, with a reconciliation to the most directly comparable subtotal specified by IFRS Accounting Standards, together with the related tax effect; and
(d) The principles of aggregation and disaggregation are applied to the primary financial statements





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

| | IAS 1 | Adjustments | IFRS 18 |
|---|---|---|---|
| | Taka | Taka | Taka |
| Revenue from contracts with customers | 103,665,210,348 | - | 103,665,210,348 |
| Cost of sales | (92,160,634,702) | - | (92,160,634,702) |
| **Gross profit for the year** | **11,504,575,646** | - | **11,504,575,646** |
| Selling and distribution expenses | (1,675,437,425) | - | (1,675,437,425) |
| Administrative expenses | (855,879,346) | - | (855,879,346) |
| | **8,973,258,875** | - | **8,973,258,875** |
| Foreign exchange gain/(loss) | - | 33,073,332 | 33,073,332 |
| Other operating income | 25,767,903 | 20,667,000 | 46,434,903 |
| **Operating profit for the year** | **8,999,026,778** | **53,740,332** | **9,052,767,110** |
| Share of profit/ (Loss) from associates | - | - | - |
| Finance costs | (2,366,853,807) | 2,366,853,807 | - |
| Finance income | 227,193,738 | (227,193,738) | - |
| Non operating income | 100,800,000 | (100,800,000) | - |
| Interest income on Deposits | - | 206,526,738 | 206,526,738 |
| Foreign exchange gain/(loss) on cash and cash equivalents | - | (339,166) | (339,166) |
| Dividend Income | - | 100,800,000 | 100,800,000 |
| **Profit before financing and income tax** | **6,960,166,709** | **2,399,587,973** | **9,359,754,682** |
| Finance costs | - | (2,423,295,329) | (2,423,295,329) |
| Foreign exchange gain/(loss) on interest-bearing borrowings | - | 23,707,357 | 23,707,357 |
| **Net profit before tax and WPPF** | **6,960,166,709** | - | **6,960,166,709** |
| Contribution to WPPF and Welfare Fund | **(348,008,335)** | - | **(348,008,335)** |
| **Net profit before tax** | **6,612,158,374** | - | **6,612,158,374** |
| Income tax (expenses)/benefits: | | | |
| Current tax | (1,264,902,650) | - | (1,264,902,650) |
| Deferred tax | (171,211,691) | - | (171,211,691) |
| | **(1,436,114,341)** | - | **(1,436,114,341)** |
| | | - | |
| **Net profit after tax** | **5,176,044,033** | - | **5,176,044,033** |

**Reconciliation on statement of Cash Flows for the year ended 30 June 2025**

In the statement of cash flows, the starting point for cash flows from operating activities has changed from 'Profit before tax' to 'Operating profit', resulting in corresponding changes to the reconciliation adjustments presented under the indirect method. As removing the optionality previously available for the classification of cash flows from interest, interest received and interest paid are presented within investing activities and financing activities, respectively.

The comparative statement of cash flows has been restated accordingly. The effects of these changes are summarised below.

| | Previous 2025 | Adjustments | Restated 2025 |
|---|---|---|---|
| Cash flow from operating activities | 7,306,903,624 | 9,618,314,850 | 16,925,218,474 |
| Cash flow from investing activities | (818,806,798) | (2,931,828,462) | (3,750,635,260) |
| Cash flow from financing activities | (9,951,408,857) | (6,686,147,222) | (16,637,556,079) |

## 7.00 MATERIAL ACCOUNTING POLICIES

The Company has consistently (otherwise as stated) applied the following accounting policies to all periods presented in these financial statements.

The Company has early adopted IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1. Material accounting policy information is disclosed in accordance with IAS 8 Basis of Preparation of Financial Statements.



Set out below is an index of the material accounting policies, the details of which are available on the current and following pages:

| Note | Particulars |
|---|---|
| 7.01 | Property, Plant and Equipments |
| 7.02 | Revaluation of Property, Plant and Equipments |
| 7.03 | Capital Work-in-Progress |
| 7.04 | Leases |
| 7.05 | Intangible Assets |
| 7.06 | Borrowing Costs |
| 7.07 | Inventories |
| 7.08 | Financial Instruments |
| 7.09 | Cash and cash equivalents |
| 7.10 | Share Capital |
| 7.11 | Provisions, Contingent liability and Contingent assets |
| 7.12 | Income tax |
| 7.13 | Employee Benefits |
| 7.14 | Revenue |
| 7.15 | Foreign currency |
| 7.16 | Earnings Per Share |
| 7.17 | Statement of Cash Flows |
| 7.18 | Dividend to the Equity Holders |
| 7.19 | Finance Income and Finance Cost |
| 7.20 | Segment information |
| 7.21 | Event after the reporting period |
| 7.22 | Fair Value Measurement |

**7.01 Property, Plant and Equipments**

Items of property, plant and equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipments and borrowing costs for long-term construction projects if the recognition criteria are met.

The cost of an item of property, plant and equipments comprises:

a) It's purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates).

b) Any cost directly attributable to the acquisition of the assets.

c) The cost of self-constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of replacing or upgrading part of an item of property, plant and equipments is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipments are recognized in profit or loss.

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipments, 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 equipments. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

| Asset Category | Useful Lives |
|---|---|
| Plant and Machineries | 7-25 years |
| Motor Vehicles | 6-10 years |
| Furniture and Fixtures | 5 years |
| Office Equipments | 5 years |
| Factory Buildings | 20 years |
| Roads and Pavements | 20 years |
| IT Equipments | 5 years |

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

**7.02 Revaluation of Property, Plant and Equipments**

The last revaluation of the Company's immovable properties was carried out by ACNABIN, Chartered Accountants with assistance from Pacific Surveyors Ltd., BDBL Bhaban (Level-13), 12 Karwan Bazar Commercial Area, Dhaka as at 07 August 2019. Since then, no further revaluation has been undertaken. Based on management's periodic internal assessment, review of available market information, and observable indicators of land values in comparable locations and transactions, the Company is of the view that there has been no significant or material change in fair values of these assets. Accordingly, management considers that the carrying amounts of lands as reflected in the financial statements do not differ materially from their estimated fair values as at the reporting date. Therefore, in line with the requirements of IAS 16 regarding regularity of revaluation, a revaluation exercise has not been considered necessary during the current reporting period.

The Company continues to monitor market conditions and external valuation indicators on an ongoing basis. A formal revaluation will be undertaken when management determines that there is evidence of material deviation between carrying amounts and fair values, or when required for financial reporting purposes.

**Property, plant and equipments (Revaluation model)**

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

**7.03 Capital Work-in-Progress**

Capital work-in-progres consists of cost incurred for the acquisition and/or construction of items of property, plant and equipments that are yet to become available for use. In the case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the company.

**7.04 Leases**

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.



The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are amortized over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is amortized over the useful life of the underlying asset. The amortization starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

At the derecognition of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

**7.05 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible assets with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss under the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the intangible assets is as follows:

| Particulars | Trade Mark | Oracle EBS and other Software |
|---|---|---|
| Useful lives | Finite (20 years) | Finite (10 years) |
| Amortisation method used | Amortised on a straight line basis | Amortised on a straight line basis |
| Internally generated or acquired | Acquired | Acquired |

**7.06 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**7.07 Inventories**

Inventories are measured at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

• Raw materials: purchase cost on a weighted average basis

• Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**7.08 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. Accounting policies relating to different type of financial instruments are described below:

**i) Recognition and measurement**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

**ii) Classification and subsequent measurement**

**Financial assets**

On initial recognition, a financial asset is classified as measured at: amortised cost; FVTOCI and FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets – Business model assessment**

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

• the stated policies and objective for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

• how the performance of the portfolio is evaluated and reported to the Company's management;

• the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

• how managers of the business are compensated-e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

• the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets-Subsequent measurement and gains and losses

**Financial assets at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.



**Financial liabilities- Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**iii) Derecognition**

**Financial assets**

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

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability 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.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**iv) 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 realize the asset and settle the liability simultaneously.

**v) Impairment**

**Financial assets**

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

**Non-financial assets**

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

**7.09 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at banks, and short-term deposits with a maturity of three months or less, which are readily convertible and subject to an insignificant risk of changes in value.

**7.10 Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognized as a deduction from equity.

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.

**7.11 Provisions, Contingent liability and Contingent assets**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

**Contingent liabilities**

Contingent liability is a possible obligation that arises from past events, the existence of which 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 discloses contingent liability in the financial statements. A provision is recognised in the period in which the recognition criteria of provision is met.

**Contingent Assets**

Contingent asset is a possible asset that arises from past events, the existence of which 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.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

**7.12 Income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**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 Finance Act, 2026 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.

**7.13 Employee Benefits**

The company maintain both defined contribution plan and defined benefit plan for its eligible permanent employees.

**Defined Contribution plan**

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognised Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognised by the National Board of Revenue (NBR), under the First Schedule, Part B of Income Tax Ordinance 1984. The Company recognises contribution to defined contribution plan as an expense when an employee has rendered required services. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund. Obligations are created when they are due.



**Defined benefit plan**

The company maintains funded gratuity scheme and provision in respect of which is made annually for the employees. Gratuity benefit shall be payable on the basis of company service and the last drawn basic salary of the employee as per the following table at the end of retirement, death in service or leaving employment:

| Service length | Benefit |
|---|---|
| Less than 5 years of service | Nil |
| Equal to or more than 5 years of service | Two months' last drawn basic salary for each year of service. |

**Workers profit participation and welfare funds**

The company also recognised a provision for workers profit participation and welfare funds @ 5% of net profit before tax as per Bangladesh labour law 2006.

**7.14 Revenue**

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a goods or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers.

The company is in the business of providing M.S. Billet and M.S. Rod. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

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, export of M.S. Rod and includes VAT paid to the Government of Bangladesh.

The company's typical performance obligations include the following;

**Revenue from contracts with customers:**

| Type of Sales | Nature and timing of satisfaction of performance obligations | Revenue recognition |
|---|---|---|
| - Local sales | Customers obtain control of products when goods are shipped out at factory gate. Invoices raised as per management approved price list are generated at that point in time. | Revenue is recognized when (or as) the entity satisfies a performance obligation by transferring the promised goods or service to a customer. |
| - Export sales | | |
| - By Products | | |

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for local sales, the Company considers the effects of variable consideration payable to the customers.

The Company has variable considerations included in the contracts with customers which are netted off against the revenue to determine the transaction price. The variable considerations are pre-determined. The effect of variable considerations on revenue is only from contracts with local customers.

**7.15 Foreign currency**

Foreign currency transactions are recorded in BDT at applicable rates of exchange ruling at the dates of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates." Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of property, plant and equipment, to be credited/ charged to the cost/value of such assets.

The financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. 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 the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

**7.16 Earnings Per Share**

Basic earnings per share (EPS) is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of the Fund by the weighted average number of ordinary shares outstanding during the year.

**7.17 Statement of Cash Flows**

Cash flows from operating activities have been presented under direct method as per IAS 7: Statement of Cash Flows.

**7.18 Dividend to the Equity Holders**

Final dividend distribution to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting.

**7.19 Finance Income and Finance Cost**

**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.

**7.20 Segment information**

For management purposes, the company is organised into business units based on its products and has two reportable segments, as follows:

-The M.S Rod segment which produces different graded Rod and sell the same to several dealers, end users, other corporate users and some deemed export to EPZ based companies.

-The M.S Billets segment which produces different graded Billets and transfer the same to produce M.S Rod.

No operating segments have been aggregated to form the above reportable operating segments.

The Company Secretary and General Manager Finance and Accounts is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss. Also, the company's financing (including finance costs and finance income) and income taxes are managed on aggregately and are not allocated to operating segments.

Assets and Liabilities of the company are maintained aggregately due to that, those are not provided to the Chief Operating Decision Maker and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Non-current assets information has not presented in the financial statements and is not available according to the geographical area.

**7.21 Event after the reporting period**

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

**7.22 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

When measuring the fair value of an asset or 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 asset or liability 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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed.

8.00 Property, plant and equipments : At Revaluation Model

| Particulars | Land and Land Development | Plant & Machinery | Motor Vehicles | Factory Building | Furniture & Fixtures | Office Equipment | Roads and Pavements | Computer and IT equipment | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| **At 01 July 2024** | **11,574,650,802** | **15,838,581,267** | **176,950,829** | **6,357,910,491** | **111,243,551** | **189,819,980** | **673,611,208** | **110,875,560** | **35,033,643,688** |
| Additions during the year | 14,577,162 | 10,181,902,956 | 41,098,818 | 5,967,174,598 | 12,633,309 | 25,645,800 | 96,230,669 | 13,468,313 | **16,352,731,625** |
| Disposals | - | (28,615,000) | (19,206,354) | - | - | - | - | (1,399,178) | **(49,220,532)** |
| **At 30 June 2025** | **11,589,227,964** | **25,991,869,223** | **198,843,292** | **12,325,085,089** | **123,876,860** | **215,465,780** | **769,841,877** | **122,944,695** | **51,337,154,780** |
| **At 01 July 2025** | **11,589,227,964** | **25,991,869,223** | **198,843,292** | **12,325,085,089** | **123,876,860** | **215,465,780** | **769,841,877** | **122,944,695** | **51,337,154,780** |
| Additions during the year | 53,309,194 | 641,071,344 | 22,511,393 | 197,537,157 | 5,648,886 | 9,624,348 | 691,131,625 | 19,444,076 | **1,640,278,023** |
| Disposals | | | (6,294,610) | - | - | | | (2,198,780) | **(8,493,390)** |
| **At 30 June 2026** | **11,642,537,158** | **26,632,940,567** | **215,060,075** | **12,522,622,246** | **129,525,746** | **225,090,128** | **1,460,973,502** | **140,189,991** | **52,968,939,413** |
| **DEPRECIATION** | | | | | | | | | |
| **At 01 July 2024** | - | **6,484,152,061** | **135,843,256** | **2,092,899,716** | **97,934,803** | **157,628,811** | **176,719,729** | **72,934,524** | **9,218,112,900** |
| Charge during the year | - | 1,216,555,721 | 16,119,788 | 397,268,241 | 5,031,308 | 16,068,391 | 35,385,150 | 9,050,785 | **1,695,479,384** |
| Disposals | - | (8,902,444) | (19,206,354) | - | - | - | - | (1,360,785) | **(29,469,584)** |
| **At 30 June 2025** | - | **7,691,805,338** | **132,756,689** | **2,490,167,957** | **102,966,111** | **173,697,202** | **212,104,879** | **80,624,525** | **10,884,122,701** |
| **At 01 July 2025** | | **7,691,805,338** | **132,756,689** | **2,490,167,957** | **102,966,111** | **173,697,202** | **212,104,879** | **80,624,525** | **10,884,122,701** |
| Charge during the year | | 1,546,838,767 | 16,266,897 | 502,438,364 | 6,170,438 | 11,471,148 | 59,394,419 | 10,254,657 | **2,152,834,691** |
| Disposals | | - | (6,294,610) | - | - | - | - | (2,194,138) | **(8,488,748)** |
| **At 30 June 2026** | | **9,238,644,105** | **142,728,977** | **2,992,606,321** | **109,136,549** | **185,168,350** | **271,499,298** | **88,685,044** | **13,028,468,643** |
| **CARRYING AMOUNT** | | | | | | | | | |
| **At 30 June 2025** | **11,589,227,964** | **18,300,063,885** | **66,086,603** | **9,834,917,132** | **20,910,749** | **41,768,578** | **557,736,998** | **42,320,170** | **40,453,032,079** |
| **At 30 June 2026** | **11,642,537,158** | **17,394,296,462** | **72,331,098** | **9,530,015,925** | **20,389,197** | **39,921,778** | **1,189,474,204** | **51,504,947** | **39,940,470,769** |

| Allocation of Depreciation: | Note | For the year ended 30 June 2026 | For the year ended 30 June 2025 |
|---|---|---|---|
| | | Taka | |
| Cost of sales | 33.03 | 2,098,453,521 | 1,646,338,822 |
| Selling & distribution expenses | 34.00 | 31,648,677 | 30,353,418 |
| Administrative expenses | 35.00 | 22,732,494 | 18,787,144 |
| | | **2,152,834,691** | **1,695,479,384** |

