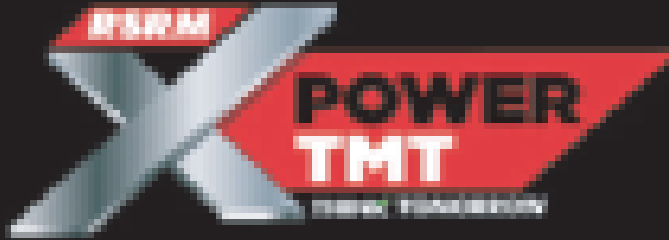


ANNUAL REPORT 2018-2019



Ratanpur Steel Re-Rolling Mills Ltd.

যে
৫ টি কারণে



সবার সেরা



- ▶ SUPERIOR BENDABILITY
সহজে বঁকানো যায়
- ▶ HIGH CORROSION RESISTANCE
সহজে ক্ষয়িষ্ণু হয় না
- ▶ GREATER DUCTILITY
সবচেয়ে বেশি ক্রসম্পন সহনীয়
- ▶ IDEAL PROPERTY BALANCE
সব উপাদানের সুযম বণ্টন
- ▶ BETTER WELDABILITY
সহজে জোড়া লাগে



Ratanpur Steel Re-Rolling Mills Ltd.

ANNUAL REPORT 2018-2019



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: 12 December 2019

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

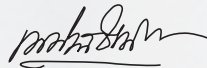
Annual Report for the year ended 30 June 2019

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report of **Ratanpur Steel Re-Rolling Mills Limited (RSRM)** together with the Audited Financial Statements, Report of the Board of Directors and Auditor's Report thereon for the year ended June 30, 2019 for your information and records.

Yours sincerely

Signature



Mohammad Moin Uddin
Company Secretary (Acting)

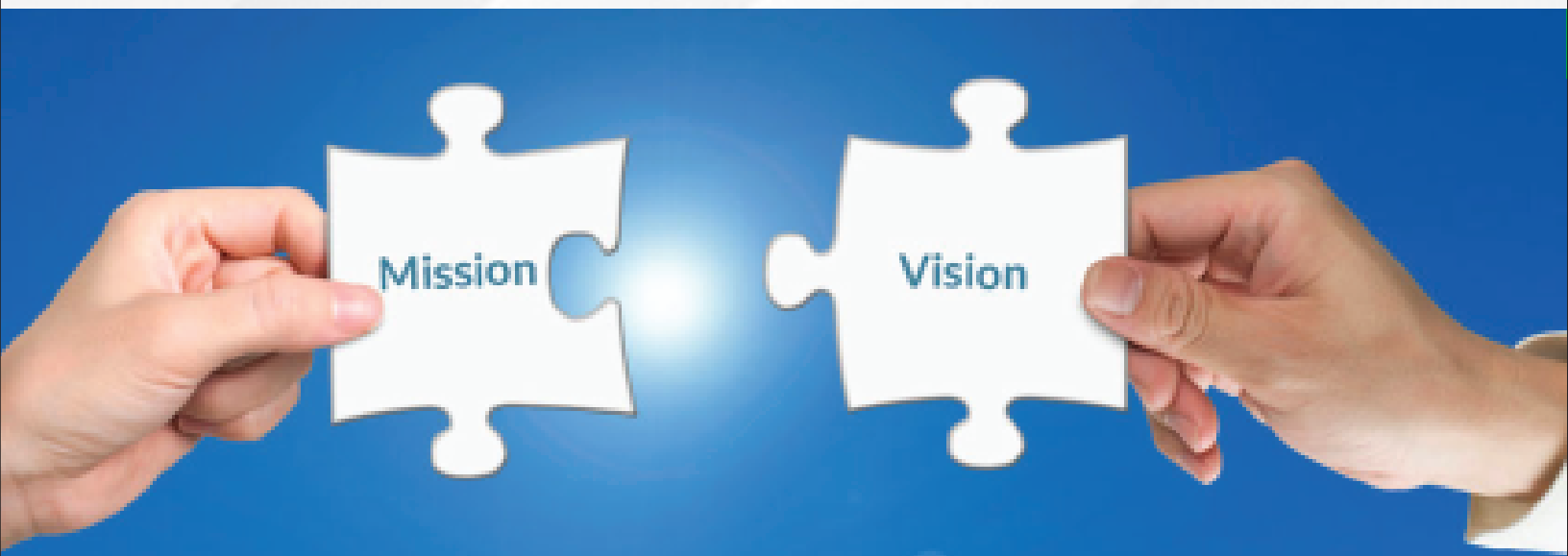
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Our Vision

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 upgrads and developing our resources for creating skilled workforce.

Trust

Preserve the faith and goodwill of all our stakeholders – Customers, shareholders, suppliers, employees, regulatory bodies and society by adopting ethical and transparent business practices, being fair and honest in all our dealing and good governance and risk management processes.

Business Relationship

Be the preferred business partner of our customers and suppliers by offering quality products, providing our best and timely service before, during and after the business transactions and honoring all our commitments even with challenges.

Leadership

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

Customer Satisfaction

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

Business Augmentation

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

Economic Analysis

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

Social Care

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



RATANPUR STEEL RE-ROLLING MILLS LTD.

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.

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.

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.

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 2018 2019

Revenue Tk. 6,809 million

Gross Profit Tk. 1,067 million

Operating Profit Tk. 988 million

Profit before Tax Tk. 750 million

Net Profit after Tax Tk. 564 million

Earnings per Share Tk. 5.58

NAV per Share Tk. 49.48

NOCF per Share Tk. 1.31



Key

FINANCIAL HIGHLIGHTS

A. STATEMENT OF FINANCIAL POSITION FOR THE PRECEDING 6 YEARS

Particulars	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15	30-Jun-14
Assets Employed						
Non-Current Assets:	2,004,135,165	2,039,415,801	2,102,641,069	1,992,197,082	2,001,603,148	2,064,962,612
NetCurrent Assets:	3,993,918,704	2,630,279,677	1,895,496,477	1,376,673,927	1,130,959,923	(101,492,583)
Total Assets Employed	5,998,053,869	4,669,695,478	3,998,137,546	3,368,871,009	3,132,563,071	1,963,470,029
Finance By						
Shareholders' Equity:	5,006,797,272	4,527,478,325	3,857,261,553	3,228,027,693	2,989,561,262	1,744,278,182
Share Capital	1,011,890,880	1,011,890,880	864,864,000	786,240,000	655,200,000	296,000,000
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	943,950,000
Retained Earnings	2,300,956,392	1,821,637,445	1,298,447,553	747,837,693	640,411,262	504,328,182
Non-Current Liabilities:	991,256,597	142,217,153	140,875,994	140,843,317	143,001,809	219,191,847
Long Term / Long Term Portion of Lease Liabilities	849,651,440	-	-	9,344,401	28,656,598	50,599,842
Deferred Tax Liability	141,605,157	142,217,153	140,875,994	131,498,915	114,345,211	168,592,005
Total Capital Employed	5,998,053,869	4,669,695,478	3,998,137,547	3,368,871,010	3,132,563,071	1,963,470,029
Operational Results						
Revenue	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796	5,503,171,247	4,766,995,506
Gross Profit:	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192	549,442,969	465,001,928
Profit from Operations	987,857,782	1,179,881,891	1,177,732,537	586,037,340	469,186,852	389,122,952
Profit before Interest, Taxes & Depreciation Allowance	1,012,733,601	1,199,416,273	1,191,872,688	629,963,379	519,783,685	446,180,514
Net Profit Before Income Tax:	749,952,350	948,694,612	939,753,450	371,608,018	269,424,868	209,829,235
Net Profit After Tax:	564,408,216	713,459,972	707,857,860	271,226,432	272,583,080	154,957,856

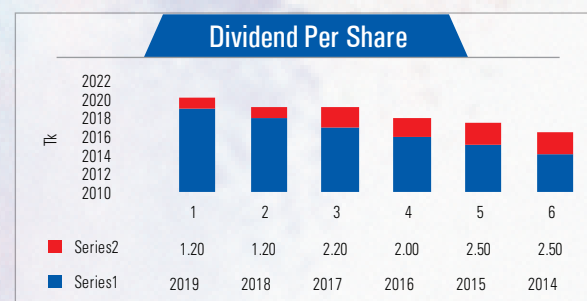
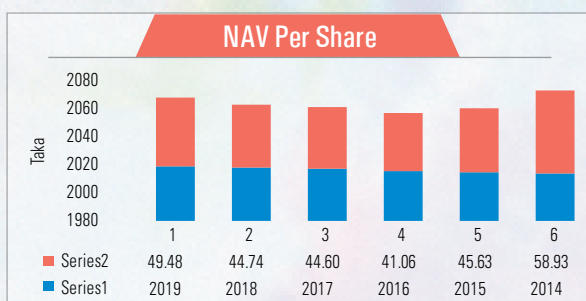
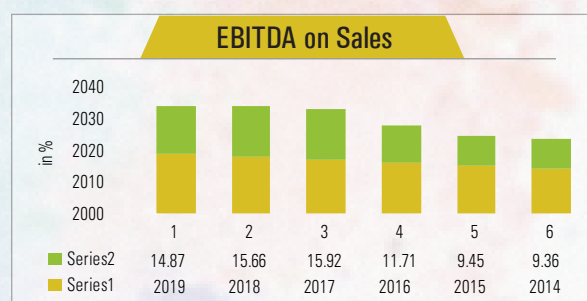
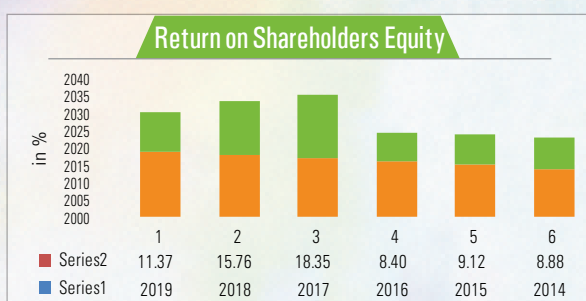
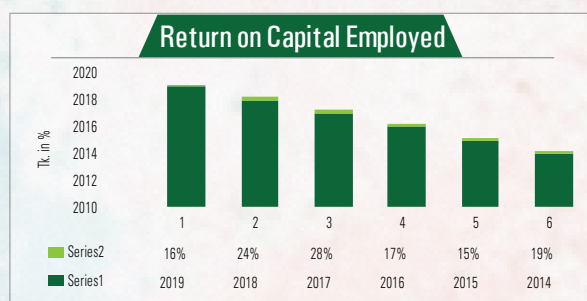
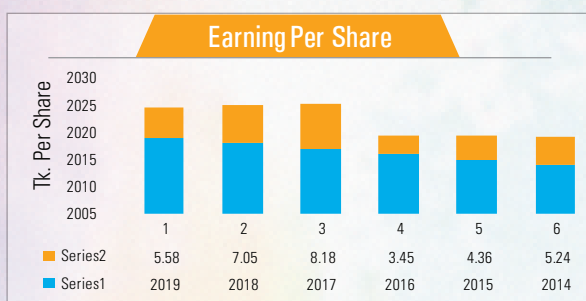
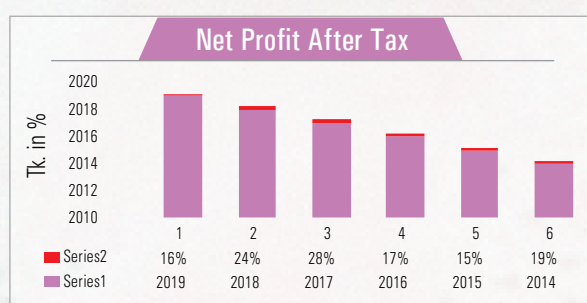
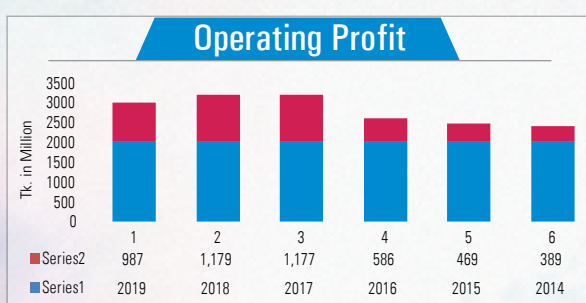
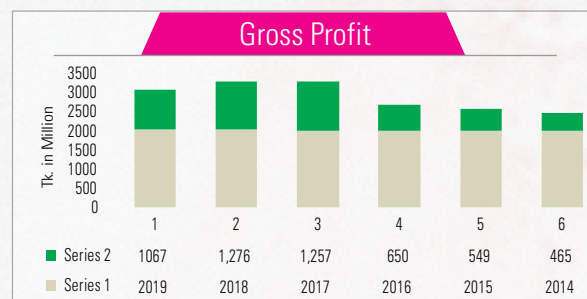
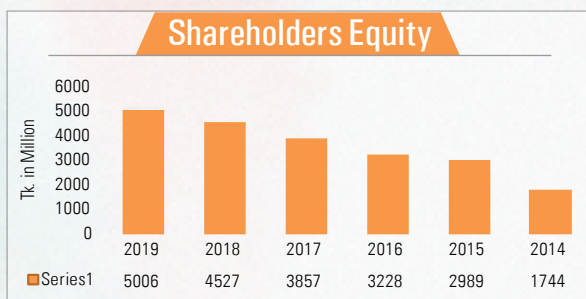
Key

