

**Auditor's Report along with
Financial Statements
of
Ratanpur Steel Re-rolling Mills Limited
For the year ended 30 June 2020**

AUDITOR:

**Mahfel Huq & Co,
Chartered Accountants**

BGIC Tower (4th Floor), 34 Topkhana Road,
Dhaka-1000, Bangladesh

Ph: +880-2-9553143

Email: info@mahfelhuq.com, Web: www.mahfelhuq.com

CONTENTS

SL	Particulars	Page
1	Auditor's Report	i-v
2	Statement of Financial Position	2
3	Statement of Profit or Loss and other Comprehensive Income	3
4	Statement of Changes in Equity	4
5	Statement of Cash Flows	5
6	Notes to the Financial Statements	6-30



Mahfel Huq & Co.

Chartered Accountants

The first registered accounting firm in independent Bangladesh

BGIC Tower (4th Floor)
34, Topkhana Road
Dhaka-1000, Bangladesh
Tel: +88-02-9553143, 9581786
Fax: +88-02-9571005
E-mail : info@mahfelhuq.com
Web: www.mahfelhuq.com



An independent member firm of AGN International

Independent Auditor's Report

To the Shareholders of Ratanpur Steel Re-Rolling Mills Ltd.

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 currents 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 response to the risk
Measurement of deferred tax liability	
Company reported net deferred tax liability totaling BDT [146,238,371] as at 30 June, 2020. Significant judgment is required in relation to deferred tax liabilities as their calculation is a complex one.	We obtained an understanding, evaluated the 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.
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;



Mahfel Huq & Co.
Chartered Accountants
An independent member firm of AGN International



- 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.

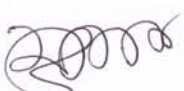
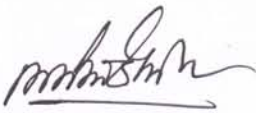
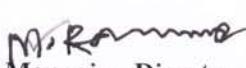
Dhaka, 27 October 2020


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

Ratanpur Steel Re-Rolling Mills Limited
Statement of Financial Position
As at 30 June, 2020

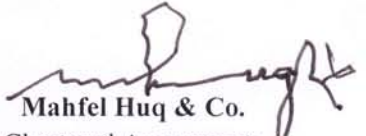
Particular	Notes	Amount in BDT	
		30-Jun-20	30-Jun-19
Assets			
Non-Current Assets:		1,952,919,475	2,004,135,165
Property Plant & Equipment	4.00	1,905,559,420	1,962,385,433
Capital Work-In-Progress	5.00	47,360,055	41,749,732
Current Assets:		5,560,964,404	5,395,876,583
Advances, Deposits and Prepayments	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 an 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

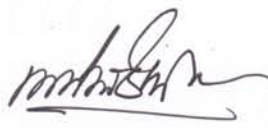
Ratanpur Steel Re-Rolling Mills Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June, 2020

Particular	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 an integral part of these financial statements



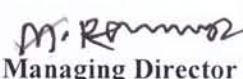
Chief Financial Officer



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 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 an integral part of these financial statements

 **Chief Financial Officer**

 **Company Secretary**

 **Managing Director**

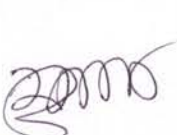
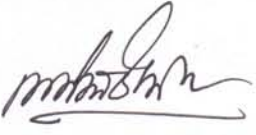
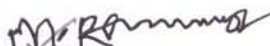
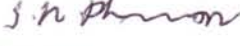
 **Chairman**



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

Particular	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 an 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 Statements

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,

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 pandemic
- 2.08 Reporting Period
- 2.09 Authorization for Issue
- 2.10 Consistency
- 2.11 Comparative Information
- 2.12 Functional and presentation currency
- 2.13 Use of Estimates and Judgments
- 2.14 Measurement of fair values
- 2.15 Financial Risk Management
 - 2.15.1 Credit Risk
 - 2.15.2 Liquidity Risk
 - 2.15.3 Market Risk
 - 2.15.4 Foreign Currency Risk
 - 2.15.5 Transaction risk
 - 2.15.6 Economic risk
 - 2.15.7 Interest Rate Risk
- 2.16 Fair Values
- 2.17 Components of the Financial Statements
- 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 Company 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

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) Value Added Tax and Supplementary Duty Act, 2012;
- d) Value Added Tax and Supplementary Duty Rules, 2016;
- e) The Customs Act, 1969;
- f) Bangladesh Labor Act, 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

Crises and global effects of pandemics were described as an unforeseen event which have negatively affect on project developments in the real estate industry. In consequence, sales has been fall in 4th quarter (April-June) by the amount of Tk. 395,379,792 comparing with the immediate preceeding quarter (January to March) of the same accounting year.

