

**RATANPUR STEEL RE-ROLLING MILLS LIMITED**  
**FINANCIAL STATEMENTS (UN-AUDITED)**  
**As at and for the period ended 31, December, 2019**  
**Quarter- Q2 (2019-2020)**

# Ratanpur Steel Re-Rolling Mills Limited

## Statement of Financial Position (Un-Audited)

As on 31 December, 2019

	Amount in BDT	
	31-Dec-19	30-Jun-19
<b>Assets</b>		
<b>Non-Current Assets:</b>	<b>1,975,722,159</b>	<b>2,004,135,165</b>
Property Plant & Equipment	1,933,972,427	1,962,385,433
Capital Work-In-Progress	41,749,732	41,749,732
<b>Current Assets:</b>	<b>5,680,914,282</b>	<b>5,395,876,583</b>
Advances, Deposits and Prepayments	466,418,100	48,798,557
Inventories	1,639,526,761	1,730,784,555
Accounts Receivable	3,508,093,216	3,568,367,332
Cash and Cash Equivalents	66,876,205	47,926,138
<b>Total Assets</b>	<b>7,656,636,441</b>	<b>7,400,011,748</b>
<b>Equity and Liabilities</b>		
<b>Shareholders' Equity:</b>	<b>5,112,979,221</b>	<b>5,006,797,272</b>
Share Capital	1,011,890,880	1,011,890,880
Share Premium	750,000,000	750,000,000
Revaluation Surplus of Land	943,950,000	943,950,000
Retained Earnings	2,407,138,341	2,300,956,392
<b>Non-Current Liabilities:</b>	<b>1,035,855,592</b>	<b>991,256,597</b>
Long term Liabilities	888,029,643	849,651,440
Deferred Tax Liability	147,825,949	141,605,157
<b>Current Liabilities:</b>	<b>1,507,801,628</b>	<b>1,401,957,879</b>
Short term Liabilities	861,992,204	823,619,989
Creditors and Accruals	71,794,165	77,519,287
Income Tax Liability	528,778,973	463,320,986
Liability for WPPF and Welfare Fund	45,236,287	37,497,618
<b>Total Liabilities</b>	<b>2,543,657,220</b>	<b>2,393,214,475</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>7,656,636,441</b>	<b>7,400,011,748</b>
<b>Net Asset Value Per Share (NAV)</b>	<b>50.53</b>	<b>49.48</b>

  
Director

  
Managing Director

  
Chairman


  
Chief Financial Officer

  
Company Secretary

**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement of Profit or Loss and other Comprehensive Income (Un-Audited)**  
**For the period ended 31 December, 2019**

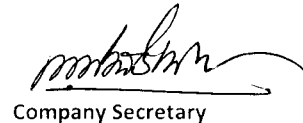
	July-19 to December, 2019	July-2018 to December, 2018	October-2019 to December, 2019	October-2018 to December, 2018
Revenue (Net off VAT)	1,935,782,255	3,931,731,050	<b>917,072,939</b>	1,957,562,950
Cost of Goods Sold	(1,663,354,042)	(3,286,894,053)	(794,064,069)	(1,640,740,367)
<b>Gross Profit</b>	<b>272,428,213</b>	<b>644,836,997</b>	<b>123,008,870</b>	<b>316,822,583</b>
<b>Operating Expenses</b>	<b>(33,572,419)</b>	<b>(39,800,720)</b>	<b>(15,322,710)</b>	<b>(19,582,169)</b>
Administrative and Other Expenses	(11,582,028)	(14,579,344)	(4,327,514)	(6,537,351)
Selling and Distribution Expenses	(21,990,391)	(25,221,376)	(10,995,196)	(13,044,818)
<b>Operating Profit</b>	<b>238,855,794</b>	<b>605,036,277</b>	<b>107,686,161</b>	<b>297,240,415</b>
Finance Cost	(76,862,938)	(78,025,572)	(36,753,125)	(31,803,310)
Finance & Other Income	519,192	854,614	914,520.00	854,614.00
<b>Profit before WPPF and Income Tax</b>	<b>162,512,049</b>	<b>527,865,319</b>	<b>71,847,556</b>	<b>266,291,719</b>
Contribution to WPPF and Welfare Fund @ 5%	(7,738,669)	(25,136,444)	(3,421,312)	(12,680,558)
<b>Net Profit Before Income Tax</b>	<b>154,773,380</b>	<b>502,728,876</b>	<b>68,426,244</b>	<b>253,611,161</b>
<b>Tax Expenses</b>				
Current Tax	(42,370,639)	(132,111,011)	(19,283,290)	(67,076,750)
Deferred Tax	(6,220,792)	(3,485,937)	1,721,935	3,673,959
<b>Net Profit After Tax</b>	<b>106,181,948</b>	<b>367,131,928</b>	<b>50,864,889</b>	<b>190,208,371</b>
<b>Earning Per Share (EPS)</b>	<b>1.05</b>	<b>3.63</b>	<b>0.50</b>	<b>1.88</b>

