
RSRM
Ratanpur Steel Re-Rolling Mills Ltd.
Annual Report
2016-17


যে
৫ টি কারণে
RSRM
X POWER TMT
THINK TOMORROW
সবার সেরা
BUET TESTED
SUPERIOR BENDABILITY
সহজে বাঁকানো যায়
HIGH CORROSION RESISTANCE
সহজে মরিচা ধরে না
GREATER DUCTILITY
সবচেয়ে বেশি ভূকম্পন সহনীয়
IDEAL PROPERTY BALANCE
সব উপাদানের সুষম বণ্টন
BETTER WELDABILITY
সহজে জোড়া লাগে
RSRM

ANNUAL REPORT 2016-2017

Ratanpur Steel Re-Rolling Mills Ltd.

AMARSTOCK

RSRM

Ratanpur Steel Re-Rooling Mills Ltd. (RSRM) was established in January 1984 to meet the growing demand for high quality M.S. deformed bars in the country.The mill is situated in the heart of the progressive Baizid Bostami Industrial Area, Chittagong.

Creating new steel from recycled steel reduces CO2. In 2003 we started to manufacture quality billets from recycled scrap under our go green initative. In 2006 throughout the world recycled steel made up more than 496 million metric tons, this saved an estimated 894 million metric tons of CO2.



Today, RSRM is widely recognized as one of the leading steel manufacturers in the country and has embarked upon a series of initiatives aimed at increasing its production capacity of world class proudcts.

Other necessary ancillaries like main power sub-station and emergency water supply, natural gas supply station, machine shop with CNC machine, pollution control system, well equipped quality control department, cranes of different capacities including crawler cranes for material handiling etc.

RSRM rebars are supplied in size 8,10,12,16,20,25,32,40 and 50 mm diameters and also in a fixed length of 12 meters. RSRM provides bars of different size, length & grade as required by client.

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Letter of Transmittal

Date: 28 September 2017

All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittangong Stock Exchange Ltd

Subject: Annual Report for the year ended 30 June 2017.

Dear Sir(S),
We are pleased to enclose a copy of the Annual Report of Ratanpur Steel Re-Rolling Mills Limited (RSRM) together with the Audited Financial Statements, Report of the Board of Directors and Auditor's Report thereon for the year ended June 30, 2017 for your information and records.

Yours sincerely

Md. Jafar Imam
Company Secretary

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Notice Of The 32nd Annual General Meeting

It is hereby NOTICE that the 32nd Annual General Meeting ("AGM") of the Ratanpur Steel Re-Rolling Mills Ltd. will be held on 12th October, 2017 at 11.00.A.M. at "Shoronika Community Center", 13 Love Lane, Chittagong, to transact the following agenda:

AGENDA

1. To Consideration and adoption of the Directors' Report and the Audited Financial Statements of the company for the year ended June 30, 2017;
2. To approve declared dividend for the year ended June 30, 2017 as recommended by Board of Directors;
3. Retirement/Reappointment of existing Directors; ;
4. Appointment of Auditors and fixation their remuneration;
5. Any other business with the permission of the chair.

By order of the Board

28 September 2017
Dhaka.

Md. Jafar Imam
Company Secretary

1. Members whose names appeared in the Members/Depository Registers as on "Record Date" i.e.19 September2017 are eligible to attend the Annual General Meeting (AGM) and receive the dividend.
2. A Member wishing to appoint a proxy must deposit the proxy form duly stamped (TK.20) must be deposited at the Company's Share Office located at 291, Fakirapool, 9th floor,(Jamidarbari) Apt # B-9, Inner-Circular Road, Arambagh, Dhaka-1000 not later than 48 hours before the time fixed for the AGM.
3. Members/Proxies are requested to register their entry in time on October 12, 2017; the registration counter will open at 9.30 am.
4. Annual Report is available in investor Relations section of the Company's website: www.rsrmbd.com.

"Admission to the meeting room will be strictly on production of attendance slip".

Special Notes: No benefit or gift in cash or kind shall be given to the shareholders as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

Our Mission

We are more than a company, it is a mission that understands its responsibility in contributing to a better tomorrow and a strong tomorrow. We will continue to be the first name in the region's steel industry by harnessing our assets and resources to achieve profitable growth, operational and organizational excellence and good corporate citizenship.



Our Vision

To be the trend setter and the power force of the steel re-rolling industry with education, training and skills development.



Our Objectives

Our objectives are to conduct business operation based on market mechanism within the legal & social frame work with aims to attain the mission reflected by our vision with customer satisfaction, technology and cost reduction.

Corporate Focus

Our vision, our mission and our objectives are to emphasise on the quality of product, process and services leading to augmentation of the company with corporate governance practices.

Pride And Commitment

We believe in creating value and providing better quality of life for people across the humanity. Our ission is to create performance driven culture characterized by competence pride and commitment.

People And Pride

We also look for sincerely at young people with their full of energy and dynamism with a vision to grow our people -our pride. Art of Steel Rolling is no doubt a team effort where the skill, competence and dedication of ever member. Whether he is the workman or the director at the Board comes to play. And it's our privilege and pride that we have a highly motivated team that has enabled us to boost productivity and quality.

RSRM VALUES

Quality

Providing products and services to our customers, constantly improving our processes, reducing wastage, minimizing costs, investing in systems and technology through constent technological upgrads and developing our resources for creating skilled workforce.

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 dealing and good governance and risk management processes.

Business Relationship

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 even with challenges.

Leadership

Be a role model, setting landmark through our products, processes and people, persistently moving ahead of competition by differentiating our products and processes, increasing our market share.

Customer Satisfaction

It is our pleasure to all customers at every stage of our dealings by truly understanding their needs, offering best products and services.

Business Augmentation

Improving the quality of products and services, efficiency of processes, anticipating and responding to the changing business and environmental needs using experience within the organization.

Economic Analysis

Developing high-strength products aiming to reduce the customer's material consumption and ensuring competitive prices through superior strength, easy workability at site and reduces costs for the consumer.

Social Care

Acknowledge our obligations towards the society and we have taken some initiatives for the betterment of the society, building capability and making facilities available to the underprivileged.

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Corporate & Contract Information

COMPANY NAME
Ratanpur Steel Re-Rolling Mills Limited

HEAD OFFICE
Nahar Mansion, 116 C.D.A Avenue,
Muradpur, Chittagong.
Phone: 88-031-652255-57, Fax: 88-031-650001
Website: www.rsrmbd.com

DATE OF INCORPORATION
April 22, 1986

DHAKA OFFICE
Rupayan Golden Age (7th Floor), 99, Gulshan Avenue, Gulshan - 2, Dhaka - 1212
Te: +88 02 9892936, 9890457, 8812521
Fax: +88 02 8828292, Website: www.rsrmbd.com

DATE OF COMMERCIAL OPERATION
1 July 1986

FACTORY
175-176, Baizid Bostami I/A
Baizid Bostami Road, Chittagong
Tel: +880 31 2580380 - 4, 682580,683196
Fax: +880 31 681474

SHARE CAPITAL
Authorized Capital BDT 100.00 Crore
Paid-up Capital BDT 78.62 Crore

SHARE DEPARTMENT
291 Fakirer Pool (Jamidar Bari), Apartment No. B-9 (9th Floor), Inner-Circular Road,
Arambag, Dhaka-1000, Tell : +88 02 7195840, 7195841
Fax : +88 02 7191745,
e-mail : sharedept@rsrmbd.com
Website : www.rsrmbd.com

BOARD OF DIRECTORS
Mrs. Shamsun Nahar Rahman, Chairman
Mr. Maksudur Rahman, Managing Director
Mr. Md. Younus Bhuiyan, Director
Mr. Md. Mizanur Rahman, Director
Mr. Marzanur Rahman, Director
Mr. Dr. Jamaluddin Ahmed, FCA,Independent Director

AUDITOR
Ahmed Zaker & Co.
Chartered Accountants
522, SK. Mujib Road,
Agrabad C/A, Chittagong.

Audit Committee
Mr. Dr. Jamaluddin Ahmed, FCA, Chairman
Mr. Md. Younus Bhuiyan, Member
Mr. Md. Mizanur Rahman, Member
Mr. Marzanur Rahman, Member
Mr. Md. Jafar Imam, Secretary

Company Secretary
Mr. Md. Jafar Imam

Products And Services

RSRM Produces 500W (TMT), 400W and 300W grade steel using most advanced and latest technology suitable for the production of Thermo - Mechanically Treated (TMT) reinforcement bar renowned worldwide for its special features of having high strength with high elongation percent and toughness which is not possible in other ordinary reinforcement bars of conventional processes.

TMT bars are made from good quality plain carbon mild steel billets and when these billets are hot rolled in automatic rolling mill, bars leaving last finishing stand are rapidly quenched and carefully controlled by optimizing the water pressure for their pearlitic core and tough surface of tempered marten site . The process involves rapid quenching of the hot bars through a series of water jets after they roll out of mill stand, the bars cooled, allowing the core and surface temperature to equalize. The bar core cools down slowly to turn into a ferrite - pearliest aggregate. Thus the bars attain the property of higher strength, ductility and toughness due to the formation to tempered marten site of outer surface with a ductile core giving following properties and benefits:

- Superior product with consistent properties.
- High strength combined with high ductility
- Better corrosion resistance.
- Better resistance to high temperature in case of fire hazards.
- Better fatigue resistance.
- Better weld ability without loss of strength of welded joints.
- Easy manufacturing of different strengths of rebar's from nearly the same steel grades.
- Significant saving in steel consumption around 15% - 20 % when using TMT rebar 's in place of CTD and saves more than 30 % consumption over the bars made from ship breaking scraps , indicating economical .
- Easy and less construction time i.e. economical.
- Lastly an less choice for seismic zones due to excellent ductility properties. This is of great importance for Bangladesh because more than 70% area of the country falls in the seismic hazard category .

We are dedicated in offering the right product package & are keen to provide the best product & services that will fulfill customer needs. We have the best sales force serving you 24/7. We have our own transport and we deliver products anywhere in Bangladesh. We always believe in making heartiest relationships not links, that's why we are very confident that our offer will fulfill requirements and our relationship with clients ensures best possible service. We ensure-

- Strick adherence to SOP standards procedures.
- Strick adherence to sampling & testing of steel Chemistry .
- Advanced products through technological upgrads.
- Detailed sampling of finished products.
- Rolling in negative tolerance
- Timly dispatches to the customers.
- Strict cost cutting in products in process to deliver value to the customers.
- Ensuring systemic working procedures and
- High team motivation to meet the company's vision.

We hope and believe our unrest service and facilities will help our clients to be with us ever more.

Financial Highlights of 2016-2017

	2016-2017	2015-16	2014-15	2013-14	2012-13
Assets Employed					
Non-Current Assets	2,102,641,069	1,992,197,082	2,001,603,148	2,064,962,612	2,118,020,730
Net Current Assets	1,894,596,477	1,376,673,928	1,130,959,923	(101,492,583)	(281,638,046)
Total Assets Employed	3,998,137,546	3,368,871010	3,132,563,071	1,963,470,029	1,836,382,684
Financed By					
Share Capital	864,864,000	786,240,000	655,200,000	296,000,000	296,000,000
Share Premium	750,000,000	750,000,000	750,000,000	-	-
Revaluation Reserve	943,950,000	943,950,000	943,950,000	943,950,000	943,950,000
Retained Earnings	1,298,447,553	747,837,693	640,411,262	504,328,182	349,370,327
Shareholders' Equity	3,857,261,553	3,228,027,693	2,989,561,262	1,744,278,182	1,589,320,327
Long Term Portion of Lease Liablities	-	9,344,401	28,656,598	50,599,842	87,385,400
Deferred Tax Liabilities	140,875,994	131,498,915	114,345,211	168,592,005	159,676,930
Total Capital Employed	3,998,137,547	140,843,316	143,001,809	1,963,470,029	1,836,382,657
Operational Results					
Revenue	7,488,695,752	5,377,411,796	5,503,171,247	4,766,995,506	5,253,806,261
Gross Profit	1,257,365,287	650,543,192	549,442,969	465,001,928	515,265,026
Profit from Operations	1,177,732,537	586,037,341	469,186,852	389,122,952	453,643,321
Profit before Interest, Taxes & Depreciation Allowances	1,191,872,688	629,963,379	523,692,309	446,180,514	507,791,687
Profit before Tax	939,753,450	371,608018	269,424,868	209,829,235	279,533,824
Profirt after Tax	707,857,860	271,226,431	272,583,080	154,957,856	166,740,993

Financial Highlights of 2016-2017

	2016-2017	2015-16	2014-15	2013-14	2012-13
Ratios					
Gross Profit ratio - %	16.79%	12.10%	9.98%	9.75%	9.81%
Net Profit ratio - %	9.45%	5.04%	4.95%	3.25%	3.17%
EBITDA margin to Sales - %	15.92%	11.71%	9.51%	9.36%	9.67%
Return on Shareholders' Equity - %	18.35%	8.40%	9.12%	8.88%	10.49%
Return on Capital Employed - %	23.50%	11.03%	8.60%	10.69%	15.22%
Current Ratio - Times	2.02	1.85	1.68	0.96	0.89
Quick / Acid test ratio - Times	1.00	0.85	0.64	0.34	0.23
Inventory turnover ratio - Times	45.71	2.82	2.84	2.56	3.31
Total Asset turnover ratio - Times	1.15	1.10	1.15	1.05	1.3
Earnings Per Share(EPS) - Taka	8.18	3.45	4.36	5.24	5.36
Dividend per share (DPS) - Taka	2.2	2.0	2.5	2.5	-
Dividend Payout Ratio	0.28	0.58	0.57	0.48	-
Dividend cover ratio	3.56	1.72	1.74	2.096	-
Net Assets Value (NAV) per share - Taka	44.6	41.06	45.63	58.93	53.69
Net Operating Cash Flow per share - Taka	2.08	1.45	(15.17)	2.89	(6.54)
Debt Equity ratio - Times	0.52	0.55	0.61	1.72	1.71
Interest Coverage ratio	4.90	1.88	1.44	1.24	1.75
Average Number of Employees	530	505	508	546	498

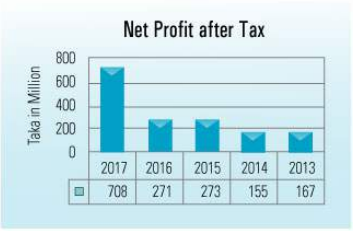
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Financial Highlights of 2016-2017 (at a glance)

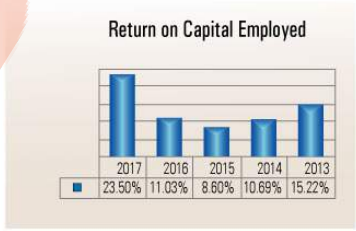


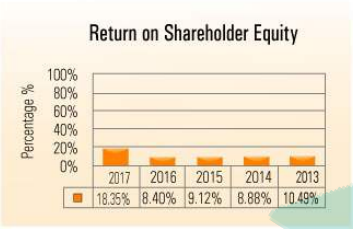


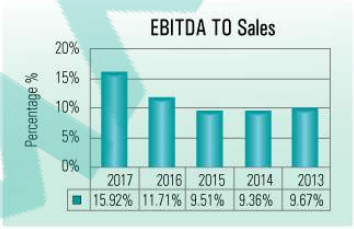


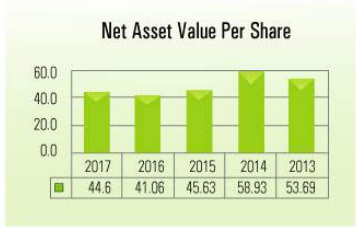


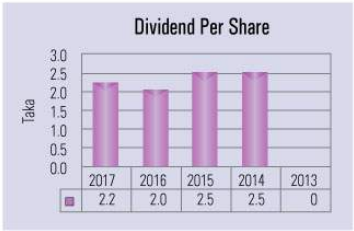












Board Of Directors & Brief Profile



Mrs. Shamsun Nahar Rahman
Chairman

Mrs. Shamsun Nahar Rahman, wife of Mr. Maksudur Rahman. She is the director of the company since inception having 34 years of business experience. She is also Director- Planning of the company



Mr. Maksudur Rahman
Managing Director

Mr. Maksudur Rahman the Managing Director of the company, was born in 1950. He is a graduate and having 44 years of business experience. He is the founder of the RSRM group and the Ratanpur Steel Re-Rolling Mills Limited is one of the concerns of the RSRM group. Upon completion of his Graduation Mr. Rahman started his business in the year 1972 and established a steel Re-rolling Mills in Chittagong in the name of Ratanpur Steel Re-Rolling Mills Limited in the year 1986. After realizing the business risk diversification regarding back ward linkage Mr. Rahman planned to start scrap ship breaking in the year 1990 and till now he is one of the pioneer business man in Chittagong regarding scrap ship breaking and he owned two high-tech scrap ship breaking yard. In the mean-time he is known as one of the intelligent business entrepreneurs' in the country . Mr. Rahman retained multi-dimensional business knowledge and he knows better how to reduce the systematic risk in the business. As a result his foot print on the various back ward and forward linkage in the industry as well as business.



Mr. Md. Younus Bhuiyan
Director

Mr. Md. Younus Bhuiyan was born in 1964. He is a graduate having 34 years of Business Experience. He is the younger brother of Mr. Maksudur Rahman. From the very beginning of the RSRM group he was involved with this group and one of the key management personell of this group. He is involved with the operational activities of the company .



Mr. Md. Mizanur Rahman
Director

Mr. Md. Mizanur Rahman was born in 1982. He is a graduate having 9 years of business experience. He is the elder son of Mr. Maksudur Rahman.Having knowledge of cutting edge technology in the steel industry He is looking after present business operation of the RSRM group. With change management concept he is trying to create a corporate environment and ensure accountability in the business function among the business unit in the group. The concept of decentralization of work is coming from him and the RSRM group having new business logo and other communication strategy regarding brand promotion and business relationship with stake holders is developing overnight.



Mr. Marzanur Rahman
Director

Mr. Marzanur Rahman was born in 1986. He is a graduate in mechanical engineering and business management from UK having 7 years of business experience. He is the younger son of Mr. Maksudur Rahman. Having knowledge of cutting edge technology in the steel industry and he is looking after present business operation of the RSRM group.



Mr. Dr. Jamaluddin Ahmed, FCA
Independent Director

Dr. Jamal Uddin Ahmed is professionally a chartered Accountant and the fellow member of the Institute of chartered Accountants of Bangladesh (ICAB) since 1990. He was vice President of (ICAB) (2006, 2007) and president (2010). He was awarded PhD in Accounting from Cardiff Business School, University of Wales, under commonwealth Scholarship in 1996, and secured first class in Masters Degree and Bachelors with Honours from Accounting Department of Dhaka University He was a partner at Hoda Vasi Chowdhury & Co. An Independent Firm of Deloitte Touche & Tohmatus. He has many years experience in the financial sector of Bangladesh and has used his expertise and experience to carryout numerous research work and publications.

He was Member, Board of Directors of Dhaka Stock Exchange Ltd. (2010), Janata Bank Ltd. (2008-2014), Janata capital Investment company Ltd. (2010 to date), Grameen phone Ltd. a subsidiary of Telenor Norway (2010 to date), Essential Drugs company Ltd. (2008 to date). Grameen IT Ltd. (2012-2013). Bangladesh Telecommunications company Ltd. (2010), Dhaka water and sewerage anther (2010-2013). And power Grid Company of Bangladesh Ltd. (2004 to date) as well as chairman, Audit committee of Dhaka water and sewerage Authority (2010-2013). Power Grid Company of Bangladesh Ltd. (2007 to date), Janata Bank Ltd. (2010-2014), Gameen phone Ltd. (2011 to date) and Essential Drugs company Ltd. (2011 to date). He was also financial Advisor to the Board audit committee (2014 to 2015), and Running / active Director of the Bangladesh Bank Board. (March 2016 to date).

Key Management

Mr. Zulfiker Ali Azad
Executive Director-Marketing & Sales

Mr. Mrinal Kanti Mondal
Chief Financial Officer

Mr. Md. Jafar Imam
Company Secretary

LT CDR M A Ahad, PSC,BN(Retd.) GM
Production & Maintenance

Mr. Mohammad Rashed Iqbal
GM HR & Admin.

