

**RATANPUR STEEL RE-ROLLING MILLS LIMITED**  
**FINANCIAL STATEMENTS (UN-AUDITED)**  
As at and for the period ended 30 September 2014

|          |
|----------|
| Q1, 2014 |
|----------|

**Ratanpur Steel Re-rolling Mills Ltd.**

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

**Dhaka Office:** Rupayan Golden Age (7<sup>th</sup> Floor), 99, Gulshan Avenue, Gulshan-2, Dhaka-1212. Phone: +88 02 9892936, 9890457, 8812521, Fax: +88 02 8828292

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

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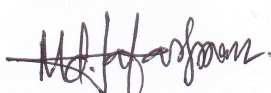
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**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement of Financial Position(Un-Audited)**  
**As on 30 September, 2014**

|                                                   | <u>30-Sep-14</u><br>Total | Amount in BDT<br><u>30-Jun-14</u><br>Total |
|---------------------------------------------------|---------------------------|--------------------------------------------|
| <b>Assets</b>                                     |                           |                                            |
| <b>Non-current Assets:</b>                        | <b>2,049,122,746</b>      | <b>2,064,962,612</b>                       |
| Property Plant & Equipment                        | 2,049,122,746             | 2,064,962,612                              |
| <b>Current Assets:</b>                            | <b>2,750,973,484</b>      | <b>2,684,574,070</b>                       |
| Advances, Deposits and Prepayments                | 118,743,911               | 131,883,769                                |
| Inventories                                       | 1,739,355,691             | 1,751,235,595                              |
| Accounts Receivable                               | 845,288,579               | 787,647,565                                |
| Other Receivable                                  | 22,400,000                | -                                          |
| Cash and cash equivalents                         | 25,185,303                | 13,807,142                                 |
| <b>Total Assets</b>                               | <b>4,800,096,230</b>      | <b>4,749,536,683</b>                       |
| <b>Equity and Liabilities</b>                     |                           |                                            |
| <b>Shareholders' Equity:</b>                      | <b>2,816,878,341</b>      | <b>1,744,278,182</b>                       |
| Share Capital                                     | 546,000,000               | 296,000,000                                |
| Share Premium                                     | 750,000,000               | -                                          |
| Revaluation surplus of land                       | 943,950,000               | 943,950,000                                |
| Retained Earnings                                 | 576,928,341               | 504,328,182                                |
| <b>Non-current Liabilities:</b>                   | <b>176,178,027</b>        | <b>219,191,848</b>                         |
| Long term portion of lease liabilities            | 42,794,800                | 50,599,842                                 |
| Deferred tax liability                            | 133,383,227               | 168,592,005                                |
| <b>Current Liabilities:</b>                       | <b>1,807,039,862</b>      | <b>2,786,066,652</b>                       |
| Current portion of lease liabilities              | 29,445,461                | 28,300,180                                 |
| Short term Liabilities                            | 612,565,731               | 1,323,010,208                              |
| Deferred Letter of Credit                         | 182,105,000               | 182,105,000                                |
| Accounts Payable                                  | 874,340,105               | 1,173,343,220                              |
| Advance against Sales                             | 22,792,398                | 8,771,368                                  |
| Income Tax Liability                              | 52,858,954                | 45,956,304                                 |
| Liability for WPPF and Welfare Fund               | 12,706,163                | 10,491,462                                 |
| Outstanding Liabilities                           | 20,226,050                | 14,088,911                                 |
| <b>Total Liabilities</b>                          | <b>1,983,217,889</b>      | <b>3,005,258,500</b>                       |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>4,800,096,230</b>      | <b>4,749,536,683</b>                       |



Chief Financial Officer



Company Secretary



Director



Managing Director

**Ratanpur Steel Re-rolling Mills Ltd.**

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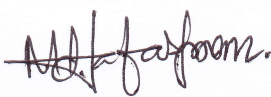
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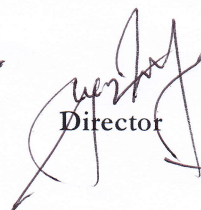
**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)**  
**For the period ended on 30 September, 2014**