FINANCIAL HIGHLIGHTS

Ratios							
	Particulars	30.06.2019	30.06.2018	30.06.2017	30.06.2016	30.06.2015	30.06.2014
1	Gross margin ratio - %	15.67	16.67	16.79	12.10	9.98	9.75
2	Net Profit Ratio - %	8.29	9.31	9.45	5.04	4.95	3.25
3	EBITDA Margin to Sales - %	14.87	15.66	15.92	11.71	9.45	9.36
4	Return on Shareholder's Equity - %	11.27	15.76	18.35	8.40	9.12	8.88
5	Return on Capital Employed %	0.16	0.24	0.28	0.17	0.15	0.19
6	Current ratio (Times)	3.85	2.27	2.02	1.85	1.68	0.96
7	Quick /Acid Test ratio (Times)	2.61	1.34	1.00	0.85	0.64	0.34
8	Inventory turnover ratio (Times)	3.13	0.86	3.56	2.82	2.84	2.56
9	Total asset turnover ratio (Times)	0.96	1.22	1.38	1.10	1.15	1.05
10	Earnings Per Share (EPS) (Taka)	5.58	7.05	8.18	3.45	4.36	5.24
11	Dividend Per Share (DPS) - Taka	1.20	1.20	2.20	2.00	2.50	2.50
12	Dividend Payout Ratio	0.22	0.17	0.27	0.58	0.57	0.48
13	Dividend Cover Ratio	4.65	5.88	3.72	1.72	1.74	2.09
14	Net Assets Value (NAV) per share - Taka	49.48	44.74	44.60	41.06	45.63	58.93
15	Net Operating Cash Flow per share - Taka	1.31	1.00	2.08	1.45	(15.17)	2.89
16	Debt Equity ratio (Times)	0.48	0.49	0.52	0.55	0.61	1.72
17	Interest Coverage Ratio	4.90	6.13	5.90	2.89	2.44	2.24
18	Average Number of Employees	510.00	530	530	505	508	546



Key Performance Indicator





Value

Added Statement & EVA

Value Added:

Revenue

Other Income

Less : Paid to suppliers for materials and services

2019 Taka	%	2018 Taka	%
6,808,684,500		7,659,678,631	
1,247,944		1,136,500	
6,809,932,444		7,660,815,131	
5,656,726,857		6,303,173,779	
1,153,205,587	100	1,357,641,352	100

Distributed as follows:

EMPLOYEES

Wages, Salaries, bonus, and other benefits

PROVIDERS OF FINANCE

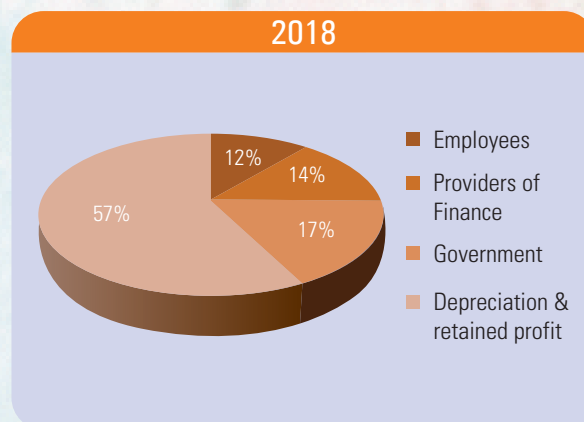
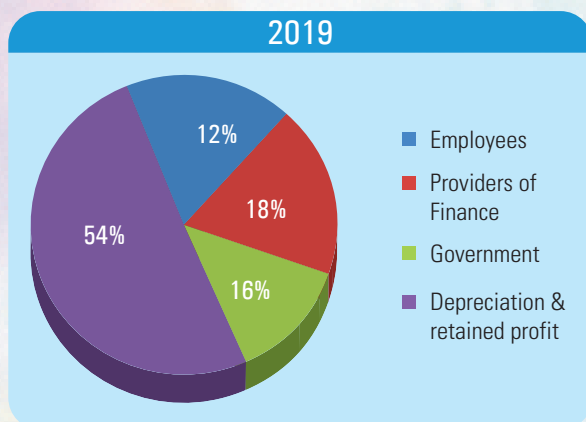
GOVERNMENT

RETAINED FOR REINVESTMENT & FUTURE GROWTH

Depreciation & Amortization

Retained Profit

140,471,985	12%	158,225,080	12%
201,655,758	18%	184,889,048	14%
185,544,134	16%	235,234,640	17%
527,671,877	46%	578,348,768	43%
61,125,493	5%	65,832,612	5%
564,408,217	49%	713,459,972	53%
625,533,710	54%	779,292,584	57%
1,153,205,587	100%	1,357,641,352	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

2019	2018
564,408,217	713,459,972
5,998,053,869	4,669,695,478
4.80%	3.98%
288,055,915	185,949,178
276,352,302	527,510,794



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 34th ANNUAL GENERAL MEETING

It is hereby NOTICE that the 34th Annual General Meeting (AGM) of the Ratanpur Steel Re-Rolling Mills Ltd. will be held on 29th December, 2019 at 11.00.A.M. at Shaheen Golf & Country Club, Airport Road, Patenga, Chittagong, to transact the following agenda:

AGENDA

1. To Consideration and adoption of the Directors' Report and the Audited Financial Statements of the company for the year ended June 30, 2019;
2. To approve declared dividend for the year ended June 30, 2019 as recommended by Board of Directors;
3. Retirement/Re-appointment of existing Directors;
4. Appointment of Independent Director;
5. Appointment of Auditors for the year ended June 30, 2020 and fix their remuneration;
6. Appointment of Professional Accountant for issuing certificate regarding Compliance of Corporate Governance Code and fix their remuneration.
7. Any other business with the permission of the chair.

12 December, 2019
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. 05 December 2019 are eligible to attend the Annual General Meeting (AGM) and receive the dividend.
- 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 12 digit ETIN information through their respective Depository Participant (DP) before the AGM date.
- The Annual Report 2018-2019 and Proxy Form are available at the Company's Website www.rsmbd.com.
- Annual Report will also be sent to the individual email address of the shareholder's mentioned in their respective BO account.

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

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



CORPORATE & CONTRACT INFORMATION

COMPANY NAME

Ratanpur Steel Re-Rolling Mills Limited

DATE OF INCORPORATION

April 22, 1986

DATE OF COMMERCIAL OPERATION

1 July 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: +88 031 652255-57, Fax: +88 031 650001
Website: www.rsrmdbd.com

DHAKA OFFICE

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

FACTORY

175-176, Baizid Bostami I/A, Baizid Bostami Road, Chittagong
Tel: +88 031 2580380-4, 682580, 683196, Fax: +88 031 681474

SHARE DEPARTMENT

291 Fakirerpool (Jamindar Bari – 9th Floor), Apartment No. B-9,
Inner-Circular Road, Arambag, Motijheel, Dhaka-1000,
Tel : +88 02 7195840, 7195841, Fax : +88 02 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 36 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 46 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 36 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 11 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 9 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 29 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



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.

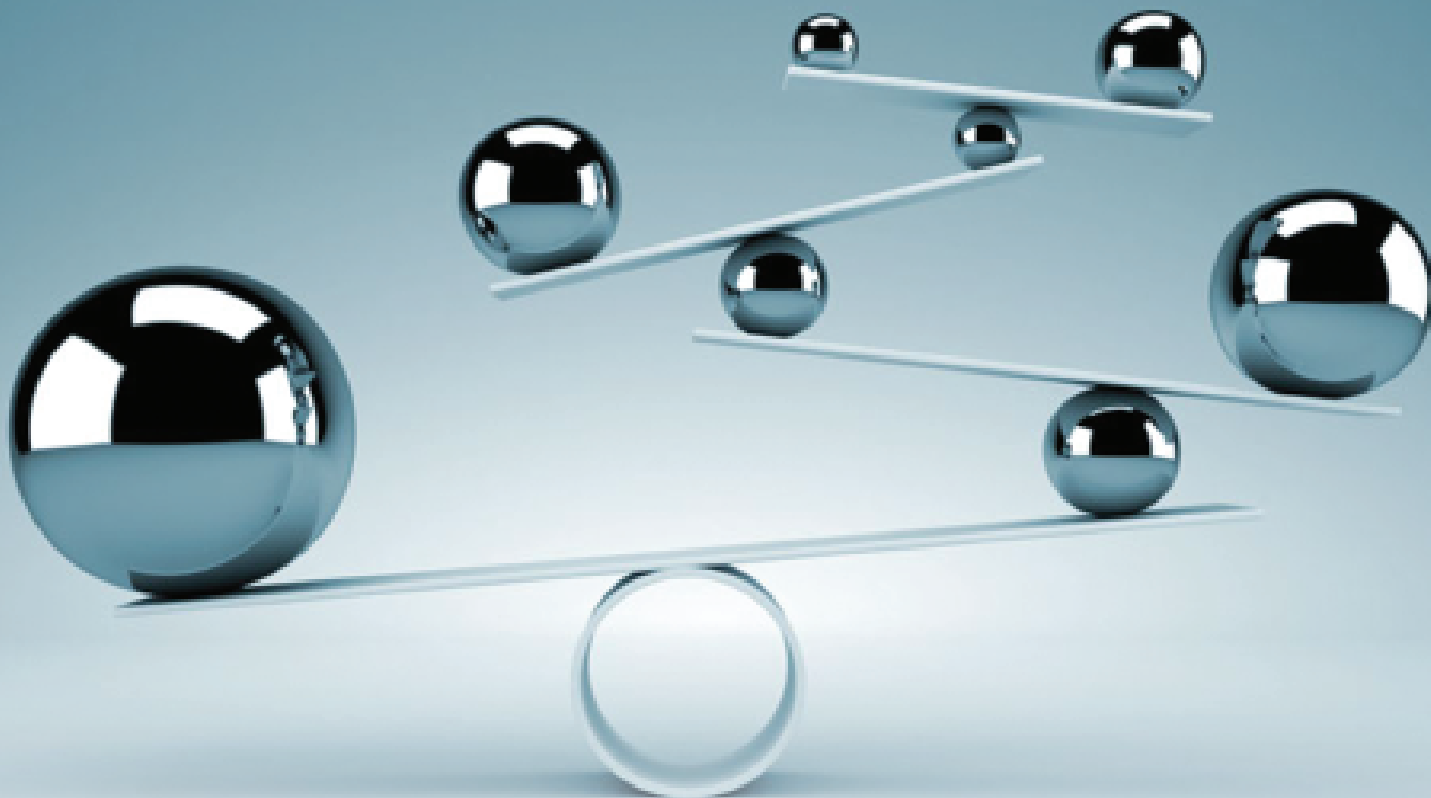
MAJOR GENERAL MOHAMMAD ASHAB UDDIN, ndc, Psc (Retd)

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 (ret), 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. Mrinal Kanti Mondal

Chief Financial Officer

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. Mohammad Ali

Chief Engineer - Electrical

Mr. Mohammad Moin Uddin

Company Secretary (Acting)

Mr. Md. Shafiqul Islam

Executive Director - Marketing & Sales

Mr. Mohammad Rashed Iqbal

GM - HR & Admin

Mr. Dewan Mabood Ahmed

Senior Manager - Commercial

Mr. Abdul Khaleque

Senior Engineer - Mechanical



RATANPUR STEEL RE-ROLLING MILLS LTD.