  
Director

  
Managing Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary

## Ratanpur Steel Re-Rolling Mills Limited

Statement of Changes in Equity (Un-Audited)

For the period ended 31 December, 2019

Particulars	Amount in BDT				
	Share Capital	Retained Earnings	Revaluation Reserve	Share Premium	Total Equity
Balance as on 01 July 2018	1,011,890,880	1,821,637,445	943,950,000	750,000,000	4,527,478,325
Profit / (Loss) after tax		367,131,928			367,131,928
Cash Dividend					
<b>Balance as on 31 December - 2018</b>	<b>1,011,890,880</b>	<b>2,188,769,373</b>	<b>943,950,000</b>	<b>750,000,000</b>	<b>4,894,610,253</b>

Particulars	Amount in BDT				
	Share Capital	Retained Earnings	Revaluation Reserve	Share Premium	Total Equity
Balance as on 01 July 2019	1,011,890,880	2,300,956,392	943,950,000	750,000,000	5,006,797,272
Profit / (Loss) after tax		106,181,948			106,181,948
Bonus Share					-
Cash Dividend					-
<b>Balance as on 31 December - 2019</b>	<b>1,011,890,880</b>	<b>2,407,138,341</b>	<b>943,950,000</b>	<b>750,000,000</b>	<b>5,112,979,221</b>

  
Director

  
Managing Director

  
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Chief Financial Officer

  
Company Secretary

**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement of Cash Flows (Un-Audited)**  
**For the period ended 31 December, 2019**

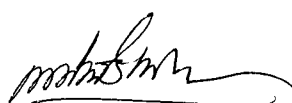
	31-Dec-19	31-Dec-18
<b>A. Cash Flows from Operating Activities</b>		
Collection from sales and other income	1,996,056,371	3,908,694,182
Less: Payment for cost and other expenses	(1,971,083,934)	(3,884,028,797)
Less: Income Tax/ Advance Tax Paid	(6,001,870)	(20,148,319)
<b>Net cash inflow /(outflow) from Operating Activities</b>	<b>18,970,567</b>	<b>4,517,066</b>
<b>B. Cash flows from Investing Activities</b>		
Acquisition of property, plant & equipment	-	
Investment in FDR	-	(930,000)
Capital work in progress	-	
<b>Net cash inflow /(outflow) from Investing Activities</b>	<b>-</b>	<b>(930,000)</b>
<b>C. Cash flows from Financing Activities</b>		
Lease Loan Repayment	-	(3,519,604)
<b>Net cash inflow /(outflow) from Financing Activities</b>	<b>-</b>	<b>(3,519,604)</b>
<b>D. Net increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>18,970,567</b>	<b>67,462</b>
<b>E. Cash and cash equivalents at the beginning</b>	<b>47,926,138</b>	<b>30,801,664</b>
<b>F. Cash and cash equivalents at the end (D+E)</b>	<b>66,896,705</b>	<b>30,869,125</b>
<b>G. Net Operating Cash Flow Per Share</b>	<b>0.19</b>	<b>0.04</b>

  
Director

  
Managing Director

  
Chairman

  
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Company Secretary

**Ratanpur Steel Re-Rolling Mills Limited**  
**Selected explanatory Notes to the Financial Statements**  
**For the period ended 31, December, 2019.**

**1. Legal form of Enterprise**

The company was incorporated in Bangladesh as private limited company on 22 April, 1986 vide the certificate C No 15492 of 1986 as company limited by shares under the companies Act, 1913 and converted into public limited company on 14 June 2012 under the companies act, 1994. 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. The company has set up its Re-Rolling Mills at 176, Baizid Bostami I/A, Baizid Bostami road, Nasirabad, Chittagong, and commenced commercial production from

**2. Nature of Business**

The principal activities of the Company are to manufacture and sales of M.S. Deformed Bar of various grades ( 400W/60 Grade and 500w/TMT) from M.S. Billet.

**3. Reporting**

This quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the published financial statement for the year ended 30 June 2019, as they provide an update to previously reported information.

