S. S. STEEL LIMITED AND ITS SUBSIDIARY

Consolidated Financial Statements (Un-Audited)

As at and for the period ended 30th September 2020

Q1 (July - September) of 2020-2021

S. S. STEEL LIMITED

Consolidated Statement of Financial Position

As at 30 September 2020

Particulars	Notes	Amount in Taka 30-Sep-2020
Assets:		
Non current assets		**4,299,711,651**
Property, plant & equipments	4.A	3,842,552,424
Deposits	5.00	2,428,193
Goodwill	-	103,654,216
Capital work-in-progress	6.00	351,076,818
Current assets		**6,529,717,538**
Inventories	7.A	1,901,833,971
Trade and other receivables	8.A	2,141,482,505
Advances, deposits and prepayments	9.A	1,815,422,413
Cash and cash equivalents	10.A	493,802,649
Investment	11.A	177,176,000
Total Assets		**10,829,429,191**
Shareholders' Equity & Liabilities:		
Shareholders' Equity		**5,130,488,540**
Share capital	12.02	3,240,125,000
Retained earnings	13.A	1,186,119,949
Revaluation surplus	14.00	704,243,591
Share money deposit		**403,000,000**
Non current liabilities		**1,569,770,294**
Deferred tax liabilities	15.00	257,996,551
Non current portion of term loan	16.A	1,287,924,711
Finance lease obligation -non current portion	21.00	23,849,032
Current liabilities		**3,726,170,357**
Current portion of term loan	16.00	115,744,718
Trade and other payables	17.A	756,604,716
Accrued expenses	18.00	113,958,246
Short term loan	19.A	2,208,272,122
Finance lease obligation - current portion	21.00	12,638,908
Provision for WPPF and welfare fund	20.A	55,539,738
Provision for income tax	22.A	463,411,909
Total Equity and Liabilities		**10,829,429,191**
Consolidated net assets value per share (NAVPS) without revaluation	29.02A	**16.82**
Consolidated net assets value per share (NAVPS) with revaluation	29.03A	**19.27**

Independent Director

Managing Director

Chairman

Head of Accounts

Company Secretary

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 September 2020

Particulars	Notes	Amount in Taka 01 Jul 2020 to 30 Sep 2020
Revenue(Net of VAT)	23.A	1,282,793,905
Cost of goods sold	24.A	(920,195,164)
Gross profit		**362,598,740**
Administrative expenses	25.A	(29,514,459)
Selling and distribution expenses	26.A	(32,132,278)
Operating profit before financial expenses		**300,952,004**
Financial expenses	27.A	(77,796,989)
Profit before other income		**223,155,014**
Other income	28.00	2,713,692
Profit before WPPF and provision for income tax		**225,868,706**
Contribution to WPPF and welfare fund		(10,755,653)
Profit before income tax		**215,113,053**
Provision for income tax		(10,586,786)
Current tax		(53,185,116)
Deferred tax		42,598,330
Profit after income tax		**204,526,268**
Net profit attributable to:		
Equity holders of the company		204,337,565
Non-controlling interest		188,702.17
Consolidated profit/ (loss)		**204,526,268**
Consolidated Earning Per Share (EPS)	29.01	**0.71**
Consolidated Earning Per Share (EPS)-Adjusted		**0.71**

Independent Director **Managing Director** **Chairman**

Head of Accounts **Company Secretary**

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Consolidated Statement of Changes in Equity
For the period ended 30 September 2020

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2020	3,240,125,000	706,500,525	1,401,961,746	5,348,587,271
15% Stock dividend			(422,625,000)	(422,625,000)
Net profit (after tax) transferred from statement of comprehensive income	-	-	204,526,268	204,526,268
Excess depreciation transfer to retained earnings	-	(2,256,934)	2,256,934	0
Balance as at 30 September 2019	**3,240,125,000**	**704,243,591**	**1,186,119,949**	**5,130,488,540**

Independent Director

Managing Director

Chairman

Head of Accounts

Company Secretary

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Consolidated Statement of Cash Flows
For the period ended 30 September 2020

Particulars	Amount in Taka 01 Jul 2020 to 30 Sep 2020
Cash flows from operating activities	
Cash received from customers	909,617,187
Payment for Cost and Expenses	(1,339,771,136)
Income tax payment	(7,985,621)
Net cash inflow/(outflow) from operating activities (A)	**(438,139,569)**
Cash flows from investing activities	
Acquisition of property, plant and equipment	(15,794,070)
Investment in FDR	(18,588,000)
Capital work in progress	(93,562,155)
Share money deposit	1,586,310,057
Investment in SSIL	(1,290,310,057)
Net cash inflow/(outflow) from investing activities (B)	**168,055,775**
Cash flows from financing activities	
Long term loan	(254,020,677)
Short term loan	629,050,834
Financial expenses	(77,796,989)
Net cash inflow/(outflow) from financing activities (C)	**297,233,167**
Net increase of cash and cash equivalents for the year (A+B+C)	27,149,373
Cash and cash equivalents at the beginning of the period	466,653,276
Cash and cash equivalents at the end of the period	**493,802,649**
Consolidated Net operating cash flow per share-NOCFPS (Note: 26.04)	**(1.53)**

Independent Director **Managing Director** **Chairman**

Head of Accounts **Company Secretary**

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED Authorized Signature

S. S. STEEL LIMITED
Statement of Financial Position
As at 30 September 2020

Particulars	Notes	Amount in Taka	
		30-Sep-2020	30-Jun-2020
Assets:			
Non current assets		**3,166,778,932**	**3,094,242,301**
Property, plant & equipments	4.00	2,813,273,921	2,834,299,445
Deposits	5.00	2,428,193	2,428,193
Capital work-in-progress	6.00	351,076,818	257,514,663
Current assets		**6,939,932,813**	**5,217,273,747**
Inventories	7.00	1,624,737,079	1,588,539,805
Trade and other receivables	8.00	1,988,637,634	1,751,600,936
Advances, deposits and prepayments	9.00	1,384,515,843	1,251,891,730
Cash and cash equivalents	10.00	493,144,200	466,653,276
Investment in SSIL	11.01	1,290,310,057	-
Investment	11.00	158,588,000	158,588,000
Total Assets		**10,106,711,745**	**8,311,516,048**
Shareholders' Equity & Liabilities:			
Shareholders' Equity		**5,111,618,323**	**4,925,962,271**
Share capital	12.02	3,240,125,000	2,817,500,000
Retained earnings	13.00	1,167,249,732	1,401,961,746
Revaluation surplus	14.00	704,243,591	706,500,525
Share money deposit		**403,000,000**	
Non current liabilities		**1,566,616,077**	**742,663,061**
Deferred tax liabilities	15.00	257,996,551	300,594,882
Non current portion of term loan	16.00	1,284,770,494	396,481,114
Finance lease obligation -non current portion	21.00	23,849,032	45,587,066
Current liabilities		**3,025,477,345**	**2,642,890,716**
Current portion of term loan	16.00	115,744,718	115,744,718
Trade and other payables	17.00	491,952,373	342,526,148
Accrued expenses	18.00	113,958,246	137,413,401
Short term loan	19.00	1,783,439,002	1,579,221,288
Finance lease obligation - current portion	21.00	12,638,908	12,974,283
Provision for WPPF and welfare fund	20.00	54,107,463	44,784,085
Provision for income tax	22.00	453,636,636	410,226,793
Total Equity and Liabilities		**10,106,711,745**	**8,311,516,048**
Net assets value per share (NAVPS) without revaluation	29.02	**16.75**	**15.40**
Net assets value per share (NAVPS) with revaluation	29.03	**19.20**	**18.33**