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS



8.01 Property, plant and equipments : At Cost Model

| Particulars | Land and Land Development | Plant & Machinery | Motor Vehicles | Factory Building | Furniture & Fixtures | Office Equipment | Roads and Pavements | Computer and IT equipment | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| **COST** | | | | | | | | | |
| **At 01 July 2024** | **3,621,744,862** | **15,838,581,267** | **176,950,828** | **6,001,600,479** | **111,243,550** | **189,819,980** | **673,611,209** | **110,875,560** | **26,724,427,734** |
| Additions during the year | 14,577,163 | 10,181,902,956 | 41,098,819 | 5,967,174,596 | 12,633,310 | 25,645,798 | 96,230,669 | 13,468,313 | 16,352,731,625 |
| Disposals | - | (28,615,000) | (19,206,354) | - | - | - | - | (1,399,178) | (49,220,532) |
| **At 30 June 2025** | **3,636,322,025** | **25,991,869,223** | **198,843,292** | **11,968,775,075** | **123,876,860** | **215,465,778** | **769,841,878** | **122,944,695** | **43,027,938,826** |
| **At 01 July 2025** | **3,636,322,025** | **25,991,869,223** | **198,843,292** | **11,968,775,075** | **123,876,860** | **215,465,778** | **769,841,878** | **122,944,695** | **43,027,938,826** |
| Additions during the year | 53,309,194 | 640,966,843 | 22,511,393 | 197,537,157 | 5,648,886 | 9,728,849 | 691,131,625 | 19,444,076 | **1,640,278,023** |
| Disposals | | | (6,294,610) | | | | | (2,198,780) | **(8,493,390)** |
| **At 30 June 2026** | **3,689,631,219** | **26,632,836,066** | **215,060,075** | **12,166,312,232** | **129,525,746** | **225,194,627** | **1,460,973,503** | **140,189,991** | **44,659,723,459** |
| **DEPRECIATION** | | | | | | | | | |
| **At 01 July 2024** | - | **6,484,152,061** | **135,843,256** | **1,983,534,250** | **97,934,803** | **157,628,811** | **176,719,729** | **72,934,524** | **9,108,747,435** |
| Charge during the year | - | 1,216,555,723 | 16,121,611 | 371,944,215 | 5,031,309 | 16,068,389 | 35,385,150 | 9,048,961 | **1,670,155,359** |
| Disposals | - | (8,902,444) | (19,206,354) | - | - | - | - | (1,360,785) | **(29,469,584)** |
| **At 30 June 2025** | - | **7,691,805,339** | **132,758,513** | **2,355,478,465** | **102,966,112** | **173,697,201** | **212,104,879** | **80,622,700** | **10,749,433,210** |
| **At 01 July 2025** | - | **7,691,805,339** | **132,758,513** | **2,355,478,465** | **102,966,112** | **173,697,201** | **212,104,879** | **80,622,700** | **10,749,433,210** |
| Charge during the year | | 1,546,838,767 | 16,266,897 | 479,646,741 | 6,170,438 | 11,471,148 | 59,394,419 | 10,254,657 | **2,130,043,068** |
| Disposals | | | (6,294,610) | | | | | (2,194,138) | **(8,488,748)** |
| **At 30 June 2026** | - | **9,238,644,107** | **142,730,801** | **2,835,125,206** | **109,136,550** | **185,168,349** | **271,499,298** | **88,683,220** | **12,870,987,529** |
| **CARRYING AMOUNT** | | | | | | | | | |
| **At 30 June 2025** | **3,636,322,025** | **18,300,063,883** | **66,084,779** | **9,613,296,610** | **20,910,749** | **41,768,578** | **557,736,999** | **42,321,995** | **32,278,505,617** |
| **At 30 June 2026** | **3,689,631,219** | **17,394,191,959** | **72,329,275** | **9,331,187,026** | **20,389,197** | **40,026,278** | **1,189,474,205** | **51,506,771** | **31,788,735,930** |

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

**09.00 Lease - Right of Use Assets**

**09.01 As a Lessee**

**Right of Use Assets**

Amount in Taka

| Particulars | Land | Warehouse | House | Total |
|---|---|---|---|---|
| **At 01 July 2024** | **344,578,684** | **62,970,198** | **72,406,758** | **479,955,640** |
| Additions during the year | - | - | 14,899,979 | **14,899,979** |
| Lease back/adjustment during the year | (42,727,582) | (1,514,419) | (47,773,395) | **(92,015,397)** |
| **At 30 June 2025** | **301,851,102** | **61,455,779** | **39,533,342** | **402,840,222** |
| **At 01 July 2025** | **301,851,102** | **61,455,779** | **39,533,342** | **402,840,222** |
| Additions during the year | - | 31,076,718 | 28,064,377 | **59,141,095** |
| Lease back/adjustment during the year | (6,370,737) | (61,455,779) | (1,419,402) | **(69,245,918)** |
| **At 30 June 2026** | **295,480,365** | **31,076,718** | **66,178,316** | **392,735,399** |
| **AMORTISATION** | | | | |
| **At 01 July 2024** | **155,035,078** | **43,091,620** | **47,784,100** | **245,910,797** |
| Charge during the year | 62,443,488 | 14,119,912 | 11,294,494 | **87,857,894** |
| Disposals/adjustment during the year | (42,727,582) | (1,514,419) | (47,773,397) | **(92,015,399)** |
| **At 30 June 2025** | **174,750,984** | **55,697,113** | **11,305,197** | **241,753,293** |
| **At 01 July 2025** | **174,750,984** | **55,697,113** | **11,305,197** | **241,753,293** |
| Charge during the year | 61,837,167 | 14,535,156 | 12,700,771 | **89,073,094** |
| Disposals/adjustment during the year | (6,370,737) | (61,455,779) | (1,419,402) | **(69,245,918)** |
| **At 30 June 2026** | **230,217,414** | **8,776,490** | **22,586,565** | **261,580,469** |
| **CARRYING AMOUNT** | | | | |
| **At 30 June 2025** | **127,100,118** | **5,758,666** | **28,228,145** | **161,086,929** |
| **At 30 June 2026** | **65,262,951** | **22,300,229** | **43,591,751** | **131,154,931** |

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| **09.02 Lease liabilities** | | | |
| Opening balance | | 180,566,721 | 254,550,771 |
| Lease obligations | | 59,141,095 | 14,899,979 |
| Less: Paid during the year | | (92,802,133) | (88,884,029) |
| **Closing balance** | | **146,905,683** | **180,566,721** |
| **09.03 Lease liabilities- Maturity analysis** | | | |
| Lease liabilities - non-current portion | | 77,947,808 | 97,347,515 |
| Lease liabilities - current portion | | 68,957,876 | 83,219,206 |
| | | **146,905,684** | **180,566,721** |
| **09.04 Amounts recognized in Statement of profit or loss** | **Notes** | | |
| Interest on lease liabilities | **41.00** | 18,142,016 | 20,394,935 |
| Amortization of ROU Asset | | 89,073,094 | 87,857,894 |
| | | **107,215,110** | **108,252,830** |
| **09.05 Amount recognized in the statement of cash flows** | | | |
| Principal paid on lease liabilities | | 92,802,133 | 88,884,029 |
| Interest paid on lease liabilities | | 18,142,016 | 20,394,935 |
| | | **110,944,149** | **109,278,964** |
| **09.06 Allocation of amortization of ROU Assets:** | | | |
| Cost of sales | **33.03** | 67,453,717 | 73,798,079 |
| Selling & distribution expenses | **34.00** | 5,539,802 | 4,716,918 |
| Administrative expenses | **35.00** | 16,079,575 | 9,342,897 |
| | | **89,073,094** | **87,857,894** |

**09.07** The Company has applied an incremental borrowing rate of 12% to determine the present value of the right-of-use assets for the year 2025-26. During the period a total of 29 tenancy agreements were recognized as leases, of which 4 leases reached maturity during the year. The lease terms of these agreements ranged from 3 to 6 years.



| | Notes | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|
| **10.00 Intangible assets** | | | |
| Computer Software | **10.01** | 40,180,272 | 41,623,704 |
| Trade Mark | **10.02** | 42,884 | 49,149 |
| | | **40,223,156** | **41,672,853** |
| **10.01 Computer Software** | | | |
| **Cost** | | | |
| Opening balance | | 112,760,847 | 102,581,167 |
| Additions during the year | | 5,418,939 | 10,179,680 |
| **Closing balance** | | **118,179,786** | **112,760,847** |
| **Amortisation** | | | |
| Opening balance | | 71,137,143 | 62,638,025 |
| Add: Charged during the year | | 6,862,371 | 8,499,118 |
| **Closing balance** | | **77,999,514** | **71,137,143** |
| | | **40,180,272** | **41,623,704** |
| **10.02 Trade Mark** | | | |
| **Cost** | | | |
| Opening balance | | 125,300 | 125,300 |
| Add: Addition during the year | | - | - |
| **Closing balance** | | **125,300** | **125,300** |
| **Amortisation** | | | |
| Opening balance | | 76,151 | 69,886 |
| Add: Charged during the year | | 6,265 | 6,265 |
| **Closing balance** | | **82,416** | **76,151** |
| | | **42,884** | **49,149** |
| **11.00 Capital work-in-progress** | | | |
| Opening balance | | 929,879,781 | 12,653,316,612 |
| Add: Additions during the year | **11.01** | 373,184,653 | 3,743,625,638 |
| | | 1,303,064,434 | 16,396,942,250 |
| Less: Capitalized during the year | | (1,035,306,125) | (15,467,062,469) |
| **Closing balance** | | **267,758,309** | **929,879,781** |

**11.01 Details of Capital work-in -progress**

| Particulars | Opening Balance | Additions | Capitalized during the year | Closing Balance |
|---|---|---|---|---|
| Civil Construction | 798,057,617 | (34,373,202) | 678,133,666 | 85,550,748 |
| Plant and Machineries | 126,886,687 | 405,875,184 | 352,236,983 | 180,524,889 |
| Other CWIP Assets | 4,935,477 | 1,682,672 | 4,935,477 | 1,682,672 |
| | **929,879,781** | **373,184,653** | **1,035,306,125** | **267,758,309** |

Capital work-in-progress represents the accumulated cost of long-term fixed assets, such as civil construction works,Feni river water intake Projcet and machinery installations, that are still under construction or not yet ready for their intended use. These costs are transferred to property, plant and equipment when the assets are ready for use, and no depreciation is charged until then.

During the period under audit, two major projects were completed and capitalized, comprising the Feni River Water Intake Project amounting to Tk. 664,072,902, classified under Civil Construction, and the Solar System amounting to Tk. 248,704,938, classified under Plant and Machinery remaining balance Tk. 122,528,285 related to other civil construction and addition of plant & machineries.The Closing balance of ongoing projects represent at the reporting date amounted to Tk. 267,758,309, comprising Tk. 87,233,420 under Civil Construction and Tk. 180,524,889 under Plant and Machinery.

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| **12.00** | **Investment in Associate** | | |
| | Opening balance | - | - |
| | Add: Investment Made During the year ( Cost at Acquisition ) | 2,000,000,000 | - |
| | Add : Share of Post Acquisition profit /(Loss) | (5,761,165) | - |
| | Add : Share Other Comprehensive Income | - | - |
| | **Closing balance** | **1,994,238,835** | **-** |

During the year, BSRM Wires Limited issued 80 million new equity shares to BSRM Steels Limited for a total consideration of BDT 2,000 million representing 26.34% ownership in BSRM Wires Limited. The shares were issued at a premium of Tk. 15 per share, over a face value of Tk. 10 per share. As a result of this investment, the Company obtained significant influence over BSRM Wires Limited. Accordingly, the investment has been classified as an Investment in Associate and accounted for using the equity method in accordance with IAS 28, Investments in Associates and Joint Ventures, from the date on which significant influence was obtained. The Company's share of the associate's post-acquisition loss for the period amounted to BDT 5,761,165, resulting in a closing carrying amount of BDT 1,994,238,835 as at the reporting date.

| | | | | |
|---|---|---|---|---|
| **13.00** | **Investment in Financial Assets** | | | |
| | Equity Shares in Bangladesh Steel Re-Rolling Mills Limited-at fair value | **13.01** | 3,041,280,000 | 2,177,280,000 |
| | Non-Convertible Subordinated Bond | **13.02** | 100,000,000 | 100,000,000 |
| | BSRM SteelEdge PLC | **13.03** | 1,000,000 | 1,000,000 |
| | SAJIDA Foundation Orange Zero-coupon Bond | **13.04** | 50,087,600 | - |
| | | | **3,192,367,600** | **2,278,280,000** |

**13.01** Under the amalgamation of BSRM Steel Mills Limited (BSML) with Bangladesh Steel Re-Rolling Mills Limited (BSRML), the Company has been allotted 28,800,000 equity shares of BSRML with the conversion ratio 1:0.288 of investment in BSML 100,000,000 equity shares. BSRML is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). The market price of BSRML share as on 30 June 2026 was Tk. 105.60 (2025: Tk 75.60) and accordingly market value of BSRML's 28,800,000 equity shares valued at Tk 3,041,280,000 (2025: Tk 2,177,280,000).

**13.02** The Company has invested in Non-Convertible, Unsecured, fully redeemable Subordinate Bond on 26 December 2023 through trustee of DBH Finance PLC. The subscription amount of the subordinated Bond is BDT 10 crore bearing Semi-annual coupon rate (reference rate + coupon margin) 9.00%. Redemption will be started from at the end of 3rd year in 5 equal installments up to 7 years of maturity period.

**13.03** The company has invested in 100,000 nos of equity share capital of BSRM SteelEdge PLC, a newly incorporated public limited company registed in Registrar of Joint Stock Companies & Firms (RJSC).

**13.04** The Company invested BDT 50,087,600 through the purchase of 200 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 (3) years.The investment is held through a jointly operated Zero Coupon Bond Account maintained with BRAC Bank PLC, CDA Avenue Branch, Chattogram, in the name of BSRM Steels Limited. The investment was approved by the Board of Directors at its meeting held on 18 May 2026.



| | | Notes | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|---|
| **14.00** | **Inventories** | | | |
| | Raw materials | **14.01** | 12,550,642,503 | 9,002,888,418 |
| | Finished goods | **14.02** | 15,202,678,148 | 13,083,618,689 |
| | Store and Spares | **14.03** | 3,611,652,415 | 2,799,936,004 |
| | Fuel and Lubricants | | 35,319,181 | 32,654,979 |
| | | | **31,400,292,247** | **24,919,098,090** |
| **14.01** | **Raw Materials** | | | |
| | Raw Materials-MS Scrap | | 10,707,004,565 | 7,432,229,807 |
| | Raw Materials-Billets | | 1,605,039,773 | 1,282,163,571 |
| | Raw Materials-Packing Materials | | 29,268,625 | 43,743,220 |
| | Raw Materials-Direct Consumables | | 209,329,539 | 244,751,820 |
| | | | **12,550,642,503** | **9,002,888,418** |
| **14.02** | **Finished Goods** | | | |
| | Finished Goods- MS Rod | | 14,180,046,202 | 11,353,571,052 |
| | Finished Goods-Billets | | 1,022,631,946 | 1,730,047,637 |
| | | | **15,202,678,148** | **13,083,618,689** |
| **14.03** | **Stores and Spares** | | | |
| | Mechanical stores | | 1,733,410,571 | 1,506,316,827 |
| | M.S. Roll | | 345,117,742 | 162,186,336 |
| | Electrical stores | | 820,492,423 | 624,006,333 |
| | General stores | | 52,178,349 | 32,107,835 |
| | Civil stores | | 37,074,956 | 32,354,471 |
| | Other Consumable stores | | 623,378,374 | 442,964,202 |
| | | | **3,611,652,415** | **2,799,936,004** |
| **15.00** | **Trade and Other Receivables** | | | |
| | Trade Receivables | **15.01** | 5,790,674,711 | 7,000,348,114 |
| | Other Receivables | **15.02** | 130,741,600 | 130,741,600 |
| | | | **5,921,416,311** | **7,131,089,714** |
| **15.01** | **Trade Receivables** | | | |
| | Bangladesh Steel Re-Rolling Mills Limited | | 8,652,174 | - |
| | Other customers | | 5,858,980,908 | 7,056,080,020 |
| | | | **5,867,633,082** | **7,056,080,020** |
| | Less: Allowance for expected credit loss | | (76,958,371) | (55,731,906) |
| | | | **5,790,674,711** | **7,000,348,114** |
| **15.02** | **Other Receivables** | | | |
| | Interest Receivables - Stimulus Fund | | 654,315 | 654,315 |
| | DEDO and Other Receivables | **15.02.01** | 130,087,285 | 130,087,285 |
| | | | **130,741,600** | **130,741,600** |

**15.02.01** DEDO and Other Receivables include BDT 34,909,493 representing excess duty paid on imported billets, which is receivable from the Customs Authority. The balance of BDT 95,177,792 represents duty drawback receivable from DEDO in respect of duties paid to the Customs Authority at the time of import. The recovery of this amount is currently subject to litigation before various judicial authorities.