Amount in BDT

|                                            | 1 July 2014 to 30<br>September 2014 | 1 July 2013 to 30<br>September 2013 |
|--------------------------------------------|-------------------------------------|-------------------------------------|
| Revenue (Net of VAT)                       | 1,194,494,478                       | 987,467,923                         |
| Cost of Goods Sold                         | (1,081,087,490)                     | (896,118,723)                       |
| <b>Gross Profit</b>                        | <b>113,406,988</b>                  | <b>91,349,200</b>                   |
| <b>Operating Expenses</b>                  | <b>(23,899,719)</b>                 | <b>(18,969,744)</b>                 |
| Administrative and Other Expenses          | (4,749,344)                         | (4,590,891)                         |
| Selling and Distribution Expenses          | (19,150,375)                        | (14,378,853)                        |
| <b>Operating Profit</b>                    | <b>89,507,269</b>                   | <b>72,379,456</b>                   |
| Finance Cost                               | (43,172,266)                        | (42,270,797)                        |
| IPO Expense                                | (22,249,769)                        | -                                   |
| Finance Income                             | 22,423,498                          | 70,234                              |
| <b>Profit before WPPF and Income Tax</b>   | <b>46,508,732</b>                   | <b>30,178,893</b>                   |
| Contribution to WPPF and welfare fund @ 5% | (2,214,702)                         | (1,437,090)                         |
| <b>Net Profit before income tax</b>        | <b>44,294,030</b>                   | <b>28,741,802</b>                   |
| Income Tax                                 |                                     |                                     |
| Current Period                             | (6,902,650)                         | (529,919)                           |
| Deferred Tax                               | 35,208,778                          | 7,627,883                           |
| <b>Net Profit after tax</b>                | <b>72,600,158</b>                   | <b>35,839,767</b>                   |
| <b>Earning per share (EPS)</b>             | <b>1.70</b>                         | <b>1.21</b>                         |

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

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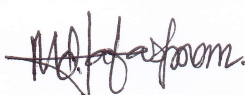
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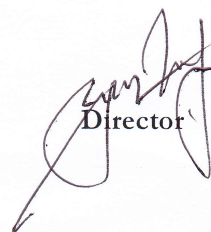
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**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement of Cash Flows(Un-Audited)**  
**For the period ended 30 September, 2014**

|                                                                          | Amount in BDT                    |                                  |
|--------------------------------------------------------------------------|----------------------------------|----------------------------------|
|                                                                          | 1 July 2014-30<br>September 2014 | 1 July 2013-30<br>September 2013 |
| <b>A. Cash Flows from Operating Activities</b>                           |                                  |                                  |
| Collection from sales and other income                                   | 1,145,932,237                    | 907,108,248                      |
| Payment for cost and other expenses                                      | (1,346,589,271)                  | (872,151,628)                    |
| Payment of VAT                                                           | (9,055,275)                      | (7,848,931)                      |
| Cash generated from operation                                            | (209,712,309)                    | 27,107,689                       |
| Payment for IPO Expense                                                  | (22,249,769)                     | -                                |
| <i>Net cash inflow / (outflow) from Operating Activities</i>             | <b>(231,962,078)</b>             | <b>27,107,689</b>                |
| <b>B. Cash flows from Investing Activities</b>                           |                                  |                                  |
| Acquisition of property, plant & equipment                               | -                                | (14,209,999)                     |
| <i>Net cash inflow / (outflow) from Investing Activities</i>             | <b>-</b>                         | <b>(14,209,999)</b>              |
| <b>C. Cash flows from Financing Activities</b>                           |                                  |                                  |
| Short term loan                                                          | (750,000,000)                    | (7,506,103)                      |
| Share Capital                                                            | 250,000,000                      | -                                |
| Share Premium                                                            | 750,000,000                      | -                                |
| Lease Loan Repayment                                                     | (6,659,760)                      | (5,554,154)                      |
| <i>Net cash inflow / (outflow) from Financing Activities</i>             | <b>243,340,239</b>               | <b>(13,060,257)</b>              |
| <b>D. Net increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b> | 11,378,161                       | (162,567)                        |
| <b>E. Cash and cash equivalents at the beginning</b>                     | 13,807,142                       | 9,034,964                        |
| <b>F. Cash and cash equivalents at the end (D+E)</b>                     | <b>25,185,303</b>                | <b>8,872,397</b>                 |