Mr. Md. Serajul Islam
Consultant (Lab) Quality Control

Mr. Md. Dewan Mabood Ahmed
Manager Commercial

Mr. Mohammad Ali
Chief Engineer Electrical

Mr. Abdul Khaleque
Senior Engineer Mechanical

Mr. Md. Nizam Uddin
Head of InformationTechnology

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Chairman'S Message



Shamsun Nahar Rahman
Chairperson

Assalamualaikum and Good Morning to all our Shareholders

On behalf of myself and the Board of Director, I would like to welcome you all to do this 32nd Annual General Meeting of your company.

By now you have already received copies of the Annual Report 2017. I assume you have reviewed the report and consider as read.

Your company is a manufacturer and supplier of M.S Deformed Bar. The company's technology and manufacturing expertise, deliver quality products with competitive price to the customers.

Your company focuses on its quality, trust, dependability, social conscientiousness with leadership and customer satisfaction for augmentation of the company.

Performance of the financial year 2016-2017

The Company earned pre-tax profit of Tk.939,753,450.00 while after tax net profit stood at Tk.707,857,860.00 with EPS of Tk.8.18 for the year as against pre-tax profit and after -tax profit respectively of Tk. 371,608,018.00 and Tk. 271,226,432.00 with EPS of Tk. 3.45 for the previous year. The Net Asset Value (NAV) and the Net Operating Cash Flow Per Share (NOCFPS) for the year stood at Tk.44.60 and Tk. 2.08 respectively before consideration of dividend as against that for the previous year Tk. 41.05 and 1.45 respectively.

Achievement of Company year 2016-2017

It is also our privilege to let you know, this year we are did remarkable business with some reputed multinational construction & engineering companies as given below:

TAEYOUNG E&C (Korea)	CWASA	Potenga Booster Pump
KOLON GLOBAL CORPORATION (Korea)	CWASA	Karnaphuli Water Supply Project (Phase 2)-NASIRABAD
		Karnaphuli Water Supply Project (Phase 2)-HALISHOHOR
		Karnaphuli Water Supply Project (Phase 2)-RANGUNIA
M/S Rashia & Sons-Abdus Salam (JV)	Chittagong City Corporation	City Governance Project(CGP) a)Port Connecting Girder Bridge Teckpara.b)Port Connecting Girder Bridge Jalilgonj
Euro Petro Product Ltd		LPG Project - Mandaritole, Barobkunda, Chittagong.
Royel Associate		CSD Godown, Chittagong.
Chowdhury Builders	Bangladesh Fire Service	Fire Service Station, Bandrbon.
Trade Mode International	Chittagong University	Chittagong University Minority Ladies Hall

Steel Industry in Bangladesh

The economy of Bangladesh is a rapidly developing market-based economy Over the last few years the economy has grown at 6%-7% per annum a massive 10.30% growth in the industrial sector lead by construction and small- scale manufacturing efforts targeted at the domestic market. Prospects indeed look bright for the nation. However, infrastructural weaknesses remain. Proper national development is only possible through expansion of industrial capacity and infrastructural support by mean of self- sufficiency .

Steel as a Manufacturing industry will play a significant role in this journey and therefore it is very important for policy makers and the government to facilitate a robust infrastructure and development plan for strong sustainability of steel industry RSRM is committed to engage in a constructive manner with all stockholders to evolve such a framework.

Prospect of Steel Industry in Future

Apart from that, we have seen that the construction sector of Bangladesh has grown at calculated average growth rate (CAGR) of 12.2% over last 10 years. This growth is expected to continue in the coming years. The real state sector has been facing a temporary slowdown of demand due to overall macroeconomic pressure and contraction policy of government. But this situation is now also getting solved. The local manufacturers believe the steel industry should continue to grow at 10% in the next few years, riding on government programs centering its vision for 2021, though government steel consumption has gone down significantly, it is planning few very big projects like padma Multipurpose Bridge and Metro Rail and Many flyovers, Tunnel (under the karnafuli river) and concrete casting of roads and highways, Dhaka water supply network, Khulna 800MW LNG based power plant, Sub regional transport facility, flood and river bank erosion risk management and many others projects going and coming up. These projects increase the demand in near future. Successful implementation of these projects will hold a very good potential for top line growth, as steel in particular feature prominently as raw materials of these projects.

Corporate Social Responsibilities

The company is focused not only on the execution of the plant facilities but also on the socio-economy infrastructure needs of an industrial enterprise of this scale. The company is committed to addressing the developmental needs and aspiration of the communities in the areas of safety, education and skill building of social benefits as practices of Corporate Social Responsibility (CSR) to name some projects are; "Go Green" (Tree Plantation) with joint collaboration with "Bangladesh Poribesh Forum", Earthquake Campaign to create awareness in more than 300 schools around country, Building Passengers Shade in Bus Stands and providing Safety Road Sign. Further we have continuous participation in education sector by giving scholarships to School /University Student.

Finally, I would like to thank all our shareholders and also our customers, suppliers, vendors, project contractors and lenders for their unstinted support to the company during the year. I would also like to thank all the employees for their tireless commitment to enhancing the performance and wellbeing of the company Further I would like to give special thanks to Auditors, BSEC, RJSC, DSE, CSE and other business associates including the Government and the various authorities for their continuous supporting in our journey .

ALLAH HAFIZ
With best regards

Shamsun Nahar Rahman
Chairperson

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TAEYOUNG E&C (Korea)	CWASA	Potenga Booster Pump
KOLON GLOBAL CORPORATION (Korea)	CWASA	Karnaphuli Water Supply Project (Phase 2) -NASIRABAD
		Karnaphuli Water Supply Project (Phase 2) - HALISHOHOR
		Karnaphuli Water Supply Project (Phase 2) -RANGUNIA
M/S Rashia & Sons&Abdus Salam (JV)	Chittagong City Corporation	City Governance Project(CGP) a)Port Connecting Girder Bridge Teckpara.b)Port Connecting Girder Bridge Jalilgonj
Euro Petro Product Ltd		LPG Project - Mandaritole, Barobkunda , Chittagong.
Royel Associate		CSD Godown, Chit tagong.
Chowdhury Builders	Bangladesh Fire Service	Fire Service Station, Bandrbon.
Trade Mode International	Chittagong University	Chittagong University Minority Ladies Hall

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Form The Desk of Managing Director



Maksudur Rahman
Managing Director

Assalamualaikum and Good Morning to all our Honorable Shareholders

Welcome you all to this 32nd Annual General Meeting of Ratanpur Steel Re-Rolling Mills Ltd. For the financial year 2016-2017 earned after tax profit Tk.707,857,860.00 with EPS of Tk.8.18 and Net Operating Cash Flow per Share (NOCEPS) Tk. 2.08 and NAV stood at Tk.44.60

In the financial year 2016-2017 your company utilized 73.00% production capacity and produced 136,664 MT of MS Deformed bar financial year 2015-2016 it was 57.07% utilization of capacity and produced 106,831 MT of MS Deformed bar.

The Company is focusing on brand promotional activities to reach wide range of customers from urban to rural areas of the country In the financial year 2016-2017 the company incurred Tk. 13,252,630.00, the previous year it was Tk. 11,808534.00 to grow our market and keep sustainability with the competitor in the market. We will get benefits from this promotion in the near future and will bring more customers and business.

Planning by the present Government of Bangladesh, some large projects include Padma Multipurpose Bridge and Metro Rail and Many Flyovers, Tunnels (under Karnaphuli River) and concrete casting of roads and highways, Dhaka water supply network, Khulna 800MW LNG based power plant, Sub regional transport facility, flood and river bank erosion risk management and many others projects going and coming up. These projects will increase the demand in near future. Successful implementation of these projects will hold a very good potential for top line growth, as steel in particular feature prominently as raw materials of these projects. These projects increase the demand in near future.

Practices of Corporate Social Responsibility (CSR) are maintained to grow with the community as required by the present society The company is taking some initiatives such as "Go Green" (Tree Plantation), Earthquake Campaign (Creating people awareness regarding Earthquake through school student). Passenger shade (waiting shade for bus stoppage). Safety sign (road sign for warning information in-front of level crossing, road ramp and various risky areas to reduce road accident).Seminars and workshops: We used to participate in national and international seminars as a sponsor such as steel mint events, 2nd coal, steel & raw material conference which helps our universities to interact with foreign tests and enrich our academic departments. We give scholarships to students to inspire better education. We always give the best effort to contribute in education, technology and health and safety sector of the country.

We always keep our concentration and focus on our sales and distribution channel to give the best service to the customers. We are continuously exploring new market to fulfill the demand of quality product (MS Deformed Bar).

Finally, I would like to thanks all our shareholders and stakeholders for their ultimate commitment / support towards us.

ALLAH HAFEZ

With best regards

M. Rahman

Maksudur Rahman
Managing Director

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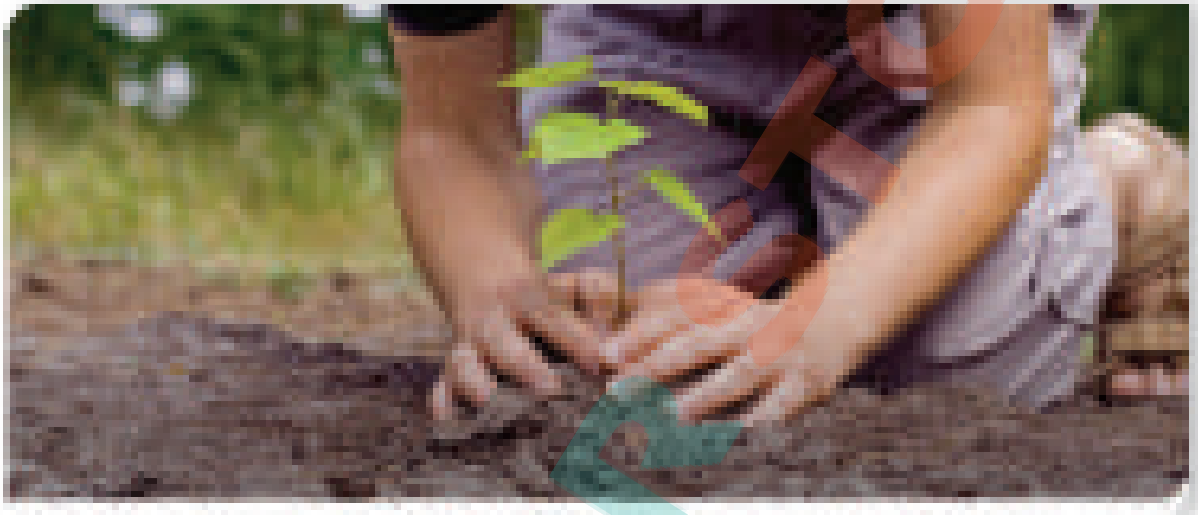
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M. Rahman

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RSRM is committed to addressing the development needs and aspiration of the communities in the areas of safety, education and skill building of social benefits as practices of Corporate Social Responsibility (CSR) flowing are some;



Tree Plantation Campaign

Under our go green initiative we held a promotional event where over two lac trees were plants in less than one hour. We covered a significant area which stretched from Teknaf to Mirsharai. The event generated a lot of awareness regarding our environment which is at great risk.

Earthquake Drill

Our country is at great risk from earthquake as around 70% of us live in seismic hazard areas. As we live with such a great danger hanging over our heads it is only natural that we teach ourselves how to be safe around earthquakes. Thus we are conducting a campaign on earth quack safety measures; so far we have reached around 260 schools.





Scholarship Programs

There are many meritorious students in our country who require aid to pursue higher education. They have great potential and we feel it is our duty to help them out. That is why we have started a number of scholarships programs in universities like Bangladesh university of Engineering and Technology (BUET), Chittagong University of Engineering and Technology (CUET), Shahajala University of Science & Technology (SUST).



Traffic jam

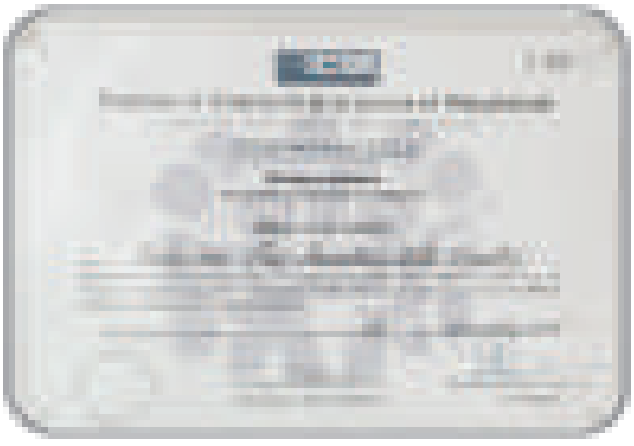
In our daily day to day lives traffic jam is a constant difficulty. Government estimate a loss of around TK. 15,000 crore annually because of traffic jams. To solve this complicated problem Government has put in several restrictions regarding the rules of the road and we were happy to lend a hand. We designed prominent roads signs which clearly conveyed the new restriction and eased the flow of traffic.

Passenger shade

Like a development country of Bangladesh lots of people are using mass transportation facilities like bus. For helping of busy pedestrian and the bus commuter from the sun and raining we have build forty passenger shades in various bus stops.



Awards & Recongnitions





The ICSB National Award for Corporate Governance 2014 Competition Organized by the Institute of Chartered Secretaries of Bangladesh (ICSB), Our Company has been awarded the Bronze Award in the Engineering Companies Category.





RSRM has been recognized as the Best Brand of Bangladesh in 2013 by Bangladesh Brand Forum.

Corporate Awards 2012" to Ratanpur Steel Re-Rolling Mills Limited (RSRM) under Steel Category and ranked Dun & Bradsteel South Asia Middle East Limited (DNBSAME) awarded "D&B Corporate Awards 2012 as the best known brand in the steel category.

Director's Report

Dear Fellow Shareholders:

On behalf of the members of the board of Directors of your company and on my behalf, I welcome you all to the 32nd Annual General Meeting (AGM) of Ratanpur Steel Re-Rolling Mills Ltd. Our Members of the Board are pleased to present Directors' Report, Audited Financial Statements for the year ended 30 June 2017 and Auditors' Report thereon before you for your consideration and approval.

Review of year 2016-17

1. Economic scenario:

The economy of Bangladesh is a rapidly developing market-based economy. Over the last few years the economy has grown at 6%-7% per annum a massive 10.30% growth in the industrial sector led by construction and small-scale manufacturing efforts is the largest contribution to such economic growth. However, infrastructural weaknesses still remain major challenges for future industrial development. Proper national development is only possible through expansion of industrial capacity and infrastructural support by means of self-sufficiency. Rationing of GAS and Electricity supply to the steel re-rolling mills by the Government were main challenges for us.

Steel as a foundation industry will play a significant role in this journey and therefore it is very important for policy makers and the government to facilitate a robust supply side framework as an enabler for a vibrant steel industry in the country. RSRM is committed to engage in a constructive manner with all stakeholders to evolve such a framework.

Apart from that, the construction sector of Bangladesh has grown at a calculated average growth rate (CAGR) of 12.2% over the last 10 years. This growth is expected to continue in the coming years. The real estate sector has been facing a temporary slowdown of demand due to overall macroeconomic pressure and contraction policy of government. But this situation is now also getting solved. The local manufacturers believe the steel industry should continue to grow at 10% in the next few years, riding on government programs centering its vision for 2021, though government steel consumption has gone down significantly, as planned few very big projects like Padma Multipurpose Bridge and Metro Rail and Many Flyovers, Tunnels (under the karnaphuli river) and concrete casting of roads and highways, Dhaka water supply network, Khulna 800MW LNG based power plant, Sub regional transport facility, flood and river bank erosion risk management and many others projects going and coming up. These projects will increase the demand in near future. Successful implementation of these projects holds a very good potential for top line growth, as steel in particular feature prominently as raw materials of these projects.

2. Operational and Financial Review

Operational Performance:

Particulars	2017	2016	2015
Production Capacity (MT)	187,200	187,200	187,200
Production (MT)	136,664	106,831	103,402
Capacity Utilization (%)	73.00%	57.07%	55.23%
Sale Qty (MT)	139,380	105,150	101,142

The Production of the company increased by 29,833 MT in 2017 and sales is also increased by 34,230 MT.

Financial Performance:

Particulars	2017	2016	2015
Sales	7,488,695,752	5,377,411,796	5,503,171,247
Gross Profit	1,257,365,287	650,543,192	549,442,969
Profit before Interest, Taxes &WPP&WF	1,177,732,537	586,037,340	469,186,852
Less: Interest & WPP&WF	237,979,080	214,429,324	199,755,984
Less: Tax expenses & Provision for Income Tax	231,895,591	100,381,587	3,158,213
Net Profit	707,857,860	271,226,430	272,583,080

We have enumerated the details last five years financial performance of the company in Annexure-4.

3. Industry Outlook and Possible Future Development

The steel industry's domestic market is changing rapidly and more drastically than ever. In facing this challenge, we are working with our core corporate value of sustainable business growth. Some major competitors have also entered in to the market. Now customers are also quality conscious, to cope up with this challenges we are always positive. Moreover, now urbanization is a growing trend and people are migrating to the cities. Demand for high rise buildings, roads, bridges, flyovers, tunnels and Metrorail are increasing. Quality steel products are needed for these infrastructure constructions as people are more concerned about the safety of life, health and environment. Naturally demand for quality steel product is rising.

4. Market & Challenges:

Bangladesh Brand Forum has awarded RSRM the "BEST BRAND 2013 in the category of MS Rod" in Bangladesh. The domestic market for MS Deformed Bar is entering in new era of this century for the following reasons:

- Rural demand picking up.
- nvestment planned by Government in the transportation sectors, especially construction of flyover, Padma Bridge, Metro Rail etc.
- Construction of power plants.
- Construction of mills and factories.
- Service oriented projects by Government like Dhaka Water Supply Network.

We are committed to meet our promise to customers and customers' satisfaction largely depended on quick delivery. We have taken number of measures for prompt delivery. Mechanized and digitalized systems have been introduced for efficient and quick delivery.

5. Segment-wise or Product-wise Performance

Company has one location of producing products which vary in sizes.

6. Risks & Concerns

Risk assessment and mitigation is the integral part of any business. The Board of directors is regularly monitoring, assessing and identifying potential risk and threats to our profitability and growth. Our Risk Management capabilities are supported by a strong management structure and information system, regular analysis of market and economic scenario and policies to face the challenges.

A summary of the significant risk and the way of managing risks adopted by our company is included in Annexure-2.

7. Management Discussion and Analysis

Board of Directors periodically discusses on the increase/decrease of cost of goods sold, gross and net profit and takes immediate measures on the analysis as required. A detailed report on discussion is included in Annexure-1

8. Credit Rating

Emerging Credit Rating Limited (ECRL) assigned rating as below:

Long Term	Short Term
A	ST-2

The entities rated A are adjudged to be of strong safety and have strong credit quality. This Level of rating indicates a corporate entity with a sound credit profile. Risks are modest and may vary slightly from time because of economic conditions.

"ST-2" indicates high certainly of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

9. Board of Directors

A. The board of Directors is composed of 6 (six) directors including Chairman, Managing Director, 3 (three) Directors and one Independent Director.
B. Board Meeting and attendance

The Board met 5 times during this year. Following table shows the attendance of Directors in the meeting.

Name of the Directors	Position	No. of meeting held during the year	No.of meeting attend
Mrs. Shamsun Nahar Rahman	Chairman	5	5
Mr. Maksudur Rahman	Managing Director	5	5
Mr. Md. Younus Bhuiyan	Director	5	4
Mr. Md. Mizanur Rahman	Director	5	5
Mr. Marzanur Rahman	Director	5	5
Mr. Dr. Jamaluddin Ahmed FCA	Independent Director	5	5

(C) Details of directors being appointed/ re-appointed

In accordance with The Articles of Association of the company one third of the total members of directors is to retire by rotation. The boards of directors have been recommended for re-appointment of Mrs. Shamsun Nahar Rahman and Mr. Md. Younus Bhuiyan as Directors in the 32nd AGM of the company upon retirement from the post of directors by rotation.

