APPOLLO ISPAT COMPLEX LIMITED

Statement of Financial Position

As on 31 March, 2017

Particulars	Notes	Amount in Taka	
		31 March, 2017	30 June' 2016
Application of Funds			
Non-Current Assets		**4,867,017,375**	**4,769,152,607**
Property, Plant and Equipment	3.00	2,968,075,745	2,955,702,877
Capital Work-in-process	4.00	1,898,941,630	1,813,449,730
Investment	5.00	**100,595,919**	**100,476,389**
Current Assets		**7,667,039,192**	**6,550,208,668**
Inventories	6.00	1,684,683,624	2,432,965,665
Trade & Other Receivables	7.00	2,947,188,458	2,425,155,013
Advances, Deposits and Prepayments	8.00	2,971,825,543	1,672,353,008
Cash and Cash Equivalent	9.00	63,341,567	19,734,982
TOTAL ASSETS		**12,634,652,486**	**11,419,837,664**
Source of Funds:			
Shareholders Equity		**7,826,853,881**	**7,528,184,485**
Share Capital	10.00	3,542,000,000	3,220,000,000
Share Premium	11.00	1,200,000,000	1,200,000,000
Revaluation Surplus	12.00	1,141,578,189	1,141,578,189
Retained Earnings	13.00	1,943,275,692	1,966,606,296
Non-Current Liabilities		**1,186,467,264**	**1,260,419,516**
Long Term Borrowings	14.00	1,106,453,244	1,188,855,569
Long Term Liabilities for Deferred Taxes	20.00	80,014,020	71,563,947
Current Liabilities		**3,621,331,340**	**2,631,233,663**
Short Term Borrowings	15.00	1,834,995,397	1,047,339,663
Bank Overdraft	16.00	341,419,841	198,754,107
Current Portion of Long Term Borrow	14.00	793,256,386	969,786,824
Liabilities for Expenses	17.00	80,886,401	49,547,015
Trade & Other Payables	18.00	31,083,003	26,952,984
Provision for Income Tax	19.00	374,978,697	210,488,801
Other Provisions	21.00	164,711,615	128,364,269
TOTAL EQUITY AND LIABILITIES		**12,634,652,486**	**11,419,837,664**
CONTINGENT LIABILITIES & COMMITMENT			
Net Asset Value (NAV) including Revaluation Surplus	30.00	**22.10**	**23.38**
Net Asset Value (NAV) Excluding Revaluation Surplus	30.00	**18.87**	**19.83**

These financial statements should be read in conjunction with the annexed notes from 1 to 34

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Asst. Company Secretary

Sd/-
Director

AMARSTOCK

APPOLLO ISPAT COMPLEX LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the Period ended March 31, 2017

Particulars	Notes	Amount in Taka			
		July'16 to Mar'17	July'15 to Mar'16	Jan'17 to Mar'17	Jan'16 to Mar'16
Net Turnover	22.00	4,661,223,498	4,083,957,320	1,632,921,670	1,289,548,387
Cost of Sales	23.00	(3,684,171,293)	(3,145,036,013)	(1,412,552,919)	(1,016,916,080)
Gross Profit		**977,052,205**	**938,921,307**	**220,368,751**	**272,632,307**
Operating Expenses:					
Administrative Expenses	24.00	(96,616,410)	(88,539,306)	(33,920,425)	(27,459,226)
Selling and Distribution Expenses	25.00	(39,732,718)	(34,994,112)	(26,158,115)	(13,252,152)
Total Operating Expenses		**(136,349,128)**	**(123,533,419)**	**(60,078,540)**	**(40,711,379)**
Profit from Operating Activities		**840,703,077**	**815,387,889**	**160,290,211**	**231,920,929**
Financial Expenses	26.00	(330,150,636)	(313,075,084)	(135,189,810)	(114,252,681)
Net Profit from Operation		**510,552,441**	**502,312,805**	**25,100,401**	**117,668,248**
Non Operating Income	27.00	153,959,910	94,552,645	36,746,428	30,825,063
Profit before Gratuity and WPPF Fund		**664,512,351**	**596,865,450**	**61,846,829**	**148,493,311**
Provision For Gratuity	21.01	(7,502,570)	(5,400,000)	(2,500,857)	(1,800,000)
Provision for Workers Profit Participation Fund (WPPF)	21.02	(32,850,489)	(29,573,272)	(2,967,299)	(8,222,218)
Profit Before Income Tax		**624,159,292**	**561,892,177**	**56,378,673**	**138,471,092**
Taxation (Expenses)/Income	28.00	**(164,489,896)**	**105,982,250**	**(36,051,282)**	**(55,957,514)**
Net Profit after Tax		**459,669,396**	**667,874,427**	**20,327,391**	**82,513,578**
Basic Earning per share (Taka)	29.00	**1.30**	**2.07**	**0.06**	**0.26**
Restated earnings per share (Taka)	29.00	**1.30**	**1.89**	**0.06**	**0.23**

These financial statements should be read in conjunction with the annexed notes from 1 to 34

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Asst. Company Secretary

Sd/-
Director

APPOLLO ISPAT COMPLEX LIMITED
Statement of Cash Flows
For the period ended March 31, 2017

Particulars	Amounts in Taka	
	July'16 to Mar'17	**July'15 to Mar'16**
Cash Flow from Operating Activities:		
Cash receipts from customers and others	4,144,660,237	4,266,518,554
Cash receipts from others income	153,959,910	94,552,645
Cash payments for suppliers, employees and others	(4,292,203,762)	(3,022,620,682)
A) Net Cash used in Operating Activities	**6,416,385**	**1,338,450,517**
Cash Flow from Investing Activities:		
Purchase of property, plant and equipment	(94,072,576)	(602,689,050)
Capital Work in Process	(85,491,900)	
B) Net Cash used in Investing Activities	**(179,564,476)**	**(602,689,050)**
Cash Flow from Financing Activities:		
Proceeds from issue of share capital	-	-
Proceeds from issue of share premium	-	-
Dividend Paid	(124,483,392)	(82,461,994)
Borrowing Costs/Finance Costs	(330,150,636)	(313,075,084)
Increase/(Decrease) in bank overdraft	142,665,734	975,058
Increase/(Decrease) in short term borrowings	787,655,733	(5,765,121)
Increase/(Decrease) in long term borrowings	(258,932,763)	(331,436,840)
C) Net Cash Flow from Financing Activities	**216,754,676**	**(731,763,981)**
Net increase in Cash and Bank Balances (A+B+C)	43,606,585	3,997,486
Cash and Bank balances at beginning of period	19,734,982	18,013,600
Cash and Bank Balances at end of Period	**63,341,567**	**22,011,086**
Net Operating Cash Flows per share-NOCFPS	**0.02**	**4.16**

These financial statements should be read in conjunction with the annexed notes from 1 to 34

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Asst. Company Secretary

Sd/-
Director

APPOLLO ISPAT COMPLEX LIMITED

Statement of Changes In Equity

As on 31 March, 2017

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Reserve	Total Equity
Balance as at 01-07-2015	2,875,000,000	1,200,000,000	1,790,573,120	1,141,578,189	7,007,151,309
Net Profit after Tax	-	-	667,874,427		667,874,427
Increased in Paid up capital-Bonus Share	345,000,000	-	(345,000,000)	-	-
Adjustment of Dividend	-	-	(86,250,000)	-	(86,250,000)
Less:ReversalTax benefit on Unabsorbed	-	-	(146,166,484)	-	(146,166,484)
Closing Balance (31-03-2016)	**3,220,000,000**	**1,200,000,000**	**1,881,031,063**	**1,141,578,189**	**7,442,609,252**
Balance as at 01-07-2016	**3,220,000,000**	**1,200,000,000**	**1,966,606,296**	**1,141,578,189**	**7,528,184,485**
Net Profit after Tax			459,669,396		**459,669,396**
Increased in Paid up capital	322,000,000		(322,000,000)		**-**
Adjustment of Dividend			(161,000,000)		**(161,000,000)**
Less:ReversalTax benefit on Unabsorbed					**-**
Closing Balance (31-03-2017)	**3,542,000,000**	**1,200,000,000**	**1,943,275,692**	**1,141,578,189**	**7,826,853,881**