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| **15.03** | **Ageing of Trade Receivables** | | |
| | Due within 90 days | 4,313,710,425 | 5,802,102,893 |
| | Due within 91 to 180 days | 447,660,009 | 324,900,966 |
| | Due above 181 days | 1,106,262,649 | 929,076,161 |
| | | **5,867,633,083** | **7,056,080,020** |

| | | Notes | 30 June 2026<br>Taka | 30 June 2025<br>Taka |
|---|---|---|---|---|
| **16.00** | **Due from related companies** | | | |
| | BSRM Ispat Limited | | 91,555,346 | 105,872,885 |
| | BSRM Wires Limited | | 1,694,548,456 | 2,868,804,714 |
| | Chittagong Power Company Limited | | 937,041,767 | 1,697,992,004 |
| | | | **2,723,145,569** | **4,672,669,603** |
| **17.00** | **Advances, deposits and prepayments** | | | |
| | Advances | **17.01** | 6,011,577,887 | 4,442,083,759 |
| | Deposits | **17.02** | 234,177,194 | 234,131,194 |
| | Prepayments | **17.03** | 26,800,821 | 26,319,651 |
| | | | **6,272,555,901** | **4,702,534,604** |
| **17.01** | **Advances** | | | |
| | Advance against expenses | | 64,837,926 | 75,823,780 |
| | Advance against L/C | | 1,534,022,803 | 45,805,960 |
| | Advance against land | | 23,830,092 | 28,845,006 |
| | Advance against non-current asset | | 102,902,145 | 87,568,271 |
| | Advance for house rent | | 2,750,456 | 3,039,679 |
| | Advance for purchase of spare parts and other materials | | 1,057,728,524 | 1,520,125,011 |
| | Advance Income tax | | 1,972,419,765 | 1,656,885,799 |
| | Bank guarantee margin | | 93,716,164 | 93,447,110 |
| | LC Margin | | 1,158,960,012 | 926,075,624 |
| | Staff loan | | 410,000 | 4,467,519 |
| | | | **6,011,577,887** | **4,442,083,759** |
| **17.02** | **Deposits** | | | |
| | Bangladesh Ansar and VDP | | 2,482,174 | 2,482,174 |
| | Bangladesh Railway | | 280,000 | 280,000 |
| | Bangladesh Telecommunication Company Limited (BTCL) | | 28,000 | 28,000 |
| | Bangladesh Power Development Board | | 45,111,620 | 45,111,620 |
| | BOC Bangladesh Limited | | 16,000 | 16,000 |
| | Brothers Proukosoli Workshop | | 880,000 | 880,000 |
| | Central Depository Bangladesh Limited | | 500,000 | 500,000 |
| | Chittagong WASA | | 490,000 | 490,000 |
| | Chittagong Club Limited | | 80,000 | 80,000 |
| | Chittagong Port Authority | | 15,000 | 15,000 |
| | Cma Cgm Bangladesh Shipping Ltd | | 1,060,000 | 1,060,000 |
| | Fuel Plus Filling & Servicing Center | | 150,000 | 150,000 |
| | GBX Logistics Ltd | | 1,205,000 | 1,205,000 |
| | Karnaphuli Gas Distribution Co. Limited | | 176,883,653 | 176,883,653 |
| | Linde Bangladesh Ltd | | 3,256,000 | 3,240,000 |
| | Maersk Bangladesh Limited | | 1,162,447 | 1,162,447 |
| | Others | | 577,300 | 547,300 |
| | | | **234,177,194** | **234,131,194** |

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or cash equivalents and accordingly that no provision against them are required at this stage.

| | | | | |
|---|---|---|---|---|
| **17.03** | **Prepayments** | | | |
| | Insurance | | 26,800,821 | 26,319,651 |
| | | | **26,800,821** | **26,319,651** |
| **18.00** | **Short Term Investment** | | | |
| | Investments in Fixed Deposit Receipts | **18.01** | 782,169,994 | 618,273,100 |
| | | | **782,169,994** | **618,273,100** |

A. QASEM & Co. Chittagong CHARTERED ACCOUNTANTS



**18.01 Investments in Fixed Deposit Receipts**

| Name of banks | Purpose | Period | Rate of interest | 30 June 2026<br>Taka | 30 June 2025<br>Taka |
|---|---|---|---|---|---|
| Bank Asia PLC | L/C Margin | 6 Months | 9%-10% | 36,994,335 | - |
| BRAC Bank PLC | Investment | 6 Months | 9%-10% | 100,000,000 | 100,000,000 |
| Dhaka Bank PLC | L/C Margin & Investments | 6 Months | 8.50%-9% | - | 157,452,595 |
| Pubali Bank Ltd | L/C Margin | 3 to 6 Months | 8%-9% | 43,605,000 | - |
| State Bank of India | L/C Margin | 6 Months | 5.00% | 4,000,000 | - |
| Commercial Bank of Ceylor | BG Margin | 3 Months | 6.5 % - 9 % | 80,592,848 | - |
| Agrani Bank Ltd | L/C Margin | 3 Months | 8.50%-9% | 16,780,500 | - |
| NCC Bank Limited | L/C Margin | 3 Months | | 120,909,823 | - |
| Jamuna Bank Limited | L/C Margin | 3 Months | 7%-10% | 46,932,726 | - |
| IFIC Bank PLC | BG Margin | 3 Months | 9.75%-10% | 5,277,939 | 4,862,185 |
| IPDC Finance Limited | Investments | 12 Months | 11.25% - 11.65% | 46,804,296 | 43,068,560 |
| Meghna Bank PLC | BG Margin | 3 to 6 Months | 11.50% - 12.25% | 97,631,164 | 88,937,461 |
| Mercantile Bank PLC | L/C &BG Margin | 3 Months | 4%-9% | 18,421,902 | 10,429,181 |
| Mutual Trust Bank PLC | L/C Margin | 6 Months | 7.75%-10.50% | - | 110,872,895 |
| NRB Commercial Bank PLC | Investments | 6 Months | 10% | 74,743,474 | 69,152,620 |
| One Bank PLC | BG Margin | 12 Months | 7%-10% | 8,469,242 | 7,817,729 |
| Trust Bank PLC | L/C Margin | 3 Months | 8.25%-9% | 28,457,025 | - |
| United Commercial Bank PLC | L/C Margin | 3 to 12 Months | 3.75%-11.5% | 52,549,720 | 25,679,874 |
| | | | | **782,169,994** | **618,273,100** |

| | | Notes | 30 June 2026<br>Taka | 30 June 2025<br>Taka |
|---|---|---|---|---|
| **19.00** | **Cash & Cash Equivalents** | | | |
| | Cash in Hand | 19.01 | 4,356,197 | 4,779,300 |
| | Cash at Banks | 19.02 | 3,053,516,045 | 1,802,622,099 |
| | Fixed Deposit Receipts | 19.03 | 3,543,813,424 | 109,275,716 |
| | | | **6,601,685,665** | **1,916,677,115** |
| **19.01** | **Cash in Hand** | | | |
| | Barishal Office | | 60,000 | 50,000 |
| | Baroaulia Office | | 200,000 | 200,000 |
| | Benapole Warehouse Office | | 100,001 | 100,001 |
| | Bhatiary Shipyard | | 20,000 | 20,000 |
| | Bogra Office | | 100,000 | 100,000 |
| | Bogra Warehouse | | 100,000 | 100,000 |
| | Steel Melting-1, Factory | | 700,000 | 1,100,000 |
| | Comilla Office | | 80,000 | 80,000 |
| | Cox's Bazar Office | | 50,000 | 50,000 |
| | Dhaka Office | | 178,131 | 26,748 |
| | Dinajpur Office | | 50,000 | 50,000 |
| | Fouzderhat Factory | | 1,200,000 | 1,200,000 |
| | Gazipur Office | | 50,000 | 50,000 |
| | Head Office | | 163,731 | 149,564 |
| | Jungal Office | | 200,000 | 200,000 |
| | Khulna Office | | 150,000 | 150,000 |
| | Khulna warehouse Office | | 100,000 | 100,000 |
| | Kustia Office | | 75,000 | 75,000 |
| | Mirasarai Factory | | 179,121 | 507,987 |
| | Mymensingh Office | | 50,000 | 50,000 |
| | Noakhali Office | | 50,000 | 50,000 |
| | Rajshahi Office | | 100,000 | 100,000 |
| | Rangpur Warehouse | | 100,000 | 100,000 |
| | Rangpur Office | | 70,000 | 70,000 |
| | Sylhet Office | | 120,000 | 100,000 |
| | Cash In Hand- Steel Factory (Rolling 2) | | 110,213 | - |
| | | | **4,356,197** | **4,779,300** |

A. QASEM & Co. Chittagong CHARTERED ACCOUNTANTS

**19.02 Cash at Banks**

| Name of the Banks | Branches | Account Types | Currency | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|---|---|
| AB Bank PLC | Agrabad | FCY | USD | 6,660 | 70,680 |
| AB Bank PLC | Agrabad | Overdraft | BDT | - | 5,128,951 |
| AB Bank PLC | Agrabad | Overdraft | BDT | 20,479 | 58,347 |
| Agrani Bank PLC | Laldighi East | Current Deposit | BDT | 93,648,886 | 16,855,949 |
| Al-Arafah Islami Bank PLC | Agrabad | Current Deposit | BDT | 14,673,971 | 50,298,819 |
| Bank Asia PLC | Agrabad | Current Deposit | BDT | 60,656 | 349,982 |
| BASIC Bank PLC | Dewanhat | Current Deposit | BDT | 1,093,775 | 845,964 |
| BRAC Bank PLC | Agrabad | Overdraft | BDT | 1,597,703,525 | 664,115,081 |
| BRAC Bank PLC | Agrabad | Current Deposit | USD | 382,515,783 | 249,521,306 |
| Commercial Bank of Ceylon P | Agrabad | Current Deposit | BDT | 297,914 | 524,191 |
| Dhaka Bank PLC | Jubilee Road | Current Deposit | BDT | 49,655 | 1,523,082 |
| Dutch Bangla Bank PLC | Jubilee Road | Current Deposit | BDT | 50,000 | 78,004 |
| Eastern Bank PLC | Agrabad | Current Deposit | BDT | 54,158,436 | 150,013,413 |
| Eastern Bank PLC | Agrabad | Escrow | BDT | 3,903,693 | 1,089,256 |
| Eastern Bank PLC | Agrabad | High Performance | BDT | 546,523,658 | 221,656,784 |
| EXIM Bank PLC | Jubilee Road | Current Deposit | BDT | 82,980,871 | 1,766,656 |
| First Security Islami Bank PLC | Sadarghat | Current Deposit | BDT | 3,630 | 4,780 |
| Habib Bank Limited | Chattogram | Current Deposit | BDT | 72,238 | 481,715 |
| HSBC | Agrabad | Current Deposit | USD | 333,316 | 331,504 |
| HSBC | Agrabad | FCY | USD | - | 6,692,900 |
| HSBC (Dividend) | Agrabad | Current Deposit | BDT | 2,196,971 | 3,743,589 |
| IFIC Bank PLC | Agrabad | Current Deposit | BDT | 14,616,756 | 12,319,991 |
| Islami Bank Bangladesh PL | Jubilee Road | Current Deposit | BDT | 8,085,447 | 85,615,731 |
| Jamuna Bank PLC | Khatunganj | Current Deposit | BDT | 43,193,236 | 17,227,155 |
| Janata Bank PLC | Laldighi East | Current Deposit | BDT | 832,794 | 1,133 |
| Meghna Bank PLC | Agrabad | Current Deposit | BDT | 27,222 | 36,603 |
| Mercantile Bank PLC | Jubilee Road | Current Deposit | BDT | 4,254,751 | 8,123,025 |
| Modhumoti Bank PLC | Agrabad | Current Deposit | BDT | 3,355 | 46,080 |
| Mutual Trust Bank PLC | CDA Avenue | Current Deposit | BDT | 5,187,303 | 132,896,092 |
| National Bank PLC | Jubilee Road | Current Deposit | BDT | 2,111 | 3,031 |
| NCC Bank PLC | Agrabad | Current Deposit | BDT | 43,032 | 27,912,715 |
| NCC Bank PLC | Agrabad | FCY | USD | 91,293 | 5,623 |
| NCC Bank PLC | Agrabad | ERQ | USD | 46,219 | 7,533 |
| NCC Bank PLC | Barayarhat | Current Deposit | BDT | 155,418 | 634,659 |
| NRB Bank PLC | Agrabad | Current Deposit | BDT | 339,293 | 41,833 |
| NRB Commercial Bank PLC | Agrabad | Current Deposit | BDT | 289,955 | 1,304,777 |
| One Bank PLC | Agrabad | Current Deposit | BDT | 2,079,096 | 11,724,553 |
| One Bank PLC | Agrabad | FCY | USD | - | 391,337 |
| Premier Bank PLC | Agrabad | Current Deposit | BDT | 223,139 | 5,406,916 |
| Prime Bank PLC | O.R Nizam Road | Current Deposit | BDT | 1,480,220 | 6,271,223 |
| Prime Bank PLC | Agrabad | Short Notice Deposit | BDT | 2,522,623 | 2,258,207 |
| Pubali Bank PLC | Agrabad | Current Deposit | BDT | 63,847 | 35,818 |
| Rupali Bank PLC | New Market | Current Deposit | BDT | - | 268,334 |
| SBACB PLC | Agrabad | Overdraft | BDT | - | 3,460,496 |
| SBAC Bank PLC | Agrabad | Current Deposit | BDT | 79,123 | 86,986 |

**Cash at Banks**

| Name of the Banks | Branches | Account Types | Currency | Taka | Taka |
|---|---|---|---|---|---|
| Shahjalal Islami Bank PLC | Jubilee Road | Current Deposit | BDT | 1,068,233 | 15,545,131 |
| Shahjalal Islami Bank PLC | Jubilee Road | FCY | USD | 3,689 | 3,659 |
| Social Islami Bank PLC | Jubilee Road | Current Deposit | BDT | 16,403 | 37,668 |
| Sonali Bank PLC | Laldighi | Current Deposit | BDT | 78,863 | 78,863 |
| Sonali Bank PLC | Kalibari | Current Deposit | BDT | 11,946,912 | 2,002 |
| South East Bank PLC | Pahartali | Current Deposit | BDT | - | 6,443,566 |
| Standard Bank PLC | Agrabad | Current Deposit | BDT | 6,365,316 | 1,795,624 |
| Standard Chartered Bank | Agrabad | Current Deposit | BDT | 21,006,139 | 20,360,195 |
| Standard Chartered Bank | Agrabad | Current Deposit | BDT | - | 3,973 |
| State Bank of India | Chattogram | Current Deposit | BDT | 143,639 | 76,861 |
| SCB-Steels | Agrabad | FCY | USD | 100,316,666 | - |
| SEBL-Steels | Jubilee Road | Current Deposit | BDT | 2,582,962 | - |
| City Bank PLC | Agrabad | FCY | USD | 2,287,762 | 3,547,106 |
| City Bank PLC | Agrabad | Current Deposit | BDT | 5,040,225 | 354,251 |
| City Bank PLC | Agrabad | Current Deposit | BDT | - | 20,524 |
| City Bank PLC | VIP Road | Current Deposit | BDT | 433,691 | 321,220 |
| City Bank PLC | Agrabad | FCY | USD | 218 | 33,814,031 |
| Trust Bank PLC | CDA Avenue | Current Deposit | BDT | 182,232 | 16,634,382 |
| United Commercial Bank PLC | Jubilee Road | Current Deposit | BDT | 26,236,140 | 232,415 |
| United Commercial Bank PLC | Jubilee Road | Current Deposit | BDT | - | 5 |
| Uttara Bank PLC | Agrabad | Cash Credit | BDT | 11,894,535 | 1,680,795 |
| Uttara Bank PLC | Agrabad | Current Deposit | BDT | 2,071 | 10,439,024 |
| | | | | **3,053,516,045** | **1,802,622,099** |

All bank balances are reconciled with bank statements.