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 34th Annual General Meeting of your company.

By now you have already received copies of the Annual Report 2019. 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 2018-2019

The Company earned pre-tax profit of Tk. 749,952,351.00 while after tax net profit stood at Tk. 564,408,217.00 with EPS of Tk. 5.58 for the year as against pre-tax profit and after tax profit respectively of Tk. 948,694,612.00 and Tk. 713,459,972.00 with EPS of Tk. 7.05 for the previous year. The Net Asset Value (NAV) and the Net Operating Cash Flow per Share (NOCFPS) for the year stood at Tk.49.48 and Tk. 1.31 respectively before consideration of dividend as against that for the previous year Tk. 44.74 and 1.00 respectively.

Achievement of Company year 2018-2019

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-Borboriahad 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. 2. Noakhali Govt. Colony,Maijdee. 3.Vasanchar,Hatiya,Noakhali
Property Development Ltd.	PADMA BRIDGE ROAD PROJECT MES 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
Libas textiles ltd	INDUSTRY	1. LIBAS TEXTILES FACTORY BUILDING PROJECT, Village:Nischintopur,PO-Mouchak,PS-Kaliakoir,Gazipur 2. Libas Tower Project Chamak Vintage ,Plot-15/B,Road-08,Gulshan -1,Dhaka



Spectra Engineers Ltd	R & H	Bhulta 4 Lane Flyover-Narayanganj Railway Overpass Comolla Chittagong CDA Outer Ring Road Project.(Chowchala Anser Camp,Kattoli Bridge,Kalusha Bridge,Chorpara Potenga Bridge.
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.
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 bazaar.
Banga Builders Ltd.	PWD HED	Dhaka Metroplaton Police Headquarter,BAILY Road Ramna Dhaka 2.Health Vhaban Mohakhali 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.Gandaria Thana,Gandaria,Dhaka,Mirpur 14,Dhaka Police Line. 3. MBL Centre,Satmasjid Road,Dhaka.
Wahid Construction Ltd.	PADMA BRIDGE ROAD PROJECT DAMEC	1.Dhaka Khulna Highway,Road Project(N 8),Kamar Khola,Mawa Munshigonj. 2. Sheikh Hasina National Burn & Plastic Surgery Institution,Dhaka Medical College & Hospital 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



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% - 8.15% 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 1,909 in the fiscal 2018-19 from USD 1,751 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 well being 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

signature


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 ২০১৯ হাতে পেয়ে পড়েছেন ও পর্যালোচনা করেছেন। আপনাদের কোম্পানি এম,এস ডিফরমড বার প্রস্তুতকারী ও সরবরাহকারী একটি প্রতিষ্ঠান। কোম্পানির দক্ষ জনবল ও প্রযুক্তির পাশাপাশি বিপণন 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।

২০১৮-২০১৯ অর্থবছরের ফলাফল পর্যালোচনাঃ

আয়কর পূর্ব মুনাফা টাকা ৭৪৯,৯৫২,৩৫১.০০ আয়কর পরবর্তী মুনাফা টাকা ৫৬৪,৪০৮,২১৭.০০। শেয়ার প্রতি আয় টাকা ৫.৫৮। গত বৎসরে আয়কর পূর্ব মুনাফা ও আয়কর পরবর্তী মুনাফা যথাক্রমে টাকা ৯৪৮,৬৯৪,৬১২.০০ ও টাকা ৭১৩,৪৫৯,৯৭২.০০ এবং শেয়ার প্রতি মুনাফা ছিল টাকা ৭.০৫। লভ্যাংশ প্রদানের পূর্বে শেয়ার প্রতি নীট সম্পদ মূল্য ও চলমান নগদ তারল্য যথাক্রমে টাকা ৪৯.৪৮ ও টাকা ১.৩১ দাঁড়ায়। গত বৎসরে শেয়ার প্রতি নীট সম্পদ মূল্য ও চলমান নগদ তারল্য যথাক্রমে টাকা ৪৪.৭৪ ও টাকা ১.০০ ছিল।

২০১৮-২০১৯ অর্থবছরে কোম্পানির অর্জনঃ

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

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. 2. Noakhali Govt. Colony,Maijdee. 3.Vasanchar,Hatiya,Noakhali
Property Development Ltd.	PADMA BRIDGE ROAD PROJECT MES 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
Libas textiles ltd	INDUSTRY	1. LIBAS TEXTILES FACTORY BUILDING PROJECT, Village:Nischintopur,PO-Mouchak,PS-Kaliakoir,Gazipur 2. Libas Tower Project Chamak Vintage ,Plot-15/B,Road-08,Gulshan -1,Dhaka
Spectra Engineers Ltd	R & H	Bhulta 4 Lane Flyover-Narayanganj Railway Overpass Comolla Chittagong CDA Outer Ring Road Project.(Chowchala Anser Camp,Kattoli Bridge,Kalusha Bridge,Chorpara Potenga Bridge.



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.
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 bazaar.
Banga Builders Ltd.	PWD HED	Dhaka Metroplaton Police Headquarter,BAILY Road Ramna Dhaka 2.Health Vhaban Mohakhali 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.Ganderia Thana,Gandaria,Dhaka,Mirpur 14,Dhaka Police Line. 3. MBL Centre,Satmasjid Road,Dhaka.
Wahid Construction Ltd.	PADMA BRIDGE ROAD PROJECT DAMEC	1.Dhaka Khulna Highway,Road Project(N 8),Kamar Khola,Mawa Munshigonj. 2. Sheikh Hasina National Burn & Plastic Surgery Institution,Dhaka Medical College & Hospital Dhaka
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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

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 ৮.১৫% পর্যন্ত হচ্চে। 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 দাঁড়াবে ৬১,৯০৯ যা আগের অর্থবছরে ছিল ৬১,৭৫১। 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 শক্তিশালী 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 অবস্থা 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

MESSAGE FROM THE MANAGING DIRECTOR

Maksudur Rahman
Managing Director



Assalamualaikum and Good Morning to all our Honorable Shareholders

Welcome you all to this 34th Annual General Meeting of Ratanpur Steel Re-Rolling Mills Ltd. For the financial year 2018-2019 earned after tax profit Tk. 564,408,217.00 with EPS of Tk.5.58 and Net Operating Cash Flow per Share (NOCEPS) Tk. 1.31 and NAV stood at Tk.49.48

In the financial year 2018-2019 our company utilized 61.67% production capacity and produced 115,450 MT of MS Deformed bar with compare to financial year 2017-2018 it was 76.07% utilization of capacity and produced 142,394 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 2018-2019 the company incurred Tk. 19,534,800.00 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 38% 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

ব্যবস্থাপনা পরিচালকের বিবৃতি

আসসালামু আলাইকুম ও শুভ সকাল সকল শেয়ারহোল্ডারবৃন্দদের প্রতি।

স্বাগতম, রতনপুর স্টিল রি-রোলিং মিলস্ লিমিটেড-এর ৩৪তম বার্ষিক সাধারণ সভায়। ২০১৮-২০১৯ অর্থ বৎসরের আয়কর পরবর্তী লাভ টাকা ৫৬৪,৪০৮,২১৭.০০ যার প্রেক্ষিতে শেয়ার প্রতি মুনাফা টাকা ৫.৫৮ এবং চলমান নগদ তারল্য টাকা ১.৩১ ও শেয়ার প্রতি নীট সম্পদ দাঁড়ায় টাকা ৪৯.৪৮।

২০১৮-১৯ অর্থ বৎসরে আপনাদের কোম্পানীর উৎপাদন ক্ষমতার ৬১.৬৭% ব্যবহারের কারণে উৎপাদিত হয়েছে ১১৫,৪৫০ মেঃ টন এম এস ডিফরমড বার। যেখানে ২০১৭-১৮ অর্থ বৎসরে উৎপাদন ক্ষমতার ৭৬.০৭% ব্যবহার হওয়ায় উৎপাদিত হয়েছিল ১৪২,৩৯৪ 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 ২০১৮-১৯ এ টাকা ১৯,৫৩৪,৮০০.০০ 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 উন্নত দেশ 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 কাণ্ডিং সড়ক ও মহাসড়ক, ঢাকা পানি সরবরাহ পদ্ধতি, খুলনা ৮০০ মেগাওয়াট এল এন জি ব্যবহার ভিত্তিক বিদ্যুৎ প্রকল্প, উপ-আঞ্চলিক পরিবহন প্রকল্প, বন্যা ও সমুদ্র-উপকূলীয় বাধ প্রকল্প ইত্যাদি। এই প্রকল্পগুলি ভবিষ্যতে আমাদের অব্যবহত ৩৮% 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, দুর্ঘটনার 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 সর্বাত্মক সহযোগিতার জন্য ধন্যবাদ জানাই।

আল্লাহ্ হাফেজ

M. Razzak

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 34th Annual General Meeting (AGM) of Ratanpur Steel Re-Rolling Mills Ltd. This report covers the period of 12 months from July 1, 2018 to June 30, 2019. Our Members of the Board are pleased to present Directors' Report, Audited Financial Statements for the year ended 30 June 2019 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 2018-2019

Industry Outlook and Possible Future Development

The world financial system has been on an uptrend with a reported financial growth rate of 3.3% in 2019. With financial condition still supportive, global growth is expected to 3.5% rate in 2020. 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 8.15 per cent in 2018-2019, following an expansion of 7.86 per cent in 2017-2018. The economy of Bangladesh continued its growth in all important sectors in 2018-2019. Government expenditure as per the 2018-2019 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 38% unutilized capacity to meet up such incremental demand.

Operational and Financial Review

Operational Performance:

Particulars	2019	2018	2017
Production Capacity (MT)	187,200	187,200	187,200
Production (MT)	115,450	142,394	136,664
Capacity Utilization (%)	61.67%	76.07%	73.00%
Sale Qty (MT)	119,325	138,800	139,380



Financial Performance:

Particulars	2018	2018	2017
Sales	6,808,684,500	7,659,678,631	7,488,695,752
Gross Profit	1,067,042,792	1,276,991,453	1,257,365,287
Profit before Interest, Taxes & WPPF	987,857,782	1,179,881,891	1,177,732,537
Less: Interest & WPPF	237,905,431	231,187,279	237,979,088
Less: Tax expenses & Provision for Income Tax	185,544,134	235,234,640	231,895,590
Net Profit	564,408,217	713,459,972	707,857,859

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

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:

	2019 MT	2018 MT
Sales During the Period		
MS Rod	119,325	138,800
	119,325	138,800
Production (MS Rod Misroll & Others)	115,450	142,394

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 2019, 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, 2018 to June 30, 2019.

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. Kazi Sanaul Hoq	Director (Nominated by ICB)	4	4
Mr. Dr. Jamaluddin Ahmed FCA	Independent Director	4	4
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 Mrs. Shamsun Nahar Rahman and Mr. Md. Younus Bhuiyan as Directors in the 34th AGM of the company upon retirement from the post of directors by rotation.

The board of directors has been also recommended for re-appointment to Investment Corporation of Bangladesh (ICB) as Shareholder Director (Mr. Md. Abul Hossain – Managing Director of ICB, nominated by Investment Corporation of Bangladesh (ICB) as representative) in the 34th AGM of the company upon retirement from the post of shareholder director.



The board of directors has been also recommended to appoint Professor Dr. Mijanur Rahman as the Independent Director of the Company in the 34th 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, 2019 in note 29 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 26 of Audited Financial Statements.