Sd/-
Chief Financial Officer

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Managing Director

Sd/-
Chairman

Sd/-
Asst. Company Secretary

Sd/-
Director

APPOLLO ISPAT COMPLEX LIMITED
Schedule of Property, Plant and Equipments
As at 31 March' 2017

Annexure- A

Fig. in Taka

Category of Assets	Balance as on 01.07.2016	Addition	Revaluation	V.Surplus	Total Cost as at 31.03.2017	Depreciation Rate %	Depreciation Balance as on 01.07.2016	Depreciation Charge During the Period	Depreciation Disposal	Depreciation Accumulated Dep. as on 31.03.2017	Written Down Value as on 31.03.2017
Land and Land Development	1,628,737,569	1,590,575			1,630,328,144	-	-	-	-	-	1,630,328,144
Land and Land Development (NOF)	261,431,870	68,686,000	-	-	330,117,870	0%	-	-	-	-	330,117,870
Plant and Machinery	1,966,309,690	11,164,156	-	-	1,977,473,846	10%	1,375,479,499	45,149,576	-	1,420,629,075	556,844,771
Factory Building	671,590,982	957,051	-	-	672,548,033	10%	387,141,413	21,405,497	-	408,546,910	264,001,124
Office Building	59,458,613	625,000	-	-	60,083,613	10%	35,726,734	1,826,766	-	37,553,500	22,530,113
Office Building (Rangs Bhaban)	16,000,000		-	-	16,000,000	10%	16,000,000	-	-	16,000,000	-
Factory Office Equipment	1,766,910		-	-	1,766,910	10%	1,024,429	55,686	-	1,080,115	686,795
Gas Generator	43,178,598	503,799	-	-	43,682,397	10%	21,475,900	1,665,487	-	23,141,387	20,541,010
Water Installation	6,781,951		-	-	6,781,951	10%	4,541,057	168,067	-	4,709,124	2,072,827
Telephone Installation	4,181,369	471,480	-	-	4,652,849	10%	2,437,767	166,131	-	2,603,898	2,048,951
Gas Installation	4,658,425		-	-	4,658,425	10%	3,051,883	120,491	-	3,172,374	1,486,051
Electric Installation	151,590,508		-	-	151,590,508	10%	38,212,757	8,503,331	-	46,716,088	104,874,420
Vehicle and Transport	18,642,571	7,126,279	-	-	25,768,850	10%	10,950,397	1,111,384	-	12,061,781	13,707,069
Tools and Equipment	15,485,011		-	-	15,485,011	10%	8,990,450	487,092	-	9,477,542	6,007,469
Office Equipment	4,952,182	816,080	-	-	5,768,262	10%	2,499,768	245,137	-	2,744,905	3,023,357
Furniture and Fixture	6,487,915	46,500	-	-	6,534,415	10%	4,294,759	167,974	-	4,462,733	2,071,682
Air Condition	7,909,545	2,029,400	-	-	9,938,945	10%	3,650,102	471,663	-	4,121,765	5,817,180
Other Assets	4,487,433	56,256			4,543,689	10%	2,471,350	155,425	-	2,626,775	1,916,914
-	**4,873,651,142**	**94,072,576**	-	-	**4,967,723,718**		**1,917,948,265**	**81,699,708**	-	**1,999,647,973**	**2,968,075,745**

A) Allocation of Depreciation

Factory overhead	77,614,723
Administrative overhead	4,084,985
	81,699,708

APPOLLO ISPAT COMPLEX LIMITED
Notes to the Financial Statements
As at and for the year ended 31 March 2017

1.00 Reporting Entity and its Activities:

1.01 Legal forms of the Entity:

Appollo Ispat Complex Limited (hereinafter referred to as "AICL"/"Appollo"/"the company") is a public limited company was incorporated in Bangladesh on December 31, 1994 as a "private company" limited by shares. Subsequently, the company was converted into "Public Company" limited by shares vide special resolution passed in Extraordinary General Meeting held on March 30, 2010.

The Company listed with both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on December 24, 2013.

The Registered Office of the company is located at 407, Tejgaon Industrial Area,(4th Floor) Dhaka-1208. The industrial units are located at Shimrail, Siddhirgonj, Narayanganj, Dhaka.

1.02 Nature of Business Activities:

The Company is engaged in manufacturing and marketing of CR Coil, GP Coil ,CI (Corrugated Iron) Sheet of different thickness, ranging from 0.120 mm to 0.420 mm, under its well established brand " Rani Marka Dheutin" which is used mainly in rural and semi-urban areas of Bangladesh for construction of traditional houses and fencing and raw materials of Colour coated CI Sheet Industries.

1.03 Factory Operations:

Appollo Ispat Complex Limited started its journey by setting up its factory at Shimrail, Siddhirgong, Narayangang and went into commercial production in its 1st modern and sophisticated Continuous Galvanizing Line (CGL) in early July 1997 and 2nd CGL early 2002 and Cold Rolled Manufacturing unit in January 2005.

To meet the growing market demand management intends to further expand its operation through introducing a new environment friendly product named Non Oxidized Furnace (NOF) C.I Sheet with a production capacity of 60,000 MT.The project is expected to go into commercial production from June, 2017.

The factory comprises of land measuring 1675.05 decimals, around 13 buildings like factory buildings (CGL, NOF CGL & CRM) different factory sheds, office building and guest house etc. constructed in different years and plant and machineries like CGL, CRM, Effluent Treatment Plant, Boiler, Acid Regenerating Plant, Corrugation Machine, Sharing Machine, Softener Plant, DM Plant, Dryer Machine, EOT Crane, Compressor, Gas Generator and Cooling Machine etc. were purchased from different countries viz India, Japan, Germany etc.

2.00 Significant Accounting Policy for the Presentation of the Financial Statements:

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

2.01 Corporate Financial Statements:

This comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements covering accounting policies. This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994 and the Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as well as those standards, disclosures recommended by BASs & BFRSs and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements. The preparation of the financial statements in conformity with the Bangladesh Accounting Standards (BASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period.

Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

2.02 Use of Estimates and Judgments:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets & liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may differ from these estimates and under lying assumptions are reviewed on an ongoing basis.

2.03 Going Concern:

The company has adequate resources to continue its operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.04 Foreign Currency Transactions:

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladeshi Taka at the exchange rate ruling at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss as per BAS-21 "The Effects of Changes in Foreign Exchange Rates".

2.05 Reporting Period:

The period of the financial statements covers 1 (one) financial year from 1st July to 30th June of following year consistently. This report is the 3rd Quarter of the financial period of 1st July' 2016 to 31st March' 2017.

2.06 Reporting Currency:

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest integer.

2.06 Segmental Reporting:

No segmental reporting is applicable for the company as required by BAS 14: Segment Reporting as the company operates in a single industry segment and within a single geographical segment.

2.07 Fundamental Accounting Concepts/ Assumption:

The financial statements have been prepared under historical cost convention on Accrual concept and such other convection as required by BAS-1 and BFRS for fair presentation of financial statements.

2.08 Comparative Information and Re-arrangement Thereof:

Comparative Information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

In accordance with the provisions of BAS-34: Interim Financial Reporting, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.09 Compliance with BAS:

The following BAS is applicable to the financial statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statement of Cash Flows
BAS 10	Events after the reporting period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 21	The Effects of Changes in Foreign Exchange Rates
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 25	Investment
BAS 33	Earnings Per Share
BAS 34	Interim Financial Reporting (For Quarterly Reporting)
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets

The related BFRS are also complied for the preparation of this financial statements.

2.10 Events after the Reporting Date:

In compliance with the requirements of BAS 10: Events after the reporting period, post events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

2.11 Net Profit Before Tax:

Net Profit Before Tax for the year were not materially affected by:
(a) Transaction of a nature not usually undertaken by the company;
(b) Circumstances of an exceptional or non-recurring nature;
(c) Changes of credits relating to prior years; and
(d) Changes in accounting policies.

