

ANNUAL REPORT

2020-2021

S. S. STEEL LIMITED



TABLE OF CONTENTS

OVERVIEW	PAGE
AGM Invitation	03
Notice of the 20 th AGM	04
Letter of Transmittal	05
Overview of the Company	06
CORPORATE DIRECTORY	07
Corporate Information	08
Ethos & Values	10
Chairperson's Statement	13
Managing Director's Overview Particulars of Board Member	16
Statement of the Company Secretary	19
Board of Directors	20
Corporate Governance	21
Directors' Report	21
Patterns of Shareholdings	29
Management Discussion & Analysis Director's Declaration	31
Corporate Governance Statement 2020-21	38
Board Governance	38
Corporate Governance Framework	39
Board Committee	44
Board of Director's Meeting	47
External Statutory Audit	47
Subsidiary Company	48
Chief Financial Officer	48
Company Secretary	49
Head of Internal Audit	50
Effective Control Process	50
Communication to Shareholders & Other Stakeholders	52
Ensure Shareholders Right	52
Code of Conduct	53
Company's Corporate Website	57
Board Audit Committee Report 2020-21	58

OVERVIEW	PAGE
Board NRC Committee Report 2020-21	61
Board CSR Committee Report 2020-21	63
CEO & CFO's Declaration	64
Certificate of Bangladesh Association of Publicly Listed Companies (BAPLC)	65
Corporate Governance Report	68
Key Operating & Financial Highlights	77
Key Ratios Analysis, Ratio Analysis & interpretations	78
Risk Management & Internal Control	90
Integrated Report & Responsibility	95
Shareholders' and Stakeholders	97
Auditors' Report and Financial Statements	100
Statement of Financial Position	108
Statement of Profit or Loss and Other Comprehensive Income	109
Statement of Cash Flows	110
Statement of Changes in Equity	111
Share Information	130
Proxy Forms	147

20TH ANNUAL GENERAL MEETING OF S. S. STEEL LIMITED

AGM INVITATION FOR OUR SHAREHOLDERS

WILL BE HELD AT DIGITAL PLATFORM

DHAKA, BANGLADESH

ON FRIDAY, 31ST DECEMBER, 2021 AT 11:00 AM




VISIT BELLOW LINK TO JOIN 20TH ANNUAL GENERAL MEETING OF S. S. STEEL LIMITED

<https://sssteel.bdvirtualagm.com>

NOTICE OF 20TH ANNUAL GENERAL MEETING 2021

Notice is hereby given to the shareholders of S. S. Steel Limited that the 20th Annual General Meeting (AGM) of the Company will be held on Friday, December 31, 2021, at 11:00 AM virtually by using digital platform through the link "<https://sssteel.bdvirtualagm.com>" (in pursuance with Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/04-231/25, dated 08 July, 2020) to transact the following businesses and to adopt necessary resolutions:

- Agenda-1:** To receive, consider and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended June 30, 2021 and Auditors' Report thereon;
- Agenda-2:** To declare Dividend for the year ended June 30, 2021 as recommended by the Board of Directors;
- Agenda-3:** To Elect/Re-elect Directors in accordance with the provisions of Articles of Association of the Company;
- Agenda-4:** To appoint Statutory Auditors for the FY-2021-2022 and fix their remuneration;
- Agenda-5:** To appoint Compliance Auditor for the FY-2021-2022 and fix their remuneration;
- Agenda-6:** Others; To transact any other business with the permission of the chair.

<p>Date: 15th December, 2021 Place: Dhaka</p>	<p>By the Order of the Board</p>  <p>Md. Mostafizur Rahman Company Secretary</p>
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Note:

- The Shareholders whose names appear on the Members/Depository Register on the Record Date, i.e. 15th December, 2021 shall be eligible to attend the 20th Annual General Meeting (virtual meeting through digital platform/online live portal) of the Company and to receive the Dividend;*
- Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, soft copy of Annual Report 2021 will be emailed to respective Shareholder's email ID available in their BO A/C. The Annual Report 2021 will also be available in the Company's website at www.sssteel.biz*
- A Shareholder entitled to attend/participate and vote at the Annual General Meeting may appoint a proxy on his/her behalf. Scanned copy of the proxy form, duly signed and stamped shall be sent through email at investor@sssteel.biz No later than 72 hours before the meeting.*
- The Shareholder can log into the link "<https://sssteel.bdvirtualagm.com>" by using their BO A/C number and will be able to submit their queries or comments and vote electronically 24 hours before the meeting. For any IT related guidance in this regard Shareholders may contact cell number +880222299562.*
- The concerned Merchant Banks and all Depository Participants (DPs) are requested to provide the copies of the list of margin clients along with the bank details for entitlement of dividend on or before 31st December, 2021 as per following:*
 - Hard copy: Deliver at the Share Office of the Company by registered email or courier.*
 - Soft copy: Email to investor@sssteel.biz*
- In compliance with the Circular No: SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall be offered to the members during the Annual General Meeting.*

LETTER OF TRANSMITTAL

To
All Shareholders of S. S. Steel Limited
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)
National Board of Revenue (NBR)
Others Stakeholders

Subject: Annual Report for the year ended June 30, 2021 of S. S. Steel Limited.

Dear Sir(s),

It is our immense pleasure to present before you the Annual Report of S. S. Steel Limited along with the Audited Financial Statements for the year which ended on June 30, 2021. Financial Statements along with notes to the Accounts of the Company comprise the statements of Financial Positions, statements of Profit and Loss and Other Comprehensive Income, statements of Changes in Equity and statements of Cash Flow for the period which ended on June 30, 2021.

Yours sincerely,



Md. Mostafizur Rahman
Company Secretary

Date: 15th December, 2021

Place: Dhaka.

OVERVIEW OF S. S. STEEL LIMITED

S. S. Steel Limited, started its journey in 2001. The company is producing the MS Billet and MS Rod from raw material scrap to finished goods and his own brand name SS TIGER. S. S. Steel Limited (SSSTEEL) is one of the leading steel manufacturing company and one of the prominent corporate houses in Bangladesh. S. S. Steel Limited is fully automatic re-rolling mills built in the country. Over the years S. S. Steel Limited products has been chosen solely for building major National landmarks and infrastructures.


S. S. Steel Limited established in 2001. After commissioned with fully automatic machinery the plant production capacity increased with annual production capacity of 108,000 MT introducing high quality 60-grade [SS Tiger B400DWR] & 72.5-grade [SS Tiger B500CWR] re-enforcing steel to facilitate heavy construction in Bangladesh. In the Steel Melting Works unit, MS Billet is produced from scraps and sponge iron and then rolling this MS billet the Re-rolling Mills unit produces 60-grade [SS Tiger B400DWR] & 72.5-grade [SS Tiger B500CWR] MS bars etc.

Nearly 21 years ago, Mr. Kazi Shakil started the business that was dedicated solely to producing reinforcement-bars from small rolling mills. At the time rolling mills were fed with sheered and cut plates derived out of abandoned ships. Rods were produced to meet the needs for affordable steel and iron for the growing territories and basic infrastructure in the newly formed Bangladesh then. Since the inception of the company SSSTEEL continued to expand its capability in every aspects of the production spectrum. At present SSSTEEL narrowed its product line to focus and become a Specialty Production Mill seeking to serve a much more selective group of demanding, quality-conscious customers.

SSSTEEL not only involved in MS Billet and MS Rod production but also MS Billet and MS Rod distribution and supply right up to their customer doorstep. The company has market capitalization of 2% and MS Billet and MS Rod related venture in the country. SSSTEEL total installed capacity stood at 108,000 MT per annum of which 65,100 MT is in operation right now, turnover is Tk. 4,196.86 million and consolidated turnover is Tk. 6,385.71.



CORPORATE DIRECTORY

Name of the Company	S. S. Steel Limited
Logo	
Legal Position	SSSTEEL was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of Incorporation bearing no. C-44670 (1198)/2001 dated on 22-December-2001 of S. S. Steel (Pvt.) Limited by the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh. The Company converted into Public Limited company on 15-December-2016 and changed name S. S. Steel (Pvt.) Limited to S. S. Steel Limited of the Company dated on 10-May-2018.
Date of Incorporation	22-December-2001 vide Registration No. C-44670(1198)/2001.
Authorized Capital	Tk.5,000,000,000 divided into 500,000,000 Ordinary Share of Tk.10.00 each.
Paid up Capital	Tk.3,042,900,000 divided into 304,290,000 Ordinary Share of Tk.10.00 each.
Line of Business	The principal activities of the company are to manufacture and sales of 60-grade [SS Tiger B400DWR] & 72.5-grade [SS Tiger B500CWR].
Registered Office	The Pearl Trade Center, Cha-90/3, Pragati Sarani, North Badda, Dhaka 1212, Bangladesh. Tele Phone No: +88-02-222297544 & +88-02-222292346 E-Mail: mostafizur.rahman@sssteel.biz , info@sssteel.biz Website: www.sssteel.biz
Factory Address	Plot-04, Block-B, Tongi Industrial Area, Gazipur, Bangladesh. E-Mail: info@sssteel.biz Website: www.sssteel.biz
Board of Directors	5 Directors
Statutory Auditors	MABS & J Partners Chartered Accountants SMC Tower (7th Floor), 33 Banani C/A, Road #17, Dhaka 1213, Bangladesh. Tel: +88-02-222275057-58; +88-02-222275365-66 +88-01948407276 Email: info@mabsj.com ; Web: www.mabsj.com
Governance Compliance Auditors	Atik Khaled Chowdhury Address: Hasan Court (1 st Floor), 23/1 Motijheel Commercial Area, Beside Bangladesh Bank, Dhaka- 1000, Bangladesh.
Tax Consultants	Niranjan Ghosh, M. Com, LLB, ITP A.K & Associates 81/1 Kakrail, 1 st Floor, Dhaka-1000, Bangladesh Tel: +88028317231, 9356295 Email: nghoshtax@gmail.com
Legal Advisors	Advocate Md. Imran Hussain Parvez
Banker for IPO	Brac Bank Limited
Bankers of the Company	Bank Asia Limited National Bank Limited Trust Bank Limited
Compliance Officer	Mr. Sazed Ahmed-(Sr. Executive Accounts & Corporate Affairs)

CORPORATE INFORMATION

Official Name of the Company	: S. S. Steel Limited
Legal Status	: Public Limited Company
Trade Code	: SSSTEEL
Nature of Business	: Engineering

BOARD OF DIRECTORS

Mr. Javed Opgenhaffen	: Chairman
Ms. Hasna Opgenhaffen	: Managing Director
Mr. Sayeed Rezaraj Ahmmad	: Director (Representative of NJ Holdings Limited)
Mr. Sadad Rahman	: Independent Director
Mr. Md. Abu Zafer	: Independent Director

CHIEF FINANCIAL OFFICER

Mr. B.M. Kashfuzzaman

HEAD OF PUBLIC AFFAIRS & COMPANY SECRETARY

Mr. Md. Mostafizur Rahman

BOARD OF AUDIT COMMITTEE

Mr. Sadad Rahman, Independent Director	: Chairman
Mr. Md. Abu Zafer, Independent Director	: Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	: Member
Mr. Md. Mostafizur Rahman, Company Secretary	: Member Secretary

BOARD OF NOMINATION & REMUNERATION COMMITTEE

Mr. Md. Abu Zafer, Independent Director	: Chairman
Mr. Sadad Rahman, Independent Director	: Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	: Member
Mr. Md. Mostafizur Rahman, Company Secretary	: Member Secretary

BOARD CSR COMMITTEE

Mr. Sadad Rahman, Independent Director	: Chairman
Ms. Hasna Opgenhaffen, Managing Director	: Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	: Member
Mr. Md. Mostafizur Rahman	: Member Secretary

EXECUTIVE COMMITTEE

Ms. Hasna Opgenhaffen	: Managing Director
Mr. Saiful Islam Helaly	: Chief Executive Officer
Mr. Md. Mostafizur Rahman	: Company Secretary
Mr. B.M. Kashefuzzaman	: Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	: Chief Marketing Officer
Mr. Nazim Uddin Chowdhury	: Chief Operating Officer - Production & Quality
Mr. Poritos Chandra Roy	: Head of Internal Audit

RISK MANAGEMENT COMMITTEE

Ms. Hasna Opgenhaffen	: Managing Director
Mr. Saiful Islam Helaly	: Chief Executive Officer
Mr. Md. Mostafizur Rahman	: Company Secretary
Mr. Mohammed Shahjahan Chowdhury	: Chief Marketing Officer
Mr. Nazim Uddin Chowdhury	: Chief Operating Officer - Production & Quality
Mr. Poritos Chandra Roy	: Head of Internal Audit

HEAD OF INTERNAL AUDIT

Mr. Poritos Chandra Roy

STATUTORY AUDITORS

MABS & J Partners
 Address: SMC Tower (7th Floor), 33 Banani C/A, Road #17, Dhaka 1213, Bangladesh.

GOVERNANCE COMPLIANCE AUDITORS

Atik Khaled Chowdhury
 Address: Hasan Court (1 st Floor), 23/1 Motijheel Commercial Area, Beside Bangladesh Bank, Dhaka- 1000, Bangladesh.

BANKERS

Bank Asia Limited
 National Bank Limited
 Trust Bank Limited

NBFIS'

IDLC Finance Limited
 Hajj Finance Limited
 Industrial and Infrastructure Development Finance Company Ltd.

REGISTERED & CORPORATE OFFICE:	FACTORY ADDRESS:
The Pearl Trade Center Cha-90/3, Pragati Sarani, North Badda, Dhaka 1212, Bangladesh. Tele Phone No: +88-02-222297544 & +88-02-222292346 E-Mail: mostafizur.rahman@sssteel.biz info@sssteel.biz Website: www.sssteel.biz	Plot-04, Block-B, Tongi Industrial Area, Gazipur, Bangladesh. E-Mail: info@sssteel.biz Website: www.sssteel.biz

ETHOS & VALUES

VISION

MISSION

STRATEGIC FOCUS

Vision

Earning satisfaction of the stakeholders.

Mission

Achieve sustainable growth through extracting customers' needs, information sharing, network enhancing and ensuring quality products at a reasonable price.

Strategic Focus

The foundations upon which our strategy is built have been in place for many years but we continue to focus our activities in the following areas and consistently review our ways of operating business. The details are:

Customer Delight: A promise to fulfill customer expectations.

Customer Delight: Developing brands, innovations and new products to meet consumers evolving needs.

Pursuit of Excellence: A promise to continuous improvement of our teams, services and products as well to become the best.

Understand: We seek to understand the needs of stakeholders and the Company to make the best decisions.

Productivity: Effectively deploying resources to increase profits and generate funds for investment.

Integrity and Transparency: A promise to be ethical, sincere, honest and transparent. Ensuring a sustainable business that meets stakeholder' expectations.

Leadership by Example: Ensuring we have great people, great teams and great place to work. A promise to create standards in our business and transactions through mutual trust.