Dividend:

Your directors are pleased to recommend 12% Cash Dividend (excluding Sponsors Directors) on equity shares for the year ended 30 June 2019 for consideration and approval by the shareholders in the 34th 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:

RSRM is paying and facilitating collection of government's revenue in the financial 2018-2019; we paid and collected & deposited a significant amount of Income Tax, VAT & Duties. All due and applicable taxes were paid, collected and deposited in time. During the year 2018-2019, RSRM contributed to the government exchequer along with utility a sum of about Taka 121.08 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, (An independent member firm of AGN International, London, United Kingdom) will retire in 34th AGM and being eligible to conduct audit for the year 2019-20 and they have conveyed their willingness to accept for re-appointment for the said period. The Board of Directors has recommended as the statutory Auditor for the year ended on June 30, 2020 subject to the approval of shareholders in the 34th 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 and Exchange Commission for the year ended on June 30, 2020 subject to approval of the shareholders in the 34th 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 2018-2019 The Board of Directors of the company in its 365th Meeting held on 30.10.2019 commencing at 6.00 P.M and closing 8.30 P.M recommended dividend for the year ended 30th June 2019 @12% Cash (excluding Sponsors Directors) and fixed Record Date 05 December, 2019 for 34th 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% - 8.15% 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 ৩৪তম বার্ষিক সাধারণ সভায় স্বাগত জানাই। এই প্রতিবেদনে ০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ 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।

২০১৮-২০১৯ সালের কার্যক্রম পর্যালোচনা

শিল্পখাতের বিদ্যমান পরিস্থিতি ও ভবিষ্যৎ উন্নয়ন সম্ভাবনা

২০১৯ সালের বৈশ্বিক অর্থনৈতিক প্রবৃদ্ধির হার ৩.৩%। ইতিবাচক আর্থিক পরিস্থিতির ফলে ২০২০ সালে প্রবৃদ্ধির হার ৩.৫% - 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 ২০১৮-১৯ সালে ৮.১৫% হারে বজায় থাকবে, যা ২০১৭-১৮ সালে ৭.৮৬% হারে বৃদ্ধি পেয়েছে। ২০১৮-১৯ সালে বাংলাদেশের সকল গুরুত্বপূর্ণ খাতে উল্লেখযোগ্য উন্নয়ন হয়েছে। ২০১৮-১৯ 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 অভ্যন্তরীণ বাজার দ্রুত 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, রাস্তা-ঘাট, ব্রীজ, 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 ৬২% উৎপাদন ক্ষমতা ব্যবহারের মাধ্যমে বাজার চাহিদা পূরণ করার চেষ্টা করছে।

উৎপাদন পর্যালোচনা

বিবরণ	২০১৯	২০১৮	২০১৭
উৎপাদন মতা (মে.টন)	১৮৭,২০০	১৮৭,২০০	১৮৭,২০০
উৎপাদন (মে.টন)	১১৫,৪৫০	১৪২,৩৯৪	১৩৬,৬৬৪
উৎপাদন মতার ব্যবহার (%)	৬১.৬৭%	৭৬.০৭%	৭৩.০০%
বিক্রয় (মে.টন)	১১৯,৩২৫	১৩৮,৮০০	১৩৯,৩৮০

আর্থিক পর্যালোচনা

পরিমাণ টাকায়

বিবরণ	২০১৯	২০১৮	২০১৭
বিক্রয়	৬,৮০৮,৬৮৪,৫০০	৭,৬৫৯,৬৭৮,৬৩১	৭,৪৮৮,৬৯৫,৭৫২
মোট মুনাফা	১,০৬৭,০৪২,৭৯২	১,২৭৬,৯৯১,৪৫৩	১,২৫৭,৩৬৫,২৮৭
সুদ, আয়কর ও শ্রমিক তহবিল অনুদান পূর্ব লাভ	৯৮৭,৮৫৭,৭৮২	১,১৭৯,৮৮১,৮৯১	১,১৭৭,৭৩২,৫৩৭
বাদ, সুদ ও শ্রমিক তহবিলের অনুদান	২৩৭,৯০৫,৪৩১	২৩১,১৮৭,২৭৯	২৩৭,৯৭৯,০৮৮
বাদঃ আয়কর	১৮৫,৫৪৪,১৩৪	২৩৫,২৩৪,৬৪০	২৩১,৮৯৫,৫৯০
নীট মুনাফা	৫৬৪,৪০৮,২১৭	৭১৩,৪৫৯,৯৭২	৭০৭,৮৫৭,৮৫৯

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	২০১৯ (মেঃ টঃ)	২০১৮ (মেঃ টঃ)
এম এস রড	১১৯,৩২৫	১৩৮,৮০০
	১১৯,৩২৫	১৩৮,৮০০
উৎপাদন এম এস রড, মিসরোল ও অন্যান্য	১১৫,৪৫০	১৪২,৩৯৪

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 অ্যানেক্স-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 ২০১৯ 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 ২০১৮ থেকে ৩০ জুন ২০১৯

আলোচ্য বছরে ৪ টি পর্যদসভা হয়েছিল যাতে অংশগ্রহণ ছিল নিম্নরূপ:

পরিচালকবৃন্দের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতির সংখ্যা
জনাবা শামসুন নাহার রহমান	চেয়ারম্যান	৪	৪
জনাব মাকসুদুর রহমান	ব্যবস্থাপনা পরিচালক	৪	৪
জনাব মো: ইউনুস ভূঁইয়া	পরিচালক	৪	৩
জনাব মো: মিজানুর রহমান	পরিচালক	৪	৪
জনাব মারজানুর রহমান	পরিচালক	৪	৪
জনাব কাজী সানাউল হক	পরিচালক(আইসিবি)	৪	৪
জনাব ডঃ জামালউদ্দিন আহমেদ এফ সি এ	ইনডিপেন্ডেন্ট পরিচালক	৪	৪
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 জনাবা শামসুন নাহার রহমান ও জনাব মো: ইউনুস ভূঁইয়া পরিচালকদ্বয় ৩৪তম বার্ষিক সাধারণ সভায় সমাপ্তি হতে অবসর নিবেন। পুনঃনিয়োগের যোগ্য বিধায় পুনরায় নির্বাচিত হতে আত্ম প্রকাশ করেছেন।

পরিচালনা পর্যদ, ইনভেস্টমেন্ট কর্পোরেশন অব বাংলাদেশ (আইসিবি) (জনাব মো: আবুল হোসেন ব্যবস্থাপনা পরিচালক, ইনভেস্টমেন্ট কর্পোরেশন অব বাংলাদেশ (আইসিবি) এর দ্বারা মনোনীত)কে শেয়ারহোল্ডার ডিরেক্টর হিসেবে পুনঃনিয়োগের জন্য ৩৪তম এজিএম এ সুপারিশ করা হল।

পরিচালনা পর্যদ, জনাব অধ্যাপক ডঃ মিজানুর রহমানকে ইন্ডিপেন্ডেন্ট ডিরেক্টর হিসেবে নিয়োগের জন্য ৩৪তম এজিএম এ সুপারিশ করেছে।

আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা

পরিচালনা পর্যদ 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

২০১৯ 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 ২৯, 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 তৎমধ্যে 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। ২০১৮-১৯ অর্থবছরে কোম্পানীর উৎপাদন এবং আর্থিক কার্যক্রম সন্তোষজনক ছিল।

Independent Director সহ পরিচালকদের সম্মানী ভাতা

পরিচালক পর্ষদের সিদ্ধান্তে মোতাবেক কোম্পানীর পরিচালকবৃন্দ কোম্পানী হতে নিয়মিত ভাতা ও সম্মানী পেয়ে থাকেন যা এই প্রতিবেদনের সাথে এর এবং নিরীক্ষিত হিসাব বিবরণীর নোট ২৬ এ দেয়া আছে।

লভ্যাংশ

পরিচালকমন্ডলী ৩০শে জুন ২০১৯ এ সমাপ্ত বছরের জন্য ১২% নগদ (স্পনসর পরিচালক ছাড়া) লভ্যাংশ প্রদানের সুপারিশ করেছে। ৩৪ তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগন কর্তৃক অনুমোদন সাপেক্ষে কোম্পানীর জন্য নির্ধারিত রেকর্ড তারিখে থাকা শেয়ারহোল্ডারগনের মধ্যে এই লভ্যাংশ বিতরণ করা হবে।

রাষ্ট্রীয় কোষাগারে অবদান

সরকারী রাজস্ব আহরনে আরএসআরএম প্রত্যক্ষ-পরোক্ষভাবে সহযোগিতা ও অবদান রেখে যাচ্ছে। কোম্পানী ২০১৮-২০১৯ সালে প্রযোজ্য সব ধরনের আয়কর, মুসক ও গুজ্ঞ আদায় এবং প্রদান করেছে। ২০১৮-২০১৯ অর্থ বছরে আরএসআরএম রাষ্ট্রীয় কোষাগারে প্রত্যক্ষ-পরোক্ষভাবে টাকা প্রায় ১২১.০৮ 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।
২. ২০১৩ সালে বাংলাদেশ ব্র্যান্ড ফোরাম হইতে সর্বোচ্চ পুরস্কার অর্জন।
৩. 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 ব্যবসায়িক 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) ৩৪ 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 শেয়ারহোল্ডারগনের 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 ২০২০ 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 ৩৪ 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 ২০১৮-১৯ অর্থবছরের জন্য পরিচালক পর্ষদ ৩৬৫তম বোর্ড সভায় ১২% নগদ (স্পনসর পরিচালক ছাড়া) লভ্যাংশ প্রদানের সুপারিশ করেছে যাহা ৩৪তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণ কর্তৃক অনুমোদন সাপেক্ষে কোম্পানীর জন্য নির্ধারিত রেকর্ড তারিখে থাকা 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 ৮.১৫% পর্যন্ত হ্রাস পেয়েছে। 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 স্টিল 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 অবস্ার 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 ব্রান্ড 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:

বিএসইসির 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।
- ❖ কোম্পানীর 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: 30.10.2019

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 2019 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 2019 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, 2019 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



RATANPUR STEEL RE-ROLLING MILLS LTD.



NASIR MOHAMMAD & CO.
Chartered Accountants

Annexure – B

[Certificate as per condition No. 1(5)(xxvii)]

Certificate on Compliance with Conditions of Corporate Governance Code

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 30th June, 2019. This Code relates to the Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03rd June, 2018 of the Bangladesh Securities and Exchange Commission.

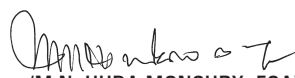
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

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 30, 2019


(M.N. HUDA MONSURY, FCA)

Managing Partner
Nasir Mohammad & Co.
Chartered Accountants

Chattogram : CDA Building (5th Floor), Court Road, Chattogram. Phone : 031-631435, 613417, 61711-196232
E-mail : nmccg@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);	✓		Mr. Dr. Jamaluddin Ahmed FCA 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 2018-19 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. 3.00 of audited financial statements. There are no changes in accounting policies & estimates for the fiscal year 2018-2019.

Key Highlights on Financial performance and position of the Company:

FINANCIAL PERFORMANCE:

Particulars	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15	30-Jun-14
Operational Results						
Revenue (Net off VAT)	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796	5,503,171,247	4,766,995,506
Gross Profit:	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192	549,442,969	465,001,928
Profit from Operations	987,857,782	1,179,881,891	1,177,732,537	586,037,340	469,186,852	389,122,952
Profit before Interest, Taxes & Depreciation Allowance	990,914,057	1,199,416,273	1,191,872,688	629,963,379	519,783,685	446,180,514
Net Profit Before Income Tax:	749,952,351	948,694,612	939,753,450	371,608,018	269,424,868	209,829,235
Net Profit After Tax:	564,408,217	713,459,972	707,857,860	271,226,432	272,583,080	154,957,856



FINANCIAL POSITION:

Shareholders fund and NAV stood Tk 5,007 million & Tk. 49.48 respectively as of June 30, 2019.