Independent Director

Managing Director

Chairman

Head of Accounts

Company Secretary

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 September 2020

Particulars	Notes	Amount in Taka	
		01 Jul 2020 to 30 Sep 2020	01 Jul 2019 to 30 Sep 2019
Revenue(Net of VAT)	23.00	1,052,877,138	1,177,347,949
Cost of goods sold	24.00	(736,368,308)	(787,270,816)
Gross profit		**316,508,829**	**390,077,133**
Administrative expenses	25.00	(22,152,676)	(25,231,582)
Selling and distribution expenses	26.00	(29,099,448)	(30,853,938)
Operating profit before financial expenses		**265,256,706**	**333,991,612**
Financial expenses	27.00	(72,179,455)	(66,730,861)
Profit before other income		**193,077,250**	**267,260,751**
Other income	28.00	2,713,692	2,638,114
Profit before WPPF and provision for income tax		**195,790,942**	**269,898,865**
Contribution to WPPF and welfare fund		(9,323,378)	(12,852,327)
Profit before income tax		**186,467,564**	**257,046,538**
Provision for income tax		(811,513)	(64,261,635)
Current tax		(43,409,843)	(63,428,858)
Deferred tax		42,598,330	(832,777)
Profit after income tax		**185,656,052**	**192,784,903**
Earning Per Share (EPS)	29.01	**0.65**	**0.79**
Earning Per Share (EPS)-Adjusted		**0.65**	**0.79**

Independent Director

Managing Director

Chairman

Head of Accounts

Company Secretary

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Statement of Cash Flows
For the period ended 30 September 2020

Particulars	Amount in Taka	
	01 Jul 2020 to 30 Sep 2020	01 Jul 2019 to 30 Sep 2019
Cash flows from operating activities		
Cash received from customers	832,545,291	1,117,373,228
Payment for Cost and Expenses	(821,730,105)	(1,077,013,689)
Income tax payment	(7,985,621)	(7,127,308)
Net cash inflow/(outflow) from operating activities (A)	**2,829,566**	**33,232,230**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(15,794,070)	(87,900)
Capital work in progress	(93,562,155)	(23,100,972)
Share money deposit	403,000,000	-
Investment in share	(1,290,310,057)	-
Net cash inflow/(outflow) from investing activities (B)	**(996,666,282)**	**(23,188,872)**
Cash flows from financing activities		
Long term loan	888,289,380	111,222,891
Short term loan	204,217,714	(14,814,573)
Financial expenses	(72,179,455)	(66,730,861)
Net cash inflow/(outflow) from financing activities (C)	**1,020,327,638**	**29,677,457**
Net increase of cash and cash equivalents for the year (A+B+C)	26,490,922	39,720,815
Cash and cash equivalents at the beginning of the period	466,653,276	518,266,505
Cash and cash equivalents at the end of the period	**493,144,200**	**557,987,322**
Net operating cash flow per share-NOCFPS (Note: 26.04)	**0.01**	**0.14**

Independent Director

Managing Director

Chairman

Head of Accounts

Company Secretary

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Statement of Changes in Equity
For the period ended 30 September 2020

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2020	2,817,500,000	706,500,525	1,401,961,746	4,925,962,271
15% Stock dividend	422,625,000		(422,625,000)	-
Net profit (after tax) transferred from statement of comprehensive income	-	-	185,656,052	185,656,052
Excess depreciation transfer to retained earnings	-	(2,256,934)	2,256,934	-
Balance as at 30 September 2019	**3,240,125,000**	**704,243,591**	**1,167,249,732**	**5,111,618,323**

For the period ended 30 September 2019

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2019	2,450,000,000	716,051,762	1,323,624,611	4,489,676,373
15% Stock dividend	367,500,000		(367,500,000)	-
Net profit (after tax) transferred from statement of comprehensive income		-	436,285,898	436,285,898
Excess depreciation transfer to retained earnings	-	(9,551,237)	9,551,237	-
Balance as at 30 September 2019	**2,817,500,000**	**706,500,525**	**1,401,961,746**	**4,925,962,271**

Independent Director | **Managing Director** | **Chairman**

Head of Accounts | **Company Secretary**

Place: Dhaka
Dated: 22 November 2020

S.S. STEEL LIMITED
Authorized Signature

S. S. STEEL LIMITED
Notes to the Financial Statements
As at and For the period ended 30 September 2020

1.00 The Company & It's Operations

1.01 Legal form of the Company

S. S. Steel Limited (hereinafter referred to as "the Company") was incorporated as private company limited by shares on 22 December 2001 under the Companies Act, 1994. Subsequently, S. S. Steel Limited company was converted from private limited company to public limited company on 15 December 2016. Also the company changed his name S. S. Steel Limited from S.S. Steel (Pvt.) Limited dated on 10th May 2018. The Company is listed with Dhaka Stock Exchange on 9 October 2018 as a publicly traded company. Trading of the shares of the company started from 17 January 2019.

1.02 Address of the Registered & Corporate Office

The registered office of the company is located at Pearl Trade Center, Cha - 90/3 Pragati Sarani North Badda, Dhaka-1212, Bangladesh and the factory is located at Plot-4, Block-B, Tongi Industrial Area, Tongi, Gazipur.

1.03 Nature of Business Activities

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 and Ingot. The Company produce M.S. Billets from scrap.

2.00 Summary of Significant Accounting & Valuation Principles

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direction method as prescribed by the Securities and Exchange Rules 1987.

On 14 December 2017, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards a Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning on or after 01 January 2018 and earlier application is permitted.

2.02 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act

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 Securities and Exchange Ordinance, 1969
F. The Securities and Exchange Rules, 1987
G. Securities and Exchange Commission Act, 1993
H. The Customs Act, 1969
I. Bangladesh Labour Law, 2006 .

2.03 Basis of Accounting

The financial statements of the company under reporting have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance and the disclosures of information made in accordance with the requirements of the companies Act, 1994 and IAS and IFRS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), The Financial Position and Statement of Profit or Loss and other Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles (GAAP) and practices in Bangladesh other applicable laws regulation and cash flow statement according to IAS-7 "Statement of Cash Flows"

2.04 Accounting Convention and Assumption:

The financial statements are prepared under the historical cost convention .

2.05 Accounting Records

The entity has been maintaining all the required books of accounts are necessary for the accounts.

S.S. STEEL LIMITED
Authorised Signature

2.06 Reporting period

The financial statements of the company cover from 01 July 2019 to 30 September 2019.

2.07 Principal 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 for preparation and presentation of financial statements. Financial statement have been prepared and presented in compliance with IAS-1 "Presentation of Financial Statement ". The previous period's figures were formulated accounting to the same accounting principles. Compared to the previous period, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, Changes made to the presentation are explained in the note for each respective item.

2.08 Functional and presentation currency

The financial statements are expressed in Bangladeshi Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest taka.

2.09 Use of estimates and judgments

The preparation of the financial statements requires 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 and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future years affected.

2.10 Going concern

The Company has adequate resources to continue its operation for foreseeable future, the financial statements have been prepared on going concern basis. As per Management's assessment there are no material uncertainties which may cast significant doubt upon the Company's ability to continue as going concern.

2.11 Comparative information

Comparative figures and account titles in the financial statements have been rearranged/reclassified and restated where necessary to conform with changes in presentation in the current year.

3.00 Significant Accounting Policies

3.01 Application of Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and requirement of IFRSs (International Financial Reporting Standards)as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh.

3.02 Property, plant and equipment

i) Recognition and Measurement

In compliance with IAS-16 (Property, Plant & Equipment) items of Property, Plant & Equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses,if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

ii) Capitalization of Borrowing Cost

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS-23: Borrowing Cost, allowed alternative treatment.

iii) 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 benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day to day maintaining cost on PPE are recognized and Statement of Profit or Loss and Other Comprehensive Income as incurred.

S.S. STEEL LIMITED
Authorized Signature

iv) Depreciation

No depreciation is charged on land and land development. Consistently, depreciation is provided on reducing balance method based on written down value at which the assets is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one. Each item of PPE is depreciated when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an assets ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized.