QUALITY POLICY

The products, S. S. Steel Limited follow the zero tolerance rules. We at S. S. Steel Limited constantly strive to meet and exceed customer expectations in our on-going quest for excellence. S. S. Steel Limited has enriched quality control system where the quality of the products checked in every steps of the production.

Accordingly, we are committed to:

- Complying with the requirements of the quality management system implemented;
- Effectively utilizing the available resources;
- Constant striving for improving the level of customer satisfaction; and
- Continually improving the effectiveness of the quality management system.

ENVIRONMENT POLICY

We at S. S. Steel Limited recognize that Environmental Issues have become critical challenge globally. We are committed to contributing towards "Leaving a beautiful planet as a legacy to future generations".

For achieving this, we believe that we need to work in harmony with the nature; recognize the environmental impact related to our business activities & products and undertake protection of environment through technologically and economically feasible goals within our scope.

We are using ecofriendly production system to be as an environment friendly steel in Bangladesh.

We are committed towards conservation of natural resources by their responsible and efficient use in our operations. We are also committed to continual improvement in environmental performance and complying with environmental legislations and requirements.

We are providing appropriate training to employees to enhance their awareness and commitment to environmental protection. Our environmental policy is communicated to all our employees, business associates and made available to the public.



BUSINESS ENVIRONMENT



The issuer's business environment is conducive to the business as good supply of raw materials. The company has skilled and competent labors as well. The facilities and wages are reasonable. The policy of the Government is favorable to this sector. S. S. Steel Limited

MAJOR TYPES OF PRODUCTS

The Company produces various types of products, details of which have been laid down as below:

MAJOR TYPES OF PRODUCTS

SL. NO.	Product Name	Size	SL. No.	Product Name	Size
1.	SS TIGER B400DWR/60G	08MM	9.	SS TIGER B500CWR/TMT	08MM
2.	SS TIGER B400DWR/60G	10MM	10.	SS TIGER B500CWR/TMT	10MM
3.	SS TIGER B400DWR/60G	12MM	11.	SS TIGER B500CWR/TMT	12MM
4.	SS TIGER B400DWR/60G	16MM	12.	SS TIGER B500CWR/TMT	16MM
5.	SS TIGER B400DWR/60G	20MM	13.	SS TIGER B500CWR/TMT	20MM
6.	SS TIGER B400DWR/60G	25MM	14.	SS TIGER B500CWR/TMT	25MM
7.	SS TIGER B400DWR/60G	28MM	15.	SS TIGER B500CWR/TMT	28MM
8.	SS TIGER B400DWR/60G	32MM	16.	SS TIGER B500CWR/TMT	32MM



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf the Board of Directors, I would like to welcome you to the 20th Annual General Meeting of your company and continue to take pride in your association with us. It is my pleasure to place the Annual Report of S. S. Steel Limited for the year ended June 30, 2021. I would also like to take the opportunity to share and exchange our thoughts and views on the performance of the company in the past years and the potentials and possibilities going forward. Your Company continued to deliver excellent underlying performance in this year, despite challenging conditions. The Board of Directors and Management ensured the sustainable growth in business and committed to delivering long term value to the shareholders and other stakeholders.

Every year we see new technologies and innovative ideas evolving which enhances the safety and quality of the products. For us, sustainable growth is not a choice or something that is nice to have, it is critical to securing the future of our business by creating value for consumers, our customers and our shareholders. I believe S. S. Steel Limited looks for new ways, makes the effort and takes the initiatives to adopt those into business processes and deliver the best products at consumers' door in the shortest time possible and moving forward aggressively against every aspect of our plan.

INDUSTRY OUTLOOK

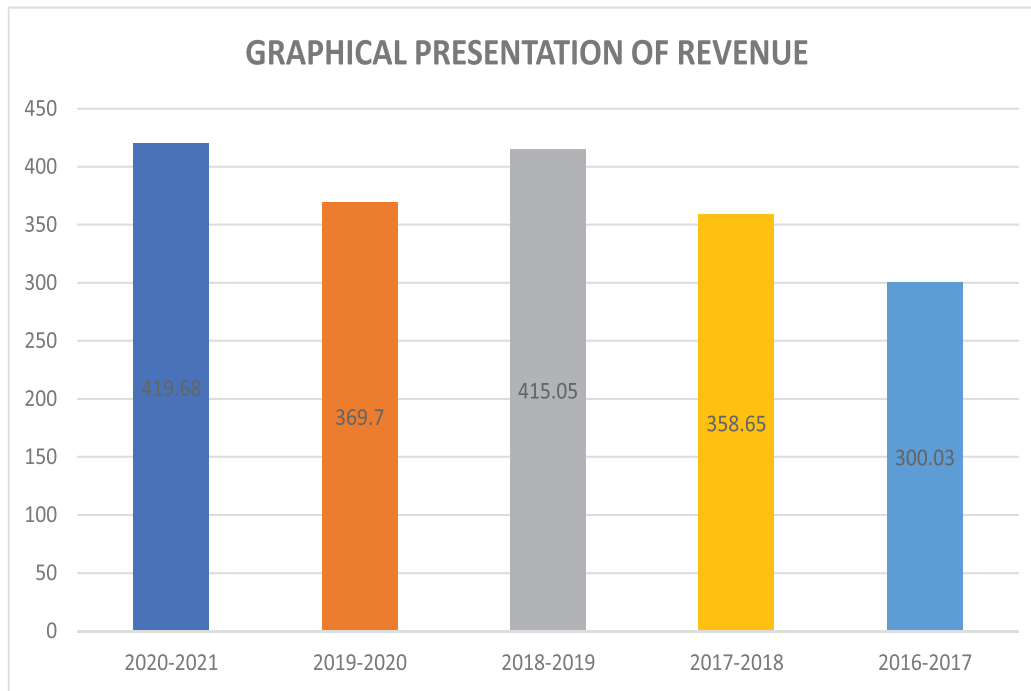
It is well known that steel plays a vital role in construction, sustained economic growth, infrastructure development and security of any country. Bangladesh will need to address the barriers to higher growth posed by low access to reliable and affordable raw material of producing steel. The Government of Bangladesh has not given any special attention to it, despite being the sector most attractive to the investors for large local market, favorable export opportunity, intelligent labor force, availability of manpower at reasonable cost etc. Again, rapid industrialization and urbanization made the industry more prospective.

OVERVIEW OF BUSINESS PERFORMANCE

The Company has achieved expected growth in all aspects. Volume growth achieved through a focused business strategy that was supported by our dedicated people across all business functions. Our brand portfolio is strengthened through consumer relevant initiatives and excellent retail level executions. The overall Company performance in 2020-2021 was driven by revenue growth, increased market shares, effective cost management and productivity initiatives across the Company. This result was achieved due to hard work of our people, guidance of our Board of Directors, dedication of our Executive Committee members and leadership of our Managing Director who led the business to deliver the results. The key highlights for the year were as follows:

- Record Consolidated revenue during the year of BDT 638.57 Crore;
- Record revenue during the year of BDT 419.68 Crore
- Consolidated Operating Profit during the year of BDT 122.18 Crore;
- Operating Profit during the year of BDT 95.06 Crore;
- Consolidated Net Profit After Tax during the year of BDT 70.44 Crore;
- Net Profit After Tax during the year of BDT 58.32 Crore

GRAPHICAL PRESENTATION OF REVENUE



DELIBERATE INVESTMENTS

S. S. Steel Limited has a composite steel production mill which very few companies have in Bangladesh. In order to meet the commitment of delivering long term value to our shareholders, the Company invested in the capacity enhancement of our production, safety of our people, and machineries as per the need of the business which will facilitate justifiable future growth. We are working for continuous improvement in our business that will release funds to invest in our brands, helping us to grow our business and deliver higher returns for shareholders.

SUSTAINABLE GROWTH

Sustainable growth is the realistically attainable growth that a company could maintain without running into problems. Sustainability is not a choice or something for us that is nice to have, it is critical to securing the future of our business by creating shared value for consumers, our customers and our shareholders. The overall Company performance in 2020-2021 was driven by revenue growth, increased market shares, elective cost management and productivity initiatives across the Company. If we look in our business performance, the sustainable growth is going throughout the year. This great result was achieved due to hard work of our people, guidance of our Board of Directors, dedication of our Executive Committee members and leadership of our Managing Director. We can assure you that the Company will run the business with sustainable growth and add value for the shareholders as well.

COMPLIANCE OF AUDIT

“MABS & J Partners.”, Chartered Accountants, have been reappointed in the 19th AGM by the Shareholders for the year 2020-2021. The Board of Directors has also been approved the appointment for the year of 2020-2021 in the Annual Board Meeting subject to the approval in next AGM. Apart from that “Atik Khaled Chowdhury”, Chartered Accountants, carried out the Corporate Governance Compliance Audit to certify the fulfillment of the requirements of Bangladesh Securities and Exchange Commission (BSEC). The Board of Directors of the Company recommended to re-appoint “Atik Khaled Chowdhury” Chartered Accountants as compliance auditor for 2020-2021 subject to the approval by shareholders in the 19th AGM.

BOARD OF DIRECTORS

The Board of Directors of S. S. Steel Limited is the bold and strong team in our country. The Board of Directors of the Company consists of five Directors. Throughout different Board meetings during the year, your Board has considered and approved different important business proposals to ensure sustainable business growth and played a catalytic role in protecting your interests. The Board assessment of the key risks and uncertainty, facing the Company broadly remains unchanged. I gratefully thank all of our Board Members for their support and contributions which enable the Management to achieve sustainable business performance throughout the year of 2020-2021.

RETURN OF THE SHAREHOLDERS

In this continuous growing business performance, the Board of Directors of S. S. Steel Limited recommended 2% Cash Dividend and 8% Stock Dividend in the form of Bonus which is being placed in the 20th Annual General Meeting for approval of the honorable shareholders.

CONCLUSION

I would like to extend my sincere appreciation to my fellow Directors on the Board for their continued support, guidance and valuable insights through the years although the COVID-19 has negatively affected on our business performance as well as whole world economy and we are not out of this situation. Reflecting on the success of 2020-2021, let me express my sincere thanks and appreciations to you all, our valued customers, suppliers, distributors, shareholders, bankers, Members of the Board, Members of the Executive Committee, Employees of the Company for their confidence in us and valuable contribution to the Company throughout the year 2020-2021.

I would also like to thank the Government bodies, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE) and other statutory bodies for their support for the various activities of the Company.

Like in the past, we will stay on a path that takes into cognizance the best interests of our stakeholders, while safeguarding the long-term value creation platform for our shareholders.

Thank you once again for being with S. S. Steel Limited



Javed Opgenhaffen
Chairperson

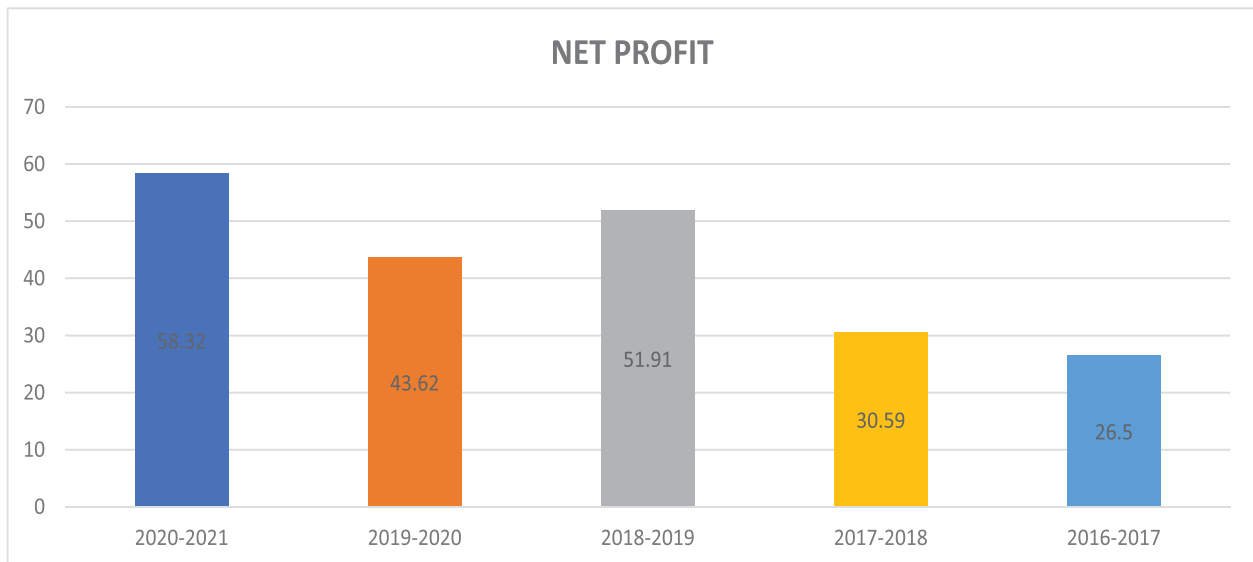
MANAGING DIRECTORS OVERVIEW

Dear Shareholders,

The Company delivered strong business results amidst a very competitive environment and challenging operating landscape. As one of the leading corporates in Bangladesh, S. S. Steel Limited always believes in staying ahead of the curve and establishing progressive standards for others to follow. The Company Management is pleased to report another outstanding year of revenue, profit and earnings growth, driven by a successful strategy and winning culture despite very challenging external environment in 2020-2021. On behalf of the Board Members and everyone from S. S. Steel Limited I welcome you all to the 20th Annual General Meeting 2021. The Company passionately believes that success and responsibility go together. We are committed to the social and economic development of Bangladesh. S. S. Steel Limited is also very proud to contribute towards the economic development journey of the country through its support in the development of skilled human resources, globally integrated work practices, environmentally sustainable business operations and other sustainable development goals for the overarching purpose of building a better economy of the Country.

BUSINESS RESULTS FOR 2020-21

The management is pleased to report another successful year of revenue growth, supported by profit and earnings growth. The business performance of S. S. Steel Limited has recovered comparing to the last year significantly. There was a fall in business before last year due to covid-19. The consolidated gross margin of the Company for the year 2020-2021 was BDT 145.28 Crore. On the other hand, the consolidated net profit margin of the company for the year 2020-2021 was BDT 70.44 Crore. It is very much promising that the steel industry of Bangladesh has become one of the leading players in our country due to the digitization of the country. Apart from sustainable business performance, we are proud of the external recognition for versatile excellences on Corporate Governance and Corporate Social Responsibilities.



APPROACH FOR CONTINUOUS GROWTH

With the successful 21 years' experience in operation, we believe in the strategy of delivering business growth with integrity to invest for a sustainable future. Our strategy is to ensure sustainable growth. A core part of being sustainable business is operating with integrity and responsibility while maximizing value for the consumers. The Company enthusiastically believes that success and responsibility go together. We work together to fight the odds and could overcome all kinds of challenges. The Company's business is primarily focused on the sale of MS Rod in our country.

In FY 2021-2022, we expect the trading environment will remain challenging, but our strong business model has shown that the Company is well placed to face future challenges. As such, I am confident that we have our strong brands portfolio, excellent management, market-leading innovations and an outstanding range of high-quality products people and focus on efficiency to enable the continued delivery of value to the shareholders. Combined with the strong support of our employees, business partners and relevant stakeholders, we will direct the business towards excellence and will present another successful year for our shareholders. We are committed to continue our activities focused in the areas of growth, productivity, winning organization and sustainability.