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

Particulars	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15	30-Jun-14
Assets Employed						
Non-Current Assets:	2,004,135,165	2,039,415,801	2,102,641,069	1,992,197,082	2,001,603,148	2,064,962,612
Property Plant & Equipment	1,962,385,433	2,023,510,927	2,089,343,539	1,992,197,082	2,001,603,148	2,064,962,612
Capital Work-In-Progress	41,749,732	15,904,874	13,297,530	-	-	-
Current Assets:	5,395,876,582	4,696,332,948	3,759,680,971	3,003,792,077	2,801,575,583	2,684,574,070
Advances, Deposits and Prepayments	48,798,557	787,067,632	72,012,576	69,391,255	124,277,486	131,883,769
Inventories	1,730,784,555	1,936,265,900	1,886,507,482	1,613,896,280	1,739,842,561	1,751,235,595
Accounts Receivable	3,568,367,332	1,942,197,752	1,783,284,673	1,286,718,741	913,387,690	787,647,565
Cash and Cash Equivalents	47,926,138	30,801,664	17,876,240	33,785,801	24,067,846	13,807,142
Total Assets	7,400,011,747	6,735,748,749	5,862,322,040	4,995,989,159	4,803,178,731	4,749,536,683
Net Current Assets	3,993,918,704	2,630,279,677	1,895,496,477	1,376,673,927	1,130,959,923	(101,492,583)
Total Assets Employed	5,998,053,869	4,669,695,478	3,998,137,546	3,368,871,009	3,132,563,071	1,963,470,029
Finance By						
Shareholders' Equity:	5,006,797,272	4,527,478,325	3,857,261,553	3,228,027,693	2,989,561,262	1,744,278,182
Share Capital	1,011,890,880	1,011,890,880	864,864,000	786,240,000	655,200,000	296,000,000
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	943,950,000
Retained Earnings	2,300,956,392	1,821,637,445	1,298,447,553	747,837,693	640,411,262	504,328,182
Non-Current Liabilities:	991,256,597	142,217,153	140,875,994	140,843,317	143,001,809	219,191,847
Long Term Portion of Lease Liabilities	849,651,440	-	-	9,344,401	28,656,598	50,599,842
Deferred Tax Liability	141,605,157	142,217,153	140,875,994	131,498,915	114,345,211	168,592,005
Total Capital Employed	5,998,053,869	4,669,695,478	3,998,137,547	3,368,871,010	3,132,563,071	1,963,470,029

Global and Local Economic Scenario:

Global growth is expected to 3.5% rate in 2020. GDP growth of Bangladesh is expected to strengthen to 8.15 per cent in 2018-2019 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.


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	2019	2018	Growth
	BDT	BDT	%
Cost of Goods Sold	5,741,641,708	6,382,687,177	-10.04%
Gross Profit	1,067,042,792	1,276,991,453	-16.44%
Net Profit	564,408,217	713,459,972	-20.89%

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 2019 has been decreased by 10.04% than 2018 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 2019, Gross Profit Margin was decreased to 16.44% than 2018 due to decrease in sales revenue 850 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 2019 has decreased by Tk. 149 Million compared to 2018.



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 2018-2019

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. Yunus Bhuiyan Total	Director	650,000
		1,965,000

Key operating and financial data of preceding 5 years

Ratanpur Steel Re-Rolling Mills Limited

Particulars		2019	2018	2017	2016	2015
Operations and Market						
Production (Qty)	MT	115,450	142,394	136,664	106,831	103,402
% of Production Growth	%	-18.92%	4.19%	27.92%	3.32%	21.08%
Sales (Qty)	MT	119,325	138,800	139,380	105,150	101,142
% of Sales Growth	%	-14.03%	-0.41%	32.55%	3.92%	26.30%
Financial Result						
Turnover	TK	6,808,684,500	7,659,678,631	7,488,695,752	5,377,411,796	5,503,171,247
Gross Profit	TK	1,067,042,792	1,276,991,453	1,257,365,287	650,543,192	549,442,969
	%	-16.44%	1.56%	93.28%	18.40%	18.16%
Earnings Before WPP & WF and Tax	TK	787,449,968	996,129,342	986,741,122	390,188,419	282,896,111
	%	-0.21%	0.95%	152.88%	37.95%	28.40%
Net Profit after Tax	TK	564,408,217	713,459,972	707,857,860	271,226,431	272,583,080
	%	-0.21%	0.79%	160.98%	-0.50%	75.91%
Earnings per share	TK	5.58	7.05	8.18	3.45	4.36
Financial Position						
Current Ratio (Times)		3.85	2.27	2.02	1.85	1.68
Net Asset Value	TK	5,006,797,272	4,527,478,325	3,857,261,552	3,228,027,693	2,989,561,262
Net Asset Value per share	Tk	49.48	44.74	44.6	41.06	45.63
Net Operating Cash Flow Per Share	Tk	1.31	1	2.08	1.45	-15.17
Paid-Up Capital (In Crore)	Tk	1,011,890,880	1,011,890,880	864,864,000	786,240,000	655,200,000



THE PATTEN OF SHAREHOLDER AS ON 30 JUNE 2019

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
Dr. Jamaluddin Ahmed FCA	Independent Director (retired)	-
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. Jamaluddin Ahmed FCA	Chairman (retired)	4	4
Mr. Dr. Mijanur Rahman	Chairman	-	-
Mr. Md. Younus Bhuiyan	Member	4	3
Mr. Md. Mizanur Rahman	Member	4	4
Mr. Marzanur Rahman	Member	4	4
Mr. Mohammad Moin Uddin	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, (An independent member firm of AGN International, London, United Kingdom) for the position of statutory auditor for the year 2019-2020 subject to approval of the shareholders in the 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

30 October 2019

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, 2019. The NRC of Ratanpur Steel Re-Rolling Mills Limited ensured/ observed the following activities during the year 2018-19:

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

30 October 2019

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CU-2019/202

BAPLC

Date of issue : May-02, 2019

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 2019.




Secretary-General



Auditors' Report & Financial Statements

For the Financial Year Ended 30 June 2019
of
Ratanpur Steel Re-Rolling Mills Limited



Mahfel Huq & Co.
Chartered Accountants
Chartered registered accounting firm in independent Bangladesh



BGIC Tower (4th Floor), 34 Topkhana Road, Dhaka-1000, Bangladesh
Ph: +880-2-9553143, email: info@mahfelhuq.com

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of Ratanpur Steel Re-Rolling Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Ratanpur Steel Re-Rolling Mills Limited (the 'Company'), which comprise the Statement of Financial Position as at 30 June 2019, 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 Statement, including a summary of significant accounting policies.

In our opinion, the Financial Statements give true and fair view of the Financial Position of the Company as at 30 June 2019, and of its Financial Performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Statement of the current period. These matters were addressed in the context of our audit of the Financial Statement as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our responses to the risk
Revenue Recognition	
At year end the Company reported total revenue of BDT 6,808,684,500.00 Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales. Within a number of the Company's markets, the estimation of discounts, incentives and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates. There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.	We have tested the design and operating effectiveness of key controls focusing on the following: • segregation of duties in invoice creation and modification; • timing of revenue recognition; • calculation of discounts and rebates. Our substantive procedures in relation to the revenue recognition comprises the following: • performing analytical review; • obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; • finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note no. 17.00 to the financial statements	



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 statement 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 Statement 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 identified above when it becomes available and, in doing so, considers 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 of the company.

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

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

In preparing the Financial Statement, 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 Company's Financial Reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the Financial Statement 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 Statement.

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

- Identify and assess the risks of material misstatement of the Financial Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 Statement 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 Statement, including the disclosures, and whether the Financial Statement represents 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 Statement 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 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, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statement 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 incurred was for the purposes of the Company's business.

Howlader Mahtel Huq, FCA

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

Dhaka, 30 October, 2019



Ratanpur Steel Re-Rolling Mills Limited

Statement of Financial Position

As on 30 June, 2019

	Notes	Amount in BDT	
		30-Jun-19	30-Jun-18
Assets			
Non-Current Assets		2,004,135,165	2,039,415,801
Property Plant & Equipment	4.00	1,962,385,433	2,023,510,927
Capital Work in Progress	4.02	41,749,732	15,904,874
Current Assets		5,395,876,582	4,696,332,947
Advances, Deposits and Prepayments	5.00	48,798,557	787,067,632
Inventories	6.00	1,730,784,555	1,936,265,900
Accounts Receivable	7.00	3,568,367,332	1,942,197,752
Cash and Cash Equivalents	8.00	47,926,138	30,801,663
Total Assets		7,400,011,747	6,735,748,748
Equity and Liabilities			
Shareholders' Equity		5,006,797,272	4,527,478,325
Share Capital	9.00	1,011,890,880	1,011,890,880
Share Premium		750,000,000	750,000,000
Revaluation Surplus of Land	4.01	943,950,000	943,950,000
Retained Earnings		2,300,956,392	1,821,637,445
Non-Current Liabilities		991,256,597	142,217,153
Long term Liabilities	12.01	849,651,440	-
Deferred Tax Liability	11.00	141,605,157	142,217,153
Current Liabilities		1,401,957,878	2,066,053,270
Current Portion of Lease Liabilities	10.00	-	3,519,604
Short term Liabilities	12.00	823,619,989	1,568,158,042
Creditors and Accruals	13.00	77,519,286	64,008,556
Income Tax Liability	14.00	463,320,986	382,932,338
Liability for WPPF and Welfare Fund	15.00	37,497,617	47,434,731
Total Liabilities		2,393,214,475	2,208,270,423
Total Liabilities and Shareholders' Equity		7,400,011,747	6,735,748,748
Net Asset Value (NAV) Per Share	16.00	49.48	44.74

The annexed notes form and integral part of these financial statements

Chief Financial Officer

Company Secretary

Director

M. Rana
Managing Director

S. R. Khan
Chairman

Signed in terms of our separate report of same date.

Dhaka, October 30, 2019

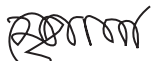
Mahfel Huq & Co.
Chartered Accountants

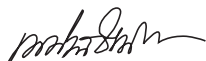


Ratanpur Steel Re-Rolling Mills Limited
Statement of Profit or Loss and other Comprehensive Income
For the Year ended 30 June, 2019

	Notes	Amount in BDT	
		30-Jun-19	30-Jun-18
Revenue	17.00	6,808,684,500	7,659,678,631
Cost of Goods Sold	18.00	(5,741,641,708)	(6,382,687,177)
Gross Profit		1,067,042,792	1,276,991,454
Operating Expenses		(79,185,010)	(97,109,563)
Administrative and Other Expenses	19.00	(26,826,935)	(36,403,330)
Selling and Distribution Expenses	20.00	(52,358,075)	(60,706,232)
Operating Profit		987,857,782	1,179,881,891
Finance Cost	21.00	(201,655,758)	(184,889,048)
Finance & Other Income	22.00	1,247,944	1,136,500
Profit before WPPF and Income Tax		787,449,968	996,129,343
Contribution to WPPF and Welfare Fund @ 5%	15.00	(37,497,617)	(47,434,731)
Net Profit Before Income Tax		749,952,351	948,694,612
Tax Expenses			
Current Tax	14.00	(186,156,130)	(233,893,481)
Deferred Tax	11.00	611,996	(1,341,159)
Net Profit After Tax		564,408,217	713,459,972
Earning Per Share (EPS)	23.00	5.58	7.05

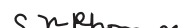
The annexed notes form and integral part of these financial statements


 Chief Financial Officer


 Company Secretary


 Director


 Managing Director


 Chairman

Signed in terms of our separate report of same date.

