

ANNUAL REPORT 2019-2020



Ratanpur Steel Re-Rolling Mills Ltd.

যে
৫ টি কারণে



সবার সেবা



- ▶ SUPERIOR BENDABILITY
সহজে বাঁকানো যায়
- ▶ HIGH CORROSION RESISTANCE
সহজে মরিচা ধরে না
- ▶ GREATER DUCTILITY
সবচেয়ে বেশি ভুকম্পন সহনীয়
- ▶ IDEAL PROPERTY BALANCE
সব উপাদানের সুষ্ম বণ্টন
- ▶ BETTER WELDABILITY
সহজে জোড়া লাগে



Ratanpur Steel Re-Rolling Mills Ltd.

ANNUAL REPORT 2019-2020



Ratanpur Steel Re-Rolling Mills Limited

RSRM

Ratanpur Steel Re-Rolling 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 initiative. 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 products.

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 handling 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.

Letter of Transmittal

Date: 13 December, 2020

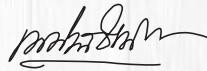
All Valued Shareholders of Ratanpur Steel Re-Rolling Mills Limited
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittangong Stock Exchange Ltd

Annual Report for the year ended June 30, 2020

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report of Ratanpur Steel Re-Rolling Mills Limited (RSRM) containing with the Audited Financial Statements, Report of the Board of Directors and Auditor's Report thereon for the year ended June 30, 2020 for your information and records.

Yours sincerely



Mohammad Moin Uddin
Company Secretary (Acting)

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VISION & MISSION

Our Vision

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

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.

VALUES

Quality

Providing products and services to our customers, constantly improving our processes, reducing wastage, minimizing costs, investing in systems and technology through constant technological upgradsand 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 under privileged.



Our Objectives and Corporate Focus

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 mission 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.



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 & Bradstreet South Asia Middle East Limited (DNBSAME) awarded "D&B Corporate Awards 2012 as the best known brand in the steel category.



PERFORMANCE AT A GLANCE 2019-2020





Key

FINANCIAL HIGHLIGHTS

A. STATEMENT OF FINANCIAL POSITION FOR THE PRECEDING 5 YEARS:

Particulars	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Assets Employed					
Non-Current Assets:	1,952,919,475	2,004,135,165	2,039,415,801	2,102,641,069	1,992,197,082
Net Current Assets:	4,132,706,120	3,993,918,704	2,630,279,677	1,895,496,477	1,376,673,927
Total Assets Employed	6,085,625,595	5,998,053,869	4,669,695,478	3,998,137,546	3,368,871,009
Finance By					
Shareholders' Equity:	5,027,961,423	5,006,797,272	4,527,478,325	3,857,261,553	3,228,027,693
Share Capital	1,011,890,880	1,011,890,880	1,011,890,880	864,864,000	786,240,000
Share Premium	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000
Revaluation Surplus	943,950,000	943,950,000	943,950,000	943,950,000	943,950,000
Retained Earnings	2322120543	2,300,956,392	1,821,637,445	1,298,447,553	747,837,693
Non-Current Liabilities:	1,057,664,172	991,256,597	142,217,153	140,875,994	140,843,317
Long Term / Long Term					9,344,401.3
Portion of Lease Liabilities	911425801	849,651,440	-	-	
Deferred Tax Liability	146238371	141,605,157	142,217,153.1	140,875,994.0	131,498,915.2
Total Capital Employed	6,085,625,595	5,998,053,869	4,669,695,478	3,998,137,547	3,368,871,010
Operational Results					
Revenue	3,239,046,345	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796
Gross Profit:	350,023,613	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192
Profit from Operations	298,296,258	987,857,782	1,179,881,891	1,177,732,537	586,037,340
Profit before Interest, Taxes & Depreciation Allowance	349,253,836	1,012,733,601	1,199,416,273	1,191,872,688	629,963,379
Net Profit Before Income Tax:	142,369,470	749,952,350	948,694,612	939,753,450	371,608,018
Net Profit After Tax:	106,253,421	564,408,216	713,459,972	707,857,860	271,226,432

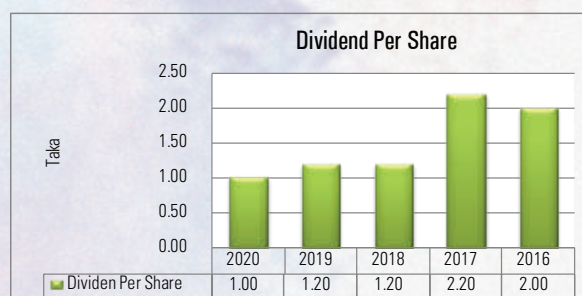
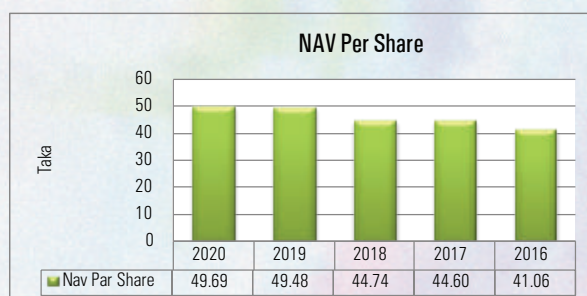
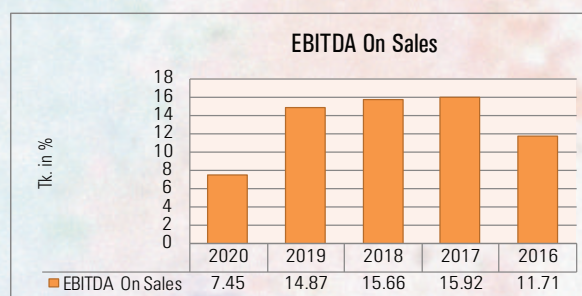
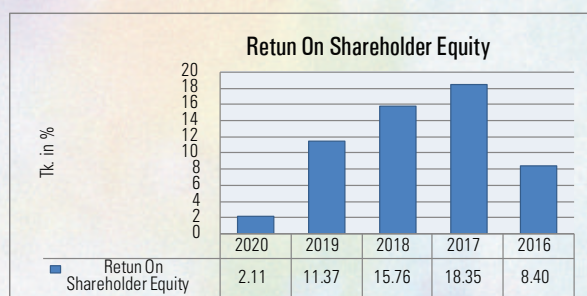
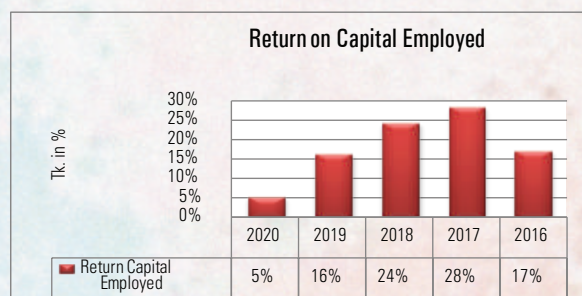
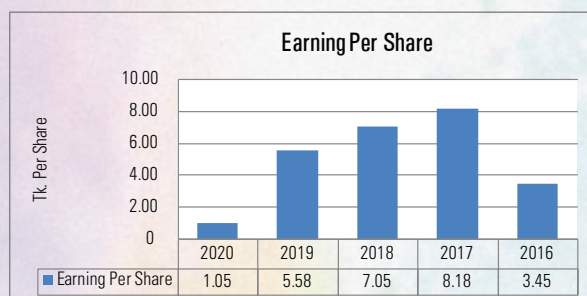
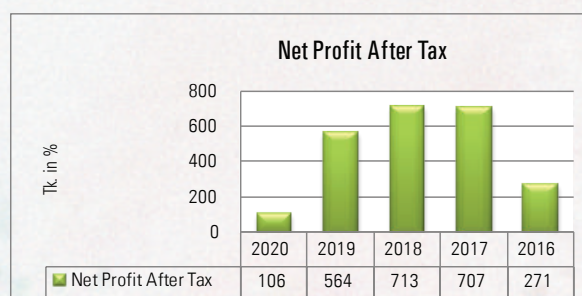
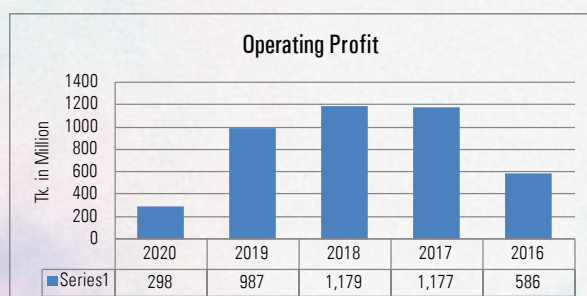
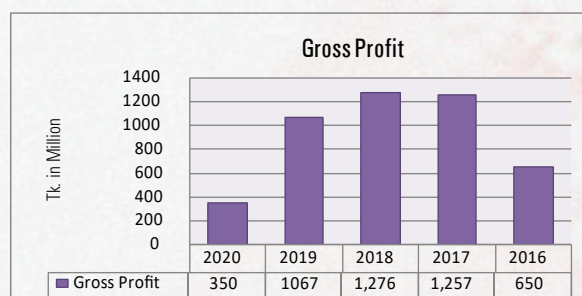
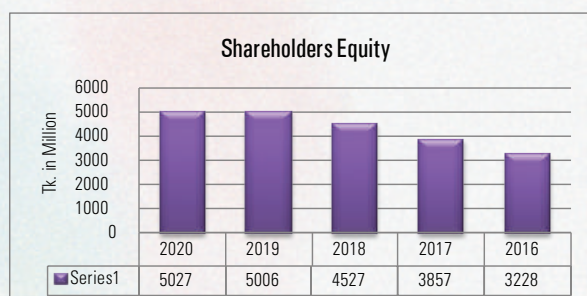
Key

FINANCIAL HIGHLIGHTS

Ratios						
Particulars		30.06.2020	30.06.2019	30.06.2018	30.06.2017	30.06.2016
1	Gross Margin Ratio - %	10.81	15.67	16.67	16.79	12.10
2	Net Profit Ratio - %	3.28	8.29	9.31	9.45	5.04
3	EBITDA Margin to Sales - %	10.78	14.87	15.66	15.92	11.71
4	Return on Shareholder's Equity - %	2.11	11.27	15.76	18.35	8.40
5	Return on Capital Employed %	0.05	0.16	0.24	0.28	0.17
6	Current Ratio (Times)	3.89	3.85	2.27	2.02	1.85
7	Quick /acid Test Ratio (Times)	2.60	2.61	1.34	1.00	0.85
8	Inventory Turnover Ratio (Times)	1.62	3.13	0.86	3.56	2.82
9	Total Asset Turnover Ratio (Times)	0.43	0.96	1.22	1.38	1.10
10	Earnings Per Share (EPS) (Taka)	1.05	5.58	7.05	8.18	3.45
11	Dividend Per Share (DPS) - Taka	1.00	1.20	1.20	2.20	2.00
12	Dividend Payout Ratio	0.95	0.22	0.17	0.27	0.58
13	Dividend Cover Ratio	1.05	4.65	5.88	3.72	1.72
14	Net Assets Value (NAV) per share - Taka	49.69	49.48	44.74	44.60	41.06
15	Net Operating Cash Flow per share - Taka	0.77	1.31	1.00	2.08	1.45
16	Debt Equity Ratio (Times)	0.49	0.48	0.49	0.52	0.55
17	Interest Coverage Ratio	1.99	4.90	6.13	5.90	2.89
18	Average Number of Employees	381	507	530	530	505



Key Performance Indicator





Value

Added Statement & EVA

Value Added:

Revenue

Other Income

Less : Paid to suppliers for materials and services

2020 Taka	%	2019 Taka	%
3,239,046,345		6,808,684,500	
1,250,038		1,247,944	
3,240,296,383		6,809,932,444	
2,809,754,454		5,656,726,857	
430,541,929	100	1,153,205,587	100

Distributed as follows:

EMPLOYEES

Wages, Salaries, bonus, and other benefits

PROVIDERS OF FINANCE

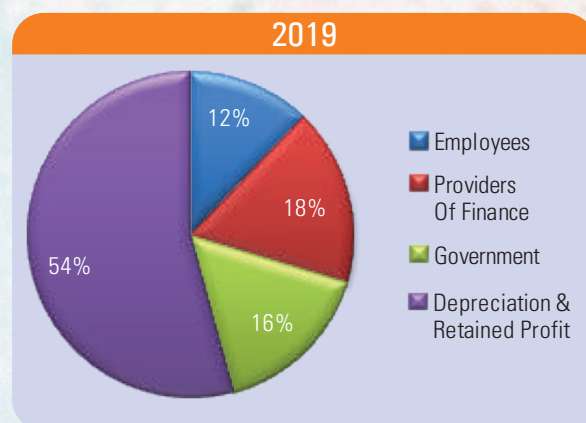
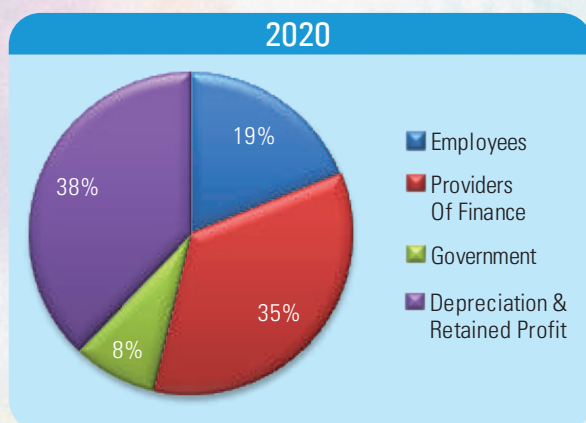
GOVERNMENT

RETAINED FOR REINVESTMENT & FUTURE GROWTH

Depreciation & Amortization

Retained Profit

81,288,093	19%	140,471,985	12%
150,058,352	35%	201,655,758	18%
36,116,049	8%	185,544,134	16%
267,462,494	62%	527,671,877	46%
56,826,014	13%	61,125,493	5%
106,253,421	25%	564,408,217	49%
163,079,435	38%	625,533,710	54%
430,541,929	100%	1,153,205,587	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

Net Operating profit after Tax (NOPAT)

Total Capital Employed

Cost of Capital in %

Cost of Capital (COC)

EVA = NOPAT - COC

2020	2019
106,253,421	564,408,217
6,085,625,595	5,998,053,869
8.27%	4.80%
503486993.6	288,055,915
(397,233,573)	276,352,302



Product AND MARKETS

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.



Notice of the 35th ANNUAL GENERAL MEETING

It is hereby NOTICE that the 35th Annual General Meeting (AGM) of the Ratanpur Steel Re-Rolling Mills Limited will be held on Tuesday the 29th December, 2020 at 11.00.A.M. The AGM will be held virtually by using Digital Platform through the following link <https://rsmsteel.bdvirtualagm.com> to transact the following businesses:

AGENDA

1. To Consideration and adoption of the Directors' Report and the Audited Financial Statements of the company for the year ended June 30, 2020;
2. To approve declared dividend for the year ended June 30, 2020 as recommended by the Board of Directors;
3. Retirement/Re-appointment of existing Directors;
4. Appointment of Statutory Auditors for the year ended June 30, 2021 and fix their remuneration;
5. Appointment of Professional Accountant/Secretary for issuing certificate regarding Compliance of Corporate Governance Code for the year ended June 30, 2021 and fix their remuneration;
6. Any other business with the permission of the chair.

13 December, 2020
Dhaka.

By order of the Board

Mohammad Moinuddin
Company Secretary (Acting)

Notes:

- Shareholders, whose name appears in the share register of the company or in the Depository Registers as on "Record Date" i.e. 03 December, 2020 are eligible to attend the Annual General Meeting (AGM) and receive the dividend.
- Pursuant to Bangladesh Securities and Exchange Commission's order No. SEC/SRMIC/94-231/25 dated July 08, 2020; the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform.
- The Members will be able to submit their questions/ comments and vote electronically 24 hours before commencement of the AGM and during the AGM, for logging into the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the <https://rsmsteel.bdvirtualagm.com>
- A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies in his/her stead and forms of proxy must be lodged at the Company's Share Office, 291, Fakirerpool, (Jamindar Bari – 9th Floor) Apt # B-9, Inner-Circular Road, Arambagh, Motijheel, Dhaka-1000 not later than 48 hours before the AGM.
- Shareholders are requested to update their respective BO ID with 12 digit E-TIN information through their respective Depository Participant (DP).
- The Annual Report 2019-2020 and Proxy Form are available at the Company's Website: www.rsmsteel.com.
- Annual Report 2019-2020 (PDF Copy) will also be sent to the individual email address of the shareholder's mentioned in their respective BO account as per BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018.

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.

CORPORATE & CONTRACT INFORMATION

COMPANY NAME

Ratanpur Steel Re-Rolling Mills Limited

DATE OF INCORPORATION

April 22, 1986

DATE OF COMMERCIAL OPERATION

July 01, 1986

SHARE CAPITAL

Authorized Capital BDT 500.00 Crore
Paid-up Capital BDT 101.189 Crore

BOARD OF DIRECTORS

Mrs. Shamsun Nahar Rahman, Chairman
Mr. Maksudur Rahman, Managing Director
Mr. Md. Yunus Bhuiyan, Director
Mr. Md. Mizanur Rahman, Director
Mr. Marzanur Rahman, Director
Mr. Md. Abul Hossain, Director (Nominated by ICB)
Professor Dr. Mijanur Rahman, Independent Director
Major General Mohammad Ashab Uddin, ndc, Psc, (Retd.), Independent Director

AUDIT COMMITTEE

Professor Dr. Mijanur Rahman, Chairman
Mr. Md. Yunus Bhuiyan, Member
Mr. Md. Mizanur Rahman, Member
Mr. Marzanur Rahman, Member
Mr. Mohammad Moin Uddin, Secretary (acting)

NRC COMMITTEE

Professor Dr. Mijanur Rahman, Chairman
Mr. Md. Yunus Bhuiyan, Member
Mr. Md. Mizanur Rahman, Member
Mr. Marzanur Rahman, Member
Mr. Mohammad Moin Uddin, Secretary (acting)

HEAD OFFICE

Nahar Mansion, 116 C.D.A Avenue, Muradpur, Chittagong.
Phone: +880 31 652255-57, Fax: +880 31 650001
Website: www.rsrmdbd.com

DHAKA OFFICE

Rupayan Golden Age (7th Floor), 99, Gulshan Avenue
Gulshan - 2, Dhaka - 1212
Te: +880 2 222292936, 222290457, 58812521, Fax: +88 02 8828292,
Website: www.rsrmdbd.com

FACTORY

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

SHARE DEPARTMENT

291 Fakirerpool (Jamindar Bari – 9th Floor), Apartment No. B-9,
Inner-Circular Road, Arambag, Motijheel, Dhaka-1000,
Tel : +880 2 7195840, 7195841, Fax : +880 2 7191745
e-mail : sharedept@rsrmdbd.com, Website : www.rsrmdbd.com

AUDITOR

Mahfel Huq & Co.
Chartered Accountants
BGIC Tower (4th Floor), 34, Topkhana Road, Dhaka-1000.

COMPANY SECRETARY (acting)

Mr. Mohammad Moin Uddin

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 37 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 47 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 prints on the various back ward and forward linkage in the industry as well as business.





MR. MD. YUNUS BHUIYAN

Director

Mr. Md. Yunus Bhuiyan was born in 1964. He is a graduate having 37 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 12 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 10 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.



Md. Abul Hossain

Shareholder Director

Md. Abul Hossain has joined as Managing Director of Investment Corporation of Bangladesh (ICB) on 21 August, 2019. He started his career as a System Analyst/Senior Principal Officer in ICB on 19-02-1998 and served different position in the same organization. Before his joining he acted as Managing Director at Karmasangsthan Bank (KB), during his service life, he served different Banks and Financial Institutions. He served as Managing Director (Additional Charge) and Deputy Managing Director at Bangladesh Krishi Bank (BKB). In addition to that Md. Abul Hossain served as System Manager/Deputy General Manager and General Manager at Investment Corporation of Bangladesh (ICB). He completed his B.Sc (Hon's) and M.Sc degree in Statistics from Jahangirnagar University.

He has over 30 years of diversified experience in investment banking, specialized and commercial banking, Islamic banking, Asset management and ICT works. He were always instilled by the changed and research oriented, dynamic management that focused innovations, creativity and organizational increased efficiency and effectiveness, resulted in higher value addition to the organizational, stakeholders and the society as well.

During the long journey, he served 16 (sixteen) organizations with different capacities. He served as a chairman of 03 (three) organizations before of which two are the subsidiaries of ICB (ICB Asset Management Company Limited & ICB Securities Trading Company Limited) and the others is Aziz Pipes Limited. In addition to this, he served as a Director to a number of organizations like Islami Bank Bangladesh Limited, The Farmers Bank Limited (Now Padma Bank), Nitol Insurance Company Limited, AllTex Industries Limited, ICB Securities Trading Company Limited, Aramit Limited, Kay & Que (Bangladesh) Limited, Business Automation Limited, DNS Satcomm Limited and Upload Yourself Systems Limited.

He has been contributing his professional expertise as the Chairman of ICB Capital Management Ltd. Apart from that he is now serving as the Director of British American Tobacco Bangladesh Co. Ltd. (BATBC), Linde Bangladesh Limited, GlaxoSmithKline Bangladesh Ltd. (GSK), Renata Limited, Bangladesh Krishi Gobeshona Endowment Trust (BKGET), Credit Rating Information and Services Ltd. (CRISL), Standard Bank Limited, National Tea Company Limited (NTC), Apex Tannery Limited, Central Depository Bangladesh Ltd. (CDBL), United Power Generation & Distribution Company Limited (UPGDCL), Aramit Limited, Industrial Infrastructure Development & Finance Company Limited (IIDFC), Bangladesh Institute of Capital Market (BICM), Apex Footwear Limited, Aramit Thai Aluminum Limited, The Peninsula Chittagong Limited, Lafarge Surma Cement Limited, Standard Bank Securities Limited, SBL Capital Management Limited, Ratanpur Steel Re-rolling Mills Limited (RSRM), Heidelberg Cement Bangladesh Limited, Padma Bank Limited and some other Directorships.



PROFESSOR DR. MIJANUR RAHMAN

Independent Director



Professor Dr. Mijanur Rahman, a professor of Marketing Department, Dhaka University joined Jagannath University as the Vice-Chancellor on 20 March 2013. Now he is working as the Vice-Chancellor of Jagannath University for the second term after being appointed by the honourable President of the People's Republic of Bangladesh.