OUR STRENGTHS

We always like to work together to fight the probabilities and could overcome all kinds of difficulties arises while operating the business. Apart from the support of our respected Board Members, shareholders and stakeholders, our continued success would not have been possible without our talented people and great leaders who worked efficiently and effectively in delivering remarkable results. This makes us one of the most preferred employers in the country. We have used latest TMT technology for producing quality steels and have modern laboratories for testing Rods in every step of the production. We are operating business in the engineering sector. I am very much confident that we have the strength that will help to deliver continuous growth in the coming years.

OUR COMMITMENT

S. S. Steel Limited tries to make a positive change within and around its business operations. S. S. Steel Limited achieved position in the steel market in terms of turnover in our country. The Company achieve this position due to strong commitment regarding the quality products, after sales service, quality management and others. We really believe that success and responsibility go together for success. We are committed to the social and economic development of the country. As one of the leading steel manufacturers in the country, we are proud to play our part in shaping the future of corporate best practices in Bangladesh with the idea of delivering value for shareholders today while investing for tomorrow.

OUR STRATEGY TO GOVERNANCE

The Company believes, corporate governance coupled with strong ethics and integrity is very vital for sustainability of the Business. Good Governance has long been a key priority for the Company. We meet all our obligations under the various frameworks by which we are bound to comply with the law, while also ensuring that the Company is delivering results with integrity.

FUTURE PROSPECTS

As we wrote in the last year to increase our production capacity as well as our market share, it has already been in the shape of our success. Considering the growing demand of the industry in recent years, the Company has taken decision to expand the business capacity. We are always working for continuous improvement in our business that will release funds to invest in our brands, helping us to grow our business and deliver higher returns for shareholders. With the economic progress, we have shown a consistent ability to improve shareholders' return and to increase our market share. We will navigate the business towards excellence and will present another successful year for our shareholders with the strong support of our Employees, Board Members, Excellent Executive Committee, and relevant stakeholders. We will continue to focus on meeting customers' expectations. We confident that we are able to overcome the challenges of upcoming years through our strong strategic management, quality products, good brand portfolio, market leading innovations and continuous support the customers demand as well.

COMPLIANCE OF REGULATIONS

The Company is committed to ensure regulatory compliance and environment friendly responsible operations in this sector. We have always been clear that we support and abide by all the laws and regulations of the country. The Company is carrying out all of its activities by following the Companies Act, 1994, Rules and Regulations of Bangladesh Securities and Exchange Commission (BSEC), DSE Listing Regulations, Income Tax Ordinance 1984, Bangladesh Labor Act 2006 (Amended 2013) and other related rules and regulations.

OUR GRATITUDE

I would like to express my sincere thanks to all the stakeholders of the company for their support and contributions. I acknowledge my gratitude and appreciation to you all our valued customers, distributors, suppliers, Board Members, Members of Executive Committee, Employees of the Company and other relevant authorities of the Government. The Board of Directors guidance and support has always been instrumental in shaping the success of the Company. We are really very much grateful to all of our customers who have been with us along with their believe and dedication towards us and our brands as well. We are committed to passionately continue building value for our consumers and shareholders in the future.



Hasna Opgenhaffen
Managing Director

STATEMENT OF THE COMPANY SECRETARY

Welcome you all to this 20th Annual General Meeting of S. S. Steel Limited For the financial year 2020-2021 earned consolidated after-tax profit Tk. 704,421,216 with EPS of Tk. 2.31 and Consolidated Net Operating Cash Flow per Share (NOCEPS) Tk. 2.01 and NAV stood at Tk. 20.95 In the financial year 2020-2021 our company utilized 63.29% production capacity. 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 rapid transit line-6 (Metro Rail), Chattogram-Cox's Bazar rail link, Rooppur nuclear power plant, Matarbari 1,200MW coal-fired power plant and the Payra deep seaport 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 37% 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 unemployment's, 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

Yours sincerely,



Md. Mostafizur Rahman
Company Secretary

BOARD OF DIRECTORS

Mr. Javed Opgenhaffen, Chairman

Mr. Javed Opgenhaffen, a shareholder and Director, graduated in management from Queen Mary, University of London and in Employment relations from London School of Economics and Political Science. He holds the post of Chairman and acts to enhance the sales & profitability of the Company. In addition, his vision and forward thinking will certainly contribute to rapid growth and expansion. He is also a Chairman of Saleh Steel Industries Limited, Managing Director of Fu-Wang Ceramic Industry Limited and Director of A.J. Corporation Limited. Prior to joining Generation Next Fashions Limited, Mr. Opgenhaffen worked as a Management Trainee at Deutsche Bank GMBH, London. He has dual citizenship in Bangladesh and Belgium.

Mrs. Hasna Opgenhaffen, Managing Director

Mrs. Hasna Opgenhaffen, daughter of Mr. Herman Opgen Haffen appointed as Nominee Director of Al Dewan Technical Services LLC as well as Managing Director. She is also a Managing Director of Saleh Steel Industries Limited. She is Commerce Graduate having more than 20 (twenty) years of experience in different fields of business.

Mr. Sayeed Rezaraj Ahmmad, Nominee Director

Mr. Sayeed Rezaraj Ahmmad, a Director (Representing NJ Holdings Ltd.) has completed M. Com from Rajshahi University. He was born in Rajshahi District. After completion his academic career he started business as different sectors. He received training on "Efficient Business Operation Management", "Supply Chain Management" and also completed ICMAB (Intermediate). Then he was nominated as director of S. S. Steel Limited in 2016 representing NJ Holdings Ltd. He is also nominated as director of Saleh Steel Industries Limited in 2020 representing NJ Holdings Limited and Independent Director of Fu-Wang Ceramic Industry Limited.

Mr. Sadad Rahman, Independent Director

Mr. Sadad Rahman, an Independent Director, he has completed MBA, from City College University of London, UK. After completion his academic career he started services different types of sector. Also, he received various types training from different institutions. He is an Independent Director of S. S. Steel Limited. Also Managing Director of Rangpur Distilleries & Chemicals Limited, Director of Saleh Steel Industries Limited & Independent Director of Fu-Wang Ceramic Industry Limited.

Mr. Md. Abu Zafer, Independent Director

Mr. Md. Abu Zafer, son of Late Md. Abdul Aziz appointed as Independent Director in the Board meeting held on 23 March 2019. Not only he is the Independent Director of S. S. Steel limited but he is also Independent Director of Fu-Wang Ceramic Industry Limited. He is a member of Advocate of the Supreme Court of Bangladesh and the Honorable Society of Gray's Inn. London.

CORPORATE GOVERNANCE

DIRECTORS REPORT

On behalf of the Board of Directors and Management, we welcome you all at the 20th Annual General Meeting 2020-2021 of S. S. Steel Limited in compliance with the provisions of section 184-186 of the Companies Act 1994 and Notification No. SEC/CMMR- RCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission (BSEC), it is a pleasure and privilege on the part of the Board of Directors to present the Director's Report together with Audited Financial Statements of S. S. Steel Limited for the year ended 30 June 2021.

INDUSTRY OUTLOOK & FUTURE PROSPECTS

The Steel Industry started its journey before Bangladesh came into being in 1971. At that time there were very few industries in this sector to serve the whole nation. As time went on the industry expanded significantly realizing the emerging demand of steels both in locally and globally. Now the industry has reached at a reasonable size, still unable to meet the total demand of the country.

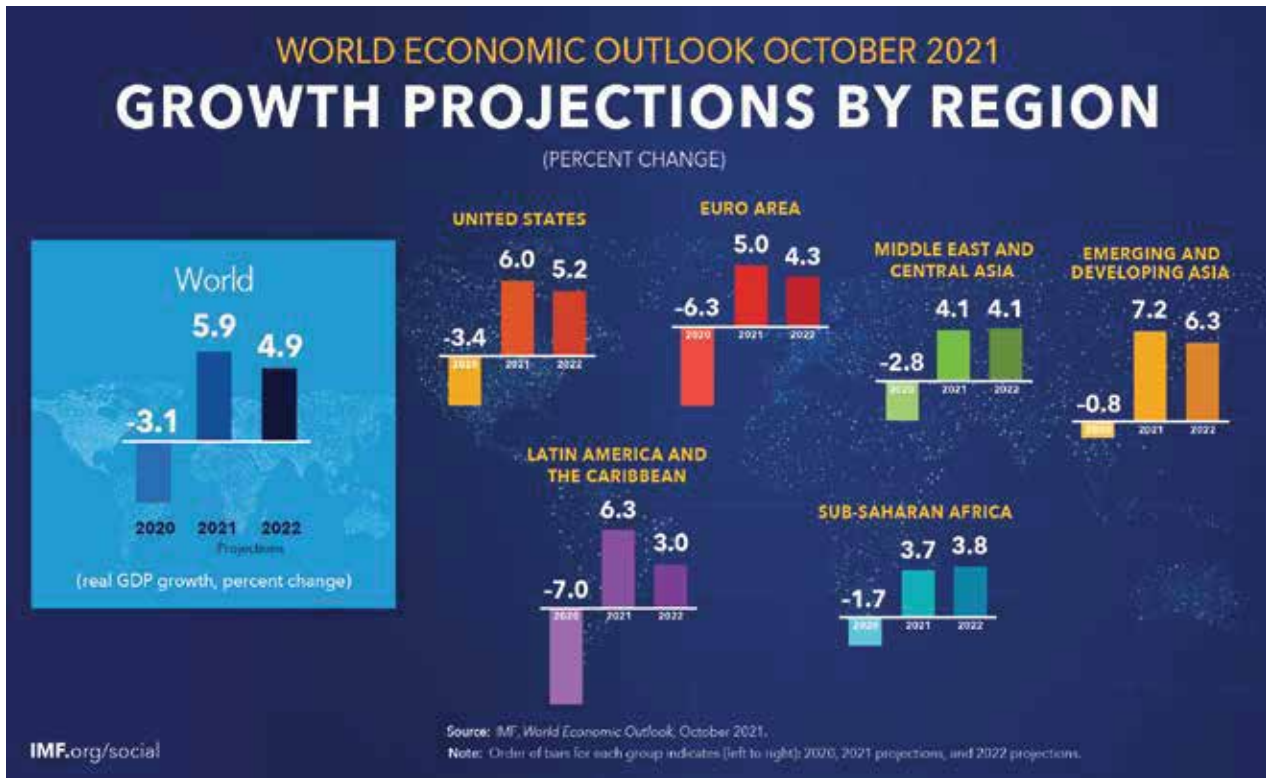
S. S. Steel Limited is looking forward to managing expertise and obtaining technology to provide better engineering solutions through supplying quality Steels, Conductors and better Customer Service. Now at the eve of the 21st century globalization, good quality steel has become an integral part for infrastructural development. With the rapid urbanization from corner to corner worldwide, the necessity of structural development assumes significant for sustainable industrial growth. So, our objective is to manufacture Steels, and Conductors of the highest quality to contribute to our national economic growth. Which is equipped with state-of-the-art technology machineries to manufacture and test all types of quality Steels, and Conductors and meet up the specific requirements of the customer.

Again, rapid industrialization and urbanization made the industry more prospective. We will continue to focus on meeting customers' expectations. We confident that we are able to overcome the challenges of upcoming years through our strong strategic management, quality products, good brand portfolio, market leading innovations and continuous support the customers demand as well.

GLOBAL ECONOMIC OVERVIEW

Global growth is projected at -4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent. Overall, this would leave 2021 GDP some 6½ percentage points lower than in the pre-COVID-19 projections of January 2020. The adverse impact on low-income households is particularly acute, imperiling the significant progress made in reducing extreme poverty in the world since the 1990s.

Beyond the pandemic, policymakers must cooperate to resolve trade and technology tensions that endanger an eventual recovery from the COVID-19 crisis. Furthermore, building on the record drop in greenhouse gas emissions during the pandemic, policymakers should both implement their climate change mitigation commitments and work together to scale up equitably designed carbon taxation or equivalent schemes. The global community must act now to avoid a repeat of this catastrophe by building global stockpiles of essential supplies and protective equipment, funding research and supporting public health systems, and putting in place effective modalities for delivering relief to the neediest.



BANGLADESH ECONOMIC OVERVIEW

Economic growth slumped to an over 10-year low in FY 2020 (July 2019-June 2020), as the pandemic hammered both domestic activity and the external sector. Merchandise exports and industrial output collapsed at an unprecedented rate in Q4 FY 2020, reflecting eviscerated foreign demand and spearheading the overall downturn. Similarly, remittances plunged in the final quarter of FY 2020, weighing on consumer spending. Turning to FY 2021, the economic panorama seems to have been gradually improving after the easing of restrictions in May and thanks to a strong fiscal and monetary policy response. Remittances—a key source for consumer spending—soared nearly 50% in July-September boding well for domestic demand and shoring up the country’s foreign reserves. Moreover, exports seemingly rebounded in July amid recovering garment demand, with stronger growth expected in the upcoming Christmas season.

Growth is expected pick up some steam this fiscal year (July 2020-June 2021) as foreign demand gradually recovers from the Covid-19-induced shock, while supportive fiscal and monetary stimulus measures buttress domestic demand. That said, the country’s poor health infrastructure and a frail global economic environment

cloud the growth outlook. Our panelists project GDP to expand 6.7% in FY 2021, which is up 1 percentage points from last month 's forecast, and 7.0% in FY 2022.

SEGMENT WISE PERFORMANCE

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary. But we can represent the performance in sector wise for your kind understanding which are shown in below:



RISK AND CONCERNS

Risks an integral part of a business and contributes to the loss of the company as well as for the shareholders. The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholders' investments and the Company's assets. The main responsibility of risk management is to establish and oversee the Company's risk management framework. Company risk management policy is established to identify and analyze the risks faced by the Company, set the appropriate risk limits and to control and monitor risks and adhere to limits. Risks management policy and system is monitored regularly to comply with the changing market conditions and company activities.

Risk management is certainly embedded in the Company's management system as the Company firmly believe that risk management is critical for the company's sustainability and the enhancement of its shareholders' value. The objective of the risk management of the company may as follows:

- Protect its assets and reputation.
- Protect the interests of all other stakeholders.