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

- 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
- 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

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

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

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. 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

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

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

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

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

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.

- Statement of financial position as at 30 June 2020;
- Statement of profit or loss and other comprehensive income for the year ended 30th June 2020;
- Statement of cash flows for the year ended 30 June 2020;
- Statement of changes in equity for the year ended 30 June 2020;
- 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).

The following IASs are applicable for the financial statements of the year under review.

Sl. No.	Name of the IAS	IAS's no.	Compliance
1	First-time Adoption of International Financial Reporting S	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 Operat	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	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	IAS-31	Not Applicable
33	Financial Instruments: Presentation	IAS-32	Applied
34	Earnings per Share	IAS-33	Applied
35	Interim Financial Reporting	IAS-34	Not Applicable
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	IAS-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.

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

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

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

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 low
Raw materials	Raw materials are valued at cost or net realizable value, whichever is low
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

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 uncollectability 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:

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

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 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

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. The company currently have no material rental agreements with any parties.

3.24 Employee Benefits

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

4.00 Property Plant & Equipment**At cost**

Land and land Development
 Factory Building & Civil Construction
 Plant & Machinery
 Logistics Equipment
 Furniture & Fixture
 Motor Vehicles
 Office Equipment
 Machinery under capital lease

Accumulated Depreciation:

Land and land Development
 Factory Building & Civil Construction
 Plant & Machinery
 Logistics Equipment
 Furniture & Fixture
 Motor Vehicles
 Office Equipment
 Machinery under capital lease

Written down value

Details shown in Annexure-1.

Amount in BDT	
30-Jun-20	30-Jun-19

2,508,700,319	2,508,700,319
1,048,750,000	1,048,750,000
402,531,158	402,531,158
793,428,390	793,428,390
77,810,979	77,810,979
2,962,460	2,962,460
39,806,505	39,806,505
13,510,827	13,510,827
129,900,000	129,900,000

603,140,899	546,314,886
-	-
120,862,906	109,126,729
342,585,479	308,651,066
37,660,493	34,638,413
1,918,870	1,802,916
30,879,042	28,647,176
7,865,814	7,238,590
61,368,296	56,209,995

1,905,559,420	1,962,385,433
----------------------	----------------------

5.00 Capital Work in Progress

Opening Balance
 Plant & Machinery

41,749,732	15,904,874
5,610,323	25,844,858
47,360,055	41,749,732

6.00 Advances, Deposits and Prepayments

Advances (Note: 6.1)
 Deposits (Note: 6.2)

234,859,264	35,920,445
13,644,459	12,878,112
248,503,723	48,798,557

6.01 Advance

Factory Staff
 Advance Income Tax (Note- 6.1.1)
 Advance to Supplier Party
 Advance against L/C
 Value Added Tax-Current Account

4,052,360	3,595,000
10,906,393	31,542,374
175,351,782	-
44,548,729	-
-	783,071
234,859,264	35,920,445

6.1.1 Advance Income tax

Opening
 Adjustment during the year
 Payment During the year

31,542,374	52,767,483
(31,542,374)	(52,767,483)
10,906,393	31,542,374
10,906,393	31,542,374

6.02 Deposits:

Bangladesh Power Development Board
 FDR
 BTCL

1,140,000	1,140,000
12,492,459	11,726,112
12,000	12,000
13,644,459	12,878,112



7.00 Inventories

Finished Goods
Raw Materials
Spares Parts

Amount in BDT	
30-Jun-20	30-Jun-19
945,196,695	859,731,126
863,779,405	830,740,603
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
Over 30 days but less than 60 days
Over 60 days but less than 90 days
Over 90 days

750,492,578	1,256,938,793
685,236,987	804,971,416
1,105,269,871	925,127,460
884,864,084	581,329,663
3,425,863,520	3,568,367,332