**4. Accounting policies and method of computations**

Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared & published for the year ended 30 June 2019.

**5. Earnings per share (EPS)**

Earnings per share has been calculated based on number of shares outstanding for the period from 1st July, 2019 to 31st December,2019 and profit for the same period. The weighted number of ordinary shares outstanding for the period was 101,189,088. Earnings per share for the same period of preceding year has been calculated based

**7. Subsequent events**

The Board of Directors of the company in its 365th meeting held on 30/10/2019 commencing at 06:00 P.M. and closing at 08:30 PM and declare 12% cash dividend (excluding Sponsor/ Directors)

**8. Capital Commitment**

The company had no capital commitment at the reporting date.

**09. Related Party Transactions:**

Till 2nd Qtr, RSRM was Purchased raw material from Modern Steel Mills Ltd (related party) Tk: 118,58,70,000/-

**10. General**

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.

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

Bracket figures denote negative balance.

The financial period of the companies covers from 1st July 2019 to 31st December 2019

**Notes to the Financial Statements**

Amount in BDT

	31-Dec-19	30-Jun-19
<b>Property Plant &amp; Equipment</b>		
<b>At cost</b>	<b>2,508,700,319</b>	<b>2,508,700,319</b>
Land and land Development	1,048,750,000	1,048,750,000
Factory Building & Civil Construction	402,531,158	402,531,158
Plant & Machinery	793,428,390	793,428,390
Logistics Equipment	77,810,979	77,810,979
Furniture & Fixture	2,962,460	2,962,460
Motor	39,806,505	39,806,505
Office	13,510,827	13,510,827
Machinery under capital lease	129,900,000	129,900,000
<b>Accumulated Depreciation:</b>	<b>574,727,893</b>	<b>546,314,886</b>
Land and land Development	-	-
Factory Building & Civil Construction	114,994,818	109,126,729
Plant & Machinery	325,618,272	308,651,066
Logistics Equipment	36,149,453	34,638,413
Furniture & Fixture	1,860,893	1,802,916
Motor Vehicles	29,763,109	28,647,176
Office Equipment	7,552,202	7,238,590
Machinery under capital lease	58,789,145	56,209,995
<b>Written down value</b>	<b>1,933,972,427</b>	<b>1,962,385,433</b>

*Details shown in Annexure-1.*

**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)	Value Increase due to Revaluation (Taka)
Land	104,800,000	943,950,000

**Capital Work in Progress**

Opening Balance	41,749,732	15,904,874
51 Plot Office Building	-	-
Plant & Machinery	-	25,844,858
Muradpur Office	-	-
	<b>41,749,732</b>	<b>41,749,732</b>

**Advances, Deposits and Prepayments**

Advances (Note:6.1)	453,173,897	35,920,445
Deposits (Note: 6.2)	13,244,203	12,878,112
	<b>466,418,100</b>	<b>48,798,557</b>

**Advance**

Factory Staff	4,258,000	3,595,000
Advance Income Tax (Note- 3.1.1)	37,544,244	31,542,374
Advance to Advertisement Party		

**Notes to the Financial Statements**

Amount in BDT

	<b>31-Dec-19</b>	<b>30-Jun-19</b>
Advance to Supplier Party	410,590,929	-
Value Added Tax-Current Account	780,724	783,071
	<b>453,173,897</b>	<b>35,920,445</b>
<b>Advance Income tax</b>		
Opening	31,542,374	52,767,483
Adjustment during the year	-	(52,767,483)
Source Tax		
Payment During the year	6,001,870	31,542,374
	<b>37,544,244</b>	<b>31,542,374</b>
<b>Deposits:</b>		
Bangladesh Power Development Board	1,140,000	1,140,000
FDR	12,092,203	11,726,112
BTCL	12,000	12,000
Lease Deposit		
	<b>13,244,203</b>	<b>12,878,112</b>
<b>Inventories</b>		
Finished Goods	841,874,911	859,731,126
Raw Materials	757,730,269	830,740,603
Spares Parts	39,921,582	40,312,825
	<b>1,639,526,761</b>	<b>1,730,784,555</b>
<b>Accounts Receivable</b>	<b>3,508,093,216</b>	<b>3,568,367,332</b>
The management believe that above receivables are good and fully realisable.		
<b>Cash and cash equivalents</b>		
Cash in Hand	3,226,595	4,267,571
CD Accounts	5,623,980	13,108,500
STD & SND Accounts	58,025,630	30,550,067
	<b>66,876,205</b>	<b>47,926,138</b>
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
50,000,0000 Ordinary Shares of BDT 10 each	<b>5,000,000,000</b>	<b>5,000,000,000</b>
Authorised Share Capital are increased to 500 Crore by decided in Board of Directors Meeting and subsequently approved by the shareholders in		
<b>Issued, Subscribed and Paid-up capital</b>		
29,600,000	296,000,000	296,000,000
35,920,000	359,200,000	359,200,000
131,040,000	131,040,000	131,040,000