2.12 Regulatory Compliance:

The Financial Statements have been prepared in compliance with the following laws and regulations:

The Companies Act, 1994
The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax (VAT) Act, 1991
The Value Added Tax (VAT) Rules, 1991
The Customs Act 1969
Securities and Exchange Rules, 1987
Securities and Exchange Ordinance, 1969
Securities and Exchange Commission Act 1993

2.13 Recognition and measurement of Tangible Fixed Assets:

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

2.13.1 Revaluation of Property, Plant & Equipment (PPE):

PPE have been stated at cost other than Land which revalued amounts in accordance with BAS: 16 Property , Plant & Equipment. The Land as on 30 June 2012 have been revalued at fair market value as per decision of the board of directors. The revaluation of assets has been made at present market value. Increase in the carrying amount arising on revaluation are credited to “Revaluation Surplus” under share holders equity.

i) Effective date of revaluation to the Financial Statements 30-06-2012.

ii) Land has been revalued by A. Wahab & Co. Chartered Accountants a Govt. approved independent valuer.

iii) Revaluation surplus of Land & Land development has been transferred to Revaluation Reserve and distribution of such surplus to the shareholders is restricted.

2.13.2 Depreciation of Tangible Fixed Assets:

No depreciation is charged on Land and Land Development and Capital Work in Process (CWIP) as the land and land development has ultimated useful life and the Capital Work in Process has not yet been started commercial operation.

Depreciation on fixed assets other than Land & Land Development have been computed during the year using the reducing balance method. Depreciation of an asset commences when the asset is available for use and ceases at the earlier of the date the asset is classified as held for sale and the date the asset is derecognized.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Land & Land Development	Nil
All other Fixed Assets	10%

Depreciation Methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

2.13.3 Derecognition:

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, Plant and Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.13.4 Capital Work in Process:

Capital Work in Process consists of unfinished work of NOF project and capital inventory. The major civil works are completed and erection of prefabricated steel structure building has already completed, the commission and errection of capital machinery has already started and expected to complete.Commercial production may resume end of June 2017. Spare Parts expected to be used for more than one year are treated as Capital work in process. Capital Work in Process is recognised when risks and rewards associated with such assets are transferred to the company.

2.13.5 Capitalization of Borrowing Costs:

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

2.13.6 Impairment of Assets:

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for Impairment of assets as per BAS-36.

2.13.7 Subsequent Costs:

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

2.14 Inventories:

Inventories are measured at the lower of cost and net realizable value as prescribed by BAS-2. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Nature of Inventories	Cost Formula
Raw Materials	Weighted Average Cost
Work-in Progress	Material cost Plus Proportionate conversion cost based on percentage of completion.
Chemicals, Stores and Spares	Weighted Average Cost
Finished Goods	Valued at cost or net realizable value whichever is lower

2.15 Trade Debtors:

Trade debtors are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

2.16 Cash & Cash Equivalents:

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, demand deposits and Cash equivalents which are short term highly liquid investments that are readily convertible to Cash and which are subject to an insignificant risk of changes in value. BAS 1 ``Presentation of Financial Statements'' provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balances have been treated as Cash & Cash Equivalents.

2.17 Income Tax:

2.17.1 Provision For Income Tax:

Provision for taxation has been made as per rates prescribed in Finance Act 2016 and the Income Tax Ordinance,1984 on the profit made by the company. As per BAS-12'' Income Taxes'' income Tax provision has been made during the year as the company earned taxable income.

2.17.2 Deferred Tax:

The company has decided to adopt policy of reorganization of deferred tax in accordance with the Bangladesh Accounting Standard (BAS)-12. Deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective Income Tax rate.

2.18 Revenue Recognition:

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associates costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

2.19 Employee Benefits:

Appollo Ispat Complex Ltd.is maintaining both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligiblity is determined according to the terms and conditions as mentioned in the respective deeds.The defined contribution plan and defined benefit plan are funded.

a) Defined Contribution Plan (Provident fund):

The company adopted a policy to establish a contributory Provident Fund (CPF) scheme under the defined contribution plan. The fund will be operated by a separate board of trustees after approval by the NBR as per Income Tax Ordinance, 1984. All eligible employees will contribute @ 5% of their basic pay to the fund. The company also will contribute equal of employees contribution to the fund. The fund will be managed under Trust Rules. Necessary steps has been taken for constitution of the fund.

b) Defined Benefit Plan :

i) Staff Gratuity:

The Company Operates gratuity scheme, and provision in respect of which is made annually covering all its eligible employees. Provision for Gratuity has been made for all eligible employees for current year equivalent to two basic pay.

ii) Workers Profit Participation & Welfare Fund:

The Company decided to operate for workers a 'Workers Profit Participation and Welfare Fund' as per section-234 of Bangladesh Labor Act-2006 and provision has been made during the period.@ 5% of the profit before charging such expense.

iii) Annual Leave Encashment

The Company provides annual leave encashment benefit to all permanent employees under short term employees benefit obligations. Annual leave encashment benefit obligations are measured on an undiscounted basis . Provision is created for the amount of annual leave encashment under salary and allowance based on the latest basic salary.

2.20 Financial expenses/ Borrowing cost:

Finance expenses/ Borrowing cost comprise interest expenses, financial charges and exchange differences arising from foreign currency borrowings on bank loan, finance lease and other borrowings. Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

2.21 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS 7 as adopted by ICAB as BAS 7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS 7 which provides that "enterprises are encouraged to report cash flows from operating activities using the direct method".

2.22 Provisions:

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

a. when the company has an obligation (legal or constructive) as a result of past events;
b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c. Reliable estimates can be made of the amount of the obligation.

Dividend
The company recognizes a liability to make cash dividend when the distribution is authorize and the distribution is no longer at the discretion of the company. As per the corporate laws in Bangladesh, a distribution is authorized when it is approved by the shareholders in the Annual General Meeting (AGM). A corresponding amount is recognized directly in equity.

2.23 Earnings Per Share:

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share is the basic earnings dividing by the weighted average number of ordinary shares outstanding the end of the year.

2.24 Components of Financial Statements:

- Statement of Financial Position as on 31 March 2017
- Statement of Profit or Loss and other Comprehensive Income for the year ended 31 March 2017
- Statement of Cash Flows for the year ended 31 March 2017
- Statement of Change in Equity for the year ended 31 March 2017
- Accounting Policies and explanatory notes to the financial statements.

2.25 Responsibility for preparation and presentation of Financial Statements:

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

2.26 Risk and uncertainties for use of estimates in preparation of financial statements:

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plans, taxes reserves and contingencies.

APPOLLO ISPAT COMPLEX LTD
Notes to the Financial Statements
For the period ended March 31, 2017

		Amounts in Taka	
		31 March, 2017	**30 June' 2016**
3.00	**Property, Plant and Equipment**		
	These have arrived at as under:		
	Cost (Opening Balance)	4,873,651,142	4,642,157,126
	Add: Revaluation surplus of land	-	-
		4,873,651,142	4,642,157,126
	Add: Addition during the period	94,072,576	231,494,016
	Adjstment/disposal	-	-
	Total Cost	**4,967,723,718**	**4,873,651,142**
	Less: Accumulated Depreciation (Opening Balance)	1,917,948,265	1,805,636,114
	Add: Charged during the period	81,699,708	112,312,150
	Total	**1,999,647,973**	**1,917,948,264**
	Written down value (WDV)	**2,968,075,745**	**2,955,702,877**
4.00	**Capital Work-in-Process:**		
	This amount consists as follows:		
	Opening Balance (4.01)	**1,813,449,730**	**1,401,051,422**
	Add: Addition during the year (4.02)	85,491,900	412,398,308
		1,898,941,630	**1,813,449,730**
	Less: Adjustment during the year	**-**	**-**
	Total	**1,898,941,630**	**1,813,449,730**
4.01	**Opening Balance (4.01)**		
	Machineary Work-in Progress	1,040,970,604	912,759,382
	Building & Other Work-in-Prog.	772,479,126	488,292,040
		1,813,449,730	**1,401,051,422**
4.02	**Addition during the year**		
	Machineary Work-in Progress	35,291,646	128,211,222
	Building & Other Work-in-Prog.	50,200,254	284,187,086
	Total	**85,491,900**	**412,398,308**
5.00	**Investment: Tk. 100,595,919**		
	This amount consists as follows:		
	Un-Quoted		
	Palash Spinning Mills Ltd. Notes # 5.01	100,000,000	100,000,000
	Phoenix Holdings Ltd. Notes # 5.02	595,919	476,389
	Total	100,595,919	100,476,389

5.01 The Company acquired 225,000 ordinary share of at a cost of Tk.100,000,000 each @ Tk. 444.44 each including a premium of Tk. 344.44 of

5.02 (ii)The Company acquired 15,000 ordinary share out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total

6.00	**Inventories**		
	Finished goods	659,008,728	629,113,625
	Work in Process	784,408,638	994,516,675
	Raw Materials	191,342,725	763,598,343
	Spare Parts	49,923,533	45,737,021
	Total	**1,684,683,624**	**2,432,965,665**

The above Inventories are as per Physical counting made and valued by the inventory team consists of management staff. Inventories in hand have been valued at lower of cost and net realizable value as per BAS-2.