Dhaka, October 30, 2019


 Mahfel Huq & Co.
 Chartered Accountants



Ratanpur Steel Re-Rolling Mills Limited
Statement of Changes in Equity
For the Year ended on 30 June, 2019

Amount in BDT

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

Particulars	Share Capital	Retained Earnings	Revaluation Reserve	Share Premium	Total Equity
Balance as on 01 July 2017	864,864,000	1,298,447,553	943,950,000	750,000,000	3,857,261,553
Profit / (Loss) after tax		713,459,972			713,459,972
Bonus Share	147,026,880	(147,026,880)			-
Cash Dividend		(43,243,200)			43,243,200
Balance as on 30 June - 2018	1,011,890,880	1,821,637,445	943,950,000	750,000,000	4,527,478,325

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, October 30, 2019

Mahfel Huq & Co.
Chartered Accountants

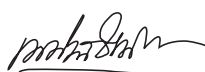
**Ratanpur Steel Re-Rolling Mills Limited****Statement of Cash Flows**

For the Year ended on 30 June, 2019

Notes	Amount in BDT	
	30-Jun-19	30-Jun-18
A. Cash Flows from Operating Activities		
Collection from sales and other income	5,183,762,864	7,554,507,252
Less: Payment for cost and other expenses	(4,945,508,333)	(7,340,548,617)
Cash generated from operation	238,254,531	213,958,635
Less: Interest Paid	(21,203,950)	(44,955,503)
Less: Income Tax/ Advance Tax Paid	(84,542,374)	(67,767,483)
Net cash inflow from Operating Activities	132,508,207	101,235,648
B. Cash flows from Investing Activities		
Investment in FDR	(930,000)	(3,454,298)
Capital work in progress	(25,844,858)	(2,607,344)
Net cash inflow /(outflow) from Investing Activities	(26,774,858)	(6,061,642)
C. Cash flows from Financing Activities		
Short term loan Repayment	-	(24,092,300)
Dividend Paid	(85,089,270)	(43,226,687)
Lease Loan Repayment	(3,519,604)	(14,929,596)
Net cash inflow /(outflow) from Financing Activities	(88,608,874)	(82,248,583)
D. Net increase in cash & cash equivalents (A+B+C)	17,124,475	12,925,424
E. Cash and cash equivalents at the beginning	30,801,663	17,876,240
F. Cash and cash equivalents at the end (D+E)	47,926,138	30,801,664
G. Net Operating Cash Flow Per Share	1.31	1.00

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, October 30, 2019


 Mahfel Huq & Co.
 Chartered Accountants



Ratanpur Steel Re-Rolling Mills Limited

Notes, comprise a summary of significant accounting policies and other explanatory notes
For the year ended 30 June, 2019

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 Financial Statements
- 2.03 Basis of Reporting
- 2.04 Other Regulatory Compliances
- 2.05 Basis of Measurement
- 2.06 Going Concern
- 2.07 Reporting Period
- 2.08 Authorization for Issue
- 2.09 Consistency
- 2.10 Comparative Information
- 2.11 Functional and presentation currency
- 2.12 Use of Estimates and Judgments
- 2.13 Measurement of fair values
- 2.14 Financial Risk Management
 - 2.14.1 Credit Risk
 - 2.14.2 Liquidity Risk
 - 2.14.3 Market Risk
 - 2.14.4 Foreign Currency Risk
 - 2.14.5 Transaction risk
 - 2.14.6 Economic risk
 - 2.14.7 Interest Rate Risk
- 2.15 Fair Values
- 2.16 Components of the Financial Statements
- 2.17 Applicable Accounting Standards & Financial Reporting 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).

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 1991;
- d) The Value Added Tax Rules 1991;
- 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 Reporting Period

The financial statements of the company cover twelve (12) months from 01 July, 2018 to 30 June, 2019.



2.08 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on 30th October, 2019.

2.09 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.

2.10 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; and
- d) Statement Cash Flows for the comparable period of preceding financial year.

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.

2.11 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.

2.12 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: 18&19	Depreciation to be charged

2.13 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

2.14 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.

2.14.1 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.

2.14.2 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.

2.14.3 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.

2.14.4 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.

2.14.5 Transaction risk

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

2.14.6 Economic risk

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

2.14.7 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.

2.15 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 their carrying value.

2.16 Components of the Financial Statements

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

- Statement of financial position as at 30 June 2019;
- Statement of profit or loss and other comprehensive income for the year ended 30th June 2019;
- Statement of cash flows for the year ended 30 June 2019;
- Statement of changes in equity for the year ended 30 June 2019;
- Notes, comprise a summary of significant accounting policies and other explanatory information for the year ended 30 June 2019;

2.17 Applicable Accounting Standards & Financial Reporting Standards

The following IASs and IFRSs are applicable for the financial statements for the year under review:

Sl. No.	Name of the IAS	IAS's no.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in accounting Estimates and Errors	8
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant & Equipment	16
8	Employee Benefits	19
9	The Effects of Changes in Foreign Exchange Rates	21
10	Borrowing Costs	23
11	Related Party Disclosures	24
12	Financial Instruments: Presentation	32
13	Earnings Per Share	33
14	Impairment of Assets	36
15	Provision, Contingent Liabilities and Contingent Assets	37
16	Intangible Assets	38
17	Financial Instruments: Recognition and Measurement	39

SL. No.	Name of the	IFRS IFRS No
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Fair Value Measurement	13
5	Revenue from Contracts with Customers	15
6	Leases	16



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.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Consistency
- 3.02 Property, Plant & Equipment
 - 3.02.1 Recognition and Measurement
 - 3.02.2 Subsequent Costs
 - 3.02.3 Depreciation
 - 3.02.4 Revaluation of Fixed Assets
- 3.03 Capital/Construction work in Progress
- 3.04 Intangible Assets
- 3.05 Inventories
 - 3.05.1 Nature of Inventories
 - 3.05.2 Valuation of the Inventories
- 3.06 Leased assets
- 3.07 Foreign Currency Transaction/ Translation
- 3.08 Financial Instruments
 - 3.08.1 Accounts Receivable
 - 3.08.2 Advances, Deposits and Prepayments
 - 3.08.3 Cash and Cash Equivalents
 - 3.08.4 Share Capital
 - 3.08.5 Accounts Payable
- 3.09 Impairment
 - 3.09.1 Financial Assets
 - 3.09.2 Non-Financial Assets
- 3.10 Statement of Cash Flows
- 3.11 Provisions, Contingent Liabilities and Contingent Assets
- 3.12 Borrowing Costs
- 3.13 Taxation
 - 3.13.1 Current Tax
 - 3.13.2 Deferred Tax
- 3.14 Share Capital
- 3.15 Worker's profit participants & welfare funds
- 3.16 Revenue Recognition
- 3.17 Finance Income & Costs
 - 3.17.1 Finance Income
 - 3.17.2 Finance Costs
 - 3.17.3 Other Operating Income

- 3.18 Earnings Per Share (EPS)
- 3.18.1 Basic Earnings per share
- 3.18.2 Diluted Earnings per Share (DEPS)
- 3.19 Measurement of Fair Values:
- 3.20 Event after the Reporting Period
- 3.21 Comparative Information
- 3.22 Finance Lease
- 3.23 Segment Reporting
- 3.24 Related Party Disclosures

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 Property, Plant & Equipment (IAS 16)

3.02.1 Recognition and Measurement

Property, plant and 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.

3.02.2 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.

3.02.3 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

3.02. 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.

3.03 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.

3.04 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.

3.05 Inventories (IAS 2)

3.05.1 Nature of Inventories

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

3.05.2 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.

3.06 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.

3.07 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 date 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 2018-2019, there is no foreign currency transaction happened.

3.08 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.

3.08.1 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. Bed 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.

3.08.2 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.

3.08.3 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.

3.08.4 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.

3.08.5 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.

3.09 Impairment

3.09.1 Financial Assets

Financial Assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Financial assets not classified as fair value through profit or loss, loans, receivables and investment in an equity accounted investee are assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably

3.09.2 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

3.10 Statement of Cash Flows (IAS 7)

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".

3.11 Provisions, Contingent Liabilities and Contingent Assets (IAS 37)

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".

3.12 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"

3.13 Income Taxes (IAS 12)

3.13.1 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. 2019.



3.13.2 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.

3.14 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.

3.15 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).

3.16 Revenue Recognition (IFRS 15)

a) Sales of Goods:

In compliance with the requirements of IFRS-15 revenue is recognized for local sales of Steel 500W DEFORMED MS BAR 10 MM, 500W DEFORMED MS BAR 25 MM, 60 GRADE DEFORMED 12 at the time of delivery from depot at the time of delivery from Factory Godown. Local sales of Basic Chemical Products are recognized at the time of delivery from Factory Godown. Revenue is recognized when goods are supplied to external customers against orders received, title and risk of loss is transferred to the customer, reliable estimates can be made of relevant obligations have been fulfilled, such that the earnings process is regarded as being completed.

b) Interest income is recognized when accrued on a time proportion basis.

3.16. A Adoption of new IFRS:

The Company has initially applied IFRS 15 and IFRS 9 from 1 July 2018. A number of other new standards are also effective from 1 July 2018 but they do not have a material effect on the Company's financial statements. Due to the transition methods chosen by the Company in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards. Except for separately presenting impairment loss on trade receivables and contract liabilities

I. IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue and related interpretations. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control-at a point in time or over time-requires judgment.

II. IFRS 9 Financial Instruments

"IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non- financial items. This standard replaces IAS 39 financial Instruments: Recognition and Measurement. As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI.



3.17 Finance Income & Costs

3.17.1 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.

3.17.2 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.

3.17.3 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.

3.18 Earnings Per Share (EPS) (IAS 33)

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.

3.18.1 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.

3.18.2 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.

3.19 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

**3.20 Events after the Reporting Period (IAS 10)**

As per IAS - 10 "Event after the reporting Period" 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 is 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

3.21 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.

3.22 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.

3.23 Segment Reporting (IFRS 8)

No segmental reporting is applicable to the company as required by "IFRS 08: Operating Segment" as the company operates in a single industry segment and within as geographical segment.

3.24 Related Party Disclosures (IAS 24)

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.



		Amount in BDT	
		30-Jun-19	30-Jun-18
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 and Civil Construction		402,531,158	402,531,158
Plant and Machinery		793,428,390	793,428,390
Logistics Equipment		77,810,979	77,810,979
Furniture and 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:		546,314,886	485,189,392
Land and land Development		-	-
Factory Building and Civil Construction		109,126,729	96,901,545
Plant and Machinery		308,651,066	272,162,450
Logistics Equipment		34,638,413	31,388,865
Furniture and Fixture		1,802,916	1,674,077
Motor Vehicles		28,647,176	25,857,344
Office Equipment		7,238,590	6,541,675
Machinery under capital lease		56,209,995	50,663,436
Written down value		1,962,385,433	2,023,510,927
<i>Details shown in Annexure-1.</i>			

4.01 Revaluation Surplus of Land

The company revalued its land and 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 revaluation to Land
Land and Land development	104,800,000	1,048,750,000	943,950,000

4.02 Capital Work in Progress

Opening Balance	15,904,874	13,297,530
51 Plot Office Building	-	39,900
Muradpur office	-	2,567,444
Plant and Machinery	25,844,858	
	41,749,732	15,904,874

5.00 Advances, Deposits and Prepayments

Advances (Note: 5.1)	35,920,445	775,771,661
Deposits (Note: 5.2)	12,878,112	11,295,971
	48,798,557	787,067,632

5.01 Advance

Factory Staff	3,595,000	3,980,188
Advance Income Tax (Note- 5.1.1)	31,542,374	52,767,483
Advance to Supplier Party	-	717,833,632
Value Added Tax-Current Account	783,071	1,190,358
	35,920,445	775,771,661



		Amount in BDT	
		30-Jun-19	30-Jun-18
5.1.1	Advance Income tax		
	Opening	52,767,483	58,479,655
	Adjustment during the year	(52,767,483)	(58,479,655)
	Payment During the year	31,542,374	52,767,483
		31,542,374	52,767,483
5.02	Deposits:		
	Bangladesh Power Development Board	1,140,000	1,140,000
	FDR	11,726,112	10,143,971
	BTCL	12,000	12,000
		12,878,112	11,295,971
6.00	Inventories		
	Finished Goods	859,731,126	1,008,483,672
	Raw Materials	830,740,603	889,623,487
	Spares Parts	40,312,825	38,158,741
		1,730,784,555	1,936,265,900
7.00	Accounts Receivable	3,568,367,332	1,942,197,752
7.01	Ageing of Accounts Receivables are as follows:		
	Less than 30 days	1,256,740,096	679,769,213
	Over 30 days but less than 60 days	804,971,416	504,971,416
	Over 60 days but less than 90 days	925,127,460	466,127,460
	Over 90 days	581,528,360	291,329,663
		3,568,367,332	1,942,197,752
8.00	Cash and Cash Equivalents		
	Cash in Hand	4,267,571	9,021,100
	CD Accounts	13,108,500	3,065,209
	STD and SND Accounts	30,550,067	18,715,354
		47,926,138	30,801,663