**19.03 Fixed Deposit Receipts**

| Name of banks | Purpose | Period | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|---|
| City Bank PLC | Investment | 3 Months | - | 100,000,000 |
| Mercantile Bank PLC | Investment | 3 Months | 2,674,535 | 9,275,716 |
| Eastern Bank Ltd | Investment | 3 Months | 500,000,000 | - |
| BRAC Bank Ltd | Investment | 3 Months | 500,000,000 | - |
| Bank Asia Ltd | Investment | 3 Months | 1,011,111,111 | - |
| HSBC Bank Ltd | Investment | 3 Months | 508,177,778 | - |
| IPDC Finance Limited | Investment | 3 Months | 510,600,000 | - |
| NCC Bank Ltd | Investment | 3 Months | 511,250,000 | - |
| | | | **3,543,813,424** | **109,275,716** |

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| **20.00** | **Share Capital** | | |
| **20.01** | **Authorized capital** | | |
| | 475,000,000 Ordinary shares @ Tk. 10 each | 4,750,000,000 | 4,750,000,000 |
| | 25,000,000 Preference Shares @ Tk. 10 each | 250,000,000 | 250,000,000 |
| | | **5,000,000,000** | **5,000,000,000** |
| **20.02** | **Issued, subscribed and paid-up capital** | | |
| | 145,000,000 Ordinary shares @ Tk 10 each | 1,450,000,000 | 1,450,000,000 |
| | 104,500,000 Ordinary shares @ Tk 10 each fully paid-up for consideration other than cash | 1,045,000,000 | 1,045,000,000 |
| | 21,750,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2009) | 217,500,000 | 217,500,000 |
| | 54,250,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2010) | 542,500,000 | 542,500,000 |
| | 16,275,000 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2012) | 162,750,000 | 162,750,000 |
| | 34,177,500 Ordinary shares @ Tk 10 each fully paid up as Bonus Shares (For 2018) | 341,775,000 | 341,775,000 |
| | | **3,759,525,000** | **3,759,525,000** |

**20.03 Classification of shares by holding:**

| Class by number of shares | No. of Holders | No. of Shares | Share Holding (%) |
|---|---|---|---|
| Less than 500 | 3,811 | 413,340 | 0.11% |
| From 501 to 5000 | 3,338 | 5,070,400 | 1.35% |
| From 5,001 to 10,000 | 308 | 2,261,009 | 0.60% |
| From 10,001 to 20,000 | 186 | 2,613,849 | 0.70% |
| From 20,001 to 30,000 | 64 | 1,601,703 | 0.43% |
| From 30,001 to 40,000 | 34 | 1,198,351 | 0.32% |
| From 40,001 to 50,000 | 29 | 1,327,857 | 0.35% |
| From 50,001 to 100,000 | 57 | 4,147,437 | 1.10% |
| From 100,001 to 1,000,000 | 105 | 30,624,047 | 8.15% |
| From 10,000,001 to above | 29 | 326,694,507 | 86.90% |
| | **7,961** | **375,952,500** | **100%** |

**20.04 Shareholding Position**

| Name of shareholders | 30 June 2026 Percentage of holdings | 30 June 2026 No. of Shares | 30 June 2025 Percentage of holdings | 30 June 2025 No. of Shares |
|---|---|---|---|---|
| Sponsor Shareholders | 16.85% | 63,351,172 | 16.85% | 63,351,172 |
| Foreign Shareholders | 0.60% | 2,248,063 | 0.33% | 1,245,863 |
| Other Shareholders (Related Parties) | 55.21% | 207,554,671 | 55.21% | 207,554,671 |
| Other Shareholders (General) | 27.34% | 102,798,594 | 27.61% | 103,800,794 |
| | **100%** | **375,952,500** | **100%** | **375,952,500** |



| | | Notes | 30 June 2026 Taka | 30 June 2025 Taka |
|---|---|---|---|---|
| **21.00** | **Long term loans** | | | |
| | Eastern Bank PLC- Syndicate term loan - For Melting-02 Project | **21.04** | 1,355,533,237 | 1,876,405,647 |
| | Term Loan (BDT)- Rolling Unit-02 and Melting Unit-02 | **21.05** | 7,243,893,575 | 8,044,382,234 |
| | Term Loan (BDT)-For FC Loss Mitigation | **21.06** | 1,213,639,157 | 266,508,925 |
| | Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project | **21.07** | 13,565,364,483 | 13,618,231,289 |
| | | | **23,378,430,451** | **23,805,528,095** |
| **21.01** | **Long term loans-Maturity analysis** | | | |
| | Due within one year-Current portion | **21.02** | 2,778,004,296 | 1,560,776,913 |
| | Due after more than one year-Non-current portion | **21.03** | 20,600,426,155 | 22,244,751,182 |
| | | | **23,378,430,451** | **23,805,528,095** |
| **21.02** | **Long term loans - Current portion** | | | |
| | Eastern Bank PLC- Syndicate term loan | | 520,845,537 | 520,845,537 |
| | Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project | | 1,233,333,210 | 360,564,622 |
| | Term Loan - BDT- Rolling-02 and Melting-02 | | 908,366,258 | 658,508,478 |
| | Term Loan - BDT - For FC Loss Mitigation | | 115,459,291 | 20,858,276 |
| | | | **2,778,004,296** | **1,560,776,913** |
| **21.03** | **Long term loans - Non-current portion** | | | |
| | Eastern Bank PLC- Syndicate term loan | | 834,687,700 | 1,355,560,111 |
| | Standard Chartered Bank (USD Syndicate)-Rolling Unit -02 Project | | 12,332,031,273 | 13,257,666,665 |
| | Term Loan - BDT- Rolling-02 and Melting-02 | | 6,335,527,317 | 7,385,873,757 |
| | Term Loan - BDT - For FC Loss mitigation | | 1,098,179,866 | 245,650,649 |
| | | | **20,600,426,155** | **22,244,751,182** |

### 21.04 Eastern Bank PLC- Syndicated term loan -For Melting-02 Project

**Lenders:**

The company entered into a separate syndicated term loan agreement for the BMRE on 03 April 2017 with Eastern Bank Limited, the lead arranger, 4 (four) other Banks and 2 (two) Financial Institutions.

**Total loan facilities:** Tk. 426.500 crore.
**Total loan facilities:** USD. 2.500 crore.

**Disbursement:**
The first disbursement was made on 19 June 2018.

**Repayments:**
This term loan was originally repayable in 20 (twenty) equal quarterly installments, commencing from the end of the 15th month from the date of the first drawdown. Subsequently, on 22 February 2023, due to the global economic downturn, the repayment schedule was restructured, extending the number of quarterly installments from 20 to 32. Accordingly, the amount of each quarterly installment was reduced.

**Securities:**
i. Registered Mortgage over the project land measuring 15.22 acres supported by registered General power of Attorney.
ii. Fixed and floating charge over machinery, plant and equipment.
iii. Lien on 29,70,950 shares of BSRM Steels Limited(owned by directors / shareholders)
iv. Corporate guarantee of the sister concerns of H. Akberali & Co. Limited.
v. Personal guarantee from the Sponsor Directors.
vi. Demand promissory note from the company.

**Purpose:**
To import required plant and machinery for installation of Billet Manufacturing Plant (Steels- Melting Unit 2) and to meet up cost of building and civil construction, fabrication works etc.

| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Prime Bank PLC | 39,896,963 | 55,855,748 |
| One Bank PLC | 77,906,733 | 109,658,342 |
| Eastern Bank PLC | 32,306,822 | 44,842,967 |
| City Bank PLC | 38,671,528 | 54,348,614 |
| Mutual Trust Bank PLC | 40,091,031 | 55,994,058 |
| Infrastructure Development Company Limited (IDCOL) | 937,500,003 | 1,312,500,003 |
| Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO) | 189,160,156 | 243,205,915 |
| | **1,355,533,237** | **1,876,405,647** |

### 21.05 Term Loan (BDT)- Rolling Unit-02 and Melting Unit-02

| | | | |
|---|---|---|---|
| Prime Bank PLC | 21.05.01 | 958,333,333 | 1,000,000,000 |
| Eastern Bank PLC | 21.05.02 | 931,522,547 | 1,098,066,203 |
| Insfrastructure Development Company Limited (IDCOL) | 21.05.03 | 4,389,583,333 | 4,891,250,000 |
| City Bank PLC | 21.05.04 | 964,454,361 | 1,055,066,031 |
| | | **7,243,893,575** | **8,044,382,234** |

#### 21.05.01 Prime Bank PLC

**Lenders:**

The company entered into a separate term loan agreement with Prime Bank PLC for enhancing the New Rolling capacity & expansion of melting capacity on 05 April 2022.

**Total loan facilities: Tk. 100 Crore**

**Disbursement:**
The first disbursement was made on 10 December 2023.

**Repayments:**
This term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.



**Securities:**
i. First ranking charge by way of registered mortgage with relevant RIGPA over 20.0879 acres land and building owned by the company.
ii. Creation of charges over the registered mortgage of landed properties with the RJSC & firms.
iii. First ranking pari-passu charge on over all current and future fixed assets of the project by way of hypothecation duly registered with RJSC & Firms.
iv. Lawyers satisfaction certificate on completion of all documentation.
v. Corporate guarantee of the sister concerns - H. Akberali & Co. Limited.
vi. Personal guarantee of all directors.
vii.Demand promissory note from the company.

**Purpose:**
To meet up expenses for civil construction, installation of machinery, equipment and fabrication work etc. and other expenses relating to the project LC payments.

| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Prime Bank PLC | 958,333,333 | 1,000,000,000 |
| | **958,333,333** | **1,000,000,000** |

#### 21.05.02 Eastern Bank PLC

**Lenders:**

The company has entered into a separate term loan agreement with Eastern Bank PLC for enhancing the new rolling capacity & expansion of melting capacity on 14 August 2022.

**Total loan facilities: Tk. 100 Crore**

**Disbursement:**
The first disbursement was made on 20 September 2023.

**Repayments**
The term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.

**Securities:**
i. First ranking charge by way of registered mortgage with relevant RIGPA over 20.0879 acres land and building owned by the company.
ii. First ranking pari-passu charge on over all current and future fixed assets of the project by way of hypothecation duly registered with RJSC & Firms
iii. Lawyers satisfaction certificate on completion of all documentation.
iv. Corporate guarantee by H. Akberali & Co. Limited.
v. Post dated cheques covering total facility amount.

**Purpose:**
To finance the building & civil construction, local machinery & other preliminary expenses for setting up new re-rolling plant.

| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Eastern Bank PLC | 931,522,547 | 1,098,066,203 |
| | **931,522,547** | **1,098,066,203** |

**21.05.03 Infrastructure Development Company Limited (IDCOL)**

**Lenders:**

The company has entered into a separate term loan agreement with IDCOL to setup new rolling mill & expansion of melting unit-02 on 19 December 2021.

**Total loan facilities: Tk. 500 Crore**

**Disbursement:**

The first disbursement was made on 3 May 2023.

**Repayments:**

The term loan will repay in 40 (forty) equal quarterly installments after moratorium period of 24 months.

**Securities:**

i. Bank guarantee with 50% coverage on outstanding principal loan amount of proposed facility.
ii. Personal guarantee of the directors.
iii. Corporate guarantee of H. Akberali & Co. Limited.
iv. First ranking pari passu charge registered with RJSC, over all fixed assets of the current expansion project with IGPA to sell the hypothecated assets.
v. Post-dated cheques for each installment.

**Purpose:**

Financing the expansion of melting unit-02 and setup a new rolling mill at Mirsarai, Chattogram.

| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Infrastructure Development Company Limited (IDCOL) | 4,389,583,333 | 4,891,250,000 |
| | **4,389,583,333** | **4,891,250,000** |

**21.05.04 City Bank PLC**

**Lenders:**

The company has entered into a term loan agreement with City Bank PLC for enhancing the new rolling capacity & expansion of melting capacity on 22 August 2022.

**Total loan facilities: Tk. 100 Crore**

**Disbursement:**

The first disbursement was made on 11 February 2025.

**Repayments:**

The term loan will repay in 24 (twenty four) equal quarterly installments after moratorium period of 24 months.

**Securities:**

i. Registered mortgage on pari-passu basis over 20.0879 acres project land of BSRM Steels Limited (Rolling-2 Unit).
ii. Registered 1st ranking pari-passu charge over all fixed assets, including but not limited to all plant, machinery, equipment , insurances, movable assets etc. of the project with RIGPA in favour of the lenders.
iii. Corporate guarantee from H. Akberali & Co. Limited.
iv.PG of all the directors of the company.
v. PDC for BDT 100.00 Crore.
vi. Standard charge documents.

**Purpose:**

To be utilized for retirement of import documents, reimbursement of advance payment against machinery procurement and interim payment under LC (Deferred/UAS), meeting civil construction costs and other expenses for imlementation of this project.



| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| City Bank PLC | 964,454,361 | 1,055,066,031 |
| | **964,454,361** | **1,055,066,031** |

**21.06 Term Loan (BDT)- For FC Loss Mitigation**

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| NCC Bank PLC | **21.06.01** | 106,743,357 | 113,616,616 |
| Uttara Bank PLC | **21.06.02** | 74,012,596 | 81,386,667 |
| City Bank PLC | **21.06.03** | 57,294,779 | 71,505,642 |
| BRAC Bank PLC | **20.07.04** | 250,000,000 | - |
| Dhaka Bank PLC | **20.07.05** | 254,857,628 | - |
| Dutch Bangla Bank PLC | **20.07.06** | 196,093,050 | - |
| Shahjalal Islami Bank PLC | **20.07.07** | 274,637,747 | - |
| | | **1,213,639,157** | **266,508,925** |

**21.06.01 NCC Bank PLC**

**Lenders:**

The company has entered into a term loan agreement with NCC Bank PLC for meeting the working capital requirement against exchange loss incurred in 2022 due to fluctuation of foreign currency rate under BRPD circular letter no. 50; dated: 27 November 2024.

**Total loan facilities: Tk. 11 Crore**

**Disbursement:**

The disbursement was made on 13 March 2025.

**Repayments:**

The term loan will repay in 28 (twenty eight) equal quarterly installments started from the 15th month of the disbursement.

**Securities:**

i. A fresh set of usual charge documents as per bank's credit norms.
ii. Personal guarantee of all the directors of the company.
iii. Post dated cheque covering the limit amount.

**Purpose:**

To meet working capital requirement against loss incurred in 2022 due to fluctuation of foreign currency rate under BRPD circular letter No. 50 dated 27.11.2024

| Outstanding Balance: | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| NCC Bank PLC | 106,743,357 | 113,616,616 |
| | **106,743,357** | **113,616,616** |

**21.06.02 Uttara Bank PLC**

**Lenders:**

The company has entered into a term loan agreement with Uttara Bank PLC to ensure the sustainability of operation and to mitigate financial loss incurred due to unexpected exchange rate loss in the setting the payments of Deferred/UPAS LCs opened in 2022 under BRPD circular letter no. 50; dated: 27 November 2024.

**Total loan facilities: Tk. 08 Crore**

**Disbursement:**

The disbursement was made on 14 May, 2025.

**Repayments:**

The term loan will repay in 66 (sixty six) equal monthly installments started after the 6th month of disbursement.

**Securities:**
Primary: Hypothecation of stocks of the raw materials & finished products such as MS Rod, MS angle, etc stored / to be stored at the mill/Godown/Factory premises with IGPA to sell out the goods without reference the court.

**Colateral Security:**
i. Floating Charge created on all floating assets of the BSRM Steels Limited.
ii. Charge on Asstes of the company.
iii.Personal Guarantee of all the Shareholder Directors of BSRM Steels Limited.
iv.Coporate Guarantee of H. Akber Ali & Co. Limited.

**Purpose:**
To ensure the sustainability of operation and to mitigate financial loss incurred due to unexpected exchange rate loss in the setting the payments of Deferred/UPAS LCs opened in 2022

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Uttara Bank PLC | 74,012,596 | 81,386,667 |
| | **74,012,596** | **81,386,667** |

**21.06.03 City Bank PLC**
**Lenders:**

The company has entered into a term loan agreement with City Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.

**Total loan facilities: Tk. 7.40 Crore**

**Disbursement:**
The disbursement was made on 24 March 2025.

**Repayments:**

The term loan will repay in 20 (twenty) equal quarterly installments started after the 3rd month of disbursement.

**Securities:**
i. Available charge with RJSC on fixed assets covering one-off facility.
ii.PG of all the directors of the company.
iii. Security cheque covering CBL Term Loans
iv. Standard charge documents.

**Purpose:**
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| City Bank PLC | 57,294,779 | 71,505,642 |
| | **57,294,779** | **71,505,642** |

**21.06.04 BRAC Bank PLC**
**Lenders:**
The company has entered into a term loan agreement with BRAC Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.Ref:CAD-Dhaka/QHH/00887829/2025/537, November 26, 2025

**Total loan facilities: Tk. 25.00 Crore**

**Disbursement:**
The disbursement was made on 08 October 2025.



**Repayments:**
The term loan will repay in 24th equal quarterly installments started after the 1st year of disbursement.

**Securities:**
i. Basic Charge Documents
ii. MICR Cheque (from any account maintained with BRAC Bank PLC) issued in favor of "BRAC Bank PLC"
iii. Personal Guarantee executed for BDT 250.00 Million, by the Directors of the Company

**Purpose:**
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Brac Bank PLC | 250,000,000 | - |
| | **250,000,000** | - |

**21.06.05 Dhaka Bank PLC**
**Lenders:**

The company has entered into a term loan agreement with Dhaka Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.Sanction Ref:DBPLC/JBR/CR/2025/681 Date: August 25, 2025

**Total loan facilities: Tk. 24.721 Crore**

**Disbursement:**
The disbursement was made on 24 March 2025.

**Repayments:**
The term loan will repay in 16 (Sixteen) equal quarterly installments started after the 1st year of disbursement.

**Securities:**
i. 1st Ranking Pari-passu Security Sharing Agreement by way of hypothecation on floating assets of the company against the working capital facility
ii. Corporate Guarantee of Karnafully Engineering Works Limited (KEWL)
iii. Personal Guarantee of all the Directors of the company
iv. Post-dated cheques covering OD, LTR & TMLN faclity.
v. Usual charge documents including letter of trust receipt.

**Purpose:**
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Dhaka Bank PLC | 254,857,628 | - |
| | **254,857,628** | - |

**21.06.06 Dutch Bangla Bank PLC**
**Lenders:**
The company has entered into a term loan agreement with Dutch Bangla Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024. Ref: DBL/HO/CBD/Chatto_Cluster/2025/1782, August 24, 2025

**Total loan facilities: Tk. 19 Crore**

**Disbursement:**
The disbursement was made on 21 August 2025.

**Repayments:**
The term loan will repay in 20 (twenty) equal quarterly installments started after the 1st year of disbursement.