Professor Dr. Mijanur Rahman was born in 1958 in a renowned Muslim family of Comilla. He passed his SSC in 1973 from Bibir Bazar high school and HSC in 1975 from Comilla Victoria Govt. College. He then took admission in the Marketing Department of Dhaka University in 1976 and completed his bachelor's and master's degrees. Further, he obtained his Ph.D. in Business Administration in 1994 from Aligarh Muslim University, a prestigious educational institution of the sub-continent. Throughout his student life he was known as a very bright student. Professor Dr. Mijanur Rahman joined the Marketing Department of University of Rajshahi as a Lecturer in 1982 leaving his lucrative position in Bangladesh civil service. In 1986 he joined Dhaka University and was appointed as a Professor of Marketing in 1999. He has published twenty-five research articles in national and international journals. In 1992 Bangla Academy published his research-based book titled Marketing of Agricultural Products (two parts). Moreover, he has authored other popular and well-read books like Marketing, Marketing for Bachelor Students, Principles of Marketing, and Marketing (simplified version). He has also written four well-known books titled Bangabandhu Bangali and Bangladesh, Spirit of Independence War and Development Thoughts, Post-Democracy and Lincoln's People, Bangabandhu: A Great Hero of All-time focusing on the political perspectives of the independence war and contemporary affairs. Along with teaching, he is also playing a vital role in the social sector. He has played a leading role in all the progressive youth movements of Bangladesh. While working as the Treasurer of Dhaka University, he made a substantial contribution to its academic and infrastructural developments. Professor Dr. Mijanur Rahman has carried out various important administrative responsibilities as well. He was the chairman of Sheikh Burhanuddin College, a council member of ICMA Bangladesh, director of Maksons Spinning, finance committee member of Bangladesh University Grants Commission (UGC), syndicate member of Pabna Science and Technology University and BRAC University. At present he is a syndicate member of Rabindra University Bangladesh, Comilla University, Bangabandhu Sheikh Mujibur Rahman Digital University, Bangladesh Textile University and North-South University. Besides, Professor Dr. Mijanur Rahman is also serving as the independent director of ICB's subsidiary AMCL and Bangladesh National Insurance Company. Moreover, he is the incumbent president of Marketing Department's Alumni Association, Dhaka University and Marketers' Institute Bangladesh. He has attended numerous seminars and conferences, and delivered keynote speeches on Bangladesh affairs as a visiting professor in many countries including India, Thailand, Malaysia, Russia, Bulgaria, UK, Sweden, Denmark, Belgium, France, Germany, Netherlands, USA, Nepal, Norway, Turkey, Maldives, Sri Lanka, and Canada.

As far as Professor Dr. Mijanur Rahman's family is concerned, renowned painter Nazma Akter is his spouse. His only son Aninda Rahman is currently studying at SOAS University of London and his daughter-in-law Nazia Afrin Monami is a news editor of Somoy TV. His only grandson, Anush, is very close to him and his eternal source of inspiration.

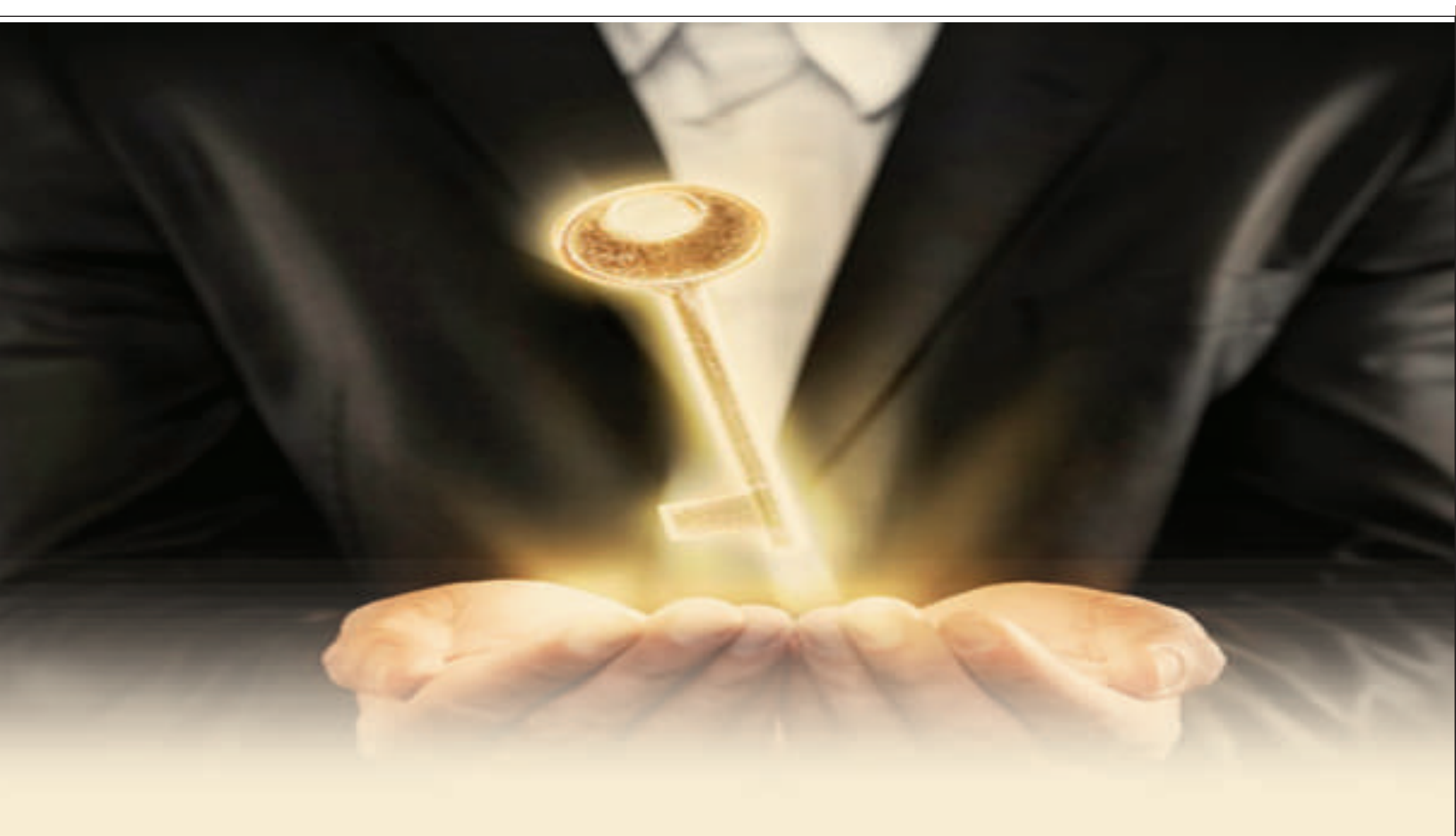
MAJOR GENERAL MOHAMMAD ASHAB UDDIN, ndc, Psc (Retd)

Independent Director



Major General Mohammad Ashab Uddin, ndc, psc (Retd.) served as the Ambassador of Bangladesh to the State of Kuwait and the Republic of Yemen from the year 2013 to 2016. He was born in Sylhet on 10th January 1959 and commissioned in the Bangladesh Army in 1979. He achieved Bachelor of Arts degree from the Chittagong University, obtained Master of Arts degree on Political Science and Master of Defence Studies from the National University, Bangladesh. He also received Master of Philosophy (M Phil) from the University of Madras, India. Major General Mohammad Ashab Uddin ndc, psc (retd), a professional military officer, has turned into a capable and efficient diplomat who skilfully welded a strong relation between Bangladesh and Kuwait with honesty, hard work and sheer patriotism and has brilliantly been leading the Bangladesh community to a better picture since his appointment.

Prior to join as Ambassador, General Ashab commanded two infantry battalions, two infantry brigades and was General Officer Commanding (GOC) of two Infantry Divisions and Area Commander, Savar and Chittagong Area. He was also the Director Military Training and Commandant of Defense Services Command and Staff College, Mirpur. General Ashab worked in international environment and participated in UN peacekeeping operation in Mozambique. He was responsible for administration, finance and ceremonial aspects of the mission where many countries participated. He was awarded UN medal for his outstanding performance and devotion.



KEY MANAGEMENT

Mr. Md. Shafiqul Islam

Executive Director - Marketing & Sales

Mr. Sharat Chandra Sarkar

Head of Internal Audit & Compliance (HIAC)

LT CDR M A Ahad, PSC, BN (Retd.)

GM - Production & Maintenance

Mr. Md. Serajul Islam

Consultant (Lab) - Quality Control

Mr. Dewan Mabood Ahmed

Senior Manager - Commercial

Mr. Mohammad Moin Uddin

Company Secretary (acting)

Mr. Mrinal Kanti Mondal

Chief Financial Officer

Mr. Mohammad Ali

Chief Engineer - Electrical

Mr. Mohammad Rashed Iqbal

GM - HR & Admin

Mr. Abdul Khaleque

Senior Engineer - Mechanical



**MESSAGE FROM
THE CHAIRMAN**

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 35th Annual General Meeting of your company.

By now you have already received copies of the Annual Report 2020. 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 2019-2020

The Company earned pre-tax profit of Tk. 142,369,470.00 while after tax net profit stood at Tk. 106,253,421.00 with EPS of Tk. 1.05 for the year as against pre-tax profit and after tax profit respectively of Tk. 749,952,351.00 and Tk. 564,408,217.00 with EPS of Tk. 5.58 for the previous year. The Net Asset Value (NAV) and the Net Operating Cash Flow per Share (NOCFPS) for the year stood at Tk.49.69 and Tk. 0.77 respectively before consideration of dividend as against that for the previous year Tk. 49.48 and 1.31 respectively.

Achievement of Company year 2019-2020

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:

Abddul Monem Ltd.	PWD R & H	1. 200MW Power Plant Project Gouripur, Doudkandi, Comilla 2. JMB 4 Lane CO6(Khulna-Dhaka Highway Road) Pachchar, Shibchar, Madaripur
Mir Akhter Hossain Ltd.	PDB BRIDGE AUTHORITY BANGLADESH LGED	1. Matarbari Power Plant, Moheshkhali, Cox's Bazar 2. Construction of 99m long Pc girder Bridge on Dayarampur UP-Borboriah road (Bagatipara) at CH.3100M on Boral River, Natore. 3. Dhaka Elevated Express Way (DEE) PPP Project, Dhaka 4. Bakhali Bridge Project Cox Bazar.
M Jamal and Company	CDA WASA Ctg. PWD NAVY	1. CDA Apartment, Poster Par, Dewan Hat, Ctg. 2. CDA Square, Nasirabad, Ctg. 3. Wasa, Dampara, Ctg. 4. Agrabad CGS Colony, Ctg. 5. Noakhali Govt. Colony, Maijdee. 6. Vasanchar, Hatiya, Noakhali 7. Zilla Parishad Bhabon, Ctg. 8. Panchlaish, Ctg.
Property Development Ltd.	PADMA BRIDGE ROAD PROJECT MES	1. Postogola to vanga high way road(N-8 Project)Sreenagar, Munshigonj 2. Female Singlemen Barrack, Kurmitola Air Force Project Dhaka Cant Dhaka. 3. Nautical Base at BNS-SHER-E-BANGLA, Kalapara, Patuakhali.
Hossain Construction	NAVY, MES	C.D.B Type Building Sheikh Hasina Cantonment, Lebukhali Patuakhali. Ors Quarter, Jessore Cantonment, Jessore.
Mark Builders	PWD	Construction of RAB-14 Complex Mymensing/ Gabtoli City Polli.
Spectra Engineers Ltd	R & H	1. Bhulta 4 Lane Flyover-Narayanganj, 2. Railway Overpass Comolla, 3. Chittagong CDA Outer Ring Road Project - Chowchala Anser Camp, Kattoli Bridge, Kalusha Bridge, Chorpara Potenga Bridge. 4. 300 Bed Divine Mercy General Hospital Kaligonj.



Sheltech Ceramics Ltd.& Sheltech Engineering Ltd.	INDUSTRY	1.Sheltech Ceramic Factory, Bhola 2. New Zealand Dairy Products Ltd.(Factory Natore & Bhulta Project) 3. Green Textiles Ltd. Valuka Project 4. SQ Group,Valuka Project. 5. Dhaka BGB. 6.Rangpur BGB. 7.Rajshahi BGB Projects.
United Construction	MES NAVY	1.Nirjor Residential,Dhaka Cantonment,Dhaka. 2. Shylhet, MES Project Sylhet. 3.Navy Admin Building Khilkhet,Dhaka
Barger Paints Bangladesh Ltd.	INDUSTRY	1.Berger Factory,Nabinagor,Savar 2. Berger Factory,Kalurghat,Ctg.
National Development Engineers Ltd. (NDE)	PRIME BANK HQ PADMA BRIDGE ROAD PROJECT PDB, COX DEVELOPMENT AUTHORITY	1. Prime Bank Head Office.Prime Bank Tower,Gulshan-1 2.MES Project,Jarzira Cantonment Building ,Shoriyatpur 3. Power plant Project, Payrabondor Potuakhali 4. Project Kolatoli Road,Cox bazar.
Banga Builders Ltd.	PWD HED	1. Dhaka Metroploton Police Headquarter,BAILY Road Ramna Dhaka 2.Health Vhaban Mohakhali Dhaka. 3. Gabtoli City Polli project. Police Tower Building,Mirpur14, Dhaka.
Esla Construction Company (BD) Ltd	REAL ESTATE DEVELOPER	Bijoy Rakeen City ,Mirpur,Dhaka
Max Infrastructure Ltd.	PDB	Rupur Nuclear Power Plant,Ishwardi,Pabna
Comprehensive Holdings Ltd	MES PWD Mercantile Bank	1. Army Medical College Building,Bogra. 2.Police Housing Society Dhaka. 3. MBL Centre,Satmasjid Road,Dhaka.
Dipon Infrastructure Services Ltd.	PDB TEXTILE MES	1.Sirajgonj 400 MW CC Power Plant, Sirajgonj 2.Dr. M.A. Wazed Mia Textile Engr. College,Pirgonj Rangpur. 3.MES Jarzira Project, Jarzira Cantonment,Shariyatpur.
Mazidsons Constructions Ltd.	MES PWD	1.B –Type Air (CTG),BAF Base Zarul Haque,Patenga Chittagong 2.MIST Tower-4 Mirpur Cantonment,Mirpur Dhaka 3. Multipurpose Hall,Navy Hospital Gate,New Mooring,Chittagong. 4. SM Barrak,Navy Hospital Gate, New Mooring,Chittagong. 5.Khilkhet Navy Colony,Dhaka.
G.K.B D Company PVT. LTD	PWD	1.Rajoshsho Vhabon Agargaon, Dhaka 2.Rab Headquarter,Askona,Uttara
ABM Water Company Ltd.	BEZA	BEZA Project, Mirersorai Chandonash Project.
M/S Tung Hing (BD) Manufacturing Ltd.	EPZ	Industrial Project Comilla EPZ
Home Street Builders	MES, NAVY	1.OR'S Quarter, Lebukhali. 2. Missail Stone, Ctg. 3. SMB Ctg, Museum Building. 4. Vehicle Garage Ctg. Cantonment. 5. BOQ Officers Quarter, Bhatiary Ctg. 6. Jolshiri Project, Rupgonj, Narayanganj. 7. Officers Quarter, Kurigram BGB Camp, 8. Office Building ARMY HQ Dhaka.
Tajeem Enterprise	RAB	RAB-13, CO Bazer, Rangpur.
Kusholi Nirmata	PWD	Double Mooring Modhdho Police Station Compound Chattogram.



Steel Industry in Bangladesh

The present economy on Bangladesh is highly vibrant and continuously bringing progression. It is heartening to note that Bangladesh is now marching towards continued growth and development. Over the last few years the economy has grown at 7%-8.13% per annum a massive 11.99% 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. Moreover, per capita income will rise to USD 2,064 in the fiscal 2019-20 from USD 1,909 a year ago. 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

Bangladesh today is considered a development miracle in the world with an economy that is well aligned with international trade and investment. The present government has been implementing various programs to expand the volume of investment, expansion of trade and commerce. Apart from that, we have seen that the construction sector of Bangladesh has grown at calculated average growth rate (CAGR) of 12% 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 above 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 Police Box, Passengers Shade in Bus Stands and providing Safety Road Sign. Attending in Job Fair for the contribution to reduce unemployments. 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, DSE, CSE, RJSC, 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

চেয়ারম্যানের বিবৃতি

আমার এবং পরিচালক পর্ষদের পক্ষ থেকে সকল শেয়ার হোল্ডারগণের প্রতি আসসালামু আলাইকুম ও শুভ সকাল।

আশা করি আপনারা কোম্পানির বার্ষিক প্রতিবেদন ২০২০ হাতে পেয়ে পড়েছেন ও পর্যালোচনা করেছেন। আপনাদের কোম্পানি এম,এস ডিফরমড বার প্রস্তুতকারী ও সরবরাহকারী একটি প্রতিষ্ঠান। কোম্পানির দক্ষ জনবল ও প্রযুক্তির পাশাপাশি বিপনন ও সরবরাহের মাধ্যমে মানসম্পন্ন এম,এস ডিফরমড বার প্রতিযোগিতা মূলক মূল্যে সরবরাহ করে আসছে।

আপনাদের কোম্পানি বিশেষভাবে নজর রাখেন গুণগতমান, গ্রাহকের বিশ্বাস ও আস্থাশীলতা, সামাজিক দায়িত্ববোধ, নেতৃত্ব এবং গ্রাহক সন্তুষ্টির উপর।

২০১৯-২০২০ অর্থবছরের ফলাফল পর্যালোচনাঃ

আয়কর পূর্ব মুনাফা টাকা ১৪২,৩৬৯,৪৭১ আয়কর পরবর্তী মুনাফা টাকা ১০৬,২৫৩,৪২২। শেয়ার প্রতি আয় টাকা ১.০৫। গত বৎসরে আয়কর পূর্ব মুনাফা ও আয়কর পরবর্তী মুনাফা যথাক্রমে টাকা ৭৪৯,৯৫২,৩৫১ ও টাকা ৫৬৪,৪০৮,২১৭ এবং শেয়ার প্রতি মুনাফা ছিল টাকা ৫.৫৮। লভ্যাংশ প্রদানের পূর্বে শেয়ার প্রতি নীট সম্পদ মূল্য ও চলমান নগদ তারল্য যথাক্রমে টাকা ৪৯.৬৯ ও টাকা ০.৭৭ দাঁড়ায়। গত বৎসরে শেয়ার প্রতি নীট সম্পদ মূল্য ও চলমান নগদ তারল্য যথাক্রমে টাকা ৪৯.৪৮ ও টাকা ১.৩১ ছিল।

২০১৯-২০২০ অর্থবছরে কোম্পানির অর্জনঃ

আপনাদের আনন্দের সাথে জানাচ্ছি যে, এই বছর বেশ কয়েকটি আন্তর্জাতিক কোম্পানীর সহিত বিভিন্ন কাজ করেছে। যার বিবরণ নিচে বর্ণিত হইলঃ

Abddul Monem Ltd.	PWD R & H	1. 200MW Power Plant Project Gouripur, Doudkandi, Comilla 2. JMB 4 Lane CO6(Khulna-Dhaka Highway Road) Pachchar, Shibchar,Madaripur
Mir Akhter Hossain Ltd.	PDB BRIDGE AUTHORITY BANGLADESH LGED	1. Matarbari Power Plant,Moheshkhali,Cox's Bazar 2. Construction of 99m long Pc girder Bridge on Dayarampur UP-Borboriah road (Bagatipara)at CH.3100M on Boral River,Natore. 3. Dhaka Elevated Express Way(DEE)PPP Project, Dhaka 4.Bakkhali Bridge Project Cox Bazar.
M Jamal and Company	CDA WASA Ctg. PWD NAVY	1.CDA Apartment,Poster Par,Dewan Hat,Ctg. 2.CDA Square, Nasirabad,Ctg. 3. Wasa, Dampara,Ctg. 4.Agrabad CGS Colony,Ctg. 5. Noakhali Govt. Colony,Maijdee. 6.Vasanchar,Hatiya,Noakhali 7.Zilla Parishad Bhabon, Ctg. 8.Panchlaish, Ctg.
Property Development Ltd.	PADMA BRIDGE ROAD PROJECT MES	1.Postogola to vanga high way road(N-8 Project)Sreenagar,Munshigonj 2. Female Singlemen Barrack,Kurmitola Air Force Project Dhaka Cant Dhaka. 3. Nautical Base at BNS-SHER-E-BANGLA, Kalapara,Patuakhali.
Hossain Construction	NAVY,MES	C.D.B Type Building Sheikh Hasina Cantonment, Lebukhali Patuakhali. Ors Quarter,Jessore Cantonment,Jessore.
Mark Builders	PWD	Construction of RAB-14 Complex Mymensing/ Gabtoli City Polli.
Spectra Engineers Ltd	R & H	1.Bhulta 4 Lane Flyover-Narayanganj, 2. Railway Overpass Comolla, 3. Chittagong CDA Outer Ring Road Project - Chowchala Anser Camp, Kattoli Bridge,Kalusha Bridge,Chorpara Potenga Bridge. 4.300 Bed Dvine Mercy General Hospital Kaligonj.
Sheltech Ceramics Ltd.& Sheltech Engineering Ltd.	INDUSTRY	1.Sheltech Ceramic Factory, Bhola 2. New Zealand Dairy Products Ltd.(Factory Natore & Bhulta Project) 3. Green Textiles Ltd. Valuka Project 4. SQ Group,Valuka Project. 5. Dhaka BGB. 6.Rangpur BGB. 7.Rajshahi BGB Projects.
United Construction	MES NAVY	1.Nirjor Residential,Dhaka Cantonment,Dhaka. 2. Shylhet, MES Project Sylhet. 3.Navy Admin Building Khilkhet,Dhaka



Barger Paints Bangladesh Ltd.	INDUSTRY	1. Berger Factory, Nabinagar, Savar 2. Berger Factory, Kalurghat, Ctg.
National Development Engineers Ltd. (NDE)	PRIME BANK HQ PADMA BRIDGE ROAD PROJECT PDB, COX DEVELOPMENT AUTHORITY	1. Prime Bank Head Office, Prime Bank Tower, Gulshan-1 2. MES Project, Jarzira Cantonment Building, Shoriyatpur 3. Power plant Project, Payrabondor Potuakhali 4. Project Kolatoli Road, Cox bazar.
Banga Builders Ltd.	PWD HED	1. Dhaka Metroploton Police Headquarter, BAILY Road Ramna Dhaka 2. Health Vhaban Mohakhali Dhaka. 3. Gabtoli City Polli project. Police Tower Building, Mirpur14, Dhaka.
Esla Construction Company (BD) Ltd	REAL ESTATE DEVELOPER	Bijoy Rakeen City, Mirpur, Dhaka
Max Infrastructure Ltd.	PDB	Rupur Nuclear Power Plant, Ishwardi, Pabna
Comprehensive Holdings Ltd	MES PWD Mercantile Bank	1. Army Medical College Building, Bogra. 2. Police Housing Society Dhaka. 3. MBL Centre, Satmasjid Road, Dhaka.
Dipon Infrastructure Services Ltd.	PDB TEXTILE MES	1. Sirajgonj 400 MW CC Power Plant, Sirajgonj 2. Dr. M.A. Wazed Mia Textile Engr. College, Pirgonj Rangpur. 3. MES Jarzira Project, Jarzira Cantonment, Shariyatpur.
Mazidsons Constructions Ltd.	MES PWD	1. B –Type Air (CTG), BAF Base Zarul Haque, Patenga Chittagong 2. MIST Tower-4 Mirpur Cantonment, Mirpur Dhaka 3. Multipurpose Hall, Navy Hospital Gate, New Mooring, Chittagong. 4. SM Barrak, Navy Hospital Gate, New Mooring, Chittagong. 5. Khilkhet Navy Colony, Dhaka.
G.K.B D Company PVT. LTD	PWD	1. Rajoshsho Vhabon Agargaon, Dhaka 2. Rab Headquarter, Askona, Uttara
ABM Water Company Ltd.	BEZA	BEZA Project, Mirersorai Chandonais Project.
M/S Tung Hing (BD) Manufacturing Ltd.	EPZ	Industrial Project Comilla EPZ
Home Street Builders	MES, NAVY	1. OR'S Quarter, Lebukhali. 2. Missail Stone, Ctg. 3. SMB Ctg, Museum Building. 4. Vehicle Garage Ctg. Cantonment. 5. BOQ Officers Quarter, Bhatary Ctg. 6. Jolshiri Project, Rupgonj, Narayanganj. 7. Officers Quarter, Kurigram BGB Camp, 8. Office Building ARMY HQ Dhaka.
Tajeem Enterprise	RAB	RAB-13, CO Bazer, Rangpur.
Kusholi Nirmata	PWD	Double Mooring Modhdho Police Station Compound Chattogram.