**Notes to the Financial Statements**

Amount in BDT

	31-Dec-19	30-Jun-19
78,624	78,624,000	78,624,000
,000		
14,702	147,026,880	147,026,880
,688		
<b>101,189,088 Ordinary Shares of BDT 10 each</b>	<b><u>1,011,890,880</u></b>	<b><u>1,011,890,880</u></b>

**Short Term Liabilities:**

Sonali Bank: Pledge # 08	344,379,460	329,044,355
Sonali Bank: Hypo # 22	517,612,745	494,575,635
Sonali Bank # LTR	-	-
	<b><u>861,992,204</u></b>	<b><u>823,619,989</u></b>

**Long Term Liabilities:**

**Block Loan:**

CC Hypo & Pledge	304,803,473	292,379,573
Sonali Bank # LTR	583,226,170	557,271,867
	<b><u>888,029,643</u></b>	<b><u>849,651,440</u></b>

**Creditors and Accruals**

Accounts payable	963,250	568,960
Advance Against Sales	2,258,630	3,869,520
For Revenue Expenses (Note: 14.01)	62,727,444	67,289,067
Other Finance	5,844,841	5,791,740
	<b><u>71,794,165</u></b>	<b><u>77,519,287</u></b>

**For Revenue Expenses**

Accrued for Salary & wages	1,734,260	6,849,734
Accrued for Electricity Bill	57,671,150	57,417,051
Accrued for Gas Bill	3,305,755	2,704,575
Accrued for Wasa Bill	13,256	15,499
Accrued for Telephone Bill	<b>3,023</b>	<b>2,208</b>
Audit Fees	-	300,000
	<b><u>62,727,444</u></b>	<b><u>67,289,067</u></b>

**Workers' Profit Participation Fund and Welfare Fund**

Opening Balance	37,497,618	47,434,731
<b>Add:</b> Addition during the year @ 5%	7,738,669	37,497,618
	<b><u>45,236,287</u></b>	<b><u>84,932,348</u></b>
<b>Less:</b> Paid during the year	-	(47,434,731)
<b>Closing Balance</b>	<b><u>45,236,287</u></b>	<b><u>37,497,618</u></b>

**Net Asset Value per share (NAV)**

Total Assets	7,656,636,441	7,400,011,748
Less: Total Liabilities	<u>2,543,657,220</u>	<u>2,393,214,475</u>

**Notes to the Financial Statements**

	Amount in BDT	
	31-Dec-19	30-Jun-19
<b>Shareholders' Equity</b>	<b>5,112,979,221</b>	<b>5,006,797,273</b>
Number of Ordinary Shares at the year end	101,189,088	101,189,088
<b>Net Asset Value per share (NAV)</b>	<b>50.53</b>	<b>49.48</b>
<b>Net Operating Cash Flow per share (NOCF)</b>		
Net cash inflow /(outflow) from Operating Activities	18970566.83	4517065.673
Number of Ordinary Shares at the year end	101189088	101189088
<b>Net Operating Cash Flow per share (NOCF)</b>	<b>0.19</b>	<b>0.04</b>

**Ratanpur Steel Re-Rolling Mills Limited**  
**Deferred Tax Calculation (01.07.2019 to 31.12.2019)**

	31.12.2019
<b>Taxable Temporary Difference for leases asset</b>	
Total Lease Payment for the period	
Total Interest Payment for leased assets	
Total Depreciation on leased assets	<b>(2,579,150)</b>
	(2,579,150)
Deferred Tax liability for other than laese assets	150,405,404
Deferred Tax liability for lease assets	(644,788)
<b>Total Deferred tax liability</b>	<b>149,760,616</b>
Deferred tax asset on WPPF	<b>(1,934,667)</b>
Total Deferred tax assets	(1,934,667)
Net Deferred tax Liability	147,825,949
Previous Year Balance	<b>141,605,157</b>
Deferred Tax Expense/( Income)	<b>6,220,792</b>
Considered applicable Rate of Income Tax @ 25%	