**Securities:**
i. D.P. Note, Letter of installment along with other basic charge documents duly signed and sealed by the authorized Directors) of the company.

ii. 20 (twenty) post-dated cheque each covering quarterly installments both principal & interest for each concern.
iii. 01 post-dated chaque covering the facility amount of both concern.
iv. Standard Term Loan agreement (as per draft of Legal Advisor) covering usual covenants.
v. Personal guarantee of all the Directors of the company.

vi. Existing security against regular limit/facilities shall continue to remain effective and bindings for the proposed Term Loan.

**Purpose:**
To mitigate exchange loss and to utilize for meeting various working capital requirements purpose

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Dutch Bangla Bank PLC | 196,093,050 | - |
| | **196,093,050** | - |

**21.06.07 Shahjalal Islami Bank PLC**

**Lenders:**
The company has entered into a term loan agreement with Shahjalal Islami Bank PLC to mitigate exchange loss and for meeting various working capital requirements/purpose etc. under BRPD circular letter no. 50; dated: 27 November 2024.
Ref:SJIBPLC/JUB/INV/2025/701, March 16, 2025

**Total loan facilities: Tk. 24.52 Crore**

**Disbursement:**
The disbursement was made on 25 May 2025.

**Repayments:**
The term loan will repay in 60 (Sixty) equal monthly installments started after the 1st year of disbursement.

**Securities:**
i. Trust Receipt.
ii. Hypothecation of stocks
iii. One post dated MICR master cheque covering the entire funded facility (with profit)
iv. 60 nos. MICR master cheque for each installment.
v. Personal Guarantee of Chairman and Managing Director of the company.
vi. Personal Guarantee of all the directors of the companies.
vii. Corporate guarantee of H. Akberali & Co. Limited & BSRM Wires Limited duly supported by the MAOA & Board resolution of the company.
viii. All necessary charges documents to be signed properly.

**Purpose:**
To mitigate exchange loss and to utilize for meeting various working capital requirements/purpose

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Shahjalal Islami Bank PLC | 274,637,747 | - |
| | **274,637,747** | - |

**21.07 Standard Chartered Bank (USD Syndicate)**

**Total loan facilities: USD 108 million**

| **Lenders:** | **Notes** | **30 June 2026** | **30 June 2025** |
|---|---|---|---|
| | | **Taka** | **Taka** |
| Standard Chartered Bank | 21.07.01 | 1,512,140,458 | 1,638,394,888 |
| Japan International Cooperation Agency (JICA) | 21.07.02 | 6,403,058,400 | 6,369,515,301 |
| BRAC Bank PLC | 21.07.03 | 3,125,000,000 | 3,100,000,000 |
| Export-Import Bank Of India | 21.07.04 | 2,525,165,625 | 2,510,321,100 |
| | | **13,565,364,483** | **13,618,231,289** |

A. QASEM & Co. Chittagong CHARTERED ACCOUNTANTS



**21.07.01 Standard Chartered Bank**

**Sanctioned loan facility: USD 13 million**

**Disbursement:**
The first disbursement date of sanctioned loan amount of USD 13 Million on 15 October 2024.

**Repayments:**

The principal amounts of the term loan will repay quarterly in 24 (twenty four) equal installments after moratorium period of 12 months.

**Securities:**
i. First pari-passu charge on project land and building in name of all project lenders.
ii. First pari-passu charge on all present and future fixed assets of the project in favor of the project lenders.
iii. Corporate guarantee fo H. Akberali & Co. Limited.
iv. Personal guarantee of directors.
v. Any other security provided to the FCY co-lenders of the project, shall be applicable for standard chartered facility.

**Purpose:**
To finance the project (purchase of capital machineries,civil construction, and capital expansion in re-rolling capacity and melting capacity of BSRM Steels Limited) and /or related fees, costs and expenses and funding of any accounts.

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Standard Chartered Bank | 1,512,140,458 | 1,638,394,888 |
| | **1,512,140,458** | **1,638,394,888** |

**21.07.02 Japan International Cooperation Agency (JICA)**

**Sanctioned loan facility: USD 50 million**

**Disbursement:**
The disbursement date of sanctioned loan amount of USD 50 Million on 15 July 2024.

**Repayments:**
The principal amounts of the term loan will repay semi annually in 20 (twenty) equal installments after moratorium period of 24

**Securities:**
i. First pari-passu charge on project land and buildings in the name of all project lenders.
ii. First pari-passu charge on all present and future assets of the project in the name of all project lenders.
iii. Corporate guarantee(s) from H. Akberali & Co. Limited.
iv. Personal guarantee from all sponsor directors of borrower.

**Purpose:**

The facilities will be used for procuring capital machineries, civil constructions (import components) or payment against sight/deferred LC issued for procuring capital machineries for expansion 600,000 MTPA re-rolling and 250,000 MTPA billet production capacity (subject to and as per BB/BIDA/regulatory approval for USD facility).

| **Outstanding Balance:** | **30 June 2026** | **30 June 2025** |
|---|---|---|
| | **Taka** | **Taka** |
| Japan International Cooperation Agency (JICA) | 6,403,058,400 | 6,369,515,301 |
| | **6,403,058,400** | **6,369,515,301** |

A. QASEM & Co. Chittagong CHARTERED ACCOUNTANTS





**21.07.03 BRAC Bank PLC**

**Sanctioned loan facility: USD 25 million**

**Disbursement:**
The disbursement date of sanctioned loan amount of USD 25 Million on 10 July 2024.

**Repayments:**
The principal amounts of the term loan will repay quarterly in 32 (thirty two) equal installments after moratorium period of 24

**Securities:**
i. Registered mortgage of project land along with first pari-passu charge on project land and buildings in the name of all project lenders
ii. First pari-passu charge on all present and future assets of the project in the name of all project lenders.
iii. Corporate guarantee(s) from H. Akberali & Co. Limited.
iv. Personal guarantee from all sponsor directors of borrower.
v. Any other security required by the lenders and mutually agreed upon.

**Purpose:**
To purchase/import of capital machinery/construction material for the new expansion in re-rolling capacity by 600,000 MTPA and in melting capacity by 250,000 MTPA for the new project.

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| **Outstanding Balance:** | **Taka** | **Taka** |
| BRAC Bank PLC | 3,125,000,000 | 3,100,000,000 |
| | **3,125,000,000** | **3,100,000,000** |

**21.07.04 Export-Import Bank of India**

**Sanctioned loan facility: USD 20 million**

**Disbursement:**
The disbursement date of sanctioned loan amount of USD 20 million on 4th November 2024.

**Repayments:**
The principal amounts of the term loan will repay quarterly in 32 (thirty two) equal installments after

**Securities:**
i. First pari-passu charge on the project land and building in favor of the project lenders.
ii. First pari-passu charge on both movable and immovable fixed assets of the project in favor of the project lenders.
iii. Unconditional and irrevocable corporate guaranty fo H. Akberali & Co. Limited.
iv. Personal guarantee of the promoters.
v. Any other security required by the lenders and mutually agreed upon.

**Purpose:**
To part-finance import of capital machinery, equipment and related service from india for expansion of existing steel melting capacity by 250,000 MTPA and setting up steel re-rolling mill of 600,000 MTPA capacity at Zorargonj, Chattogram Bangladesh.

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| **Outstanding Balance:** | **Taka** | **Taka** |
| Export-Import Bank of India | 2,525,165,625 | 2,510,321,100 |
| | **2,525,165,625** | **2,510,321,100** |





| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | **Taka** | **Taka** |
| **22.00** | **Defined benefit obligations - Gratuity** | | |
| | Opening balance | 321,938,389 | 283,019,839 |
| | Add: Current service cost | 130,041,479 | 139,827,212 |
| | Less: Payment made during the year | (139,827,212) | (100,908,662) |
| | **Closing balance** | **312,152,656** | **321,938,389** |

Defined benefit obligations - Gratuity has been approved by National Board of Revenue (NBR). After the reporting period an amount of Tk.130,041,479 has been paid to employee gratuity fund on 08 September 2026.

| | | | |
|---|---|---|---|
| **23.00** | **Deferred Tax Liabilities** | | |
| | Opening balance | 1,733,309,398 | 1,609,267,613 |
| | **Provided during the year** | | |
| | Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) | 68,683,077 | 184,694,040 |
| | Deferred tax on ROU Asset | 839,034 | 230,881 |
| | Provision for doubtful debts | (4,775,955) | (4,956,556) |
| | Provision for Gratuity | 2,201,790 | (8,756,674) |
| | | **66,947,946** | **171,211,691** |
| | **Adjusted during the year** | | |
| | Against impact on depreciation on revaluation reserve | (5,128,115) | (5,697,906) |
| | Deferred tax on fair value reserve | 188,464,000 | (41,472,000) |
| | | **183,335,885** | **(47,169,906)** |
| | **Closing Balance** | **1,983,593,229** | **1,733,309,398** |

**23.01 Reconciliation of deferred tax liabilities/ (assets)**

| **As on 30 June 2026** | Carrying amount | Tax base | Tax rate | Taxable/ (Deductible) temporary difference | Deferred tax liabilities/ (assets) |
|---|---|---|---|---|---|
| | **Taka** | **Taka** | **%** | **Taka** | **Taka** |
| Property, plant and equipment (except land) | 28,338,156,767 | 21,661,942,961 | 22.50% | 6,676,213,807 | 1,502,148,106 |
| Revaluation surplus (Land) | 11,642,537,158 | 3,689,631,219 | 3-4% | 7,952,905,940 | 266,347,024 |
| ROU Asset (Net) | (15,750,752) | - | 22.50% | (15,750,752) | (3,543,919) |
| Provision for Gratuity | (312,152,656) | - | 22.50% | (312,152,656) | (70,234,348) |
| Provision for doubtful debts | (76,958,371) | - | 22.50% | (76,958,371) | (17,315,634) |
| Financial Asset at fair value | 3,041,280,000 | 1,000,000,000 | 15.00% | 2,041,280,000 | 306,192,000 |
| **Total deferred tax liabilities** | | | | | **1,983,593,229** |

| **As on 30 June 2025** | Carrying amount | Tax base | Tax rate | Taxable/ (Deductible) temporary difference | Deferred tax liabilities/ (assets) |
|---|---|---|---|---|---|
| | **Taka** | **Taka** | **%** | **Taka** | **Taka** |
| Property, plant and equipment (except land) | 28,905,476,968 | 22,511,729,663 | 22.50% | 6,393,747,305 | 1,438,593,144 |
| Revaluation surplus (Land) | 11,589,227,964 | 3,636,322,025 | 3-4% | 7,952,905,940 | 266,347,024 |
| ROU Asset (Net) | (19,479,792) | - | 22.50% | (19,479,792) | (4,382,953) |
| Provision for Gratuity | (321,938,389) | - | 22.50% | (321,938,389) | (72,436,138) |
| Provision for doubtful debts | (55,731,906) | - | 22.50% | (55,731,906) | (12,539,679) |
| Financial Asset at fair value | 2,177,280,000 | 1,000,000,000 | 10.00% | 1,177,280,000 | 117,728,000 |
| **Total deferred tax liabilities** | | | | | **1,733,309,398** |

| | | Notes | 30 June 2026<br>Taka | 30 June 2025<br>Taka |
|---|---|---|---|---|
| **24.00** | **Trade Payables** | | | |
| | Bangladesh Steel Re-Rolling Mills Limited | | 2,984,208,574 | 404,372,904 |
| | BSRM Logistics Limited | | 13,824,254 | 5,376,566 |
| | Stores & consumables | | 857,775,893 | 450,528,690 |
| | | | **3,855,808,721** | **860,278,160** |
| **25.00** | **Short Term Loans** | | | |
| | Loan against trust receipts (LATR) | 25.01 | - | 797,581,513 |
| | Time loans | 25.02 | - | 2,815,655,578 |
| | Demand loans | 25.03 | 200,061,111 | 6,254,862,307 |
| | Bank overdraft and cash credit | 25.04 | 2,672,431,714 | 1,615,436,905 |
| | Liability for accepted bills for payment (ABP) | 25.05 | 19,893,735,585 | 10,018,592,145 |
| | | | **22,766,228,410** | **21,502,128,448** |
| **25.01** | **Loan against Trust Receipts (LATR)** | | | |
| | Bank Asia PLC | | - | 82,430,597 |
| | Eastern Bank PLC | | - | 309,592,091 |
| | Shahjalal Islami Bank LC | | - | 188,313,240 |
| | The Trust Bank PLC | | - | 217,245,585 |
| | | | **-** | **797,581,513** |
| **25.02** | **Time Loans** | | | |
| | Commercial Bank of Ceylon PLC | | - | 502,333,333 |
| | NCC Bank PLC | | - | 525,647,095 |
| | City Bank PLC | | - | 1,034,153,342 |
| | United Finance Ltd. | | - | 236,128,644 |
| | Uttara Bank PLC | | - | 517,393,164 |
| | | | **-** | **2,815,655,578** |
| **25.03** | **Demand Loans** | | | |
| | Bank Asia PLC | | - | 407,524,097 |
| | BRAC Bank PLC | | - | 1,350,097,519 |
| | Commercial Bank of Ceylon PLC | | - | 509,500,000 |
| | Eastern Bank PLC | | 200,061,111 | 2,669,416,056 |
| | HSBC | | - | 218,538,176 |
| | Prime Bank PLC | | - | 851,310,315 |
| | Shahjalal Islami Bank PLC | | - | 248,476,144 |
| | | | **200,061,111** | **6,254,862,307** |
| **25.04** | **Bank overdraft and Cash Credit** | | | |
| | Agrani Bank PLC | | 245,093,581 | 169,276,218 |
| | AB Bank PLC | | 3,363,331 | - |
| | Agrani Bank PLC -CC Revolving | | 10,758 | 4,639 |
| | Bank Al Falah Limited | | 200,056,153 | 9,436,509 |
| | Basic Bank PLC | | 58,710,419 | 13,307,297 |
| | BRAC Bank PLC | | 193,780 | 7,504,591 |
| | Dhaka Bank PLC | | 1,975,161 | 489,182 |
| | Dutch Bangla Bank PLC | | 69,533,401 | 33,681,829 |
| | HSBC | | 90,755,621 | 58,003,917 |
| | Janata Bank PLC | | 613,456 | 1,703,824 |
| | Meghna Bank PLC | | 58,493,073 | 100,371,655 |
| | Mutual Trust Bank PLC | | 199,741,618 | 150,365,621 |
| | Modhumoti Bank PLC | | 21,648,099 | - |
| | National Credit and Commerce Bank PLC | | 237,690,792 | 503,083,044 |
| | NRB Bank PLC | | 64,198,194 | 10,845,163 |
| | Premier Bank PLC | | 7,828,723 | 196,057 |
| | Pubali Bank PLC | | 97,112 | 44,998,404 |
| | Rupali Bank PLC | | 1,148,208,621 | 494,613,168 |
| | South Bangla Agriculture & Commerce Bank PLC | | 243,369,552 | - |
| | State Bank of India | | 20,850,272 | 17,555,787 |
| | | | **2,672,431,714** | **1,615,436,905** |

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS



| | | 30 June 2026<br>Taka | 30 June 2025<br>Taka |
|---|---|---|---|
| **25.05** | **Liability for accepted bills for payment (ABP)** | | |
| | Al-Arafah Islami Bank PLC | 114,730,278 | - |
| | Agrani Bank PLC | 305,002,548 | - |
| | Bank Asia PLC | 775,261,500 | 1,335,219,600 |
| | BRAC Bank PLC | 2,408,230,699 | 1,740,185,971 |
| | Commercial Bank of Ceylon PLC | 1,078,522,250 | 106,745,717 |
| | Dhaka Bank PLC | - | 740,267,365 |
| | Dutch Bangla Bank PLC | 2,168,515,092 | 395,085,159 |
| | Eastern Bank PLC | 2,030,675,497 | 1,264,649,815 |
| | HSBC | 896,389,390 | 45,285,217 |
| | Mercantile Bank PLC | - | 1,047,364,889 |
| | Mutual Trust Bank PLC | 41,490,800 | - |
| | NCC Bank PLC | 1,285,061,481 | 41,473,536 |
| | NRB Commericial Bank PLC | 83,057,728 | - |
| | Prime Bank PLC | 1,172,898,820 | 1,185,684,871 |
| | Pubali Bank PLC | 921,868,363 | - |
| | Standard Chartered Bank | 2,323,770,613 | 370,840,629 |
| | Shahjalal Islami Bank PLC | 664,319,065 | 720,825,789 |
| | City Bank PLC | 1,875,138,469 | 1,000,716,402 |
| | Trust Bank PLC | 542,837,412 | - |
| | Jamuna Bank PLC | 1,009,832,335 | - |
| | United Commercial Bank PLC | 196,133,245 | 24,247,185 |
| | | **19,893,735,585** | **10,018,592,145** |
| **26.00** | **Liabilities for expenses** | | |
| | Audit Fees | 1,177,750 | 965,000 |
| | Carrying expenses | 88,063,690 | 386,913,636 |
| | Domiciliary expenses | 4,871,119 | 4,038,575 |
| | Fuel & Line expense payable | 53,834,391 | 204,719,380 |
| | Liability against supply of goods/services | 342,118,139 | 193,180,818 |
| | Liability against non-current asset | 65,039,730 | 15,431,405 |
| | Regulatory Authority Payable (customs exercise & VAT) | 223,462,723 | 225,622,016 |
| | Salary and Allowances | 15,116,643 | 23,032,626 |
| | Sales promotion expenses | 19,686,581 | 5,519,967 |
| | Travelling expenses | 1,639,726 | 3,728,186 |
| | Utility Expenses | 1,100,931,767 | 816,004,732 |
| | | **1,915,942,259** | **1,879,156,341** |
| **27.00** | **Provision for income tax** | | |
| | **Opening balance** | **1,506,833,523** | **1,464,662,837** |
| | Add: Provision during the year | 1,869,257,946 | 1,237,279,455 |
| | Add: Adjustment for earlier year's final assessments | 31,899,476 | 27,623,195 |
| | | **1,901,157,422** | **1,264,902,650** |
| | Less: Adjusted with advance income tax paid at source | (1,237,279,455) | (1,222,731,964) |
| | **Closing Balance** | **2,170,711,490** | **1,506,833,523** |