বাংলাদেশে স্টিল শিল্পঃ

বাংলাদেশের বর্তমান অর্থনীতি অত্যন্ত প্রাবল্য এবং ধারাবাহিকভাবে অগ্রগতি বয়ে আনছে। এটা লক্ষণীয় বিষয় যে বাংলাদেশ এখন অব্যাহত প্রবৃদ্ধি এবং উন্নয়নের দিকে এগিয়ে চলেছে। গত কয়েক বৎসর ধরে অর্থনৈতিক প্রবৃদ্ধি ৭% হইতে ৮.১৩% পর্যন্ত হয়েছে। কিন্তু পাশাপাশি শিল্পক্ষেত্রে প্রবৃদ্ধি হয়েছে ১১.৯৯% এ অর্জন সম্ভব হয়েছে আবাসন শিল্প ও ছোট আকারের শিল্প কারখানা নির্মাণ কাজের উপর নির্ভর করে। আমাদের লক্ষ্যমাত্রা জাতীয় অবকাঠামোগত উন্নয়নের উপর নির্ভরশীল। তথাপি মাথাপিছু আয় বেড়ে দাড়াবে ৮ ২,০৬৪ যা আগের অর্থবছরে ছিল ৮ ১,৯০৯। আপাততঃ অবকাঠামোগত উন্নতি কিছুটা ধীরগতি হলেও সরকারের আগামী দিনের অবকাঠামোগত উন্নতির পরিকল্পনা আমাদের এই শিল্প উন্নতিতেও সহায়তা করবে।

যেকোন দেশের উন্নয়নের জন্য স্টিল শিল্প গুরুত্বপূর্ণ ভূমিকা রাখে। নীতি নির্ধারকদের অবকাঠামোগত উন্নয়নের নীতি নির্ধারণের মাধ্যমে এই শিল্প উন্নয়নে শান্তিশালী ভূমিকা রাখতে পারে। সকল সংশ্লিষ্টদের পাশাপাশি আরএসআরএম এই কাঠামোগত উন্নয়নে ভূমিকা রাখার জন্য বদ্ধ পরিকর।

বাংলাদেশে স্টিল শিল্পের ভবিষ্যৎ

আন্তর্জাতিক বাণিজ্য ও বিনিয়োগের সাথে সুসংহত একটি অর্থনীতিতে বাংলাদেশ আজ বিশ্বে একটি উন্নয়ন বিস্ময়কর ব্যাপার হিসাবে বিবেচিত হয়। বর্তমান সরকার বিনিয়োগের পরিমাণ, বাণিজ্য ও বাণিজ্য সম্প্রসারণের জন্য বিভিন্ন কর্মসূচি বাস্তবায়ন করছে। এছাড়াও আমরা দেখেছি গত দশ বৎসর যাবত বাংলাদেশে নির্মাণ শিল্পে প্রবৃদ্ধি হয়েছে গড়ে ১২%। আশা করি আগামীতেও এধারা অব্যাহত থাকবে। সামষ্টিক অর্থনীতির চাপের কারণে আবাসন শিল্পে ধীরগতি রূপ নেয়। যার ফলে স্টিল শিল্পেরও ধীরগতি হয়। যদিও এই অবস্থার সমাধান হচ্ছে। বর্তমান সরকারের ২০২১ ভিশনের উপর নির্ভর করে দেশীয় স্টিল প্রস্তুতকারকগণ বিশ্বাস করেন আগামীতে ১০% এর উপর প্রবৃদ্ধি এই শিল্পে চলমান থাকবে। যদিও সরকারিভাবে স্টিলের ব্যবহার বিশেষভাবে কমেছে। তথাপি সরকার বেশকিছু বড় আকারে প্রকল্প হাতে নিচ্ছে যেমন: বহুমুখী পদ্মাসেতু, মেট্রো রেলপথ, ফ্লাইওভার, কর্ণফুলী নদীর তলদেশে ট্যানেল নির্মাণ, কংক্রিট কাষ্টিং সড়ক ও মহাসড়ক এই ধরনের বড় আকারের প্রকল্পসমূহ অদূর ভবিষ্যতে স্টিলের চাহিদা বৃদ্ধি করবে। উক্ত প্রকল্প সমূহ বাস্তবায়নে স্টিলের সর্বোচ্চ চাহিদার সাথে সাথে ব্যবহার নিশ্চিত হবে নির্মাণ কাজের প্রধান উপাত্ত হিসাবে।

কর্পোরেট সামাজিক দায়িত্ব :

কোম্পানি শুধু উৎপাদন ও বিক্রয় বা ব্যবসায়িক উন্নতির উপর মনোনিবেশ করে না, পাশাপাশি আর্থ-সামাজিক অবকাঠামোর উন্নতির প্রতিও দৃষ্টি রাখে। কোম্পানি নিরাপত্তা, শিক্ষা, দক্ষতা বৃদ্ধি ইত্যাদি সামাজিক বিষয়ের প্রতি লক্ষ্য রাখে। উক্ত বিষয়ে আমাদের কিছু প্রকল্প যথাঃ বাংলাদেশ পরিবেশ ফোরামের সাথে যৌথভাবে গাছ লাগানো "সবুজায়ন", সারাদেশে তিনশত প্রাইমারী স্কুলের শিক্ষার্থীদের ভূমিকম্পের সম্পর্কে সতর্কীকরণ শিক্ষা প্রদান করা, পুলিশ বক্স, যাত্রী ছাউনী নির্মাণ, রাস্তা নির্দেশক, জব ফেয়ার এ অংশ গ্রহন এবং স্কুল বিশ্ববিদ্যালয় ছাত্র/ছাত্রীদের শিক্ষাবৃত্তি প্রদান করা ইত্যাদি।

অবশেষে সকল শেয়ারহোল্ডারবৃন্দ, গ্রাহকবৃন্দ, সরবরাহকারী, ঠিকাদারগণ, ঋণদাতা প্রতিষ্ঠানসমূহ সকলকে ধন্যবাদ জানাই আমাদের সার্বিক সহযোগিতার জন্য। আরও ধন্যবাদ জানাতে চাই আমাদের সকল কর্মচারী ও কর্মকর্তাদের অক্লান্ত পরিশ্রমের জন্য। বিশেষভাবে ধন্যবাদ জানাতে চাই নিরীক্ষক, বি এস ই সি, ডি এস ই, সি এস ই, আর জে এস সি এবং অন্যান্য সকল সরকারী ও বেসরকারী কর্তৃপক্ষ যারা আমাদের সার্বিক সহযোগিতা করেছেন।

আপনাদের সকলের জন্য শুভ কামনা

আল্লাহ হাফেজ

S M Rhaman

শামসুন নাহার রহমান

চেয়ারম্যান

RATANPUR STEEL RE-ROLLING MILLS LTD.



Maksudur Rahman
Managing Director

MESSAGE FROM THE MANAGING DIRECTOR



Assalamualaikum and Good Morning to all our Honorable Shareholders

Welcome you all to this 35th Annual General Meeting of Ratanpur Steel Re-Rolling Mills Limited For the financial year 2019-2020 earned after tax profit Tk. 106,253,421.00 with EPS of Tk.1.05 and Net Operating Cash Flow per Share (NOCEPS) Tk. 0.77 and NAV stood at Tk.49.69

In the financial year 2019-2020 our company utilized 32.33% production capacity and produced 60,520 MT of MS Deformed bar with compare to financial year 2018-2019 it was 61.67% utilization of capacity and produced 115,450 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 2019-2020 the company incurred Tk. 9,528,630.00 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.

The economy of Bangladesh is continuously bringing progression and expecting to be the upper and middle-income country by 2030 and a developed country by 2041. 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 and at the same time we have 68% unutilized capacity in our hand to meet the incremental demand of MS Deformed Bar.

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). Police Box, 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: Attending in Job Fair for the contribution to reduce unemployments, 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

Maksudur Rahman
Managing Director

ব্যবস্থাপনা পরিচালকের বিবৃতি

আসসালামু আলাইকুম ও শুভ সকাল সকল শেয়ারহোল্ডারবৃন্দদের প্রতি।

স্বাগতম, রতনপুর স্টিল রি-রোলিং মিলস্ লিমিটেড-এর ৩৫তম বার্ষিক সাধারণ সভায়। ২০১৯-২০২০ অর্থ বৎসরের আয়কর পরবর্তী লাভ টাকা ১০৬,২৫৩,৪২২.০০য়ার প্রেক্ষিতে শেয়ার প্রতি মুনাফা টাকা ১.০৫ এবং চলমান নগদ তারল্য টাকা ০.৭৭ ও শেয়ার প্রতি নীট সম্পদ দাঁড়ায় টাকা ৪৯.৬৯।

২০১৯-২০ অর্থ বৎসরে আপনাদের কোম্পানীর উৎপাদন ক্ষমতার ৩২.৩৩% ব্যবহারের কারণে উৎপাদিত হয়েছে ৬০,৫২০ মেঃ টন এম এস ডিফরমড বার। যেখানে ২০১৮-১৯ অর্থ বৎসরে উৎপাদন ক্ষমতার ৬১.৬৭% ব্যবহার হওয়ায় উৎপাদিত হয়েছিল ১১৫,৪৫০ মেঃ টন এম এস ডিফরমড বার।

গ্রাহকের পরিমাণ বৃদ্ধির লক্ষ্যে দেশের সর্বত্র তথা শহর হতে গ্রাম পর্যন্ত আমাদের উৎপাদিত পণ্য পরিচিতির জন্য কোম্পানি বিশেষ প্রচারণার ব্যবস্থা নিয়েছে। অর্থ বৎসর ২০১৯-২০ এ টাকা ৯,৫২৮,৬৩০.০০ বিজ্ঞাপন খাতে ব্যয় করা হয়েছে। যার ফলে অদূর ভবিষ্যতে গ্রাহকের পরিমাণ বৃদ্ধি এবং কোম্পানির প্রসার হবে এবং সুফল পাওয়া যাবে।

বাংলাদেশের অর্থনীতি ধারাবাহিকভাবে অগ্রগতি নিয়ে আসছে এবং ২০৩০ সালের মধ্যে উচ্চ ও মধ্যম আয়ের দেশ এবং ২০৪১ সালের মধ্যে একটি উন্নতদেশ হওয়ার প্রত্যাশা করছে। সরকার ভৌত অবকাঠামোর উন্নয়নের জন্য বেশ বড় ধরনের প্রকল্পের উদ্যোগ নিয়েছেন, যেমনঃ বহুমুখী পদ্মাসেতু, মেট্রো রেলপথ, ফ্লাইওভার, কর্ণফুলী নদীর তলদেশে ট্যানেল নির্মাণ, কংক্রিট কাষ্টিং সড়ক ও মহাসড়ক, ঢাকা পানি সরবরাহ পদ্ধতি, খুলনা ৮০০ মেগাওয়াট এলএনজি ব্যবহার ভিত্তিক বিদ্যুৎ প্রকল্প, উপ-আঞ্চলিক পরিবহন প্রকল্প, বন্যা ও সমুদ্র-উপকূলীয় বাধ প্রকল্প ইত্যাদি। এই প্রকল্পগুলি ভবিষ্যতে আমাদের অব্যবহৃত ৬৮% উৎপাদন ক্ষমতা ব্যবহার করার সুযোগ তৈরি করবে।

বর্তমান সমাজিক চাহিদা অনুসারে আমাদের কোম্পানীও সামাজিক দায়িত্ববোধ থেকে কিছু পদক্ষেপ নিয়েছে, যেমনঃ গাছ লাগানো, ভূমিকম্পের উপর ক্যাম্পেইন, পুলিশ বক্স, যাত্রী ছাউনী, নিরাপদ রোড সাইন, দূর্ঘটনার সচেতনতা, বিভিন্ন সেমিনার ও আলোচনা সভা: জব ফেয়ার এ অংশ গ্রহন, শিক্ষাবৃত্তি ইত্যাদি। আমরা সর্বদাই শিক্ষা, প্রযুক্তি, স্বাস্থ্য, নিরাপত্তা বিষয়ে জন সচেতনতার উপর বিশেষভাবে কাজ করছি।

আমরা সর্বদা গ্রাহকদের ভালো সেবা দেওয়ার জন্য বিশেষভাবে মনোনিবেশ করে থাকি এবং সবসময় নতুন বাজার তৈরি ও গুণগত পণ্য (এম,এস ডিফরমড বার) সরবরাহ করার জন্য বদ্ধ পরিকর।

অবশেষে আমি সকল শেয়ারহোল্ডারবৃন্দ ও আমাদের পৃষ্ঠপোষকদের সর্বাঙ্গিক সহযোগিতার জন্য ধন্যবাদ জানাই।

আলাহ্ হাফেজ

M. R. Rahman

মাকছুদুর রহমান

ব্যবস্থাপনা পরিচালক



Director's Report

Dear Fellow Shareholders:

On behalf of the members of the board of Directors of your company and on my behalf, I am glad to welcome you all to the 35th Annual General Meeting (AGM) of Ratanpur Steel Re-Rolling Mills Ltd. This report covers the period of 12 months from July 1, 2019 to June 30, 2020. Our Members of the Board are pleased to present Directors' Report, Audited Financial Statements for the year ended 30 June, 2020 and Auditors' Report thereon before you for your consideration and approval. This report has been prepared in compliance with the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018

Review of Year 2019-2020

The fast growing pace of the world economy in early 2019-20 experienced the deepest global recession in decades due to an unknown pandemic, COVID-19. The pandemic has resulted in contraction across the vast majority of emerging markets and developing economies. With the passage of time, the world has adjusted with terms like –social distancing, lockdown and work from home (WFH). The significant impact of the virus may attenuate with the invention of an effective vaccine and its equilateral distribution across the world. At national level, in the first quarter of 2019, the economy of Bangladesh was the world's seventh fastest growing economy With a 7.3% annual real GDP growth. However, the overall indicators were not as negative compared to the world economic trends in the pandemic. With the withdrawal of large scale lockdown and return to new normal business activities, the country is expected to restore the incurred losses and resume on its growth trajectory.

Industry Outlook and Possible Future Development

The world financial system has been on an uptrend with a reported financial growth rate of 3.6% in 2020. With financial condition still supportive, global growth is expected to 4.2% rate in 2021. The macroeconomic outlook in South Asia remains favorable, amid robust domestic demand and strong infrastructure investment.

GDP growth of Bangladesh is expected to strengthen to 8.2 per cent in 2020-2021, following an expansion of 5.2 per cent in 2019-2020. The economy of Bangladesh will continued its growth in all important sectors in 2020-2021. Government expenditure as per the 2019-2020 budgets is providing additional fuel to domestic demand. Spending plans are mainly targeted at infrastructure which beyond the short-term boost to growth and will also improve the long-term competitiveness of the economy. This growth booster came from the industrial sector. Increasing growth of construction sector and increasing urbanization have driven the demand of steel in Bangladesh. Owing to the urbanization, improved living standard and increasing purchasing power, the construction sector of Bangladesh is passing a shining period.

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. Your company has about 68% unutilized capacity to meet up such incremental demand.



Operational and Financial Review

Operational Performance:

Particulars	2020	2019	2018
Production Capacity (MT)	187,200	187,200	187,200
Production (MT)	60,520	115,450	142,394
Capacity Utilization (%)	32.33%	61.67%	76.07%
Sale Qty (MT)	59,205	119,325	138,800

Financial Performance:

Particulars	2020	2019	2018
Sales	3,239,046,345	6,808,684,500	7,659,678,631
Gross Profit	350,023,613	1,067,042,792	1,276,991,453
Profit before Interest, Taxes & WPPF	298,296,258	987,857,782	1,179,881,891
Less: Interest & WPPF	157,176,826	239,153,376	231,187,278
Less: Tax expenses & Provision for Income Tax	31,482,835	186,156,130	235,234,640
Net Profit	106,253,421	564,408,217	713,459,972

Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

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

Operation of Subsidiary Industry

The company has not engage with any company as subsidiary (legal form)

Operation of Associate Company

The company has not engage with any company as Associate (legal form)

Segment-wise or Product-wise Performance

Company has one location of producing products which vary in sizes. No operating segments have been aggregated to form the above reportable segments.

Details Product wise performance are as follows:

Sales During the Period	2020 MT	2019 MT
MS Rod	59,205	119,325
	59,205	119,325
Production (MS Rod Misroll & Others)	60,520	115,450

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.

Risk Management & Control Environment:

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

**Management Discussion & Analysis:**

Board of Directors periodically discusses on operational & financial performance. A Details report on discussion is included in Annexure –D

Certification by the CEO & the CFO:

Declaration or certificate by the CEO & the CFO to the board as required under condition no. 3(3) is included in Annexure-A

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 certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

Board of Directors

A. On 30th June 2020, The board of Directors is composed of 8 (Eight) directors including Chairman, Managing Director, 4 (Four) Directors and Two Independent Director.

B. Board Meeting and attendance during the period from July 01, 2019 to June 30, 2020.

The Board meeting 4 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	4	4
Mr. Maksudur Rahman	Managing Director	4	4
Mr. Md. Younus Bhuiyan	Director	4	3
Mr. Md. Mizanur Rahman	Director	4	4
Mr. Marzanur Rahman	Director	4	4
Mr. Md. Abul Hossain	Director (Nominated by ICB)	4	4
Professor Dr. Mijanur Rahman	Independent Director	4	3
Major General Mohammad Ashab Uddin, ndc, psc (Retd)	Independent Director	4	4

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 board of directors has been recommended for re-appointment of Mr. Mizanur Rahman & Mr. Marzanur Rahman as Directors in the 35th AGM of the company upon retirement from the post of directors by rotation.

The board of directors has been also recommended to re-appoint Mr. Major General Mohammad Ashab Uddin, ndc, Psc, (Retd.) as the Independent Director of the Company in the 35th AGM of the company.



Internal control system:

The Board of Directors ensures that the Group has an effective internal control system which ensures that the assets of the Company are safeguarded and appropriate systems are in place to minimize and detect fraud, errors and other irregularities. The Company has adopted Standard Operating Procedures (SOP) for the betterment of internal control system. To generate accurate data and information within reasonable time frame, we have already commissioned most modern software called Enterprise Resource Planning (ERP). The Company has established a separate internal audit department to ensure internal control and compliance in place. On the other hand, Audit Committee regularly monitors and review the reports generated by the internal audit department and takes corrective measures

Extra-Ordinary Gain or Loss:

There is no extra-ordinary gain or loss during the year.

Related Party Transactions:

Basis of the related party transactions with the company has been elaborated in the audited financial statements for the financial year June, 2020 in note 34 in accordance with relevant Bangladesh Accounting Standards (BAS).

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 are increases in this financial year 2015 after IPO compare to financial year 2014.

Significant Variance between Quarterly and Annual Financial Statements:

There were no 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.

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 31 of Audited Financial Statements.

Dividend:

Your directors are pleased to recommend 10% Cash Dividend on equity shares for the year ended 30 June 2020 for consideration and approval by the shareholders in the 35th annual General meeting. The dividend on equity shares, If approved, would be paid to those members whose name appear in the share register of the company and/or depository register of CDBL as on Record Date.

Contribution of National Exchequer:

RSM is paying and facilitating collection of government's revenue in the financial 2019-2020; we paid and collected & deposited a significant amount of Income Tax, VAT & Duties. During the year 2019-2020, RSM contributed to the government exchequer along with utility a sum of about Taka 137.3 Million.

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.



Award & Recognition:

RSRM received following award as recognition as details:

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 & Bradstreet 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.

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.

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.

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.

Auditor:

Present auditor Mahfel Huq & Co., Chartered Accountants, (Anindependndent member firm of AGN International, London, United Kingdom) will retire in 35th AGM and being eligible to conduct audit for the year 2020-21 and they have conveyed their willingness to accept for re-appointment for the said period subject to the approval of shareholders in the 35th Annual General Meeting (AGM).

Professional Accountant for Compliance of Corporate Governance:

Pursuant to the BSEC's directive, Board has recommended to M/S Nasir Mohammed & Co., Chartered Accountants, Meherba Plaza, Topkhana Road, Dhaka to appoint as a Professional Accountant to issue Certificate on Compliance of Corporate Governance Code enacted by Bangladesh Securities andExchange Commission for the year ended on June 30, 2021 subject to approval of the shareholders in the 35th Annual General Meeting (AGM).

Reporting and Compliance of Corporate Governance:

Status of compliance with the requirements/conditions of Bangladesh Securities and Exchange Commission (BSEC) Notification no.: Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03 June 2018 on corporate governance has been included in the report in Annexure-C.

Subsequent Events:

Even after Reporting Date, Recommended Dividend for the year 2019-2020 The Board of Directors of the company in its 369th Meeting held on 27.10.2020 commencing at 7.00 P.M and closing 8.00 P.M recommended dividend for the year ended 30th June, 2020 @10% Cash and fixed Record Date 03 December, 2020 for 35th Annual General Meeting (AGM).



Economic scenario:

The economy of Bangladesh is a rapidly developing market-based economy. Over the last few years the economy has grown at 7%-8.13% per annum a massive 11.99% 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% 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 above 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.

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.
- Investment 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.