9.00 Cash and cash equivalents

Cash in Hand
CD, STD & SND Accounts

2,563,520	4,267,571
38,004,911	43,658,567
40,568,431	47,926,138

9.01 Cash at Banks

AB Bank Limited # 4000
AB Bank Limited # 4430
Agrani Bank Ltd # 9069
Al Arafa Islami Bank Limited # 3027(1331)
Bank Asia # 240
City Bank Limited # 6001
Dutch-Bangla Bank Limited # 0963
Exim Bank Limited # 2676
First Security Islami Bank Limited # 2598
HSBC # 004-111092-011
ICB Islami Bank Limited # 3098
Islami Bank Bangladesh Limited # 3718
Janata Bank Limited # 2788
Janata Bank Limited # 293
Meghna Bank Limited # 0007
Meghna Bank Limited # 0131
Mercantile Bank Limited # 2525 (588)
National Bank Limited # 1876 NEW 915
National Credit and Commerce Bank Limited # 804
One Bank Limited # 275
Premier Bank Limited # 1729
Pubali Bank Limited # 0724
Sonali Bank Limited # 17497
South Bangla Agriculture & Commerce Bank Limited # 487 (45119)
South Bangla Agriculture & Commerce Bank Limited # 305 (0778)
Southeast Bank Limited # 02091
Southeast Bank Limited # 45907
Southeast Bank Limited # 998
Social Islami Bank-1342
Standard Bank Limited # 217
Trust Bank Limited # 1020
Trust Bank Limited # 277
Trust Bank Limited # 015 (IPO A/C)
United Commercial Bank Limited # 238
United Commercial Bank Limited # 601(New 168)
United Commercial Bank Limited # 6785 (new-158)

15,922	15,922
46,359	243,978
21,075	56,612
216,508	10,617,402
340,129	1,996,943
56,007	1,145,027
319,354	33,102
38,549	778,945
26,210,489	177,734
54,681	55,256
60	635
175,148	1,456,219
9,135	10,325
11,326	12,076
62,239	147,517
16,516	17,206
24,604	53,355
17,426	1,179,216
2,090,443	1,867,707
17,098	834,588
859,481	827,702
366,250	3,621,985
70,197	283,086
1,182,981	2,425,564
340,236	2,909,400
43,180	45,306
9,425	9,770
9,682	1,934,557
203,718	205,018
31,477	814,881
3,165,075	3,125,941
54,776	4,075,352
349,067	342,825
1,503,868	2,263,834
62,721	63,296
9,711	10,286
38,004,911	43,658,567

Amount in BDT	
30-Jun-20	30-Jun-19

10.00 Share Capital

Authorised Share Capital

50,000,000 Ordinary Shares of BDT 10 each

5,000,000,000 5,000,000,000

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)
 35,920,000 Ordinary Share as at Tk. 10 each (For the year 2015)
 131,040,000 Ordinary Shares as at Tk. 10 each (For the year 2016)
 78,624,000 Ordinary Shares as at Tk. 10 each (For the year 2017)
 14,702,688 Ordinary Shares as at Tk. 10 each (For the year 2018)

296,000,000	296,000,000
359,200,000	359,200,000
131,040,000	131,040,000
78,624,000	78,624,000
147,026,880	147,026,880
<u>1,011,890,880</u>	<u>1,011,890,880</u>

101,189,088 Ordinary Shares of BDT 10 each

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%	

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. Younus 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.

Opening balance -

Deffered tax liability /(assets) as on 30 June.

Increase /(decrease) of deffered tax liability

141,605,157	142,217,153
4,633,214	(611,996)
<u>146,238,371</u>	<u>141,605,157</u>

Details Shown in Annexure-4.

Amount in BDT	
30-Jun-20	30-Jun-19

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-13% and pledge-13% compound interest on three month installment basis. Thereafter the rate of interest shall be reviewed at annual intervals.

Margin:

20% margin on both Hypo and Pledge Facility.

Re-payment:

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

Security:

Hypo & Pledge

a) Raw-materials, work in progress, finished goods, machineries, spare parts etc stored in the Factory and warehouse.

b) Industrial Plot no 175 & 176 contained 100 Decimal Land situated Baizid Bostami Industrial Area, Chittagong.

Purpose:

To meet the working capital requirements.

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 13% Interest Rate.

Security

a) Personal Guarantee of all the Directors of Ratanpur Steel Re-rolling Mills Limited.

b) Post Dated Cheque

c) Industrial Plot no 175 & 176 contained 100 Decimal Land situated Baizid Bostami Industrial Area, Chittagong.

Maternity date: Apprx. 90 days from disposal

14.00 Short Term Liabilities:

Sonali Bank: Pledge # 08
Sonali Bank: Hypo # 22
Sonali Bank PAD

324,079,091	329,044,355
509,763,450	494,575,635
36,631,521	-
870,474,062	823,619,989

15.00 Creditors and Accruals

Accounts payable
Advance Against Sales
Accrued Expenses (Note: 15.01)
Value Added Tax-Current Account
Other Finance

896,530	568,960
1,253,690	3,869,520
45,969,201	67,289,067
66,249,370	-
4,621,565	5,791,740
118,990,356	77,519,287

15.01 Accrued Expenses

Accrued for Salary & wages
 Accrued for Electricity Bill
 Accrued for Gas Bill
 Accrued for Wasa Bill
 Accrued for Telephone Bill
 Audit Fees

Amount in BDT	
30-Jun-20	30-Jun-19
3,649,206	6,849,734
39,852,601	57,417,051
2,154,230	2,704,575
11,256	15,499
1,908	2,208.00
300,000	300,000
45,969,201	67,289,067