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS

| | | 30 June 2026 | | 30 June 2025 | |
|---|---|---|---|---|---|
| | | Rate | Taka | Rate | Taka |
| 27.01 | **Reconciliation of effective tax rate** | | | | |
| | Profit before tax | | 9,089,660,618 | | 6,612,158,374 |
| | Total income tax expense | **21.30%** | **1,936,205,892** | **21.72%** | **1,436,114,341** |
| | | **Rate** | **Taka** | **Rate** | **Taka** |
| | **Factors affecting the tax charge:** | | | | |
| | Tax using the applicable rate | 22.50% | 2,045,173,639 | 22.50% | 1,487,735,634 |
| | Difference between accounting and fiscal depreciation | -0.63% | (57,085,952) | -2.72% | (180,063,371) |
| | Difference between ROU and actual payment | -0.01% | (839,034) | 0.00% | (230,880) |
| | Difference between gratuity provision and payment | -0.02% | (2,201,790) | 0.13% | 8,756,674 |
| | Adjustment for inadmissible expenses | 0.69% | 62,780,756 | -0.42% | (27,905,696) |
| | Difference between accounting and fiscal gain on sale of non-current asset | 0.00% | (385,083) | -0.01% | (430,038) |
| | Adjustment for reduced rated taxable income | -1.70% | (154,624,245) | -0.27% | (17,828,534) |
| | Adjustment for tax incentives | -0.26% | (23,560,346) | -0.08% | (5,131,138) |
| | Impact of temporary differences | 0.74% | 66,947,946 | 2.59% | 171,211,691 |
| | | **21.30%** | **1,936,205,892** | **21.72%** | **1,436,114,341** |

| | | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|---|
| | | | Taka | Taka |
| 28.00 | **Provision for WPPF and Welfare Fund** | | | |
| | Opening balance | | 348,008,335 | 267,232,068 |
| | Add: Provided during the year | **28.01** | 478,706,410 | 348,008,335 |
| | Less: Paid during the year | | (348,008,335) | (267,232,068) |
| | **Closing Balance** | | **478,706,410** | **348,008,335** |
| 28.01 | **Provision during the year** | | | |
| | Unadjusted net profit before tax and WPPF | | 9,568,367,028 | 6,960,166,709 |
| | Adjustment for Share of Loss from Associate | | 5,761,165 | - |
| | **Adjusted net profit before tax and WPPF** | | **9,574,128,193** | **6,960,166,709** |
| | Pecentage applicable for WPPF | | 5% | 5% |
| | **WPPF Provision for the year** | | **478,706,410** | **348,008,335** |

To provide users of the financial statements with more transparent and understandable information, the Company has been presented the profit before income tax after the adjustment of unrealized Profit / (Loss) from the associate and accordingly calculated the WPPF. This is a statutory allocation determined by reference to the Company's profit, and its separate presentation allows users to see the profit available before the allocation and before income tax beyond the IFRS 18 Presentation

| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| 29.00 | **Unclaimed dividend** | | |
| | Opening Balance | 6,378,256 | 4,811,742 |
| | Add: Dividend declared during the year | 3,772,904,529 | 1,203,048,000 |
| | Less: Paid during the year | (3,774,053,518) | (1,201,481,485) |
| | **Closing Balance** | **5,229,267** | **6,378,257** |
| 29.01 | **Dividend unclaimed for the years** | | |
| | 30 June 2025 (Final) | 2,228,506 | - |
| | 30 June 2024 (Final) | 1,778,865 | 3,795,771 |
| | 30 June 2023 (Final) | 1,221,897 | 1,241,522 |
| | 30 June 2022 (Final) | - | 1,340,963 |
| | | **5,229,267** | **6,378,257** |

After the reporting period an amount of Tk. 156,699 has been paid to ordinary shareholders from 01 July 2026 to 30 September 2026



| | | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|---|
| | | | Taka | Taka |
| 30.00 | **Other liabilities** | | | |
| | Brokerage and commission | | 297,276,162 | 198,731,261 |
| | C & F Bill | | 2,647,312 | 3,450,505 |
| | Deferred late payment charges | | - | 116,128,978 |
| | Liability for duty drawback | 30.01 | 425,456,343 | 425,456,343 |
| | Provident fund | | 10,077,176 | 8,909,543 |
| | Rent payables | | 6,000 | 35,102 |
| | Retention money | | 100,151,905 | 138,143,945 |
| | Security deposit | | 40,844,313 | 38,194,316 |
| | Others | | 12,560,500 | 5,888,289 |
| | | | **889,019,712** | **934,938,282** |

**30.01** The liability for duty drawback represents claims relating to the deemed export of MS products to international tender-based projects in Bangladesh under rule 31KA of the VAT Act, 1991. The liability has been recognized in the books but remains unsettled. The Company has challenged the relevant NBR notification before the Honorable High Court, and Review Petition No. 186 of 2022 is currently pending before the Appellate Division of the Supreme Court of Bangladesh for hearing.

| | | | |
|---|---|---|---|
| **31.00** | **Contract liabilities** | | |
| | Advance against sales | 1,377,372,019 | 712,207,281 |
| | | **1,377,372,019** | **712,207,281** |

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **32.00 Revenue from contracts with customers** | | | |
| Local sales | **32.01** | 124,772,861,879 | 100,671,198,051 |
| Export sales | | 4,715,156,434 | 2,994,012,297 |
| | | **129,488,018,313** | **103,665,210,348** |

Total export sales during FY 2025-2026 amounted to USD 38,286,352 against the export of 43,909 Metric Tons of goods, compared to USD 24,256,057 against 23,478 Metric Tons of goods in FY 2024-2025.

| | | |
|---|---|---|
| **32.01 Revenue from local sales** | | |
| Gross sales | 128,399,947,766 | 103,116,885,105 |
| Less: Value Added Tax (VAT) | (3,627,085,887) | (2,445,687,054) |
| | **124,772,861,879** | **100,671,198,051** |

**32.02 Set out below is the disaggregation of BSRM Steels Limited's revenue from contracts with customers:**

| | | |
|---|---|---|
| **Segments** | | |
| **Type of goods** | | |
| Xtreme DWR | 114,454,513,418 | 90,636,986,686 |
| Xtreme CWR | 3,152,047,796 | 4,080,910,329 |
| Ultima 420D | 5,057,385,894 | 4,415,017,491 |
| Maxima 500 | 1,315,286,312 | 297,509,639 |
| Wire Rod | 2,802,456,733 | 1,961,505,339 |
| Others | 2,706,328,160 | 2,273,280,865 |
| **Total revenue from contracts with customers** | **129,488,018,313** | **103,665,210,348** |
| **Geographical Markets** | | |
| Bangladesh | 128,202,862,321 | 102,563,497,722 |
| China | 1,031,414,285 | 781,108,140 |
| USA | 34,440,000 | |
| India | 11,136,200 | 190,851,768 |
| Turkey | - | 4,853,794 |
| Vietnam | 208,165,507 | 124,898,924 |
| **Total revenue from contracts with customers** | **129,488,018,313** | **103,665,210,348** |
| **Timing of revenue recognition** | | |
| Goods transferred at a point in time | 129,488,018,313 | 103,665,210,348 |
| **Total revenue from contracts with customers** | **129,488,018,313** | **103,665,210,348** |

| | | | |
|---|---|---|---|
| **32.03 Contract balances** | | | |
| Trade receivables | **15.01** | 5,790,674,711 | 7,000,348,114 |
| Contract liabilities | **31.00** | 1,377,372,019 | 712,207,281 |

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

Contract assets are initially recognized for revenue earned services as receipt of consideration is conditional on successful completion of service. Upon completion of service and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade receivables.

Contract liabilities includes short-term advances received to deliver M.S. Product to the customers.

**32.04 Performance Obligations**

Information about the BSRM Steels Limited's performance obligation is summarized below:

The performance obligation is satisfied upon delivery of the M.S.Product to the customers and payment is generally due within 30 to 60 days of delivery.

The performance obligation to deliver M.S. product has two alternative payment options. The customer can pay the transaction price equal to the cash selling price in advance or allowed a credit period of 30 to 60 days.



| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **33.00 Cost of sales** | | | |
| Cost of sales-Scrap | **33.01** | 511,570,575 | 1,152,767,907 |
| Cost of sales-Billet | **33.02** | 70,595,476 | 18,155,762 |
| Cost of sales-MS Rod | **33.02** | 114,804,252,818 | 90,989,711,033 |
| | | **115,386,418,868** | **92,160,634,702** |

| | | |
|---|---|---|
| **33.01 Cost of sales- Billet** | | |
| Opening stock of scrap | 7,432,229,807 | 8,090,839,720 |
| Add: Purchase during the year | 60,281,085,830 | 50,646,646,395 |
| Less: Sales during the year | (511,570,575) | (1,152,767,907) |
| Less: Closing stock of scrap | (10,707,004,565) | (7,432,229,807) |
| **Raw materials consumption-Scrap** | **56,494,740,497** | **50,152,488,401** |
| Opening stock of Direct Consumables | 124,302,548 | 182,635,348 |
| Add: Purchase during the year | 2,131,188,556 | 2,522,959,922 |
| Less: Closing stock of Direct Consumables | (182,184,452) | (124,302,548) |
| **Direct Consumables Consumption** | **2,073,306,652** | **2,581,292,722** |
| Add: Factory overhead **33.03** | 13,717,397,268 | 11,773,497,295 |
| **Cost of Billet Manufactured** | **72,285,444,417** | **64,507,278,418** |
| Add: Opening stock of Billet FG | 1,730,047,637 | 3,755,164,728 |
| Less: Closing stock of Billet FG | (1,022,631,946) | (1,730,047,637) |
| Transfer to Rolling units | (72,992,860,108) | (66,532,395,509) |
| **Cost of sales -Billet** | - | - |

| | | |
|---|---|---|
| **33.02 Cost of sales- MS Rod** | | |
| Opening stock of raw materials-Billet | 1,282,163,571 | 910,902,345 |
| Add: Purchase during the year | 39,381,046,909 | 22,884,061,420 |
| Transfer from Melting units | 72,992,860,108 | 66,532,395,509 |
| Less: Sales During the year | (70,595,476) | (18,155,762) |
| Less: Closing stock of raw materials-Billet | (1,605,039,773) | (1,282,163,571) |
| **Raw materials consumed-Billet** | **111,980,435,339** | **89,027,039,941** |
| Add: Opening stock of Roll Consumables | 120,449,272 | 80,144,231 |
| Less: Addition/Purchase during the year | 19,162,330 | 50,222,348 |
| Less: Closing stock of Roll Consumables | (27,145,088) | (120,449,272) |
| **Roll Consumables Consumption** | **112,466,514** | **9,917,307** |
| Opening stock of Packing Materials Consumables | 43,743,220 | 12,288,630 |
| Add: Addition/Purchase during the year | 263,264,471 | 386,622,317 |
| Less: Closing stock of Packing Materials Consumables | (29,268,625) | (43,743,220) |
| **Packing Materials Consumption** | **277,739,066** | **355,167,727** |
| Add: Factory overhead **33.03** | 5,276,065,495 | 4,141,847,703 |
| **Cost of Goods Manufactured** | **117,646,706,414** | **93,533,972,677** |
| Add: Opening stock of finished goods | 11,353,571,052 | 8,842,714,163 |
| Less: Issuance for Project/Repair | (15,978,446) | (33,404,755) |
| Less: Closing stock of finished goods | (14,180,046,202) | (11,353,571,052) |
| **Cost of sales** | **114,804,252,818** | **90,989,711,033** |

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **33.03 Factory Overheads** | | | |
| Amortization of ROU Assets | **9.06** | 67,453,717 | 73,798,079 |
| Car allowance | | 14,241,159 | 10,051,715 |
| Carrying charges | | 44,569,311 | 37,521,111 |
| Casual wages | | 249,395,395 | 225,107,514 |
| CCM Consumption | | 348,341,495 | 264,404,350 |
| Consulting fees | | 3,023,220 | 6,906,216 |
| Conveyance expenses | | 48,155,080 | 40,963,967 |
| Depreciation | **8.00** | 2,098,453,521 | 1,646,338,822 |
| Electrical store consumption | | 143,442,491 | 112,460,054 |
| Entertainment | | 22,825,493 | 15,917,048 |
| Fees and renewals | | 3,110,550 | 1,463,392 |
| Fuel and lubricants | | 497,556,749 | 474,887,573 |
| Gas | | 1,400,179,452 | 1,206,427,269 |
| General store consumed | | 97,994,628 | 70,754,476 |
| Gratuity expenses | | 83,617,852 | 94,523,099 |
| Guest house expenses | | 5,364,289 | 4,387,388 |
| Guest house rent | | 5,021,907 | 3,375,014 |
| IF/RF Consumption | | 470,493,156 | 382,394,765 |
| Insurance expenses | | 30,213,841 | 21,056,177 |
| LDO consumed | | 18,977,397 | 12,773,297 |
| LRF Consumption | | 1,229,095,156 | 1,024,205,610 |
| Materials handling charges | | 494,945,491 | 472,284,078 |
| Mechanical store consumption | | 628,015,720 | 459,318,199 |
| Medical expenses | | 13,175,664 | 8,463,468 |
| Other store consumption | | 91,119,871 | 43,388,994 |
| Overtime | | 47,198,012 | 39,328,197 |
| Paper, Postage and stationery | | 244,178 | 345,438 |
| Power consumption | | 9,520,131,509 | 8,089,543,778 |
| Printing Expenses | | 1,491,024 | 690,131 |
| Rental expenses | | 7,951,949 | 7,670,848 |
| Repairs and maintenance | | 113,040,093 | 99,603,711 |
| Salaries and allowances | | 1,147,112,934 | 927,793,482 |
| Testing charges | | 978,096 | 825,444 |
| Travelling expenses | | 5,555,684 | 3,779,956 |
| Utility expenses | | 40,976,680 | 32,592,338 |
| | | **18,993,462,763** | **15,915,344,998** |

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **34.00 Selling and distribution expenses** | | | |
| Advertisement | | 147,324,950 | 221,878,419 |
| Amortization of ROU Assets | **9.06** | 5,539,802 | 4,716,918 |
| Bad debt expense | | 25,606,209 | 22,256,762 |
| Brokerage and commission | | 56,426,195 | 464,917,448 |
| C&F Charge - Export | | 9,558,119 | 7,488,493 |
| Car allowance | | 10,460,231 | 9,506,162 |
| Carriage on sales | | 156,891,729 | 169,922,424 |
| Casual wages | | 14,186,120 | 3,014,896 |
| Conveyance expenses | | 1,865,249 | 2,863,221 |
| Depreciation | **8.00** | 31,648,677 | 30,353,418 |
| Electricity expenses-Depot | | 11,394,244 | 10,854,425 |
| Entertainment | | 35,098,322 | 81,829,252 |
| Fees and renewals | | 271,170 | 288,632 |
| Finished Goods Handling Charges | | 45,612,160 | 46,245,413 |
| Generator rent & fuel | | 51,000 | 47,000 |
| Gratuity expenses | | 22,471,293 | 12,692,443 |
| Insurance expenses | | 1,598,250 | 1,497,600 |
| Internet expenses | | 1,222,970 | 1,113,482 |
| Legal & Professional fees | | 3,665,046 | 4,460,090 |
| Marketing expenses | | 125,794,655 | 110,791,626 |
| Medical expenses | | 2,176,665 | 1,849,156 |
| Motor cycle allowance | | 7,549,165 | 5,768,382 |
| Paper and periodicals | | 136,148 | 60,749 |
| Printing expenses | | 11,503,061 | 9,599,931 |
| Rental expenses | | 1,408,820 | 1,015,853 |
| Repair and maintenance | | 1,486,407 | 1,668,476 |
| Royalty expenses | **34.01** | 343,055,894 | 167,192,828 |
| Salaries and allowances | | 235,946,589 | 199,247,537 |
| Sales promotion expenses | | 92,238,685 | 69,164,363 |
| Stationery expenses | | 446,500 | 775,120 |
| Testing charges | | 4,779,827 | 1,767,586 |
| Travelling expenses | | 11,505,201 | 10,589,320 |
| | | **1,418,919,353** | **1,675,437,425** |