Directors’ Responsibilities statements:

Pursuant to the BSEC notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018; 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.
- l) There was no declaration of bonus share or stock dividend as interim dividend

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

Shamsun Nahar Rahman
Chairperson

পরিচালকবৃন্দের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারবৃন্দ,

কোম্পানির পরিচালকমন্ডলী ও আমার পক্ষ হতে আপনাদের সকলকে রতনপুর স্টীল রি-রোলিং মিলস্ লিঃ এর ৩৫তম বার্ষিক সাধারণ সভায় স্বাগত জানাই। এই প্রতিবেদনে ০১ জুলাই ২০১৯ থেকে ৩০ জুন ২০২০ সাল পর্যন্ত ১২ মাসের পর্যালোচনা রয়েছে। প্রতিবেদনটি বাংলাদেশ কোম্পানি অ্যাক্ট ১৯৯৪ ও বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন কর্তৃক জারিকৃত নোটিশ বিএসইসি/সিএমআরআরসিডি-২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০ মোতাবেক ০৩ জুন ২০১৮ তারিখে প্রস্তুতকৃত।

২০১৯-২০২০ সালের কার্যক্রম পর্যালোচনা

২০১৯-২০২০ সালের গোড়ার দিকে, বিশ্ব অর্থনীতির দ্রুত বর্ধমান গতি অজানা মহামারী কোভিড -১৯ এর কারণে কয়েক দশকে গভীরতম বিশ্ব মন্দার অভিজ্ঞতা লাভ করেছে। মহামারীটি উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতির বিশাল সংখ্যক অংশে সংকোচনের কারণ হয়ে দাঁড়িয়েছে। সময়ের সাথে সাথে বিশ্ব সামাজিক দূরত্ব, লকডাউন এবং বাড়িতে থেকে কাজ (ড্রিউ এফএইচ) এর মতো পদগুলির সাথে সামঞ্জস্য করেছে। ভাইরাসটির উল্লেখযোগ্য প্রভাব, কার্যকর ভ্যাকসিনের আবিষ্কার এবং বিশ্বজুড়ে এর সমপরিমাণ বিতরণকে আরও কমাতে পারে। জাতীয় পর্যায়ে, ২০১৯ সালের প্রথম প্রান্তিকে বাংলাদেশের অর্থনীতি ছিল বিশ্বের সপ্তম দ্রুততম বর্ধমান অর্থনীতি ৭.৩% বার্ষিক আসল জিডিপি বৃদ্ধি সহ। তবে, মহামারীটিতে বিশ্ব অর্থনৈতিক প্রবণতার তুলনা সামগ্রিক সূচকগুলি নেতিবাচক ছিল না। বড় আকারের লকডাউন প্রত্যাহার এবং নতুন সাধারণ ব্যবসায়িক ক্রিয়াকলাপগুলিতে ফিরে আসার পরে, দেশটি ব্যয়বহুল ক্ষতি পুনরুদ্ধার করবে এবং তার প্রবৃদ্ধির গতিপথটি আবার চালু করবে বলে আশা করা হচ্ছে।

শিল্পখাতের বিদ্যমান পরিস্থিতি ও ভবিষ্যৎ উন্নয়ন সম্ভাবনা:

২০২০ সালের বৈশ্বিক অর্থনৈতিক প্রবৃদ্ধির হার ৩.৬%। ইতিবাচক আর্থিক পরিস্থিতির ফলে ২০২১ সালে প্রবৃদ্ধির হার ৪.২% -এ উন্নীত হওয়ার সম্ভাবনা রয়েছে। দক্ষিণ এশিয়ার সামষ্টিক অর্থনৈতিক পরিস্থিতি অনুকূল অবস্থায় রয়েছে এবং ব্যাপক অবকাঠামোগত বিনিয়োগ ও দেশীয় চাহিদার সম্ভাবনা আছে।

বাংলাদেশের জিডিপি প্রবৃদ্ধি ২০২০-২০২১ সালে ৮.২% হারে বজায় থাকবে, যা ২০১৯-২০২০ সালে ৫.২% হারে। ২০২০-২০২১ সালে বাংলাদেশের সকল গুরুত্বপূর্ণ খাতে উল্লেখযোগ্য উন্নয়ন হবে। ২০১৯-২০২০ সালের বাজেটে সরকারী ব্যয় দেশীয় চাহিদা বৃদ্ধিতে সহায়ক ভূমিকা রেখেছে। ব্যয়-পরিকল্পনা মূলত অবকাঠামো খাতে স্বল্পমেয়াদী প্রবৃদ্ধির হার বাড়ানো ছাড়াও দীর্ঘমেয়াদী অর্থনৈতিক সক্ষমতা সৃষ্টির দিকে লক্ষ্য রেখে নেওয়া হচ্ছে। এই প্রবৃদ্ধি ত্বরান্বিত করার মূল শক্তি হলো শিল্পখাত। নির্মাণ খাতের বিকাশ এবং ক্রমবর্ধমান নগরায়নের ফলে বাংলাদেশে স্টিল-এর চাহিদা বেড়েছে। একইসাথে নগরায়ন, মানুষের জীবনযাত্রার মান এবং ক্রয়ক্ষমতার উন্নয়নের ফলে বাংলাদেশের নির্মাণ খাত এক সোনালি সময় পার করেছে। পূর্বের তুলনায় ইস্পাত শিল্পের বাজার ও ব্যাপকভাবে পরিবর্তিত হচ্ছে। এই চ্যালেঞ্জ মোকাবেলার জন্য আমরা আমাদের মূলনীতি তথা অর্থবহ ব্যবসায়িক বিকাশকে বিশেষ গুরুত্ব আরোপ করছি। সাম্প্রতিককালে কিছু নতুন প্রতিযোগী বাজারে প্রবেশ করেছেন, একই সাথে ভোক্তারা পণ্যের মান সম্পর্কে অনেক বেশী সচেতন। এই সব প্রেক্ষাপটে আমরা সর্বদা ইতিবাচক। এছাড়া নগরায়ণ ও মানুষের শহরমুখী হবার প্রবণতার ফলে বহুতল দালান, ঘাট, ব্রিজ, উড়াল সড়ক, মেট্রোরেল ইত্যাদির চাহিদা বাড়ছে। ফলে এসব ভৌত অবকাঠামো নির্মাণের জন্য মান সম্মত ইস্পাতের চাহিদা বাড়ছে, কারণ মানুষ এখন স্বাস্থ্য, নিরাপত্তা ও পরিবেশ নিয়ে অনেক বেশী সচেতন। আপনাদের সদয় অবগতির জন্য জানাচ্ছি যে, আপনাদের কোম্পানিতে ৬৮% উৎপাদন ক্ষমতা ব্যবহারের মাধ্যমে বাজার চাহিদা পূরণ করার চেষ্টা করছে।

উৎপাদন পর্যালোচনা

বিবরণ	২০২০	২০১৯	২০১৮
উৎপাদন মতা (মে.টন)	১৮৭,২০০	১৮৭,২০০	১৮৭,২০০
উৎপাদন (মে.টন)	৬০,৫২০	১১৫,৪৫০	১৪২,৩৯৪
উৎপাদন মতার ব্যবহার (%)	৩২.৩৩%	৬১.৬৭%	৭৬.০৭%
বিক্রয় (মে.টন)	৫৯,২০৫	১১৯,৩২৫	১৩৮,৮০০

আর্থিক পর্যালোচনা

বিবরণ	২০২০	২০১৯	২০১৮
বিক্রয়	৩,২৩৯,০৪৬,৩৪৫	৬,৮০৮,৬৮৪,৫০০	৭,৬৫৯,৬৭৮,৬৩১
মোট মুনাফা	৩৫০,০২৩,৬১৩	১,০৬৭,০৪২,৭৯২	১,২৭৬,৯৯১,৪৫৩
সুদ, আয়কর ও শ্রমিক তহবিল অনুদান পূর্ব লাভ	২৯৮,২৯৬,২৫৮	৯৮৭,৮৫৭,৭৮২	১,১৭৯,৮৮১,৮৯১
বাদ, সুদ ও শ্রমিক তহবিলের অনুদান	১৫৭,১৭৬,৮২৬	২৩৯,১৫৩,৩৭৬	২৩১,৮৮৭,২৭৯
বাদঃ আয়কর	৩১,৪৮২,৮৩৫	১৮৬,১৫৬,১৩০	২৩৫,২৩৪,৬৪০
নীট মুনাফা	১০৬,২৫৩,২১১	৫৮৪,৮০৮,২১৭	৭১৩,৪৫৮,৯৭২

বিগত তিন বছরের তুলনামূলক চিত্র Annexure-4. এ বর্ণিত আছে।

বিক্রিত পণ্যের খরচ, মোট মুনাফা এবং নিট মুনাফা মারজিন

পরিচালনা পর্ষদ পর্যায়ক্রমে বিক্রিত পণ্যের খরচ, মোট মুনাফা এবং নিট মুনাফা মারজিন এর বৃদ্ধি/হ্রাসের উপর আলোচনা করছে এবং যেমন প্রয়োজন তাৎক্ষণিকভাবে তার প্রয়োজনীয় পদক্ষেপ নিচ্ছে। এর বিস্তারিত প্রতিবেদন Annexure-1 এ অন্তর্ভুক্ত করা হয়েছে।

সহায়ক কোম্পানির কার্যাবলি:

কোম্পানিটি অন্য কোন কোম্পানির সহায়ক হিসেবে নিযুক্ত নয়। (Legal form)

সহযোগী কোম্পানির কার্যাবলি:

কোম্পানিটি অন্য কোন কোম্পানির সহযোগী হিসেবে নিযুক্ত নয়। (Legal form)

পণ্য ভিত্তিক পর্যালোচনা:

কোম্পানি বিভিন্ন মাপের পণ্য এক জায়গায় উৎপাদ করে। এর বাইরে আমাদের কোন পরিচালনা ভিত্তিক বিভাগ নাই।

পণ্য অনুযায়ী কার্যকমের বিবরণ নিম্নবরূপ:

বিক্রয়ঃ	২০২০ (মেঃ টঃ)	২০১৯ (মেঃ টঃ)
এম এস রড	৫৯,২০৫	১১৯,৩২৫
	৫৯,২০৫	১১৯,৩২৫
উৎপাদন এম এস রড, মিসরোল ও অন্যান্য	৬০,৫২০	১১৫,৪৫০

ঝুঁকি ও উদ্বেগ

ঝুঁকি মূল্যায়ন ও প্রশমন কার্যক্রম যেকোনো ব্যবসার অবিচ্ছেদ্য অংশ। মুনাফা বৃদ্ধি আর টেকসই প্রবৃদ্ধি অর্জনের লক্ষ্যে আমাদের পরিচালনা পর্ষদ নিয়মিত ঝুঁকি ও হুমকির সম্ভাবনা নির্ণয়, পর্যবেক্ষণ ও মূল্যায়ন করে থাকেন। নতুন সময়ের দাবি অনুযায়ী শক্তিশালী ব্যবস্থাপনা কাঠামো, তথ্য ব্যবস্থাপনা আর বাজার, অর্থনৈতিক পরিস্থিতি ও নতুন পলিসির নিয়মিত বিশ্লেষণের মাধ্যমে আমাদের ঝুঁকি ব্যবস্থাপনার সক্ষমতা নিশ্চিত করা হয়।

ঝুঁকি ব্যবস্থাপনা ও নিয়ন্ত্রণ

গুরুত্বপূর্ণ ঝুঁকি বিষয়ক বিবরণ এবং ঝুঁকি নিয়ন্ত্রণ করার উপায় কোম্পানি গ্রহণ করেছে -এর একটি সারাংশ Annexure-2 তে অন্তর্ভুক্ত করা হয়েছে।

সিইও ও সিএফও কর্তৃক প্রত্যয়ন

প্রধান নির্বাহী কর্মকর্তা ও প্রধান অর্থ কর্মকর্তা দ্বারা পরিচালনা পর্ষদকে প্রদত্ত ৩(৩) শর্ত অনুযায়ী প্রয়োজনীয় ঘোষণা বা প্রত্যয়ন অ্যোনেঞ্জর-এ তে সংযুক্ত করা হলো।

ক্রেডিট রেটিং

এমারজিং ক্রেডিট রেটিং লিঃ (ECRL) কর্তৃক মূল্যায়ন নিচে দেয়া হলোঃ

দীর্ঘমেয়াদী	স্বল্পমেয়াদী
A-	ST-2

"A-" বলতে বোঝায় উচ্চমান, সর্বোচ্চ নিরাপত্তা, উচ্চমানের ঋণ দেয়ার ব্যাপারে কোন বড় ধরনের ঝুঁকি নাই। "ST-2" দিয়ে বুঝায় যে, সময়মত ঋণ পরিশোধের সর্বোচ্চ নিরাপত্তা, পর্যাপ্ত তারল্য প্রবাহ ও কম ঋণ ঝুঁকি।

পরিচালক মন্ডলী

ক. পরিচালক পর্ষদের আকার:

৩০ জুন ২০২০ সালে পর্ষদের সদস্য সংখ্যা ছিলো ৮ জন, যার মধ্যে একজন চেয়ারম্যান, একজন ব্যবস্থাপনা পরিচালক, চারজন পরিচালক এবং দুইজন ইনডিপেন্ডেন্ট পরিচালক।

খ. পর্ষদ সভা ও উপস্থিতি: সময়কাল ১লা জুলাই, ২০১৯ থেকে ৩০ জুন, ২০২০



আলোচ্য বছরে ৪ টি পর্ষদসভা হয়েছিল যাতে অংশগ্রহণ ছিল নিম্নরূপ:

পরিচালকবৃন্দের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতির সংখ্যা
জনাবা শামসুন নাহার রহমান	চেয়ারম্যান	৪	৪
জনাব মাকছুদুর রহমান	ব্যবস্থাপনা পরিচালক	৪	৪
জনাব মোঃ ইউনুস ভূঁইয়া	পরিচালক	৪	৩
জনাব মোঃ মিজানুর রহমান	পরিচালক	৪	৪
জনাব মারজানুর রহমান	পরিচালক	৪	৪
জনাব মোঃ আবুল হোসাইন	পরিচালক(আইসিবি)	৪	৪
অধ্যাপক ডঃ মিজানুর রহমান	ইনডিপেন্ডেন্ট পরিচালক	৪	৩
জনাব মেজর জেনারেল মোহাম্মদ আসাব উদ্দিন এনডিসি, পিএসসি(অবসর)	ইনডিপেন্ডেন্ট পরিচালক	৪	৪

পরিচালক পুনঃনিয়োগের বিস্তারিত বিবরণ

কোম্পানী আর্টিকেল এসোসিয়েশন অনুযায়ী পর্যায়ক্রমিক ভাবে মোট পরিচালক সংখ্যার এক-তৃতীয়াংশ হিসাবে জনাব মোঃ মিজানুর রহমান ও জনাব মারজানুর রহমান পরিচালকদ্বয় ৩৫তম বার্ষিক সাধারণ সভায় সমাপ্তি হতে অবসর নিবেন। পুনঃনিয়োগের যোগ্য বিধায় পুনরায় নির্বাচিত হতে আগ্রহ প্রকাশ করেছেন।

পরিচালনা পর্ষদ, জনাব মেজর জেনারেল মোহাম্মদ আসাব উদ্দিন এনডিসি, পিএসসি (অবসর) কে ইন্ডিপেন্ডেন্ট ডিরেক্টর হিসেবে নিয়োগের জন্য ৩৫তম এজিএম এ সুপারিশ করেছে।

আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা

পরিচালনা পর্ষদ গ্রুপের একটি কার্যকর আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা নিশ্চিত করে যা কোম্পানির সম্পত্তির সুরক্ষা দেয় এবং ঝাঁকবাজি, ভুল ও অন্যান্য অনিয়ম চিহ্নিত করে তা নিরসনের উপযুক্ত ব্যবস্থা বজায় রাখে। আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার উন্নয়নে কোম্পানি স্ট্যান্ডার্ড অপারেটিং প্রসিডিউর (এসওপি) চালু করেছে। গ্রহণযোগ্য সময়ে সঠিক তথ্য ও উপাত্ত সংগ্রহে আমরা ইতোমধ্যে সর্বাধুনিক এন্টারপ্রাইজ রিসোর্স প্ল্যানিং (ইআরপি) চালু করেছি। আভ্যন্তরীণ নিয়ন্ত্রণ ও স্বচ্ছতা নিশ্চিত করার লক্ষ্যে কোম্পানি একটি আলাদা আভ্যন্তরীণ অডিট বিভাগ সৃষ্টি করেছে। অডিট কমিটি নিয়মিতভাবে আভ্যন্তরীণ অডিট বিভাগের প্রতিবেদন বিশ্লেষণ করে এবং সংশোধনমূলক ব্যবস্থা গ্রহণ করে।

ব্যবসায় Extra-Ordinary লাভ বা লোকসান

২০২০ সালে কোম্পানীর ব্যবসায় Extra-Ordinary কোন লাভ বা লোকসান ছিল না।

Related Party এর সাথে লেনদেন

Bangladesh Accounting Standard (BAS) অনুযায়ী নিরীক্ষিত হিসাব বিবরণী নোট ৩৪, Related Party এর সাথে লেনদেন সম্পর্কে বিস্তারিত আলোচনা করা হয়েছে।

প্রাথমিক গণ প্রস্তাব (IPO)- এর অর্থের ব্যবহার এবং প্রাথমিক গণপ্রস্তাব-এর পরবর্তী ফলাফল

কোম্পানীর গণপ্রস্তাবের মাধ্যমে ২৫,০০০,০০০ শেয়ার প্রতিটি টাঃ ১০.০০ ও প্রিমিয়াম টাঃ ৩০.০০ সহ প্রতিটি শেয়ার টাঃ ৪০.০০ দরের মোট টাঃ ১,০০০,০০০,০০০ সংগৃহীত করে তন্মধ্যে টাঃ ২২৭,৭৫০,২৩১ কার্যকারী মূলধন, টাঃ ৭৫০,০০০,০০০ ঋণ পরিশোধ এবং গণপ্রস্তাবের খরচ বাবদ ২২,২৪৯,৭৬৯ ব্যবহৃত করেছে। ঋণ পরিশোধ মাধ্যমে ও কার্যকারী মূলধন ব্যবহার করিয়া কোম্পানী বিক্রয় ও নীট মুনাফা বৃদ্ধি হয়েছে ২০১৪-১৫ অর্থ বছরে।

ত্রৈমাসিক ও বার্ষিক ফলাফলের ব্যবধানঃ

কোম্পানীর ত্রৈমাসিক ও বার্ষিক ফলাফলের মধ্যে ব্যবধান পরিলক্ষিত হয়নি। ২০১৯-২০ অর্থবছরে কোম্পানীর উৎপাদন এবং আর্থিক কার্যক্রম সন্তোষজনক ছিল।

Independent Director সহ পরিচালকদের সম্মানী ভাতা

পরিচালক পর্ষদের সিদ্ধান্ত মোতাবেক কোম্পানীর পরিচালকবৃন্দ কোম্পানী হতে নিয়মিত ভাতা ও সম্মানী পেয়ে থাকেন যা এই প্রতিবেদনের সাথে এর এবং নিরীক্ষিত হিসাব বিবরণীর নোট ৩১ এ দেয়া আছে।

লভ্যাংশ

পরিচালকমন্ডলী ৩০শে জুন ২০২০ এ সমাপ্ত বছরের জন্য ১০% নগদ লভ্যাংশ প্রদানের সুপারিশ করেছে। ৩৫ তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণ কর্তৃক অনুমোদন সাপেক্ষে কোম্পানীর জন্য নির্ধারিত রেকর্ড তারিখে থাকা শেয়ারহোল্ডারগণের মধ্যে এই লভ্যাংশ বিতরণ করা হবে।

রাষ্ট্রীয় কোষাগারে অবদান

সরকারী রাজস্ব আহরনে আরএসআরএম প্রত্যক্ষ-পরোক্ষভাবে সহযোগিতা ও অবদান রেখে যাচ্ছে। কোম্পানী ২০১৯-২০২০ সালে প্রযোজ্য সব ধরনের আয়কর, মুসক ও শুল্ক আদায় এবং প্রদান করেছে। ২০১৯-২০২০ অর্থ বছরে আরএসআরএম রাষ্ট্রীয় কোষাগারে প্রত্যক্ষ-পরোক্ষভাবে টাকা প্রায় ১৩৭.৩ মিলিয়ন রাজস্ব প্রদান করেছে।

সামাজিক দায়বদ্ধতা এবং কার্যক্রম

কোম্পানি শুধু উৎপাদন ও বিক্রয় বা ব্যবসায়িক উন্নতির উপর মনোনিবেশ করে না, পাশাপাশি আর্থ সামাজিক অবকাঠামোর উন্নতির প্রতিও দৃষ্টি রাখে। কোম্পানি নিরাপত্তা, শিক্ষা, দক্ষতা বৃদ্ধি ইত্যাদি সামাজিক বিষয়ের প্রতি লক্ষ্য রাখে। উক্ত বিষয়ে আমাদের কিছু প্রকল্প যথাঃ বাংলাদেশ পরিবেশ ফোরামের সাথে যৌথভাবে গাছ লাগানো "সবুজায়ন", সারাদেশে তিনশত প্রাইমারী স্কুলের শিক্ষার্থীদের ভূমিকম্পের সম্পর্কে সতর্কীকরণ শিক্ষা প্রদান করা, যাত্রী ছাউনী নির্মাণ, রাস্তা নির্দেশক এবং বিশ্ববিদ্যালয় ছাত্র/ছাত্রীদের শিক্ষাবৃত্তি প্রদান করা ইত্যাদি।

অর্জন ও স্বীকৃতি

1. Institute of Chartered Secretaries of Bangladesh কর্তৃক Corporate Governance Compliance এর উপর ভিত্তি করে ইঞ্জিনিয়ারিং সেক্টরে প্রধানকৃত বোঞ্জ পুরস্কার অর্জন।
2. ২০১৩ সালে বাংলাদেশ ব্র্যান্ড ফোরাম হইতে সর্বোচ্চ পুরস্কার অর্জন।
3. ২০১২ সালে ডি এন্ড বি কর্পোরেট পুরস্কার অর্জন।
ইহা আমাদের কোম্পানীর জন্য অত্যন্ত সম্মানজনক।

তথ্য প্রযুক্তি

তথ্য প্রযুক্তি মূলমন্ত্র এই আধুনিক বিশ্ববাজারে। এই দিক থেকে আমরা একধাপ এগিয়ে তথ্য প্রযুক্তি ব্যবহারে। যার ফলে খুব সহজেই ব্যবসাকার্য পরিচালনা ও গ্রাহক সেবা দ্রুত করা সম্ভব।

মানবসম্পদ ব্যবস্থাপনা

আরএসআরএম সর্বদা অভিজ্ঞ ও পেশাদার লোকবল নিয়েই আছে। অভিজ্ঞ লোকবল দ্বারাই কেবল গুণগত মানসম্পন্ন পণ্য উত্পাদনের মাধ্যমে গ্রাহকের চাহিদা অনুযায়ী সরবরাহ করে প্রতিষ্ঠানকে নেতৃত্বের পর্যায়ে নিয়ে যাওয়া সম্ভব। কর্মীবাহিনীর দক্ষতা বৃদ্ধির জন্য আমরা প্রয়োজনীয় প্রশিক্ষণ কার্যক্রম সর্বদাই পরিচালনা করে থাকি।

কোড অফ কন্ডাক্ট

পরিচালকমন্ডলী তাদের জন্য একটি Code of Conduct চালু করেছেন যা প্রতিটি পরিচালক কর্তৃক স্বাক্ষরিত।

নিরীক্ষক

বর্তমান বিধিবদ্ধ নিরীক্ষক মাফেল এন্ড কোং চার্টার্ড একাউন্ট্যান্টস (An independent member firm of AGN International, London, United Kingdom) ৩৫ তম সাধারণ সভায় অবসর গ্রহণ করবে এবং নিয়ম অনুযায়ী তিনি আগামী বছরের জন্য নিরীক্ষাকার্য সম্পাদনের যোগ্য বলে বিবেচিত হবেন। আইনগতভাবে নতুন নিরীক্ষক হিসাবে যোগ্য চার্টার্ড একাউন্ট্যান্টস ফার্মকে শেয়ারহোল্ডারগণের মতামতের মাধ্যমে নিয়োগের জন্য অনুমোদন হইবে।