10. Internal control system:
The company has adopted Standard Operating Procedures (SOP) for the betterment of internal audit department to oversee the transactions and to ensure effective internal control system.

11. Extra-Ordinary Gain or Loss:
There is no extra-ordinary gain or loss during the year.

12. Related Party Transactions:
Basis of the related party transactions with the company has been elaborated in the audited financial statements in note 30 in accordance with relevant Bangladesh Accounting Standards (BAS).

13. Utilization of IPO proceeds and Financial Result after IPO:
IPO proceeds through 25,000,000 shares @ of Tk. 10/- each at an offer price Tk. 40/- each including premium of Tk. 30/- per share is total TK. 1000,000,000/-. Utilization of IPO proceeds of the Company for Tk 227,750,231 for working capital, Tk 750,000,000 for loan re-payment and Tk 22,249,769 for IPO expence which is total 1,000,000,000. The utilization of the fund of working capital our company increases in sales revenue and net profit growth in this financial year 2015 after IPO compare to financial year 2014.

14. Significant Variance between Quarterly and Annual Financial Statements:
There were some significant variance between Quarterly Performance and overall Annual Performance. Throughout the year, company was able to maintain a judicious performance both in operational and financial perspective.

15. Remuneration of Directors Including Independent Directors:
Directors were remunerated as per the decision of the Board and a detailed report of the directors' Remuneration is included in Annexure-3 and note 27 of Audited Financial Statements.

16. Dividend:
Your directors are pleased to recommend 5% Cash and 17% stock dividend on equity shares for the year ended 30 June 2017 for consideration and approval by the shareholders in the 32nd annual General meeting. The dividend on equity shares, If approved, would be paid to those members whose name appear on the register of members as on record date.

17. Contribution of National Exchequer:
RSRM is paying and facilitating collection of government's revenue in 2017; we paid and collected & deposited a significant amount of Income Tax, Vat & Duties. All due and applicable taxes were paid, collected and deposited in time. During the year 2017, RSRM contributed to the government exchequer along with utility a sum of about Taka 270 Million.

18. Corporate Social Responsibilities:
The Company is focused not only on the execution of the plant facilities but also on the socio-economic infrastructure needs of an industrial enterprise of this scale. The Company is committed to addressing the developmental needs and aspiration of the communities in the areas of safety, education and skill building of social benefits as practices of Corporate Social Responsibility (CSR) to name a few projects are: "Go Green" (Tree Plantation) with joint collaboration with "Bangladesh Poribesh Forum", Earthquake Campaign to create awareness in more than 300 schools around the country, Building Passenger Shade in Bus Stands and providing Safety Road Sign. Further we have continues participation in education sector by giving scholarships to School and University Student.

19. Award & Recognition:

RSRM received

1. The ICSB National Award for Corporate Governance 2014 Competition Organized by The Institute of Chartered Secretaries of Bangladesh (ICSB), Our Company has been awarded The Bronze Award in the Engineering Sector.
2. Corporate Awards 2012" to Ratanpur Steel Re-Rolling Mills Limited (RSRM) under Steel Category and ranked Dun & Bradsteel South Asia Middle East Limited (DNBSAME) awarded "D&B Corporate Awards 2012 as the best known brand in the steel category.
3. RSRM has been recognized as the Best Brand of Bangladesh in 2013 by Bangladesh Brand Forum.

20. Information Technology (IT):

Information Technology (IT) is the main tool for coping up with new technology in the globalized world. We have already one step ahead for the adopting of real time integration in our business. Now we are able to operate and manage our business and to connect our customers faster.

21. Human Resource Management:

RSRM retain experienced professionals. Experience help to lead an organization like steel mills for produce demanded and supplying to the customers. RSRM arranged a recurring training for employees and other supporting staff on the job off the job.

22. Code of conduct:

The Board of Directors of the Company has adopted a Code of Conduct for the Directors. All the Directors have signed an acceptance to its compliance.

23. Auditor

Present auditor Ahmed Zaker & Co., Chartered Accountants, (A Correspondent members of Morison Ksi, UK.) will retire in 32nd AGM and being eligible to audit for the year 2017-18 and any eligible Chartered Accountants nominated by shareholders in the 32nd AGM conveyed their willingness to accept for appointment and reappointment.

24. Reporting and Compliance of Corporate Governance

Status of compliance with the requirements/conditions of Bangladesh Securities and Exchange Commission (BSEC) Notification no.: BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 and as amended by notification No: SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 on corporate governance has been included in the report in Annexure-6.

25. Subsequent Events

Even after Reporting Date

Recommended Dividend for the year 2016-2017

The Board of Directors of the company in its 354th Meeting held on 24.08.2017 commencing at 5.00 P.M and closing 6.00 P.M recommended dividend for the year ended 30th June 2017 @ 17% Stock and 5% Cash and fixed Record Date 19 September 2017 for 32nd AGM.

26. Directors' Responsibilities statements:

Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 the Directors confirm that:

a) The financial statements prepared by the management of Ratanpur Steel Re-Rolling Mills Ltd. fairly present its state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of Account of the Company have been maintained.

c) 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.

d) International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ 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.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) There are no doubts upon the Company's ability to continue as a going concern and the accounts have been prepared on going concern basis.

g) The significant deviations from last year in the operation results of the company have been highlighted in the report and reasons thereof have been explained.

h) The key operating and financial data for the last five years is disclosed in Annexure-4.

i) The pattern of shareholding is disclosed in Annexure-5.

j) A compliance status report with requirements of corporate governance as required by BSEC has been disclosed in Regulatory Compliance Report segment.

k) Directors' profile and their directorship and business interest in other organizations have been disclosed in Board of Directors segment.

Gratitude:

We express our sincere thanks and appreciation to all honorable shareholders, our customers, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, National Board of Revenue, RJSC, various government authorities, trade bodies and all bankers and financial institution for their support, co-operation and guidance in our business endeavor. In this occasion we also want express our heartiest congratulations to all our staffs and management members whose perseverance and professionalism, hard works contribute to maintain our strong competitive position.

On behalf of the Board

S N Rhaman

Shamsun Nahar Rahman
Chairperson
24 August, 2017

cwiPvjKe‡›`i cwZ‡e`b

wcq †kqvi‡nvìvie›`,
†Kv¤úvwbi cwiPvjKgÛjx I Avgvi c¶ n‡Z Avcbv‡`i mKj‡K iZbci ÷xj wi-†iwjs wgjm wjt Gi 32Zg ewlK mvavi Y mfvq ¯vMZ RvbvB|
cwiPvjKe›` Avcbv‡`i †Kv¤úvwbi 2016-2017 mv‡ji cwZ‡e`b, ewlK wbixÿZ Aw_K cwZ‡e`b Ges wbixÿ‡Ki cwZ‡e`b Avcbv‡`i we‡ePbvi Rb¨ Dc¯vcb Ki‡Qb|

2017 mv‡ji Kvhµg chv‡jvPbv

1. A_‰bwZK wPÎt

evsjv‡`‡ki eabkxj A_‰bwZK Ae¯v A‡bKvs‡k evRvi e¨e¯vi Dci wbfikxj| MZ K‡qK ermi a‡i A_‰bwZK ce©× 6% n‡Z 7% chš n‡”Q| wKš cvkvcwk wkí‡‡Î ce©× n‡q‡Q 10.30%, G ARb m¤e n‡q‡Q Avevmb wkí I †QvU AvKv‡ii wkí KviLvbv wbgvY Kv‡Ri Dci wbfi K‡i| GB aviv fwel¨‡Zi Rb¨ D¾j| hv‡nvK AeKvVv‡gvMZ `ejZv GLbI i‡q ‡M‡Q| h‡_vch³ RvZxq Dbqb ZLbB m¤e hLb wbR¯ Drcv`b gZv I AeKvVv‡gvMZ mnvqZv Dcw¯Z _v‡K| wbiwe”Qb M¨vm I we`¨r mieivnB ÷xj wk‡íi Rb¨ eo P¨v‡jÄ|

†h ‡Kvb †`‡ki Dbq‡bi Rb¨ w÷j wkí ¸i“ZcY fwgKv iv‡L| bxwZ wbavi K‡`i AeKvVv‡gvMZ Dbq‡bi bxwZ wbavi‡Yi gva¨‡g GB wkí we¯§qKi fwgKv ivL‡Z cv‡i| AviGmAviGg GB KvVv‡gvMZ Dbq‡b fwgKv ivLvi Rb¨ e× cwiKi| GQvovI Avgiv †`‡LwQ MZ `k ermi hveZ evsjv‡`‡k wbgvb wk‡í ce©× n‡q‡Q M‡o 12.2%| Avkv Kwi AvMvgx‡ZI Gaviv Ae¨vnZ _vK‡e| mvgwóK A_bxwZi Pv‡ci Kvi‡Y Avevmb wk‡í axiMwZ i¡c †bq| hvi d‡j w÷j wk‡íil axiMwZ nq| hw` I GB Ae¯vi mgvavb n‡”Q| eZgvb miKv‡ii 2021 wfk‡bi Dci wbfi K‡i †`kxq w÷j c¯ZKviKMY wekvm K‡ib AvMvgx‡Z 10% ce©× GB wk‡í Pjgvb _vK‡e| hw` I miKwifv‡e w÷‡ji e¨envi we‡klfv‡e K‡g‡Q| Z_wc miKvi †ekwKQ eo AvKv‡ii cKí nv‡Z wb‡”Q †hgb: eûgLx cÙv‡mZ, †g‡Uv ‡ijc_, dvBlfvi, KYdjx b`xi Zj‡`‡k U¨v‡bj wbgvb, Kswµ‡U Kwós moK I gnvmoK GB ai‡bi eo AvKv‡ii cKímgn A`i fwel¨‡Z w÷‡ji Pwn`v e©× Ki‡e| D³ cKí mg‡n w÷‡ji m‡ev”P Pwn`vi mv‡_ mv‡_ e¨envi wbwðZ n‡e wbgvb Kv‡Ri cavb DcvË wnmv‡e|

Drcv`b chv‡jvPbv

weeiY	2017	2016	2015
Drcv`b gZv (†g.Ub)	187,200	187,200	187,200
Drcv`b (†g.Ub)	136,664	106,831	103,402
Drcv`b gZvi e¨envi (%)	73.00%	57.07%	55.23%
weµq (†g.Ub)	139,380	105,150	101,142

PjvZ eQ‡i Drcv`b ev× †c‡q‡Q 29,837 †g. Ub, †mB mv‡_ weµqI ev× †c‡q‡Q 34,230 †g. Ub .

Aw_K chv‡jvPbv

cwigvb UvKvq

weeiY	2017	2016	2015
weµq	7,488,695,752	5,377,411,796	5,503,171,247
†gvU gbvdv	1,257,365,287	650,543,192	549,442,969
m`, AvqKi I kwgK Znwej Ab`vb ce jvf	1,177,732,537	586,037,341	469,186,852
ev`, m` I kwgK Znwe‡ji Ab`vb	237,979,080	214,429,324	199,755,984
ev`t AvqKi	231,895,591	100,381,587	3,158,213
bxU gbvdv	707,857,860	271,226,431	272,583,080

weMZ cvP eQ‡ii Zjbvgjx wPÎ Annexure-4 G ewYZ Av‡Q|

3. wk‡íi AvDUjK I m¤ve¨ fwel¨Z Dbqbt
c‡ei Zjbvq B¯úvZ wk‡íi Af¨šixb evRvi `“Z I e¨vcKfv‡e cwiewZZ n‡”Q| GB P¨v‡jÄ †gvKv‡ejvi Rb¨ Avgiv Avgv‡`i gjbxwZ Z_v A_en e¨emvwqK weKvk‡K we‡kl ¸iZ Av‡ivc KiwQ| mv¤cwZKv‡j wKQ bZb cwZ‡hvMx evRv‡i c‡ek K‡i‡Qb, GKB mv‡_ †fv³viv c‡Y¨i gvb m¤ú‡K A‡bK †ekx m‡PZb| GB me †c¶vc‡U Avgiv me`v BwZevPK| GQvov bMivqY I gvb‡li knigLx nevi ceYZvi d‡j eûZj `vjvb, iv¯v NvU, exR, Dovj moK, †g‡Uv‡ij BZ¨w`i Pwn`v evo‡Q| d‡j Gme †f‡Š AeKvVv‡gv wbgv‡Yi Rb¨ gvb m¤§Z B¯úv‡Zi Pwn`v evo‡Q, KviY gvbl GLb ¯v¯¨, wbivcËv I cwi‡ek wb‡q A‡bK †ekx m‡PZb|

4. evRvi I P¨v‡jÄt
evsjv‡`k evÛ †dvivg RSRM †K Best Rod Brand 2013 c`‡K fwlZ K‡i‡Q|
evsjv‡`k B¯úv‡Zi e¨vcK m¤vebv i‡q‡Q| KviY-
* MvgxY Rbc‡` DbZgv‡bi B¯úvZ wbgvY mvgMxi Pwn`v evo‡Q|
* †hvMv‡hvM e¨e¯vq miKwi wewb‡qvM evo‡Q| we‡kl K‡i Dovj moK, cÙv †mZ, †g‡Uv‡ij BZ¨w`|
* we`¨r‡K›` wbwgZ n‡”Q|
* Kj KviLvbv wbwgZ n‡”Q|

Mvn‡Ki mšwó weav‡b Avgiv cwZÁve×| `“Z cY¨ mieiv‡ni Dci Mvn‡Ki mšwó A‡bKvs‡k wbfi K‡i| `“Z cY¨ mieivn Kivi Rb¨ Avgiv wKQ c`‡¶c MnY K‡iwQ| †hgb DbZ chw³i gva¨‡g mieivn e¨e¯v wbwðZKiY|

5. cY¨ wfwËK ARb I djvdjt
Avcbv‡`i †Kv¤úvbx GKwUgvÎ KviLvbv t_‡K wewfb gv‡ci I †M‡Wi cY¨ Drcv`b K‡i _v‡K|

6. SwKt
SwK chv‡jvPbv K‡i Zv wbqšb Kiv e¨emv‡qiB GKwU Ask| cwiPvjKgÛjx wbqwgZfv‡e m¤ve¨ SwK I ûgwK hv Avgv‡`i gbvdv ev avivewnK weKvk‡K e¨vnZ Ki‡Z cv‡i, Zv chv‡jvPbv K‡ib| Avgv‡`i `¶ e¨e¯vcbv KvVv‡gv, Z_¨ weZiY, wbqwgZ evRvi chv‡jvPbv, cvmw½K bxwZmgn Avgv‡`i SwK wbqšb e¨e¯vcbv‡K Avi I kw³kvjx K‡i‡Q| Annexure-2 G we¯wiZ Av‡jvPbv i‡q‡Q|

7. e¨e¯vcbv chv‡jvPbvt
cwiPvjKgÛjx wbqwgZfv‡e c‡Y¨i Drcv`b LiP, †gvU I bxU gbvdv ew×/Kg chv‡jvPbv K‡ib Ges ZvrwbK c‡qvRbxq e¨e¯v MnY K‡ib, Annexure-1 G we¯wiZ Av‡jvPbv i‡q‡Q|

8. †µwWU †iwUst
GgviwRs †µwWU †iwUs wjt (ECRL) KZK gj¨vqb wb‡P †`qv n‡jvt

`xN‡gqv`x	¯í‡gqv`x
A	ST-2

A ej‡Z †evSvq D”Pgvb, m‡ev”P wbivcËv, D”Pgv‡bi FY †`qvi e¨vcv‡i †Kvb eo ai‡bi SwK bvB| "ST-2" w`‡q eSvq †h, mgqgZ FY cwi‡kv‡ai m‡ev”P wbivcËv, chvß Zvij¨ cevn I Kg Fb SwK|

9. cwiPvjK gÛjxt
K. cwiPvjK cl‡`i AvKvi:
Qq m`m¨wewkó cwiPvjKgÛjx, hvi g‡a¨ GKRb †Pqvig¨vb, GKRb e¨e¯'vcbv cwiPvjK, wZbRb cwiPvjK Ges GKRb BbwW‡c‡ÛU cwiPvjK|
L. cl` mfv I Dcw¯'wZ:

Av‡jvP¨ eQ‡i 4 wU cl`mfv n‡qwQj hv‡Z AskMnb wQj wb¤i¡c:

cwiPvjKe‡›`i bvg	c`ex	AbwôZ †gvU mfvi msL¨v	mfvq Dcw¯'wZi msL¨v
Rbve kvgmb bvnvi ingvb	†Pqvibg¨vb	5	5
Rbve †gv: gvKQ`i ingvb	e¨e¯'vcbv cwiPvjK	5	5
Rbve †gv: BDbm fBqv	cwiPvjK	5	4
Rbve †gv: wgRvbi ingvb	cwiPvjK	5	5
Rbve gviRvbi ingvb	cwiPvjK	5	5
Rbve Wt Rvgvj Dwïb Avn‡¤§`	BbwW‡c‡ÛU cwiPvjK	5	5

M. cwiPvjKe‡›`i wb‡qvM I cbwb‡qvM:
‡Kv¤úvbx AwU‡Kj G‡mwm‡qkb Abhvqx chvqµwgK fv‡e †gvU cwiPvjK msL¨vi GK-ZZxqvsk wnmv‡e Rbve kvgmb bvnvi ingvb I Rbve †gv: BDbm fBqv cwiPvjKØq 32Zg ewlK mvavib mfvq mgwß n‡Z Aemi wb‡eb| cbwb‡qv‡Mi †hvM¨ weavq cbivq wbewPZ n‡Z AvMn cKvk K‡i‡Qb|

10.Af¨šixb wbqšY e¨e¯'vt
Avf¨šixb wbqšY e¨e¯'vq Dbq‡bi Rb¨ †Kv¤úvbx Standard Operating System (SOP) Pvj K‡i‡Q| †Kv¤úvbxi m¤úwËi mi¶v Ges hw³ msMZ mg‡qi g‡a¨ mwVK Z_¨ I DcvË cvevi Rb¨ †Kv¤úvbx Af¨šixb wbix¶v e¨e¯'v Pvj K‡i‡Q|

11. e¨emvq Extra-Ordinary jvf ev ‡jvKmvbt
2017 mv‡j †Kv¤úvbxi e¨emvq Extra-Ordinary †Kvb jvf ev †jvKmvb wQj bv|

12. Related Part Gi mv‡_ †jb‡`bt
Bangladesh Accounting Standard (BAS) Abqvqx wbixw¶Z wnmve weeibx †bvU 30, Related Party Gi mv‡_ †jb‡`b m¤ú‡K we¯'wiZ A‡jvPbv Kiv n‡q‡Q|

13. cv_wgK MYc¯'ve (IPO)- Gi A‡_i e¨envi Ges cv_wgK MYc¯'ve-Gi cieZ djvdjt
†Kv¤úvbxi MYc¯'v‡ei gva¨‡g 25,000,000 †kqvi cwZwU Uvt 10.00 I wcwgqvg Uvt 30.00 mn cwZwU †kqvi Uvt 40.00 `‡ii †gvU Uvt 1,000,000,000 msMwnZ K‡i Zrg‡a¨ Uvt 227,750,231 KvhKvix gjab, Uvt 750,000,000 FY cwi‡kva Ges Mbc¯'v‡ei LiP eve` 22,249,769 e¨eüZ K‡i‡Q| FY cwi‡kva gva¨‡g I KvhKvix gjab e¨envi Kwiqv †Kv¤úvbx weµq I bxU gbvdv ew× n‡q‡Q 2014-15 A_ eQ‡i|

14. %ÎgwmK I ewlK djvd‡ji e¨eavbt
‡Kv¤úvbxi %ÎgwmK I ewlK djvd‡ji g‡a¨ e¨eavb cwijwZ nqwb| 2016-17 A_eQ‡i †Kv¤úvbxi Drcv`b Ges Aw_K Kvhµg m‡švlRbK wQj|