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate%
Land & Land Development	-
Factory Buildings	5%
Plant & Machinery	6%
Electric Equipment	10%
Generator	6%
Office Equipment	10%
Furniture & Fixtures	10%
Motor Vehicle	10%
Computer Software	25%

v) Revaluation of fixed assets

The company revalued its Land, Plant & machineries, Office building and Factory building on 13 October 2011 by Axis Resources Limited following the resolution of the Board of Directors on 12 December 2011 to make a reflection of the present value of those assets in the financial statements. The Company did not revalue its other assets as because the difference of present value and book value of such asset is insignificant. The company has again revalued its land & building by Ata Khan & Co. on 29 June 2016 in accordance with BAS 16.77. The details of Revalued assets have been shown in Note # 4.01.

vi) Retirements and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

vii) Impairment of assets

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

3.03 Capital-Work-in-Progress

Property, Plant and equipments under construction/acquisition is accounted for as capital-work-in-progress untill construction/acquisition is completed and measured at cost.

3.04 Inventories and consumables

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 25 and 28 of IAS-2. Cost including an appropriate portion of fixed and variable overhead expenses is assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

i)	Raw materials	at weighted average cost
ii)	Finished goods	at cost or net realizable value whichever is lower
iii)	Work-in-progress	at material cost plus conversion cost
iv)	Stores & Spares	at weighted average cost

3.05 Cash & Cash Equivalents

Cash & Cash Equivalents include cash in hand , cash at bank , term deposits which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

S.S STEEL LIMITED
Authorised Signature

3.06 Trade receivable

Receivables are carried at original invoice amount. This is considered good for collection and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

3.07 Creditors & Accrued Expenses

3.7.1 Trade & Other payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

3.7.2 Provision

The preparation of Financial statements in conformity with International Accounting Standards IAS-37 Provisions,Contingent liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts revenues and expenditures, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of financial statements

3.08 Revenue recognition

In compliance with the requirements of IAS 18 "Revenue", revenue is recognized only when:

i) The products are invoiced and dispatched to the customers;

ii) Interest income is accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.09 Taxation

Provision is made at the ruling rate, considering tax, applied on 'estimated' taxable profit as a "Public Limited Company".

i) Current income tax

Provision for taxation has been made as per rates prescribed in the Finance Act, 2019 and the Income Tax Ordinance, 1984 on profit made by the company. As per IAS-12 Income Tax Provision has been made during the year as the company earned taxable income.

ii) Deferred tax

Deferred Tax is recognized on difference between the carrying amount of assets and a liability in the financial statements and the corresponding tax based used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liability are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the profit will be available against which deductible temporary difference, unused tax loses or unused tax credits can be can be utilized. Considering the practices generally followed in Bangladesh the company has been recognized deferred tax liability in accordance with IAS-12 "Income Taxes."

3.10 Loans and borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the reporting date are classified as current liabilities whereas borrowings repayable after twelve months from the Statement of Financial Position date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

3.11 Foreign currency transaction / translation

Transactions in foreign currencies are translated into Bangladesh Taka at the Exchange rate prevailing on the date of transactions in accordance with IAS - 21 "The Effects of Changes in Foreign Exchange Rate." Monetary assets and liabilities in foreign currencies at the Statement of Financial Position date are translated into Bangladesh Taka at the rate of exchange prevailing at the Statement of Financial Position date. All exchange differences are recognized in the Statement of Comprehensive Income.

3.12 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, 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. In accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets are disclosed in the Notes to the financial statements.

3.13 Statement of cash flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by Securities and Exchange Rules, 1987.

S.S. STEEL LIMITED
Authorized Signature

3.14 Statement of Changes in Equity

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

3.15 Events after the reporting year

Events after the Reporting year that provide additional information about the Company's position at the reporting year or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the statement of financial position date that are not adjusting events are disclosed in the Notes when they are material.

3.16 Segment reporting

As there is a single business and geographic segment within which the company operates, as such, no segment reporting is felt necessary.

3.17 Borrowing cost

The company capitalizes borrowing cost for new project such as interest on term loan and other related fees/charges for the year till to commencement of commercial operation and charges the cost to revenue account as financial expenses after commencement of commercial operation.

3.18 Advertisement and promotional expenses

All cost associated with advertising and promotional activities are charged out in the period incurred.

3.18.1 Earnings Per Share (EPS)

Earnings Per Share (EPS) is calculated in accordance with the International Accounting Standards IAS-33 "Earnings Per Share".

3.18.2 Basic Earning

The presents earning for the period attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders.

3.18.3 Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the total number of ordinary shares outstanding during the period.

3.18.4 Diluted Earning per Share

No diluted EPS is required to be calculated for the period , as there was no scope for dilution duiring the period under review.

3.19 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statement" the complete set of Financial Statements includes the following components:

- Statement of Financial Position as at 30 September 2019
- Statement of Comprehensive Income for the period ended 30 September 2019
- Statement of Changes in Equity for the period ended 30 September 2019
- Statement of Cash Flows for the period ended 30 September 2019
- Notes to the Financial Statements

3.20 Related party transactions

The objective of IAS 24 'Related Party Disclosures' is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS 24] directly or indirectly through one or more intermediaries, controls is controlled by or is under common control with the entity has an interest in the entity that gives it significant influence over the entity that has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled jointly or significantly influenced by or for which significant voting power in such entity resides with directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

The Company transacts with related parties and recognize as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed.

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3.21 Financial expenses

Financial expenses comprise the interest on external borrowings and bank charges and are recognized as they accrue.

3.22 Operating Expenses

Operating expenses refers to the expenses incurred for the day-to-day operation of the company.

3.23 Employee benefits

a. Festival Bonus

The Company gives 02 festival bonus to its permanent employees in a year.

b. WPPF and welfare fund

This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labour (Amendments), 2013 and is payable to the workers as define in the said Law.

3.24 General

Wherever considered necessary , previous period's figures have been rearranged for the purpose of comparison. Figures appearing in Financial Statement have been rounded off to the nearest Taka.

3.25 Authorization date for issuing Financial Statements

The Financial Statements were authorized by the Board of Directors on 20.11.2019 for issue after completion of review.

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	Amount in Taka	
	30-Sep-2020	30-Jun-2020
4.00 Property, plant & equipments		
Cost		
Opening balance	3,678,568,812	3,535,717,080
Addition during the period	15,794,070	142,851,732
Total Cost	**3,694,362,882**	**3,678,568,812**
Accumulated depreciation		
Opening balance	844,269,367	691,023,941
Depreciation for the period	36,819,594	153,245,426
Total depreciation	**881,088,961**	**844,269,367**
Written down value (WDV)	**2,813,273,921**	**2,834,299,445**

Detail of fixed assets and depreciation are shown in the "Annexure - A"

4.A Consolidated Property, plant & equipments		
Mother Company	2,813,273,921	2,834,299,445
Subsidiary Company	1,029,278,503	-
Total	**3,842,552,424**	**2,834,299,445**

4.01 Revaluation

The company revalued its Land, Plant & machineries, Office building and Factory building on 13 October 2011 by Axis Resources Limited following the resolution of the Board of Directors on 12 December 2011 to make a reflection of the present value of those assets in the financial statements. The Company did not revalue its other assets as because the difference of present value and book value of such asset is insignificant. The company has revalued further of its land & building on 29 June 2016. Details of the revaluation of the assets are given below:

Amount in Taka

Particulars	Net Book Value as on 30 June 2016	Revalued Amount	(Impairment)	Revaluation Surplus
Land & land development	454,361,954	742,500,000	-	288,138,046
Factory & civil construction	145,824,528	261,466,595	-	115,642,067
	600,186,482	**1,003,966,595**	**-**	**403,780,113**

	Amount in Taka	
	30-Sep-2020	30-Jun-2019
5.00 Long term deposits		
Bangladesh Oxygen Company Ltd	10,451	10,451
Dhaka Electric Supply Company Ltd	2,411,242	2,411,242
Grameen Phone Ltd.	6,500	6,500
	2,428,193	2,428,193
6.00 Capital work-in-progress		
Openning balance	257,514,663	76,393,717
Addition during the period	93,562,155	181,120,946
	351,076,818	257,514,663
Adjustment during the period	-	-
Closing balance	**351,076,818**	**257,514,663**
6.A Consolidated capital work-in-progress		
Mother Company	351,076,818	-
Subsidiary Company	-	-
Total	**351,076,818**	**-**
7.00 Inventories		
Stores & spares	136,765,861	122,164,252