7.00	**Trade & Other Receivables :**		
	a) Trade Receivable :		
	Opening balance	2,384,179,898	1,882,050,554
	Add: Sales during the period	4,661,223,498	5,306,374,138
		7,045,403,396	7,188,424,692
	Less: Adjustment/recovery	4,136,558,454	4,804,244,794
	Total Trade Receivable	**2,908,844,942**	**2,384,179,898**

Notes to the Financial Statements
For the period ended March 31, 2017

	Amounts in Taka	
	31 March, 2017	**30 June' 2016**
b) Other Receivable:		
Insurance Receivable	38,343,516	38,343,516
Interest Receivable	-	2,631,599
Total Other Recievable	**38,343,516**	**40,975,115**
Total Trade & Other Receivables :	**2,947,188,458**	**2,425,155,013**
A district wise break down given below:		
B. Baria	68,660,243	52,736,617
Bagerhat	84,065,619	90
Barisal	44,214,443	(1,031,366)
Bhola	60,230,503	49,366,796
Bogra	959,337,062	471,195,518
Borguna	82,067	67,265
Chandpur	36,163,018	29,640,335
Chapainawabgonj	-	-
Chittagong	2,620,851	2,148,131
Chuadanga	51,338,042	42,078,258
Comilla	37,089,086	30,399,370
Dhaka	385,421,955	1,168,109,260
Dinajpur	24,672,735	193,027
Faridpur	403,741	(14,684,469)
Feni	1,979,894	1,622,783
Gaibandha	82,812,049	67,875,334
Gazipur	97,039,462	79,536,565
Gopalgonj	570,929	467,951
Hobigonj	-	-
Jamalpur	64,955,008	53,239,148
Jessore	56,051,596	45,941,633
Jhalokati	60,455	(1,997,532)
Jhenaidah	1,819,830	1,491,589
Khulna	43,577,260	35,717,279
Kustia	117,908	(3,582,503)
Kishorgonj	2,218,460	1,818,319
Kurigram	125,292	(1,127,947)
Lalmonirhat	727,208	596,042
Laxmipur	-	-
Madaripur	516,543	423,375
Magura	1,795,450	1,471,607
Mymensingh	7,613,509	6,240,269
Manikgonj	308,431	252,800
Munshigonj	-	-
Naogaon	210,234	(2,222,821)
Narail	(1,075,556)	(881,559)
Narayangonj	8,435,977	6,914,389
Natore	2,590,808	2,123,507
Netrokona	708,101	580,382
Nayabazar	32,725,697	26,823,000
Nilfamary	41,082,334	33,672,360
Noakhali	4,778,896	3,916,932
Norshingdhi	2,678,312	2,195,228
Others (Trade Debtors)	609,923	(33,089,987)
Suspenses A/c (Trade Debtors)	122,171,488	46,354
Pabna	66,903,434	(829,167)
Panchagar	34,906,139	52,941,241
Potuakhali	656,556	729,721
Pirojpur	27,065,388	404,941
Rajbari	890,304	(7,022,943)
Rajshahi	494,053	(1,180,884)
Rangpur	37,814,984	82,753,069
Satkhira	1,440,750	291,988
Sariyatpur	100,963,793	7,646
Sherpur	42,178,252	4,837,420
Sirajgonj	49,161,900	134,240
Sylhet	67,776,087	85,640,420
Tangail	51,777,440	2,645,965
Thakurgaon	91,977,309	3,163,851
Zinjira	3,333,692	(620,938)
Total	**2,908,844,943**	**2,384,179,899**

AMAR STOCK

		Amounts in Taka	
		31 March, 2017	**30 June' 2016**
8.00 Advances, Deposits and Prepayments			
Advances	Note-8.01	2,853,374,178	1,580,502,294
Deposits and Investments	Note-8.02	118,451,365	91,850,714
		2,971,825,543	**1,672,353,008**
8.01 Advances			
Against goods and services		355,322,048	208,502,068
Against Salary		9,998,927	18,408,936
Against Land purchase		411,759,139	136,285,714
Advance Building Construction for NOF		286,500	286,500
Advance for Preliminary & Pre-Operating Expense (NOF)		9,175,363	1,425,540
Advance Income Tax	Note: 8.02	451,959,291	339,966,313
Factory current account		6,390,050	3,398,183
Material in Transit		1,080,182,317	715,049,616
L/C margin		515,302,115	152,804,545
VAT current account		12,734,428	2,912,179
Bank Gurantee Commission		264,000	1,462,700
		2,853,374,178	**1,580,502,294**

*The agreement of sale (bainanama) of advance against land purchase is valid and registration is under process.

*Advance against Land Purchase represents advance given to different vendors through agreement of sale (bainanama) and the registration is under process

8.02 Advance Income Tax

Opening Balance	339,966,313	180,115,707
Add Addition during the year	111,992,978	159,850,606
	451,959,291	339,966,313
Less: Refund during the year	-	-
Less : Adjusted after Tax Assessment	-	-
	-	-
Closing Balance	**451,959,291**	**339,966,313**

8.03 Deposits and Investments:

FDR with Eastern Bank Ltd.	58,675,095	54,570,295
CDBL	500,000	500,000
FDR with Bank Asia Ltd.	-	2,020,257
FDR with South East Bank Ltd.	3,756,858	3,303,980
FDR with IFIC Bank Ltd.	24,429,319	-
FDR with Jamuna Bank Ltd.	-	426,089
Deposit Against GAS cylindar	60,000	-
Security deposit with WASA, DESA & Custom	31,030,093	31,030,093
Total	**118,451,365**	**91,850,714**

9.00 Cash and Bank balances

Cash in Hand	712,696	496,427
Cash at Bank (Notes-9.01)	62,628,871	19,238,555
	63,341,567	**19,734,982**

Above amount was Company's Cash Balance as on 31 March '2017. We have obtained cash custody certificate duly signed by the management confirming the balance held by them on the closing date.