15. Independent Director mn cwiPvjK‡`i m¤§vbx fvZvt
cwiPvjK cl‡`i wmØvš †gvZv‡eK †Kv¤úvbxi cwiPvjKe›` †Kv¤úvbx n‡Z wbqwgZ fvZv I m¤§vbx †c‡q _v‡Kb hv GB cwZ‡e`‡bi mv‡_ Gi Ges wbixw¶Z wnmve weeibxi †bvU 28 G †`qv Av‡Q|

16. jf¨vskt
cwiPvjKgÛjx 30‡k Rb 2017 G mgvß eQ‡ii Rb¨ 5% bM` I 17% †evbvm/÷K jf¨vsk c`v‡bi mcwik K‡i‡Q| 32Zg ewlK mvavib mfvq †kqvi‡nvìviMb KZK Ab‡gv`b mv‡c‡¶ †Kv¤úvbxi Rb¨ wbawiZ †iKW Zwi‡L _vKv †kqvi‡nvìviM‡bi g‡a¨ GB jf¨vsk weZib Kiv n‡e|

17. ivóxq †KvlvMv‡i Ae`vbt
miKvix ivR¯ Avni‡b AviGmAviGg cZ¨¶-c‡iv¶ fv‡e mn‡hwMZv I Ae`vb †i‡L hv‡”Q| †Kv¤úvbx 2017 mv‡j c‡hvR¨ me ai‡bi AvqKi, gmK I ïé Av`vq Ges c`vb K‡i‡Q| 2017 mv‡j AviGmAviGg ivóxq †KvlvMv‡i cZ¨¶-c‡iv¶ fv‡e UvKv cvq 270 wgwjqb ivR¯ c`vb K‡i‡Q|

18. mvgwRK `vqe×Zv Ges Kvhµgt
†Kv¤úvwb ïa Drcv`b I weµq ev e¨emvwqK DbœZi Dci g‡bwb‡ek K‡i bv, cvkvcwk Av_ mvgwRK AeKvVv‡gvi DbœZi cwZI `wó iv‡L| †Kv¤úvwb wbivcËv, wk¶v, `¶Zv e¨× BZ¨vw` mvgwRK wel‡qi cwZ j¶¨ iv‡L| D³ wel‡q Avgv‡`i wKQ cKí h_vt evsjv‡`k cwi‡ek †dvivg nB‡Z m‡ev”P ci¯vi ARb|
2. 2013 mv‡j evsjv‡`k evÛ †dvivg nB‡Z m‡ev”P ci¯vi ARb|
3. 2012 mv‡j wW GÛ we K‡cv‡iU ci¯vi ARb|
hvnv Avgv‡`i †Kv¤úvbxi Rb¨ AZ¨š m¤§vbRbK|

20. Z_¨ chw³t
Z_¨ chw³ gjgš GB AvaywbK wekevRv‡i| GB w`K †_‡K Avgiv GKavc GwM‡q Z_¨ chw³ e¨envi‡i| hvi d‡j Le mn‡RB e¨emvKvh cwiPvjbv I MvnK †mev `“Z Kiv m¤e|

21. gvbem¤ú` e¨e¯vcbvt
AviGmAviGg me`v AwfÁ I †ckv`vi †jvKej wb‡qB Av‡Q| AwfÁ †jvKej ØvivB †Kej ¸YMZ gvbm¤úb cY¨ Drcv`‡bi gva¨‡g Mvn‡Ki Pwn`v Abhvqx mieivn K‡i cwZôvb‡K †bZ‡Zi chv‡q wb‡q hvIqv m¤e| Kgxewnbxi `¶Zv e¨×i Rb¨ Avgiv c‡qvRbxq cwkY Kvhµg me`vB cwiPvjbv K‡i _vK|

22. †KvW Ad KÛv±t
cwiPvjKgÛjx Zv‡`i Rb¨ GKwU Code of Conduct Pvj K‡i‡Qb hv cwZwU cwiPvjK KZK ¯v¶wiZ|

23. wbixKt
eZgvb wewae× wbix¶K Avn‡g` Rv‡Ki GÛ †Kvs PvUvW GKvD›U¨v›Um (A Correspondent member firm of Morison Ksi, UK) 32Zg mvavib mfvq Aemi Mnb Ki‡e Ges AvMvgx eQ‡ii Rb¨ wbix¶vKvh m¤úv`‡bi †hvM¨ nIqvq Zviv cYivq wb‡qv‡Mi B”Qv cKvk K‡i‡Qb weavq cYivq wb‡qvM| A_ev AvBbMZfv‡e †hvM¨ PvUvW GKvD›U¨v›Um dvg‡K †kqvi‡nvìviM‡bi gZvg‡Zi gva¨‡g wbix¶K wb‡qvM Ab‡gv`b nB‡e|

24. K‡cv‡iU mkvmb cwZcvjbt

evsjv‡`k wmwKDwiwUm GÛ G·‡PÄ Kwgk‡bi KZK wb‡`wkZ K‡cv‡iU mkvm‡bi kZ¸‡jv Avcbv‡`i †Kv¤úvbx h_vh_fv‡e e¨emvq cvjb K‡i‡Q| evsjv‡`k wmwKDwiwUm GÛ G·‡PÄ Kwgk‡bi Bm¨KZ Notification No. BSEC/CMRRCD/-158/134/Admin/44 dated 07 August. 2012 Ges cbivq ms‡kvwaZ Notification No: SEC/CMRRCD/2006-158/Admin/48 dated July 21, 2013 Gi kZmgn cwZcvj‡bi cwZ‡e`b Gi mv‡_ mshw³ Kiv n‡jv| (Annexure-6 G we¯wiZ)

25. w¯wZc‡Îi ZwiL cieZx NUbvt

c¯weZ wWwe‡W›U 2016-2017 A_eQ‡ii Rb¨ cwiPvjK cl` 354Zg †evW mfvq 5% bM` I 17% †evbvm/÷K jf¨vsk c`v‡bi mcwik K‡i‡Q hvnv 32Zg ewlK mvavib mfvq †kqvi‡nvìviMb KZK Ab‡gv`b mv‡c‡¶ †Kv¤úvbxi Rb¨ wbawiZ †iKW Zwi‡L _vKv †kqvi‡nvìviM‡bi g‡a¨ GB jf¨vsk weZib Kiv n‡e|

26. Aw_K weeibxi e¨vcv‡i cwiPvjKgÛjxi `wqZt

evsjv‡`k wmwKDwiwUR GÛ G·‡PÄ Kwgk‡bi No. SEC. CMRRCD/2006-158-134/Admin/44 dated 07 August 2012-Abhvqx cwiPvjKgÛjx wbwðZ K‡i‡Qb †h-

K) †Kv¤úvbxi e¨e¯vcbv KZc KZK c¯ZKZ Aw_K weeibx‡Z-Gi KgKvÛ, Kvhµ‡gi djvdj, bM` cevn I BKBwUi cwieZb m¤ú‡K h_vh_ wPÎ Dc¯wcZ n‡q‡Q|
L) †Kv¤úvbxi wnmv‡ei eB h_vh_ msiY Kiv n‡q‡Q|
M) Aw_K weeibx c¯Z Kivi mgq Dch³ wnmvebxwZ m½wZcYfv‡e c‡qvM Kiv n‡q‡Q Ges wn‡m‡ei cv°jb hw³m½Z I weÁ wePvi‡ev‡ai wfwË‡Z Kiv n‡q‡Q|
N) Aw_K weeibx c¯Z Kivi mgq AvšRwZK wnmvegvb Ges evsjv‡`‡k MnxZ D³ wnmve gvb`Û Abmib Kiv n‡q‡Q Ges Zv ‡_‡K †h‡Kvb e¨Z¨q chvßfv‡e cKvk Kiv n‡q‡Q|
O) Af¨šixb wbqšb c×wZ wQj ewjô Ges Zv KvhKifv‡e ev¯evqb I Z`viwK Kiv n‡q‡Q|
P) Pjgvb cwZôvb wn‡m‡e Kvhµg Ae¨vnZ ivLvq †Kv¤úvbxi mvg‡_¨i e¨vcv‡i †Zgb †Kvb wØav †bB|
Q) †Kv¤úvbxi Kvhµg djvd‡ji †¶‡Î MZ eQ‡ii Zjbvq PjwZ eQ‡i †hme e¨Z¨q i‡q‡Q †m¸‡jv eYbv Kiv n‡q‡Q Ges Zvi KviY e¨vL¨v Kiv n‡q‡Q|
R) Kvhµg I Aw_K wel‡q cvP erm‡ii DcvË ms‡hvRb Kiv n‡q‡Q| (Annexure-4 G we¯wiZ)
S) †Kv¤úvbxi †kqvi aib msµvš GKwU cwZ‡e`b Annexure-5 G eYbv Kiv n‡q‡Q|
T) evsjv‡`k wmwKDwiwUR GÛ G·‡PÄ Kwgk‡bi K‡cv‡iU mkvmb msµvš k‡Zi cwZcvjb weeiY mshw³ Kiv n‡q‡Q|
U) cwiPvjbv cl‡`i eËvš I e¨emvqK ¯v_ Ges Ab¨vb¨ cwZôv‡bi mv‡_ RwoZ _vKvi Z_¨ cwiPvjK gÛjxi As‡k weeZ Kiv n‡q‡Q|

KZÁZv ¯xKvit

Avgiv m¤§vbxZ †kqvi‡nvìvie›`, Avgv‡`i MvnKMb, evsjv‡`k wmwKDwiwUR GÛ G·‡PÄ Kwgkb, XvKv ÷K G·‡PÄ wjwg‡UW, PUMvg ÷K G·‡PÄ wjwg‡UW, RvZxq ivR¯ †evW, RJSC, wewfb miKvix cwZôvb, ewbwR¨K ms¯vmgn Ges e¨vsK I Aw_K cwZôvbmgn‡K Zv‡`i mg_b, mn‡hvMZv I civg‡ki Rb¨ AvšwiKfv‡e ab¨ev` I KZÁZv Rvbw"Q| KgKZv I KgPvixe›`‡K AvšwiK ab¨ev` RvbvB| Zv‡`i †ckv`wiZ I cwik‡gi Rb¨ GB ARb m¤e n‡q‡Q| mevB‡K Awfev`b RvbwB|

cwiPvjKgÛjxi c‡¶-

S n Rhaman

kvgmb bvnvi ingvb
†Pqvig¨vb
AvMó 24, 2017

Annexure - 1

Management Discussion and Analysis

Management Discussion and Analysis are designed to provide readers with an overview of the business and an analysis on Cost of Goods Sold, Gross and Net Profit margin.

Particulars	2015	2014	Growth
	BDT	BDT	%
Cost of Goods Sold	7,488,695,752	4,726,868,604	58.43
Gross Profit	1,257,365,287	650,543,192	93.28
Net Profit	707,857,860	271,226,431	160.98

Cost of goods sold (COGS)

Cost of goods sold (COGS for short) is the expense a company incurred in order to manufacture, create, or sell a product. It includes the purchase price of the raw material as well as the expenses of turning it into a product. COGS vary directly with sales and production; the more items we sell or make, the more stock or components we need to buy Cost of Goods Sold in 2017 has been increased by 58.43% than 2016 due to increase use of raw materials and other indirect overhead.

Gross profit margin ratio

Gross profit is the difference between sales and the cost of goods sold. Gross Profit = Sales - Cost of Goods Sold. The gross profit margin is one indicator of the financial health of a business. Larger gross profit margins are better for business - the higher the percentage, the more the business retains of each Taka of sales for other expenses and net profit. Gross Profit Margin % = (Gross Profit ÷ Sales) x 100. During the year 2017, Gross Profit Margin was increased to 93.28% due to increase in sales revenue in volume by 34,230 MT.

Net profit margin ratio

Net Profit is calculated by subtracting expenses including Tax and WPPF from the gross profit, showing what the business has earned (or lost) in a given period of time Net Profit = Gross Profit - Expenses with Tax & WPP&WF Net Profit of the company in the year 2017 has increased by Tk.436,631,420.00 compared to 2016.

Annexure - 2

RISK FACTORS AND CONCERNS

1. Interest Rate Risk

Interest rate risk is the risk that Company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Ratanpur Steel Re-Rolling Mills Limited (RSRM) has taken measures to ensure that the debt repayments are met on schedule, even if the interest rates were to rise. Even equity financing from IPO will reduce interest rate risk in future.

2. Exchange Rate Risk

Exchange rate risk occurs due to changes in foreign currency exchange rates. As the Company imports equipment from abroad and earns revenue in local currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company If exchange rate is decreased against local currency opportunity will be created for generating more profit. Appropriate and responsible hedging mechanisms are employed by RSRM in the past in case of significant taka devaluation in order to keep the cost minimum and same will be followed in future.

3. Industry Risks

I. Profitability may reduce

The Company is operating in a highly competitive industry with low profit & highly sensitive to the market. Moreover the Company faces competition from a number of private sector mills those are found to be very aggressive in the market. Inability of offering competitive products will hinder the Company's growth potential. RSRM has successfully accessed the market till date and is working on offering new and better quality products at competitive terms.

II. New Entrants may enhance competition

New entrants of similar/higher scale may push the Company in a competitive scenario. Implementation of similar project generally have a lead time of 5 (five) years and before the earliest entrant the Company will be able to consolidate its both financial as well as market position. Furthermore, with the track record of RSRM and its market reputation it will be very difficult for new comers to make inroads into the quality steels market. Hence, first-mover's advantage is big and RSRM, with its past experience and performance, will enjoy this advantage.

4. Market and Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency RSRM is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment and facilities.

5. Potential or Existing Government Regulations

The Company operates under Companies Act 1994, Customs Act 1969, and Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company Since the RSRM operates in Steel sector, the Government regulations are mostly investment-friendly However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the RSRM is expected not to be affected. As it is an emerging sector, it is highly expected that the Government will not frustrate the growth of the industry with adverse policy measures.

6. Operational Risks

Non-availability of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses. RSRM is equipped with power backup and security system, which reduce operational risk. Besides, the equipments have insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

7. Availability of Power and Gas

Steel industries require huge and uninterrupted power supply. Any unfavorable change in power related regulations may affect the Company's business. The Company also requires Gas for heating billets and accordingly shortage of gas supply will affect the operation of the Company. RSRM has 16 MW power load connection through 132/33 KV substation with 132 KV National Gridline from PDB which ensures uninterrupted power supply. 4 MW/h is using by RSRM for its existing operation. Furthermore, RSRM gas connection is connected with main distribution line of Chittagong zone. So, Ratanpur Steel Re-Rolling Mills Limited is enjoying uninterrupted and sufficient electricity and gas supply

8. Sourcing of Raw Materials

As steel market price is so variable, sourcing of raw material is so important. The main raw materials of RSRM are MS billets, which are supplying by Modern Steel Mills Ltd. under common directorship is existence between RSRM.

9. Distribution Risks

For any company, the most crucial wing is the distribution channel. Wide distribution network and control over the network is essential to make the quality product available to the consumer at right time and place. RSRM has strong presence all over the country since 1987. Sponsors'/ Directors' experience of more than two decades in this sector is considered the key of RSRM marketing and distribution network.

10. Risk associated with labor unrest

Smooth production is dependent on good relationship with the factory workers and their ability to provide high-quality services. In the event of disagreements with the workers, the company may experience adverse impact. Ratanpur Steel Re-Rolling Mills Limited maintains good atmosphere at the work place and provides all sort of facilities including safety to the workers as per law of the land.

Remuneration Paid to Director in 2017

Members of the Board of director were entitle and paid as follow:

Annexure - 3

Name	Position	Attendance	Remunaration	Total paid
Mrs. Shamsun Nahar Rahman	Chairman	-	615,000	615,000
Mr. Maksudur Rahman	Managing Director	-	700,000	700,000
Mr. Md. Younus Bhuiyan	Director	-	650,000	650,000
Mr. Md. Mizanur Rahman	Director	-	-	-
Mr. Marzanur Rahman	Director	-	-	-
Mr. Dr. Jamaluddin Ahmed FCA	Independent Director	135,000	-	135,000

Key operating and financial data of preceding 5 years

Annexure-4

		2017	2016	2015	2014	2013
Operations and Market						
Producton (Qty)	MT	136,664	106,831	103,402	85,398	88,040
% of Production Growth	%	27.92%	3.32%	21.08%	-3.00%	-9.46%
Sales (Qty)	MT	139,380	105,150	101,142	80,081	85,040
% of Sales Growth	%	32.55%	3.92%	26.30%	-5.83%	-6.95%
Financial Result						
Turnover	TK	7,488,695,752	5,377,411,796	5,503,171,247	4,766,995,506	5,253,806,261
Gross Profit	TK	1,257,365,287	650,543,192	549,442,969	465,001,928	515,265,026
	%	93.28%	18.40%	18.16%	9.75%	9.81%
Earnings Before interest	TK	986,741,122	390,188,419	282,896,111	220,320,697	294,246,131
WPP & WF and Tax	%	152.88%	37.95%	28.40%	4.62%	5.60%
Net Profit after Tex	TK	707,857,860	271,226,431	272,583,080	154,957,856	166,740,993
	%	160.98%	(0.50%)	75.91%	3.25%	3.17%
Earnings per share	TK	8.18	3.45	4.36	5.24	5.63
Financial Position						
Current Ratio(Times)		2.02	1.85	1.68	0.96	0.89
Net Asset Value	TK	3,857,261,552	3,228,027,693	2,989,561,262	1,744,278,183	1,589,320,327
Net Asset Value per share	Tk	44.60	41.06	45.63	58.93	53.69
Net Operating Cash Flow Per Share	Tk	2.08	1.45	(15.17)	2.89	(6.54)
Paid -Up Capital (In Crore)	Tk	864,864,000	786,240,000	655,200,000	296,000,000	296,000,000

THE PATTERN OF SHAREHOLDER AS ON 30 JUNE 2017

Annexure -5

A) Parent/Subsidiary/Associaterd companies and other related parties

Name	Relation	No. of Share hold
Ratanpur Ship recycling Ltd.	Institute	1,388,400

B) Directors/CEO/CS/CFO/ Head of internal Audit and Their Spouses and minor children

Name		No. of Share Held
Mrs. Shamsun Nahar Rahman	Chairman (Spouse of Mr. Maksudur Rahman)	5,882,400
Mr. Maksudur Rahman	Director and Managing Director	14,921,800
Mr. Md. Younus Bhuiyan	Director (Younger Brother of Mr. Maksudur Rahman)	4,516,760
Mr. Md. Mizanur Rahman	Director (Elder son of Mr. Maksudur Rahman)	1,776,000
Mr. Marzanur Rahman	Director (Younger son of Mr. Maksudur Rahman)	1,776,000
Dr. Jamaluddin Ahmed FCA	Independent Director	-
Mrinal Kanti Mondal	CFO	-
Mr. Md. Jafar Imam	CS	-

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

Name	Relation	No. of Share Held
Mr. Zulfiker Ali Azad	Executive Director-Marketing and Sales	-
Mr.LT CDR M A Ahad, PSC, BN(Retd.)	GM Production & Miantanance	-
Mr. Md. Serajul Islam	Consultant-Quality Control	-
Mr. Mohammad Ali	Chief Electrical Engineer	-
Mr. Abdul Khaleque	Senior Mechanical Engineer	-
Mr. Mohammad Rashed Iqbal	GM, HR and Admin	-
Mr. Md. Dewan Mabood Ahmed	Manager Commercial	-

Report of the status of compliance of Corporate Governance

Annexure – 6

Status of compliance with the condition imposed by the Commisssion Notification No. SEC/CMRRCD/2006-158/134/Admin/44 Dated August 07, 2012 and subsequently amended on July 21, 2013 issued under Section 2CC of the securities and exchange commission ordinance 1969.