STEEL LIMITED S.S

Raw materials-scrap	845,255,774	832,583,749
Raw materials -chemicals	37,005,545	31,868,585
Work- in -process	170,221,836	167,471,004
Finished goods	435,488,063	434,452,215
Total	**1,624,737,079**	**1,588,539,805**

7.A Consolidated inventories

Mother Company	1,624,737,079	1,588,539,805
Subsidiary Company	277,096,892	-
Total	**1,901,833,971**	**1,588,539,805**

8.00 Trade and other receivables

Opening balance	1,751,600,936	1,918,692,709
Additions during the period	1,066,868,298	3,766,287,703
	2,818,469,233	**5,684,980,412**
Realized during the period	(829,831,599)	(3,933,379,476)
Closing balance	**1,988,637,634**	**1,751,600,936**

8.A Consolidated trade and other receivables

Mother Company	1,988,637,634	1,751,600,936
Subsidiary Company	152,844,871	-
Total	**2,141,482,505**	**1,751,600,936**

Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. These are carried at invoice amount. All receivables have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.

		Amount in Taka	
		30-Sep-2020	**30-Jun-2020**
9.00 Advances, deposits and prepayments			
Advances	(Note 8.01)	1,360,526,210	1,227,902,097
Deposits	(Note 8.02)	23,989,633	23,989,633
		1,384,515,843	**1,251,891,730**

9.A Consolidated advances, deposits and prepayments

Mother Company	1,384,515,843	1,251,891,730
Subsidiary Company	430,906,570	-
Total	**1,815,422,413**	**1,251,891,730**

9.01 Advances

L/C margin		178,965,221	152,452,064
Advance income tax	(Note 8.01.1)	149,920,456	141,934,835
Advance against salary		1,055,617	1,176,176
Advance against purchase		1,030,584,916	932,339,023
		1,360,526,210	**1,227,902,097**

9.01.1 Advance income tax

Opening Balance	141,934,835	117,064,962
Addition during the period	7,985,621	24,869,873
	149,920,456	**141,934,835**
Adjustment during the period	-	-
Closing balance	**149,920,456**	**141,934,835**

S.S STEEL LIMITED

9.02 Deposits

Titas Gas Transmission & Distribution Ltd	23,989,633	23,989,633
	23,989,633	**23,989,633**

10.00 Cash and cash equivalents

Cash in hand		14,639,753	5,563,422
Cash at bank	(Note 9.01)	19,980,919	8,240,520
Fixed Deposit Receipt (FDR)	(Note 9.02)	458,523,529	452,849,334
		493,144,200	**466,653,276**

10.A Consolidated cash and cash equivalents

Mother Company	493,144,200	466,653,276
Subsidiary Company	658,449	-
Total	**493,802,649**	**466,653,276**

Cash balance was physically verified by the management and Bank balances are reconciled and found in order.

10.01 Cash at bank

Bank Name	Branch	A/C No.	Amount in Taka 30-Sep-2020	Amount in Taka 30-Jun-2020
Mercantile Bank Ltd.	Motijeel	011913100000158	7,086	417,866
Southeast Bank Ltd.	Banani	0011100005538	311,592	11,592
Southeast Bank Ltd.	New Elephant Road	0011100011066	15,033	6,561
Eastern Bank Ltd.	Gulshan	1041070005302	1,296,847	12,222
Jamuna Bank Ltd.	Gulshan	0100210006945	9,969	38,057
Bank Asia Ltd.	Principal Office	0000333007355	5,953,601	9,163
Brac Bank Ltd.	Graphics Building	1513203842315001	78,874	11,213
Brac Bank Ltd.	Gulshan	1501203842315001		6,096,384
Exim Bank Ltd.	Uttara	01511100008217	973,463	6,376
Islami bank Bangladesh Ltd.	Tongi	20502160100337413	-	-
Islami bank Bangladesh Ltd.	Badda	20503100100131703	658,963	264,045
Dhaka Bank Ltd.	Uttara	2041000013173	25,242	14,017
One bank Ltd.	Principal	0010016432008	9,366	10,916
City Bank Ltd.	Gulshan Avenue	1101795924001	(7,054,647)	531,454
City Bank Ltd.	Gulshan	1101098282001	7,977	7,977
Dutch Bangla Bank Ltd.	Tongi	1791100011457	32,580	16,600
Pubali Bank Ltd.	Tongi	0080901056170	3,011,003	14,448
Shahajalal Islami Bank Ltd.	Gulshan South Avenue	403011100000952	7,058	5,318
Social Islami Bank Ltd.	Tongi	0741330001663	4,041	11,741
AB Bank Ltd.	Uttara	4020763216000	8,712	38,962
Agrani Bank Ltd.	Banani Corporate	0200012665818	12,420	10,420
Al Arafa Islami Bank Ltd.	Tongi	1311020001728	16,214	22,664
Al Arafa Islami Bank Ltd.	Pragati Sarani	0451220001354	12,252	21,176
NCC Bank Ltd.	Motijeel	0020210023819	1,220,051	8,946
NCC Bank Ltd.	Tongi	0800210000063	18,290	18,290
National Bank Ltd.	Banani		10,175,196	
National Bank Ltd.	Uttara	1068001635950	817,178	6,588
National Bank Ltd.	Banani	1106001971487	86	1,311
NRB Commercial Bank Ltd.	Gulshan	010236000000052	702,441	10,325
NRB Commercial Bank Ltd.	Uttara	010836000000037	33,635	33,635
United Commercial Bank Ltd.	Uttara	0832101000005604	8,597	5,267
Mutual Trust Bank Ltd.	Uttara Model Town	0070320000532	6,252	259,433
Southeast Bank Ltd.	Banani	0013100001396	246,467	246,467
Trust Bank Ltd.	Millenium Corporate	70220212001135	55,118	31,550
Trust Bank Ltd.	Tongi	00420210001817	6,378	6,378
Prime Bank Ltd.	Garib-e-Newaz Ave.	2170119003010	549,318	10,644
Dutch Bangla Bank Ltd.	Pragati Sarani	1931100019057	744,269	22,517
Total			**19,980,919**	**8,240,520**

S.S. STEEL LIMITED

10.02 Short term investment (FDR)

Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	30-Sep-2020	30-Jun-2020
					Amount in Taka	
Bank Asia Ltd.	Principle	3 Months	6%	355019718	36,390,776	35,906,044
Bank Asia Ltd.	Principle	3 Months	6%	355019784	23,903,438	23,585,040
Bank Asia Ltd.	Principle	3 Months	7%	355019931	59,234,398	58,445,385
Bank Asia Ltd.	Principle	3 Months	6%	355021075	25,337,500	25,000,000
Bank Asia Ltd.	Principle	3 Months	6%	355021076	25,337,500	25,000,000
Bank Asia Ltd.	Principle	3 Months	6%	355021077	25,337,500	25,000,000
National Bank Ltd.	Principle	3 Months	6%	355021079	25,337,500	25,000,000
Trust Bank Limited.	Banani	3 Months	6%	6002236568	23,832,611	23,832,611
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330669659	160,989,860	158,845,450
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330670370	26,411,223	26,117,402
	Gulshan Corporate	3 Months	5%	330670389	26,411,223	26,117,402
Total					**458,523,529**	**452,849,334**

11.00 Investment (FDR)

Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	30-Sep-2020	30-Jun-2020
					Amount in Taka	
Bank Asia Ltd.	Principle	1 Year	8%	355020434	30,000,000	30,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020436	10,000,000	10,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020437	15,000,000	15,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020438	10,000,000	10,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020439	10,000,000	10,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020440	10,000,000	10,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020445	20,000,000	20,000,000
	Principle	1 Year	8%	355020477	53,588,000	53,588,000
Total					**158,588,000**	**158,588,000**