কর্পোরেট গভর্ন্যান্স-এর কমপ্লায়েন্স-এর জন্য পেশাদার অ্যাকাউন্ট্যান্ট

বিএসইসির নির্দেশনা অনুযায়ী পর্ষদ মেসার্স নাসির মোহাম্মদ এন্ড কো., চার্টার্ড অ্যাকাউন্ট্যান্টস, তোপখানা রোড, ঢাকা-কে আগামী ৩০ জুন ২০২১ সালে শেষ হওয়া বছরের জন্য বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্ন্যান্স কোড-এর সাথে কমপ্লায়েন্স-এর সনদ প্রদানকারী পেশাদার অ্যাকাউন্ট্যান্ট হিসেবে নিয়োগের সুপারিশ করেছেন, যা ৩৫ তম বার্ষিক সাধারণ সভায় অনুমোদনের জন্য অপেক্ষমান।

প্রতিবেদন ও কর্পোরেট গভর্ন্যান্স-এ রিপোর্ট করা এবং অনুসরণ করা

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের ৩ জুন ২০১৮ কর্পোরেট গভর্ন্যান্স-এর ওপর জারিকৃত নোটিশ বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০ এর নির্দেশনা অনুযায়ী কমপ্লায়েন্সের পরিপন্থি এই প্রতিবেদনের অ্যানেক্স-সি তে বর্ণিত।

স্থিতিপত্রের তারিখ পরবর্তী ঘটনা

প্রস্তাবিত ডিভিডেন্ড ২০১৯-২০ অর্থবছরের জন্য পরিচালক পর্ষদ ৩৬৯তম বোর্ড সভায় ১০% নগদ লভ্যাংশ প্রদানের সুপারিশ করেছে যাহা ৩৫তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণ কর্তৃক অনুমোদন সাপেক্ষে কোম্পানীর জন্য নির্ধারিত রেকর্ড তারিখে থাকার শেয়ারহোল্ডারগণের মধ্যে এই লভ্যাংশ বিতরণ করা হবে।

অর্থনৈতিক চিত্র

বাংলাদেশের বর্ধনশীল অর্থনৈতিক অবস্থা অনেকাংশে বাজার ব্যবস্থার উপর নির্ভরশীল। গত কয়েক বৎসর ধরে অর্থনৈতিক প্রবৃদ্ধি ৭% হতে ৮.১৩% পর্যন্ত হচ্ছে। কিন্তু পাশাপাশি শিল্পক্ষেত্রে প্রবৃদ্ধি হয়েছে ১১.৯৯%, এ অর্জন সম্ভব হয়েছে আবাসন শিল্প ও ছোট আকারের শিল্প কারখানা নির্মাণ কাজের উপর নির্ভর করে। এই ধারা ভবিষ্যতের জন্য উজ্জ্বল। যাহোক অবকাঠামোগত দুর্বলতা এখনও রয়ে গেছে। যথোপযুক্ত জাতীয় উন্নয়ন তখনই সম্ভব যখন নিজস্ব উৎপাদন ক্ষমতা ও অবকাঠামোগত সহায়তা উপস্থিত থাকে। নিরবিচ্ছিন্ন গ্যাস ও বিদ্যুৎ সরবরাহই স্টীল শিল্পের জন্য বড় চ্যালেঞ্জ।

যে কোন দেশের উন্নয়নের জন্য স্টিল শিল্প গুরুত্বপূর্ণ ভূমিকা রাখে। নীতি নির্ধারকদের অবকাঠামোগত উন্নয়নের নীতি নির্ধারণের মাধ্যমে এই শিল্প বিস্ময়কর ভূমিকা রাখতে পারে। আরএসআরএম এই কাঠামোগত উন্নয়নে ভূমিকা রাখার জন্য বদ্ধ পরিকর।

এছাড়াও আমরা দেখেছি গত দশ বৎসর যাবত বাংলাদেশে নির্মাণ শিল্পে প্রবৃদ্ধি হয়েছে গড়ে ১২%। আশা করি আগামীতেও এধারা অব্যাহত থাকবে। সামষ্টিক অর্থনীতির চাপের কারণে আবাসন শিল্পে ধীরগতি রূপ নেয়। যার ফলে স্টিল শিল্পেরও ধীরগতি হয়। যদিও এই অবস্থার সমাধান হচ্ছে। বর্তমান সরকারের ২০২১ ভিশনের উপর নির্ভর করে দেশীয় স্টিল প্রস্তুতকারকগণ বিশ্বাস করেন আগামীতে ১০% এর উপর প্রবৃদ্ধি এই শিল্পে চলমান থাকবে। যদিও সরকারিভাবে স্টিলের ব্যবহার বিশেষভাবে কমেছে। তথাপি সরকার বেশকিছু বড় আকারের প্রকল্প হাতে নিচ্ছে যেমন: বহুমুখী পদ্মাসেতু, মেট্রো রেলপথ, ফ্লাইওভার, কর্ণফুলী নদীর তলদেশে ট্যানেল নির্মাণ, কংক্রিট কাষ্টিং সড়ক ও মহাসড়ক এই ধরনের বড় আকারের প্রকল্পসমূহ অদূর ভবিষ্যতে স্টিলের চাহিদা বৃদ্ধি করবে। উক্ত প্রকল্প সমূহে স্টিলের সর্বোচ্চ চাহিদার সাথে সাথে ব্যবহার নিশ্চিত হবে নির্মাণ কাজের প্রধান উপাত্ত হিসাবে।

বাজার ও চ্যালেঞ্জ

বাংলাদেশ ব্র্যান্ড ফোরাম RSRM কে Best Rod Brand ২০১৩ পদকে ভূষিত করেছে।

বাংলাদেশ ইস্পাতের ব্যাপক সম্ভাবনা রয়েছে। কারণ-

- ❖ গ্রামীণ জনপদে উন্নতমানের ইস্পাত নির্মাণ সামগ্রীর চাহিদা বাড়ছে।
- ❖ যোগাযোগ ব্যবস্থায় সরকারি বিনিয়োগ বাড়ছে। বিশেষ করে উড়াল সড়ক, পদ্মা সেতু, মেট্রোরেল ইত্যাদি।
- ❖ বিদ্যুৎকেন্দ্র নির্মিত হচ্ছে।
- ❖ কল কারখানা নির্মিত হচ্ছে।

গ্রাহকের সন্তুষ্টি বিধানে আমরা প্রতিজ্ঞাবদ্ধ। দ্রুত পণ্য সরবরাহের উপর গ্রাহকের সন্তুষ্টি অনেকাংশে নির্ভর করে। দ্রুত পণ্য সরবরাহ করার জন্য আমরা কিছু পদক্ষেপ গ্রহণ করেছি। যেমন উন্নত প্রযুক্তির মাধ্যমে সরবরাহ ব্যবস্থা নিশ্চিতকরণ।

পরিচালকের দায়িত্বসমূহের বিবৃতি:

বিএসইসি'র ৩ জুন ২০১৮ জারিকৃত নোটিশ বিএসইসি/সিএমআরআরসিডি-২০০৬-১৫৮/২০৭/অ্যাডমিন/৮০ অনুযায়ী পরিচালকবৃন্দ নিশ্চিত করেন যে,

- ❖ রতনপুর স্টীল রি-রোলিং মিলস্ লিঃ এর ব্যবস্থাপনা পর্ষদ কর্তৃক প্রস্তুতকৃত আর্থিক প্রতিবেদন কোম্পানির কার্যক্রম, ফলাফল, নগদপ্রবাহ এবং ইকুইটি পরিবর্তন সঠিক ও নির্ভুলভাবে উপস্থাপন করে।
- ❖ যথাযথ হিসাবের বই সংরক্ষণ করা হয়েছে।
- ❖ এই আর্থিক প্রতিবেদনের সকল অংশে উপযুক্ত অ্যাকাউন্টিং নীতিমালা সঠিকভাবে প্রয়োগ করা হয়েছে এবং হিসাব সংক্রান্ত অনুমান যৌক্তিক ও বিচক্ষণ সিদ্ধান্তের মাধ্যমে গৃহীত।
- ❖ এই আর্থিক প্রতিবেদন প্রস্তুতে বাংলাদেশে প্রযোজ্য ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ড (আইএএস)/বাংলাদেশ অ্যাকাউন্টিং স্ট্যান্ডার্ড (বিএএস)/ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড (আইএফআরএস)/ বাংলাদেশ ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড (বিএফআরএস)-এর নীতিমালা অনুসরণ করা হয়েছে এবং এই নীতিমালার সাথে সাংঘর্ষিক বিষয়সমূহ বাদ দেয়া হয়েছে।
- ❖ আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুস্থভাবে প্রস্তুত করার পাশাপাশি কার্যকরভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।
- ❖ কোম্পানির পরিচালনা এবং ক্রমাগত এগিয়ে যাওয়ার সক্ষমতা নিয়ে বিন্দুমাত্র সন্দেহ নেই এবং একটি চলমান প্রতিষ্ঠানের ভিত্তিতে বার্ষিক হিসাব তৈরি করা হয়েছে।
- ❖ কোম্পানির কার্যক্রম ফলাফলের ক্ষেত্রে গত বছরের তুলনায় চলতি বছরে যেসব ব্যত্যয় রয়েছে সেগুলো বর্ণনা করা হয়েছে এবং তার কারণ ব্যাখ্যা করা হয়েছে।
- ❖ কার্যক্রম ও আর্থিক বিষয়ে পাঁচ বৎসরের উপাত্ত সংযোজন করা হয়েছে। (Annexure-4 এ বিস্তারিত)
- ❖ কোম্পানীর শেয়ার ধরন সংক্রান্ত একটি প্রতিবেদন Annexure-5 এ বর্ণনা করা হয়েছে।
- ❖ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের কর্পোরেট সুশাসন সংক্রান্ত শর্তের প্রতিপালন বিবরণ সংযুক্তি করা হয়েছে।
- ❖ পরিচালনা পর্ষদের বৃত্তান্ত ও ব্যবসায়িক স্বার্থ এবং অন্যান্য প্রতিষ্ঠানের সাথে জড়িত থাকার তথ্য পরিচালক মন্ডলীর অংশে বিবৃত করা হয়েছে।
- ❖ অন্তঃবর্তীকালীন ডিভিডেন্ড হিসেবে কোনো বোনাস শেয়ার বা স্টক ডিভিডেন্ড-এর ঘোষণা দেওয়া হয়নি।

কৃতজ্ঞতা স্বীকারঃ

আমরা সম্মানিত শেয়ারহোল্ডারবন্দ, আমাদের গ্রাহকগন, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিমিটেড, চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড, জাতীয় রাজস্ব বোর্ড, RJSC, বিভিন্ন সরকারী প্রতিষ্ঠান, বানিজ্যিক সংস্থাসমূহ এবং ব্যাংক ও আর্থিক প্রতিষ্ঠানসমূহকে তাদের সমর্থন, সহযোগিতা ও পরামর্শের জন্য আন্তরিকভাবে ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। কর্মকর্তা ও কর্মচারীবৃন্দকে আন্তরিক ধন্যবাদ জানাই। তাদের পেশাদারিত্ব ও পরিশ্রমের জন্য এই অর্জন সম্ভব হয়েছে। সবাইকে অভিবাদন জানাই।

পরিচালকমন্ডলীর পক্ষে-



শামসুন নাহার রহমান
চেয়ারম্যান

Ratanpur Steel Re-Rolling Mills Ltd

Declaration by Managing Director or CEO & CFO on Financial Statements

Date: 27.10.2020

The Board of Directors
Ratanpur Steel Re-Rolling Mills Limited
Nahar Mansion, 116, CDA Avenue
Muradpur, Chittagong.

Subject: Declaration on Financial Statements for the year ended 30th June, 2020 of Ratanpur Steel Re-Rolling Mills Limited

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

- 1) The Financial Statements of Ratanpur Steel Re-Rolling Mills Limited for the year ended on 30th June, 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimated and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regards, we also certify that:-

- (i) We have reviewed financial statements for the year ended 30th June, 2020 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 statements collectively present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely Yours


Maksudur Rahman
Managing Director


Mrinal Kanti Mondal
Chief Financial Officer



NASIR MOHAMMAD & CO.
CHARTERED ACCOUNTANTS

Partners
Md. Nurul Huda Monsury FCA
Razdwan Raquibuddin Mohammed FCA, FCMA

**REPORT TO THE SHAREHOLDERS OF RATANPUR STEEL RE-ROLLING MILLS LIMITED
ON
COMPLIANCE ON THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by **RATANPUR STEEL RE-ROLLING MILLS LIMITED** for the year ended on **30 June, 2020**. This Code relates to the Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Chittagong
Dated: October 27, 2020




(M.N. HUDA MONSURY, FCA)
Managing Partner
Nasir Mohammad & Co.
Chartered Accountants

Chattogram : CDA Building (5th Floor), Court Road, Chattogram. Phone : 031-631435, 615417, 01711-196252
E-mail : nmctg@gmail.com
Dhaka : Meherba Plaza, Level - 08, QR - 8, Holding No. - 33, Topkhana Road, Dhaka-1000.



COMPLIANCE REPORT ON CORPORATE GOVERNANCE CODE

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report Under Condition No-9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	BOARD OF DIRECTORS:			
1 (1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board of Ratanpur Steel Re-Rolling Mills Limited is comprised of 8 (eight) Directors.
1 (2)	Independent Directors All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following: -			The Board of Ratanpur Steel Re-Rolling Mills Limited is comprised of 8 (eight) Directors including 2 (two) independent directors.
1 (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1 (2) (b)	For the purpose of this clause "independent director" means a director-			
1 (2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1 (2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
1 (2) (b) (iii)	who has not been an executive of the company in immediately preceding 2(two) financial years;	✓		
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (2) (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1 (2) (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1 (2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1 (2) (b) (viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1 (2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1 (2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		Professor Dr. Mijanur Rahman and Maj. Gen. Mohammad Ashab Uddin, ndc,Psc,(Retd.) appointed by the Board of Directors and their appointment were approved in the respective AGM of the company.
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety)days; and	✓		There was no vacancy in the position of Independent Director during the period.
1 (2) (e)	The tenure of office of an independent director shall be for a period of 3 (three)years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) Companies Act, 1994).	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (3)	Qualification of Independent Director (ID)			
1 (3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		The qualification and background of Independent Directors justify their ability as such.
1 (3) (b)	Independent director shall have following qualifications:			
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	N/A
1 (3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	-	-	N/A
1 (3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	-	-	N/A
1 (3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A
1 (3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		Independent Directors are Corporate Leaders and have knowledge on Business, Economics, Finance, Philosophy, Political Science etc, possessing more than 30 (thirty) years of experience.
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such situation has occurred during the year.
1 (4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-			
1 (4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;			Chairperson of the Board and CEO are different individuals.



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1 (4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1 (4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1 (5)	The Directors' Report to Shareholders			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			The Directors Report complies with the guidelines.
1 (5) (i)	An industry outlook and possible future developments in the industry;	✓		
1 (5) (ii)	The segment-wise or product-wise performance;	✓		
1 (5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1 (5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1 (5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	N/A
1 (5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	-	-	N/A
1 (5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1 (5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	-	-	N/A
1 (5) (x)	A statement of remuneration paid to the directors including independent directors;	✓		
1 (5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained	✓		
1 (5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1 (5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1 (5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1 (5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	N/A
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		Four (04) Board Meeting were held during the year.
1 (5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1 (5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	-	-	N/A
1 (5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
1 (5) (xxiii)(c)	Executives; and	-	-	N/A
1 (5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	In case of the appointment or reappointment of a director, the company shall disclose the following information to the shareholders:	✓		
1(5)(xxiv)(a)	a brief resume of the director	✓		
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	Governance of Board of Directors of Subsidiary Company.-			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	-	-	N/A
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3 (1)	Appointment			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3 (2)	Requirement to attend Board of Directors' Meetings	✓		
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
	Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3 (3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	✓		
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3 (3) (a) (i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3 (3) (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3 (3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee.-			
	For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4 (i)	(i) Audit Committee; and	✓		
4 (ii)	(ii) Nomination and Remuneration Committee.	✓		
5	Audit Committee.-			
5(1)	Responsibility to the Board of Directors.			
5 (1) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5 (1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5 (1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5 (2)	Constitution of the Audit Committee			
5 (2) (a)	The Audit Committee shall be composed of at least 3(three) members;	✓		The Audit Committee is composed with 04 (four) members.
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5 (2) (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5 (2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	N/A		No such situation has occurred during this financial year.



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (2) (e)	The company secretary shall act as the secretary of the Committee;	✓		
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.			
5 (3)	Chairperson of the Audit Committee			
5 (3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5 (3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	N/A		No such situation has occurred during this financial year.
5 (3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5 (4)	Meeting of the Audit Committee			
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
5 (4) (b)	Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5 (5)	Role of Audit Committee			
	The Audit Committee shall:-			
5 (5) (a)	Oversee the financial reporting process;	✓		
5 (5) (b)	monitor choice of accounting policies and principles;	✓		
5 (5) (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5 (5) (d)	oversee hiring and performance of external auditors;	✓		
5 (5) (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5 (5) (f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (5) (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5 (5) (h)	review the adequacy of internal audit function;	✓		
5 (5) (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5 (5) (j)	review statement of all related party transactions submitted by the management;	✓		
5 (5) (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5 (5) (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5 (5) (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	-	-	N/A
5 (6)	Reporting of the Audit Committee			
5 (6) (a)	Reporting to the Board of Directors			
5 (6) (a) (i)	The Audit Committee shall report on its activities to the Board.	✓		The report of the audit committee has been submitted to the Board of Directors.
5 (6) (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-	-	-	N/A
5 (6) (a) (ii) (a)	report on conflicts of interests;			
5 (6) (a) (ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	N/A
5 (6) (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	N/A
5 (6) (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (6) (b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	N/A
5 (7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6	Nomination and Remuneration Committee (NRC).-			
6 (1)	Responsibility to the Board of Directors			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6 (1) (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6 (2)	Constitution of the NRC			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	✓		The NRC is composed with 04 (four) members.
6 (2) (b)	All members of the Committee shall be non-executive directors;	✓		
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		The members of the NRC are appointed by the Board of Directors where one is Independent Director.
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6 (2) (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		No such situation has occurred during this financial year.



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (2) (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6 (2) (g)	The company secretary shall act as the secretary of the Committee;	✓		
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		No such situation has occurred during this financial year.
6 (2) (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6 (3)	Chairperson of the NRC			
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6 (3) (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓		
	Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6 (4)	Meeting of the NRC			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		No such event occurred.
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6 (2) (h);	✓		
6 (4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6 (5)	Role of the NRC			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (5) (b) (i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to 13 the remuneration of the directors, top level executive, considering the following:	✓		
6 (5) (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6 (5) (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6 (5) (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6 (5) (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6 (5) (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6 (5) (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6 (5) (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6 (5) (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6 (5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors.-			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓		
7 (1) (i)	appraisal or valuation services or fairness opinions;	✓		
7 (1) (ii)	financial information systems design and implementation;	✓		
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7 (1) (iv)	broker-dealer services;	✓		
7 (1) (v)	actuarial services;	✓		
7 (1) (vi)	internal audit services or special audit services;	✓		
7 (1) (vii)	any service that the Audit Committee determines;	✓		
7 (1) (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7 (1) (ix)	any other service that creates conflict of interest.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company:-			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8 (2)	The company shall keep the website functional from the date of listing.	✓		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance:-			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9 (3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



Management Discussion and Analysis:

The financial and operating results of the Company during the year 2019-20 are very impressive. The profitability, performance, liquidity of the Company are gradually improving. We are focusing on sustainability and efficiency. The overall Company's position has been reflected in the Financial Statements which has been prepared following all generally accepted accounting principles. The overall company's position and future planning, methods of financial statement preparation have been summarized below:

Preparation of Financial Statements:

These financial statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement in accordance with the applicable International Accounting Standards and International Financial Reporting Standards.

Accounting Policies and Estimates:

The details of accounting policies & estimates applied for the preparation of Financial Statements are described in note no. 1.00 to 3.00 of audited financial statements. There are no changes in accounting policies & estimates for the fiscal year 2019-2020.

Key Highlights on Financial performance and position of the Company:

FINANCIAL PERFORMANCE:

Particulars	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Operational Results					
Revenue (Net off VAT)	3,239,046,345	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796
Gross Profit:	350,023,613	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192
Profit from Operations	298,296,258	987,857,782	1,179,881,891	1,177,732,537	586,037,340
Profit before Interest, Taxes & Depreciation Allowance	355,122,272	990,914,057	1,199,416,273	1,191,872,688	629,963,379
Net Profit Before Income Tax:	142,369,470	749,952,351	948,694,612	939,753,450	371,608,018
Net Profit After Tax:	106,253,421	564,408,217	713,459,972	707,857,860	271,226,432



FINANCIAL POSITION:

Shareholders fund and NAV stood Tk 5,028 million & Tk.49.69 respectively as of June 30, 2020.

Highlight of Financial Positions of Last 5 years are given below:

Particulars	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Assets Employed					
Non-Current Assets:	1,952,919,475	2,004,135,165	2,039,415,801	2,102,641,069	1,992,197,082
Property Plant & Equipment	1,905,559,420	1,962,385,433	2,023,510,927	2,089,343,539	1,992,197,082
Capital Work-In-Progress	47,360,055	41,749,732	15,904,874	13,297,530	-
Current Assets:	5,560,964,404	5,395,876,582	4,696,332,948	3,759,680,971	3,003,792,077
Advances, Deposits and Prepayments	248,503,723	48,798,557	787,067,632	72,012,576	69,391,255
Inventories	1,846,028,730	1,730,784,555	1,936,265,900	1,886,507,482	1,613,896,280
Accounts Receivable	3,425,863,520	3,568,367,332	1,942,197,752	1,783,284,673	1,286,718,741
Cash and Cash Equivalents	40,568,431	47,926,138	30,801,664	17,876,240	33,785,801
Total Assets	7,513,883,879	7,400,011,747	6,735,748,749	5,862,322,040	4,995,989,159
Net Current Assets	4,132,706,120	3,993,918,704	2,630,279,677	1,895,496,477	1,376,673,927
Total Assets Employed	6,085,625,595	5,998,053,869	4,669,695,478	3,998,137,546	3,368,871,009
Finance By					
Shareholders' Equity:	5,027,961,423	5,006,797,272	4,527,478,325	3,857,261,553	3,228,027,693
Share Capital	1,011,890,880	1,011,890,880	1,011,890,880	864,864,000	786,240,000
Share Premium	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000
Revaluation Surplus	943,950,000	943,950,000	943,950,000	943,950,000	943,950,000
Retained Earnings	2,322,120,543	2,300,956,392	1,821,637,445	1,298,447,553	747,837,693
Non-Current Liabilities:	1,057,664,172	991,256,597	142,217,153	140,875,994	140,843,317
Long Term Portion of Lease Liabilities	911,425,801	849,651,440	-	-	9,344,401
Deferred Tax Liability	146,238,371	141,605,157	142,217,153	140,875,994	131,498,915
Total Capital Employed	6,085,625,595	5,998,053,869	4,669,695,478	3,998,137,547	3,368,871,010

Global and Local Economic Scenario:

Global growth is expected to 3.6% rate in 2020. GDP growth of Bangladesh is expected to strengthen to 8.2 per cent in 2020-2021 with industry growth 11.99%. Bangladesh will have \$700 billion economy in 2030 from present \$300 billion. Bangladesh Government aims to build a durable and sustainable energy, power and transportation infrastructure in order to be a prosperous nation by 2030. China will continue as the single biggest contributor to global growth over the next decade and by 2030, will become the world's largest economy. This huge potential of Bangladesh creates a golden opportunity for steel industry in Bangladesh because all these developments will be followed by massive infrastructural constructions and economic boom will be followed by rapid urbanization. Further, a huge amount of investment is flowing in to Bangladesh Economic Zone.