Condition No.	Title	Compliance Status (Put √ in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.	**Board of Directors**			
1.1	Board's Size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (Twenty).	✓		
1.2	**Independent Directors:**			
1.2(i)	Minimum number of Independent Directors.	✓		
1.2(ii)a)	Shareholding by Independent Directors	✓		
1.2(ii)b)	Relationship with Company's Sponsor	✓		
1.2(ii)c)	Does not have any other relationship, whether pecuniary of otherwise, with the company or its subsidiary/ associated companies.	✓		
1.2(ii)d)	Not a member, director or officer of any stock exchange.	✓		
1.2(ii)e)	Not a shareholder, director officer of any member of stock exchange or an intermediary of the capital market.	✓		
1.2(ii)f)	Not a partner or an executive or was not partner or an executive during the preceding 3(three) years of any statutory audit firm.	✓		
1.2(ii)g)	Not be an independent director in more than 3(three)listed companies :	✓		
1.2(ii)h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFI.	✓		
1.2(ii)i)	Not been convicted for a criminal offence involving moral turpitude	✓		
1.2(iii)	Appointment of independent Director(s)	✓		
1.2(iv)	Not remain vacant for more than 90 (ninety) days.	✓		
1.2(v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2(vi)	Tenure of office of an independent director shall be for period of 3 (three) years, which may be extended for 1(one) term only.	✓		

1.3	**Qualification of Independent Director (ID) :**			
1.3 (i)	Knowledge of Independent Directors	✓		
1.3(ii)	Qualification and Experience of Independent Directors	✓		
1.3(iii)	Special cases for qualifications			N/A
1.4	Individual Chairman of the Board and CEO	✓		
1.5	**The Directors' Report to shareholders:**			
1.5(i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5(iii)	Risks and concerns	✓		
1.5(iv)	Discussion on Cost of Goods Sold Gross Profit Margin And Net Profit Margin	✓		
1.5(v)	Discussion on continuity of any Extra Ordinary gain or loss			No such incidence arose
1.5(vi)	Basis for related party transactions	✓		
1.5(vii)	Utilization of proceeds from public Issues/Rights	✓		
1.5(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer Direct Listing etc.	✓		
1.5(ix)	Explanation of significant variance occurs between Quarterly Financial performance and Annual Financial Statements	✓		
1.5(x)	Remuneration to Directors including Independent Directors	✓		
1.5(xi)	Fairness of Financial Statement	✓		
1.5(xii)	Maintenance of proper books of accounts	✓		
1.5(xiii)	Adoption of appropriate accounting policies and estimates	✓		
1.5(xiv)	Compliance with IAS, BAS, IFRS And BFRS in preparation of Financial Statements	✓		
1.5(xv)	Soundness of Internal Control System	✓		
1.5(xvi)	Ability to continue as a going concern	✓		
1.5(xvii)	Significant deviations in Operating Results compared to last year			
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years	✓		
1.5(xix)	Reasons for not declared dividend			N/A
1.5(xx)	Number of board meetings held during the year and attendance.	✓		
1.5(xxi)	**Pattern of shareholding:**			

1.5(xxi)a)	Shareholding by Parent/Subsidiary/Associated companies and other related parties.	✓		
1.5(xxi)b)	Shareholding by Directors.CEO, CS, CFO, HIA and their spouses and minor children.	✓		
1.5(xxi)c)	Shareholding by Executives	✓		
1.5(xxi)d)	Shareholders holding 10% or more voting interest.	✓		
1.5(xxii)	**Appointment/re-appointment of director:**			
1.5(xxii)a)	Resume of the directors	✓		
1.5(xxii)b)	Expertise of Directors	✓		
1.5(xxii)c)	Directorship in other companies	✓		
1.5(xxii)d)	Shareholders holding 10% or more voting interest.	✓		
2	**CFO,HIA and CS:**			
2.1	Appointment of CFO ,HIA and CS:	✓		
2.2	Attendances of CFO and CS at the meeting of the Board of Directors.	✓		
3	**Audit Committee:**			
3(i)	Audit Committee as a sub- Committee.	✓		
3(ii)	Function of the Audit Committee.	✓		
3(iii)	Reporting to the Board	✓		
3.1	**Constitution of the Audit Committee:**			
3.1(i)	Composition of Audit Committee.	✓		
3.1(ii)	Appointment of members of the Audit Committee.	✓		
3.1(iii)	Qualification of Audit Committee members	✓		
3.1(iv)	Term of service of Audit Committee	✓		
3.1v)	Secretary of the Audit Committee	✓		
3.1(vi)	Quorum of the Audit Committee meeting.	✓		
3.2	**Chairman of the Audit Committee.**			
3.2(i)	Board of Directors shall select the chairman	✓		
3.2(ii)	Chairman of the Audit committee shall remain present in the AGM.	✓		
3.3	Roll of Audit Committee:	✓		
3.3(i)	Oversee the financial reporting process.	✓		
3.3(ii)	Monitor choice of accounting policies and principles.	✓		
3.3(iii)	Monitor Internal Control Risk Management process.	✓		
3.3(iv)	Oversee hiring and performance of external auditors.	✓		
3.3(v)	Review the Annual Financial Statements	✓		
3.3(vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	✓		

3.3(vii)	Review the adequacy of Internal Audit function	✓		
3.3(viii)	Review of significant related party transactions	✓		
3.3(ix)	Review Management Letters/Letter of Internal Control Weakness issued by Statutory Auditors	✓		
3.3(x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right Issue	✓		
3.4	**Reporting of the Audit Committee:**			
3.4.1	**Reporting of the Board of Directors:**			
3.4.1(i)	Reporting on Activities	✓		
3.4.1(ii)a)	Report on conflicts of interests			No such incidence arose
3.4.1(ii)b)	Material defect in the internal control system			No such incidence arose
3.4.1(ii)c)	Suspected infringement of laws			No such incidence arose
3.4.1(ii)d)	Any other matter			No such incidence arose
3.4.2	Reporting to the Authorities			No such incidence arose
3.5	Reporting to the shareholders and General Investors	✓		
4	**External/Statutory Auditors**			
4(i)	Appraisal or valuation services or Fairness opinions	✓		
4(ii)	Financial information systems designed implementation	✓		
4(iii)	Book keeping or other services	✓		
4(iv)	Broker-dealer services	✓		
4(v)	Actuarial services	✓		
4(vi)	Internal Audit Services	✓		
4(vii)	Any other services that the Audit Committee determines.	✓		
4(viii)	Posses of share by partner or employee of Audit Firm.	✓		
4(ix)	Audit/ Certification services on compliance of Corporate Governance as required under clause (i) of condition No. 7	✓		

AMAR STOCK

5	**Subsidiary Company**			
5(i)	Composition of the Board of directors			N/A
5(ii)	At least 1(one) Independent Director to the Subsidiary company			N/A
5(iii)	Submission of Minutes to the holding company.			N/A
5(iv)	Review of Minutes by the holding company.			N/A
5(v)	Review of Financial statement by the Audit committee of holding company.			N/A
6	**Duties of Chief Executive Officer and Chief Financial Officer:**			
6(i)a)	Financial statement don't contain any untrue or misleading statement	✓		
6(i)b)	Financial statements present a true and fair view of the company's affairs and are in compliance with existing Accounting Standard and applicable laws.	✓		
6(ii)	Certification that there are no fraudulent, illegal or in violation of the company's code of conduct.	✓		
7	**Reporting and compliance of corporate Governance:**			
7(i)	Obtain certificate on compliance of corporate Governance.	✓		
7(ii)	Director's statement on compliance of the above condition in the Directors Report.	✓		

REGULATORY COMPLIANCE REPORT

Corporate Governance Report

Corporate governance refers to the structures and processes for the direction and control of companies. Sound corporate governance is a fundamental part of the culture of the company and ensures long term success. Corporate governance concerns the relationships among the management, Board of Directors, controlling shareholders, minority shareholders and other stakeholders. Good corporate governance contributes to sustainable economic development by enhancing the performance of companies. The Board of Directors of Ratanpur Steel Re-Rolling Mills Limited is firmly committed to upholding principles of sound corporate governance. Good corporate governance also means conformity to sound ethical principles and a code of conduct in business dealings.

Board of Directors

Board of Directors is the representative and trustee of the shareholders of the company. The Board of directors of Ratanpur Steel Re-Rolling Mills Limited comprises of five members including Chairman, Managing Director and the board also has one independent director in compliance with the corporate Governance Guidelines of BSEC. Board of Directors is performing the responsibilities, among others, setting the company's strategic objectives, providing leadership, supervision and safeguarding shareholders' interest.

Audit Committee

Ratanpur Steel Re-Rolling Mills Limited has an Audit Committee as a sub-committee of the Board of Directors. This committee is assisting the Board of Directors 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. This committee is responsible to the Board of Directors and its duties and responsibilities are clearly set forth in writing. Audit Committee is reconstituted as per the guidelines of BSEC.

Audit Committee holds regular meetings on the following major issues:

- to review the financial statements and reporting process and monitor the choice of accounting policies and principles;
- to review the business risk management;
- to review the internal audit assessment;
- to oversight the good corporate practices; and
- to review the adequacy of internal audit function etc.

A separate report of the audit committee is included in the annual report.

Chairman of the Board and Managing Director

Ratanpur Steel Re-Rolling Mills Limited, Chairman and Managing Director are two separate individuals selected from the Board of Directors. Both are performing defined responsibilities and focusing on the strategic value addition of the company. Managing Director is performing the role of Chief Executive.

Directors' Report to Shareholders

Board of Directors is reporting the performance, annual achievements and status of the company's activities to the shareholders. They are also conveying the future plan and outlook of the industry and company in their report.

Chief Financial Officer, Company Secretary and Head of Internal Audit

Company has appointed a Accounts & Finance exprienced as Chief Financial Officer and an experience person for Company Secretary.The Company Secretary regularly advises and assists the Board on financial strategy and compliance issues of the regulatory bodies. Chief Financial Officer and Company Secretary are also attending Board Meetings as per Corporate Governance notification of the BSEC. Company's internal audit department is also headed by a Head of Internal Audit having professional expertise and experiences in the field of internal audit.

Board of Directors clearly defined respective roles, responsibilities and duties of the CFO, Company Secretary and Head of Internal Audit.

Internal Audit and Control

Ratanpur Steel Re-Rolling Mills Ltd. established an Internal Audit Department consisting of professional and knowledgeable employees. Internal Audit Department directly reports to the Board of Directors. Internal Audit department regularly conducts their audit based on a yearly Internal Audit Plan and checks, verifies and reviews the compliance of Internal Control Procedure and other regulatory requirements.

External Auditors

External Auditors of Ratanpur Steel Re-Rolling Mills Ltd. is appointed in every Annual General Meeting (AGM) by the Shareholders of the company as per Company Act 1994. Company also conforms to the requirement of Bangladesh Securities and Exchange Commission in appointing external auditors. External Auditors are not engaged to perform any of the tasks other than external /statutory audit.

Certification on the Compliance of Corporate Governance Guidelines of BSEC

A certificate regarding compliance of conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission issued by Rahman Mustafiz & CO., Chartered Accountants is included in the annual report.

REPORT OF THE AUDIT COMMITTEE

Ratanpur Steel Re-Rolling Mills Ltd. has an Audit Committee as a sub-committee of the Board of Directors, as recommended by Bangladesh Securities and Exchange Commission (BSEC). The Audit Committee assists the Board of Directors 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 committee is reporting to the Board of Directors on performing the clearly set forth responsibilities by the Board of Directors.

Committee Members

The Audit Committee of the company comprises five members. The Committee is chaired by an Independent Director and is supported by the Company Secretary, who attends the Committee's meetings as the Secretary of the Committee. Meeting of the Committee were attended by the Managing Director, Head of Accounts & Finance and executive of internal audit department of the Company on invitation.

The terms of reference of the audit committee has been determined by the Board in accordance with the BSEC notification.

Role of Audit Committee

Main activities of the audit committee are summarized below:

1. **Overseeing and monitoring of financial reporting process, adoption of reporting standards and control risk management process.**
   Audit Committee is assisting in the oversight of the financial reporting process, including monitoring the adoption of reporting standards and internal control risks management process to ensure that appropriate financial reporting process and standards used and adequate activities/measures control to high risk areas are periodically evaluated and tested.
2. **Review of Periodic Financial Statements**
   During the year, Audit Committee reviewed all periodical financial statements of the company. This review was made along with the Board of Directors. Their review ensured that the financial statements are prepared in compliance with legal and accounting standard requirements and that the financial statements were disclosed accurate, reliable and timely information of the company.
3. **Review of Internal Control Assessment**
   During the year, the committee revised and reviewed the internal control system and internal audit plan with an emphasis on minimizing of defects, losses and fraud. The committee also reviewed that the internal control was both adequate and effective.
4. **Review of Internal Audit Report**
   During the year, the committee reviewed the activities of Internal Audit Department and take necessary actions on the basis of internal audit report.
5. **Review the Related Party Transactions and Investment Activities of Subsidiary**
   The Committee also reviewed the related party's transactions submitted by management and investing activities as well as affairs of Subsidiary and it appears that all the due procedures and policies have been followed.

Meetings and attendance

During the year under review, the Committee held four meetings. The attendance of the members at these meeting is as under:

Name of the members	Position	No. of meetings held whilst a committee member	Meetings attended
Mr. Dr. Jamaluddin Ahmed FCA	Chairman	4	4
Mr. Md. Younus Bhuiyan	Member	4	3
Mr. Md. Mizanur Rahman	Member	4	4
Mr. Marzanur Rahman	Member	4	4
Mr. Md. Jafar Imam	Secretary	4	4

Reporting of the Committee

On discharging its responsibilities, the audit committee has ensured the followings:

- ❖ Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- ❖ Adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed.

Observations, findings and suggestions of the committee were communicated to the Board of Directors and the Board of Directors had taken appropriate measures on the report.

On behalf of the Audit Committee

Dr. Jamaluddin Ahmed FCA
Independent Director and Chairman of the Audit Committee
24 August 2017

Rahman Mustafiz & Co.

shareholders of Ratanpur Steel Re-Rolling Mills Limited

We have examined the compliance with Corporate Governance by Ratanpur Steel Re-rolling Mills Ltd. (the Company) for the year ended 30th June, 2017 as stipulated in Notification No: SEC/CMRRCD/2006-158/134/admin/44 dated 7th August 2012 and as amended by Notification No: SEC/CMRRCD/2006-158/147/admin/48 dated July 21, 2013 of Bangladesh Securities and Exchange Commission.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of an opinion on the financial statements of the Company

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned notification.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company .

Dated: Dhaka
24 August 2017

Rahman Mustafiz & CO.
Chartered Accountants

Mini Plaza, Ga-93, 4th Floor, Gulshan Badda Link Road, Middle Badda, Dhaka-1212.
rahmanmustafiz@yahoo.com, mustafizcabd@yahoo.com, **www. rahmanmustafiz.com**

STATEMENT OF MANAGING DIRECTOR AND CFO ON FINANCIAL STATEMENTS

The Board of Directors
Ratanpur Steel Re-Rolling Mills Ltd.

We certify that:-

i) We have reviewed financial statements for the year ended 30th June, 2017 and 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 financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) To the best of our knowledge and belief, the company did not enter into any transactions which are contrary to the laws of the land or the ethical standards which the company adheres to.

Maksudur Rahman
Managing Director

Mrinal Kanti Mondal
Chief Financial Officer

Sustainable Business Growth

Environment, Human Resource and Information Technology

RSRM is involved in production and supply of MS Deformed Bar. For keeping our human resources safe and sound and to keep clean environment in the factory premises, we have taken initiatives to mitigate all problems.

Green Environment

We are using Water Treatment Plant (WTP) for recycling the water for reusing and to keep the environment free from pollution

Human Resource Development

We have professional and experienced team in each department which actually enables us to maintain our quality of product, sustainable growth, efficiency in production and marketing as well as to retain our market position.

Capacity building

For capacity building we regularly arrange training for all of our staffs. Both in house and outside training is arranged for them.

Safety, Health and Environment Policy

RSRM is ISO certified and obtained ISO-90001:2008 (QMS). Our company has comprehensive records for safety of all the company's data and information. As per law, all kinds of vouchers, Ledger, sales invoice and other books and records has been kept for 12 years.

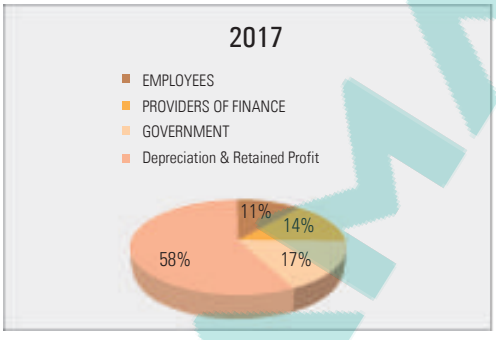
Information Technology

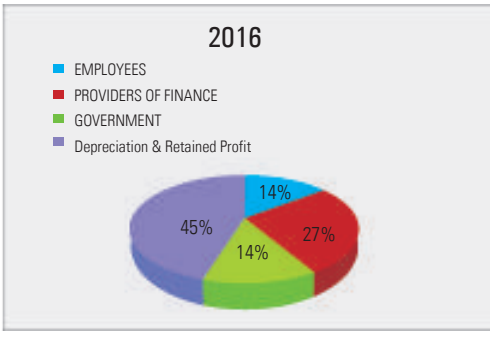
We have professional and experienced team for cope up with information technology for ensuring security and data recovery we have reasonable due care in our systems.

AMARSTOCK

VALUE ADDED STATEMENT & EVA

	2017	%	2016	
	Taka		Taka	
Value Added:				
Revenue	7,488,695, 752		5,377,411,796	
Other Income	807 ,818		800,650	
	7,489,503,570		5,378,212,446	
Less : Paid to suppliers for materials and services	6,149 ,911,506		4,640,607,043	
	1,339,592,064	100	737,605,403	100
Distributed as follows:				
EMPLOYEES				
Wages, Salaries, bonus, and other benefits	147,719,375	11%	107,642,024	15%
PROVIDERS OF FINANCE	191,799,234	14%	196,649,573	27%
GOVERNMENT	231,895,591	17%	100,381,587	14%
	571,414,200	43%	404,673,184	55%
RETAINED FOR REINVESTMENT & FUTURE GROWTH				
Depreciation & Amortization	60,320,004	5%	61,705,788	8%
Retained Profit	707,857,860	53%	271,226,431	37%
	768,177,864	57%	332,932,219	45%
	1,339,592,064	100	737,605,403	100





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.

Calculation of EVA	2015	2014
Net Operating profit after Tax (NOPAT)	707,857,860	271,226,431
Total Capital Employed	3,998,137,846	3,368,871,009
Cost of Capital in %	4.13%	8%
Cost of Capital (COC)	165,040,724	270,229,596
EVA= NOPAT - COC	542,817,136	996,835

Auditors' Report & Financial Statements

For The Financial Year Ended 30 June 2017
Of
Ratanpur Steel Re-Rolling Mills Limited

AHMED ZAKER & CO.
Chartered Accountants
(A Member Firm of Morison KSi)
Green City Edge (Level-10)
88,Kakrail Dhaka -1000, Bangladesh

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Web: www.morisonksi.com

CHITTAGONG OFFICE : [illegible]
SYLHET OFFICE : [illegible]

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RATANPUR STEEL RE-ROLLING MILLS LIMITED

We have audited the accompanying Financial Statements of **RATANPUR STEEL RE-ROLLING MILLS LIMITED,** which comprises the Statement of Financial Position as at 30 June, 2017 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the accounts for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS) as adopted by ICAB, the Companies Act 1994, the Securities and Exchange Commission Rules 1987 and other applicable laws and regulations. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan to perform the audit to obtain reasonable assurance whether the financial statements arc free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the Financial Position prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS) as adopted by ICAB give a true and fair view of the state of the company's affairs as at 30th June, 2017 and comply with the Companies Act 1994, the Securities Exchange Commission Rules 1987 and other applicable laws and regulations. Further to our opinion in the above paragraph, we state that:

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) In our opinion, proper books of account as required by law have been kept by **RATANPUR STEEL RE-ROLLING MILLS LIMITED** so far as it appeared from our examination of those books;

(iii) The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income and other notes with by the report are in agreement with the books of account and returns;

(iv) The expenditure incurred was for the purpose of the Company's business.