**34.01** The trademark Xtreme 500w and MAXIMA 500 has been registered in the name of 'H. Akberali & Co. Limited' (HACL) from the department of Patents, Designs and Trademark of Government of Bangladesh under section 20(2) of the Trademark Act 2009. The Company pays royalty to HACL at a rate of Tk. 230 per MT on the quantity sold (previous year: Tk. 150 per MT) in accordance with the Trademark License Agreement entered into between the Company and HACL.

| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **35.00 Administrative expenses** | | | |
| Advertisement expenses | | 556,913 | 481,739 |
| Amortization of Intangible assets | **10.00** | 6,868,636 | 8,505,383 |
| Amortization of ROU Assets | **9.06** | 16,079,575 | 9,342,897 |
| Audit fees | | 1,408,750 | 1,423,125 |
| Board Meeting expenses | | 373,750 | 342,000 |
| Car allowance | | 17,621,016 | 13,330,780 |
| Casual wages | | 3,990,726 | 3,336,888 |
| Cleaning Expenses | | 1,774,421 | 2,198,482 |
| Conveyance expenses | | 11,097,069 | 10,660,492 |
| CSR expenses | | 136,970,891 | 51,311,384 |
| Depreciation | **8.00** | 22,732,494 | 18,787,144 |
| Directors' remuneration | **35.01** | 111,000,000 | 111,000,000 |
| Donation & Subscriptions | | 387,000 | 437,800 |
| Entertainment | | 17,784,526 | 24,166,241 |
| Fees and renewals | | 36,514,827 | 27,117,839 |
| Gratuity expenses | | 23,952,334 | 23,702,982 |
| Guest house expenses | | 788,019 | 794,384 |
| Guest house rent | | 3,325,048 | 3,103,639 |
| Insurance expenses | | 66,527 | 76,219 |
| Internet expenses | | 1,703,050 | 1,505,197 |
| IT Enable Service | | 13,088,765 | - |
| Land revenue | | 1,946,731 | 1,256,665 |
| Legal expenses | | 312,227 | 254,985 |
| Medical expenses | | 9,085,310 | 8,020,286 |
| Motor car expenses | | 5,989,684 | 4,105,581 |
| Motor cycle allowance | | 900,573 | 517,698 |
| Office rent | | 3,604,422 | 2,938,376 |
| Paper and periodicals | | 1,382,907 | 1,501,573 |
| Postage expenses | | 1,271,324 | 1,019,256 |
| Printing expenses | | 1,349,827 | 1,203,811 |
| Professional and consulting fee | | 9,571,039 | 15,326,036 |
| Rent for Feni River project | | 11,802,823 | |
| Repair and maintenance | | 5,395,486 | 9,700,424 |
| Salaries and allowances | | 484,231,622 | 465,877,516 |
| Stationery expenses | | 3,950,610 | 4,038,229 |
| Telephone expenses | | 12,041,590 | 9,666,250 |
| Training expenses | | 4,312,014 | 2,837,616 |
| Travelling expenses | | 9,465,545 | 11,061,704 |
| Utility expenses | | 4,867,204 | 4,928,725 |
| | | **999,565,271** | **855,879,346** |

**35.01 Details of Directors' remuneration paid during the year are as follows:**

| Directors' Name | Gross Remuneration Taka | Income Tax Deducted Taka | Net Remuneration Paid Taka |
|---|---|---|---|
| Mr. Alihussain Akberali FCA-Chairman | 48,000,000 | 14,400,000 | 33,600,000 |
| Mr. Aameir Alihussain-Managing Director | 42,000,000 | 12,600,000 | 29,400,000 |
| Mr. Zohair Taherali-Director | 13,200,000 | 3,960,000 | 9,240,000 |
| Mrs. Tehseen Zohair Taherali- Director | 7,800,000 | 2,340,000 | 5,460,000 |
| | **111,000,000** | **33,300,000** | **77,700,000** |



| | Notes | For the year ended 30 June 2026 Taka | For the year ended 30 June 2025 Taka |
|---|---|---|---|
| **36.00 Foreign exchange gain/(loss)** | | | |
| Foreign exchange gain/(loss) from trade receivables | | 8,886,117 | 33,073,332 |
| | | **8,886,117** | **33,073,332** |
| **37.00 Other Operating Income** | | | |
| Gain on sale of property, plant and equipments | | 4,145,358 | 17,204,946 |
| Interest on trade receivables | | 40,590,967 | 20,667,000 |
| Miscellaneous income | | 7,366,760 | 7,384,109 |
| Other Income PF Forfeiture | | 169,083 | 428,848 |
| Rental Income | | 816,000 | 750,000 |
| | | **53,088,168** | **46,434,903** |
| **38.00 Interest income on Deposits** | | | |
| Interest income from STD - High Performance Account | | 120,098,483 | 105,003,169 |
| Interest income from FDR | | 115,200,375 | 92,498,911 |
| Income from Non Convertible Bond | | 9,000,000 | 9,024,658 |
| | | **244,298,857** | **206,526,738** |
| **39.00 Foreign exchange gain/(loss) on cash and cash equivalents** | | | |
| Translational gain/(loss) on FCY balance | | 3,883,764 | (339,166) |
| | | **3,883,764** | **(339,166)** |
| **40.00 Dividend Income** | | | |
| Dividend received | | 144,000,001 | 100,800,000 |
| | | **144,000,001** | **100,800,000** |
| **41.00 Finance Costs** | | | |
| Agency fees | | 5,367,625 | 2,057,926 |
| Bank charges & others | | 36,446,393 | 37,558,951 |
| Bank Guarantee Commission | | 28,071,533 | 27,331,953 |
| Interest on OD, cash credit | | 75,227,547 | 189,918,147 |
| Interest on Syndicate loan | | 1,148,141,667 | 693,953,973 |
| Interest on LATR | | 15,265,275 | 136,630,049 |
| Interest on Demand and Time loan | | 778,704,644 | 1,663,758,416 |
| Interest on Term loan | | 858,647,669 | 412,556,024 |
| Interest expense on lease liabilities | **9.04** | 18,142,016 | 20,394,935 |
| Interest on related companies | | (449,378,590) | (760,865,045) |
| | | **2,514,635,779** | **2,423,295,329** |
| **42.00 Foreign exchange gain/(loss) on interest-bearing borrowings** | | | |
| Transactional foreign exchange gain/(loss) from borrowings | | 219,165,044 | 254,532,361 |
| Translational foreign exchange gain/(loss) from borrowings | | (267,672,801) | (230,825,004) |
| | | **(48,507,756)** | **23,707,357** |
| **43.00 Earnings per share** | | | |
| **Basic earnings per share (EPS)** | | | |
| Profit attributable to the ordinary shareholders | | 7,153,454,726 | 5,176,044,033 |
| Number of ordinary shares at the year end | | 375,952,500 | 375,952,500 |
| Weighted Average number of shares outstanding during the year | | 375,952,500 | 375,952,500 |
| Basic earnings per share (EPS) | | **19.03** | **13.77** |

Earnings per share (EPS) has been computed by dividing the net profit after tax (NPAT) by the weighted average number of ordinary shares outstanding on the reporting date as per IAS-33: Earnings Per Share. No diluted EPS was required to be calculated for the year since there was no scope for dilution.

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| **44.00 Net Asset Value Per Share (NAV)** | | |
| Total Assets | 99,267,479,287 | 87,824,293,868 |
| Less: Total Liabilities | (59,280,100,308) | (53,791,271,230) |
| **Net Asset Value (NAV)** | **39,987,378,979** | **34,033,022,638** |
| Number of ordinary shares outstanding during the year | 375,952,500 | 375,952,500 |
| **Net Assets Value (NAV) per share** | **106.36** | **90.52** |
| **45.00 Net operating cash flows per share** | | |
| Net operating cash flows (From statement of Cash Flows) | 9,197,277,354 | 16,925,218,474 |
| Number of ordinary shares outstanding during the year | 375,952,500 | 375,952,500 |
| **Net operating cash flow per share** | **24.46** | **45.02** |

The Company has applied IFRS 18 Presentation and Disclosure in Financial Statements and the related amendments to IAS 7 Statement of Cash Flows for the year ended 30 June 2026. Under the revised requirements, interest paid is now classified as a financing activity rather than an operating activity, and the reconciliation of cash generated from operations now starts from operating profit instead of profit before tax.

The change has been applied retrospectively and the 2025 comparatives have been restated. Net cash from operating activities was restated from Tk. 7,306,903,624 to Tk. 16,925,218,474 for 2025. As a result, Net Operating Cash Flow per Share has been restated to Tk. 45.02 for 2025 (previously Tk. 19.44). The change has no effect on profit or loss, equity, financial position, or the net change in cash and cash equivalents.

**46.00 Related party transactions**

During the year the company carried out a number of transactions with related parties in the normal course of business 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 parties | Relationship | Nature of Transactions | Transactions during the year | | Outstanding as on 30 June | |
|---|---|---|---|---|---|---|
| | | | Addition | Adjustment | 2026 | 2025 |
| Bangladesh Steel Re-Rolling Mills Limited | Shareholder | Sales revenue | 1,135,569,719 | 1,126,917,545 | 8,652,174 | - |
| | | Purchase | 36,831,793,290 | 39,411,628,960 | (2,984,208,574) | (404,372,904) |
| BSRM Ispat Limited | Sister Company | Short term loan | 96,072,461 | 110,390,000 | 91,555,346 | 105,872,885 |
| BSRM Logistics Limited | Sister Company | Short term loan | 733,871,103 | 733,871,103 | - | - |
| | | Purchase | 268,187,807 | 276,635,495 | (13,824,254) | (5,376,566) |
| H. Akberali & Co. Limited | Sister Company | Short term loan | 2,466,411,874 | 2,466,411,874 | - | - |
| Chittagong Power Company Limited | Sister Company | Short term loan | 210,468,763 | 971,419,000 | 937,041,767 | 1,697,992,004 |
| BSRM Wires Limited | Sister Company | Short term loan | 5,306,970,118 | 6,481,226,377 | 1,694,548,456 | 2,868,804,714 |

These amounts are classified as Due to and Due from related companies, respectively (see notes 15, 16 & 24)

**46.01 Key management personnel compensation**

In accordance with para 17 of IAS 24 related party disclosure: during the year the amount of compensation paid to key management personnel including Board of Directors is as follows;

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Short term benefits | 238,584,120 | 241,813,872 |
| Post Employment Benefits | 77,162,805 | 62,157,273 |
| | **315,746,925** | **303,971,145** |

**47.00 Reconciliation of cash generated by operations**

| | | |
|---|---|---|
| **Operating profit or loss / Net profit before tax** | **11,745,089,106** | **9,052,767,110** |
| **Adjustment for:** | | |
| Depreciation | 2,152,834,691 | 1,695,479,384 |
| Amortization of ROU and Intangible assets | 95,941,730 | 96,363,277 |
| Gain on sale of property, plant and equipments | (4,145,358) | (17,204,946) |
| | **2,244,631,064** | **1,774,637,715** |

A QASEM & Co. Chittagong CHARTERED ACCOUNTANTS

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| **Changes in:** | | |
| Cash paid for WPPF & Welfare Fund | (348,008,335) | (267,232,068) |
| Defined Benefit Obligations - Gratuity | (9,785,733) | 38,918,550 |
| Inventories (net of inventory for non-current asset ) | (6,481,194,157) | (11,813,767) |
| Trade Receivables | 1,209,673,404 | 50,011,111 |
| Trade Payables | 2,995,530,561 | 429,278,492 |
| Contract Liabilities | 665,164,738 | (150,141,021) |
| Advances, deposits and pre-payments | (1,559,702,338) | 6,529,775,760 |
| Liabilities for Expenses | (12,822,407) | 487,600,737 |
| Other Liabilities | (45,918,570) | 214,147,819 |
| | **(3,587,062,836)** | **7,320,545,613** |
| **Cash Generated from Operation** | **10,402,657,333** | **18,147,950,438** |
| Income tax paid | (1,205,379,979) | (1,222,731,964) |
| **Net cash flows from operating activities** | **9,197,277,354** | **16,925,218,474** |

**48.00 Management-defined performance measures**

The Company discloses EBITDA in its public communications as a management-defined performance measure (MPM), being a subtotal of income and expenses that is not specified by IFRS Accounting Standards. Management uses this measure to communicate its view of an aspect of the Company's financial performance. Because EBITDA is not defined by IFRS Accounting Standards, it may not be comparable with similarly titled measures reported by other entities.

The methodology used to calculate EBITDA has been applied consistently in the current and comparative reporting periods. The table below reconciles EBITDA to the most directly comparable subtotal specified by IFRS Accounting Standards (unadjusted EBITDA), together with the income tax effect of each reconciling item. The tax effect of each reconciling item has been determined using the statutory tax rate of 22.5%.

| **Year ended 30 June 2026** | **Reconciliation** | **Income tax effect** | **Net of tax** |
|---|---|---|---|
| Profit before income tax | 9,089,660,618 | - | 9,089,660,618 |
| Finance cost | 2,514,635,779 | - | 2,514,635,779 |
| Depreciation | 2,152,834,691 | - | 2,152,834,691 |
| Amortization | 95,941,730 | - | 95,941,730 |
| **EBITDA** | **13,853,072,819** | **-** | **13,853,072,819** |
| Gain on sale of property, plant and equipment | (4,145,358) | 932,706 | (3,212,652) |
| **Adjusted EBITDA** | **13,848,927,461** | **932,706** | **13,849,860,166** |
| | | | |
| **Year ended 30 June 2025** | | | |
| Profit before income tax | 6,612,158,374 | - | 6,612,158,374 |
| Finance cost | 2,423,295,329 | - | 2,423,295,329 |
| Depreciation | 1,695,479,384 | - | 1,695,479,384 |
| Amortization | 96,363,277 | - | 96,363,277 |
| **EBITDA (restated)** | **10,827,296,364** | **-** | **10,827,296,364** |
| Gain on sale of property, plant and equipment | (17,204,946) | 3,871,113 | (13,333,833) |
| **Adjusted EBITDA (restated)** | **10,810,091,418** | **3,871,113** | **10,813,962,531** |

**49.00 Contingent liabilities**

**49.01 Bank guarantees**

| | | |
|---|---|---|
| Dhaka Bank PLC | 2,577,725 | 2,577,725 |
| Eastern Bank PLC | 2,404,000 | 2,404,000 |
| HSBC | 1,230,684 | 1,222,000 |
| IFIC Bank PLC | 47,794,047 | 47,794,130 |
| Meghna Bank PLC | 1,250,000,000 | 1,338,900,250 |
| Mercantile Bank PLC | 194,425,104 | 193,068,475 |
| NRBC Bank PLC | 1,250,000,000 | 1,250,000,000 |
| One Bank PLC | 230,690,915 | 230,690,915 |
| United Commercial Bank PLC | 289,000 | 289,000 |
| | **2,979,411,475** | **3,066,946,495** |

A QASEM & Co. Chittagong CHARTERED ACCOUNTANTS







## 49.02 Corporate guarantees

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:

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Corporate guarantee | 4,500,000,000 | 3,062,500,000 |
| | **4,500,000,000** | **3,062,500,000** |

The company has not recognized a liability in respect of the corporate 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 sister companies are in a 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 | |
|---|---|---|
| **Name of sister companies** | **30 June 2026** | **30 June 2025** |
| Bangladesh Steel Re-Rolling Mills Limited | AAA | AA+ |
| BSRM Wires Limited | A- | A- |
| H. Akberali & Co. Limited | A+ | A+ |
| BSRM Logistics Limited | A+ | A+ |



| | | 30 June 2026 | 30 June 2025 |
|---|---|---|---|
| | | Taka | Taka |
| **50.00** | **Production Capacity** | | |
| | Installed Capacity- Rolling (In M. Ton)- yearly | 1,400,000 | 1,400,000 |
| | Production - Rolling(In M. Ton) | 1,598,516 | 1,230,578 |
| | Capacity utilized | 114% | 112% |
| | Installed Capacity- Melting (In M. Ton)- yearly | 1,000,000 | 1,000,000 |
| | Production - Melting(In M. Ton) | 1,076,261 | 928,769 |
| | Capacity utilized- (%) | 108% | 93% |

During the period 2024–2025, the Company established a new steel re-rolling plant at Mirsarai to enhance its existing production capacity. The new plant has an annual production capacity of 500,000 MT of rebar and 100,000 MT of wire rod, and commenced commercial production on 1 January 2025. With the existing rolling capacity of 800,000 MT, the Company's total rolling capacity has increased to 1,300,000 MT of rebar and 100,000 MT of wire rod per annum, in addition to its existing 1,000,000 MT annual MS billet production capacity.

| | | | |
|---|---|---|---|
| **51.00** | **Employees** | | |
| | Number of employees whose monthly salary was above minimum wages threshold | 2,037 | 1,934 |
| | | **2,037** | **1,934** |

## 52.00 Financial instruments- 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 company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

52.01 Credit risk
52.02 Liquidity risk
52.03 Market risk

### Risk management framework

Management has overall responsibility for establishing and overseeing the Company's risk management framework. The framework is designed to identify, assess and manage the risks arising from the Company's operations, establish appropriate risk limits and controls, and monitor compliance with those limits. Risk management policies and procedures are reviewed regularly to ensure they remain appropriate in light of changes in market conditions and the Company's activities..