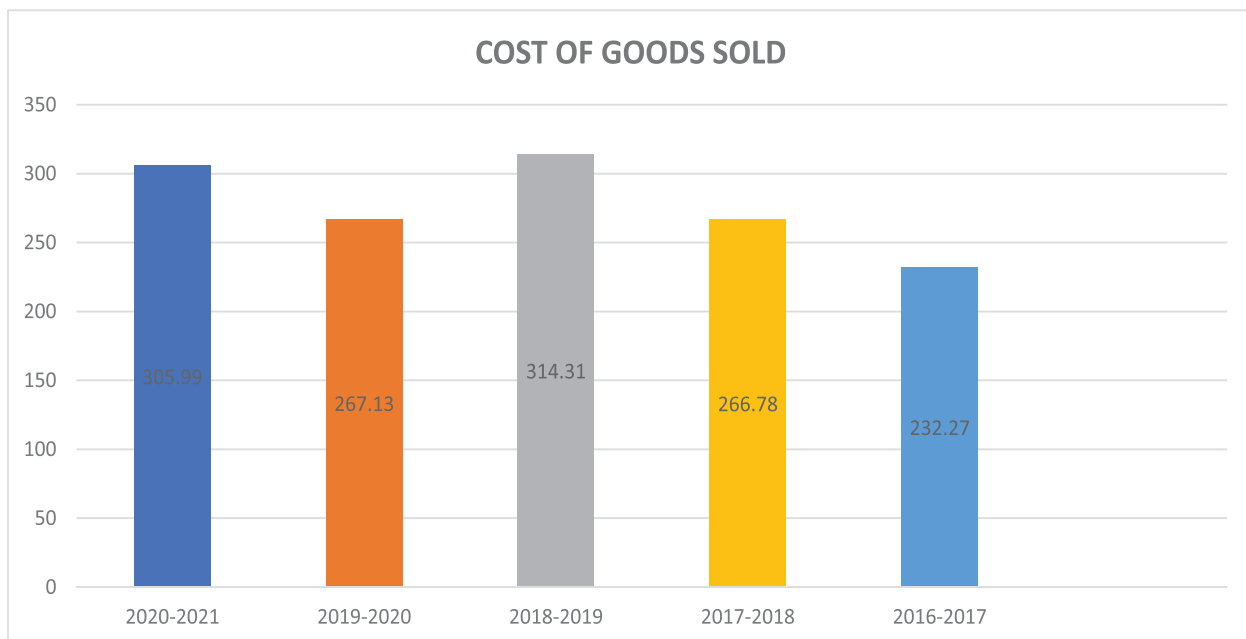
- Preserve the safety, security and health of its employees.
- Ensure the community of its supply of products to consumers and customers at all times.
- Promote an effective risk awareness culture where risk management is an integral aspect of the Company’s management systems.
- Ensure that the company’s operations do not impact negatively on the community in which it operates and the environment.

Risks are defined as uncertainties resulting in adverse variations of profitability or in losses, financial or otherwise. The core risk areas of the business are Industry risk, sourcing cost risk, financial risk, technological risk and environmental risk.

The company undertook and is continuing with the Corporate Social Responsibility programs to create positive impact in the communities and environment at large. The Company believes that the business has a key role to play in helping society to achieve the necessary sustainable balance of economic growth, environmental protection and social progress in ways that will build value for all our stakeholders.

COST OF GOODS SOLD AND PROFIT MARGINS

In FY 2020-2021 Cost of Goods Sold is 72.29% of net revenue. The COGS formula is particularly important for management because it helps them analyze how well purchasing and payroll costs are being controlled. Creditors and investors also use cost of goods sold to calculate the gross margin of the business and analyze what percentage of revenues is available to cover operating expenses. When a business is growing, an increase in COGS is normal. However, larger inventory expenditures can make it difficult to assess the effectiveness of cost control efforts. The last four years scenario of Cost of Goods Sold are as follows:



RELATED PARTY TRANSACTIONS

The Company has carried no transactions with related parties in during the year.

UTILIZATION OF IPO FUND

S. S. Steel Limited has got approval for increasing capital through Initial Public Offering (IPO) on 17th July, 2018 from Bangladesh Securities and Exchange Commission (BSEC). The allotment of IPO has been made on 29th November, 2018. The IPO fund has partly been utilized in the previous year.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

There were no significant variations between Quarterly Financial Statements and Annual Financial Performance of the Company during the year under report. The Company able to maintain a remarkable performance both in operational and financial prospective throughout the period.

REMUNERATION OF DIRECTORS

During the period of 2020-2021, the Directors not taken any remuneration from the Company which has disclosed in the note 31.07.3 of the Audited Financial Statements.

FAIRNESS OF FINANCIAL STATEMENTS

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Commission rules 1987. These statements fairly present the company's state of affairs, the results of its operations, cash flow and changes in equity.

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) notification, Chief Executive Officer and Chief Financial Officer have given the declaration about the fairness of the financial statements which is shown on page no. 60.

BOOKS OF ACCOUNTS

Proper books of accounts of the Company were maintained.

ACCOUNTING POLICIES

Appropriate accounts policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgement.

APPLICATION OF IAS AND IFRS

Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) have been followed in preparation of the financial statements and any deviation there-from has been sufficiently disclosed.

INTERNAL CONTROL AND ADEQUACY OF AUDIT COMMITTEE

Internal Controls are to be an integral part of any organization's financial and business policies and procedures. The Company's internal control system is designed at Board and Management levels to provide reasonable

assurance regarding the achievement of the Company's objectives in respect of effectiveness and efficiency of operations, reliability and completeness

- Protecting its resources against waste, fraud, and inefficiency;
- Ensuring accuracy and reliability in accounting and operating data;
- Securing compliance with the policies of the organization; and
- Evaluating the level of performance in all organizational units of the organization.

The board has formed an Audit Committee as per BSEC directives which consist of the following directors:

Name	Designation
Mr. Sadad Rahman, Independent Director	Chairman
Mr. Md. Abu Zafer, Independent Director	Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member
Mr. Md. Mostafizur Rahman	Member Secretary

MINORITY (NON-CONTROLLING) INTEREST

The Board of Directors ensures that the Company operates within the limit of its charter supported by the laws and codes of corporate governance with regard to the rights of its minority shareholders are protected from any direct or indirect abusive actions by, or in the interest of, the controlling shareholders. However, for contingency, there has been effective means of redress.

GOING CONCERN

Going concern is one the fundamental assumptions in accounting based on which financial statements are prepared. Financial statements are prepared assuming that a business entity will continue to operate in the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities. The Board of the Company is explicitly stated that the financial statements (verified through an audit committee and independent audit) are prepared on a going concern basis.

SIGNIFICANT DEVIATION FROM THE LAST YEAR'S OPERATING RESULTS AND THE REASONS BEHIND DEVIATIONS

During the year under review the revenue has increased by Tk.50.00 crore comparing to the last year. For this reason, there were increasing pattern of revenue the Gross Profit Margin, Operating Profit Margin as well as Net Profit Margin also comparing to the last year of 2019-2020.

Particulars	2020-2021	2020-2021	2020-2021	Growth (%)
	Consolidated	The Company	The Company	
Revenue	6,385,707,338	4,196,859,974	3,697,084,838	-13.52%
Gross Profit	1,452,866,759	1,136,943,021	1,025,711,833	-10.84%
Net Profit After Tax	704,421,216	583,271,225	436,285,898	-33.69%
Non-Current Liabilities	1,678,521,166	1,645,072,234	742,663,061	121.51%
Current Liabilities	3,657,966,026	2,813,683,026	2,642,890,716	-6.46%
Total Liability & Equity	12,512,918,243	10,337,732,626	8,311,516,048	-24.38%
Non-Current Asset	4,381,743,601	3,223,544,182	3,094,242,301	-4.18%
Total Asset	12,512,918,243	10,337,732,626	8,311,516,048	-24.38%
Net Asset Value per Share	20.95	19.32	17.48	-10.53%
Earnings Per Share	2.31	1.92	1.55	-23.67%



KEY FINANCIAL DATA OF LAST 5 (five) YEARS

Particulars	2020-2021 Consolidated	2020-2021	2020-2021	2018-2019	2018-2017	2017-2016
Operational Performance						
Revenue	6,385,707,338	4,196,859,974	3,697,084,838	4,150,567,726	3,583,579,981	3,003,309,524
Gross Profit	1,452,866,759	1,136,943,021	1,025,711,833	1,007,425,204	918,738,148	680,613,815
Other Income	40,112,667	39,645,450	38,778,351	21,277,988	8,026,875	4,901,664
Administrative Expenses	117,734,663	87,383,825	85,531,986	102,601,342	130,747,895	126,795,163
Selling & Distribution Expenses	113,273,111	98,908,728	99,020,772	108,313,784	85,104,086	73,834,265
Financial Expenses	334,696,108	299,996,825	261,013,537	235,574,704	216,713,483	153,794,703
Contribution to WPPF	44,155,978	32,871,385	29,472,566	27,724,446	23,533,312	15,766,255
Profit Before Tax	883,119,565	657,427,707	589,451,323	554,488,916	470,666,246	315,325,094
Net Profit After Tax	704,421,216	583,271,225	436,285,898	519,163,389	305,933,060	265,018,608
Financial Performance						
Non-Current Liabilities	1,678,521,166	1,645,072,234	742,663,061	608,277,657	783,407,071	693,089,905
Current Liabilities	3,657,966,026	2,813,683,026	2,642,890,716	2,580,321,020	2,216,700,522	1,988,400,223
Shareholder's Equity	6,773,431,048	5,475,977,365	4,925,962,271	4,489,676,373	3,720,512,985	3,414,579,925
Total Liability & Equity	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Non-Current Asset	4,381,743,601	3,223,544,182	3,094,242,301	2,921,086,855	2,921,978,428	2,800,301,938
Total Asset	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Share Information						
Authorized Capital	5,000,000,000	5,000,000,000	3,000,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Paid up Capital	3,042,900,000	3,042,900,000	2,817,500,000	2,450,000,000	2,200,000,000	2,200,000,000
No. of Shares Outstanding	304,290,000	304,290,000	281,750,000	245,000,000	220,000,000	220,000,000
Net Asset Value per Share	20.95	19.32	17.48	18.33	16.79	15.50
Earnings Per Share	2.31	1.92	1.55	2.21	1.39	1.20

PATTERNS OF SHAREHOLDINGS

The pattern of shareholding in the company as at 30 June 2021 are duly stated in the following below:

SL. NO.	Name of the Shareholders	Description	Number of Shares	Amount	Percentage (%)
A. Present or Subsidiary or Associated Companies and other related Parties (name wise details)					
Saleh Steel Industries Limited, 85/R & 86/R, Nasirabad, Industrial Area, Chittagong, Bangladesh					
B. Directors, CEO, CS, CFO, HIAC and their spouses and minor children (name wise details)					
1	Mr. Javed Opgenhaffen	Chairman	69,200,000	692,000,000	22.74%
2	Ms. Hasna Opgenhaffen (Representative of Al-Dewan Technical Services LLC)	Managing Director	15,108,768	151,087,680	4.97%
3	Mr. Sayeed Rezaraj Ahmmad (Representative of NJ Holdings Ltd.)	Nominated Director	6,210,000	62,100,000	2.04%
4	Mr. Sadad Rahman	Independent Director	Nil	Nil	Nil
5	Mr. Md. Abu Zafer	Independent Director	Nil	Nil	Nil
6	Mr. Md. Mostafizur Rahman	Company Secretary	Nil	Nil	Nil
7	Mr. Poritos Chandra Roy	HIAC	Nil	Nil	Nil
C. Executives (Top Salaried Employees)					
8	Mr. Saiful Islam Helaly	Chief Executive Officer	Nil	Nil	Nil
9	Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer	Nil	Nil	Nil
10	Mr. Nazim Uddin Chowdhury	Chief Operating Officer - Production & Quality	Nil	Nil	Nil
11	Mr. Shakhwat Hossain	AGM-Power Plant	Nil	Nil	Nil

BOARD OF DIRECTOR'S MEETINGS

The Board of Directors holds meeting on a regular basis. The management provides information, references and details working papers for each item of agenda to all the Directors well ahead of time fixed for the Board of Directors Meeting for Consideration. The Chairman of the Board of Directors allocates sufficient time for the Directors to consider each time of interest of the agenda and allow them to discuss, inquire and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities.

The composition of the Board Committees as of 30 June, 2021 and the attendance of Directors at the Board meetings held in 2020-2021 are as follows:

Names	Designation	Board	Participation
Mr. Javed Opgenhaffen	Chairman	7	7/7
Ms. Hasna Opgenhaffen	Managing Director	7	7/7
Mr. Sayeed Rezaraj Ahmmad	Nominee Director	7	7/7
Mr. Sadad Rahman	Independent Director	7	7/7
Mr. Md. Abu Zafer	Independent Director	7	7/7

DEFERRED TAX

We have calculated the deferred tax as per IAS-12 on the basis of difference of respective year's carrying value between Tax base and Accounting base of "Property, Plant and Equipment's". Similarly, we have also calculated the deferred tax liability which has shown in the note no. 16 of audited financial statements for the year ended 30 June, 2021.

PROVISION FOR WORKERS PROFIT PARTICIPATION FUND (WPPF) AND WELFARE FUND

The management is aware about the inconvenience in payment of Bangladesh Workers' Welfare Foundation Fund and it's assured that it will be paid within due time in future.

AS PER SECTION 99 OF THE BANGLADESH LABOUR ACT 2006 AND AS AMENDED, THE FOLLOWING IS REQUIRED "IN THE ESTABLISHMENTS WHEREIN MINIMUM OF 100 PERMANENT WORKERS ARE EMPLOYED, MUST INTRODUCE GROUP INSURANCE IN THE MANNER PRESCRIBED BY RULES". HOWEVER, DURING THE YEAR, THE COMPANY RENEW THE GROUP INSURANCE FOR ITS PERMANENT EMPLOYEE'S DESPITE OF EMPLOYING MORE THAN 100 PERMANENT EMPLOYEES. THIS INDICATES COMPLIANCE OF THE AFOREMENTIONED SECTION OF THE BANGLADESH LABOUR ACT 2006 AS AMENDED.

COMPANYS PERFORMANCE AND FINANCIAL RESULT

This was the first year of overcoming the Corona crisis, Although the stiffness is not yet fully overcome. The market is still in recession. The company has posted a net profit after tax amount to Tk. 583,271,225 [Fifty-eight crore thirty-two lakh seventy-one thousand two hundred and twenty-five] in the year ended 30 June 2021 which has increased than the last year. Last year it was Tk. 436,285,898 [Forty-three crore sixty-two lakh eighty-five thousand eight hundred ninety-eight]

Particulars	2021	2020
Net profit for the year before TAX & WPPF	690,299,092	618,923,889
Add: Retained earnings up to last year	1,401,961,746	1,323,624,611
	2,092,260,838	1,942,548,500
Less: Contribution to WPPF	32,871,385	29,472,566
Profit available for appropriation taka	2,059,389,453	1,913,075,934
Proposed Appropriation		
Provision for income TAX	74,156,482	153,165,425
Stock Dividend	225,400,000	367,500,000
Retained Earnings	1,735,604,577	1,401,961,746
	2,035,161,059	1,922,627,171
Cash Dividend	41,511,004.4	33,256,131

DIVIDEND

As mentioned in the earlier paragraph, the company has posted a net profit before tax amounting to Tk. 583,271,225 in the year ended 30 June 2021 [Fifty-eight crore thirty-two lakh seventy-one thousand two hundred and twenty-five] considering the above factors, the board has opted recommending @8% stock dividend (one bonus share for every ten share held) and 2% cash dividend for the year 2020-2021 to the general shareholders only to be distributed subject to approval of the 20th Annual General Meeting.