Ahmed Zaker & Co.
Chartered Accountants

Dated: 24.08.2017
Place: Chittagong

Ratanpur Steel Re-Rolling Mills Limited
Statement of Financial Position
As on 30 June 2017

	Notes	Amount in BDT	
		30-Jun-17	30-Jun-16
Assets			
Non-Current Assets:		2,102,641,069	1,992,197,082
Property Plant & Equipment	4	2,089,343,539	1,992,197,082
Capital Work-In-Progress		13,297,530	-
Current Assets:		3,759,680,971	3,003,792,077
Advances, Deposits and Prepayments	5	72,012,576	69,391,255
Inventories	6	1,886,507,482	1,613,896,280
Accounts Receivable	7	1,783,284,673	1,286,718,741
Cash and Cash Equivalents	8	17,876,240	33,785,801
Total Assets		5,862,322,040	4,995,989,159
Equity and Liabilities			
Shareholders' Equity:		3,857,261,553	3,228,027,693
Share Capital	9	864,864,000	786,240,000
Share Premium		750,000,000	750,000,000
Revaluation Surplus of Land	4.01	943,950,000	943,950,000
Retained Earnings		1,298,447,553	747,837,693
Non-Current Liabilities:		140,875,994	140,843,317
Long Term Portion of Lease Liabilities	10	-	9,344,401
Deferred Tax Liability	11	140,875,994	131,498,915
Current Liabilities:		1,864,184,494	1,627,118,149
Current Portion of Lease Liabilities	10	17,191,573	22,079,644
Short term Liabilities	12	1,453,574,424	1,385,504,042
Creditors and Accruals	13	123,912,313	117,726,179
Income Tax Liability	14	222,518,512	83,227,883
Liability for WPPF and Welfare Fund	15	46,987,672	18,580,401
Total Liabilities		2,005,060,488	1,767,961,466
Total Liabilities and Shareholders' Equity		5,862,322,040	4,995,989,159
Net Asset Value Per Share (NAV)	24	44.60	41.05

The annexed notes (1-36) the integral part ot these statements.

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

Signed in terms of our separate report of even date.

Ahmed Zaker & Co.
Chartered Accountants

Dated: 24.08.2017
Place: Chittagong

Ratanpur Steel Re-Rolling Mills Limited
Statement of Profit or Loss and other Comprehensive Income
For the financial year ended 30 June, 2017

	Notes	Amount in BDT	
		30-Jun-17	30-Jun-16
Revenue (Net off VAT)	16	7,488,695,752	5,377,411,796
Cost of Goods Sold	17	(6,231,330,465)	(4,726,868,604)
Gross Profit		1,257,365,287	650,543,192
Operating Expenses		(79,632,750)	(64,505,851)
Administrative and Other Expenses	18	(30,319,434)	(24,225,311)
Selling and Distribution Expenses	19	(49,313,316)	(40,280,540)
Operating Profit		1,177,732,537	586,037,340
Finance Cost	20	(191,799,234)	(196,649,573)
Finance Income	21	807,818	800,650
Profit before WPPF and Income Tax		986,741,122	390,188,418
Contribution to WPPF and Welfare Fund @ 5%	15	(46,987,672)	(18,580,401)
Net Profit Before Income Tax		939,753,450	371,608,018
Tax Expenses			
Current Tax	14	(222,518,512)	(83,227,883)
Deferred Tax	11	(9,377,079)	(17,153,704)
Net Profit After Tax		707,857,860	271,226,432
Earning Per Share (EPS)	22	8.18	3.45
Restated Earning Per Share	23		3.14

The annexed notes (1-36) the integral part ot these statements.

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

Signed in terms of our separate report of even date.

Ahmed Zaker & Co.
Chartered Accountants

Dated: 24.08.2017
Place: Chittagong

Ratanpur Steel Re-Rolling Mills Limited
Statement of Changes In Equity
For the financial year ended 30 June, 2017

Particulars	Share Capital	Retained Earnings	Revaluation Reserve	Share Premium	Total Equity
Balance as on 01 July 2016	786,240,000	747,837,693	943,950,000	750,000,000	3,228,027,693
Profit / (Loss) after tax		707,857,860			707,857,860
Bonus Share	78,624,000	(78,624,000)			-
Cash Dividend		(78,624,000)			(78,624,000)
Balance as on 30 June, 2017	**864,864,000**	**1,298,447,553**	**943,950,000**	**750,000,000**	**3,857,261,553**

Particulars	Share Capital	Retained Earnings	Revaluation Reserve	Share Premium	Total Equity
Balance as on 01 July 2015	655,200,000	640,411,262	943,950,000	750,000,000	2,989,561,262
Profit / (Loss) after tax		271,226,431			271,226,431
Bonus Share	131,040,000	(131,040,000)	-	-	-
Cash Dividend	-	(32,760,000)	-	-	(32,760,000)
Balance as on 30 June, 2016	**786,240,000**	**747,837,693**	**943,950,000**	**750,000,000**	**3,228,027,693**

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

Signed in terms of our separate report of even date.

Ahmed Zaker & Co.
Chartered Accountants

Dated: 24.08.2017
Place: Chittagong

Ratanpur Steel Re-Rolling Mills Limited
Statement of Cash Flows
For the financial year ended 30 June, 2017

		Amount in BDT	
		30-Jun-17	30-Jun-16
A.	**Cash Flows from Operating Activities**		
	Collection from sales and other income	6,992,937,639	5,047,483,778
	Payment for cost and other expenses	(6,538,270,001)	(4,685,901,218)
	Cash generated from operation	**454,667,638**	**361,582,560**
	Financing Cost	(191,799,234)	(196,649,573)
	Income Taxes Paid	(83,227,883)	(51,088,581)
	Net cash inflow /(outflow) from Operating Activities	**179,640,521**	**113,844,406**
B.	**Cash flows from Investing Activities**		
	Acquisition of property, plant & equipment	(157,466,461)	(52,299,722)
	Capital work in progress	(13,297,530)	
	Net cash inflow /(outflow) from Investing Activities	**(170,763,991)**	**(52,299,722)**
C.	**Cash flows from Financing Activities**		
	Short term loan Received	68,070,381	-
	Dividend Paid	(78,624,000)	(32,760,000)
	Lease Loan Repayment	(14,232,473)	(19,066,730)
	Net cash inflow /(outflow) from Fianancing Activities	**(24,786,091)**	**(51,826,730)**
D.	**Net increase/(Decrese) in cash & cash equivalents (A+B+C)**	(15,909,561)	9,717,954
E.	Cash and cash equivalents at the beginning	33,785,801	24,067,846
F.	**Cash and cash equivalents at the end (D+E)**	**17,876,240**	**33,785,801**
G.	**Net Operating Cash Flow Per Share (Note: 25.00)**	**2.08**	**1.45**

The annexed notes (1-36) the integral part ot these statements.

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

Signed in terms of our separate report of even date.

Ahmed Zaker & Co.
Chartered Accountants

Dated: 24.08.2017
Place: Chittagong

Ratanpur Steel Re-Rolling Mills Limited
Notes, comprise a summary of significant accounting policies and other explanatory notes
For the financial year ended June 30, 2017

1.00 REPORTING ENTITY

1.01 Background of the Company

The company was incorporated in Bangladesh as private limited company on 22 April, 1986 as company limited by shares under the Companies Act, 1913 and converted into public limited company on 26 June 2012 under the Companies Act, 1994. The Company is engaged in the manufacturing process of producing various grades of M.S. Deformed Bar (300W/40 Grade, 400W/60 Grade and 500W/TMT) from M.S. Billet and sales/export of the products and other business related thereto. The company has set up its Re-Rolling Mills factory at 176, Baizid Bostami I/A, Baizid Bostami Road, Nasirabad, Chittagong, and commenced commercial production from 1986. 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 22 September 2014.

1.02 Nature of Business

The principal activities of the Company are to manufacture and sales of M.S. Deformed Bar of various grades (300W/40 Grade, 400W/60 Grade and 500W/TMT) from M.S. Billet. Company is engaged in the manufacturing process of producing M.S. Rod (40 Grade, 60 Grade and 500W) from M.S. Billet.

1.03 Business with Affiliated Company

Sl No.	Name of Related Party	Relationship	Nature of the Business
1	Modern Steel Mills Limited	Affiliated	Supply of Raw Material
2	Dynamic Steel Corporation	Affiliated	Supply of Raw Material

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

The financial statements have been prepared incompliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) include Bangladesh Accounting Standards (BAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs).

2.02 Regulatory Compliances

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984;
The Income Tax Rules 1984;
The Value Added Tax Act 1991;
The Value Added Tax Rules 1991;
The Customs Act, 1969;
Bangladesh Labour Law, 2006;
The Securities and Exchange Ordinance, 1969;
The Securities and Exchange Rules, 1987; and
Securities and Exchange Commission Act, 1993

2.03 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB as BAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

i. Statement of financial position as at 30 June 2017;
ii. Statement of profit or loss and other comprehensive income for the year ended 30 June 2017;
iii. Statement of cash flows for the year ended 30 June 2017;
iv. Statement of changes in equity for the year ended 30 June 2017;
v. Notes comprise a summary of significant Accounting policies and other explanatory notes for the year ended 30 June 2017.

2.04 Measurement Bases used in preparing the Financial Statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.05 Reporting Currency and Level of Precision

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

2.06 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of Ratanpur Steel Re-Rolling Mills Limited.

2.07 Use of Estimates and Judgments

The preparation of these financial statements, in conformity with BASs/BFRSs, required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation on uncertainty and critical judgments in applying accounting policies that have the most significant affect on the amounts recognized in the financial statements are included in the following notes:

Note: 4 Property, Plant and Equipment
Note: 5 Advances, Deposits and Pre-payments
Note: 6 Inventories
Note: 7 Accounts Receivables
Note: 11 Deferred Tax Liability
Note: 13 Creditors & Accruals
Note: 14 Income Tax Liability

2.08 Reporting Period Date of Authorization:

The financial year of the companies covers one year from 1 July 2016 to 30 June 2017 and is followed consistently.

2.09 Statement of Cash Flows:

Statement of cash flows is prepared in accordance with "BAS 7: Cash Flow Statement" and the cash flows from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

2.10 Compliance with the Requirements of Notification of the Securities and Exchange Commission dated 04.06.2008 under ref. # SEC/CMMRPC/2008-181/53/Adm/03/28

a) Notes to the financial statements marked from 3.00 to 3.20 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.

b) The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.20.

c) The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

Sl. No.	Name of the BAS	BAS's no.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Cash Flow Statements	7
4	Accounting policies, Changes in accounting Estimates & Errors	8
5	Events after the Reporting Period	10
6	Construction Contracts	11
7	Income Taxes	12
8	Segment Reporting	14
9	Property, Plant and Equipment	16
10	Leases	17
11	Revenue	18
12	Employees Benefits	19
13	The Effects of Changes in Foreign Exchange Rates	21
14	Borrowing Costs	23
15	Related Party Disclosures	24
16	Accounting and Reporting by Retirement Benefit Plans	26
17	Consolidated and Separate Financial Statements	27
18	Investment in Associates	28
19	Interest in Joint Ventures	31
20	Financial Instruments: Presentation	32
21	Earning Per Share	33
22	Interim Financial Reporting	34
23	Impairment of Assets	36
24	Provision, Contingent Liabilities and Contingent Assets	37
25	Intangible Assets	38
26	Financial Instruments: Recognition & Measurement	39
27	Investment Property	40
28	Agriculture	41

SL. No.	Name of the BFRS/IFRS	BFRS/ IFRS No
1	First -time Adoption of Bangladesh Financial Reporting Standards	1
2	Share based payment	2
3	Bus iness Combinations	3
4	Insurance Contracts	4
5	Non -Current Assets held for sale and discontinued operations	5
6	Exploration for and evaluation of mineral resources	6
7	Financial Instruments: Disclosures	7
8	Operating Segments	8
9	Financial Instrument s	9
10	Consolidated Financial Statements	10
11	Joint Arrangements	11
12	Disclosure of Interests in Other Entities	12
13	Fair Value Measurement	13

d) The financial statements are in compliance with the Bangladesh Financial Reporting Standards (BFRS) which are adopted from the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2.11 **Standards, amendments or interpretations which became effective during the year**

During the year certain amendments to Standards and new interpretations became effective however they did not have any material effect on the financial statements of the Company.

2.12 **New/revised accounting standards, amendments to published accounting standards, and Interpretations that are not yet effective**

The following new standards, amendments and interpretations of approved accounting standards are only effective for annual periods beginning from the dates specified below and have not been early adopted by the company.

- Amendments to IAS 12: income tax, deferred tax on investment property (effective for annual periods beginning on after1 January 2012). The 2010 amendment provides an exception to the measurement principle in respect of investment property measured using the fair value model in accordance with IAS 40 Investment property. The measurement of deferred tax assets and liabilities, in this limited circumstance, is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The presumption can be rebutted only if the investment property is depreciable and held within a business model whose objective is to consume substantially all of the asset's economic benefits over the life of the asset. The amendment has no impact on financial statements of the Company.

- IAS 19: (Amendment) regarding defined benefit plans (effective for periods beginning on or after July 1, 2014) amendments that require actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19: and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. The Company is yet to assets the full impact of the amendment.

- Presentation of items of Other Comprehensive income {Amendments to IAS-1) (effective for annual periods beginning on or after 1 July 2012). The amendments require that an entity present separately the items of other comprehensive income that would be reclassified to profit or loss in the future it certain conditions are met from those that would never be reclassified to profit or loss. The amendments do not address which items are presented in other comprehensive income or which items need to be reclassified. The requirements of other IFRS's continue to apply in this regard. The amendments have no impact on financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities Amendments to IAS 32: Financial Instruments-Presentation (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.

- Offsetting Financial Assets and Financial Liabilities Amendments to IFRS 7: Financial Instruments-Disclosures (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.

- Annual Improvements 2009-2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following three standards, with consequential amendments to other standards and interpretations.

- IAS 1: Presentation of Financial Statements is amended to clarify that only one comparative period -which is the preceding period -is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the 'third statement of financial position', when required, is only required if the effect of restatement immaterial to statement of financial position.

- IAS 16: Property, Plant and Equipment is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of 'property. Plant and equipment in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.

- IAS 32: Financial Instruments: Presentation - is amended to clarify that IAS 12- Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of financial statements.

3.01 Property, Plant & Equipment

3.1.1 Recognition and Measurement

Property, plant & Equipment are accounted for according to BAS 16 "Property, Plant and Equipment" at Historical cost less cumulative depreciation except land and land development which consider at revalued and includes expenditures that are directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

3.1.2 Depreciation

Depreciation is recognized in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of fixed assets. Depreciation is charged on addition from the month of acquisition /addition and no depreciation is charged in the month of disposal. Depreciation is provided on a diminishing balance method at the rate(s) shown below:

Category	Rate
Land and Land Development	0%
Factory Building & Civil Construction	4%
Plant & Machinery	7%
Machinery Under Capital Lease	7%
Logistics Equipments	7%
Office Equipment	10%
Furniture & Fixture	10%
Motor Vehicle	20%

3.1.3 Revaluation of Fixed Assets

Since inception, the company revalued its Land & Land Development for the 1st time in the FY 2011-2012 by Emerging Resources Limited. Reserve is created by the sum of revaluation surplus and no depreciation is charged on revalued land and land Development.

3.2 Inventories

3.2.1 Valuation of Inventories

Inventories are measured at lower of cost and ex-factory net realizable value in compliance with "BAS 2: Inventories". The cost of inventories is based on weighted average principle and includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion. When the inventories are used, the carrying amounts of those inventories are recognized as expense in the year in which the related revenue is recognized. According to the requirement of BAS-2, Inventories are valued at the lower of cost or net realizable value.

Category	Valuation
Finished goods	Finished goods are valued at cost or net realizable value whichever is lower.
Raw materials	Raw materials are valued at cost or net realizable value whichever is lower.
Spares Parts	Based on weighted average method.

3.3 Capital Work-In-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.4 Leased assets

The leased liability is considered as a capital lease. So the interest expense on Lease liability is charge to income statement under finance cost.

3.5 Revenue Recognition

Revenue from net sales of the company represents invoiced value of sale of MS Deformed Bar, Cut Piece Rod, Misroll, Scrap and Rubbish which are recognized after considering the conditions, set in paragraph 14 of BAS 18: "Revenue". Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the cost incurred or to be incurred in respect of the transaction can be measured reliably.

3.6 3.6 Foreign Currency Transaction/Translation

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to BAS 21: The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to Statement of profit or loss and other Comprehensive Income for the respective period.

3.7 Financial Expenses

Financial costs comprise of interest expense on short term loan. The costs are charged to revenue except those are capitalized in accordance with BAS 23: Borrowing Costs.

3.8 Financial Instruments

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

Trade Receivables

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivable at the year end, if any. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using exchange rates prevailing on the date of transaction.

Trade Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company, whether or not billed by the suppliers

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effect.

3.9 Taxation

3.9.1 Current Tax

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and incompliance with Finance Act. 2017.

3.9.2 Deferred Tax

The company has decided to adopt policy of recognition of deferred tax in accordance with the Bangladesh Accounting Standard 12 (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 prevailing at the statement of financial position date.

3.10 Provisions

As per "BAS 37: Provisions, Contingent Liabilities and Contingent Assets' a provision recognized on the date of statement of financial position if, as a result of past even Company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation.

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.11 Contingencies

Contingencies arising from claim, litigation assessment, fines, penalties etc are recorded it is probable that a liability has been incurred and the amount can be measured reliably accordance with "BAS 37: Provisions, Contingent Liabilities and Contingent Assets".

3.12 Earning Per Share (EPS)

The company calculates Earning Per Share (EPS) in accordance with BAS 33 "Earning Per Share" which has been shown on the face of statement of profit or loss and other Comprehensive Income and the computation of EPS is stated in Note - 22 of the financial statements.

Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there is no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to ordinary shareholders. Basic earnings per share has been calculated by dividing the net profit or loss by the number of ordinary share outstanding during the year.

Diluted Earnings Per Share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.

3.13 Contingent Liabilities and Assets

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non- occurrence of one or more uncertain future events, which are not within the control of the company. In accordance with BAS 37 provisions, contingent liabilities and contingent assets are disclose in note 31 of the financial statements.

3.14 Worker's profit participation & welfare funds

The company contributed 5% of net profit before charging the amount to the aforementioned fund in accordance with the requirement of section 234 of labour Act. 2006.

3.15 Segment 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 as geographical segment.

3.16 Event after Statement of Financial Position Date

In compliance with the requirements of "BAS-10: Event After the reporting period" that provide additional information about the company's position at the date of the financial position are reflected in the financial statements.

3.17 Going Concern

The company has adequate resources to continue its operations for foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

3.18 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by BAS 24: Related Party Disclosures has been disclosed in a separate note (note no: 30) to the accounts.

3.19 Financial Risk Management Policies

The company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The company does not hold or issue derivative financial instruments for speculative or trading purposes.

Interest Rate Risk

The company has no significant risk of fluctuations in interest rates.

Foreign Currency Risk

The company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies.

Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity Risk

The company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the company operations and to mitigate the effects of fluctuations in cash flows.

Fair Values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of trade and other short-term receivables are taken to approximate their carrying value. The fair value of financial assets and liabilities approximate their carrying value.

3.20 General

i) Comparative figures have been re-arranged where 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.

ii) Figures for the previous year have been rearranged wherever considered necessary to ensure comparability with the current year.

	Amount in BDT	
	30-Jun-17	30-Jun-16
4.00 Property Plant & Equipment		
At cost	**2,508,700,319**	**2,351,233,858**
Land and land Development	1,048,750,000	1,048,750,000
Factory Building & Civil Construction	402,531,158	367,704,568
Plant & Machinery	793,428,390	670,788,519
Logistics Equipment	77,810,979	77,810,979
Furniture & Fixture	2,962,460	2,962,460
Motor Vehicles	39,806,505	39,806,505
Office Equipment	13,510,827	13,510,827
Machinery under capital lease	129,900,000	129,900,000
Accumulated Depreciation:	**419,356,780**	**359,036,776**
Land and land Development	-	-
Factory Building & Civil Construction	84,166,977	72,352,911
Plant & Machinery	232,927,379	199,970,089
Logistics Equipment	27,894,728	24,137,591
Furniture & Fixture	1,530,924	1,371,864
Motor Vehicles	22,370,054	18,010,941
Office Equipment	5,767,325	4,906,936
Machinery under capital lease	44,699,393	38,286,444
Written down value	**2,089,343,539**	**1,992,197,082**

Details shown in Annexure-1.