Notes to the Financial Statements
For the period ended March 31, 2017

			Amounts in Taka	
			31 March, 2017	30 June' 2016
9.01	**Cash at Bank:**			
	This amount consists as follows:			
	Agrani Bank Ltd Tejgaon Br.	A/c No-69959	785,111	848,579
	AB Bank Ltd Kawran Bazar Br.	A/c No-680000	1,795,585	296,242
	AB Bank Ltd Kawran Bazar Br.	A/c No-STD 750680-430	199,026	15,812
	Al-Arafah Islami Bank Ltd Motijheel	A/c No 15224	192,336	300,866
	Al-Arafah Islami Bank Ltd Jatra Bari	A/c No-200078491	230,607	54,931
	Bank Asia Ltd Scotia Br.	IPO STD-764	5,359,597	5,232,651
	Bank Asia Ltd Scotia Br.	A/c No-495	426,905	66,617
	Basic Bank Ltd karwan bazar	A/cNo-000180	133,308	2,061,636
	BRAC Bank Ltd Gulshan Br.	A/c No-84004	15,145	15,720
	City Bank Ltd Po Motijheel	A/c No-872001	37,636	110,776
	City Bank Ltd Motijheel	A/c No-872002	2,287,405	3,747,454
	City Bank Ltd Motijheel	A/c No-14340	26,972,225	117,717
	Dutch Bangla Bank Ltd Dilkusha	A/c No-002704	750,483	44,849
	Dutch Bangla Bank Ltd Motijheel Br.	A/c No-1742		-
	Dutch Bangla Bank Ltd /Local KB	A/c No-11053	124,989	124,989
	Dhaka Bank Ltd K.Bazar Local	A/c No-6359		-
	Dhaka Bank Ltd Motijheel	A/c No 8522	400,000	-
	Eastern Bank Ltd Sonargoan Br.	A/c No-008112	1,557,956	57,956
	Exim Bank Ltd Motijheel	A/c No-006	290,142	415,466
	First Security Bank Ltd Mohakhali Br.	A/c No-000518	479,170	90,351
	Islami Bank BD Ltd Mohakhali	A/c No-0001007	620,365	98,642
	Islami Bank BD Ltd Bangshal	A/c No-00047		-
	Islami Bank BD Ltd Gandria	A/c No-5107	5,000	5,000
	IFIC Bank Ltd K.Bazar	A/c No-124260001	7,947,937	115,651
	Jamuna Bank Ltd Dhilkusha	A/c No-0195	815,020	131,050
	Janata Bank Ltd Bangshal Br.	A/c No-040010	839,227	711,327
	Janata Bank Ltd Farmgate Br.	A/c No-000173	69,591	64,584
	Mutual Trust Bank Ltd Motijheel Br.	A/c No-10672/23	12,311	(4,298)
	Mutual Trust Bank Ltd Dhanmondi Br.		10,000	10,000
	Mercantile Bank ltd.Main Branch	A/c No-21821		-
	National Bank Ltd Dhilkusha Br.	A/c No-3379	167,284	78,845
	National Bank Ltd Dhilkusha Br.	A/c No- New Ipo	10,000	10,000
	National Bank Ltd K Bazzar	A/c No. 000603	544,911	-
	NCC Bank Ltd Dhanmondhi Br.	A/c No. 10127	4,822	5,804
	NRB bank	A/c No 22067	10,000	10,000
	One Bank Ltd Dhilkusha Br.	A/c No. 238007	268,164	187,074
	Prime Bank Ltd K.Bazzar	A/c No 8756	735,414	618,871
	Primier Bank Ltd Gulshan Br.		4,017	4,017
	Pubali Bank Ltd Tejgaon	A/c No. 0017	2,360	2,360
	Pubali Bank Ltd Tejgaon	A/c No. 009161	2,113,011	175,135
	Rupali Bank Ltd Green Road	A/c No. 000155	24,432	68,388
	Southeast Bank Ltd Dhanmondhi Br.· 25	A/c No. 9826	1,463,918	1,830
	Southeast Bank Ltd Dhanmondhi Br.	A/c No. 000939	26,673	27,035
	Southeast Bank Ltd Unit-2	A/c No. 00025		-
	Shajalal Bank Ltd Motijheel Br.	A/c No. 6337	283,632	222,972
	Social Islami Bank Ltd Motijheel Br.	A/c No. 37219	4,875	7,803
	Social Islami Bank Ltd Panthopath Br.	A/c No. 000979	86,739	176,922
	Sonali Bank Ltd A.H.M Br.	A/c No. 000097	940,392	119,468
	Sonali Bank Ltd Tejgaon Br.	A/c No. 000032	168,984	167,710
	Sonali Bank Ltd Motejheel Br.	A/c No. 8235	5,000	5,000
	Sonali Bank Ltd RJC Motejheel Br.	A/c No. 131303006	163,729	1,229,985
	State Bank Of India	A/c No. 202001	7,005	7,580
	United Commercial Bank Ltd Mohakhali Br.	A/c No. 000177	-	482,399
	United Commercial Bank Ltd Naya BazzarBr.	A/c No. 000125	71,194	55,690
	Uttara Bank Ltd A.H.M Br.	A/c No. 212361	3,165,237	839,098
	Uttara Bank Ltd Motijheel Br.	OD A/c Motijheel	62,628,871	-
	Total		**62,628,871**	**19,238,555**

10.00	**Share Capital**		
	Authorized Capital :		
	500,000,000 Ordinary share of Tk.10 each.	**5,000,000,000**	**5,000,000,000**
	Issued, Subscribed and paid up Capital:		
	This amount consists as follows:		
	250,000,000 Ordinary Share of Tk.10 each, fully paid up in cash	2,500,000,000	2,500,000,000
	Bonus Share	1,042,000,000	720,000,000
		3,542,000,000	**3,220,000,000**

	Amounts in Taka	
	31 March, 2017	**30 June' 2016**
10.01 Bonus Share capital:		
This amount consists as follows:		
Bonus 2013-2014 : 37,500,000 Bonus Share@ Tk.10 each.	375,000,000	375,000,000
Bonus 2014-2015 : 34,500,000 Bonus Share@ Tk.10 each.	345,000,000	345,000,000
***Bonus 2015-2016 : 32,200,000 Bonus Share@**	322,000,000	
	1,042,000,000	**720,000,000**

For the Financial Year 2015-16 Board of Directors of the company declared Dividend: 10% Stock; 5% cash as per approval at 22nd Annual General Meeting hold on 22nd December 2016.

10.02 A distribution schedule of the above shares is given below:

A. Director's Shareholding

Name	No. of Shares	Status with the Company	31 March, 2017	30 June' 2016
			% of Holding	% of Holding
Deen Mohammad	10,587,360	Chairman	3.2880	3.2880
Mohammad.Shoeb	8,011,360	Vice Chairman	2.4880	2.4880
Md. Ansar Ali	6,440,000	Managing Director	2.0000	2.0000
Abdur Rahman	6,440,000	Dy Managing Direct	2.0000	2.0000
M.A Majid	8,177,139	Director	2.5395	2.5400
Md Rafique	6,440,000	Director	2.0000	2.0000
Md. Abu Kaiser	-	Ind. Director	-	-
Ms. Roxshana Begum	5,242,160	Sponsor	2.0001	1.6280
Evana Fahmida Mohammad	5,362,160	Sponsor	2.0001	1.6650
Late Md.Mozammel Haque*	-	Sponsor	-	2.8520
Md.Sirajul Haque	8,798,070	Sponsor	2.7323	2.7320
Murshida Hossain	45,080	Sponsor	0.0140	0.0140
Md. Mustafijul Huque	427,840	Sponsor	0.1329	0.1330
Total			**21.1949**	**23.3400**

***N.B: In compliance with listing regulation 2015, Late Md.Mozammel Haque as sponsor sharehoder, has been removed from the sponsor shareholder list.**

B. Other Shareholders

Name		Status with the Company	31 March, 2017	30 June' 2016
				% of Holding
Above 5 % shareholding:		Shareholders	-	-
Below 5% shareholdings		Shareholders	78.81	76.66
Total			78.81	76.66
Grand Total (A+B)			**100.00**	**100.00**

Classification of Shareholders by holding

Holdings	31 March, 2017		As on June 2016	
	No. of holders	% of Holding	No. of holders	% of Holding
Less than 500 Shares	37,946	67.74	64,182	3.36
501to 5000 Shares	12,158	21.70	11,867	5.55
5,001 to 10,000 Shares	2,691	4.80	2,098	4.19
10,001 to 20,000 Shares	1,588	2.83	1,177	5.01
20,001 to 30,000 Shares	543	0.97	432	3.82
30,001 to 40,000 Shares	271	0.48	191	2.32
40,001 to 50,000 Shares	241	0.43	137	1.89
50,001 to 100,000 Shares	324	0.58	202	5.37
100,001 to 1,000,000 Shares	223	0.40	141	11.51
1,000,001 to above Shares	33	0.06	29	56.98
	56,018	**100**	**80,456**	**100**

	Amounts in Taka	
	31 March, 2017	**30 June' 2016**
11.00 Share Premium :		
100,000,000 Ordinary Shares of Tk.12 each, fully paid up in cash	1,200,000,000	1,200,000,000
	1,200,000,000	**1,200,000,000**

12.00 Revaluation Surplus

This is as per last Account	**1,141,578,189**	**1,141,578,189**
***Land & Development**	**1,141,578,189**	**1,141,578,189**

*The revaluation of Land has been done on June 30, 2012 by A.Wahab & Co. Chartered Accountants , A member Firm of Lading Edge Alliance.