DIRECTORS' RETIREMENT AND RE-APPOINTMENT

As per the Articles of Association of the Company Independent Director, Sadad Rahman and Independent Director, Md. Abu Zafer shall retire in the 20th Annual General Meeting by rotation and being eligible for re-election. The Board of Directors has recommended to re-appoint them as Directors of the Company on November 24, 2021.

ENVIRONMENT, HEALTH AND SAFETY

We at S. S. Steel Limited recognize that Environmental Issues have become critical challenge globally. We are committed to contributing towards "Leaving a beautiful planet as a legacy to future generations". For achieving this, we believe that we need to work in harmony with the nature; recognize the environmental impact related to our business activities & products and undertake protection of environment through technologically and economically feasible goals within our scope. We are committed towards conservation of natural resources by their responsible and efficient use in our operations. We are also committed to continual improvement in environmental performance and complying with environmental legislations and requirements.

We are providing appropriate training to employees to enhance their awareness and commitment to environmental protection. Our environmental policy is communicated to all our employees, business associates and made available to the public.

Ensuring healthy and safe working environment for employees and contractors is one of the most important issues for the Electrical Cables industry. S. S. Steel Limited takes all possible measures to ensure that all its employees as well as communities within which it operates remain safe at all times. Moreover, we follow zero tolerance in sacrificing our community's health issues as well as are part of the society.

CEO AND CFO'S DECLARATION TO FINANCIAL STATEMENTS

The Chief Executive Office and Chief Financial Officer are of the opinion that Financial Statements given on page. 64 of this report present true and fair view of the Company's affairs.

HUMAN RESOURCES

A dynamic business environment requires having a well-trained work force; therefore, the company develops the appropriate management skills to suit the business environment. Various training programs and workshops were carried out during the year. The management and employee relationship in the company was excellent throughout the year.

WHISTLEBLOWING

Whistleblowing is the term used when a worker passes on information concerning wrongdoing. Whistleblowing is the act of telling the authorities or the public that the organization you are working for is doing something immoral or illegal. The company established whistleblowing policy for the betterment of the company which has been described in page no. 35.

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

Corporate governance is a system by which companies are directed and controlled. To ensure the spirit of the corporate governance with accountability, for inspiring confidence of investors, regulators and other stakeholders, S. S. Steel Limited is committed to comply with all the requirements of corporate governance as required by the Bangladesh Securities and Exchange Commission (BSEC). S. S. Steel Limited believes that enriched corporate governance contributes to the long-term success of a company and creates trust and engagement between the company and its stakeholders.

It is the responsibility of the Company Secretary, being the highest governance official in the Company, to ensure elective compliance of rules and regulations in this respect. S. S. Steel Ltd. always strives for maximizing its shareholders value and benefit as a part of corporate policy. For this reason, the Company is committed to maintaining high standards of Corporate Governance. The Company's Corporate Governance Framework is directed towards achieving its business objectives in a manner that is responsible and in accordance with its high standards of honest, reliability, transparency and accountability.

It is our pleasure to confirm that the Company has complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2020-2021. The Certificate of Compliance required under the said Guidelines as provided by "Atik Khaled Chowdhury", Chartered Secretaries is also annexed to this report.

AUDITORS

MABS & J Partners & Co. Chartered Accountants is the statutory auditor of the Company for the year of 2020-21. Ashraf Uddin & Co, Chartered Accountants appointed by the Board of Directors for the year of 2021-2022 with the remuneration of Tk. 5,00,000 (Five Lac only) and request the shareholders to approve the appointment. However, they have expressed their willingness to be appointed for the year 2021-2022.

ACKNOWLEDGEMENTS

The performance of S. S. Steel Limited in 2020-2021, ever with many challenges confronted specially COVID-19 Pandemic, demonstrates the determination of the Board, Management and the people in the Company. The outstanding achievement of the year is more than a tribute to the countless brand users of the Company and its numerous stakeholders. It is a very promising sign that the Steel industry has become one of the leading industries in the country. The outstanding performance and achievement of the year is more than a tribute to the countless brand users of the Company and its numerous shareholders. The Members of the Board would like to place on record their high appreciation to the valued shareholders and all other stakeholders of the Company for their persistent support and guidance. The Board of the Company would like to thank each and every customer for their continued support and for making Company brands their preferred choices.

The Board also recognizes that its journey and accomplishments during the year was possible because of the cooperation, positive support and guidance that it received from the Government of Bangladesh, particularly the Ministry of Finance, Ministry of Commerce, Ministry of Labor and Employment, National Board of Revenue, Board of Investment, Bangladesh Investment Development Authority, Bangladesh Securities and Exchange Commission, Stock Exchanges and other numerous stakeholders. The Board would also like to appreciate the support from S. S. Steel Limited 's bankers, Bangladesh Bank insurers and financial institutions, vendors, the press and media, business partners and all our employees. The Board offers its utmost gratefulness to them.

We are proud of you all and look forward to your continued support as we walk together to take S. S. Steel Limited forward as a leading player in Bangladesh's business community.



Md. Mostafizur Rahman
Company Secretary



Javed Opgenhaffen
Chairperson

FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

The economy of Bangladesh is a developing market economy. It's the 35th largest in the world in nominal terms, and 30th largest by purchasing power parity; it is classified among the Next Eleven emerging market middle income economies and a frontier market. In the first quarter of 2020, Bangladesh's was the world's seventh fastest growing economy with a rate of 7.3% real GDP annual growth. Dhaka and Chittagong are the principal financial centers of the country, being home to the Dhaka Stock Exchange and the Chittagong Stock Exchange. The financial sector of Bangladesh is the second largest in the Indian subcontinent. Bangladesh is one of the world's fastest growing economies.

In the decade since 2004, Bangladesh averaged a GDP growth of 6.5% that has been largely driven by its exports of readymade garments, remittances and the domestic agricultural sector. The country has pursued export-oriented industrialization, with its key export sectors include textiles, shipbuilding, fish and seafood, jute and leather goods. It has also developed self-sufficient industries in pharmaceuticals, steel and food processing. Bangladesh's telecommunication industry has witnessed rapid growth over the years, receiving high investment from foreign companies. Bangladesh also has substantial reserves of natural gas and is Asia's seventh largest gas producer. Offshore exploration activities are increasing in its maritime territory in the Bay of Bengal. It also has large deposits of limestone. The government promotes the Digital Bangladesh scheme as part of its efforts to develop the country's growing information technology sector.

As of 2020, Bangladesh's GDP per capita income is estimated as per IMF data at US\$ 5,139 (PPP) and US\$ 1,855 (nominal). Bangladesh is a member of the D-8 Organization for Economic Cooperation, the South Asian Association for Regional Co-operation, the International Monetary Fund, the World Bank, the World Trade Organization and the Asian Infrastructure Investment Bank. The economy faces challenges of infrastructure bottlenecks, bureaucratic corruption, and youth unemployment.

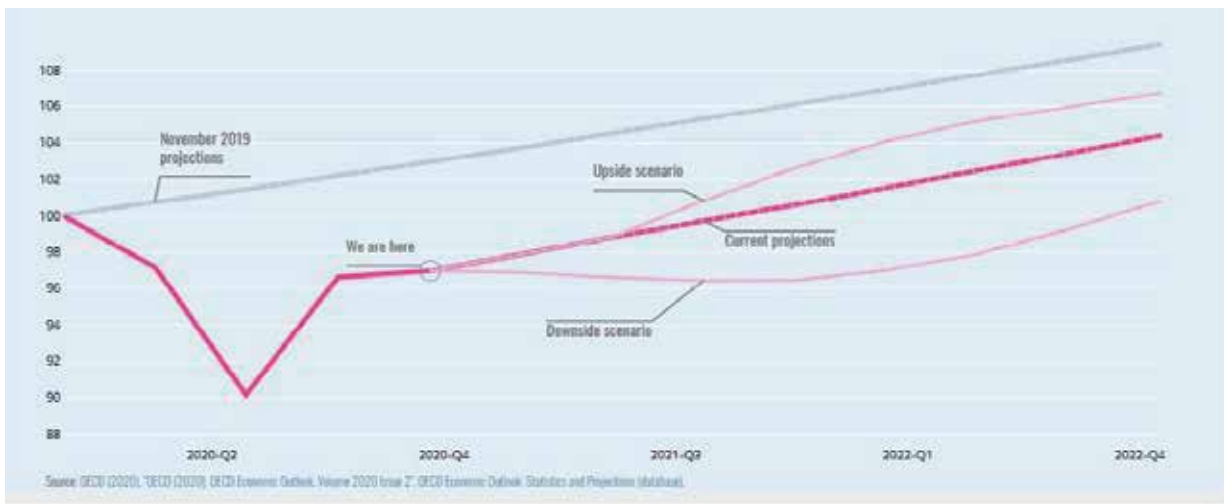
A broad-based pick-up in economic activity hampered in FY 2019-20 due to COVID-19 Pandemic situation, overall economic condition was not good at all. The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The June 2020 Global Economic Prospects describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast

envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages.

Every region is subject to substantial growth downgrades. East Asia and the Pacific will grow by a scant 0.5%. South Asia will contract by 2.7%, Sub-Saharan Africa by 2.8%, Middle East and North Africa by 4.2%, Europe and Central Asia by 4.7%, and Latin America by 7.2%. These downturns are expected to reverse years of progress toward development goals and tip tens of millions of people back into extreme poverty.

ECONOMIC OUTLOOK SEPTEMBER 2020



After collapsing in the first half of the year, economic output recovered swiftly following the easing of measures to contain the COVID-19 pandemic and the initial re-opening of businesses. Policymakers reacted rapidly and massively to buffer the initial blow to incomes and jobs. But the pace of recovery has lost momentum over the summer. Restoring confidence will be crucial to how successfully economies can recover, and for this we need to learn to safely live with the virus. Prospects for economic growth will depend on various factors, including the likelihood of new virus outbreaks, the impact on consumer and business confidence, and the extent to which government aid for jobs and businesses can boost demand. The unprecedented policy support by governments needs to continue, but become more targeted and be flexible enough to adapt to changing conditions. Policymakers need to convince people that they are working to improve their lives and creating opportunities for all.

RISK AND CONCERNS ISSUES RELATED TO THE FINANCIAL STATEMENTS

The Company has exposure to the Credit Risk, Liquidity Risk and Market Risk arising from the financial statements. The detail explanation of risk and concerns along with the Risk Management Framework are explained in this annual report. The Company has taken sufficient steps and controls effectively consistently round the year to mitigate the risk and concerns.

FUTURE FOR COMPANY'S OPERATION, PERFORMANCES AND FINANCIAL POSITION

The Company has taken all sorts viable plans, strategy and vision to continue the operations of the company for probable future during the COVID-19 Pandemic situation as well. This is relevant to share that company maintains a periodic action plans along with mid-term and long-term strategies to maintain the sustainability in its performances and financial position.

RELATED PARTY TRANSACTIONS

The Company has carried no transactions with related parties in during the year.



Javed Opgenhaffen
Chairperson



Hasna Opgenhaffen
Managing Director

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors are responsible for preparing the annual report and financial statements in accordance with the Companies Act 1994, Securities and Exchange Commission Rules 1987, International Financial Reporting Standards (IFRS) and other applicable laws and regulations. In addition to the directors' report, the Directors are declaring following additional statements to the best of their knowledge as complied and maintained for the international financial year under review:

- The financial statements prepared by the management of the Company present a true and fair view of the Company state of affairs, result of its operation, cashflows and changes in equity;
- Proper books of accounts as required by law have been maintained.
- Appropriate accounting policies have been followed in formulating the Financial Statements and Accounting estimates are reasonable and prudent.
- The Financial Statements were prepared and presented in accordance with Bangladesh Accounting Standards (BAS) and International Financial Reporting Standards (IFRS).
- The Financial Statements prepared by the management of the Company present a true and fair views of the Company.
- The whole business operation is being conducted in accordance with the rules, regulations, laws, agreements, standards and guidelines governing in the country.
- There are no doubts upon the company's ability to continue as a going concern and the annual accounts have been prepared as a going concern basis.
- All the judgements and decisions taken by management are rational and prudent.



Javed Opgenhaffen
Chairperson



Hasna Opgenhaffen
Managing Director



Sayeed Rezaraj Ahmmad
Nominated Director



Sadad Rahman
Independent Director



Md. Abu Zafer
Independent Director

CORPORATE GOVERNANCE STATEMENT

2020-2021

The Board Directors are collectively responsible to shareholders of the Company for its performance and for the organization's governance frameworks, its value system and its strategies. The Company believes in adopting the best practices in the area of Corporate Governance and follows the principles of transparency and accountability, thereby protecting the interests of its shareholders. Corporate Governance is a system by which companies are directed and controlled. S. S. Steel Limited being a renowned Company, believes that its strategic desires and the country's social objectives are mutually inclusive and accordingly follows a governing policy that recognizes communal responsibility over its marketable interest. The principal characteristics of corporate governance are transparency, independence, responsibility, fairness, and responsibility for the society.

S. S. Steel Limited is always conscious about the corporate governance which ultimately helps to win stakeholders' confidence. The good governance process provides transparency of corporate policies, strategies and the decision-making process. It is also strengthening internal control systems and helps in building relationships with all stakeholders. The Board ensures the integrity and commitment of its employees, supported by a comprehensive framework of policies, guidelines and internal controls. In this Statement of Corporate Governance, we believe to provide insights to the shareholders, investors and other stakeholders on the corporate governance initiatives in the Company. We also believe in transparency and commit ourselves to adhere to good corporate governance practices in all times.

BOARD GOVERNANCE

The Company is managed and operated under the direction of the Board of Directors. The Board of Directors of S. S. Steel Limited, being the supreme authority in the Company, believes in ensuring the highest standards of Corporate Governance as it will serve to reinforce the Company's sustainability, organizational effectiveness and foster a high-performance culture within the organization. As we know that the Board of S. S. Steel Limited is the most prominent board in the country because it is constituted by a galaxy of very resourceful persons, combined with highly educated also includes core competencies considered relevant in the context of the Company. To further ensure a balanced representation, the Board also includes Independent Directors, who are enlightened members of the society. The Board of Directors of the Company remains committed to high standards of governance in cultivating a responsible organization, that adopts and practices in accordance with the principles and recommendations of the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and the Company's own governing Principles. The Board recognizes that maintaining good corporate ethics is critical to business integrity and performance, and key to delivering shareholders' value. The corporate governance is essential for the long-term performance and sustainability of our Company, and to protect and enhance the interests of our shareholders and other stakeholders.