Future planning:

RSRMSTEEL Applied Right Offer to enhance its production capacity 170,000 MT to fulfill the customer's demand.

M. Rahman
Maksudur Rahman
Managing Director



Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

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	2020	2019	Growth
	BDT	BDT	%
Cost of Goods Sold	2,889,022,732	5,741,641,708	-49.68%
Gross Profit	350,023,613	1,067,042,792	-67.20%
Net Profit	106,253,421	564,408,217	-81.17%

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 2020 has been decreased by 49.68 % than 2019 due to decrease 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. $\text{Gross Profit} = \text{Sales} - \text{Cost of Goods Sold}$. 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. $\text{Gross Profit Margin \%} = (\text{Gross Profit} \div \text{Sales}) \times 100$. During the year 2020, Gross Profit Margin was decreased to 67.2% than 2019 due to decrease in sales revenue 3,569 Million.

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 $\text{Net Profit} = \text{Gross Profit} - \text{Expenses with Tax \& WPP\&WF}$ Net Profit of the company in the year 2020 has decreased by Tk. 458 Million compared to 2019.

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 Right Offer 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 (Amended in 2018), Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991, Securities and Exchange Ordinance 1969 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 the Financial Year 2019-2020

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

i) Payment information to Directors as Per requirement to schedule XI, part II, Para 4 of the Companies Act 1994

Name	Nature of Relationship	Remuneration
Mr. Maksudur Rahman	Managing Director	700,000
Mrs. Shamsun Nahar Rahman	Director	615,000
Md. Younus Bhuiyan Total	Director	650,000
		1,965,000

Key operating and financial data of preceding 5 years

Ratanpur Steel Re-Rolling Mills Limited

Particulars		2020	2019	2018	2017	2016
Operations and Market						
Production (Qty)	MT	60,520	115,450	142,394	136,664	106,831
% of Production Growth	%	-47.58%	-18.92%	4.19%	27.92%	3.32%
Sales (Qty)	MT	59,205	119,325	138,800	139,380	105,150
% of Sales Growth	%	-50.38%	-14.03%	-0.41%	32.55%	3.92%
Financial Result						
Turnover	TK	3,239,046,345	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796
Gross Profit	TK	350,023,613	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192
	%	10.81%	16.44%	1.56%	93.28%	18.40%
Earnings Before WPP & WF and Tax	TK	149,487,944	787,487,968	996,129,342	986,741,122	390,188,419
	%	4.62%	0.21%	0.95%	152.88%	37.95%
Net Profit after Tax	TK	106,253,421	564,408,217	713,459,972	707,857,860	271,226,431
	%	0.03%	0.21%	0.79%	160.98%	-0.50%
Earnings per share	TK	1.05	5.58	7.05	8.18	3.45
Financial Position						
Current Ratio (Times)		3.89	3.85	2.27	2.02	1.85
Net Asset Value	TK	5,027,961,423	5,006,797,272	4,527,478,325	3,857,261,552	3,228,027,693
Net Asset Value per share	Tk	49.69	49.48	44.74	44.6	41.06
Net Operating Cash Flow Per Share	Tk	0.77	1.31	1	2.08	1.45
Paid-Up Capital (In Crore)	Tk	1,011,890,880	1,011,890,880	1,011,890,880	864,864,000	786,240,000



THE PATTEN OF SHAREHOLDER AS ON 30 JUNE 2020

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

Name	Relation	No. of Share hold
Ratanpur Ship Re-Cycling Industries Limited.	Institute	1,624,428

B) Directors/CEO/CS/CFO/ HIAC and Their Spouses and minor Children

Name	Relation	No. of Share Held
Mrs. Shamsun Nahar Rahman	Chairman & Director (Spouse of Mr. Maksudur Rahman)	5,882,408
Mr. Maksudur Rahman	Director and Managing Director	14,958,506
Mr. Md. Yunus Bhuiyan	Director (Younger Brother of Mr. Maksudur Rahman)	5,284,609
Mr. Md. Mizanur Rahman	Director (Elder son of Mr. Maksudur Rahman)	2,077,920
Mr. Marzanur Rahman	Director (Younger son of Mr. Maksudur Rahman)	2,077,920
Investment Corporation of Bangladesh (ICB)	Shareholder Director (Mr. Md. Abul Hossain – Nominated Director by ICB)	17,303,640
Professor Dr. Mijanur Rahman	Independent Director	-
Major General Mohammad Ashab Uddin, ndc, Psc,(Retd.)	Independent Director	-
Mr. Sharat Chandra Sarkar	Head of Internal Audit & Compliance	-
Mr. Mrinal Kanti Mondal	Chief Financial Officer	-
Mr. Mohammad Moin Uddin	Company Secretary (acting)	-

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

Name	Relation	No. of Share Held
Mr. Md. Shafiqul Islam	Executive Director - Marketing & Sales	-
LT CDR M A Ahad, PSC, BN (Retd.)	GM - Production & Miantanance	-
Mr. Md. Serajul Islam	Consultant - Quality Control	-
Mr. Mohammad Ali	Chief Engineer - Electrical	-
Mr. Mohammad Rashed Iqbal	GM - HR & Admin	-

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

Name	Relation	No. of Share Held
Mr. Maksudur Rahman	Director and Managing Director	14,958,506
Investment corporation of Bangladesh (ICB)	Shareholder Director (Mr. Md. Abul Hossain – Nominated Director by ICB)	17,303,640

CORPORATE SOCIAL RESPONSIBILITY

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.

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.



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).

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.





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 Air Pollution Control System (APC) 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.

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 Steels Re-Rolling Mills Limited comprises of eight members including Chairman, Managing Director and the board also has one corporate director and two independent directors in compliance with the corporate Governance Code of BSEC. The Directors possess a wide range of experience, expertise and specialized skills to assist in decision-making and leading the Company for the benefit of its shareholders. Board of Directors is performing the responsibilities, among others, setting the company's strategic objectives, providing leadership, supervision and safeguarding shareholders' interest.

Selection and appointment of new Directors

Directors should ensure that the Company is properly managed to protect and enhance shareholder value and to meet the Company's obligations to shareholders, to the industry and to the law. In carrying out this duty, the Board should always be mindful of the need for establishing a Board that enhances the efficient and effective running of the Company. In relation to the selection and appointment of new Directors (if any), the existing Board of Directors has the following duties and responsibilities:

- Regularly review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions.
- Identify any competencies not adequately represented and agree to the process necessary to be assured that a candidate nominated by the board members/ shareholders with those competencies is selected.
- Ensure that the Board maintains 8 Directors, with a corporate/shareholder director and two independent directors and have a reputable standing in the industry.

The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board in accordance with the stipulations of the Companies Act, 1994 and the Articles of the Company.

Retirement and re-election of Directors

As per the Articles of Association of the Company, one-third of the Directors are required to retire from the Board every year, comprising those who have been in the office the longest since their last election. A retiring Director shall be eligible for re-election.



Qualification of Board members

The Board of Directors of Ratanpur Steel Re-Rolling Mills Limited consists of members who possess a wide variety of knowledge and experience in the arena of corporate the world. This ensures that together, they formulate the right policy for the development of the business. One of the Directors in the Board is Professor (PhD.) of Business Administration with prominent experience across key positions of Administration, finance and accounts, and who normally provides guidance in matters applicable to Administration, Financing and auditing related issues to ensure compliance and reliable financial reporting. Respective qualification of Directors is appended in Directors' profile of this annual report.

The Role of the Board

The Board is responsible for the overall governance conduct and implementation of sound business strategies within the Company and has the powers and duties afforded within the milieu of relevant laws / regulations of the country, regulatory authorities, and professional institutes. In addition, the Board of Directors, both individually and collectively, strive to comply with best practices on environment, health, safety and ethical standards whilst ensuring that the interest of all stakeholder groups are considered when taking decision.

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 ensure the good corporate practices.
- to review the adequacy of internal audit function etc.

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

Nomination and Remuneration Committee (NRC)

Ratanpur Steel Re-Rolling Mills Limited has formed a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board of Directors. This committee will assist the Board of Directors in formulation of the nomination criteria or policy to determine qualifications, experiences, remuneration and independence of directors and top level of executives. The NRC has four members including one Independent Director.

A separate report of the NRC 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 report on 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 & Compliance

Company has appointed experienced persons on Accounts & Finance as Chief Financial Officer, Company Secretary and a qualified professional as HIAC. The CFO & Company Secretary regularly advise and assist the Board on financial strategy and compliance issues of the regulatory bodies. Chief Financial Officer, Company Secretary and HIAC attend Board Meetings as per Corporate Governance notification of the BSEC. Company's internal audit department is headed by a Head of Internal Audit & Compliance having qualified professional expertise and long 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 & Compliance.



Internal Audit and Control

Ratanpur Steel Re-Rolling Mills Limited 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 Limited 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.

Key Management Committee

There are other sub-committees to the Board of Directors to assist the Board of Directors in making and formulating company's strategic objectives and policies namely Management Committee. The committee members sit regularly for discussing and reviewing the activities of the company.

Certification on the Compliance of Corporate Governance Code of BSEC

A certificate regarding compliance of conditions of Corporate Governance Code of the Bangladesh Securities and Exchange Commission issued by M/S Nasir Mohammad & Co, Chartered Accountants is included in Annexure-B 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 four 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 Head of Internal Audit & Compliance 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. Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the board for approval

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 meeting held whilst a committee member	Meeting attended
Mr. Dr. Mijanur Rahman	Chairman	4	4
Mr. Md. Younus Bhuiyan	Member	4	3
Mr. Md. Mizanur Rahman	Member	4	4
Mr. Marzanur Rahman	Member	4	4
Mr. Mohammad MoinUddin	Secretary (acting)	4	4

Re-appointment of Auditors

The audit committee has recommended the board to re-appoint existing external auditor of the Company- Mahfel Huq & Co., Chartered Accountants, (Anindependendent member firm of AGN International, London, United Kingdom) for the position of statutory auditor for the year 2020-2021subject to approval of the shareholders in the 35th Annual General Meeting.

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

Signature

Professor Dr. Mijanur Rahman

Independent Director and Chairman of the Audit Committee

27 October, 2020

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)

This Nomination and Remuneration Policy is being formulated in compliance with Notification No. BSEC/CMRR D/2006-158/207/Admin/80, Date: June 03, 2018 on Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC). This policy on nomination and remuneration of Directors and top level executives of the company has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors. This is a sub-committee of the Board.

The Nomination and Remuneration Committee (NRC) of Ratanpur Steel Re-Rolling Mills Limited is comprised of the following members:

NRC Committee:

Chairman:	Professor Dr. Mijanur Rahman	Secretary (acting) to Committee:
Members:	Mr. Md. Younus Bhuiyan Mr. Md. Mizanur Rahman Mr. Marzanur Rahman	Mr. Mohammad Moin Uddin

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee (NRC) have been determined by the Board as per BSEC notification. The NRC assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.

Role of the NRC:

- NRC Shall be independent and responsible or accountable to the Board and to the shareholders;
- To oversee, among others, the following matters and make report with recommendation to the Board:
 - (i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
 - (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background.
 - (iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - (iv) formulating the criteria for evaluation of performance of independent director(s) and the Board;
 - (v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
 - (vi) developing, recommending and reviewing annually the company's human resources and training policies;

Meeting of NRC:

The Committee formally met in June, 2020. The NRC of Ratanpur Steel Re-Rolling Mills Limited ensured/ observed the following activities during the year 2019-20:

1. Set up a organization Structure where reporting line is clearly defined for the directors and top management team along with standard manpower planning exercise for each and every position for identifying the total requirement.
2. Set up a standard pay structure for each job level based on education, experience, and competency.
3. Employee Benefit Policy to attract the job seekers and retain internal talents. Succession planning of the company to have our future leaders ready according to the, requirements. Ensuring extensive training and development plan for the individual or group of people.

Objective and Policy of the NRC:

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/top management team required to run the company successfully;



- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, top level executives reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Appointment and Removal of Director, Top Level Executives and Senior Management

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, top level executives or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

Term/Tenure of Independent Director

All companies shall have effective representation of independent directors on their Boards. At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors. Qualifications, experience and position of Independent Director shall be as per notification on Corporate Governance Code of Bangladesh Securities & Exchange Commission.

The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM). The post of independent director(s) cannot remain vacant for more than 90 (ninety) days and the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994.

Evaluation

The Committee shall carry out evaluation of performance of Director and top level executives yearly or at such intervals as may be considered necessary.

Removal

The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).

Retirement

The Director or top level executives shall retire as per policy of the Company. The Board will have the discretion to retain the Director or any top level executive even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/ Top Level Executives:

- a) The Remuneration to be paid to Managing Director / Other directors as approved by the NRC committee.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director and other Directors.
- c) The Non-Executive / Independent Director may receive meeting fees and such other remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- d) The remuneration to top level executives shall be fixed considering their performances and in accordance with the Company's Policy.

Implementation

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

Nomination and Remuneration Committee (NRC) expressed their sincere thanks to the members of the Board of Directors, management of the Company for their outstanding support and Co-operation.

On behalf of the Audit Committee

Signature

Professor Dr. Mijanur Rahman

Independent Director and Chairman of Nomination and Remuneration Committee

27 October, 2020

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2020/091

BAPLC

Date of issue : February 16, 2020

Renewed Certificate

This is to certify that

RATANPUR STEEL RE-ROLLING MILLS LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies
and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2020.




Secretary-General



Auditors' Report & Financial Statements

For the Financial Year Ended 30 June, 2020
of
Ratanpur Steel Re-Rolling Mills Limited



INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of Ratanpur Steel Re-Rolling Mills Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Ratanpur Steel Re-Rolling Mills Ltd (the 'Company'), which comprise the statement of financial position as at June 30, 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matter discussed in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Included in the non-current assets within Capital Work in Progress in note no. 05 to the financial statements an amount of BDT 41,749,732 and in the current assets in Advances, Deposits and Prepayments in note no. 06 of the financial statements an amount of BDT 175,351,782 as advance to supplier party both satisfy the recognition criteria of para-7 of IAS-16. In our opinion, the company should have recognized the capital work in progress and advance against L/C as plant assets and charge the associated depreciation in the financial statements. Furthermore, we were not allowed to verify the fixed assets register and consequently we were unable to assess the appropriateness of the book value of the Property, Plant and Equipment of the company shown in note no. 04 to the financial statements.

We could not obtain sufficient appropriate audit evidence regarding inventories of BDT 1,846,028,730 referred in note no. 07 to the financial statements. In addition, included in trade receivables in note no. 08 to the financial statements an amount of BDT 255,222,776 which has been stood unpaid from previous periods. In our opinion the company should recognize provision for bad debt on that amount.

Included in Related Party Transactions in note no. 34 to the financial statements, the company has not identified related parties in compliance with para 9 of IAS 24. In addition the company has not disclosed related party transactions and compensation of key management personnel in compliance with para 14 and 17 of IAS 24.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Risk	Our responses to the risk
Measurement of deferred tax liability	
Company reported net deferred tax liability totaling BDT [146,238,371] as at 30 June, 2020.	We obtained an understanding, evaluated design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the useful life of the assets.
Significant judgment is required in relation to the deferred tax liabilities as their calculation is a complex one.	
See note no. 12 to the financial statements	

Emphasis of Matters

We draw attention to Value Added Tax-Current Account in note no. 15 to the financial statement which includes net VAT position of the company with NBR. The company has negative balance in the Value Added Tax-current account. Furthermore, we draw attention to note no 3.24 to the financial statements which describes that the company does not run any provident fund or gratuity fund. Our opinion is not modified in these regards.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained, except as noted above all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, except as noted above, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure, except as noted above, was incurred for the purposes of the company's business.



Howlader Mahfel Huq, FCA
For and on behalf of Mahfel Huq & Co.
Chartered Accountants

Dhaka, 27 October, 2020

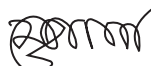
Ratanpur Steel Re-Rolling Mills Limited

Statement of Financial Position

As on 30 June, 2020

	Notes	Amount in BDT	
		30-Jun-20	30-Jun-19
Assets			
Non-Current Assets:		1,952,919,475	2,004,135,165
Property Plant & Equipment	4.00	1,905,559,420	1,962,385,433
Capital Work-In-Progress	5.00	47,360,055	41,749,732
Current Assets:		5,560,964,404	5,395,876,583
Advances, Deposits and Prepayments	6.00	248,503,723	48,798,557
Inventories	7.00	1,846,028,730	1,730,784,555
Accounts Receivable	8.00	3,425,863,520	3,568,367,332
Cash and Cash Equivalents	9.00	40,568,431	47,926,138
Total Assets		7,513,883,879	7,400,011,748
Equity and Liabilities			
Shareholders' Equity:		5,027,961,423	5,006,797,272
Share Capital	10.00	1,011,890,880	1,011,890,880
Share Premium		750,000,000	750,000,000
Revaluation Surplus of Land	11.00	943,950,000	943,950,000
Retained Earnings		2,322,120,543	2,300,956,392
Non-Current Liabilities:		1,057,664,172	991,256,597
Deferred Tax Liability	12.00	146,238,371	141,605,157
Long term Liabilities	13.00	911,425,801	849,651,440
Current Liabilities:		1,428,258,284	1,401,957,879
Short term Liabilities	14.00	870,474,062	823,619,989
Creditors and Accruals	15.00	118,990,356	77,519,287
Income Tax Liability	16.00	431,675,391	463,320,986
Liability for WPPF and Welfare Fund	17.00	7,118,474	37,497,618
Total Liabilities		2,485,922,455	2,393,214,476
Total Liabilities and Shareholders' Equity		7,513,883,879	7,400,011,748
Net Asset Value Per Share (NAVPS)	18.00	49.69	49.48

The annexed notes form and integral part of these financial statements


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairman

Signed in terms of our separate report of same date.

Dhaka, 27th October, 2020


Mahfel Huq & Co.
Chartered Accountants

Ratanpur Steel Re-Rolling Mills Limited
Statement of Profit or Loss and other Comprehensive Income
For the Year ended 30 June, 2020

	Notes	Amount in BDT	
		30-Jun-20	30-Jun-19
Revenue	19.00	3,239,046,345	6,808,684,500
Cost of Goods Sold	20.00	(2,889,022,732)	(5,741,641,708)
Gross Profit		350,023,613	1,067,042,792
Operating Expenses		(51,727,355)	(79,185,010)
Administrative and Other Expenses	21.00	(19,411,718)	(26,826,935)
Selling and Distribution Expenses	22.00	(32,315,637)	(52,358,075)
Operating Profit		298,296,258	987,857,782
		(148,808,314)	(200,407,814)
Finance Cost	23.00	(150,058,352)	(201,655,758)
Finance & Other Income	24.00	1,250,038	1,247,944
Profit before WPPF and Income Tax		149,487,944	787,449,968
Contribution to WPPF and Welfare Fund @ 5%	25.00	(7,118,474)	(37,497,618)
Net Profit Before Income Tax		142,369,470	749,952,351
Tax Expenses			
Current Tax	26.00	(31,482,835)	(186,156,130)
Deferred Tax		(4,633,214)	611,996
Net Profit After Tax		106,253,421	564,408,217
Earning Per Share (EPS)	27.00	1.05	5.58

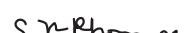
The annexed notes form and integral part of these financial statements


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairman

Signed in terms of our separate report of same date.

Dhaka, 27th October, 2020


Mahfel Huq & Co.
Chartered Accountants

Ratanpur Steel Re-Rolling Mills Limited
Statement of Changes in Equity
For the Year ended on 30 June, 2020

Particulars	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		106,253,421			106,253,421
Cash Dividend		-	85,089,270		85,089,270
Balance as on 30 June - 2020	1,011,890,880	2,322,120,543	943,950,000	750,000,000	5,027,961,423
Proposed Dividend (Cash @ 10%)					Tk. 101,189,088
Proposed Dividend (Stock @ 0%)					Tk. 0

For the year ended 30 June, 2019

Particulars	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		564,408,217			564,408,217
Cash Dividend		-	85,089,270		85,089,270
Balance as on 30 June - 2019	1,011,890,880	2,300,956,392	943,950,000	750,000,000	5,006,797,272
Proposed Dividend (Cash @ 12%)					Tk. 85,089,270
Proposed Dividend (Stock @ 0%)					Tk. 0

The annexed notes form and integral part of these financial statements


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairman



Ratanpur Steel Re-Rolling Mills Limited
Statement of Cash Flows
For the Year ended on 30 June, 2020

Notes	Amount in BDT	
	30-Jun-20	30-Jun-19
A. Cash Flows from Operating Activities		
Collection from sales and other income	3,381,550,157	5,183,762,864
Less: Payment for cost and other expenses	(3,215,364,031)	(4,945,508,333)
Less: Interest Paid	(77,548,170)	(21,203,950)
Less: Income Tax/ Advance Tax Paid	(10,906,393)	(84,542,374)
Net cash inflow /(outflow) from Operating Activities	77,731,563	132,508,207
B. Cash flows from Investing Activities		
Acquisition of property, plant & equipment	-	-
Investment in FDR	-	(930,000)
Capital work in progress	-	(25,844,858)
Net cash inflow /(outflow) from Investing Activities	-	(26,774,858)
C. Cash flows from Financing Activities		
Short term loan Repayment	-	-
Dividend Paid	(85,089,270)	(85,089,270)
Lease Loan Repayment	-	(3,519,604)
Net cash inflow /(outflow) from Financing Activities	(85,089,270)	(88,608,874)
D. Net increase/(Decrease) in cash & cash equivalents (A+B+C)	(7,357,707)	17,124,475
E. Cash and cash equivalents at the beginning	47,926,138	30,801,663
F. Cash and cash equivalents at the end (D+E)	40,568,431	47,926,138
G. Net Operating Cash Flow Per Share (NOCFPS)	0.77	1.31

The annexed notes form and integral part of these financial statements


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairman



Ratanpur Steel Re-Rolling Mills Limited

Notes to the Financial Statement
For the year ended 30 June, 2020

1.00 REPORTING ENTITY

1.01 Legal form of the entity

Ratanpur Steel Re-Rolling Mills Limited (hereinafter referred to as 'RSRM') was incorporated on 22 April, 1986 vide the certificate No C-15492/1058 of 1985 to 1986 as a private limited (a company limited by shares) company in Bangladesh under the companies Act; 1913. The company was converted to a public limited company on 12 June 2012 complied as per provision of 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 set up its Re-Rolling Mills factory at 176, Baizid Bostami I/A, Baizid Bostami road, Nasirabad, Chittagong and started its commercial operation/production from 01 July, 1986. The registered office of the company is situated at Nahar Mansion, 116, CDA Avenue, Muradpur, Chittagong.

1.02 Nature of the Business

The Principal activities of the company are to manufacture & sales of M.S Bar of various grades (60 Grade/500 W TMT) from MS Billet.