	Amounts in Taka	
	31 March, 2017	**30 June' 2016**

13.00 Retained Earnings:

This amount consists as follows:

Balance brought forward	1,966,606,296	1,790,573,121
Add. Profit for the period	459,669,396	753,449,659
Add:Unabsorbed Carry Forwrded u/s 42(6)	-	-
	2,426,275,692	**2,544,022,780**
Less:ReversalTax benefit on Unabsorbed Dep.allowance Carry Forwrded u/s 42(6) (Since this amount has been Considerd as per Assessment in the New TAX Liabilities (BAS-8,Para 36))		(146,166,484)
Less: Cash Dividend paid to Share Holder as per approval at 22nd Annual General Meeting. from 32,20,00,000 shares @5%=	(161,000,000)	(86,250,000)
Less: Amount Transferred to Share Capital as Bonus Share of 322,00,000 (10% Stock Bonus) @ Tk. 10 each with due approval at 22nd Annual General Meeting.	(322,000,000)	-
Less: Amount Transferred to Share Capital as Bonus Share of 345,00,000 (12% Stock Bonus) @ Tk. 10 each with due approval at 21st Annual General Meeting.		(345,000,000)
Balance carried forward	**1,943,275,692**	**1,966,606,296**

14.00 Long Tern Borrowings

Name of Bank	As on 31 March, 2017		30 June 2016	
	Due within one year	Due after more than one year	Due within one year	Due after more than one year
Bank Asia Ltd.		-	171,681,600	155,176,333
Jamuna Bank Ltd.	110,166,000	205,986,004	-	-
Southeast Bank Ltd	5,090,146	-	14,477,444	-
IFIC Bank Ltd.	228,383,328	270,991,729	337,583,328	319,991,387
Mercantile Bank limited	60,000,000	126,497,580	60,000,000	139,832,575
Mutual trust Bank limited	51,783,804	27,714,053	82,677,252	43,486,200
Phoenix Finance & Investment	93,826,164	267,739,909	73,282,164	197,380,806
GSP Finance Company Ltd	13,960,956	30,080,275	14,000,004	33,579,824
GSP Finance Company Ltd(Lease)	13,960,956	32,600,534	-	51,159,899
NCC Bank limited	100,404,000	15,095,496	100,404,000	72,267,598
Premier Bank limited			-	-
Islamic Finance & Investment Ltd	55,593,960	111,188,663	55,593,960	124,568,605
Social Islami Bank limited	60,087,072	18,559,001	60,087,072	51,412,342
Total	**793,256,386**	**1,106,453,244**	**969,786,824**	**1,188,855,569**

This represent the present outstanding balances of the above term loans. The above loans are secured by personal guarantee of the director of the company and the pari passu sharing agreement between banks on fixed and floating assets of the company. The interest rate of this loans are varying from 10%-13%. The Payment of installment were being made regularly.

15.00 Short Term Borrowings:

This amount consists as follows:

Jamuna Bank Ltd	406,384,896	150,457,423
Mutual Trust Bank Ltd	131,041,363	123,241,930
IFIC Bank Ltd (ABP)	-	10,309,961
IFIC Bank Ltd (TR)	206,961,435	139,761,337
IFIC Bank Ltd (Deferred)	122,306,811	150,339,235
GSP Finance Company Ltd.	196,294,358	101,166,667
Southeast Bank Ltd	100,991,658	60,993,377
Phoenix Finance & Investment Ltd	164,898,962	150,698,333
Loan general with IFIC bank Ltd	99,522,192	100,144,444
Time loan with Jamuna bank Ltd.	153,197,889	60,226,956
MIDAS Finance Ltd.	100,895,833	
Union Capital Ltd.	152,500,000	
Total	**1,834,995,397**	**1,047,339,663**

16.00 Bank overdraft:

This consist of the following:

Jamuna Bank	211,712,737	41,293,370
Dhaka Bank Ltd. K Bazar	608,291	3,774,063
Islami Bank Bangshal Branch	3,988,862	-
UCBL (Mohakhali)	1,296,984	
National Bank Ltd. K Bazar		1,125,803
IFIC Bank Ltd	123,812,967	152,560,872
Total	**341,419,841**	**198,754,107**

	Amounts in Taka	
	31 March, 2017	**30 June' 2016**
17.00 Liabilities for Expenses		
This consist of the following:		
Audit fee	480,000	457,500
Electricity	17,630,208	12,736,463
Gas	15,962,551	11,802,406
Salary and Allowances**	7,708,412	8,198,003
Wages and Salary	2,827,408	2,817,998
AIT payable	261,218	325,149
Income Tax Deducted at source from Salary	307,243	746,443
Income Tax Deducted at source -others	23,811,196	500,737
VAT Deducted at source	4,463,935	3,059,155
AGM Expenses	-	2,590,800
Telephone	458,810	332,132
Contribution to Providend fund	6,975,420	5,980,229
	-	-
	80,886,401	**49,547,015**

17.01 Salary, wages & allowance Payable

The company pays salary & allowance on accrual basis i.e. current's month salary is accrued for the month and it is paid on following month.

18.00 Trade & Other Payables:

This amount consists as follows:

Trade Payables	9,920,662	17,961,041
Other Payables	21,162,341	8,991,943
	31,083,003	**26,952,984**

18.01 Trade Payables:

AK Traders	2,328,233	3,782,659
Airtech	282,500	257,500
AbulHossain &Co	240,000	1,716,700
Ator Banu Traders	170,654	446,450
A & S Engineers Ltd.	362,500	-
Avenue Trade &Engineers Ltd.	-	
Basundhara Industrial Complex	730,000	875,000
B2B Communication	-	1,275,774
Bengal Carbon & Teflon Tech	-	94,500
BRB Cable Industries Ltd	-	1,058,161
Eastern Chemical	315,193	
Encon	-	166,350
Farm Steel Ltd.	-	
Happy International		-
I Enterprise		-
Mr.Jalil Traders		2,774,522
MD Steel Casting Indus.	(240,000)	500,000
MH Iron Engineering		-
Hazi Zabbar Enterpries		328,548
Deluar Paint & Hardware		120,600
Mofizul Islam Technical Boaring		-
Motaleb Iron Store		30,000
National Steel Corp.		
Sarkar Steel		-
Sensotec Automation & Control		69,000
System Engineering		40,000
Setu Steel Mills Ltd		
S.B Rubber Industries	169,200	
Shahjahan Metal		
The Easten Chemicals Ltd		777,812
HR International		1,088,339
J.Co Battery(Antimoni)		189,893
Price Carbon MFG.Co. (PC)	104,800	
Power Plus & Automation		
Royal Rubber Insd.	651,869	648,725
S Construction	376,573	-
Sunrise chemical	4,033,825	1,720,508
Khan Thai Aluminium & Fabricators	37,995	
Oriental Oil Company Ltd	123,200	
Progressive Engineering Corporation	72,000	
Surat Ali Enterprise	162,120	-
An Noor Prokashoni		-
	9,920,662	**17,961,041**

18.02 Other Payables:

Dividend Unpaid 2014-15	1,628,956	3,747,454
Dividend unpaid 2015-16	14,823,910	-
IPO Applicant (Refund warrant with Bank Asia)	4,619,475	4,954,489
Satcom IT Ltd	90,000	290,000
	21,162,341	**8,991,943**

AMAR STOCK

		Amounts in Taka	
19.00	**Provision for Income Tax :**	**31 March, 2017**	**30 June' 2016**
	Opening balance	210,488,801	295,754,089
	a)Provision made during the Period Note: 28.00	164,489,896	166,714,792
		374,978,697	**462,468,881**
	Less: Tax benefit on Unabsorbed Dep.allowance Carry Forwrded u/s 42(6)	**-**	**251,980,080**
		-	**-**
	Less: Adjusted/Paid during the Period as per Assessment	**-**	-
		-	-
	Closing balance	**374,978,697**	**210,488,801**

Unabsorved Depreciation allowance: 146,166,484
This amount consists as follows:

2006-07 Unit -1 & CRM-unit	**56,755,566**	**-**
2007-08 Unit -1&2 ,CRM-Unit	**185,009,272**	**-**
2008-09 Unit -1&2 ,CRM-Unit	**123,651,371**	**-**
Total Unabsorved Depreciation allowance	**365,416,209**	-
Tax benefit @40%	**146,166,484**	**-**

		Amounts in Taka	
20.00	**Liabilities for Deffered Tax**	**31 March, 2017**	**30 June' 2016**
	This has been arrived as under;		
	Carrying Value of Fixed Assets	1,007,629,731	1,065,533,438
	As Tax Base	547,783,634	547,783,634
	Temporary Difference	459,846,097	517,749,804
	Addition not included Tax Base	(139,790,017)	(231,494,016)
	Net Temporary Difference	**320,056,080**	**286,255,788**
	Deffered Tax Liabilities @ 25%	**80,014,020**	**71,563,947**
	Deferred Tax Liability/Expenses		-
	Deferred Tax Asset/Income during the Period	**8,450,073**	**(1,325,202)**

The company has decided to adopt policy of reorganization of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS). Deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective Income Tax rate Prevailling at balance sheet date.