11.A Consolidated investment (FDR)

Mother Company	158,588,000	-
Subsidiary Company	18,588,000	-
Total	**177,176,000**	-

11.01 Investment in Saleh Steel Industries Limited

	1,290,310,057.27	-
	1,290,310,057.27	-

Amount in Taka	
30-Sep-2020	30-Jun-2020

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12.00 Share capital

12.01 Authorized capital

300,000,000 Ordinary Shares of Tk 10 each	**3,000,000,000**	**3,000,000,000**

12.02 Issued, subscribed and paid-up capital

245,000,000 Ordinary Shares of Tk 10 each	2,817,500,000	2,450,000,000
15% Stock Dividend in 2018-2019 Respectively	422,625,000	367,500,000
	3,240,125,000	**2,817,500,000**

12.02.01 Details of Issued, subscribed and paid-up capital

SL. No.	Particulars	Date	No. of Share	Amount in Taka	Amount in Taka
1	Subscription to the Memorandum & Articles of Association at the time of incorporation	22.12.2001	2,000,000	20,000,000	20,000,000
2	Share issued	29.09.2013	4,700,000	47,000,000	47,000,000
3	Bonuse share issued	04.04.2014	3,250,000	32,500,000	32,500,000
4	Share issued	23.02.2016	1,000	10,000	10,000
5	Share issued	28.06.2016	210,049,000	2,100,490,000	2,100,490,000
6	IPO allotment	29.11.2018	25,000,000	250,000,000	250,000,000
7	Bonuse share issued	31.12.2019	36,750,000	367,500,000	-
Total			**281,750,000**	**2,817,500,000**	**2,450,000,000**

12.03 Position of shares holding as at 30 September 2020

Group Name	Number of Shareholders	Ownership (%)	Number of Shares	Taka
All Investors A/C	3	1.581%	4,453,295	44,532,950
Company	267	18.364%	51,740,879	517,408,790
Foreign company	4	0.011%	31,028	310,280
General Public	13455	47.679%	134,334,559	1,343,345,590
Non resident bangladeshi	147	0.037%	104,489	1,044,890
Sponsor /Director	3	32.329%	91,085,750	910,857,500
	13,879.00	**100%**	**281,750,000**	**2,817,500,000**

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Distribution schedule of the shares as at 30 September 2020 is given below:

Slabs by number of shares	Shareholders 30 Sep 2020	No of Shares	Ownership (%)
1-500	3622	851,349	0.302%
501 - 5000	7001	12,515,002	4.442%
5,001 - 10,000	1396	10,841,397	3.848%
10,001 - 20,000	904	13,368,987	4.745%
20,001 - 30,000	362	9,115,914	3.235%
30,001 - 40,000	178	6,345,924	2.252%
40,001 - 50,000	103	4,778,153	1.696%
50,001 - 100,000	176	12,656,291	4.492%
100001 - 1000000	114	24,279,665	8.617%
1000001 - 1000000000	23	186,997,318	66.370%
Total	**13879**	**281,750,000**	**100%**

	Amount in Taka	
	30-Sep-2020	**30-Jun-2020**
13.00 Retained earnings		
Opening balance	1,401,961,746	1,323,624,611
Transferred from revaluation surplus through use of assets (depreciation)	2,256,934	9,551,237
Net profit during the period	185,656,052	436,285,898
Less: 15% Stock Dividend	(422,625,000)	(367,500,000)
Closing balance	**1,167,249,732**	**1,401,961,746**
13.A Consolidated retained earnings		
Mother Company	1,167,249,732	
Subsidiary Company	18,681,515	
	1,185,931,247	
Non controlling interest	188,702	
Total	**1,186,119,949**	
14.00 Revaluation surplus		
Opening balance	706,500,525	716,051,762
Depreciation charged during the period	(2,256,934)	(9,551,237)
Closing balance	**704,243,591**	**706,500,525**

This transfer of revaluation was made in accordance with paragraph 39 of BAS 16 as the said amount of revaluation surplus has been accumulated in equity under the heading of revaluation surplus. Calculation of the amount is given in ***Annexure-A.***

15.00 Deferred tax liabilities

Deferred tax is recognized in accordance with the provision of BAS -12 "Income Taxes" is arrived as follows:

Opening balance	300,594,882	282,825,171
Add: Amount provided for the period	(42,598,330)	17,769,711
Closing balance	**257,996,551**	**300,594,882**

	Accounting Base	Tax Base	Temporary Differences
Property plant & equipments			
Carrying Value as at 30 September 2020	1,976,235,223	1,108,152,897	868,082,325
Revaluation surplus (excluding land)	163,903,879	-	163,903,879
Total	**2,140,139,102**	**1,108,152,897**	**1,031,986,204**
Applicable tax rate			25%
Deferred tax liability/(assets)			**257,996,551**
Carrying Value as at 30 June 2020	1,995,003,813	958,785,099	1,036,218,714
Revaluation surplus (excluding land)	166,160,814	-	166,160,814
Total	**2,161,164,626**	**958,785,099**	**1,202,379,527**
Applicable tax rate			25%
Deferred tax liabilities			**300,594,882**

As per IAS-16 " Property, Plant and Equipment" deferred tax has been calculated for revaluation surplus. Deferred tax has been arranged on the basis of balance sheet liability method.

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	Amount in Taka	
	30-Sep-2020	30-Jun-2020
16.00 Term loan		
Bank Asia Ltd, A/C-00335017418 (Note- 15.01)	203,229,056	213,719,611
Infrastructure Development Finance Compnay Ltd (Note 15.02)	715,127	898,765
Bank Asia Ltd, A/C 18310 (Note- 15.03)	33,102,473	33,338,830
IDLC Finance Limited (Note -15.04)	58,466,929	60,431,974
Hajj Finance, A/C 0698 (Note- 15.05)	42,983,569	41,846,247
Bank Asia Ltd, A/C 20926 (Note- 15.06)	831	2,912,961
Trust Bank Ltd, A/C 2414 (Note- 15.07)	94,216,101	92,097,850
Trust Bank Ltd, A/C 2423 (Note- 15.08)	70,712,494	66,979,593
Brac Bank Limited (Note-15.09)	461,329,597	-
City Bank Limited (Note-15.10)	435,759,036	-
Total	**1,400,515,212**	**512,225,832**
16.A Consolidated term loan		
Mother Company	1,400,515,212	512,225,832
Subsidiary Company	3,154,217	-
Total	**1,403,669,429**	**512,225,832**
Current portion of term loan	115,744,718	115,744,718
Non-current portion of term loan	1,284,770,494	396,481,114
16.01 Bank Asia Ltd, A/C-00335017418		
Opening balance	213,719,611	272,888,959
Interest charged during the period	4,664,445	26,655,030
	218,384,056	**299,543,989**
Payment during the period	(15,155,000)	(85,824,378)
Closing balance	**203,229,056**	**213,719,611**
Current portion of term loan	59,169,348	59,169,348
Non-current portion of term loan	144,059,709	154,550,264

Limit amount	:	Tk 490,000,000
Purpose	:	For Restructuring of Plant & Machinery.
Sanction date	:	25-May-2016
Interest rate	:	10.5%
Security	:	Hypothection of machineries & equipments. Insurance policy covering the risk of MBD covering the book value. One post dated cheques covering the monthly installment to be submitted.
Tenure	:	5 years

16.02 Infrastructure Development Finance Compnay Ltd.		
Opening Balance	898,765	1,493,172
Interest charged during the period	25,777	243,253
	924,542	**1,736,425**
Payment during the period	(209,415)	(837,660)
Closing Balance	**715,127**	**898,765**
Current portion of term loan	209,415	342,976
Non current portion of term loan	505,712	555,789