### 52.01 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations under a financial instrument. The Company's exposure to credit risk arises principally from trade receivables, cash and cash equivalents, deposits with banks and financial institutions, and other financial assets.The Company manages its credit risk by dealing with creditworthy counterparties, monitoring outstanding receivable balances on an ongoing basis, and maintaining deposits with reputable financial institutions. The carrying amounts of financial assets represent the Company's maximum exposure to credit risk at the reporting date.

### 52.01.01 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 as follows:

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Financial Assets | 3,192,367,600 | 2,278,280,000 |
| Short term investments | 782,169,994 | 618,273,100 |
| Advances, deposits and prepayments | 6,272,555,901 | 4,702,534,604 |
| Trade and other receivables | 5,921,416,311 | 7,131,089,714 |
| Due from related companies | 2,723,145,569 | 4,672,669,603 |
| Cash at banks | 3,053,516,045 | 1,802,622,099 |
| | **21,945,171,420** | **21,205,469,120** |

**52.01.02 Ageing of trade receivables**

The ageing of gross value at the reporting date that was not impaired was as follows:

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| | Taka | Taka |
| Due within 90 days | 4,313,710,425 | 5,802,102,893 |
| Due within 91 to 180 days | 447,660,009 | 324,900,966 |
| Above 181 days | 1,106,262,649 | 929,076,161 |
| | **5,867,633,083** | **7,056,080,020** |

**52.02 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Such obligations are settled through the delivery of cash or another financial asset.The Company's objective in managing liquidity risk is to ensure that sufficient funds are available at all times to meet its financial liabilities when they become due, under both normal and stressed operating conditions, without incurring unacceptable losses or exposing the Company to reputational risk.
The Company manages its liquidity position by maintaining an appropriate level of cash and cash equivalents, monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. Management regularly reviews liquidity requirements to ensure that adequate funding is available to support the Company's operations and to meet its contractual obligations as they fall due.

**Exposure to Liquidity risk**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

| Non-derivative financial liabilities | Carrying amount | Contractual cash flows | | |
|---|---|---|---|---|
| | | Within 12 months | 1 to 5 years | More than 5 years |
| **As at 30 June 2026** | Taka | Taka | Taka | Taka |
| Long term loans | 23,378,430,451 | 2,778,004,296 | 20,600,426,155 | - |
| Trade payables | 3,855,808,721 | 3,855,808,721 | - | - |
| Short term loans | 22,766,228,410 | 22,766,228,410 | - | - |
| Liabilities for expenses | 1,915,942,259 | 1,915,942,259 | - | - |
| Defined benefit obligations- Gratuity | 312,152,656 | - | - | 312,152,656 |
| Provision for WPPF and Welfare fund | 478,706,410 | 478,706,410 | - | - |
| Other liabilities | 889,019,712 | 889,019,712 | - | - |
| | **53,596,288,619** | **32,683,709,808** | **20,600,426,155** | **312,152,656** |

| Non-derivative financial liabilities | Carrying amount | Contractual cash flows | | |
|---|---|---|---|---|
| | | Within 12 months | 1 to 5 years | More than 5 years |
| **As at 30 June 2025** | Taka | Taka | Taka | Taka |
| Long term loans | 23,805,528,095 | 1,560,776,913 | 22,244,751,182 | - |
| Trade payables | 860,278,160 | 860,278,160 | - | - |
| Short term loans | 21,502,128,448 | 21,502,128,448 | - | - |
| Liabilities for expenses | 1,879,156,341 | 1,879,156,341 | - | - |
| Defined benefit obligations- Gratuity | 321,938,389 | 321,938,389 | - | - |
| Provision for WPPF and Welfare fund | 348,008,335 | 348,008,335 | - | - |
| Other liabilities | 934,938,282 | 934,938,282 | - | - |
| | **49,651,976,050** | **27,407,224,868** | **22,244,751,182** | **-** |



**52.03 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**(a) Currency risk exposure and its management**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Company is exposed to foreign currency risk relating to purchases, sales and other transactions which are denominated in foreign currencies. As at 30 June 2026, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

**(i) Exposure to currency risk**

**As at 30 June 2026**

| | EURO | USD | Taka |
|---|---|---|---|
| **Foreign currency denominated assets** | | | |
| Cash and cash equivalents | | 3,884,813 | 485,601,606 |
| | - | **3,884,813** | **485,601,606** |
| **Foreign currency denominated liabilities** | | | |
| Liability for accepted bills for payment | | 159,149,884 | 19,893,735,585 |
| Syndicated term loan | | 108,000,000 | 1,355,533,237 |
| | - | **267,149,884** | **21,249,268,822** |
| **Net exposure** | - | **(263,265,071)** | **(20,763,667,216)** |

**As at 30 June 2025**

| | EURO | USD | Taka |
|---|---|---|---|
| **Foreign currency denominated assets** | | | |
| Cash and cash equivalents | - | 2,374,078 | 294,385,679 |
| | - | **2,374,078** | **294,385,679** |
| **Foreign currency denominated liabilities** | | | |
| Liability for accepted bills for payment | 425,365 | 80,314,847 | 10,018,592,145 |
| Syndicated term loan | | 108,000,000 | 13,618,231,289 |
| | **425,365** | **188,314,847** | **23,636,823,434** |
| **Net exposure** | **(425,365)** | **(185,940,769)** | **(23,342,437,755)** |

The following significant exchange rate is applied during the Year:

| | 30 June 2026 | 30 June 2025 |
|---|---|---|
| Exchange rate of US Dollar | 125 | 124 |
| Exchange rate of EURO | - | 140 |

**(ii) Sensitivity analysis**

A reasonably possible strengthening (weakening) of the foreign currencies against BD 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 | | 30 June 2025 Profit or loss | |
|---|---|---|---|---|---|
| | | Strengthening | Weakening | Strengthening | Weakening |
| | | Taka | Taka | Taka | Taka |
| USD | (2% movement) | (464,851,922) | 464,851,922 | (461,133,107) | 461,133,107 |
| EURO | (2% movement) | - | - | (1,191,022) | 1,191,022 |

**(b) Transaction risk**

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the functional currency.

**(c) Economic risk**

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

**(d) 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 re-pay 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 |
|---|---|---|
| **Fixed- rate instruments** | Taka | Taka |
| Financial assets | 3,605,315,563 | 5,390,942,703 |
| Financial liabilities | (46,144,658,861) | (45,307,656,543) |
| | **(42,539,343,298)** | **(39,916,713,840)** |

**(e) Other market price risk**

The company is exposed to equity price risk, which arises from available for sale equity and debt securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.

**53.00 Events after reporting date:**

**53.01 Proposed Dividend:**

The Board of Directors of BSRM Steels Limited at its 296th meeting held on 14 October 2026 recommended a final cash dividend amounting to BDT 2,255,715,000 being 60% of the paid-up capital (i.e. BDT 6.00 per share) for the year 30 June 2026. These dividends are subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

**53.02 Minimum amount to be distributed as dividend**

As per Section 22 of ITA 2023, BSRM Steels Limited, as a listed company, is required to declare and distribute dividend at least 30% of its net profit after tax to its shareholders, otherwise a 10% tax shall be imposed on the shortfall between the required dividend and the actual dividend distributed during the year.

| | For the year ended 30 June 2026 | For the year ended 30 June 2025 |
|---|---|---|
| **Distributable Profit** | Taka | Taka |
| Net Profit Before Tax | 9,089,660,618 | 6,612,158,374 |
| Less: Income Tax | (1,936,205,892) | (1,436,114,341) |
| Distributable profit for the year | **7,153,454,726** | **5,176,044,033** |
| **Rate of Minimum dividend on current year's profit** | **30%** | **30%** |
| Minimum Dividend payable during the year u/s 22 of the ITA 2023 | 2,146,036,418 | 1,552,813,210 |
| **Net Minimum dividend payable** | **2,146,036,418** | **1,552,813,210** |
| Paid up share capital | 3,759,525,000 | 3,759,525,000 |
| **Applicable Minimum Rate of Final Dividend** | **57.08%** | **41.30%** |

A. QASEM & CO. Chittagong CHARTERED ACCOUNTANTS



# GLOSSARY OF TERMS

| Terms | Brief description |
|---|---|
| **The Company / Parent** | BSRM Steels Limited |
| **Revenue** | Turnover or Sales |
| **Profit** | Income |
| **Profit attributable to the shareholders'** | Net profit after tax |
| **Basic EPS** | Basic Earnings per Share (Profit attributable to the Ordinary shareholders divided by weighted average number of Ordinary shares) |
| **Diluted EPS** | Diluted Earnings or Income per Share |
| **Deferred Tax** | Deferred tax liability as being the amount of income tax payable in future periods in respect of taxable temporary differences |
| **Equity** | Shareholders' Fund or Owners' Fund |
| **Net Current Assets** | Current Assets less Current Liabilities |
| **Capital Employed** | Total Assets minus Current Liabilities |
| **Revaluation Reserve** | Reserve created from assets re-valuation |
| **EBITDA** | Earnings before Interest, Tax & Depreciation Amortization |
| **Return on Shareholders' Equity** | Net Profit after Tax divided by Shareholders' Equity |
| **Return on Capital Employed** | Net Profit after Tax divided by Capital Employed |
| **Current Ratio** | Current Assets divided by Current Liabilities |
| **Quick / Acid Test Ratio** | Current Assets less Inventories divided by Current Liabilities |
| **Inventory Turnover Ratio** | Cost of Goods Sold divided by Average Inventories |
| **Total Assets Turnover Ratio** | Revenue divided by Average Assets |
| **P/E Ratio** | Market value per share as at reporting date divided by EPS |
| **Price/Equity Ratio** | Market price divided by face value per share |
| **Dividend Payout Ratio** | Yearly dividend per share divided by EPS |
| **Dividend Covered Ratio** | Net Profit after Tax divided by declared Dividend |
| **Gearing Ratio** | Current plus long term liabilities divided by shareholders' equity |
| **Interest Coverage Ratio** | EBIT divided by Interest expenses |
| **Market Capitalization** | Market price per share multiple by Ordinary number of Shares |





# SHAREHOLDERS' INFORMATION

## ANNUAL GENERAL MEETING (AGM)

No. of AGM:
**24th AGM**

Date:
**December 17, 2026**

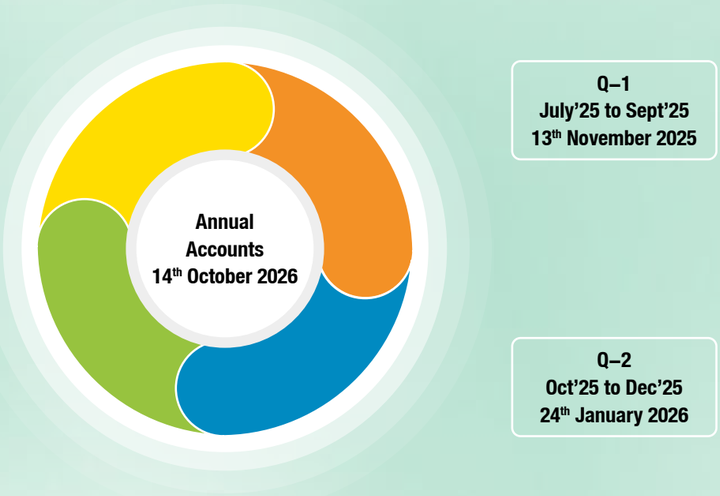
Venue:
**Digital Platform**

Time:
**10:30 AM**

RECORD DATE
**The record date is**
**15th November, 2026**

FINANCIAL CALENDAR
**Financial Period:**
**July 01, 2025 to June 30, 2026**

**During the periods mentioned, the operational results of the company were announced on:**








### Dividend Rate
The Board in its 296th meeting held on October 14, 2026 recommended total Cash Dividend 60% on October 14, 2026.

### Listing
The company's shares are listed at the Stock Exchanges at Dhaka and Chittagong of Bangladesh.

### Face Value Per Share
Tk. 10/=

### Plant Location

**Rolling Unit–1:**
4, Fouzderhat Industrial Estate, Chattogram, Bangladesh. Tel: +88(031) 2770192-3.

**Rolling Unit–2:**
Khilmurari, Zorawargonj, Mirsarai, Chattogram, Bangladesh. Tel: +88-031-626312-3.

**Melting Unit–1:**
202-205, Nasirabad Industrial Estate, Baizid Bostami Road, Chattogram, Bangladesh. Tel: +88-031-2581361-3.

**Melting Unit–2:**
Khilmurari, Zorawargonj, Mirsarai, Chattogram, Bangladesh. Tel: +88-031-626312-3.

## Investor Correspondence

**Mail to**
BSRM Steels Ltd., Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh

**Voice**
+880 31 2854901-10

**E–mail**
investors@bsrm.com

**Fax**
+880 2333360301

**Web**
www.bsrm.com



BSRM
building a safer nation

BSRM Steels Limited

Registered office: Ali Mansion, 1207/1099 Sadarghat Road, Chattogram

# NOTICE OF THE 24TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 24th Annual General Meeting of shareholders of BSRM Steels Limited will be held on Thursday, December 17, 2026, at 10:30 AM, by using Digital Platform as per BSEC's directive, to transact the following business and adopt necessary resolutions.

## Agenda

1) To receive, consider, and adopt the Audited Financial Statements, Report of the Board of Directors, and Auditors' Report on Financial Statements for the year ended June 30, 2026.
2) To re-elect the Director(s) of the Company.
3) To approve the appointment of Independent Director(s) of the Company.
4) To approve the dividend for the year ended June 30, 2026.
5) To appoint Statutory Auditors for the year 2026-27 and fix their remuneration.
6) To appoint the Compliance Auditor for the year 2026-27 and fix their remuneration.
7) To approve the inter-company/ related party loans/ business transactions (including sale/purchase of goods, materials, or assets) within the group companies and issue of Guarantee/ corporate guarantees for the financial year ending June 30, 2026, as per BSEC Order No. SEC/CMMRRCD/ 2006-159/Admin/02-10, dated: September 10, 2006, and Notification No. BSEC/CMRRCD/2009-193/10/Admin/ 118, dated: March 22, 2021.

By order of the Board

**Shekhar Ranjan Kar FCA**
Head of Finance & Accounts and Company Secretary

Chattogram
November 23, 2026

## Notes

- Shareholders whose names appear in the Depository Register as of the "Record Date" i.e., November 15, 2026, are entitled to attend/ participate and vote in the Annual General Meeting (AGM) and receive the dividend.
- The shareholders may join the virtual AGM through the link https://bsrmsteel.bdvirtualagm.com. Shareholders can submit their questions/ comments electronically up to 48 hours before the commencement of the AGM through this link and during the AGM. For queries regarding access to the virtual meeting, please contact 01730700596.
- A shareholder entitled to attend and vote at the meeting may appoint a proxy. A scanned copy of the duly stamped proxy form must be emailed to investors@bsrm.com not later than 48 hours before the meeting.
- The Annual Report 2025-26 and Proxy Form will be available on the Company's website www.bsrm.com.
- A soft copy of the Annual Report will be sent to the individual email addresses of shareholders as mentioned in their respective BO accounts.

BSRM
building a safer nation

BSRM Steels Limited

Registered office: Ali Mansion, 1207/1099 Sadarghat Road, Chattogram

## PROXY FORM

I/We .....(Name)

of .....(Address)

a Shareholder of BSRM Steels Limited ("the company") hereby appoint,

Mr. /Ms. .....(Name)

of .....(Address)

as my /our proxy, to attend on my/our behalf at the 24th Annual General Meeting (AGM) of the Company to be held on **December 17, 2026** and at any adjournment thereof or any poll that may be taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate on all resolutions.

Dated this---------- day of ----------2026.

Signature of the Shareholder
Folio /BO ID No:

Dated:

Signature of the Proxy
Folio/BD ID No:

Dated:

Signature of the witness

Signature of the witness

**Note:** The Proxy Form, dully filled in and stamped, must be deposited at the Registered Office of the Company, Ali Mansion, 1207/1099 Sadarghat Road, Chittagong not later than 48 hours before the time fixed for the holding of the meeting.

Signature Verified

Authorized Signature
BSRM Steels Limited

BSRM Steels Limited

Registered office: Ali Mansion, 1207/1099 Sadarghat Road, Chattogram

## ATTENDANCE SLIP

I hereby record my presence at the 24th Annual General Meeting of BSRM Steels Limited on December 17, 2026.

Name: ----------

**BO ID:** | | | | | | | | | | | | | | | | |

Signature Verified

Signature

Authorized Signature
BSRM Steels Limited

**Note:** Please complete this Attendance Slip and deposit at the registration counter on the day of the meeting.

**Corporate Office:**
Ali Mansion, 1207/1099 Sadarghat Road, Chattogram
Bangladesh. +88 02 3333 54901–10
Fax: +88 02 3333 60301, Email: mail@bsrm.com