Our governance framework plays an integral role in supporting our businesses and helping us to deliver on our strategy. It provides the structure through which our strategy and business objectives are set, our performance is monitored, and the risks we face are managed. It includes a clear framework for decision making and accountability across our business and provides guidance on the standards of behavior we expect from our

people. The Company is dedicated and committed to managing its business responsibly amongst a challenging environment for the steels industry and the awards and achievements that the Company has received are testimony of such dedication and commitment. We always try to review regularly or governance arrangements as well as developments in market practice, expectations and regulation to establish good governance in our organization. We can consider good governance in the following ways:

CORPORATE GOVERNANCE FRAMEWORKS

S. S. Steel Limited Corporate Governance Frameworks has been developed and enhanced based on the basic principles and best practices outlined in the following:

- Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance;
- The Companies Act 1994 and other applicable laws & regulations of Bangladesh;
- Dhaka and Chittagong Stock Exchanges Listing Regulations;
- Laws of the land;
- Standards of Business Conduct, Policies and Guidelines of the Company;
- Statement of Risk Management Internal Control of the Company;
- Statement of Delegated Authorities of the Company; and
- Local and global best practices.

The Board also continuously reviews its corporate governance frameworks to ensure its relevance, effectiveness and sustain- ability in addressing future business challenges.

The corporate governance framework of S. S. Steel Limited is directed towards achieving the Company's business objectives in a responsible manner. Therefore, in order to comply with the laws, rules, regulations, corporate governance codes, articles of association, policies and procedures, the Company constantly exercises good Board practices, effective control processes, transparent disclosures, well-defined shareholders 'rights and Board commitments.

BUSINESS COMPLIANCE

The Board of S. S. Steel Limited believes that good governance is essential in pursuing its business objectives. The fundamentals of good governance are corporate compliance to the various laws, rules and regulations. Compliance helps build trust among the Board Members, Shareholders, Customers and other stakeholders including the regulators. As leaders of a compliant company, the Management Team of S. S. Steel Limited adopted strategies that assure compliance with all relevant legal and regulatory requirements. This ensures that good governance cascades right throughout the company. S. S. Steel Limited is subject to close monitoring process of regulatory bodies that focus on transparency and require that S. S. Steel Limited provides accurate and periodic reporting of issues/events and certification where necessary. In this context, the Company regularly provides a complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC) and all other relevant bodies and authorities. The Company also takes various initiatives to conduct awareness sessions on existing and proposed

laws to ensure compliance throughout the company. Overall, S. S. Steel Limited has always tried to remain a fully compliant company accommodating every possible way and strategy to ensure the same.

STRUCTURE OF THE BOARD

The Board of Directors of the Company consists of 5 (Five) Directors. Namely Javed Opgenhaffen (Chairman), Hasna Opgenhaffen (Managing Director), Sayeed Rezaraj Ahmmad (Nominated Director), Sadad Rahman (Independent Director), Md. Abu Zafar (Independent Director).

PRACTICES OF THE BOARD

The responsibilities of the Board of Directors are mainly related to evaluation and development of strategy. The Board is Responsible to the shareholders for overall success of the Company for its strategic directions, its values and its governance. It provides the leadership necessary for the Company to meet its business objectives within the framework of its internal controls, while also discharging the Company's obligations to its shareholders. The Board shall determine the vision, mission of the Company and also determine the strategy and work planning for enhancement of effectiveness and efficiency. The composition of the Board complies with the requirements outlined in the BSEC Guidelines on Corporate Governance, the Listing Regulations and those of the generally applied codes of best practices.

POLICY ON APPOINTMENT OF DIRECTORS

The Company always complies with the regulations of the regulatory authorities regarding appointment of directors. BSEC notifications and Companies Act are strictly followed in this regard. S. S. Steel Limited does not have its own and separate policy on appointment of Directors, except for the very first Board. As per the Companies Act, 1994, Directors are subject to retirement. At least one-third of the Directors shall retire by rotation in every AGM. As per the Companies Act 1994, a Director may be appointed for a period of three years and the term may be extended for another three years. The Company shall follow all relevant rules and regulations of the respective regulatory bodies in case of nomination, removal and casual vacancy of the directors.

CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

The positions of the Chairman of the Board and the Chief Executive Officer or Managing Director of S. S. Steel Limited were filled by different individuals. The Chairman was elected from among the directors of the Company. The Managing Director and CEO was also appointed by the Board which was done at the time of formation of the Company. The Board of Directors has clearly defined respective roles and responsibilities of the Chairman and Managing Director & Chief Executive Officer as per Articles of Association of the Company.

CHAIRMAN OF THE BOARD

The Chairman of the company shall be elected by the Board of Directors from among the directors of the company and the Board considers the Chairman being independent.

ROLES AND RESPONSIBILITIES OF THE CHAIRMAN

- The Chairman's responsibility is defined by the Board as directed by BSEC's notification on Corporate Governance Guidelines.
- The Chairman presides over meetings of the Board and Company (AGM) and ensures good Corporate Governance in the conducts of the Board and Company.
- As Chairman of the Board of Directors (or Chairman of any Committee formed by the Board), does not personally possess the jurisdiction to apply policy making or executive authority, he does not participate in or interfere into the administration or operational and routine affairs of the Company.
- The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Managing Director, representing the Company as a good/responsible corporate citizen.
- The Chairman may assume any responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles.

PRIMARY ROLES AND RESPONSIBILITIES OF THE MANAGING DIRECTOR

The position of a Managing Director in a company is crucial as this position will involve the most senior level responsibilities of the organization. Managing directors are the head of the business group and they are the decision-making body of the company. He has the responsibility of running the entire organization and also taking all important decisions for the company. Hence the managing director of a company should be experienced, confident and skilled professional who has good leadership qualities.

- A managing director strives to chart blueprint policies for the company and implements them for the betterment of the employees and the company.

- The Managing Director is responsible for driving business operations, leading the development and execution of the Company's long-term strategies with a view to creating shareholder value.
- The Managing Director's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short-term plans.
- The Managing Director acts as a direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the Management.
- The Managing Director also communicates on behalf of the Company to the shareholders, employees, Government authorities, other stakeholders and the public.
- Develop strategies to boost sales and profits of the company and plan the future prospects of the company.

INDEPENDENT DIRECTOR

Mr. Sadad Rahman and Md. Abu Zafar has appointed by the Board of Directors as Independent Directors. The re-appointment of Mr. Sadad Rahman and Md. Abu Zafar, Independent Director approved by the shareholders in the 19 Annual General Meeting 2019-2020 for next five years.

QUALIFICATION OF INDEPENDENT DIRECTORS

Mr. Sadad Rahman has completed MBA, from City College University of London, UK. After he completion his academic career he started services different types of sector. Also, he received various types training from different institutions. Not only he is the Independent Director of S. S. Steel Limited but he is also Managing Director of Rangpur Distilleries & Chemicals Limited, Director of Saleh Steel Industries Limited & Independent Director of Fu-Wang Ceramic Industry Limited. Both the independent directors have significant experience in finance and accounting. All the Independent Directors are "financially literate" as defined by the corporate governance guidelines.

Mr. Md. Abu Zafer has completed Barrister-at-Law, from Gray's in London, UK. After he completion his academic career he started services different types of sector. Also, he received various types training from different institutions. Not only he is the Independent Director of S. S. Steel Limited and Fu-Wang Ceramic Industry Limited. Both the independent directors have significant experience in finance and accounting. All the Independent Directors are "financially literate" as defined by the corporate governance guidelines.

BOARD'S RESPONSIBILITIES AND AUTHORITIES

The Board of Directors is appointed to act on behalf of the shareholders to run the day-to-day affairs of the business. The board are directly accountable to the shareholders and each year the company will hold an Annual General Meeting (AGM) at which the directors must provide a report to shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board.

- Determine the company's vision and mission to guide and set the pace for its current operations and future development.
- Determine the company's vision and mission to guide and set the pace for its current operations and future development.
- Review and evaluate present and future opportunities, threats and risks in the external environment and current and future strengths, weaknesses and risks relating to the company.
- Reviewing and approving the un-audited quarterly financial statements.
- Reviewing Company's risk assessment and ensures implementation of appropriate systems to manage those risks.
- Overseeing the conduct and performance of the Company.
- Providing the leadership necessary to ensure that the business objectives set out by the Board are met within the frame- work of internal controls, as described in this Statement.
- Other key duties for the Board includes approving financial statements, appropriation of profit, reviewing the adequacy and integrity of the Company's internal control systems and ensuring compliance with applicable laws, rules, regulations, directives and guidelines of various regulators.
- Ensure that communications both to and from shareholders and relevant stakeholders are effective.
- Understand and take into account the interests of shareholders and relevant stakeholders.
- Monitor relations with shareholders and relevant stakeholders by gathering and evaluation of appropriate information.
- Promote the goodwill and support of shareholders and relevant stakeholders.

In discharging its responsibilities, the Board is guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act, 1994; relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's Standards of Business Conduct, Business Principles, Statement of Delegated Authorities, and other generally accepted corporate best practices.

DIRECTORS' REPORT TO SHAREHOLDERS

BOARD COMMITTEES

The Board has also constituted a few Committees for quicker and efficient flow of information and thereby exercising effective governance and has delegated certain responsibilities to the Committees to assist the Board in discharging of its responsibilities. There are four such Committees, to which the Board has delegated certain responsibilities. These are:

1. Board Audit Committee
2. Board Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Executive Committee

Each of the above-mentioned committee strictly adheres to a set of Terms of Reference (TOR) approved by the Board. Their roles, operating procedures and authorities are clearly defined in the TOR which is regularly reviewed by the Board. There is an evaluation process regarding performance of Audit and CSR committees which facilitates in achieving certain governance objectives. The key functions of these committees are as follows:

1. BOARD AUDIT COMMITTEE

The main objective of the Audit Committee is to assist the Board of Directors to effectively carry on its responsibilities relating to financial and other relevant affairs of the Company. The Committee is empowered to monitor, review and examine the followings:

- Oversee the financial reporting process;
- Monitor implementation/following the accounting policies and principles;
- Monitor Internal Control Risk Management Process;
- Oversee hiring and performance of external auditors;
- Review along with the management, the Annual Financial Statements before submission to the Board for approval;
- Review along with the management, the Quarterly and Half Yearly Financial Statements (if any) before submission to the Board for approval;
- Review the adequacy of Internal Audit team performance in terms of internal audit report;
- Review statement of significant related party transactions submitted by the management;
- Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;
- When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue, the company shall disclose to the Audit Committee about the uses/applications of funds 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. Further on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.

The members of the Board Audit Committee are as follows:

Name	Designation
Mr. Sadad Rahman, Independent Director	Chairman
Mr. Md. Abu Zafer, Independent Director	Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member
Mr. Md. Mostafizur Rahman	Member Secretary

2. BOARD NOMINATION & REMUNERATION COMMITTEE

The Remuneration Committee has been established to assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company and for determining their remuneration packages and to review and oversee the Company's overall human resources strategy.

The Committee is empowered to perform, monitor, review and examine the followings:

- Determine the remuneration of the Company's Managing Director, Chief Executive Officer, the Chairman, the Manager, HRM, the Chief Financial Officer and the Company Secretary;
- Review the ongoing appropriateness and relevance of the remuneration policy;
- Approve the design of, and determine targets for any performance related schemes and annual payments made under such schemes;
- Review the design of all new long-term schemes and significant changes to such schemes for approval, in each case, by the Board and shareholders.
- Determine the total individual remuneration package of each Executive Director, the Company Secretary and the Chairman including bonuses, incentive payments and any compensation payments;
- Monitor the level and structure of remuneration for senior management;
- Oversee any major changes in employee benefits structures throughout the Company;
- Review the policy for authorizing claims for expenses from the Managing Director, Chief Executive Officer and the Chairman;
- Ensure that all provisions regarding disclosure of remuneration;
- Review of the Remuneration Committee's performance;
- review of and proposed amendment to the terms of reference;
- approval of the Directors' remuneration report
- Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee; and
- Obtain reliable, up-to-date information about remuneration in other companies, with a view to judging where to position the Company relative to other companies. The Remuneration Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfill its obligations.

The members of the board Nomination & Remuneration Committee are as follows:

Name	Designation
Mr. Md. Abu Zafer, Independent Director	Chairman
Mr. Sadad Rahman, Independent Director	Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member
Mr. Md. Mostafizur Rahman	Member Secretary

3. CSR COMMITTEE

The Board of S. S. Steel Limited has formed a Corporate Social Responsibility (CSR) Committee as a sub-committee of the Board. Corporate Social Responsibility (CSR) is core to the Responsibility strategy of the Company. It is an essential to the business sustainability and enhancement of long-term shareholders value. The Company identifies that it has a role to play in helping society to achieve the necessary sustainable balance of economic growth, environmental protection and social progress as well. The purpose of the formation of the Board CSR Committee is to ensure management of the Company's CSR initiatives in a way that ensures business sustainability, and create positive impact on image and reputation of the Company amongst the society and the stakeholders.

The members of the Board Remuneration Committee are as follows:

Name	Designation
Mr. Sadad Rahman, Independent Director	Chairman
Ms. Hasna Opgenhaffen, Managing Director	Member
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member
Mr. Md. Mostafizur Rahman	Member Secretary

4. EXECUTIVE COMMITTEE

The Board is duly assisted by the functional heads of the Company, namely the Executive Committee. The Managing Director leads the Executive Committee which comprises of the following heads of organizational functions:

The Executive Committee is devolved with the responsibility of executing the policies and decisions of the Board, control the operations as well as developing, organizing and implementing business and corporate strategies. Usually, the Executive Committee meets monthly to implement the Company's strategy and ensure effective day-to-day operations in line with the Company plan.

The members of the Board Executive Committee are as follows:

Name	Designation
Ms. Hasna Opgenhaffen	Managing Director
Mr. Saiful Islam Helaly	Chief Executive Officer
Mr. Md. Mostafizur Rahman	Company Secretary
Mr. B.M. Kashefuzzaman	Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer
Mr. Nazim Uddin Chowdhury	Chief Operating Officer - Production & Quality
Mr. Poritos Chandra Roy	Head of Internal Audit

BOARD OF DIRECTOR'S MEETINGS

The Board of Directors holds meeting on a regular basis. The management provides information, references and details working papers for each item of agenda to all the Directors well ahead of time fixed for the Board of Directors Meeting for Consideration. The Chairman of the Board of Directors allocates sufficient time for the Directors to consider each time of interest of the agenda and allow them to discuss, inquire and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities.

The composition of the Board Committees as of 30 June, 2020 and the attendance of Directors at the Board meetings held in 2020-2021 are as follows:

Names	Designation	Board	Participation
Mr. Javed Opgenhaffen	Chairman	7	7/7
Ms. Hasna Opgenhaffen	Managing Director	7	7/7
Mr. Sayeed Rezaraj Ahmmad	Nominee Director	7	7/7
Mr. Sadad Rahman	Independent Director	7	7/7
Mr. Md. Abu Zafer	Independent Director	7	7/7

EXTERNAL / STATUTORY AUDIT

Appointment of the Statutory Auditor is regulated by the Companies Act 1994 and by Securities & Exchange Rules 1987. On the basis of suggestion of the Audit Committee, the Board recommends appointment of an auditor, which is approved by the Shareholders at the Annual General Meeting. Along with the appointment, the Shareholders also fix the remuneration of the auditors. Under the BSEC order, a Statutory Auditor can continue in office for maximum three consecutive years. From a corporate governance perspective, S. S. Steel Limited maintains complete and thorough independence of the Statutory Auditors. The Audit Committee meets with the statutory auditors to ensure that the auditors are acting independently and reviews the financial statements before submission to the Board for approval.