2.00 BASIS OF ACCOUNTING

Basis of Accounting is the bases in which the financial statements are prepared and presented. Set out below is an index of the basis of Accounting, the details of which are available on the following:

- 2.01 Statement of Compliance
- 2.02 Preparation and Presentation of
- 2.03 Basis of Reporting
- 2.04 Other Regulatory Compliances
- 2.05 Basis of Measurement
- 2.06 Going Concern
- 2.07 COVID-19 Panemic
- 2.08 Reporting Period
- 2.09 Authorization for Issue
- 2.10 Consistency
- 2.11 Comparative Information
- 2.12 Functional and presentation curr
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- 2.14 Measurement of fair values
- 2.15 Financial Risk Management
 - 2.15.1 Credit Risk
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 - 2.15.5 Transaction risk
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- 2.16 Fair Values
- 2.17 Components of the Financial Stat
- 2.18 Related Party Disclosure
- 2.19 Applicable Accounting Standards

2.01 Statement of Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement and the disclosures of information made in accordance with the requirements of the companies Act 1994, the Securities & Exchange Rules 1987 and International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) as International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.02 Preparation and Presentation of Financial Statements

The Board of Directors, whose are responsible for preparation and presentation of the financial statement including adequate disclosures, as well as they approved and authorized for issue of these said financial statements.

2.03 Basis of Reporting

This Financial Statements includes statement of financial position and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity & Notes to the accounts that have been prepared & presented in accordance with the IAS 1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption. Statements of cash flow are prepared in accordance with the IAS 7 "Statement of Cash Flows". This Financial Statements are prepared and presented by the company for all stakeholders or external users in accordance with identified financial reporting framework.

2.04 Other 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:

- a) The Income Tax Ordinance 1984;
- b) The Income Tax Rules 1984;
- c) The Value Added Tax Act 2012;
- d) The Value Added Tax Rules 2016;
- e) The Customs Act, 1969;
- f) Bangladesh Labor Law, 2006; (Amendment 2015).
- g) The Securities & Exchange Ordinance, 1969
- h) The Securities & Exchange Rules, 1987

2.05 Basis of Measurement

The financial statements have been prepared on a going concern basis under the historical cost convention except for some classes of Property, Plant and Equipment (PPE) which are measured at revalued amount 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.

2.06 Going Concern

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

2.07 COVID-19 pandemic

The COVID-19 pandemic has led to globally recession and had a severe impact on integrated automotive for lockdown and other health safety measures leading to disruption in transport system, import and export of vehicles and interruptions of manufacturing and assembling of automobile industry across the globe as before.

2.08 Reporting Period

The financial statements of the company cover twelve (12) months from 01 July, 2019 to 30 June, 2020.

2.09 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on 27th October, 2020.

2.10 Consistency

Unless otherwise stated, the accounting policies and methods for computation used in preparation of the financial statements as at and for the period/year then ended are consistent with those policies and methods adopted in preparing the Financial Statements for the previous period/year then ended.

2.11 Comparative Information

Comparative information has been disclosed in accordance with IAS-1: Presentation of financial Statement in respect of the previous period for all numerical information in the current financial statements as below:

- a) Statement of Financial Position as at the end of the preceding financial period;
- b) Statement of Profit or Loss and other Comprehensive Income for the comparable year of preceding financial period;
- c) Statement of Changes in Equity for the comparable period of preceding financial year;
- d) Statement Cash Flows for the comparable period of preceding financial year; and
- e) Notes, comprising a summary of a significant accounting policies and explanatory information.

The narrative and descriptive information where it is relevant for understanding of the current period financial statement has also represented.

Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

2.12 Functional and presentation currency

These financial statements are prepared and presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

2.13 Use of Estimates and Judgments

The preparation of these financial statements, in conformity with IASs/IFRSs, 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 results may differ from these estimates. Estimates and underlying assumptions are reviewed according to going concern 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 of uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Note: 4 Property, plant and equipment
- Note: 4.02 Capital Work in Progress
- Note: 5 Advance, Deposits and Prepayments
- Note: 6 Inventories
- Note: 7 Accounts receivables
- Note: 11 Deferred tax liabilities

Note: 13	Creditors & Accruals
Note: 14	Income tax liability
Note: 29	Depreciation to be charged

2.14 Measurement of fair values

A number of accounting policies and disclosures require for the measurement of fair values, for both financial and non-financial assets and liabilities. The companies have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to the Group's Audit Committee. When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the assets or liabilities that are not based on observable market data

If the inputs used to measure the fair value of an assets or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement

2.15 Financial Risk Management

International Financial Reporting Standard IFRS 7- Financial Instruments: Disclosures – requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the companies policies for controlling risks and exposures.

The company management has overall responsibility for the establishment and oversight of the Company's risk management framework. The company's management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limit.

Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The Company has exposure to the following risks from its use of financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

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.

2.15.1 Credit Risk

Credit risk is the risk of a potential financial loss of the company resulting from the failure of a customer or counterparty to a financial instruments fails to meets 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.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of Finished Goods. 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 number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

2.15.2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. 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.

2.15.3 Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

2.15.4 Foreign Currency Risk

The company is exposed to currency risk on sales, purchases, borrowings and payables that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company has adopted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

2.15.5 Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency

2.15.6 Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company

2.15.7 Interest Rate Risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimize the risks surrounding interest payments and receipts. The Company has no significant risk of fluctuations in interest rates.

2.16 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 are taken to their approximate carrying value.

2.17 Components of the Financial Statements

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

- a) Statement of financial position as at 30 June 2020;
- b) Statement of profit or loss and other comprehensive income for the year ended 30th June 2020;
- c) Statement of cash flows for the year ended 30 June 2020;
- d) Statement of changes in equity for the year ended 30 June 2020;
- e) Notes, comprise a summary of significant accounting policies and other explanatory information for the year ended 30 June 2020;

2.18 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 IAS 24: Related Party Disclosures has been disclosed in a separate note to the accounts.

2.19 Applicable Accounting Standards & Financial Reporting Standards

The Financial Reporting Act, 2015 (FRA), was enacted in the year 2015. The Financial Reporting Council (FRC) under the FRA was constituted in 2017, but the Financial Reporting Standards (FRS) under this council are yet to be issued for public interest entities. As FRS is yet to be issued by FRC, as per the provisions of FRA (Section-69), Financial statements of the company, respectively, have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the bank also complied with the requirements of Laws and Regulations of various Govt. bodies.

Sl. No.	Name of the IAS	IAS's no.	Compliance Status
1	First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
2	Share-based Payment	IFRS-2	Not applicable
3	Business Combinations	IFRS-3	Not applicable
4	Insurance Contracts	IFRS-4	Not applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
7	Financial Instruments: Disclosures	IFRS-7	Applied
8	Operating Segments	IFRS-8	Not applicable
9	Financial Instruments	IFRS-9	Applied
10	Consolidated Financial Statements	IFRS-10	Not applicable
11	Joint Arrangements	IFRS-11	Not applicable
12	Disclosure of Interests in other Entities	IFRS-12	Not applicable
13	Fair Value Measurement	IFRS-13	Applied
14	Revenue from Contracts with Customers	IFRS-15	Applied
15	Leases	IFRS-16	Applied
16	Insurance Contracts	IFRS-17	Not applicable
17	Presentation of Financial Statements	IAS-1	Applied
18	Inventories	IAS-2	Applied
19	Statement of Cash Flows	IAS-7	Applied
20	Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
21	Events after the Reporting Period	IAS-10	Applied
22	Income Taxes	IAS-12	Applied
23	Property, Plant and Equipment	IAS-16	Applied
24	Employee Benefits	IAS-19	Applied
25	Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Not Applicable
26	The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
27	Borrowing Costs	IAS-23	Not Applicable
28	Related Party Disclosures	IAS-24	Applied

29	Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
30	Separate Financial Statements	IAS-27	Not Applicable
31	Investments in Associates & Joint venture	IAS-28	Not Applicable
32	Interests in Joint Ventures	AS-31	Not Applicable
33	Financial Instruments: Presentation	AS-32	Applied
34	Earnings per Share	AS-33	Applied
35	Interim Financial Reporting	AS-34	Applied
36	Impairment of Assets	IAS-36	Applied
37	Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
38	Intangible Assets	IAS-38	Not Applicable
39	Investment property	AS-40	Not Applicable
40	Agriculture	IAS-41	Not Applicable

3.00 SUMMARY SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". This recommendation of IAS-1 relating to the format of financial statements was also taken into full consideration for fair presentation.

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the period/year then ended are consistent with those policies and methods adopted in preparing the Financial Statements for the previous period/year.

3.02 Current versus non-current classification

"The company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period.

Or

- Cash or cash equivalent unless restricted from being exchanged or use to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period.

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities."

3.03 Property, Plant & Equipment

3.03.1 Recognition and Measurement

"Property, plant & Equipment are accounted for according to IAS 16 "Property, Plant and Equipment" at Historical cost less cumulative depreciation except land and land development which consider to carried at revalued amount, being fair values at the date of revaluation less subsequent impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed or installed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment."

3.03.2 Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefit embodied within the part will flow to the company and its cost can be measured reliably. The cost of the day to day servicing of Property, Plant and Equipment are recognized in profit and loss as incurred.

3.03.3 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in the statement of profit or loss and other comprehensive income on the diminishing balance method over the estimated useful lives of property, plant and equipment. Depreciation is charged on addition when it is ready for use and no depreciation is charged in the month of disposal. The depreciation method used reflects the pattern in which the assets economic benefits are consumed by the entity. The depreciation charge for each period is recognized as an expense unless it is included in the carrying amount of another asset. Depreciation is charged in compliance with IAS: 16 (Property, Plant and Equipment). 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%
Logistics Equipment	7%
Furniture & Fixture	10%
Motor Vehicles	20%
Office Equipment	10%
Machinery under capital lease	7%

Depreciation methods, useful lives and residual values (if any) are reassessed at the reporting dates every year. Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

3.03.4 Revaluation of Fixed Assets

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.

3.04 Capital/Construction work in Progress

Construction work in progress is a general ledger account in which the costs are recorded that are directly associated with constructing an asset. This can be one of the largest fixed asset accounts, given the amount of expenditures typically associated with constructed assets. The account has a natural debit balance. Once an asset is placed in service, all costs associated with it that are stored in the construction work in progress account are shifted into whichever fixed asset account is most appropriate for the asset. The most common fixed asset account to which these costs are shifted is Buildings, since most construction projects relate to that fixed asset. However, the account is also sometimes used for machinery, and as such would store the costs associated with buying, transporting, installing, and testing machinery. While costs are being accumulated in the construction work in progress account, do not commence depreciating the asset, because it has not yet been placed in service. Once the asset is placed in service and shifted to its final fixed asset account, begin depreciating it. Thus, the construction work in progress is one of only two fixed asset accounts that are not depreciated. The other account that is not depreciated is the land account.

3.05 Intangible Assets

Recognition and measurement

Intangible Assets that are acquired by the company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any. Intangible Assets are recognized when all the conditions for recognition as per IAS 38 "Intangible Assets" are met. The cost of intangible Assets comprises its purchase price and directly attributable cost of preparing the assets for its intended use. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred. Amortization is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets, from the date that they are available for use. Presently the company has no acquired intangible assets or internally generated intangible assets.

3.06 Inventories

3.06.1 Nature of Inventories

Inventories comprise Raw Materials (MS Billet), Packing Material, Stores and Spares, and Finished Goods (MS Rod)

3.06.2 Valuation of the Inventories

"Inventories are measured at the lower of cost and ex-factory net realizable value in compliance with "IAS 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 an expense in the year in which the related revenue is recognized.

According to the requirement of IAS-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.
Store items	Based on weighted average method.

3.07 Leased assets

The leased liability is considered as a Finance lease. So the interest expense on Lease liability is charged to the statement of profit or loss and other comprehensive income under finance cost.

3.08 Foreign Currency Transaction/Translation

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 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 the statement of profit or loss and other Comprehensive Income for the respective period. In the financial year 2019-2020, there is no foreign currency transaction happened except translation of foreign currency account of IPO refund warrant.

3.09 Financial Instruments

The company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date of group becomes a party to the contractual provisions of the instrument. The company derecognizes financial assets when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial assets in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred. Financial Assets comprise accounts receivables; Advance, Deposits and Prepayments; Cash and Cash Equivalent. The company recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instruments. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise Accounts payable and other financial obligation.

3.09.1 Accounts Receivable

Accounts receivable are recognized initially at invoice value which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized. Provision for doubtful debts is made based on the company policy. Bad debts are written off considering the status of individual debtors. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using the exchange rates prevailing on the date of transaction.

3.09.2 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment; Inventory or Expenses. Deposits are measured at payment value. Prepayments are initially measured at cost, after initial recognition, prepayments are carried at cost less charges to profit or loss.

3.09.3 Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

3.09.4 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.

3.09.5 Accounts Payable

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

3.10 Impairment

3.10.1 Financial Assets

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

Initial Measurement

All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and subsequent measurement of financial assets

Financial assets are classified in the following measurement categories:

- a) Fair value through profit or loss (FVPL);
- b) Fair value through other comprehensive income (FVOCI); or
- c) Amortized cost.

Classification and subsequent measurement of financial liabilities.

Financial liabilities are classified in the following measurement categories:

- a) Fair value through profit or loss (FVPL);
- b) Amortized cost.

3.10.2 Non-Financial Assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the assets are estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.11 Statement of Cash Flows

Statement of cash flows is prepared in accordance with "IAS 7: Statement of Cash Flows" 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".

3.12 Provisions, Contingent Liabilities and Contingent Assets

"As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets' a provision recognized on the date of statement of financial position if, as a result of past event 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.

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.

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 "IAS 37: Provisions, Contingent Liabilities and Contingent Assets".

3.13 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognized as expenses in the period in which they are incurred, unless such borrowing cost relates to acquisition/construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs"

3.14 Taxation

3.14.1 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.

The company has been maintaining provision for taxation using rates enacted at the reporting date as per Income Tax Ordinance, 1984. Provision for taxation is calculated on the basis of applicable current tax rate and in compliance with Finance Act. 2020."

3.14.2 Deferred Tax

"Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences.

Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying value of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantially enacted at the statement of Financial Position date. "

3.15 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings.

3.16 Worker's profit participants & 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 labor Act. 2006, (Amendment 2015).

3.17 Revenue Recognition

Under IFRS-15, The entity should recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. IFRS 15 is a 5-steps approach to revenue recognition:

"Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation"

3.18 Finance Income & Costs

3.18.1 Finance Income

Interest income from bank deposits and loan to related company (if any) is recognized in the profit or loss on accrual basis following specific rate of interest in agreement with banks and related companies.

3.18.2 Finance Costs

Interest expenses except expenses related to acquisition/ construction of assets, incurred during the year are charged to Statement of Profit or Loss and Other Comprehensive income on accrual basis.

3.18.3 Other Operating Income

Other Operating Income includes interest income on delayed receipts from customers, gain / (loss) on sales of fixed assets and miscellaneous receipts. Other operating income is recognized as revenue income as and when realized.

3.19 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with the International Accounting Standard IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other Comprehensive Income.

3.19.1 Basic Earnings per share

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

3.19.2 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. But the present DEPS existing numbers of share outstanding.

3.20 Measurement of Fair Values:

"When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data

If the inputs used to measure the fair value of an assets or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement."

Property, Plant and Equipment

The fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable.

Equity and debt securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under 'Level 1' of the fair value hierarchy.

3.21 Event after the Reporting Period

As per IAS - 10 "Event after Balance Sheet Date" are arose event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statement are authorized for issue. Two types of events can be identified: Those that are provide evidence of conditions that existed at the end of the reporting year (adjusting events after reporting date); and Those that are indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date). Adjusting events are required to made necessary adjustment & in case of non-adjusting events, required adequate disclosures.

3.22 Comparative Information

Comparative Information is disclosed in respect of the prior period/ year in accordance with IAS-1: Presentations of Financial Statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's/years financial statements. Prior period's/ year's figure is rearranged wherever considered necessary to ensure comparability with the current period.

3.23 Finance Lease

Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased assets is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant rate of interest on the remaining balance of the liability.

3.24 Employee Benefits

The company dose not maintains any defined contribution plan and defined benefit plan for any of its employees.

		Amount in BDT	
		30-Jun-20	30-Jun-19
4.00 Property Plant & Equipment			
At cost		2,508,700,319	2,508,700,319
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 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:		603,140,899	546,314,886
Land and land Development		-	-
Factory Building & Civil Construction		120,862,906	109,126,729
Plant & Machinery		342,585,479	308,651,066
Logistics Equipment		37,660,493	34,638,413
Furniture & Fixture		1,918,870	1,802,916
Motor Vehicles		30,879,042	28,647,176
Office Equipment		7,865,814	7,238,590
Machinery under capital lease		61,368,296	56,209,995
Written down value		1,905,559,420	1,962,385,433
<i>Details shown in Annexure-1.</i>			
5.00 Capital Work in Progress			
Opening Balance		41,749,732	15,904,874
Plant & Machinery		5,610,323	25,844,858
		47,360,055	41,749,732
6.00 Advances, Deposits and Prepayments			
Advances (Note: 6.1)		234,859,264	35,920,445
Deposits (Note: 6.2)		13,644,459	12,878,112
		248,503,723	48,798,557
6.01 Advance			
Factory Staff		4,052,360	3,595,000
Advance Income Tax (Note- 6.1.1)		10,906,393	31,542,374
Advance to Supplier Party		175,351,782	-
Advance against L/C		44,548,729	
Value Added Tax-Current Account		-	783,071
		234,859,264	35,920,445
6.1.1 Advance Income tax			
Opening		31,542,374	52,767,483
Adjustment during the year		(31,542,374)	(52,767,483)
Payment During the year		10,906,393	31,542,374
		10,906,393	31,542,374
6.02 Deposits:			
Bangladesh Power Development Board		1,140,000	1,140,000
FDR		12,492,459	11,726,112
BTCL		12,000	12,000
		13,644,459	12,878,112

		Amount in BDT	
		30-Jun-20	30-Jun-19
7.00	Inventories		
	Finished Goods	945,196,695	859,731,126
	Raw Materials	863,779,405	830,740,603
	Spares Parts	37,052,630	40,312,825
		1,846,028,730	1,730,784,555
8.00	Accounts Receivable	3,425,863,520	3,568,367,332
	The Management believe that above Receivables are good and fully Releasable.		
8.01	Ageing of Accounts Receivables are as follows:		
	Less than 30 days	750,492,578	1,256,938,793
	Over 30 days but less than 60 days	685,236,987	804,971,416
	Over 60 days but less than 90 days	1,105,269,871	925,127,460
	Over 90 days	884,864,084	581,329,663
		3,425,863,520	3,568,367,332
9.00	Cash and cash equivalents		
	Cash in Hand	2,563,520	4,267,571
	CD, STD & SND Accounts	38,004,911	43,658,567
		40,568,431	47,926,138
9.01	Cash at Banks		
	AB Bank Limited # 4000	15,922	15,922
	AB Bank Limited # 4430	46,359	243,978
	Agrani Bank Ltd # 9069	21,075	56,612
	Al Arafa Islami Bank Limited # 3027(1331)	216,508	10,617,402
	Bank Asia # 240	340,129	1,996,943
	City Bank Limited # 6001	56,007	1,145,027
	Dutch-Bangla Bank Limited # 0963	319,354	33,102
	Exim Bank Limited # 2676	38,549	778,945
	First Security Islami Bank Limited # 2598	26,210,489	177,734
	HSBC # 004-111092-011	54,681	55,256
	ICB Islami Bank Limited # 3098	60	635
	Islami Bank Bangladesh Limited # 3718	175,148	1,456,219
	Janata Bank Limited # 2788	9,135	10,325
	Janata Bank Limited # 293	11,326	12,076
	Meghna Bank Limited # 0007	62,239	147,517
	Meghna Bank Limited # 0131	16,516	17,206
	Mercantile Bank Limited # 2525 (588)	24,604	53,355
	National Bank Limited # 1876 NEW 915	17,426	1,179,216
	National Credit and Commerce Bank Limited # 804	2,090,443	1,867,707
	One Bank Limited # 275	17,098	834,588
	Premier Bank Limited # 1729	859,481	827,702
	Pubali Bank Limited # 0724	366,250	3,621,985
	Sonali Bank Limited # 17497	70,197	283,086
	South Bangla Agriculture & Commerce Bank Limited # 487 (45119)	1,182,981	2,425,564
	South Bangla Agriculture & Commerce Bank Limited # 305 (0778)	340,236	2,909,400
	Southeast Bank Limited # 02091	43,180	45,306

	Amount in BDT	
	30-Jun-20	30-Jun-19
Southeast Bank Limited # 45907	9,425	9,770
Southeast Bank Limited # 998	9,682	1,934,557
Social Islami Bank-1342	203,718	205,018
Standard Bank Limited # 217	31,477	814,881
Trust Bank Limited # 1020	3,165,075	3,125,941
Trust Bank Limited # 277	54,776	4,075,352
Trust Bank Limited # 015 (IPO A/C)	349,067	342,825
United Commercial Bank Limited # 238	1,503,868	2,263,834
United Commercial Bank Limited # 601(New 168)	62,721	63,296
United Commercial Bank Limited # 6785(new-158)	9,711	10,286
	38,004,911	43,658,567
	5,000,000,000	5,000,000,000

10.00 Share Capital

Authorised Share Capital

50,000,000 Ordinary Shares of BDT 10 each

Authorised Share Capital are increased to 500 Crore by decided in Board of Directors Meeting and subsequently approved by the shareholders in 1st EGM

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
131,040,000 Ordinary Shares as at Tk. 10 each (For the year 2016)	131,040,000	131,040,000
78,624,000 Ordinary Shares as at Tk. 10 each (For the year 2017)	78,624,000	78,624,000
14,702,688 Ordinary Shares as at Tk. 10 each (For the year 2018)	147,026,880	147,026,880
101,189,088 Ordinary Shares of BDT 10 each	1,011,890,880	1,011,890,880

Compositon of Shareholders at 30 June 2020

Name of Shareholders	Holding (%)	
Sponsor Shareholders	47.03%	47.03%
Institute Shareholders	21.11%	22.50%
Other Shareholders	31.86%	30.47%
Total	100.00%	100.00%

Composition of Share holding as at 30 June 2020

Name	Holding (%)	
ICB (Corporate Director, Nominated To Md. Abul Hossain)	17%	17%
Mr. Maksudur Rahman (Managing Director)	15%	15%
Md. Yunus Bhuiyan (Director)	5%	5%
Shamsun Nahar Rahman (Director)	6%	6%
Marzanur Rahman (Director)	2%	2%
Mizanur Rahman (Director)	2%	2%
Other Shareholders	53%	53%

11.00 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

12.00 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.

	Amount in BDT	
	30-Jun-20	30-Jun-19
Opening balance	141,605,157	142,217,153
Deffered tax liability /(assets) as on 30 June.	4,633,214	(611,996)
Increase /(decrease) of deffered tax liability	146,238,371	141,605,157

Details Shown in Annexure-4.

13.00 Long Term Liabilities:

Block Loan:

CC Hypo & Pledge
Sonali Bank # LTR

310,457,527	292,379,573
600,968,274	557,271,867
911,425,801	849,651,440

13.01 Terms of CC loan (Sonali Bank)

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-9% and pledge-9% compound interest on three month installment basis. Thereafter the rate of interest shall

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.

Terms of Block Loan Cc Hypo & Pledge (Sonali Bank)

Interest Rate Applied 5.50%

Terms of LTR Loan (Sonali Bank)

Lender

Sonali Bank

Total Loan Facility

Tk 50 Crore LTR Facility for 90 days Period.

