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BSRM Steels Limited

Financial Statements (Un-audited)

As at and for the period ended 31st March 2018

Q3 of 2017-18

AMARSTOCK

BSRM Steels Limited

Corporate Office : Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.
Phone: +88-031-2854901-10, 635382, 613282, 637758; Fax: +88-031-610101; E-mail: mail@bsrm.com; Website: www.bsrm.com
Factory : Plot No. 4(P), Fouzderhat Industrial Estate, Chittagong, Bangladesh.
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BSRM STEELS LIMITED
STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31ST MARCH 2018

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	Notes	31-Mar-18 Taka	30-Jun-17 Taka
Assets:			
Non-current Assets			
Property, plant and equipment at cost		15,037,503,729	9,695,275,190
Accumulated Depreciation		(3,380,010,820)	(1,849,557,930)
	8	11,657,492,909	7,845,717,260
Intangible Assets		28,708,973	24,855,031
Investment in Subsidiary		-	1,045,000,000
Investment in Associate		1,447,005,061	1,325,036,459
Total Non-current Assets		**13,133,206,943**	**10,240,608,750**
Current Assets			
Short Term Investment		370,602,955	245,502,751
Inventories	9	10,482,405,146	7,015,414,276
Trade & Other Receivables	10	7,770,978,291	3,448,601,088
Current Account with Related Companies		5,905,200,189	10,037,584,376
Advances, deposits and prepayments	11	2,711,666,160	1,563,349,721
Cash and cash equivalents	12	342,836,613	73,899,991
Total Current Assets		**27,583,689,354**	**22,384,352,203**
Total Assets	**Taka**	**40,716,896,297**	**32,624,960,953**
Equity and Liabilities:			
Share Capital		3,417,750,000	3,417,750,000
Retained Earnings		6,062,310,100	4,820,530,247
Revaluation Reserve		2,617,440,727	2,104,010,606
Equity attributable to Owners of the Company		**12,097,500,827**	**10,342,290,853**
Liabilities			
Non-current Liabilities			
Long Term Borrowings- non current portion		1,017,633,112	1,095,324,237
Retirement Benefit Obligations - Gratuity		116,006,819	72,632,738
Deferred Tax Liability		1,127,681,696	801,274,097
Total Non-current Liabilities		**2,261,321,627**	**1,969,231,072**
Current Liabilities			
Trade Payables		1,670,356,397	79,194,710
Short Term Borrowings	13	16,498,515,721	17,914,392,772
Current portion of Long Term Borrowings		707,785,943	496,382,366
Current Account with Related Companies		2,502,176,769	15,547,452
Liabilities for Expenses		537,300,491	288,191,966
Current Tax Liabilities		749,912,364	897,748,213
Provision for WPPF and Welfare Fund		65,245,670	130,308,597
Other Liabilities	14	3,626,780,487	491,672,953
Total Current Liabilities		**26,358,073,842**	**20,313,439,029**
Total Liabilities		**28,619,395,469**	**22,282,670,101**
Total Equity and Liabilities	**Taka**	**40,716,896,297**	**32,624,960,953**

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Wednesday, April 25, 2018

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BSRM STEELS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2018

	July'17-March'18 Taka	July'16-March'17 Taka	January'18-March'18 Taka	January'17-March'17 Taka
Revenue	35,663,146,803	23,588,007,020	17,036,600,912	9,891,464,788
Cost of Goods Sold	(32,493,074,788)	(20,103,040,419)	(15,594,018,572)	(8,743,555,721)
Gross profit	**3,170,072,015**	**3,484,966,601**	**1,442,582,340**	**1,147,909,067**
Selling and distribution costs	(893,956,218)	(615,362,310)	(429,601,019)	(306,326,840)
Administrative costs	(299,870,169)	(239,154,484)	(107,779,083)	(92,205,473)
	(1,193,826,387)	(854,516,794)	(537,380,102)	(398,532,313)
	1,976,245,628	**2,630,449,807**	**905,202,238**	**749,376,754**
Other operating income	4,687,584	1,685,251	(5,766,489)	14,142
Profits from operating activities	**1,980,933,212**	**2,632,135,058**	**899,435,749**	**749,390,896**
Finance costs	(1,428,263,450)	(965,457,301)	(585,683,988)	(397,990,281)
Finance income	736,068,502	729,181,263	215,031,902	324,623,091
	(692,194,948)	(236,276,038)	(370,652,086)	(73,367,189)
Profit before tax and WPP&WF	**1,288,738,264**	**2,395,859,020**	**528,783,663**	**676,023,707**
Contribution to WPPF and Welfare Fund	(64,436,913)	(119,792,951)	(26,439,183)	(33,801,185)
	1,224,301,351	**2,276,066,069**	**502,344,480**	**642,222,522**
Profit on Bargain Purchase	10,196,786	-	-	
Share of profit/(loss) of Associate (Net of tax)	121,968,602	(146,276,157)	102,039,339	(76,020,508)
Profit before income tax	**1,356,466,739**	**2,129,789,912**	**604,383,819**	**566,202,014**
Provision for Income Tax				
Current	(345,498,618)	(575,441,410)	(137,217,049)	(171,866,064)
Deferred	76,231,852	(23,138,431)	27,835,269	22,842,420
	(269,266,766)	(598,579,841)	(109,381,780)	(149,023,644)
Profit after tax for the period	**1,087,199,973**	**1,531,210,071**	**495,002,039**	**417,178,370**
Earnings per share:				
Basic earnings per share	**3.18**	**4.48**	**1.45**	**1.22**