MABS & J Partners, Chartered Accountants was the External/Statutory Auditor of the Company for the year of 2020-2021. They carry out systematic examination of books and records of the Company and ascertain, verify and report upon the facts regarding the financial operation and the results of the Company. To comply with the corporate governance properly, the company did not engage its statutory auditors to perform the following services: -

- Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation.
- Book-keeping or other services related to the accounting records or financial statements.
- Broker-dealer services.

- Actuarial services.
- Internal audit services.
- Any other service that the Audit Committee determines.
- 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.

A part from the statutory audit, in order to ensure full and complete regulatory discharge, Compliance Audit is also done by the firm of “Atik Khaled Chowdhury” This is a licensed practicing professional who certifies, on the basis of his audit, that the Company has duly complied with all the regulatory requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC).

FAIR PRESENTATION

The Company prepares financial statements with adequate disclosures in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. In order to prepare the financial statements, the management is responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying accounting policies and making accounting estimates that are reasonable in the circumstances. Once prepared, the financial statements are reviewed by CEO and Finance Director and then by the Audit Committee on regular basis. The external auditors are also attended in the Audit Committee meetings to review the quarterly financial statements as prepared in accordance with International Reporting Standards (IFRS) and Company policies.

After that the Board reviews the financial statements of the Company at the end of every quarter. The quarterly financial statements along with the notes are published on the two daily newspapers as well as the Company’s website. On an annual basis, the Directors prepared the Directors’ Report as a part of the Annual Report which discloses the financial performance as well as nonfinancial information regarding company growth, productivity, responsibilities and other information in compliance with BSEC Notification.

SUBSIDIARY COMPANY

S. S. Steel Limited has no Subsidiary Company.



B.M. Kashefuzzaman
CHIEF FINANCIAL OFFICER

COMPANY SECRETARY

Mr. Md. Mostafizur Rahman is the Company Secretary of S. S. Steel Limited. He did his Masters of Finance and Banking from the National University of Bangladesh and now he has been studying in the Institute of Chartered Secretaries of Bangladesh (ICSB). He started his career in the year 2012 in the Innovo Design and Construction Limited as an Executive Accounts before joining S. S. Steel Limited. At present he is the Company Secretary of S. S. Steel Limited. He is directly involved with capital market operations. He has vast experience to work with BSEC, NBR, DSE, CSE, RJSC and other stakeholders related with capital market. He is responsible for the necessary link and liaison with the internal organizations, as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board.

"Secretary" means any individual possessing the prescribed qualifications appointed to perform the duties which may be performed by a secretary under this Act and any other ministerial or administrative duties. The Company Act, 1994 has accorded statutory recognition to the function of Company Secretary. Securities and Exchange Commission (SEC) has brought into force through their notification that all the listed company should appoint Company Secretary and the Board of Director of the Company should clearly define the role, responsibilities and duties of the Company Secretary.

This is a perfect appreciation of the position and has been necessitated by the fact that a well-managed corporate secretary at under the charge and control of Company Secretary helps in ensuring proper management of the board affairs and well-being of the company's shareholders and compliance with the statutes as well. However, appointment of the Company Secretary taking place under the appointment policy of the Company, which is finally gets approval of the Board of Directors of the company. So, removal is also required the consent and approval of the Board.

The Board has appointed a Company Secretary in order to maintain the necessary link and liaison with the internal organs, as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board. The Corporate Governance Guidelines issued by BSEC also require a listed company to appoint a Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman and other members of the Board to ensure effective functioning of the Board. The Company Secretary organizes and attends all Board and Committee meetings (Audit Committee and CSR Committee), and ensures that deliberations on all issues are properly minute, decisions recorded and are duly communicated across the respective authorities for necessary information/actions. The Company Secretary is also responsible for agreement signing, policies formulation, protection of the Company's land, Records Management, driving Standards of Business Conduct, administration of seven trust funds and its portfolio investment management. The brief roles and responsibilities of the Company Secretary are as under:

- Maintaining linkage between the Board, Management, Shareholders and other stakeholders on matters of corporate interests in a transparent way.
- Driving policy compliance awareness among the Company employees.
- Performing the duties as per Power of Attorney and Board level stakeholders' management facilitating Legal and External Affairs (LEX) function especially for company secretarial matters.
- Compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives, etc. as issued by BSEC or Stock Exchange(s) applicable to the conduct of business activities of the Company so as to protect the interests of the investors and other stakeholders.
- Disclosure of the Company's Price Sensitive Information (PSI) and other capital market related issues.
- Ensuring that appropriate Board procedures are followed as per given guidelines and best practices, and advises the Board on matters as such.

HEAD OF INTERNAL AUDIT

Mr. Poritos Chandra Roy is the Head of Internal Audit of S. S. Steel Limited he is responsible for internal control and compliance of the Company. The Board of Directors clearly defined respective roles, responsibilities and duties of Head of Internal Audit.

EFFECTIVE CONTROL PROCESSES

The Board of Directors of S. S. Steel Limited is ensuring effective control processes in the organization through the Executive Committees of the Company. Executive Committee at the top management level which plays a significant role in managing the business as per the norms of corporate governance and ensures that adequate internal controls are in place and supported through a vigorous risk management.

EXECUTIVE COMMITTEE

The Board is duly assisted by the functional heads of the Company, namely the Executive Committee. The Managing Director leads the Executive Committee which comprises of the following heads of organizational functions:

Name	Designation
Ms. Hasna Opgenhaffen	Managing Director
Mr. Saiful Islam Helaly	Chief Executive Officer
Mr. Md. Mostafizur Rahman	Company Secretary
Mr. B.M. Kashefuzzaman	Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer
Mr. Nazim Uddin Chowdhury	Chief Operating Officer - Production & Quality
Mr. Poritos Chandra Roy	Head of Internal Audit

The Executive Committee is devolved with the responsibility of executing the policies and decisions of the Board, control the operations as well as developing, organizing and implementing business and corporate strategies. Usually, the Executive Committee meets monthly to implement the Company's strategy and ensure effective day-to-day operations in line with the Company plan.

INTERNAL CONTROL PROCESS

The internal control system of the Company is considered at Board and Management levels to provide reasonable assurance regarding the achievement of the Company's objectives in respect of effectiveness and efficiency of operations, reliability of financial reporting and management information, compliance with applicable laws, regulations and the Company's policies. The Company has its own internal auditors who are accountable to the Audit Committee. The policies and guidelines of internal control process of the Company are as follows:

- Establish Standards of Business Conduct
- Make accounts and finance policy.
- Provide policy for procurement.
- IT Security Policy
- Sales and Marketing policy
- Records Management Policy
- Human resource management policy.
- Other policies and guidelines as required by the board.

RISK CONTROL

The risk identification and mitigation of the risk is the main task of the risk management committee. The Risk Management Committee at management level is headed by the head of finance and consists of knowledgeable cross functional managers including internal auditors who drive an effective risk management framework in the Company. The risk management committee reviews the business risk and ensures that adequate action plans are in place to mitigate the risks. The key risks of the Company are then endorsed by the Executive Committee and then ratified by the Audit Committee as far as effective risk management is concerned.

CRITICISMS AND COUNSELING

Criticism is the mainstream management control system with a view to highlighting its gaps and to suggesting a direction for its future development. Since employee's behavior affects work discipline, if an employee is aggrieved about their personal employment position, they are encouraged to use the Grievance procedure to raise the matter. From time-to-time human resources function also counsel's employees. On the other hand, Business counseling, also known as business mentoring, is a highly effective process that enables business owners and senior managers to work through, and explore possibilities on the issues affecting their business.

ENSURE GOOD WORK ENVIRONMENT

Good work environment plays a large role in the ability to provide quality work. By work environment, we mean everything that forms part of employees' involvement with the work itself, such as the relationship with co-workers and supervisors, organizational culture, room for personal development, etc. A positive work environment makes employees feel good about coming to work, and this provides the motivation to sustain them throughout the day. The five characteristics which the Company ensures for good work environment. These are:

- Transparent and open communication.
- Work-life balance.
- Training and Development focused.
- Recognition of Hard Work.
- Strong Team Spirit.

COMMUNICATION TO SHAREHOLDERS & OTHER STAKEHOLDERS

The Company encourages communicating with the Shareholders throughout the year and welcome their participation in the Annual General Meeting (AGM). The Directors appreciate the importance of general shareholders of the Company and use the Company's AGM as further opportunities to communicate with them. S. S. Steel Limited ensures that all shareholders are informed at least 2 weeks before the AGM so that all shareholders may attend on the day. Also, all other types of accounts (Quarterly and Half-yearly) or information are updated on the website and notified to all stakeholders on a duly and diligent basis. The Company tries to maintain liaison with all shareholders as much as possible and ensures that all stakeholders are informed about the company's activities on a routine basis.

The share department of S. S. Steel Limited plays an instrumental role to make effective communication with its Shareholders and Stakeholders. Shareholders and other Stakeholders of the Company may contact to this department during office hour for any sort of information and queries. To effective and efficient participation of shareholders in AGM, S. S. Steel Limited publish notice of AGM in daily newspapers with necessary details within reasonable time-frame. Annual report of the Company is circulated as per the provision of Companies Act 1994. So, Shareholders get sufficient time to go through the report and freely provide valuable comments and suggestions in the AGM.

S. S. Steel Limited provides copies of the annual report in order to ensure that these are made available to them well in advance for detail and constructive discussion. It is the Company's policy to give the shareholders the opportunity to ask questions about its activities and prospects at the AGM. The Board also structures these meetings so that shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered.

ENSURE SHAREHOLDERS' RIGHTS

The Board of the Company ensures through the Company Secretary that all the shareholders of the Company are treated equitably and ensures that the rights of all shareholders are equally protected. Shareholders also generally enjoy the following types of rights:

- Voting rights on issues that affect the corporation as a whole
- Rights related to the assets of the corporation
- Rights related to the transfer of stock
- Rights to receive dividends as declared by the board of directors of the corporation
- Rights to inspect the records and books of the corporation
- Rights to bring suit against the corporation for wrongful acts by the directors and officers of the corporation.
- Rights to share in the proceeds recovered when the corporation liquidates its assets.

Although the Securities and Exchange Commission and other regulatory bodies attempt to enforce a certain degree of shareholder rights, a well-informed investor who fully understands his or her rights is much less susceptible to additional risks. In order to achieve good governance, the Company Secretary acts as a bridge between the Shareholders and the Board of Directors of the Company who delivers the standard services to its valued Shareholders ensuring the well-defined Shareholders' rights in accordance with applicable laws and the Articles of Association of the Company.

CODE OF CONDUCT

The Board of Directors of S. S. Steels Ltd. also established a separate Code of Conduct for its Directors in compliance with the requirement of Bangladesh Securities and Exchange Commission (BSEC) notification.

CODE OF CONDUCT

[As per Condition no. 1(7) of the Notification on Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission vide BSEC/CMRRCD/2006- 158/207/Admin/80 Dated: 3 June 2018]

1.00 OVERVIEW

PREFACE

This Code of Conduct for the Chairperson, other Board members and Chief Executive Officer (hereinafter referred to as "the Code") has been framed and adopted by S. S. Steel Limited (hereinafter referred to as "the Company or SSSTEEL") in compliance with the requirements of the Condition 1 (7) of Corporate Governance Code Notification BSEC/CMRRCD/2006-158/207/Admin/80 Dated: 3 June 2018 of Bangladesh Securities and Exchange Commission.

This Code is intended to provide guidance to the Chairperson, other Board members and Chief Executive Officer to manage the affairs of the Company in an ethical manner. The purpose of this code is to recognize and emphasize upon the ethical behavior and to develop a culture of honesty and accountability.

This Code of Conduct attempts to set forth the guiding principles on which the Chairperson, other Board members and Chief Executive Officer shall operate and conduct themselves with the stakeholders, government and regulatory agencies, employees, customers and suppliers and anyone else with whom it is connected.

APPLICABILITY

This Code shall be applicable and binding on the Chairperson, other Board members and Chief Executive Officer of the Company. The Chairperson, other Board members and Chief Executive Officer shall continue to comply with other applicable /to be applicable policies, rules and procedures of the Company.

2.00 DEFINITIONS & INTERPRETATION

Unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

"Board" shall mean the Board of Directors of the Company. "Directors" shall mean directors on the Board.

"Company" shall mean S. S. Steel Limited.

3.00 PRINCIPLES OF THE CODE

The Chairperson, other Board members and Chief Executive officer of the Company shall act within the authority conferred upon them, in the best interests of the Company and observe the following:

PRUDENT CONDUCT AND BEHAVIOR

- The Chairperson, other Board members and Chief Executive Officer shall act honestly, ethically, in good faith and in the best interest of the Company.
- Whilst carrying out the duties, the Chairperson, other Board members and Chief Executive Officer shall ensure that it is executed in terms of the authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors of the Company from time to time.
- The Chairperson, other Board members and Chief Executive Officer shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.
- The Chairperson, other Board members and Chief Executive Officer shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.
- The Chairperson, other Board members and Chief Executive Officer shall use the Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for any personal benefits or gains.

CONFIDENTIALITY

- The Chairperson, other Board members and Chief Executive Officer should conduct themselves so as to meet the expectations of operational transparency of the stakeholders while at the same time maintaining confidentiality of information in order to foster a culture conducive to good decision making. "Confidential information" includes, amongst others, all information of the Company not authorized by the management of the Company for public dissemination.
- All confidential information must be held in confidence, unless authorized by the Board or otherwise permissible in accordance with this Code; or the same is part of the public domain at the time of disclosure; or is required to be disclosed in accordance with applicable laws.

CONFLICT OF INTEREST

- The Chairperson, other Board members and Chief Executive Officer shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company.
- The Chairperson, other Board members and Chief Executive Officer should disclose to the board whether they directly, indirectly or on behalf of third parties have a material interest in any transaction or matter directly affecting the Company.

- All transactions having conflict of interest should be carried out in accordance with law and be fully disclosed to the Board of Directors.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

- The Chairperson, other Board members and Chief Executive Officer shall ensure compliance with the various legal/- regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.

PROHIBITION OF INSIDER TRADING

- The Chairperson, other Board members and Chief Executive Officer shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter-alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.
- The Chairperson, other Board members and Chief Executive Officer should comply with the provision of the Companies Act, 1994 and applicable rules and regulations issued by the Bangladesh Securities Exchange Commission, Dhaka Stock Exchange and Chittagong Stock Exchange, insofar as they relate to prohibitions on insider trading.

RELATIONSHIP WITH ENVIRONMENT

- The Chairperson, other Board members and Chief Executive Officer should cause the Company to strive to provide a safe and healthy working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment of the industry it operates in.
- The Company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

RELATIONSHIP MTH EMPLOYEES

- The Chairperson, other Board members and Chief Executive Officer should strive for causing the Company to maintain cordial employee relations.
- The Chairperson, other Board members and Chief Executive Officer should cause the Company to build competency based human resource systems and maintain human resource policies that have been directed at managing the growth of the organization efficiently.
- The Chairperson, other Board members and Chief Executive Officer should assist the Company in further aligning its human resource policies, processes and initiatives to meet its business needs.