  
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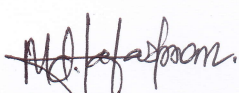
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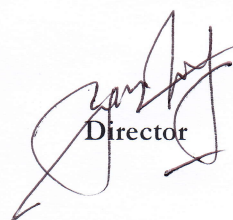
**Ratanpur Steel Re-Rolling Mills Limited**  
**Statement Of Changes In Equity(Un-Audited)**  
**For the period ended 30 September, 2014**

| Particulars                     | Share Capital | Retained Earnings | Revaluation Reserve | Share Premium | Total Equity  |
|---------------------------------|---------------|-------------------|---------------------|---------------|---------------|
| Balance as on 01 July 2013      | 296,000,000   | 349,370,327       | 943,950,000         | -             | 1,589,320,326 |
| Profit / (Loss) after tax       | -             | 35,839,767        | -                   | -             | 35,839,767    |
| Balance as on 30 September 2013 | 296,000,000   | 385,210,094       | 943,950,000         | -             | 1,625,160,093 |

| Particulars                     | Share Capital | Retained Earnings | Revaluation Reserve | Share Premium | Total Equity  |
|---------------------------------|---------------|-------------------|---------------------|---------------|---------------|
| Balance as on 01 July 2014      | 296,000,000   | 504,328,182       | 943,950,000         | -             | 1,744,278,181 |
| Profit / (Loss) After Tax       | -             | 72,600,158        | -                   | -             | 72,600,158    |
| Current Period Transaction      | 250,000,000   |                   |                     |               | 250,000,000   |
| Share Premium                   |               |                   |                     | 750,000,000   | 750,000,000   |
| Balance as on 30 September 2014 | 546,000,000   | 576,928,341       | 943,950,000         | 750,000,000   | 2,066,878,340 |

  
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**Ratanpur Steel Re-Rolling Mills Limited**  
**Selected explanatory Notes to the Financial Statements**  
**For the period ended 30 September, 2014.**

## 1. Legal form of Enterprise

The company was incorporated in Bangladesh as private limited company on 22 April, 1986 vide the certificate C. No 15492 of 1986 as company limited by shares under the companies Act, 1913 and converted into public limited company on 26 June 2012 under the companies act, 1994. The company is listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly quoted company. Trading of the shares of the company started in two stock exchanges from 22 september 2014. The company has set up its Re-Rolling Mills at 176, Baizid Bostami I/A, Baizid Bostami road, Nasirabad, Chittagong, and commenced commercial production from 1986. The principal place of business is at Nahar Mansion, 116 CDA Avenue, Muradpur, Chittagong.

## 2. Nature of Business

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

## 3. Reporting

This quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the published financial statement for the year ended 30 June 2014, as they provide an update to previously reported information.

## 4. Accounting policies and method of computations

Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared & published for the year ended 30 June 2014.

## 5. Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period from 1 July, 2014 to 30 September, 2014 and profit for the same period. The weighted number of ordinary shares outstanding for the period was 4,26,43,478. Earnings per share for the same period of preceding year has been calculated based on 2,96,00,000 shares.

## 6. Subsequent events

The Board of Directors of the company in its 340th meeting held on 21/10/2014 commencing at 4.30 P.M. and closing at 5.50 P.M. recommended dividend for the year ended 30 June 2014 @ 20% stock and @ 5% cash and fixed record date for 29th AGM 6 November 2014.

## 7. Capital Commitment

The company had no capital commitment at the reporting date.

## 8. General

8.1 Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

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

8.3 Bracket figures denote negative balance.

8.4 The financial period of the company covers from 1 July to 30 September 2014.

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