Chairman

Director

Managing Director

Chief Financial Officer

Company Secretary

Wednesday, April 25, 2018

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BSRM STEELS LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2018

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Amount in BDT

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance as July 01, 2017	3,417,750,000	2,104,010,606	4,820,530,247	10,342,290,853
Acquisition of BSRM Iron & Steel Company Limited		524,195,793	652,888,151	1,177,083,944
Total comprehensive income for the period	-	-	1,087,199,973	1,087,199,973
Final Dividend Paid for 2016-2017			(512,662,500)	(512,662,500)
Transfer of difference in depreciation between cost model and revaluation model	-	(10,765,672)	14,354,229	3,588,557
Balance as at March 31, 2018	**3,417,750,000**	**2,617,440,727**	**6,062,310,100**	**12,097,500,827**
Balance as on July 01, 2016	3,417,750,000	2,123,842,107	3,829,602,555	9,371,194,662
Interim Cash dividend for the year 2016-17			(683,550,000)	(683,550,000)
Total comprehensive income	-	-	1,531,210,071	1,531,210,071
Transfer of difference in depreciation between cost model and revaluation model	-	(11,332,286)	15,109,715	3,777,429
Balance as at March 31, 2017	**3,417,750,000**	**2,112,509,821**	**4,692,372,341**	**10,222,632,162**

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

Wednesday, April 25, 2018

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BSRM STEELS LIMITED
STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2018

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	July'17-March'18 Taka	July'16-March'17 Taka
a. Cash flows from Operating Activities		
Cash receipts from customers	36,567,617,810	23,152,537,941
Cash payments to suppliers and employees	(33,447,688,086)	(21,129,089,544)
Income tax paid	(684,574,633)	(1,087,452,247)
Interest paid	(692,194,948)	(236,276,038)
Net cash from operating activities	**1,743,160,144**	**699,720,112**
b. Cash flows from Investing Activities		
Acquisition of Property, plant and equipment	(224,656,161)	(194,443,869)
Addition to CWIP	(1,250,114,686)	(353,133,156)
Disposal of Property, plant and equipment	12,110,463	5,461,627
Decrease/ (increase) in investments	184,261,104	17,752,526
Net cash used in investing activities	**(1,278,399,280)**	**(524,362,872)**
c. Cash flows from Financing Activities		
(Repayment) / Receipt of Long term loans	52,279,324	(163,450,281)
Dividend paid	(512,662,500)	(683,550,000)
(Repayment) / Receipt of short term borrowings	(4,373,898,322)	1,714,299,331
Loan to/from related companies	4,638,457,257	(1,000,809,770)
Net cash from financing activities	**(195,824,241)**	**(133,510,720)**
d. Net increase/(decrease) in cash and cash equivalent (a+b+c)	**268,936,623**	**41,846,520**
e. Opening Cash and Cash equivalent	73,899,991	180,478,907
f. Closing Cash and Cash equivalent (d+e)	**342,836,614**	**222,325,427**

Chairman **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Wednesday, April 25, 2018

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BSRM Steels Limited

Selected Explanatory Notes to the Financial Statements

FOR THE PERIOD ENDED 31ST MARCH 2018

1. Legal from of Enterprise

BSRM Steels Limited (hereinafter referred to as BSRMSL, the company or the Parent) was incorporated on 20 July, 2002, vide the certificate C-No. 4392 of 2002 as a Private Limited Company registered 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 quoted Company. Trading of the shares of the company started in two stock exchanges from 18 January 2009.