21.00	**Other Provisions:**			
	Provision For Gratuity :	Note-21.01	24,497,507	17,684,181
	Provision for Workers Profit Participation Fund (WPPF) :	Note-21.02	111,356,379	78,505,890
	Provision for Bad Debts :	Note-21.03	28,857,729	32,174,198
			164,711,615	**128,364,269**

21.01	**Provision For Gratuity :**		
	Opening balance	17,684,181	13,979,013
	Add. Addition made during the period	7,502,570	7,231,240
	Less: Gratuity Paid	(689,244)	3,526,072
	Total	**24,497,507**	**17,684,181**

The Company made provision for gratuity equivalent to two months basic pay for all ellegible employee during the year.

21.02	**Provision for Workers Profit Participation Fund (WPPF) :**		
	This amount consists as follows:		
	Opening balance	78,505,890	62,329,095
	Add. Addition made during the period	32,850,489	35,097,851
	Less: Paid during the year as per rule	-	-
	(80% of Tk.26,518,409=2/3rd of 21,214,727)	-	(18,921,056)
	Total	**111,356,379**	**78,505,890**

The Company made provision for Workers Profit Participation Fund (WPPF) @ 5% of the profit before charging such expense .

21.03	**Provision for Bad Debts:**		
	This amount consists as follows:		
	Opening balance	32,174,198	23,098,707
	Add. Addition made during the period	2,731,941	12,663,991
		34,906,139	**35,762,698**
	Less: Recovery during the year	**6,048,410**	3,588,500
	Closing balance	**28,857,729**	**32,174,198**

22.00 Net Turnover

	Amounts in Taka		
	July'16 to Mar'17	**July'15 to Mar'16**	**30 June' 2016**
This amount consists as follows:			
CI Sheet	3,349,531,689	3,199,318,961	3,845,575,221
CR Coil	902,022,618	690,122,950	793,175,547
GP Coil	362,823,100	150,520,078	573,633,091
Ridge	46,846,092	43,995,331	93,990,279
Total	**4,661,223,498**	**4,083,957,320**	**5,306,374,138**

	Amounts in Taka		
	July'16 to Mar'17	**July'15 to Mar'16**	**30 June' 2016**
23.00 Cost of Sales			
This has been arrived as under;			
Work in process (opening)	**994,516,675**	**1,167,279,440**	**1,167,279,440**
Add. Raw Material Consumed	3,234,920,708	2,863,419,493	3,186,850,618
Total Work in Process	**4,229,437,383**	**4,030,698,933**	**4,354,130,058**
Less: Work in Process (Closing)	784,408,638	1,111,866,920	994,516,675
Total Consumption	**3,445,028,745**	**2,918,832,013**	**3,359,613,382**
Add: Factory Overhead	269,037,652	223,456,008	409,577,119
Cost of Production	**3,714,066,396**	**3,142,288,021**	**3,769,190,501**
Add: Finished Goods (Opening)	629,113,625	972,151,500	972,151,500
Finished Goods Available	**4,343,180,021**	**4,114,439,521**	**4,741,342,001**
Less: Finished Goods (Closing)	659,008,728	969,403,508	629,113,625
	3,684,171,293	**3,145,036,013**	**4,112,228,376**

23.01 Raw Material Consumed

Opening Stock of Raw Materials			
HR Coil	428,327,659	456,684,025	456,684,025
Zinc Ingot	314,302,885	311,075,631	311,075,631
Chemical	20,967,799	34,220,923	34,220,924
Spare parts	45,737,021	14,627,589	14,627,589
	809,335,365	**816,608,168**	**816,608,169**
Add: Raw Material Purchased			
HR Coil	1,760,486,249	1,927,000,085	2,214,436,351
Zinc Ingot	745,022,839	668,864,755	805,867,708
Chemical	114,945,809	187,498,251	99,440,843
Spare parts	46,396,704	32,873,718	59,832,912
	2,666,851,601	**2,816,236,810**	**3,179,577,814**
Raw Material available for Consumption	**3,476,186,966**	**3,632,844,979**	**3,996,185,982**
Less: Closing Stock of Raw Materials			
HR Coil	153,342,555	604,157,948	428,327,659
Zinc Ingot	4,998,006	135,456,584	314,302,885
Chemical	33,002,164	5,318,310	20,967,799
Spare parts	49,923,533	24,492,644	45,737,021
	241,266,258	**769,425,486**	**809,335,365**
Raw Material Consumption			
HR Coil	2,035,471,353	1,779,526,162	2,242,792,717
Zinc Ingot	1,054,327,718	844,483,802	802,640,454
Chemical	102,911,444	216,400,864	112,693,968
Spare parts	42,210,192	23,008,664	28,723,480
	3,234,920,708	**2,863,419,493**	**3,186,850,618**

23.02 Factory Overhead

This consist of the following:			
Depreciation	77,614,723	90,174,455	106,696,543
Electricity	81,554,253	49,936,284	136,845,101
Electric lighting & fittings	4,946,587	1,436,897	3,603,675
Gas Bill	30,710,235	22,231,526	37,209,808
Entertainment	2,295,567	679,000	679,000
Insurance Premium on Fire and RSD	3,475,492	3,287,592	17,154,560
Other Production Materials	750,287	-	1,210,555
Office maintenance factory	890,707	804,310	510,848
Loading & unloading charge	1,329,543	-	69,220
Labour and carrying charge	1,247,756	809,388	4,765,243
Medical Expenses	140,371	39,422	39,422
Repair and Maintenance	13,266,915	7,306,393	33,274,503
Travel & conveyance	69,951	58,430	98,203
Postage & courier	24,600	36,500	36,500
Salary and Allowances	30,944,748	23,517,985	26,240,213
Telephone	16,000	12,451	218,776
Wages and Allowances	19,759,917	23,125,375	40,924,949
	269,037,652	**223,456,008**	**409,577,119**

a) Salary and Allowance includes salary and allowances, bonus and leave pay / Notice pay.& Wages and allowances includes Wages and

b) Repair and Maintenance includes Factory maintenance, Forklift maintenance, Generator maintenance, Machinery maintenance, Boiler