4.01 Revaluation Surplus of Land

The company revalued its land & land development on 12 April 2012 by Emerging Resources Ltd. following the resolution of the Board of Directors on 30 April 2012 to make a reflection of the present value of those assets in the financial statements as on 30 June 2012. The Company did not revalue its other assets as because the difference of present value and book value of such asset is insignificant. Details of the revaluation of the assets are given below:

Particulars	Net Book value Taka (30.06.2011)	Revalued Amount (Taka)	Value Increase due to Revaluation (Taka)
Land & Land development	104,800,000	1,048,750,000	943,950,000

5.00 Advances, Deposits and Prepayments		
Advances (Note:5.1)	62,639,398	61,763,786
Deposits (Note: 5.2)	9,373,178	7,627,469
	72,012,576	**69,391,255**
5.01 Advance		
Factory Staff	3,865,184	4,699,124
Advance Income Tax (Note- 5.1.1)	58,479,655	44,739,457
Advance to Advertisement Party	-	6,000,000
Advance to Supplier Party	-	5,844,972
Value Added Tax-Current Account	294,559	480,233
	62,639,398	**61,763,786**
5.1.1 Advance Income tax		
Opening	44,739,457	31,870,537
Adjustment during the year	(44,739,457)	(31,870,537)
Source Tax on Interest Income	85,632	102,394
Payment During the year	58,394,023	44,637,063
	58,479,655	**44,739,457**

		Amount in BDT	
		30-Jun-17	30-Jun-16
5.02	**Deposits:**		
	Bangladesh Power Development Board	1,140,000	1,140,000
	FDR (Karnaphuli Gas Distribution Co. Ltd.)	6,310,048	4,564,339
	BTCL	12,000	12,000
	Lease Deposit	1,911,130	1,911,130
		9,373,178	7,627,469
6.00	**Inventories**		
	Finished Goods	869,071,392	946,362,692
	Raw Materials	980,179,200	635,477,378
	Spares Parts	37,256,890	32,056,210
		1,886,507,482	1,613,896,280
7.00	**Accounts Receivable**		
	Opening	1,286,718,741	913,387,690
	Sales During the year	7,488,695,752	5,377,411,796
	Collection during the year	(6,992,129,820)	(5,004,080,746)
		1,783,284,673	1,286,718,741

The management believe that above receivables are good and fully realisable.

7.01	**Ageing of Accounts Receivables are as follows:**		
	Less than 30 days	624,149,636	248,133,333
	Over 30 days but less than 60 days	410,155,475	138,889,752
	Over 60 days but less than 90 days	463,654,015	555,205,113
	Over 90 days	285,325,548	344,593,809
		1,783,284,673	1,286,822,007
8.00	**Cash and cash equivalents**		
	Cash in Hand	3,223,443	8,588,703
	Cash at Banks(Note-8.01)	14,652,797	25,197,098
		17,876,240	33,785,801
8.01	**Cash at Banks**		
	AB Bank Limited # 4000	22,067	27,834
	AB Bank Limited # 4430	930,407	584,752
	Agrani Bank Ltd # 9069	155,864	60,884
	Al Arafa Islami Bank Limited # 3027(1331)	333,237	173,768
	Bank Asia # 240	36,195	53,622
	City Bank Limited # 6001	257,161	209,750
	Dutch-Bangla Bank Limited # 0963	1,501,155	1,656,517
	Exim Bank Limited # 2676	138,855	294,892
	First Security Islami Bank Limited # 2598	118,430	444,587
	HSBC # 004-111092-011	56,406	56,981
	ICB Islami Bank Limited # 3098	1,785	2,360
	Islami Bank Bangladesh Limited # 3718	248,412	37,782
	Janata Bank Limited # 2788	47,053	46,407
	Janata Bank Limited # 293	16,556	6,654
	Meghna Bank Limited # 0007	31,631	1,746,269

Meghna Bank Limited # 0131	24,686	49,647
Mercantile Bank Limited # 588	100,136	118,951
National Bank Limited # 1876	499,979	407,642
National Credit and Commerce Bank Limited # 804	170,338	1,175,345
One Bank Limited # 275	683,983	559,946
Premier Bank Limited # 1729	303,277	1,170,641
Pubali Bank Limited # 0724	542,905	745,512
Sonali Bank Limited # 17497	1,344,650	925,532
South Bangla Agriculture & Commerce Bank Limited # 45119	2,721,818	1,764,518
South Bangla Agriculture & Commerce Bank Limited # 0778	104,125	39,270
Southeast Bank Limited # 02091	3,501	23,839
Southeast Bank Limited # 45907	11,610	12,760
Southeast Bank Limited # 998	109,735	1,753,227
Standard Bank Limited # 217	234,780	427,863
Trust Bank Limited # 1020	3,070,730	3,032,442
Trust Bank Limited # 277	87,413	4,161,532
Trust Bank Limited # 835	-	975
Trust Bank Limited # 015 (IPO A/C)	326,540	330,268
United Commercial Bank Limited # 238	341,500	3,034,562
United Commercial Bank Limited # 601(New 168)	64,446	43,473
United Commercial Bank Limited # 6785(new-158)	11,436	16,093
	14,652,797	**25,197,098**

9.00 Share Capital

Authorised Share Capital		
10,000,0000 Ordinary Shares of BDT 10 each	**1,000,000,000**	**1,000,000,000**
Issued, Subscribed and Paid-up capital		
29,600,000 Ordinary Shares of Tk. 10 each (For the year 2014)	296,000,000	296,000,000
35,920,000 Ordinary Share as at Tk. 10 each (For the year 2015)	359,200,000	359,200,000
13,104,000 Ordinary Shares as at Tk. 10 each (For the year 2016)	131,040,000	131,040,000
7,862,400 Ordinary Shares as at Tk. 10 each (For the year 2017)	78,624,000	-
86,486,400 Ordinary Shares of BDT 10 each	**864,864,000**	**786,240,000**
(7,862,400 Bonus Share at Tk. 10 each has been issued for the year 2016)		

9.01 Classification of shares by holding class by number of shares

Class by Number of Shares	Number of Holders	Number of Shares	Holding (%)
Less than 500	4,644	910,124	1.052
From 500 to 5,000	2,580	4,634,305	5.358
From 5,001 to 10,000	400	3,001,156	3.470
From 10,001 to 20,000	215	3,125,883	3.614
From 20,001 to 30,000	87	2,177,847	2.518
From 30,001 to 40,000	44	1,549,348	1.791
From 40,001 to 50,000	24	1,138,843	1.317
From 50,001 to 100,000	37	2,572,379	2.974
From 100,001 to 1,000,000	39	9,796,650	11.327
Above 1,000,000	12	57,579,865	66.577
Total	8,082	86,486,400	100.00

	Amount in BDT	
	30-Jun-17	30-Jun-16

9.02 **Compositon of Shareholders at 30 June, 2017**

Name of Shareholders	Number of Shares	Holding (%)
Sponsor Shareholders	28,872,960	33.38
Institutes	28,708,308	33.19
Other Shareholders	28,905,132	33.42
Total	**86,486,400**	**100.00**

10.00 Lease Liabilities		
IDLC Finance Lease Liability-1001 (Note: 10.01)	16,395,683	29,435,920
IDLC Finance Lease Liability-1002 (Note: 10.02)	795,891	1,988,126
	17,191,573	**31,424,046**
10.01 IDLC Finance Lease Liability-1001		
Due Within one Year	16,395,683	20,887,409
Due After one year	-	8,548,511
	16,395,683	**29,435,920**
10.02 IDLC Finance Lease Liability-1002		
Due Within one Year	795,891	1,192,235
Due After one year	-	795,891
	795,891	**1,988,126**

The details Terms of Leased Loan (IDLC) is as under:
Lender:IDLC Finance Limited

Total Lease Facilities: The lease loan amount was Eight crore and eighty lac on which 7.74 crore enjoyed by the company.

Interest Rate: Initial interest rate is 16.70% per annum for the one year from the date of disbursement. Thereafter the rate of interest shall be reviewed at annual intervals.

Revised Interest Rate: The rate of interest was changed at rate of 15% from March 12,2014.
Loan Term: 5 years

Monthly Installment: Monthly Installment Revised at BDT 1,878,730 which effective from 12.03.2014.

Disbursement: Disbursement was made on 7th January 2013 and 14th Novemver, 2012.

Repayment: The both Loan facility of IDLC finance will be repayable in 60 equal monthly installment.

Purpose: The purpose of the loan is for the procurement of the capital machinery.

Security: Personal Guarantee from all Directors of the Company.

	Amount in BDT	
	30-Jun-17	30-Jun-16

11.00 Deferred tax Liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment as per financial statements and tax written down value and financial position's liability method for gratuity obligation.

Opening balance	131,498,915	114,345,211
Deffered tax liability /(assets) as on 30 June.	9,377,079	17,153,704
Increase /(decrease) of deffered tax liability	**140,875,994**	**131,498,915**

*** **Deferred tax liabilities/(assets) recognized in accordance with the provision of BAS's-12.**
Details Shown in Annexure-2.

12.00 Short Term Liabilities:

Sonali Bank: Pledge # 08	357,020,071	372,521,900
Sonali Bank: Hypo # 22	593,641,577	570,062,823
Sonali Bank # LTR	502,912,776	442,919,320
	1,453,574,424	1,385,504,042

The details Terms of CC loan (Sonali Bank) is as under:
Lender: Sonali Bank Limited

Total loan: Total loan amount Limit is Tk. 75 crore which consist of Tk. 45 crore of Hypothecation and Tk. 30 crore of pledge loan.

Interest Rate: Annually Hypo-13% and pledge-13% compound interest on three month installment basis. Thereafter the rate of interst shall be reviewed at annual intervals.

Margin: 20% margin on both Hypo and Pledge Facility.

Re-Payment: From sale of finished goods on Daily, weekly or lumpsum payment before the specified date of repayment.

Security:
Hypo & Pledge
a) Raw-materials, work in progress, finished goods, machineries, spare parts etc. stored in the Factory and warehouse.
b) Industrial Plot no. 175 & 176 contained 100 Decimal Land situated Baizid Bostami Industrial Area, Chittagong.
Purpose: To meet the working capital requirements.

Matuarity: 31 August, 2016
Terms of LTR Loan (Sonali Bank)
Lender: Sonali Bank Limited

Total Loan Facility:
Tk. 50 Crore LTR Facility for 90 days Period.

Interest Rate Applied:
Annually 13% Interest Rate.

Security
a) Personal Guarantee of all the Directors of Ratanpur Steel Re-rolling Mills Limited.
b) Post Dated Cheque
c) Industrial Plot no. 175 & 176 contained 100 Decimal Land situated Baizid Bostami Industrial Area, Chittagong.

Matuarity Date: Apprx. 90 days from disposal

		Amount in BDT	
		30-Jun-17	30-Jun-16
13.00	**Creditors and Accruals**		
	Accounts payable	580,520	384,013
	Advance Against Sales	91,210,925	67,151,906
	For Revenue Expenses (Note: 13.01)	26,001,780	45,393,300
	Other Finance (Note: 13.02)	6,119,088	4,796,960
		123,912,313	117,726,179
13.01	**For Revenue Expenses**		
	Accrued for Salary & wages	6,713,087	6,094,273
	Accrued for Electricity Bill	15,176,200	34,255,671
	Accrued for Gas Bill	3,670,598	4,648,861
	Accrued for Wasa Bill	86,510	7,176
	Accrued for Telephone Bill	5,386	21,569
	Audit Fees	350,000	365,750
		26,001,780	45,393,300
13.02	**Other Finance**		
	Unclaimed Refund Warrant	3,397,270	3,032,442
	Unclaimed Dividend	2,721,818	1,764,518
		6,119,088	4,796,960
14.00	**Income Tax Liability**		
	Accrued during the year	222,518,512	83,227,883
		222,518,512	83,227,883
	Details shown in Annexure-3.		
15.00	**Workers' Profit Participation Fund and Welfare Fund**		
	Opening Balance	18,580,401	13,471,243
	Add: Addition during the year @ 5%	46,987,672	18,580,401
		65,568,073	32,051,644
	Less: Paid during the year	(18,580,401)	13,471,243
	Closing Balance	46,987,672	18,580,401
16.00	**Revenue**		
		7,541,531,226	5,419,982,091
	Sale of MS Rod	7,168,458,635	5,226,572,959
	Misroll & Others	373,072,592	193,409,132
	Gross Revenue	7,541,531,226	5,419,982,091
	Value Added Tax (VAT)	(52,835,474)	(42,570,295)
		7,488,695,752	5,377,411,796
	Quantity as per sales is shown in Note: 26.01		

		Amount in BDT	
		30-Jun-17	30-Jun-16
17.00	**Cost of Goods Sold**		
	Raw Materials Used(Note: 17.01)	5,837,484,778	4,326,935,819
	Direct Labor	69,033,233	62,757,485
	Electricity Bill	106,533,171	98,594,735
	Wasa Bill	100,007	84,290
	Spare Parts Used(Note : 17.02)	43,752,940	36,224,429
	Loading & Unloding Bill	12,369,896	11,245,360
	Gas Bill	26,381,000	26,234,494
	Carriage Inward	-	105,000
	Prime Cost (A)	6,095,655,025	4,562,181,611
	Indirect Expenses associated with production (B)	58,384,140	72,612,951
	Repair & Maintenance	627,457	13,530,484
	Medical Exp.	452,679	461,969
	Depreciation	57,304,004	58,620,499
	Cost of Production (A+B)	6,154,039,165	4,634,794,562
	Opening Finished Goods	946,362,692	1,038,436,734
	Cost of Goods Available for Sale	7,100,401,857	5,673,231,296
	Closing Finished Goods	(869,071,392)	(946,362,692)
	Cost of Goods Sold	6,231,330,465	4,726,868,604
17.01	**Raw Materials Used**		
	Opening Stock of Raw Materials	635,477,378	672,147,197
	Purchases of Raw Materials	6,182,186,600	4,290,266,000
	Cost of Raw Materials available for use	6,817,663,978	4,962,413,197
	Closing Raw Materials	(980,179,200)	(635,477,378)
	Cost of Raw Materials used	5,837,484,778	4,326,935,819
17.02	**Spare Parts used**		
	Opening Stock of Spare Parts	32,056,210	29,258,630
	Purchase during the year	48,953,620	39,022,009
	Spare Parts available for use	81,009,830	68,280,639
	Closing Stock of Spare Parts	(37,256,890)	(32,056,210)
	Spare Parts used during the year	43,752,940	36,224,429

		Amount in BDT	
		30-Jun-17	30-Jun-16
18.00	**Administrative and Other Expenses**		
	Director's remuneration (Note-27)	1,965,000	1,965,000
	Salary & Allowance	6,307,840	5,632,000
	Entertainment	1,611,435	1,568,492
	Travelling Expenses	2,167,175	1,888,089
	Legal Expenses	196,500	538,500
	Stationary	286,327	265,603
	Paper & Periodicals	8,332	15,831
	Postage & Stamp	244,755	94,635
	Mobile Bill	1,305,346	1,067,695
	Electricity Expenses	1,127,146	1,079,455
	Audit Fees	350,000	365,750
	Telephone Bill	35,250	112,492
	Internet Bill	990,322	850,230
	Fire License Expenses	3,000	3,000
	Office Expenses	725,647	388,909
	Sundry Expenses	796,026	143,280
	Office rent	240,000	240,000
	ISO related Expenses	279,059	187,450
	Insurance	714,120	885,868
	Conveyanance	607,461	567,102
	Land Revenue	68,682	33,300
	Depreciation	3,016,000	3,085,289
	Certificate and Membership Expenses	1,252,814	1,467,011
	Donation and Subscriptions	-	100,000
	Guest house Expenses	184,302	291,300
	Repairs and maintenance	3,992,230	326,900
	Medical Expenses	23,881	24,314
	Seminar & Workshop	-	240,000
	Vehicle Expenses	594,157	-
	AGM Related Expense	1,210,327	761,066
	Trade License	16,300	36,750
		30,319,434	**24,225,311**
19.00	**Selling and Distribution Expenses**		
	Carriage Outwards	23,425,630	18,707,138
	Salary & Allowance	5,215,969	4,741,790
	TA & DA of Sales Representative	3,926,530	2,886,892
	Sales Commission	2,000,000	1,000,000
	Travelling Expenses	928,789	809,181
	Rod testing Expenses	563,768	327,005
	Advertisement Expenses	13,252,630	11,808,534
		49,313,316	**40,280,540**

		Amount in BDT	
		30-Jun-17	30-Jun-16
20.00	**Finance Cost:**		
	Interest on Lease Loan:	3,028,291	5,401,064
	IIDFC Lease Liability-13480	-	178,384
	IDLC Lease Liability-1001 & 1002	3,028,291	5,222,680
	Interest on CC-Hypo:	75,413,754	74,973,686
	Sonali Bank Limited: Hypo # 1027	75,413,754	74,973,686
	Interest on CC-Pledge:	47,683,171	48,048,416
	Sonali Bank Limited: Pledge # 1084	47,683,171	48,048,416
	Interest on Sonali Bank # LTR	65,248,956	67,592,065
	Bank Charges	425,062	634,342
	Foreign Exchange Loss		-
		191,799,234	196,649,573
21.00	**Finance Income**		
	AB Bank Limited # 4430	68,432	21,123
	Al-Arafah Islami Bank Limited # 1331	13,576	12,317
	Agrani Bank Ltd # 9069	16,718	6,539
	Bank Asia # 240	21,694	17,320
	City Bank Limited # 6001	16,619	14,486
	Dutch Bangla Bank Limited # 0963	55,736	94,601
	Exim Bank Limited # 2676	7,239	11,831
	First Security Islami Bank Limited # 2598	28,903	21,513
	Janata Bank Limited # 293	258	66
	Meghna Bank Limited # 0007	11,479	6,110
	Marcentile Bank Limited# 588	16,112	28,421
	National Credit and Commerece Bank Limited # 804	25,764	26,630
	One Bank Limited # 275	24,362	18,609
	Premier Bank Limited # 1729	7,318	8,046
	Pubali Bank Limited # 0724	40,403	51,429
	South Bangla Agriculture & Commerece Bank Limited # 45119	118,179	67,052
	South Bangla Agriculture & Commerece Bank Limited # 100778	21,726	3,246
	Southeast Bank Limited # 998	127,164	140,495
	Southeast Bank Limited# 2091	347	79,658
	Standard Bank Limited # 217	12,298	10,685
	Trust Bank # 1020-Interest Income (IPO Fund)	45,487	75,115
	Mercantile Bank Ltd #217 (FDR)	53,340	-
	Trust Bank Limited # 277	20,856	28,392
	United Commercial Bank Limited # 238	46,569	44,739
	United Commercial Bank Limited # 601	2,122	2,069
	United Commercial Bank Limited # 6785	5,121	10,158
		807,818	800,650

		Amount in BDT	
		30-Jun-17	30-Jun-16
22.00	**Earnings per share (EPS)**		
	Net profit attributable to the shareholders for the year	707,857,860	271,226,431
	Number of Ordinary Shares at year end	86,486,400	78,624,000
	Basic EPS	8.18	3.45
23.00	**Restated EPS**		
	Net profit attributable to the shareholders for the year		271,226,432
	Number of Ordinary Shares at year end		86,486,400
			3.14

Restated EPS

Earning per share (EPS) has been computed by dividing the net profit after tax (NPAT) by the weighted average number of ordinary shares outstanding as on 30 June, 2017 as per BAS-33 and EPS for the year 1 July 2016 to 30 June, 2017 has been restated based on the new weighted average number of ordinary shares in accordance with para 64 of BAS 33.