The company has set up its rolling mill at 4 Fouzderhat Industrial Estate, Latifpur, Sitakunda, Chittagong and commenced commercial production from 1 April 2008. The principle place of business is at Ali Mansion, 1207/1099, Sadarghat Road, Chittagong, Bangladesh.

BSRM Steel Mills Limited (BSML) was incorporated on 16 April 2008 as a Private Limited Company and was subsequently converted to a Public Limited Company on 12 November 2013. The main objective of BSML is to manufacture and sell M.S. Billets. BSRM Steels Limited has acquired 100,000,000 nos. of Ordinary Shares of Tk. 10 each of BSML i.e., 25.35%. BSML commenced commercial production on 16th June 2016.

2. Nature of the Business

The main purpose of the company is to manufacture M.S. products by setting up rolling and re-rolling mills and marketing the same.

3. Reporting

This quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS) - 34: Interim Financial Reporting". This interim financial statements should be read in conjunction with the published financial statement for the period ended 30 June 2017, as they provide an update to previously reported information.

4. Accounting policies and method of computations

Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared and published for the period ended 30 June 2017.

5. Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 31st March 2018 and profit for the same period. The number of shares outstanding for the period was 34,17,75,000. Earnings per share for the same period of preceding year has been also calculated based on 34,17,75,000 shares.

6. Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

7. General

7.1 Wherever considered necessary, prior period's figures and phrases have been re-arranged to confirm to this period's presentation.

7.2 Amounts appearing in these financial statements have been rounded off to the nearest taka.

7.3 Bracket figures denote negative balance.

		31-Mar-18 Taka	30-Jun-17 Taka
8	**Property, Plant and Equipment**		
	Land and Land development	3,366,266,984	2,546,483,538
	Plant and Machinery	4,229,189,122	2,882,132,828
	Factory Building	1,761,994,225	1,415,897,050
	Motor Vehicles	64,745,746	43,866,850
	Furniture and Fixtures	21,849,440	16,043,962
	Office Equipment	23,580,196	28,476,242
	Roads and Pavements	38,422,920	11,752,734
	Computer & IT Equipment	19,464,703	18,665,432
	Under Construction	2,131,979,573	882,398,624
	Total	**11,657,492,909**	**7,845,717,260**
9	**Inventories**		
	Raw Materials-Scrap	2,743,328,053	-
	Raw Materials-Billet	2,659,156,850	2,422,415,357
	Direct Consumable	267,213,283	-
	Work-in-progress	526,839	-
	Finished Goods	3,077,546,877	3,227,291,888
	Stores and Spares	1,723,108,362	1,361,401,190
	Fuel and Lubricants	11,524,882	4,305,842
	Total	**10,482,405,146**	**7,015,414,276**
10	**Trade & Other Receivables**		
	Trade Receivables	7,478,930,536	3,083,992,846
	Other Receivables	292,047,756	364,608,242
	Total	**7,770,978,291**	**3,448,601,088**
11	**Advances, deposits and prepayments**		
	Advances	2,665,176,258	1,531,613,324
	Deposits	43,931,160	25,119,482
	Prepayments	2,558,742	6,616,915
	Total	**2,711,666,160**	**1,563,349,721**
12	**Cash and cash equivalents**		
	Cash in hand	8,827,294	3,698,375
	Cash at banks	1,203,791	(30,293,928)
	Fixed deposit	332,805,529	100,495,544
	Total	**342,836,613**	**73,899,991**
13	**Short Term Borrowings**		
	Loan against Trust Receipt (LATR)	686,772,369	55,024,722
	Time loan	1,565,894,383	6,613,430,308
	Demand Loan	2,952,201,252	8,436,395,407
	Bank overdraft and cash credit	1,592,481,615	1,723,167,779
	Factoring Loan-United Leasing Co. Limited	252,628,774	16,238,167
	Liability for accepted bills for payment (ABP)	9,448,537,329	1,070,136,388
	Total	**16,498,515,721**	**17,914,392,772**
14	**Other liabilities**		
	Advance against sales	3,388,648,294	375,161,220
	Security Deposit	19,175,528	26,970,146
	Income Tax deducted at source	21,021,856	2,613,668
	VAT deducted at source	6,585,705	2,193,249
	Earnest/Retention Money	54,976,776	28,936,292
	Liability against fractional bonus share	1,163,929	1,163,929
	Unclaimed dividend	17,436,312	16,767,756
	Liability against share application money	7,581,814	7,581,814
	Interest payable	106,868,334	27,942,567
	Provision for bad debts	621,777	621,777
	Provident fund	2,700,163	1,720,534
	Total	**3,626,780,487**	**491,672,953**

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