8.01 Cash at Banks

	Amount in BDT	
	30-Jun-19	30-Jun-18
AB Bank Limited # 4000	15,922	17,072
AB Bank Limited # 4430	243,978	53,271
Agrani Bank Ltd # 9069	56,612	627,265
Al Arafah Islami Bank Limited # 3027(1331)	10,617,402	2,051,579
Bank Asia # 240	1,996,943	14,292
City Bank Limited # 6001	1,145,027	115,720
Dutch-Bangla Bank Limited # 0963	33,102	1,587,270
Exim Bank Limited # 2676	778,945	386,385
First Security Islami Bank Limited # 2598	177,734	37,444
HSBC # 004-111092-011	55,256	55,831
ICB Islami Bank Limited # 3098	635	1,210
Islami Bank Bangladesh Limited # 3718	1,456,219	492,416
Janata Bank Limited # 2788	10,325	870,752
Janata Bank Limited # 293	12,076	13,392
Meghna Bank Limited # 0007	147,517	318,574
Meghna Bank Limited # 0131	17,206	20,856
Mercantile Bank Limited # 588	53,355	636,952
National Bank Limited # 1876 (NEW 915)	1,179,216	50,479
National Credit and Commerce Bank Limited # 804	1,867,707	119,435
One Bank Limited # 275	834,588	101,195
Premier Bank Limited # 1729	827,702	50,578
Pubali Bank Limited # 0724	3,621,985	2,601,603
Sonali Bank Limited # 17497	283,086	24,138
South Bangla Agriculture and Commerce Bank Limited # 45119	2,425,564	2,831,443
South Bangla Agriculture and Commerce Bank Limited # 0778	2,909,400	1,465,267
Southeast Bank Limited # 02091	45,306	2,915
Southeast Bank Limited # 45907	9,770	10,690
Southeast Bank Limited # 998	1,934,557	1,211,308
Social Islami Bank-1342	205,018	200,945
Standard Bank Limited # 217	814,881	133,471
Trust Bank Limited # 1020	3,125,941	3,087,786
Trust Bank Limited # 277	4,075,352	780,188
Trust Bank Limited # 015 (IPO A/C)	342,825	345,238
United Commercial Bank Limited # 238	2,263,834	1,388,875
United Commercial Bank Limited # 601(New 168)	63,296	63,871
United Commercial Bank Limited # 6785(new-158)	10,286	10,861
	43,658,567	21,780,564



		Amount in BDT	
		30-Jun-19	30-Jun-18
9.00 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)	296,000,000	296,000,000	
2,50,00,000 Ordinary Share and 1,09,20,000 bonus shares as at Tk. 10 each (For the year 2015)	359,200,000	359,200,000	
1,31,04,000 bonus Shares as at Tk. 10 each (For the year 2016)	131,040,000	131,040,000	
78,62,400 bonus Shares as at Tk. 10 each (For the year 2017)	78,624,000	78,624,000	
1,47,02,688 bonus 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	
9.01 Compositon of Shareholders at 30 June 2019			
Name of Shareholders			Holding (%)
Sponsor Shareholders			47.03%
Institutional Shareholders			21.56%
Other Shareholders			31.41%
Total			100
9.02 Composition of Share holding as at 30 June,2019			
Name			Holding (%)
ICB (Corporate Director, Nominated To Kazi Sanaul Hoq)			17%
Mr. Maksudur Rahman (Managing Director)			15%
Md. Yunus Bhuiyan (Director)			5%
Shamsun Nahar Rahman (Director)			6%
Marzanur Rahman (Director)			2%
Mizanur Rahman (Director)			2%
Other Shareholders			53%
Total			100%
10.00 Current Portion of Lease Liabilities			
IDLC Finance Lease Liability-1001 (Note: 10.01)	-	3,519,604	
IDLC Finance Lease Liability-1002 (Note: 10.02)	-	-	
		3,519,604	



		Amount in BDT	
		30-Jun-19	30-Jun-18
10.01 IDLC Finance Lease Liability-1001			
Due Within one Year	-	3,519,604	
Due After one year	-	-	
		3,519,604	
10.02 IDLC Finance Lease Liability-1002			
Due Within one Year	-	-	
Due After one year	-	-	
	-	-	

10.03 Terms of leased loan (IIDFC)**Lender:**

Industrial and Infrastructure Development Finance Company Limited (IIDFC).

Total lease facilities:

The lease loan amount was Eight crore on which 5.5 crore enjoyed by the company.

Interest rate:

Initial interest rate is 14.5% per annum

Loan term:

5.5 years including 6 months principal Moratorium.

Monthly Installment:

Monthly Installment Revised at BDT 13,77,286 which effective from 01.01.2012

Disbursement:

Disbursement was made on March 30, 2010.

Purpose:

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

Repayment:

During moratorium of 6 months interest

Security

a) Post Dated Cheque

b) Demand Promisory Note

c) Personal Guarantee of all Directors of Ratanpur Steel Re-Rolling Mills Limited and Personal Guarantee of Mr. Mizanur Rahman (Son of Mr. Maksudur Rahman).

10.03 Terms of leased loan (IDLC)**Lender:**

IDLC Finance Limited

Total lease facilities:

The lease loan amount was Eight crore

Interest rate:

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

Loan term:

5 years

Monthly Installment:

Monthly Installment Revised at BDT 19,11,130 which effective from 14.11.2012

Disbursement:

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

Repayment:

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

Purpose:

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

Security

a) Personal Guarantee from all Directors of the Company.



Amount in BDT	
30-Jun-19	30-Jun-18

11.00 Deferred Tax Liability

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

Opening balance	142,217,153	140,875,994
Deffered tax liability /(assets) as on 30 June.	141,605,157	142,217,153
Increase /(decrease) of deffered tax liability	611,996	(1,341,159)

Details Shown in Annexure-2.

12.00 Short Term Liabilities:

Sonali Bank: Pledge # 08	329,044,355	400,780,212
Sonali Bank: Hypo # 22	494,575,635	657,290,956
Sonali Bank # LTR	-	510,086,875
	823,619,989	1,568,158,042

12.01 Long term Liabilities:

Block Loan:		
CC Hypo and Pledge (Note: 12.03)	292,379,573	-
Sonali Bank # LTR (Note: 12.04)	557,271,867	-
	849,651,440	-

12.02 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 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 and Pledge**

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

b) Industrial Plot no 175 and 176

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 9% Interest Rate.



		Amount in BDT	
		30-Jun-19	30-Jun-18
Security			
a) Personal Guarantee of all the Directors of Ratanpur Steel Re-rolling Mills Limited.			
b) Post Dated Cheque			
c) Industrial Plot no 175 and 176			
Maturity date: Apprx. 90 days from disposal			
12.03 Blocked loan against Exces Limit of CC (Pledge) & CC (Hypo)			
Sonali Bank			276,100,000
Add: Interest			16,279,573
			292,379,573
Interest rate: 5.50% for only interest Blocked Account.			
Remarks : 1 (One) year grace period & 6 (Six) years equal quarterly installment payment as per sanction letter.			
12.04 LTR # Block Loan			
Sonali Bank			494,700,000
Add: Interest			62,571,867
Interest rate: 9.00%			557,271,867
Remarks : 1 (One) year grace period & 6 (Six) years equal quarterly installment payment as per sanction			
13.00 Creditors and Accruals			
Accounts payable	568,960		218,520
Advance Against Sales	3,869,520		6,450,336
For Revenue Expenses (Note: 13.01)	67,289,066		51,185,401
Other Finance (Note: 13.02)	5,791,740		6,154,299
	77,519,286		64,008,556
13.01 For Revenue Expenses			
Accrued for Salary & wages	6,849,733		7,058,079
Accrued for Electricity Bill	57,417,051		40,895,248
Accrued for Gas Bill	2,704,575		2,863,024
Accrued for Wasa Bill	15,499		17,026
Accrued for Telephone Bill	2,208.00		2,024
Audit Fees	300,000		350,000
	67,289,066		51,185,401
13.02 Other Finance			
Unclaimed Refund Warrant	3,433,024		3,415,968
Unclaimed Dividend	2,358,716		2,738,331
	5,791,740		6,154,299
14.00 Income Tax Liability			
Accrued during the year	463,320,985		382,932,338
	463,320,985		382,932,338
<i>Details shown in Annexure-3.</i>			
15.00 Workers' Profit Participation Fund and Welfare Fund			
Opening Balance	47,434,731		47,111,204
Add: Addition during the year @ 5%	37,497,617		47,434,731
	84,932,347		94,545,934
Less: Paid during the year	(47,434,731)		(47,111,204)
Closing Balance	37,497,617		47,434,731
16.00 Net Asset Value per share (NAV)			
Total Assets	7,400,011,747		6,735,748,748
Less: Total Liabilities	2,393,214,475		(2,208,270,424)
Shareholders' Equity	5,006,797,272		4,527,478,324
Number of Ordinary Shares at the year end	101,189,088		101,189,088
Net Asset Value per share (NAV)	49.48		44.74



	Amount in BDT	
	30-Jun-19	30-Jun-18
17.00 Revenue	6,808,684,500	7,659,678,631
18.00 Cost of Goods Sold		
Raw Materials Used <i>(Note: 18.01)</i>	5,312,365,391	6,199,035,713
Direct Labor	66,549,260	72,336,152
Electricity Bill	84,965,477	107,444,201
Wasa Bill	233,379	171,415
Spare Parts Used <i>(Note : 18.02)</i>	39,289,975	44,146,039
Loading & Unloading Bill	10,129,624	11,381,600
Gas Bill	20,433,462	24,051,625
Prime Cost (A)	5,533,966,567	6,458,566,745
Indirect Expenses associated with production (B)	58,922,596	63,532,711
Repair & Maintenance	402,809	428,520
Medical Exp.	450,568	563,210
Depreciation (Annexure-01)	58,069,219	62,540,981
Cost of Production (A+B)	5,592,889,162	6,522,099,457
Opening Finished Goods	1,008,483,672	869,071,392
Cost of Goods Available for Sale	6,601,372,834	7,391,170,849
Closing Finished Goods	(859,731,126)	(1,008,483,672)
Cost of Goods Sold	5,741,641,708	6,382,687,177
18.01 Raw Materials Used		
Opening Stock of Raw Materials	889,623,487	980,179,200
Purchases of Raw Materials	5,253,482,507	6,108,480,000
Cost of Raw Materials available for use	6,143,105,994	7,088,659,200
Closing Raw Materials	(830,740,603)	(889,623,487)
Cost of Raw Materials used	5,312,365,391	6,199,035,713
18.02 Spare Parts used		
Opening Stock of Spare Parts	38,158,741	37,256,890
Purchase during the year	41,444,059	45,047,890
Spare Parts available for use	79,602,800	82,304,780
Closing Stock of Spare Parts	(40,312,825)	(38,158,741)
Spare Parts used during the year	39,289,975	44,146,039

		Amount in BDT	
		30-Jun-19	30-Jun-18
19.00 Administrative and Other Expenses			
Director's remuneration <i>(Note-26)</i>	1,965,000	1,965,000	
Sallary & Allowance	5,960,909	6,623,232	
Entertainment	807,263	832,230	
Travelling Expenses	1,781,667	1,895,390	
Legal Expenses	84,500	5,090,605	
Stationary	634,982	690,198	
Paper & Periodicals	11,516	14,044	
Postage & Stamp	183,788	193,461	
Mobile Bill	1,953,875	1,896,966	
Electricity Expenses	824,664	972,849	
Audit Fees	300,000	350,000	
Telephone Bill	11,040	12,209	
Internet Bill	978,245	916,910	
Fire License Expenses	3,000	3,000	
Office Expenses	708,560	814,437	
Sundry Expenses	1,528,563	1,679,740	
Office rent	240,000	240,000	
ISO related Expenses	93,000	70,900	
Insurance	553,098	703,231	
Conveyanance	547,262	816,809	
Land Revenue	-	29,700	
Depreciation (Annexure-01)	3,056,275	3,291,631	
Certificate and Membership Expenses	246,000	149,000	
Guest house Expenses	313,302	344,288	
Repairs and maintenance	1,426,525	1,852,630	
Medical Expenses	256,525	229,040	
AGM Related Expense	1,551,004	3,862,750	
Trade License	22,400	20,100	
Vehicle Expenses	783,971.40	842,980.00	
	26,826,935	36,403,330	
20.00 Selling and Distribution Expenses			
Carriage Outwards	23,163,263	24,128,399	
Sallary & Allowance	5,335,936	5,737,566	
TA & DA of Sales Representative	3,792,976	4,569,850	
Travelling Expenses	184,801	473,848	
Rod testing Expenses	346,300	426,700	
Advertisement Expenses	19,534,800	25,369,870	
	52,358,075	60,706,232	