16.00 Income Tax Liability

Opening balance
 Provision made for the Year (Annexure-3)
 Tax Paid (Including Advance Income Tax during the Year)

463,320,986	382,932,338
31,482,835	186,156,130
(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
 Add: Addition during the year @ 5%

37,497,618	47,434,731
7,118,474	37,497,618
44,616,092	84,932,348
(37,497,618)	(47,434,731)
7,118,474	37,497,618

Less: Paid during the year
 Closing Balance

18.00 Net Asset Value per share (NAVPS)

Total Assets
 Less: Total Liabilities
Shareholders' Equity
 Number of Ordinary Shares at the year end
Net Asset Value per share (NAVPS)

7,411,002,987	7,400,011,748
2,383,041,563	2,393,214,475
5,027,961,423	5,006,797,272
101,189,088	101,189,088
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
Internet Bill		616,294	978,245
Fire License Expenses		1,890	3,000

		Amount in BDT	
		30-Jun-20	30-Jun-19
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: Sonali Bank Limited: Hypo # 1027		45,878,838	74,092,487
Interest on CC-Pledge: 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 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
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

		Amount in BDT	
		30-Jun-20	30-Jun-19
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		77,731,564	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)

Mrs.Shamsun Nahar Rahman (Director)

Md. Younus Bhuiyan (Director)

700,000	700,000
615,000	615,000
650,000	650,000
1,965,000	1,965,000

32.00 Production capacity & Actual production

Production capacity

Actual Production

Excess/(Shortfall)

Capacity Utilised

M. Tons	
187,200	187,200
60,520	115,450
(126,680)	(71,750)
32.33%	61.67%

33.00 Depreciation to be charge

Manufacturing

Administrative

53,984,713	57,304,004
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 Millis 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	397

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

Annexure-I

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		Opening Balance as on 01.07.2019	Charge for the year	Disposal During the year	Closing Balance as on 30.06.2020	
1	Land and land Development	1,048,750,000	-	-	1,048,750,000		-	-	-	-	1,048,750,000
2	Factory Building	402,531,158	-	-	402,531,158	4%	109,126,729	11,736,177	-	120,862,906	281,668,252
3	Plant & Machinery	793,428,390	-	-	793,428,390	7%	308,651,066	33,934,413	-	342,585,479	450,842,912
4	Logistics Equipment	77,810,979	-	-	77,810,979	7%	34,638,413	3,022,080	-	37,660,493	40,150,486
5	Furniture & Fixture	2,962,460	-	-	2,962,460	10%	1,802,916	115,954	-	1,918,870	1,043,590
6	Motor Vehicles	39,806,505	-	-	39,806,505	20%	28,647,176	2,231,866	-	30,879,042	8,927,463
7	Office Equipment	13,510,827	-	-	13,510,827	10%	7,238,590	627,224	-	7,865,814	5,645,013
8	Machinery under capital lease	129,900,000	-	-	129,900,000	7%	56,209,995	5,158,300	-	61,368,296	68,531,704
A. Total		2,508,700,319	-	-	2,508,700,319		546,314,886	56,826,014	-	603,140,899	1,905,559,420

Amount in BDT

C.	Depreciation allocated to:	Note	Rate of Allocation	June, 2019 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

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	Closing Balance as on 30.06.2019		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		-	-	-	-	1,048,750,000
2	Factory Building	402,531,158	-	-	402,531,158	4%	96,901,545	12,225,185	-	109,126,731	293,404,427
3	Plant & Machinery	793,428,390	-	-	793,428,390	7%	272,162,450	36,488,616	-	308,651,066	484,777,324
4	Logistics Equipment	77,810,979	-	-	77,810,979	7%	31,388,865	3,249,548	-	34,638,413	43,172,566
5	Furniture & Fixture	2,962,460	-	-	2,962,460	10%	1,674,077	128,838	-	1,802,915	1,159,545
6	Motor Vehicles	39,806,505	-	-	39,806,505	20%	25,857,344	2,789,832	-	28,647,176	11,159,329
7	Office Equipment	13,510,827	-	-	13,510,827	10%	6,541,675	696,915	-	7,238,590	6,272,237
8	Machinery under capital lease	129,900,000	-	-	129,900,000	7%	50,663,436	5,546,559	-	56,209,995	73,690,005
A. Total		2,508,700,319	-	-	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
	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

Particulars	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	124,681,302
Add: Income from Other Sources (U/S- 33 of the ITO, 1984)	1,250,038
Total Taxable Income	125,931,340
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

Particulars	Amount in BDT 30-Jun-20
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%	