Limit amount	:	Tk 3,000,000
Purpose	:	Toyata Axio, Chassis No: NZE141-6179814,NZE141-3018975, Engine No:1NZ-D827596,1NZ-E027766, Color: Silver,White. Model: 2011,2012
Sanction date	:	12/Jun/2016
Interest rate	:	14.0%
Security	:	Personal guarantee of all the directors of the company.1 Security cheque for advance of BDT 69,805/-(equivalent to 1 lease rental). Registration and insurance of vehicles in the name of IIDFC.Promissory note with continuation.
Tenure	:	5 years

16.03 Bank Asia Ltd, A/C-18310		
Opening balance	33,338,830	38,185,127
Loan received during the period	-	-
Interest charged during the period	763,643	3,842,171

STEEL LIMITED S.S

Payment during the period	**34,102,473**	**42,027,297**
Closing Balance	(1,000,000)	(8,688,467)
	33,102,473	**33,338,830**
Current portion of term loan		5,390,615
Non current portion of term loan	33,102,473	27,948,215

Limit amount	:	Tk 50,000,000
Purpose	:	For install Sub-Station, plant, steel fabrication, electrical work, and setup charge of induction furnace, installation charge etc.
Sanction date	:	27-Jul-17
Interest rate	:	9.5%
Security	:	Counter guarantee/ indemnity of the customer. 01 (one) post dated cheque covering the loan amountand 06 (six) nos. post dated cheques covering the monthly installment.
Tenure	:	5 years

16.04 IDLC Finance Limited

Opening balance	60,431,974	65,020,722
Loan received during the period	-	-
Interest charged during the period	587,817	7,752,483
	61,019,791	**72,773,205**
Payment during the period	(2,552,862)	(12,341,231)
Closing Balance	**58,466,929**	**60,431,974**

	Amount in Taka	
	30-Sep-2020	**30-Jun-2020**
Current portion of term loan	2,552,862	9,116,260
Non current portion of term loan	55,914,067	51,315,713

Limit amount	:	Tk 94,700,000
Purpose	:	Car loan and Civil construction cost of ongoing project expansion.
Sanction date	:	24 November 2015, 06 December 2015, 12 April 2015, 04 January 2017
Interest rate	:	12.75%, 12.75%, 14.50%, 12.00%
Security	:	Personal guarantee of all the directors of the company.1 Security cheque for advance of equivalent to 1 lease rental. Registration and insurance of vehicles in the name of IDLC.Promissory note with continuation.
Tenure	:	5 Years

16.05 Hajj Finance, A/C 0698

Opening balance	41,846,247	44,778,204
Loan received during the period	-	-
Interest charged during the period	1,137,321	5,862,109
	42,983,569	**50,640,313**
Payment during the period	-	(8,794,066)
Closing Balance	**42,983,569**	**41,846,247**
Current portion of term loan	7,051,121	7,051,121
Non current portion of term loan	35,932,447	34,795,126

Limit amount	:	Tk. 50,000,000
Purpose	:	Procurement of different types of capital machineries
Sanction date	:	15 May, 2018
Interest rate	:	14%
Security	:	Primary Securites: The ownership of the proposed machineries will be in the name of HFCL as leased asset and a Letter of Repossession will be provided by the client to repossess the asset by HFCL in case of default. Other Security: Personal Guarantee of all directors of S.S. Steel Limited.
Tenure	:	5 Years

16.06 Bank Asia Ltd, A/C 20926

	Amount in Taka	
	30-Jun-2020	**30-Jun-2019**
Opening balance	2,912,961	-
Loan received during the year	-	79,120,000
Interest charged during the year	731	4,342,961
	2,913,692	**83,462,961**
Payment during the year	(2,912,861)	(80,550,000)
Closing balance	**831**	**2,912,961**
Current portion of term loan	-	-
Non-current portion of term loan	831	582,592
	-	2,330,369

16.07 Trust Bank Ltd, A/C 2414

S.S. STEEL LIMITED

	Opening balance	92,097,850	-
	Loan received during the year	-	90,173,333
	Interest charged during the year	2,118,251	3,339,222
		94,216,101	**93,512,555**
	Payment during the year	-	(1,414,705)
	Closing balance	**94,216,101**	**92,097,850**
		-	-
	Current portion of term loan	18,282,452	18,282,452
	Non-current portion of term loan	73,129,806	73,815,398
16.08	**Trust Bank Ltd, A/C 2423**		
	Opening balance	66,979,593	-
	Loan received during the year	-	64,602,163
	Interest charged during the year	1,599,772	4,510,559
		68,579,365	**69,112,722**
	Payment during the year	2,133,129	(2,133,129)
	Closing balance	**70,712,494**	**66,979,593**
		-	-
	Current portion of term loan	13,395,919	13,395,919
	Non-current portion of term loan	53,583,675	53,583,675
16.09	**Brac Bank Limited**		
	Opening balance	-	-
	Loan received during the year	453,729,626	-
	Interest charged during the year	7,599,971	-
		461,329,597	-
	Payment during the year	-	-
	Closing balance	**461,329,597**	-
		-	-
	Current portion of term loan	-	-
	Non-current portion of term loan	-	-
16.10	**City Bank Limited**		
	Opening balance	-	-
	Loan received during the year	428,580,316	-
	Interest charged during the year	7,178,720	-
		435,759,036	-
	Payment during the year	-	-
	Closing balance	**435,759,036**	-
		-	-
	Current portion of term loan	-	-
	Non-current portion of term loan	-	-
17.00	**Trade and other payables**		
	Opening balance	342,526,148	374,188,226
	Addition during the period	650,325,254	2,171,735,432
		992,851,402	**2,545,923,658**
	Payment during the period	(4,778,632)	(2,203,776,692)
	Other payable	(496,120,397)	379,182
	Closing balance	**491,952,373**	**342,526,148**
17.A	**Consolidated trade and other payables**		
	Mother Company	491,952,373	342,526,148
	Subsidiary Company	264,652,344	-
	Total	**756,604,716**	**342,526,148**
18.00	**Accrued expenses**		
	Salary & wages	14,000,816	14,000,816
	Electric bill	20,730,990	29,777,386
	Gas bill	78,606,440	93,015,199
	Professional fees payable	620,000	620,000
		113,958,246	**137,413,401**
18.A	**Consolidated accrued expenses**		
	Mother Company	-	-
	Subsidiary Company	-	-
	Total	-	-
19.00	**Short term loan**		
	Bank Overdraft (Note-18.01)	1,020,717,053	1,025,488,266

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Demand Loan (Bank Asia Limited)	(Note-18.02)	715,657,811	506,535,489
Short Term Loan(Bank Asia Ltd,A/C19065 & 19066)	(Note-18.03)	47,064,138	47,197,533
		1,783,439,002	**1,579,221,288**

19.A Consolidated short term loan

Mother Company	1,783,439,002	-
Subsidiary Company	424,833,120	-
Total	**2,208,272,122**	-

19.01 Bank Overdraft

Bank Asia Limited, Principal Office Branch -Overdraft	460,317,881	453,357,254
National Bank Ltd-Overdraft	256,223,303	269,145,455
Bank Asia Ltd.-SOD	150,651,761	148,353,834
Trust Bank Ltd.-SOD	153,524,108	154,631,723
	1,020,717,053	**1,025,488,266**

19.02 Demand Loan (Bank Asia Limited)

Opening balance	506,535,489	510,339,456
Loan received during the period	370,131,000	1,215,490,735
Interest charged during the period	16,112,954	51,581,078
	892,779,443	**1,777,411,270**
Payment during the period	(177,121,632)	(1,270,875,781)
Closing balance	**715,657,811**	**506,535,489**

		Amount in Taka	
		30-Sep-2020	**30-Jun-2020**
19.03 Short Term Loan			
Bank Asia Ltd, A/C 19065	(Note-18.03.01)	47,064,138	47,197,533
Bank Asia Ltd, A/C-19066	(Note-18.03.02)	-	-
		47,064,138	**47,197,533**