24.00	**Net Asset Value per share (NAV)**		
	Total Assets	5,862,322,040	4,995,989,159
	Total Liabilities	2,005,060,488	1,767,961,466
	Shareholders' Equity	3,857,261,552	3,228,027,693
	Number of Ordinary Shares at the year end	86,486,400	78,624,000
	Net Asset Value per share (NAV)	44.60	41.06
25.00	**Net Operating Cash Flow per share (NOCFPS)**		
	Net cash inflow /(outflow) from Operating Activities	179,640,521	113,844,406
	Number of Ordinary Shares at the year end	86,486,400	78,624,000
	Net Operating Cash Flow per share (NOCFPS)	2.08	1.45

	Amount in BDT	
	30-Jun-17	30-Jun-16

26.00 Quantitative movement of Inventories

	Raw Materials (M. Tons)	Raw Materials (M. Tons)
Raw Materials		
Opening stock	15,860	14,960
Purchase during the year	147,970	108,890
Total	163,830	123,850
Consumed during the year	(139,078)	(107,990)
Closing stock	24,752	15,860
Finished Goods		
Opening stock	21,052	19,371
Production during the period	136,664	106,831
Total	157,716	126,202
Sales during the period (Note: 26.01)	(139,380)	(105,150)
Closing Stock	18,336	21,052

26.01 Sales During the Period

MS Rod	139,380	101,397
Misroll & Others	-	3,753
	139,380	105,150

27.00 Payment information to Directors as Per requirement of schedule XI, part II, Para 4 of the Company Act- 1994

Name	Gross Remuneration	Income tax deducted	Net paid
Mr.Maksudur Rahman (Managing Director)	700,000	26,147	673,853
Mrs.Shamsun Nahar Rahman (Director)	615,000	26,147	588,853
Md. Younus Bhuiyan (Director)	650,000	26,147	623,853
Total	1,965,000	78,441	1,886,559

28.00 Production capacity & Actual production

	M. Tons	M. Tons
Production capacity	187,200	187,200
Actual Production	136,664	106,831
Excess/(Shortfall)	(50,536)	(80,369)
Capacity Utilised	73.00%	57.07%

29.00 Depreciation to be charge

Manufacturing	57,304,004	60,419,869
Administrative	3,016,000	2,939,596
	60,320,004	63,359,465

*** Manufacturing overhead include depreciation on Factory Building & civil construction, plant & machinery, machinery under capital lease and Administrative overhead include depreciation on furniture & fixture, Motor Vehicles, office equipment. (See Annexure-1)

30.00 Related party transaction

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of BAS-24: Related Party Disclosures.

Particulars	Relationship	Nature of Transactions	Transactions during the year
Modern Steel Mills Ltd	Common Directorship	Supply of Raw Materials	4,288,512,750
M/S Dynamic Steel Corporation	Common Ownership	Supply of Raw Materials	1,893,673,850
			6,182,186,600

Details shown in Annexure-13.

31.00 Bank Gurantee

The company have no Bank gurantee on the reporting date

32.00 Employee Position of Ratanpur Steel Re- Rolling Mills Limited as per requirement of schedule XI, Part II, Para-3

Salary Range (Monthly)	Total	Officer & Worker	
		Head Office	Factory
For the year ended 30 June 2016	505	115	390
Below 5,999	-	-	-
Above 5,999	530	120	410
For the year ended 30 June 2017	**530**	**120**	**410**

33.00 Advances, Deposits & Prepayment (Note: 5) as per Schedule XI, Part-1 of the Companies Act 1994.

Advance, Deposits and pre-payments exceeding 6 Months	9,373,178
Not exceeding 6 Months	62,639,398
Total	72,012,576
Advance, deposits and pre-payments considered Good and Secured:	
Advance, deposits and pre-payments	
Other Officers (against salary)	3,865,184
Advance, Deposits and pre-payments due from companies under same management:	-
Maximum Advance, deposits and pre-payments Officers at any time	3,865,184

	Amount in BDT	
	30-Jun-17	30-Jun-16

34.00 Cash Flow From Operating Activities (Indirect Method)

Net Profit After Tax	707,857,860	271,226,431
Depreciation as Non Cash Expenses	60,320,004	61,705,788
(Increase)/Decrease of Account Receivables	(496,565,932)	(373,331,051)
(Increase)/Decrease of Inventories	(272,611,202)	125,946,281
(Increase)/Decrease of Advance, Deposits & Prepayments	(2,621,321)	54,886,231
Increase/(Decrease) of Creditors and Accruals	6,186,134	(83,556,405)
Increase/(Decrease) of Provision for Income Tax	139,290,629	32,139,302
Increase/(Decrease) of Deferred Tax Liability	9,377,079	17,153,704
Increase/(Decrease) of Provision for WPPF	28,407,271	5,109,158
Increase/(Decrease) of Accured Finance Cost	-	2,564,968
Net Cash Flow From Operating Activities	**179,640,521**	**113,844,406**

35.00 Event After Reporting Date.

(i) The company has entered in the capital market with the consent of Bangladesh Securities and Exchange Commission; Ref No: BSEC/CI/IPO-210/2012/342; by public offer of 25,000,000 ordinary shares of TK 10/- each at an issure price of TK 40/- each including a premium of TK 30/- per share, totaling to TK 1,000,000,000/-.A detail breakdown of this amount is as follows:

CDBL fees & Deposit on dematerialization of eligible security
Dematerialization fo 26,600,000 Sponsors shares × Tk 10/- issue price × Tk 0.000175 CDBL fee rate
Distribution of 25,000,000 IPO Ordinary shares × Tk 40/- issue price (Tk 30 Premium + Tk 10 Face value) × Tk
Documentation Fee
Depository connection fee for the year from the date of allotment @ Tk 500/- per month
Fixed Annual Fee for the year from the date of allotment
Issuer Refundable Security Deposit
Total

(ii) Composition of Post IPO Share Holding of The Company is as follows:

Name of Shareholders	No. of Shares	Number of Shares	Holding (%)	
Sponsor Shareholders	29,600,000	28,869,160	33.38	
Institutional Shareholders	2,489,760	28,713,485	33.20	
Other Shareholders	22,510,240	28,903,755	33.42	
Total	54,600,000	86,486,400	100	

(iii) Utilization of 100 Crore of IPO Proceeds as on 30 September 2014

Particulars	Allotment as per IPO (Taka)			
Working Capital	230,000,000			
Loan Repayment (Sonali Bank Limited, Laldighi Corporate Branch, Ctg)	750,000,000			
IPO Expenses	20,000,000			
Total	**1,000,000,000**			

(i) Recommended Dividend for the year 2016-2017

The Board of Directors of the company in its 354th Meeting held on 24/08/2017 commencing at 4.30 P. M. and closing at 6.00 P.M recommended dividend for the year ended 30th july 2017 @ 17% stock and @ 5% cash.

36.00 Financial risk management

Bangladesh Financial Reporting Standard BFRS 7- Financial instruments: Disclosures-requires disclosure of

The management has overall responsibility for the establishment and oversight of the company's risk management

	Note(s)
a) Credit risk	36.01

36.01 Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails

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

In monitoring credit risk, debotrs are grouped accourding to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of steel (MS rod and allied products).

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

a) 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:

Account receivable	1,783,284,673	1,286,718,741
Advance, deposit and prepayments	72,012,576	69,391,255
Cash and bank balance	17,876,240	33,785,801
	1,873,173,489	**1,389,895,797**

	Amount in BDT	
	30-Jun-17	30-Jun-16
b) Ageing of receivable		
Less than 30 days	624,149,636	248,133,333
Over 30 days but less than 60 days	410,155,475	138,889,752
Over 60 days but less than 90 days	463,654,015	555,205,113
Over 90 days	285,325,548	344,593,809
	1,783,284,673	1,286,822,007

c) Credit exposure by credit rating	As on 30 June, 2017		
	Credit rating	Amount	%
Account receivable	NR	1,783,284,673	95.20%
Advance, deposit and prepayments	NR	72,012,576	3.84%
Cash and bank balances (note: C.01)		17,876,240	0.95%
		1,873,173,489	100%
C.01) Cash and bank balances:			
Cash in hand	NR	3,223,443	0.17%
Cash at bank (note: C.01.01)		14,652,797	0.78%
		17,876,240	0.95%
C.01.01) Cash at bank:			
AB Bank Limited	A1	952,474	0.05%
Agrani Bank Ltd	AA	155,864	0.01%
Al Arafa Islami Bank Limited	AA	333,237	0.02%
Bank Asia	AA2	36,195	0.00%
City Bank Limited	AA3	257,161	0.01%
Dutch-Bangla Bank Limited	AA+	1,501,155	0.08%
Exim Bank Limited	AA-	138,855	0.01%
First Security Islami Bank Limited	A+	118,430	0.01%
HSBC	AAA	56,406	0.00%
ICB Islami Bank Limited	NR	1,785	0.00%
Islami Bank Bangladesh Limited	AA+	248,412	0.01%
Janata Bank Limited	A+	63,609	0.00%
Meghna Bank Limited	A	56,317	0.00%
Mercantile Bank Limited	AA	100,136	0.01%
National Bank Limited	AA	499,979	0.03%
National Credit and Commerce Bank Limited	AA	170,338	0.01%
One Bank Limited	AA-	683,983	0.04%
Premier Bank Limited	AA+	303,277	0.02%
Pubali Bank Limited	AA	542,905	0.03%
Sonali Bank Limited	AAA	1,344,650	0.07%
South Bangla Agriculture & Commerce Bank Limited	A3	2,825,942	0.15%
Southeast Bank Limited	AA	124,846	0.01%
Standard Bank Limited	AA	234,780	0.01%
Trust Bank Limited	AA2	3,484,683	0.19%
United Commercial Bank Limited	AA	417,381	0.02%
		14,652,797	0.78%

Annexure-01

Ratanpur Steel Re- Rolling Mills Limited
Property Plant & Equipment
For The Financial Year Ended 30 June, 2017

Amount in BDT

SL NO.	Particulars	Cost				Rate	Depreciation			Written down value as on 30.06.2017
		Opening Balance as on 01.07.2016	Addition during the year	Disposal During the year	Closing Balance as on 30.06.2017		Opening Balance as on 01.07.2016	Charge for the year	Closing Balance as on 30.06.2017	
1	Land and land Development	1,048,750,000		-	1,048,750,000		-	-	-	1,048,750,000
2	Factory Building & Civil Construction	367,704,568	34,826,590	-	402,531,158	4%	72,352,911	11,814,066	84,166,977	318,364,181
3	Plant & Machinery	670,788,519	122,639,871	-	793,428,390	7%	199,970,089	32,957,290	232,927,379	560,501,011
4	Logistics Equipment	77,810,979	-	-	77,810,979	7%	24,137,591	3,757,137	27,894,728	49,916,251
5	Furniture & Fixture	2,962,460	-	-	2,962,460	10%	1,371,864	159,060	1,530,924	1,431,536
6	Motor Vehicles	39,806,505	-	-	39,806,505	20%	18,010,941	4,359,113	22,370,054	17,436,451
7	Office Equipment	13,510,827	-	-	13,510,827	10%	4,906,936	860,389	5,767,325	7,743,502
8	Machinery under capital lease	129,900,000	-	-	129,900,000	7%	38,286,444	6,412,949	44,699,393	85,200,607
A.	**Total**	**2,351,233,858**	**157,466,461**		**2,508,700,319**		**359,036,776**	**60,320,004**	**419,356,780**	**2,089,343,539**

C.	**Depreciation allocated to:**	Note	Rate of Allocation	30th June, 2017 BDT
	Manufacturing	18.00	95%	57,304,004
	Administrative	19.00	5%	3,016,000
			100%	60,320,004

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Ratanpur Steel Re-Rolling Mills Limited
Deferred Tax Liabilities
For the financial year ended on 30 June, 2017

Annexure-2.

Depreciation allowance as per 3rd Schedule of ITO 1984
Income Year 2016-2017

Sl No.	Particulars	Opening Balance 01.07.2016	Addition during the year	Total	Rate	Initial rate	Depreciation	Closing Balance 30.06.2017
1	Factory Building & Civil Construction	95,959,951	34,826,590	130,786,541	20%	10%	29,639,967	101,146,574
2	Plant & Machinery	156,030,270	122,639,871	278,670,141	20%	25%	86,393,996	192,276,145
3	Logistic Equipments	43,713,903		43,713,903	10%	0%	4,371,390	39,342,513
4	Furniture & Fixture	1,532,860		1,532,860	10%	0%	153,286	1,379,574
5	Motor Vehicles	13,919,939		13,919,939	20%	25%	2,783,988	11,135,951
6	Office Equipment	8,271,629		8,271,629	10%	0%	827,163	7,444,466
	Total	319,428,553	157,466,461	476,895,014			124,169,790	352,725,224

Fixed Assets Schedule (As Per Accounting value)

Sl No.	Particulars	Cost			Rate	Depreciation			Written down value as on 30.06.2017
		Opening Balance as on 01.07.2016	Addition during the year	Closing Balance as on 30.06.2017		Opening Balance as on 01.07.2017	Charge for the year	Closing Balance as on 30.06.2017	
1	Factory Building & Civil Construction	367,704,568	34,826,590	402,531,158	4%	72,352,911	11,814,066	84,166,977	318,364,181
2	Plant & Machinery	670,788,519	122,639,871	793,428,390	7%	199,970,089	32,957,290	232,927,379	560,501,011
3	Logistic Equipments	77,810,979		77,810,979	7%	24,137,591	3,757,137	27,894,728	49,916,251
4	Furniture & Fixture	2,962,460		2,962,460	10%	1,371,864	159,060	1,530,924	1,431,536
5	Motor Vehicles	39,806,505		39,806,505	20%	18,010,941	4,359,113	22,370,054	17,436,451
6	Office Equipment	13,510,827		13,510,827	10%	4,906,936	860,389	5,767,325	7,743,502
	Total	1,172,583,858	157,466,461	1,330,050,319		320,750,332	53,907,055	374,657,387	955,392,932

Reconciliation of deferred tax liabilities/ (assets)

Particulars	Carrying amount	Tax base	Taxable/ (Deductible) temporary difference	Tax rate	Deferred tax liabilities/ (assets
Property, plant & equipment (except land)	955,392,932	352,725,224	602,667,708	25%	150,666,927
Lease Assets	7,823,940	-	7,823,940	25%	1,955,985
WPPF and Welfare Fund	(46,987,672)	-	(46,987,672.47)	25%	(11,746,918)
Net Deferred Tax Liability-2017					140,875,994

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Annexure-3

Ratanpur Steel Re-Rolling Mills Limited
Income Tax Liabilities
For the financial year ended on 30 June, 2017

Particulars	Amount in BDT
Computation of total income	
AY: 2017-2018	
IY: 2016-2017	
Accounting profit before tax	939,753,450
Add: Other Inadmissible allowances	110,335,967
Add: Accounting depreciation	60,320,004
Add: Interest on leased assets	3,028,291
Add: Provision for WPPF	46,987,672
Total	**1,050,089,418**
Less: Items for separate consideration	(160,823,190)
Depreciation as per 3rd schedule	(124,169,790)
Payment for WPPF (Previous)	(18,580,401)
Lease payment (principal plus interest)	(17,265,180)
Interest Income	(807,818)
Total income/(Loss) from Operation	889,266,228
Add : Income from Other Sources (U/S- 33 of the ITO, 1984)	807,818
Total Taxable Income	890,074,047
Rate	25%
Income tax	**222,518,512**

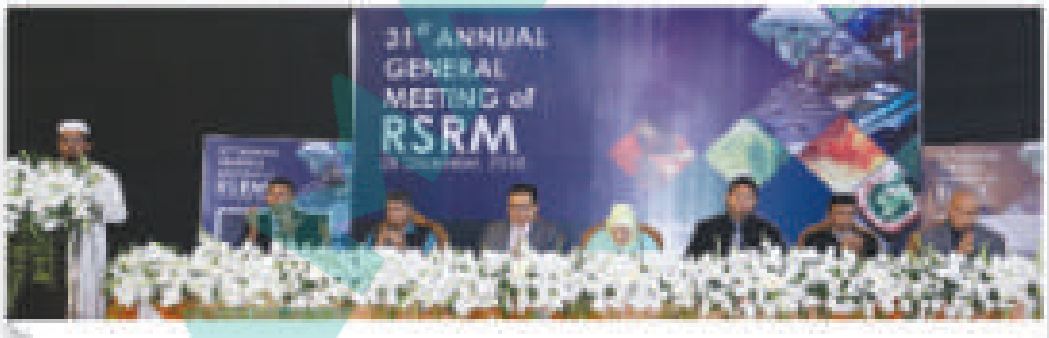
Events



29th AGM



30th AGM





Events



Aktharuzzaman Flyover Project signing ceremony



International Forum on Strategic Technology Conference (Cox's Bazar)



RSRM Golf Tournament



Organized training program for REHAB



Campaign for Environment



RSRM Festival

Shareholders' Note :

AMAR STOCK

Shareholders' Note :

AMAR STOCK

Ratanpur Steel Re-Rolling Mills Limited

Register Office : Nahar Mansion , 116 C . D . A Avenue, Muradpur, Chittagong. Phone: 88-031-652255-57
Fax: 88-031-650001, Website: www.rsrmbd.com

Share Dept : 291 Fakirepool (Jamindar Bari), Apt. B-9 (9th Floor), Inner Circular Road Arambagh, Motijheel, Dhaka-1000.
Phone +88 02 7195840, +88 02 7195841, Fax +88 02 7191745, E-mail : sharedept@rsrmbd.com

PROXY FORM

I/We ……..……. (Name) of
……...……. (Address being a
Shareholder of Ratanpur Steel Re-Rolling Mills Ltd. ("the Company") hereby appoint,

Mr. /Ms. ……..…….. (Name) of
……...…..…….. (Address)
as may/our proxy, to attend on my/our behalf at the 32nd Annual General Meeting (AGM) of the Company to be held on 12 October, 2017 at 11.00 A.M at Shoronika Community Center, 13 Love Lane, Chittagong, 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 ……..……....……2017.

Sign ature of the Shareholder

Folio /BO ID No:

Dated ----------

Sign ature of the witness

Sign ature of the Proxy

Folio/BD ID No :

Dated ----------

Note: The Proxy Form, dully filed in and stamped, must be deposited at the Register Office & Share Office of the Company not later than 48 hours before the time fixed for the holding of the meeting.

Signature Verified

.....
Authorized Signature
Ratanpur Steel Re-Rolling Mills Limited

Ratanpur Steel Re-Rolling Mills Limited

Register Office : Nahar Mansion , 116 C . D . A Avenue, Muradpur, Chittagong. Phone: 88-031-652255-57
Fax: 88-031-650001, Website: www.rsrmbd.com

Share Dept : 291 Fakirepool (Jamindar Bari), Apt. B-9 (9th Floor), Inner Circular Road Arambagh, Motijheel, Dhaka-1000.
Phone +88 02 7195840, +88 02 7195841, Fax +88 02 7191745, E-mail : sharedept@rsrmbd.com

ATTENDANCE SLIP

I hereby record my presence at the 32nd Annual General Meeting of Ratanpur Steel Re-Rolling Mills Ltd. on 12nd October 2017.

Name……

BO ID

Signature Verified

Signature

.....
Authorized Signature
Ratanpur Steel Re-Rolling Mills Limited

Note: Please complete this Attendance Slip and deposit at the registration counter on the day of the meeting.

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আমাদের প্রয়োজনে প্রকৃতি অবলম্বন হয়েছে বারবার প্রকৃতির প্রয়োজনে তাই এগিয়ে আসতে হবে আমাদেরও

RSRM-এর উৎপাদনের বিভিন্ন ধাপে অনুসরণ করা হয় প্রবাহিত পানির পুনর্ব্যবহার ও বৃষ্টির পানি জমিয়ে রাখার মতো পরিবেশ-বান্ধব বিভিন্ন পদ্ধতি, যাতে পরিবেশের প্রয়োজনে এগিয়ে আসতে পারি আমরাও।

X POWER TMT

RSRM

STEEL FOR THE NATION

Ratanpur Steel Re-Rolling Mills

STOCK



Ratanpur Steel Re-Rolling Mills

Head Office:
Nahar Mansion, 116 C.D.A Avenue, Muradpur, Chittagong
Phone: +880 31 652255-7, Fax : +880 31 650001

Dhaka Office :
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Share Department :
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