		Amount in BDT	
		30-Jun-19	30-Jun-18
21.00 Finance Cost:			
Interest on Lease Loan:		-	1,257,627
IDLC Lease Liability-1001 & 1002		-	1,257,627
Interest on CC-Hypo:		74,092,487	73,617,610
Sonali Bank Limited: Hypo # 1027		74,092,487	73,617,610
Interest on CC-Pledge:		48,050,427	48,394,141
Sonali Bank Limited: Pledge # 1084		48,050,427	48,394,141
Interest on CC- Hypo & Pledge (Block) :		16,242,263	-
Interest on CC- Hypo & Pledge		16,242,263	-
Interest on Sonali Bank # LTR		62,542,021	60,974,099
Bank Charges		728,560	645,571
		201,655,758	184,889,048
22.00 Finance & Other Income		1,247,944	1,136,500
SND & STD Interest		517,289	710,139
FDR Interest		730,655	426,361
23.00 Earning Per Share (EPS)			
Net profit attributable to the shareholders for the year		564,408,217	713,459,972
Number of Ordinary Shares at year end		101,189,088	101,189,088
Weighted no. of ordinary shares outstanding at the end			
Basic EPS		5.58	7.05
24.00 Net Operating Cash Flow per share (NOCF)			
Net cash inflow /(outflow) from Operating Activities		132,508,207	101,235,648
Number of Ordinary Shares at the year end		101,189,088	101,189,088
Net Operating Cash Flow per share (NOCF)		1.31	1.00
25.00 Quantitative movement of Inventories			
Raw Materials	Raw Materials	Raw Materials	Raw Materials
	(M. Tons)	(M. Tons)	(M. Tons)
Opening stock	20,852	24,752	
Purchase during the year	114,775	141,400	
Total	135,627	166,152	
Consumed during the year	(117,275)	(145,300)	
Closing stock	18,352	20,852	
Finished Goods			
Opening stock	21,930	18,336	
Production during the period	115,450	142,394	
Total	137,380	160,730	
Sales during the period	(119,325)	(138,800)	
Closing Stock	18,055	21,930	

26.00 Payment information to Directors as Per requirement of schedule XI, part II, Para 4 of the

Name	Gross Remuneration	Gross Remuneration
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
Total	1,965,000	1,965,000

27.00 Production capacity & Actual production

	M. Tons	M. Tons
Production capacity	187,200	187,200
Actual Production	115,450	142,394
Excess/(Shortfall)	(71,750)	(44,806)
Capacity Utilised	61.67%	76.07%

28.00 Depreciation to be charge

Manufacturing	58,069,219	60,419,869
Administrative	3,056,275	2,939,596
	61,125,493	63,359,465

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

29.00 Related party transaction

During the period the Company carried out a number of transactions with related parties in the

Particulars	Nature of Transactions	Transactions during the year
Modern Steel Mills Ltd	Supply of Raw Materials	4,285,821,057

30.00 Bank Gurantee

The company have no Bank gurantee on the reporting date

31.00 Capital Commitment

The company had no capital commitment at the reporting date. But the company has informed

32.00 Employee Position of Ratanpur Steel Re- Rolling Mills Limited as per requirement of

Number of employees whose monthly salary was below Tk. 6000	-	-
Number of employees whose monthly salary was above Tk. 6000	397	410



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

Advance, Deposits and pre-payments exceeding 6 Months	9,827,469
Not exceeding 6 Months	21,681,915
Other advance, deposits & pre-payments less provision	9,309,384
Advance, deposits and pre-payments considered Good and Secured:	
Advance, deposits and pre-payments considered Good without security	
Advance, deposits and pre-payments considered doubtful or Bad	
Advance, deposits and pre-payments Due by Directors	
Other Officers (against salary)	3,595,000
Advance, Deposits and pre-payments due from companies under same management:	
Maximum Advance, deposits and pre-payments Due by Directors	
Officers at any time	3,595,000

34.00 Events after the Reporting Period (Notes 3.20)

The Board of Directors of Ratanpur Steel Re-Rolling Mills Limited at itsth meeting held on 30 October 2019 recommended a final cash dividend of and Stock dividend of of its paid up capital. The dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting of the company scheduled to be held on 2019.

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



RATANPUR STEEL RE-ROLLING MILLS LTD.

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	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 & Civil Construction	402,531,158	-	-	4%	402,531,158	12,225,185	-	109,126,729	293,404,429
3	Plant & Machinery	793,428,390	-	-	7%	793,428,390	36,488,616	-	308,651,066	484,777,324
4	Logistics Equipment	77,810,979	-	-	7%	77,810,979	3,249,548	-	34,638,413	43,172,566
5	Furniture & Fixture	2,962,460	-	-	10%	2,962,460	128,838	-	1,802,916	1,159,544
6	Motor Vehicles	39,806,505	-	-	20%	39,806,505	2,789,832	-	28,647,176	11,159,329
7	Office Equipment	13,510,827	-	-	10%	13,510,827	696,915	-	7,238,590	6,272,237
8	Machinery under capital lease	129,900,000	-	-	7%	129,900,000	5,546,559	-	56,209,995	73,690,005
A. Total		2,508,700,319	-	-		2,508,700,319	61,125,493	-	546,314,886	1,962,385,433

Amount in BDT

C.	Depreciation allocated to:	Note	Rate of Allocation	30 June, 2019 BDT
	Manufacturing	18.00	95%	58,069,219
	Administrative	19.00	5%	3,056,275
			100%	61,125,493



Ratanpur Steel Re-Rolling Mills Limited

Deferred Tax Calculation
For the year ended 30 June, 2019

Annexure-2

Taxable Temporary Difference for leases asset	30.06.2019
Total Lease Payment for the period	3,519,720
Total Interest Payment for leased assets	(67,888)
Total Depreciation on leased assets	(5,546,559)
	(2,094,727)
Deferred Tax liability for other than laese assets	151,503,243
Deferred Tax liability for lease assets	(523,682)
Total Deferred tax liability	150,979,561
Deferred tax asset on WPPF	(9,374,404)
Total Deferred tax assets	(9,374,404)
Net Deferred tax Liability (Shown on Balance Sheet- as on 30 June, 2019)	141,605,157
Previous Year Balance	142,217,153
Deferred Tax Expense/(Income) (Shown on Income Statement for the year ended 30 June 2019)	(611,996)
Considered applicable Rate of Income Tax @ 25%	



Ratanpur Steel Re-Rolling Mills Limited
Income Tax Liabilities
For the financial year ended on 30 June, 2019

Annexure-3**Particulars****30-Jun-19****Computation of total income**

Accounting profit before tax

749,952,351

Add: Other Inadmissible allowances

Add: Accounting depreciation

61,125,493

Add: Interest on leased assets

67,888

Add: Provision for WPPF

37,497,618

Less: Items for separate consideration

Depreciation as per 3rd schedule

(53,064,377)

Payment for WPPF (Previous)

(47,434,731)

Lease payment (principal plus interest)

(3,519,720)

Total income/(Loss) from Operation**744,624,522****Total Taxable Income****744,624,522**

Rate

25%

Income tax

186,156,131



Shareholder's Information

ANNUAL GENERAL MEETING (AGM)

No. of AGM	: 34 th AGM
Date	: December 29, 2019
Venue	: Shaheen Golf & Country Clud, Airport Road, Patenga, Chittagong.
Time	: 11.00 AM

FINANCIAL CALENDAR

Financial Period: July 01, 2018 to June 30, 2019.

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

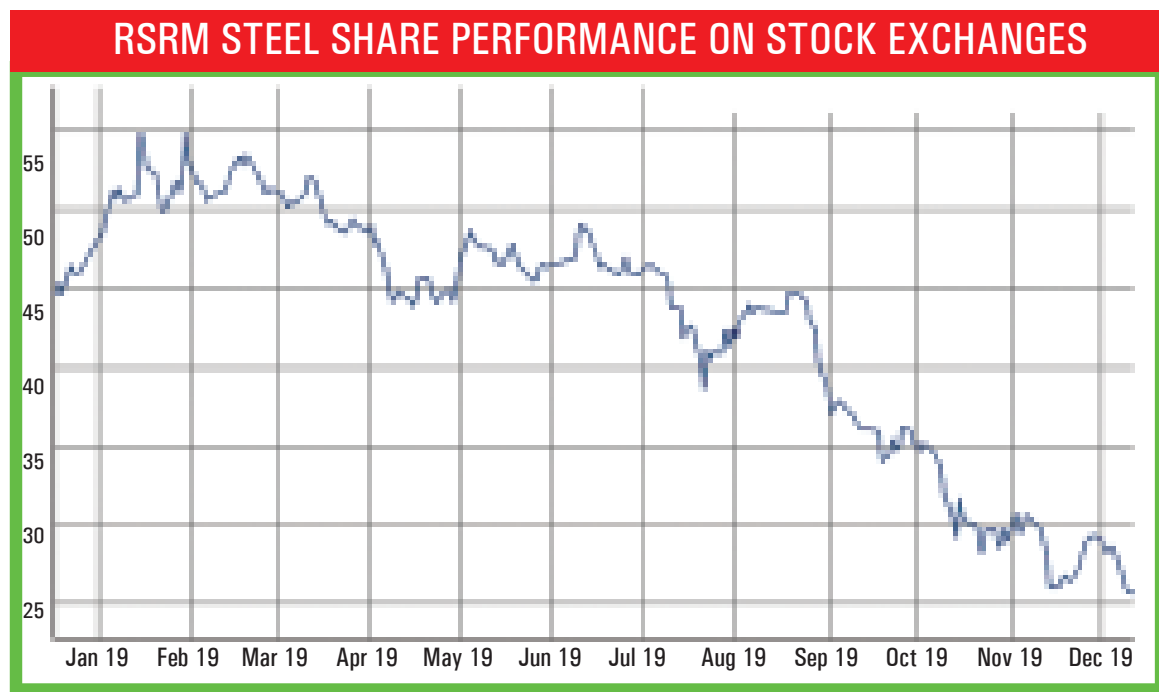




RECORD DATE

The record date is 05 December, 2019.

RSRMSTEEL SHARE PERFORMANCE ON STOCK EXCHANGES



Movement of share price on Dhaka Stock Exchange Ltd. (DSE) for last One year

LISTING

The company's shares are listed at the Stock Exchanges at Dhaka and Chittagong of Bangladesh. Dated 22th 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 2019 was Taka 45.90

Closing Price of per share of our company as at 5th December 2019 was Taka 28.60



DIVIDEND	
Year	Rate of Dividend Form of Dividend
2018-19	12% Cash (excluding Sponsor Directors) (Recommended)
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
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: +88 02 7195840, 7195841, Fax: +88 02 7191745, Email: sharedept@rsrmbd.com Website: www.rsrmbd.com

Events Highlights



32th AGM



31th AGM



30th AGM



29th AGM

Events Highlights



33rd AGM



33rd 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: +88-031-652255-57
Fax: +88-031- 650001, Website: www.rsrbmd.com
Share Dept : 291 Fakirerpool (Jamindar Bari), Apt. B-9 (9th Floor), Inner Circular Road, Arambagh
Motijheel, Dhaka-1000. Phone: +88 02 717195840, 7195841, Fax: +88 02 7191745
E-mail: sharedept@rsrbmd.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 34th Annual General Meeting (AGM) of the Company to be held on 29 December, 2019 at 11.00 A.M at Shaheen Golf & Country Club, Airport Road, Patenga, Chittagong, and at any adjournment thereof or any poll that may be taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate on all resolutions.

Dated thisday of2019.

Sign ature of the Shareholder

Folio /BO ID No:

Dated -----

Sign ature of the witness

Sign ature of the Proxy

Folio/BD ID No :

Dated -----

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

Signature Verified

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



Ratanpur Steel Re-Rolling Mills Limited

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E-mail: sharedept@rsrbmd.com

ATTENDANCE SLIP

I hereby record my presence at the 34th Annual General Meeting of Ratanpur Steel Re-Rolling Mills Ltd. on 29 December, 2019.
Name.....

BO ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Signature Verified

Signature

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

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



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 :

Nahar Mansion, 116 C.D.A Avenue, Muradpur, Chittagong
Phone: +880 31 652255-7, Fax: +880 31 650001
Email: info@rsrmbd.com

Share Dept :

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