19.03.01 Bank Asia Ltd, A/C 19065

Opening balance	47,197,533	52,149,671
Loan received during the period	-	-
Interest charged during the period	1,081,605	5,152,763
	48,279,138	**57,302,434**
Payment during the period	(1,215,000)	(10,104,901)
Closing balance	**47,064,138**	**47,197,533**

Limit amount	:	Tk. 58,000,000
Purpose	:	To retire L/C related shipping documents mentioned in Sl. No.'F'.
Sanction date	:	1-Jan-2017
Interest rate	:	10.50%
Security	:	Lease agreement, Sole ownership of the leased hold machine. Insurance policy covering the risk of fire and RSD.
Tenure	:	1 Year

19.03.02 Bank Asia Ltd, A/C-19066

Opening balance	-	20,688,254
Loan received during the period	-	-
Interest charged during the period		495,604
	-	**21,183,858**
Payment during the period		(21,183,858)
Closing balance	-	-

Limit amount	:	Tk. 100,000,000
Purpose	:	To reduce overdraft liability gradually in order to ensure operation.
Sanction date	:	1-Jan-2017
Interest rate	:	10.50%
Security	:	One post dated cheque covering the loan amount and six nos. post deted cheques covering the monthly installment.
Tenure	:	1 Year

20.00 Provision for WPPF and welfare fund

Opening balance	44,784,085	70,606,076
Contribution to WPPF and Welfare Fund	9,323,378	29,472,566
Interest applied @ 8.5%	-	1,200,303
Payment during the year	-	(63,555,469)
Received during year	-	7,060,608
Closing balance	**54,107,463**	**44,784,085**

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Interest has been charged at 2.5% higher than the bank rate for utilizing the balance of Fund by the company as per section 240 of The Labour Act, 2006 as amended in 2013.

20.A Provision for WPPF and welfare fund

Mother Company	54,107,463	-
Subsidiary Company	1,432,275	-
Total	**55,539,738**	**-**

21.00 Leases

i. Right-of-use assets

Name of assets	Cost				Depreciation	Carrying amount
	As on 01 July 2020	Addition during the year	Disposal during the year	As on 30 September 2020	Depreciation	Carring amount
Warehouse						

	30-Sep-2020	30-Jun-2020
ii. Lease liability maturity analysis		
Lease liability non current	23,849,032	45,587,066
Lease liability current portion	12,638,908	12,974,283
	36,487,940	58,561,349

	30-Sep-2020	30-Jun-2020
iii. Amount recognised in profit or loss		
Interest on lease liability	1,188,429	4,753,715

	30-Sep-2020	30-Jun-2020
iv. Amount recognised in statement of cash flow		
Capital expendiature at right of use of asset		73,777,653
Less: Lease liability		(58,561,349)
Add: Interest paid during the	1,188,429	4,753,715.00
Total cash outflow for lease	1,188,429	19,970,019.00

v. Allocation of depreciaition of ROU Asset		
Factory Overhead	Note 23.04	23,255,310.03
Administrative Expenses	Note 24.00	2,583,923.34
		25,839,233.37

22.00 Provision for income tax		
Opening balance	410,226,793	274,831,079
Provision made during the period	43,409,843	135,395,714
	453,636,636	**410,226,793**
Payment/adjustment during the period	-	-
Closing balance	**453,636,636**	**410,226,793**

22.A Consolidated provision for income tax		
Mother Company	453,636,636	-
Subsidiary Company	9,775,273	-
Total	**463,411,909**	**-**

	Amount in Taka	
	01 Jul 2020 to 30 Sep 2020	**01 Jul 2019 to 30 Sep 2019**
23.00 Revenue(Net of VAT)		
Sales	1,066,868,298	1,194,845,109
Less: VAT	13,991,160	17,497,160
	1,052,877,138	**1,177,347,949**
23.A Consolidated revenue(Net of VAT)		
Mother Company	1,052,877,138	-
Subsidiary Company	229,916,767	-

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	Total	**1,282,793,905**	-

24.00 Cost of goods sold

Raw materials consumed (Note-21.01, 21.02 & 21.03)	587,573,871	626,822,429
Carriage inwards	7,081,947	9,228,354
Salary, wages and allowances	29,569,699	28,646,078
Factory overhead (Note 21.04)	115,929,471	122,053,119
Cost of Production	**740,154,988**	**786,749,981**
Opening work-in-process	167,471,004	178,138,295
Closing work-in-process	(170,221,836)	(175,238,623)
Cost of goods manufactured	**737,404,156**	**789,649,653**
Opening finished goods	434,452,215	261,366,476
Cost of goods available for sale	**1,171,856,371**	**1,051,016,129**
Closing finished goods	(435,488,063)	(263,745,313)
	736,368,308	**787,270,816**

24.A Consolidated cost of goods sold

Mother Company	736,368,308	-
Subsidiary Company	183,826,856	-
Total	**920,195,164**	-

	Amount in Taka	
	01 Jul 2020 to 30 Sep 2020	**01 Jul 2019 to 30 Sep 2019**
24.01 Raw materials (scrap) consumed		
Opening inventory	832,583,749	798,679,382
Purchase during the period	512,514,644	534,353,986
Total materials available	1,345,098,393	1,333,033,368
Closing Inventory	(845,255,774)	(798,596,585)
	499,842,619	**534,436,783**
24.02 Raw materials (billet) consumed		
Purchase during the period	73,942,591	77,306,971
	73,942,591	**77,306,971**
24.03 Raw materials (chemicals) consumed		
Opening inventory	31,868,585	14,667,745
Purchase during the period	18,925,621	18,342,211
Total materials available	50,794,206	33,009,956
Closing Inventory	(37,005,545)	(17,931,281)
	13,788,661	**15,078,675**
24.04 Factory overheads		
Depreciation	33,137,635	38,556,759
Insurance premium	1,124,523	1,102,369
Gas Bill	44,458,795	44,314,570
Electricity	15,265,483	15,093,391
Fuel & lubricants	1,099,856	1,177,485
Repair & maintenance	3,751,011	3,773,165
Stores & spare parts consumed *(Note 23.05)*	12,240,705	13,192,646
Cylinder gas & oxygen	975,812	980,560
Labour charges	3,875,651	3,862,174
	115,929,471	**122,053,119**
24.05 Stores & spare parts consumed		
Opening inventory	117,058,270	98,821,318
Purchase during the period	31,948,296	31,429,598
Total spare parts available	149,006,566	130,250,916
Closing inventory	(136,765,861)	(117,058,270)
	12,240,705	**13,192,646**
25.00 Administrative expenses		
Salaries & wages	8,557,817	7,892,504
Car maintenance	696,452	413,925
Conveyance & allowances	46,310	97,985
Postage & couriers	6,899	7,325
Renewal & registration	16,675	99,975
Rent, Rates & Taxes	2,068,481	2,000,000
Legal fees & other professional charges	948,999	400,000
Printing & stationery	84,585	114,652
Audit fee	80,000	69,000

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Earning Per Share (EPS)-Adjusted	0.71	-

		Amount in Taka	
		30-Sep-2020	30-Jun-2020
29.02	**Net asset value per share (NAV) without valuation**		
	Net assets value per share		
	Total assets	9,402,468,155	6,962,223,289
	Liabilities	(4,592,093,423)	(3,188,598,677)
	Net Asset Value (NAV)	4,810,374,732	3,773,624,612
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
	Net assets value per share before revaluation	**16.75**	**15.40**
29.02A	**Consolidated net asset value per share (NAV) without valuation**		
	Net assets value per share		
	Total assets	10,125,185,600	
	Liabilities	(5,295,940,651)	
	Net Asset Value (NAV)	4,829,244,949	
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	-
	Net assets value per share before revaluation	**16.82**	**-**
29.03	**Net asset value per share (NAV) with valuation**		
	Net assets value per share		
	Total assets	10,106,711,745	7,678,275,050
	Liabilities	(4,592,093,423)	(3,188,598,677)
	Net Asset Value (NAV)	5,514,618,323	4,489,676,374
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
	Net assets value per share after revaluation	**19.20**	**18.33**
29.03A	**Consolidated net asset value per share (NAV) with valuation**		
	Net assets value per share		
	Total assets	10,829,429,191	-
	Liabilities	(5,295,940,651)	-
	Net Asset Value (NAV)	5,533,488,540	-
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	-
	Net assets value per share after revaluation	**19.27**	**-**