Interest Rate Applied

Annually 9% 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.

		Amount in BDT	
		30-Jun-20	30-Jun-19
Maturity date: Apprx. 90 days from disposal			
14.00	Short Term Liabilities:		
	Sonali Bank: Pledge # 08	324,079,091	329,044,355
	Sonali Bank: Hypo # 22	509,763,450	494,575,635
	Sonali Bank PAD	36,631,521	-
		870,474,062	823,619,989
15.00	Creditors and Accruals		
	Accounts payable	896,530	568,960
	Advance Against Sales	1,253,690	3,869,520
	Accrued Expenses (Note: 15.01)	45,969,201	67,289,067
	Value Added Tax-Current Account	66,249,370	-
	Other Finance	4,621,565	5,791,740
		118,990,356	77,519,287
15.01	Accrued Expenses		
	Accrued for Salary & wages	3,649,206	6,849,734
	Accrued for Electricity Bill	39,852,601	57,417,051
	Accrued for Gas Bill	2,154,230	2,704,575
	Accrued for Wasa Bill	11,256	15,499
	Accrued for Telephone Bill	1,908	2,208.00
	Audit Fees	300,000	300,000
		45,969,201	67,289,067
16.00	Income Tax Liability		
	Opening balance	463,320,986	382,932,338
	Provision made for the Year (Annexure-3)	31,482,835	186,156,130
	Tax Paid (Including Advance Income Tax during the Year)	(63,128,430)	(105,767,482)
		431,675,391	463,320,986
Details shown in Annexure-3.			
17.00	Workers' Profit Participation Fund and Welfare Fund		
	Opening Balance	37,497,618	47,434,731
	Add: Addition during the year @ 5%	7,118,474	37,497,618
		44,616,092	84,932,348
	Less: Paid during the year	(37,497,618)	(47,434,731)
	Closing Balance	7,118,474	37,497,618
18.00	Net Asset Value per share (NAVPS)		
	Total Assets	7,411,002,987	7,400,011,748
	Less: Total Liabilities	2,383,041,563	2,393,214,475
	Shareholders' Equity	5,027,961,423	5,006,797,272
	Number of Ordinary Shares at the year end	101,189,088	101,189,088
	Net Asset Value per share (NAVPS)	49.69	49.48

		Amount in BDT	
		30-Jun-20	30-Jun-19
19.00 Revenue			
Local Sales		3,239,046,345	6,808,684,500
20.00 Cost of Goods Sold			
Raw Materials Used (Note: 20.01)		2,775,023,698	5,312,365,391
Direct Labor		34,885,544	66,549,260
Electricity Bill		54,482,200	84,965,477
Wasa Bill		190,520	233,379
Spare Parts Used (Note : 20.02)		34,362,016	39,289,975
Loading & Unloading Bill		5,310,025	10,129,624
Gas Bill		15,711,435	20,433,462
Prime Cost (A)		2,919,965,437	5,533,966,567
Indirect Expenses associated with production (B)		54,522,863	58,922,596
Repair & Maintenance		135,620	402,809
Medical Exp.		402,530	450,568
Depreciation (Annexure-01)		53,984,713	58,069,219
Cost of Production (A+B)		2,974,488,300	5,592,889,162
Opening Finished Goods		859,731,126	1,008,483,672
Cost of Goods Available for Sale		3,834,219,427	6,601,372,834
Closing Finished Goods		(945,196,695)	(859,731,126)
Cost of Goods Sold		2,889,022,732	5,741,641,708
20.01 Raw Materials Used			
Opening Stock of Raw Materials		830,740,603	889,623,487
Purchases of Raw Materials		2,808,062,500	5,253,482,507
Cost of Raw Materials available for use		3,638,803,103	6,143,105,994
Closing Raw Materials		(863,779,405)	(830,740,603)
Cost of Raw Materials used		2,775,023,698	5,312,365,391
20.02 Spare Parts used			
Opening Stock of Spare Parts		40,312,825	38,158,741
Purchase during the year		31,101,821	41,444,059
Spare Parts available for use		71,414,646	79,602,800
Closing Stock of Spare Parts		(37,052,630)	(40,312,825)
Spare Parts used during the year		34,362,016	39,289,975
21.00 Administrative and Other Expenses			
Director's remuneration (Note-31)		1,965,000	1,965,000
Sallary & Allowance		4,752,630	5,960,909
Entertainment		520,360	807,263
Travelling Expenses		978,520	1,781,667
Legal Expenses		60,520	84,500
Stationary		435,620	634,982
Paper & Periodicals		8,720	11,516
Postage & Stamp		125,630	183,788
Mobile Bill		1,352,630	1,953,875
Electricity Expenses		801,520	824,664
Audit Fees		300,000	300,000
Telephone Bill		6,523	11,040

		Amount in BDT	
		30-Jun-20	30-Jun-19
	Internet Bill	616,294	978,245
	Fire License Expenses	1,890	3,000
	Office Expenses	452,630	708,560
	Sundry Expenses	952,630	1,528,563
	Office rent	240,000	240,000
	ISO related Expenses		93,000
	Insurance	-	553,098
	Conveyance	380,526	547,262
	Depreciation (Annexure-01)	2,841,301	3,056,275
	Certificate and Membership Expenses	154,980	246,000
	Guest house Expenses	235,630	313,302
	Repairs and maintenance	896,352	1,426,525
	Medical Expenses	205,630	256,525
	AGM Related Expense	651,422	1,551,004
	Trade License	22,400	22,400
	Vehicle Expenses	452,360	783,971
		19,411,718	26,826,935
22.00	Selling and Distribution Expenses		
	Carriage Outwards	16,052,360	23,163,263
	Sallary & Allowance	4,152,301	5,335,936
	TA & DA of Sales Representative	2,259,306	3,792,976
	Travelling Expenses	103,520	184,801
	Rod testing Expenses	219,520	346,300
	Advertisement Expenses	9,528,630	19,534,800
		32,315,637	52,358,075
23.00	Finance Cost:		
	Interest on CC-Hypo:	45,878,838	74,092,487
	Sonali Bank Limited: Hypo # 1027	45,878,838	74,092,487
	Interest on CC-Pledge:	29,915,153	48,050,427
	Sonali Bank Limited: Pledge # 1084	29,915,153	48,050,427
	Interest on CC- Hypo & Pledge (Block) :	20,933,047	16,242,263
	Interest on CC- Hypo & Pledge	20,933,047	16,242,263
	Interest on Sonali Bank # LTR	52,767,949	62,542,021
	Bank Charges	563,365	728,560
		150,058,352	201,655,758
24.00	Finance & Other Income		
	SND & STD Interest	347,124	517,289
	FDR Interest	855,554	730,655
	Other Income	47,360	-
		1,250,038	1,247,944
25.00	Contribution to WPPF and Welfare Fund		
	Profit before WPPF and Income Tax	142,369,471	749,952,351
	Contribution Rate to WPPF & WF	5%	5%
		7,118,474	37,497,618

		Amount in BDT	
		30-Jun-20	30-Jun-19
26.00 Tax Expenses			
Income Tax Expnses-Current	31,482,835	186,156,130	
Income Tax Expnses/(Income)-Deferred (Note-12)	4,633,214	(611,996)	
	36,116,049	185,544,134	
27.00 Earnings per share (EPS)			
Net profit attributable to the shareholders for the year	106,253,421	564,408,217	
Number of Ordinary Shares at year end	101,189,088	101,189,088	
Basic EPS	1.05	5.58	
28.00 Net Operating Cash Flow per share (NOCF)			
Net cash inflow /(outflow) from Operating Activities	77,731,564	132,508,207	
Number of Ordinary Shares at the year end	101,189,088	101,189,088	
Net Operating Cash Flow per share (NOCF)	0.77	1.31	
28.01 Reconciliation of Net Profit With Cash Flows from Operating Activities:			
Net Profit After Tax	106,253,421	564,408,217	
Adjustment to Reconcile Net Profit to Net Cash Provided by Operating Activities:			
Non-Cash Expenses:			
Depreciation	56,826,014	61,125,493	
Deferred Tax	4,633,214	(611,996)	
Non-Operating Items:			
Increase/(Decrease) in Long term Liabilities	61,774,362	52,556,695	
Changes in Working Capital:			
(Increase)/Decrease in Inventories	(115,244,175)	205,481,345	
(Increase)/Decrease in Capital Work-in-Progress	(5,610,323)	-	
(Increase)/Decrease in Account Receivables	142,503,812	(1,626,169,580)	
(Increase)/Decrease in Advances, Deposits and Prepayments	(199,705,166)	739,199,075	
Increase/(Decrease) in Creditors and Accruals	41,471,069	13,510,730	
Increase/(Decrease) in Short term Liabilities	46,854,073	52,556,693	
Increase/(Decrease) in Income Tax Liabilities	(31,645,595)	80,388,648	
Increase/(Decrease) in Liabilities for WPPF	(30,379,143)	(9,937,114)	
Net Cash Generated from Operating Activities	77,731,563	132,508,206	
29.00 Quantitative movement of Inventories			
Raw Materials			
Opening stock	18,352	20,852	
Purchase during the year	62,750	114,775	
	81,102	135,627	
Consumed during the year	(61,850)	(117,275)	
Closing stock	19,252	18,352	
Finished Goods			
Opening stock	18,055	21,930	
Production during the period	60,520	115,450	
	78,575	137,380	
Sales during the period	(59,205)	(119,325)	
Closing Stock	19,370	18,055	

		Amount in BDT	
		30-Jun-20	30-Jun-19
30.00 Revenue from Contract with Coustomer (IFRS-15)			
The company has recognized the following amount in the statement of profit and loss			
Revenue from Contract with Coustomer			
Segregation of revenue from contracts with coustomer			
Revenue from Local Sales	Note	-	-
Timing of Revenue Recognition at a Point in Time	19	3,239,046,345	6,808,684,500
Contract Assets and Liabilities			
The Company has recognized no contract assets and liabilities.			
Accounting Policy			
The Company sells a number of MS Rod 500-W. Sales are recognized when products are delivered to Customer and there is no unfulfilled obligation that affects the recognition of sales and revenue.			
31.00 Payment information to Directors as Per requirement of schedule XI, part II, Para 4 of the Company Act- 1994			
Mr.Maksudur Rahman (Managing Director)		700,000	700,000
Mrs.Shamsun Nahar Rahman (Director)		615,000	615,000
Md. Younus Bhuiyan (Director)		650,000	650,000
		1,965,000	1,965,000
32.00 Production capacity & Actual production			M. Tons
Production capacity		187,200	187,200
Actual Production		60,520	115,450
Excess/(Shortfall)		(126,680)	(71,750)
Capacity Utilised		32.33%	61.67%
33.00 Depreciation to be charge			
Manufacturing		53,984,713	57,304,004
Administrative		2,841,301	3,016,000
		56,826,014	60,320,004
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)			
34.00 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 IAS-24: Related Party Disclosures.			
Particulars	Relationship	Nature of Transactions	Amount
Modern Steel Mills Ltd	Common Directorship	Supply of Raw Materials	2,582,203,095
35.00 Bank Gurantee			
The company have no Bank gurantee on the reporting date			
36.00 Employee Position of Ratanpur Steel Re-Rolling Mills Limited as per requirement of schedule XI, part II, Para 3			
Number of employees whose monthly salary was below Tk. 6000		-	-
Number of employees whose monthly salary was above Tk. 6000		381	507

Ratanpur Steel Re-Rolling Mills Limited
Schedule of Property, Plant & Equipment
For The Financial Year Ended 30 June, 2020

Annexure-1

Amount in BDT

SL NO.	Particulars	Cost			Rate	Depreciation			Written down value as on 30.06.2020
		Opening Balance as on 01.07.2019	Addition during the year	Disposal During the year		Closing Balance as on 30.06.2020	Charge for the year	Disposal During the year	
1	Land and land Development	1,048,750,000	-	-		1,048,750,000	-	-	1,048,750,000
2	Factory Building	402,531,158	-	-	4%	402,531,158	11,736,177	-	281,668,252
3	Plant & Machinery	793,428,390	-	-	7%	793,428,390	33,934,413	-	450,842,912
4	Logistics Equipment	77,810,979	-	-	7%	77,810,979	3,022,080	-	40,150,486
5	Furniture & Fixture	2,962,460	-	-	10%	2,962,460	115,954	-	1,043,590
6	Motor Vehicles	39,806,505	-	-	20%	39,806,505	2,231,866	-	8,927,463
7	Office Equipment	13,510,827	-	-	10%	13,510,827	627,224	-	5,645,013
	Machinery under capital lease	129,900,000	-	-	7%	129,900,000	5,158,300	-	68,531,704
A. Total		2,508,700,319	-	-		2,508,700,319	56,826,014	-	1,905,559,420

C.	Depreciation allocated to:	Note	Rate of Allocation	June, 2020 BDT
	Manufacturing	17.00	95%	53,984,713
	Administrative	18.00	5%	2,841,301
			100%	56,826,014

Ratanpur Steel Re-Rolling Mills Limited
Schedule of Property, Plant & Equipment
For The Financial Year Ended 30 June, 2019

Annexure-2

Amount in BDT

Sl. NO.	Particulars	Cost			Rate	Depreciation				Written down value as on 30.06.2019
		Opening Balance as on 01.07.2018	Addition during the year	Disposal During the year		Opening Balance as on 01.07.2018	Charge for the year	Disposal During the year	Closing Balance as on 30.06.2019	
1	Land and land Development	1,048,750,000	-	-		-	-	-	-	1,048,750,000
2	Factory Building	402,531,158	-	-	4%	96,901,545	12,225,185	-	109,126,731	293,404,427
3	Plant & Machinery	793,428,390	-	-	7%	272,162,450	36,488,616	-	308,651,066	484,777,324
4	Logistics Equipment	77,810,979	-	-	7%	31,388,865	3,249,548	-	34,638,413	43,172,566
5	Furniture & Fixture	2,962,460	-	-	10%	1,674,077	128,838	-	1,802,915	1,159,545
6	Motor Vehicles	39,806,505	-	-	20%	25,657,344	2,789,832	-	28,647,176	11,159,329
7	Office Equipment	13,510,827	-	-	10%	6,541,675	696,915	-	7,238,590	6,272,237
8	Machinery under capital lease	129,900,000	-	-	7%	50,663,436	5,546,559	-	56,209,995	73,690,005
A. Total		2,508,700,319	-	-		485,189,392	61,125,493	-	546,314,886	1,962,385,433

C.	Depreciation allocated to:	Note	Rate of Allocation	June, 2019 BDT
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Manufacturing	17.00	95%	58,069,219
Administrative	18.00	5%	3,056,275
		100%	61,125,494

Ratanpur Steel Re-Rolling Mills Limited
Computation of Total Taxable Income
For the financial year ended on 30 June, 2020

Annexure-3

	Amount in BDT
	30 June, 2020
Accounting profit before tax	142,369,470
Add: Other Inadmissible allowances	
Add: Accounting depreciation	56,826,014
Add: Interest on leased assets	-
Add: Provision for WPPF	7,118,474
Less: Items for separate consideration	
Depreciation as per 3rd schedule	(42,885,001)
Payment for WPPF (Previous)	(37,497,618)
Lease payment (principal plus interest)	-
Finance & Other Income	(1,250,038)
Total income/(Loss) from Operation	124,681,301
Add : Income from Other Sources (U/S- 33 of the ITO, 1984)	1,250,038
Total Taxable Income	125,931,339
Rate	25%
Income tax	31,482,835
Outstanding Previous Years	400,192,556
Total Tax Liability	431,675,391
Turn Over Tax	19,434,278

Ratanpur Steel Re-Rolling Mills Limited
Deferred Tax Calculation (01.07.2019 to 30.06.2020)

Annexure-4

	Amount in BDT
	30 June, 2020
Taxable Temporary Difference for leases asset	
Total Lease Payment for the period	-
Total Interest Payment for leased assets	-
Total Depreciation on leased assets	(5,158,300)
	(5,158,300)
Deferred Tax liability for other than laese assets	149,307,565
Deferred Tax liability for lease assets	(1,289,575)
Total Deferred tax liability	148,017,990
Deferred tax asset on WPPF	(1,779,618)
Total Deferred tax assets	(1,779,618)
Net Deferred tax Liability	146,238,371
Previous Year Balance	141,605,157
Deferred Tax Expense/(Income)	4,633,214
Considered applicable Rate of Income Tax @ 25%	

Shareholder's Information

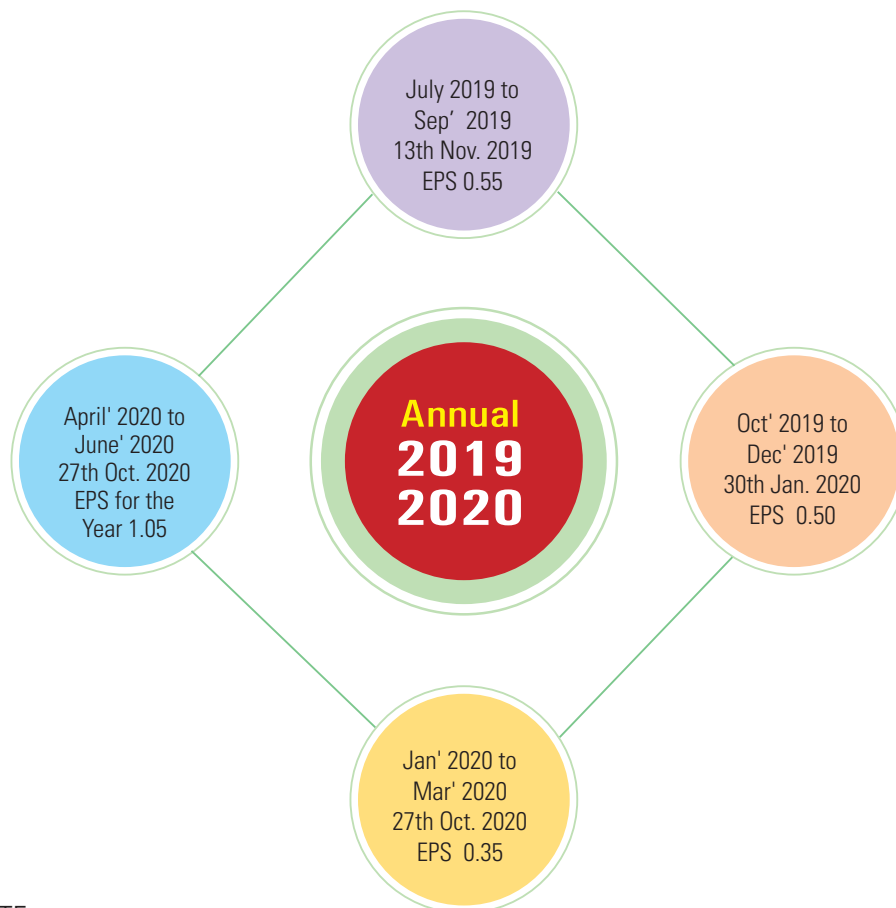
ANNUAL GENERAL MEETING (AGM)

No. of AGM	: 35 th AGM
Date	: December 29, 2020
Venue	: Digital Platform
Time	: 11.00 AM

FINANCIAL CALENDAR

Financial Period: July 01, 2019 to June 30, 2020.

During the periods mentioned, the operational results of the company were announced on:



RECORD DATE

The Record Date : December 03, 2020

LISTING

The company's shares are listed at the Stock Exchanges at Dhaka and Chittagong of Bangladesh.

Dated: 22nd September, 2014

FACE VALUE PER SHARE: Tk. 10/=

CLOSING PRICE OF PER SHARE

Closing Price of per share of our company as at 30th June, 2020 was Taka 22.9

Closing Price of per share of our company as at 3rd December, 2020 was Taka 23.30

DIVIDEND	
Year	Rate of Dividend Form of Dividend
2019-20	10% Cash (Recommended)
2018-19	12% Cash (excluding Sponsor Directors)
2017-18	12% Cash (excluding Sponsor Directors)
2016-17	5% and 17% Cash and Stock respectively
2015-16	10% and 10% Cash and Stock respectively
2014-15	5% and 20% Cash and Stock respectively
2013-14	5% and 20% Cash and Stock respectively

EPS	
Year	Taka
2019-20	1.05
2018-19	5.58
2017-18	7.05
2016-17	8.18
2015-16	3.45
2014-15	4.36
2013-14	5.24

INVESTOR CORRESPONDENCE

Mail to: Ratanpur Steel Re-Rolling Mills Limited. Jamindar Bari (B-90), 291 Fakirerpool, Inner-Circular Road, Arambagh, Motijheel, Dhaka - 1000, Bangladesh,

Voice: +880 2 7195840, 7195841, **Fax:** +880 2 7191745, **Email:** sharedept@rsrmbd.com, **Website:** www.rsrmbd.com

Events Highlights

33rd AGM



34th AGM



Events Highlights



Aktharuzzaman Flyover Project signing ceremony



RSRM Golf Tournament



RSRM Festival



Organized training program for REHAB



RSRM Prothom Alo World Cup Football Quiz, Prize Presentation Ceremony



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

GLOSSARY TERMS	
Terms	Brief Description
The Company / Parent	Ratanpur Steel Re-Rolling Mills Limited
Revenue	Turnover or Sales
Profit	Income
Basic EPS	Basic Earnings per Share (Profit attributable to the Ordinary shareholders divided by weighted average number of Ordinary shares)
Deferred Tax	Difference between the carrying value of property, plant & equipment as per financial statements and tax written down value and financial position liability method for gratuity obligation.
Equity	Shareholders' Fund or Owners' Fund
Net Current Assets	Current Assets less Current Liabilities
Capital Employed	Non-current Assets plus Net Current Assets
Revaluation Surplus	Reserve created from assets re-valuation
EBITDA	Earnings before Interest, Tax & Depreciation Allowance
Return on Shareholders' Equity	Net Profit after Tax divided by Shareholders' Equity
Return on Capital Employed	Net Profit after Tax divided by Capital Employed
Current Ratio	Current Assets divided by Current Liabilities
Quick / Acid Test Ratio	Current Assets less Inventories divided by Current Liabilities
Inventory Turnover Ratio	Revenue divided by Inventories
Total Assets Turnover Ratio	Revenue divided by Total Assets
Debt-equity Ratio	Current plus long term liabilities divided by shareholders' equity
Interest Coverage Ratio	EBIT divided by Interest expenses



Ratanpur Steel Re-Rolling Mills Limited

Register Office : Nahar Mansion, 116 C.D.A Avenue, Muradpur, Chittagong. Phone: +880 31-652255-57, Fax: +880 31- 650001
Website: www.rsmbd.com

Share Dept : 291 Fakirerpool (Jamindar Bari), Apt. B-9 (9th Floor), Inner Circular Road, Arambagh, Motijheel, Dhaka-1000.
Phone: +880 2 7195840, 7195841, Fax: +880 2 7191745, E-mail: sharedept@rsmbd.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 35th Annual General Meeting (AGM) of the Company to be held on 29 December, 2020 at 11.00 A.M through Digital Platform 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 2020.

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, duly 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

Virtual Meeting Logistics



Date
Tuesday, 29 December, 2020



Live Webcast
<https://rsrmsteel.bdvirtualagm.com>



Time
11:00 AM
(Bangladesh Standard Time)



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।





Ratanpur Steel Re-Rolling Mills Ltd.

Head Office :

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