	Amounts in Taka		
	July'16 to Mar'17	**July'15 to Mar'16**	**30 June' 2016**
24.00 Administrative Expenses			
This consist of the following:			
Audit Fee	500,250	398,750	442,750
Accounting software expenses	50,450	402,000	582,400
AGM Expenses	3,530,491	2,119,683	2,590,800
Bond Stamp	18,225	34,535	37,065
Board Meeting Expenses	215,000	100,000	169,000
Business Development	1,024,930	1,023,100	2,657,514
Canteen Expenses	669,800	509,221	650,516
Consultancy & sevices charge	837,895	929,625	529,625
Conveyance	518,940	951,925	1,299,460
Director Remuneration	8,574,960	5,771,997	8,337,330
Depreciation	4,084,985	4,746,024	5,615,608
Donation	659,886	228,001	956,962
Electricity	255,000	597,000	963,639
Entertainment	1,991,019	1,131,323	4,889,799
Fees and Professional Charges	1,848,941	617,739	1,638,684
Tour &Travels Expenses	726,028	575,865	1,043,365
Gift & Presentation	515,981	269,723	460,988
Iftary Allowances	-	959,250	959,250
Legal Fee	1,522,971	1,761,762	849,172
License and Renewal & Fitness Fee	925,660	276,943	283,820
Liveries and Uniform	80,600	204,850	204,850
Miscellaneous Expenses	395,570	1,130,235	575,875
Medical Expenses	42,992	24,243	51,786
Newspaper and Periodicals	24,082	21,007	30,814
Office Rent including Garage Rent	3,455,336	2,460,010	2,766,242
Office Refreshment Expenses	161,807	201,863	268,327
Plantation	133,739	36,895	34,455
Postage and courier	324,042	317,854	381,243
Printing	344,313	197,864	240,302
Pre-IPO Expenses			-
Rent Rates and Taxes	1,211,938	1,004,055	1,004,055
Repair and Maintenance	3,975,830	3,523,603	5,144,473
Salary and Allowances including PF contribution	54,397,945	51,362,930	69,921,903
Stationery expenses	158,970	161,652	277,421
Stock exchange &fees /CDBL exp/BO A/c fees	320,445	1,908,078	2,665,492
Telephone & Internet	2,128,235	1,599,691	2,574,278
Training Expenses	10,000	18,350	23,350
Traveling & Conveyance	979,154	961,660	1,298,120
Total	**96,616,410**	**88,539,306**	**122,420,732**

Note: Salary and allowances includes Bonus, overtime and Leave pay. Repair and Maintenance includes maintenance of air condition, maintenance of office and maintenance of vehicles. Fees & Professional Charge includes Professional fees, Fees & Fines, Renewal fees.

24.01 Key Management Personnel Compensation:			
Short term employee benefits (Salary and other allowances)	15,075,000	18,106,985	16,503,823
Post employment benefits (provident fund, gratuity etc.)	1,082,250	395,533	540,383
	16,157,250	**18,502,518**	**17,044,206**

Key management personnel includes employees of the rank of Deputy Managers (DGM), DGM equivalent and above.

25.00 Selling and Distribution Expenses			
This consist of the following:			
Advertisement	1,755,233	2,743,787	8,310,066
Bonus		662,816	1,506,920
Delivery charges	5,241,952	3,652,035	5,779,437
Entertainment	79,283	6,164,647	4,335,429
Other Expenses	51,823	35,948	35,948
Traveling & Conveyance expenses	250,297	416,304	615,149
Salary & Allowance	6,388,160	4,012,996	4,766,429
Sales promotion expenses	22,958,100	13,592,786	9,264,271
Bad debts	2,731,941	3,529,793	12,663,991
Telephone/Mobile & Internet Expenses	275,929	183,000	375,890
	39,732,718	**34,994,112**	**47,653,530**

Note: Salary and allowances includes Bonus, overtime and Leave pay.

26.00 Financial Expenses			
Bank Charge & Commission	3,894,581	2,628,801	4,586,117
Bank Gurantee Commission	954,270	2,592,701	2,592,701
Exchange Rate Fluctuation Loss	(5,063,463)	3,512,075	5,842,810
Interest on bank Loan	330,365,248	304,341,507	383,530,678
	330,150,636	**313,075,084**	**396,552,306**

		Amounts in Taka		
		July'16 to Mar'17	**July'15 to Mar'16**	**30 June' 2016**
27.00 Non Operating Income :				
Scrap sales and Others		87,053,205	91,847,774	78,268,024
Other Income-InterestReceived/Receivable	Note: 27.01	6,141,375	2,704,872	3,520,573
CR& GP Processing Charges		60,765,330		
Profit/(Loss) on Investment	Note: 26.02		-	(119,531)
Gain on sale of Investment	Note: 26.03		-	-
		153,959,910	**94,552,645**	**81,669,066**
27.01 Income from Bank Interest				
Interest on Dividend Account		186,761	-	-
Interest on IPO Account		158,662		
Interest on FDR A/C		5,795,952	2,704,872	3,520,573
		6,141,375	**2,704,872**	**3,520,573**
27.02 Loss on Investment:				
a) Phoenix Holding Ltd:				
Share of Holding (Loss for the year ended 30 June 2014. Tk.649,309 @ 30%)			-	119,531
Total Loss on Investment			-	**119,531**
28.00 Taxation:				
Current Tax Expenses		156,039,823	140,473,044	**166,714,792**
Tax Provision adjustment as per Assessment order (Note: 28.01)			(251,980,080)	(251,980,080)
Deferred Tax (Income)/Expenses	Note: 19.00	8,450,073	5,524,787	**(1,325,202)**
Tax (Expenses)/Income		**164,489,896**	**(105,982,250)**	**(86,590,490)**

28.01 Prior year Income Tax Provision adjustment as per Tax Assessment (BAS-8, Para 36 and BAS-37, Para 59)

The Income Tax assessments for the following assessment years has been completed U/S-83(2),156/159/173of IT ordinance on 1984. The Accounting Income Tax provision was higher than those of the Tax Liability as per assessment order for those years by learned Income Tax authority. Consequent upon the assessment order accounting treatment for excess/short provision has been made as per ,BAS-8, Pragraph-36, and BAS-37, Paragraph 59

Income Year	Assessment year	Assessed Under Section	Provision as Per Accounts	Tax Liabilities as Per Assessment	Provision Surplus/ (Shortage)
2009-2010	2010-2011	83(2)/46A	60,692,348	48,361,196	12,331,152
2010-2011	2011-2012	83(2)/156/159/173	156,166,013	127,002,527	29,163,486
2011-2012	2012-2013	83(2)/156/173	270,238,344	114,552,416	155,685,928
2012-2013	2013-2014	83(2)/173	227,175,757	157,080,190	70,095,567
2013-2014	2014-2015	83(2)	130,288,481	145,584,534	(15,296,053)
					-
			844,560,943	**592,580,863**	**251,980,080**

29.00 Earning Per Share :

This has been calculated in compliance with the requirements of BAS 33: Earning per share is the basic earning dividing by the weighted average number of ordinary shares outstanding the end of the year.

The composition of earning per shares (EPS) is given below:

Profit after taxation	459,669,396	667,874,427	753,449,659
Number of ordinary shares at the period end	354,200,000	322,000,000	322,000,000
Weighted Average number of ordinary shares outstanding	354,200,000	322,000,000	322,000,000
Earning per share *	**1.30**	**2.07**	**2.34**
Number of ordinary shares Considering the 2015-16 Stock Dividend	**354,200,000**	**354,200,000**	**354,200,000**
EPS for the period ended has been restated based	**1.30**	**1.89**	**2.13**

30.00 Net Assets Value Per Share :

The composition of net assets value per share is given below:

Total Assets	12,634,652,486	11,258,845,589	11,419,837,664
Non-Current Liabilities plus Current Liabilities	4,807,798,605	3,816,236,337	3,891,653,179
Net Assets Value including Revaluation Surplus	**7,826,853,881**	**7,442,609,252**	**7,528,184,485**
Number of ordinary shares	354,200,000	322,000,000	322,000,000
*** Net Asset Value (NAV) including Revaluation Surplus**	**22.10**	**23.11**	**23.38**
		-	
Net Assets Value excluding Revaluation Surplus	**6,685,275,692**	**6,301,031,063**	**6,386,606,296**
*** Net Asset Value (NAV) Excluding Revaluation Surplus**	**18.87**	**19.57**	**19.83**

Cash flow per share from operating activities

Cash inflow/ (outflow) per share	**0.02**	**4.16**	**3.65**

31.00 Related parties transaction

The name of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS-24. Related

Name of the parties	Nature of	Outstanding value
Phoenix Finance and Investments Ltd.	Term Loan	526,465,035
Phoenix Insurance Company Ltd.	Insurance	Nil
Eastern Dyeing and Calendaring Works Ltd.	Office Rent	Nil

33.00 Employees

The Company had 453 Permanent and 02 provisional employees as on 30 June 2016 (2015:383) and a varying number of seasonal and

Particulars	Provisional	Total No of Employee
Officer	-	149
Staff	2	92
Workers		232
Total	**2**	**473**

34.00 Approval of the Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the company's board meeting on 29th April 2017.

AMARSTOCK