		Amount in Taka	
		01 Jul 2020 to 30 Sep 2020	01 Jul 2019 to 30 Sep 2019
29.04	**Net operating cash flow per share (NOCFPS)**		
	Net operating cash flows (from statement of cash flows)	2,829,566	33,232,230
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
	Net operating cash flows per share	**0.01**	**0.14**
29.04A	**Consolidated net operating cash flow per share (NOCFPS)**		
	Net operating cash flows (from statement of cash flows)	(438,139,569)	-
	Number of ordinary shares outstanding as on 30 September 2020	287,150,000	-
	Net operating cash flows per share	**(1.53)**	**-**

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Entertainment	117,083	435,424
Telephone & communication	328,900	355,075
Traveling & conveyance	182,887	6,450
Business promotion	4,209,425	8,461,887
Office maintenance	1,126,203	593,296
Depreciation - Annexure-A	3,681,959	4,284,084
	22,152,676	**25,231,582**

25.A Consolidated administrative expenses

Mother Company	22,152,676	-
Subsidiary Company	7,361,783	-
Total	**29,514,459**	**-**

26.00 Selling and distribution expenses

Advertisement	75,895	510,800
Travelling & conveyance	63,035	149,189
Discount & commission	3,612,595	2,932,447
Salary & allowances	7,840,423	7,633,737
Entertainment	80,555	221,641
Labour	2,597,856	2,066,258
Warehouse expenses	-	7,034,172
Truck maintenance & delivery expenses	14,829,089	10,305,694
	29,099,448	**30,853,938**

26.A Consolidated selling and distribution expenses

Mother Company	29,099,448	-
Subsidiary Company	3,032,830	-
Total	**32,132,278**	**-**

	Amount in Taka	
	01 Jul 2020 to 30 Sep 2020	**01 Jul 2019 to 30 Sep 2019**
27.00 Financial expenses		
Bank and other Interest and charge	72,179,455	66,730,861
	72,179,455	**66,730,861**

27.A Consolidated financial expenses

Mother Company	72,179,455	-
Subsidiary Company	5,617,534	-
Total	**77,796,989**	**-**

28.00 Other income

Income from wastage sales	497,852	489,633
Interest on Fixed Deposit Receipt	2,215,840	2,148,481
	2,713,692	**2,638,114**

	Amount in Taka	
	01 Jul 2020 to 30 Sep 2020	**01 Jul 2019 to 30 Sep 2019**

29.00 Information based on per share

29.01 a) Basic Earning Per Share (EPS)

The computation of EPS is given below:

Earning attributable to the ordinary shareholders	185,656,052	192,784,903
Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
Earning Per Share (EPS)	**0.65**	**0.79**

b) Earning Per Share (EPS)-Adjusted

Earning attributable to the ordinary shareholders	185,656,052	192,784,903
Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
Earning Per Share (EPS)-Adjusted	**0.65**	**0.79**

29.01A a) Basic Earning Per Share (EPS)

The computation of EPS is given below:

Earning attributable to the ordinary shareholders	204,526,268	-
Number of ordinary shares outstanding as on 30 September 2020	287,150,000	245,000,000
Earning Per Share (EPS)	**0.71**	**-**

b) Earning Per Share (EPS)-Adjusted

Earning attributable to the ordinary shareholders	204,526,268	-
Number of ordinary shares outstanding as on 30 September 2020	287,150,000	287,150,000

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S. S. STEEL LIMITED
Schedule of Property, Plant & Equipments
For the period ended 30 September 2020

Annexure-A

Particulars	Cost			Dep. Rate (%)	Depreciation			Written Down Value as on 30.09.2020
	Opening Balance as on 01.07.2020	Addition during the period	Closing Balance as on 30.09.2020		Opening Balance as on 01.07.2020	Charge during the period	Closing Balance as on 30.09.2020	
Land and Land Development:	**123,833,182**	-	**123,833,182**		-	-	-	**123,833,182**
Land & land developments	123,833,182	-	123,833,182	-	-	-	-	123,833,182
Building:	**831,637,408**	**15,263,520**	**846,900,928**		**185,108,525**	**14,132,983**	**199,241,508**	**647,659,420**
Factory Building	474,362,292	15,263,520	489,625,812	5%	116,794,661	4,660,389	121,455,050	368,170,762
Right of Use of Asset	73,777,653		73,777,653	5%	25,839,233	6,459,808	32,299,042	41,478,611
Office building	283,497,463	-	283,497,463	5%	42,474,631	3,012,785	45,487,416	238,010,047
Plant & Machinery:	**890,803,981**	-	**890,803,981**		**261,579,232**	**9,438,371**	**271,017,604**	**619,786,377**
Plant & Machinery	890,803,981	-	890,803,981	6%	261,579,232	9,438,371	271,017,604	619,786,377
Equipment & Appliance:	**776,865,831**	**530,550**	**777,396,381**		**254,739,786**	**8,579,466**	**263,319,252**	**514,077,129**
Electric Equipments	20,658,715	530,550	21,189,265	10%	8,161,197	325,702	8,486,899	12,702,366
Electric & Gas Installation	24,363,600	-	24,363,600	10%	11,551,269	320,308	11,871,577	12,492,023
Crane, Forklift	65,591,836	-	65,591,836	10%	17,470,551	1,203,032	18,673,583	46,918,253
Transformer	2,462,400	-	2,462,400	6%	1,595,173	13,008	1,608,182	854,218
Gas Generator	663,789,280	-	663,789,280	6%	215,961,596	6,717,415	222,679,012	441,110,268
Others Assets:	**143,021,758**	-	**143,021,758**		**69,730,804**	**2,411,840**	**72,142,644**	**70,879,114**
Furniture & Fixtures	1,544,022	-	1,544,022	10%	1,105,038	10,975	1,116,013	428,009
Office equipments	3,979,603	-	3,979,603	10%	2,586,227	34,834	2,621,062	1,358,541
Motor vehicles	94,402,853	-	94,402,853	10%	38,399,346	1,400,088	39,799,433	54,603,420
Computer Software	43,095,280	-	43,095,280	25%	27,640,193	965,943	28,606,136	14,489,144
As on 30 September 2019	**2,766,162,160**	**15,794,070.00**	**2,781,956,230**		**771,158,348**	**34,562,660**	**805,721,008**	**1,976,235,223**
Revaluation Surplus :	**912,406,652**	-	**912,406,652**		**73,111,020**	**2,256,934**	**75,367,954**	**837,038,698**
Land & Land Development	673,134,818	-	673,134,818	-	-	-	-	673,134,818
Factory Building	115,642,067	-	115,642,067	5%	21,450,880	1,177,390	22,628,270	93,013,797
Plant & Machinery	123,629,766	-	123,629,766	6%	51,660,140	1,079,544	52,739,684	70,890,082
As on 30 September 2020	**3,678,568,812**	**15,794,070**	**3,694,362,882**		**844,269,368**	**36,819,594**	**881,088,962**	**2,813,273,920**
As on 30 June 2020	**3,535,717,080**	**142,851,732**	**3,678,568,812**		**691,023,941**	**153,245,426**	**844,269,368**	**2,834,299,445**

	30-Sep-2019 Taka	30-Jun-2019 Taka
Depreciation Allocated to:		
Factory Overhead - Note 21.04	33,137,635	137,920,884
Administrative Expenses - Note 22.00	3,681,959	15,324,543
	36,819,594	**153,245,426**

Depreciation charged during the year is being allocated to factory overhead and administrative overhead on the basis of allocation where the assets are used.

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