RELATIONSHIP WITH CUSTOMERS

- The Chairperson, other Board members and Chief Executive Officer should ensure that the Company is committed to supply products and services of the highest quality standards backed by efficient after-sales service consistent with the requirements of the customers to ensure their total satisfaction.
- The Chairperson, other Board members and Chief Executive Officer should ensure that Company will properly engage in product advertising, publicity, and sales promotion activities to avoid misleading the customers.
- The Chairperson, other Board members and Chief Executive Officer should ensure that the Company will engage in free and open competition with competitors to maintain its stance as a company trusted by customers and society.

RELATIONSHIP WITH SUPPLIERS

- This Code contains general requirements applicable to all suppliers to Company. Particular supplier contracts may contain more specific provisions addressing some of these same issues. Nothing in this Code is meant to supersede any specific provision in a particular contract, and to the extent there is any inconsistency between this Code and any other provision of a particular contract, the other provision will prevail.
- The Chairperson, other Board members and Chief Executive Officer should act in the best interest of the Company. Accordingly, the Chairperson, other Board members and Chief Executive Officer should have no relationship, financial or otherwise, with any supplier that might conflict, or appear to conflict, with the Chairperson, other Board members and Chief Executive Officer's obligation to act in the best interest of Company.

INDEPENDENCY

- The Chairperson, other Board members and Chief Executive Officer should remain independent in all material respects.
- The Chairperson, other Board members and Chief Executive Officer should act impartial to the Employees, Customers, Suppliers, Shareholders and other Stakeholders.

4.00 COMPLIANCE WITH THE CODE

This Code has not specifically addressed every potential form of unacceptable conduct and it is expected that the Chairperson, other Board members and Chief Executive Officer will exercise good judgment in compliance with the principles set out in this Code. The Chairperson, other Board members and Chief Executive Officer have a duty to avoid any circumstances that would violate the letter or spirit of the Code.

5.00 AMENDMENT TO THE CODE OF CONDUCT

The provisions of this Code can be amended/ modified by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), from time to time and all such amendments/ modifications shall take effect from the date stated therein. The Chairperson, other Board members and Chief Executive Officer shall be duly informed of such amendments and modifications.

6.00 PUBLICATION OF THE CODE OF CONDUCT

Pursuant to Condition 01(7) (b) of Corporate Governance Code Notification BSEC/CMRRCD/2006-158/207/Admin/80 Dated: 3 June 2018 of Bangladesh Securities and Exchange Commission, this Code of Conduct and any amendments thereto shall be published/posted on the website of the Company.

COMPLIANCE WITH LAWS

Ethical business conduct and compliance with applicable laws and regulations are fundamental aspects of S. S. Steel Limited. To this end, the company established procedures to ensure compliance with all applicable statutory and regulatory requirements. The secretariat department is responsible for ensuring proper compliance with applicable laws and regulations and this process is being followed by the Company. "Atik Khaled Chowdhury", independent Corporate Governance Compliance Auditor was appointed by the Board to conduct Corporate Compliance Certification as per requirement of Bangladesh Securities and Exchange Commission (BSEC).

COMPANY'S CORPORATE WEBSITE

www.sssteel.biz

The Company's website www.sssteel.biz displays, the Annual Reports, Half-Yearly Reports and Quarterly Reports and all disclosures required by the Bangladesh Securities & Exchange Commission (BSEC), Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in form of Price Sensitive Information are made adequately and promptly.

CONCLUSION

S. S. Steel Limited ensured highest standards in corporate good governance and strict adherence to the requirements of ethical code of conduct, through close monitoring. The Company recognizes that corporate governance is a continuous process which is to be established, nurtured and excelled by means of concerted efforts of all. And that is why the Company engages all its team in the process because good governance entails managing the business professionally, effectively and responsibly and in a way which is transparent, ethical, law abiding and ensures accountability. The Board is committed to ensure the good corporate governance in the Company.

AUDIT COMMITTEE REPORT

2020-2021

Dear Shareholders,

As a Chairman of the Audit Committee, I am delighted to place its report for the year ended 30 June, 2020 in front of you all. The Audit Committee Report presented under condition # 3.5 of the BSEC Guidelines provides an insight on the functions of the Audit Committee during 2020-2021. As mentioned in the Compliance statement the Board has formed an Audit Committee, required under the codes of Corporate Governance of BSEC with some specific assignments under its Term of Reference. In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Audit Committee comprises of the following:

Name	Position in the company	Position in the committee
Mr. Sadad Rahman	Independent Director	Chairman
Mr. Md. Abu Zafer	Independent Director	Member
Mr. Sayeed Rezaraj Ahmmad, (Representative of NJ Holdings Limited)	Nominated Director	Member
Mr. Md. Mostafizur Rahman	Company Secretary	Member Secretary

The main objective of the Audit Committee is to assist the Board of Directors to effectively carry on its responsibilities relating to financial and other relevant affairs of the Company. The Committee is empowered to monitor, review and examine the followings:

- Oversee the financial reporting process;
- Monitor implementation/following the accounting policies and principles;
- Monitor Internal Control Risk Management Process;
- Oversee hiring and performance of external auditors;
- Review along with the management, the Annual Financial Statements before submission to the Board for approval;
- Review along with the management, the Quarterly and Half Yearly Financial Statements (if any) before submission to the Board for approval;
- Review the adequacy of Internal Audit team performance in terms of internal audit report;
- Review statement of significant related party transactions submitted by the management;

- Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;
- When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue, the company shall disclose to the Audit Committee about the uses/applications of funds 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. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.

MEETING ATTENDANCE

The Audit Committee met four times during the year 2020-2021. All the members were present in all meetings of the Committee. The attendance of the Board Audit Committee meetings held in 2019-20 are as follows:

Name	Designation	Board	Participation
Mr. Sadad Rahman	Chairman	4	4/4
Mr. Md. Abu Zafer	Member	4	4/4
Mr. Sayeed Rezaraj Ahmmad, (Representative of NJ Holdings Limited)	Member	4	4/4
Mr. Md. Mostafizur Rahman	Member Secretary	4	4/4

REPORTING OF THE AUDIT COMMITTEE

Reporting to the Board of Directors

The Audit Committee reports to the Board of Directors on its activities. The Audit Committee considered significant issues and judgments in respect of the 2020-2021 financial statements and auditing procedures were as follows:

- Compliance of BAS and the disclosure of its financial information under BFRS have been maintained and the interim financial statements are prudent and credible.
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- The recurrent related party transactions entered into by the Company during 2019-20 are observed and verified.
- Report on conflict of interests;
- 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.
- The scope and extent of internal audit has been checked; and the adequacy of resources to maintain vigilant internal audit process has confirmed and appropriately placed thereto.
- The critical accounting policies, significant judgments and practices used by the Company are in compliance with required laws and regulations and recommended by the Board. The audited financial statements of the Company for the year ended 30 June 2020 represent fair and authentic view of the Company's financials.

- The state of compliance with Corporate Governance and other regulations as per the requirements of Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) were ensured.
- To the best of their knowledge and belief, the Company has not entered into any transaction during the year which are fraudulent, illegal or in violation of the Company's codes of conduct.

REPORTING TO THE AUTHORITIES

The Audit Committee reports to the Board of Directors regarding any matter which has material impact on the financial condition and also results of operation. If any rectification is required, the committee will discuss with the Board of Directors and the Management. If the Audit Committee finds that such rectification has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities & Exchange Commission upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier. MABS & J Partners Chartered Accountants may be appointed for the year 2020-2021.

REPORTING TO THE SHAREHOLDERS AND GENERAL INVESTORS

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition

3.4.1 (ii) of the BSEC Corporate Governance Notification above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

AUTHORIZATION

The Board of the Company authorized to the Audit Committee to review or examine any activity within the business as per its Terms of Reference. All employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company Legal Advisor, Tax Consultant and Statutory Auditor if required. The terms of reference of Audit Committee may be amended from time to time as required for the business in line with BSEC notifications subject to approval by the Board of the Company.



Md. Mostafizur Rahman
Company Secretary

On behalf of the Committee



Sadad Rahman
Independent Director
Chairman of Audit Committee

BOARD REMUNERATION COMMITTEE REPORT

2020-2021

The Remuneration Committee has been established to assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company and for determining their remuneration packages and to review and oversee the Company's overall human resources strategy.

The attendance of the Board Nomination and Remuneration Committee meeting held in 2020-2021 are as follow:

Name of members	Designation	Meeting held	Attendance
Mr. Md. Abu Zafer	Chairman	1	1/1
Mr. Sadad Rahman	Member	1	1/1
Mr. Sayeed Rezaraj Ahmmad, (Representative of NJ Holdings Limited)	Member	1	1/1
Mr. Md. Mostafizur Rahman	Member Secretary	1	1/1

The Committee is empowered to perform, monitor, review and examine the followings:

- Determine the remuneration of the Company's Managing Director, Chief Executive Officer, the Chairman, the Manager, HRM, the Chief Financial Officer and the Company Secretary;
- Review the ongoing appropriateness and relevance of the remuneration policy;
- Approve the design of, and determine targets for any performance related schemes and annual payments made under such schemes;
- Review the design of all new long-term schemes and significant changes to such schemes for approval, in each case, by the Board and shareholders.
- Determine the total individual remuneration package of each Executive Director, the Company Secretary and the Chairman including bonuses, incentive payments and any compensation payments;
- Monitor the level and structure of remuneration for senior management;
- Oversee any major changes in employee benefits structures throughout the Company;
- Review the policy for authorizing claims for expenses from the Managing Director, Chief Executive Officer and the Chairman;
- Ensure that all provisions regarding disclosure of remuneration;
- Review of the Remuneration Committee's performance, -
- Review of and proposed amendment to the terms of reference;
- Approval of the Directors' remuneration report
- Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee; and

- Obtain reliable, up-to-date information about remuneration in other companies, with a view to judging where to position the Company relative to other companies. The Remuneration Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfill its obligations.

The Board Remuneration Committee makes recommendations to the Board on terms of employment of the Executive Committee, managers, and employees. This committee met once in 2020-2021. All members of the Committee were present in the committee meeting. Mr. Md. Mostafizur Rahman acted as the Secretary to the Board Nomination and Remuneration Committee. The Board Compensation Committee carries out independent survey of the market position and accordingly adjust the remuneration.

Report Authorization

This NRC Committee Report is made in accordance with the resolution of the Board of Directors on 15th November, 2020.



Md. Mostafizur Rahman
Company Secretary

On behalf of the Committee



Md. Abu Zafer
Independent Director
Chairman of Audit Committee

CSR COMMITTEE REPORT

2020-2021

Corporate social responsibility (CSR) is a corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing. The term generally applies to efforts that go beyond what may be required by regulators or environmental protection groups. CSR may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social and environmental change.

Corporate Social Responsibility (CSR) is central to the 'Responsibility' strategy of S. S. Steel Limited. CSR is essential for the business sustainability and enhancement of long-term stakeholder value. S. S. Steel Limited is a contributor and provider to the society through its CSR initiatives, sustainable practices and regulated operations.

The purpose of the Board CSR Committee is to ensure better management of the Company's CSR initiatives in a way that secures business sustainability as well as to create and maintain a positive impact for the reputation of the Company.

The Committee usually meets seven times in a year ensuring the presence of all members in the meeting. The attendance of the Board CSR Committee Meeting held in 2020-2021 are as follows:

Name of members	Designation	Meeting held	Attendance
Mr. Sadad Rahman	Chairman	7	7/7
Ms. Hasna Opgenhaffen	Member	7	7/7
Mr. Sayeed Rezaraj Ahmmad, (Representative of NJ Holdings Limited)	Member	7	7/7
Mr. Md. Mostafizur Rahman	Member Secretary	7	7/7

The purpose of the Board CSR Committee is to ensure better management of the Company's CSR initiatives in a way that secure business sustainability as well as to create and maintain a positive impact for the reputation of the Company. The CSR Committee is authorized by the Board of Directors to evaluate activities within the business with respect to CSR.



Md. Mostafizur Rahman
Company Secretary

On behalf of the Committee



Sadad Rahman
Independent Director
Chairman of Audit Committee

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER'S DECLARATION

The Board of directors S. S. Steel Limited

Subject: CEO and CFO's Declaration to the Board.

Dear Sir (s),

In Compliance with the condition no. 6 imposed by Bangladesh Securities and Exchange Commission's Notification no. SEC/C- MRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969, we the undersigned Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of S. S. Steel Limited do hereby certify that we have thoroughly reviewed the Financial Statements of the Company for the year ended 30 June, 2021 and state that:

1. The Financial Statements of S. S. Steel Limited for the year ended on June 30, 2021 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 estimates and judgments 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 regard, we also certify that: -

- i. We have reviewed the financial statements for the year ended on June 30, 2021 and that to the best of our knowledge and belief:
 - a. these 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 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,



Saiful Islam Helaly
Chief Executive Officer



B.M. Kashefuzzaman
Chief Financial Officer



CERTIFICATE OF BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES (BAPLC):

As per BSEC Notification No. SEC/CMRRCD/2006-161/324 date on April 10, 2010; we hereby present the Certificate of Membership given by the Bangladesh Association of Publicly Listed Companies (BAPLC) for the year 2019-2021.



COMPARATIVE 5 YEARS OPERATING, FINANCIAL DATA & PERFORMANCE INDICATOR

Particulars	2020-2021 Consolidated	2020-2021	2019-2020	2018-2019	2018-2017	2017-2016
Operational Performance						
Revenue	6,385,707,338	4,196,859,974	3,697,084,838	4,150,567,726	3,583,579,981	3,003,309,524
Gross Profit	1,452,866,759	1,136,943,021	1,025,711,833	1,007,425,204	918,738,148	680,613,815
Other Income	40,112,667	39,645,450	38,778,351	21,277,988	8,026,875	4,901,664
Administrative Expenses	117,734,663	87,383,825	85,531,986	102,601,342	130,747,895	126,795,163
Selling & Distribution Expenses	113,273,111	98,908,728	99,020,772	108,313,784	85,104,086	73,834,265
Financial Expenses	334,696,108	299,996,825	261,013,537	235,574,704	216,713,483	153,794,703
Contribution to WPPF	44,155,978	32,871,385	29,472,566	27,724,446	23,533,312	15,766,255
Profit Before Tax	883,119,565	657,427,707	589,451,323	554,488,916	470,666,246	315,325,094
Net Profit After Tax	704,421,216	583,271,225	436,285,898	519,163,389	305,933,060	265,018,608
Financial Performance						
Non-Current Liabilities	1,678,521,166	1,645,072,234	742,663,061	608,277,657	783,407,071	693,089,905
Current Liabilities	3,657,966,026	2,813,683,026	2,642,890,716	2,580,321,020	2,216,700,522	1,988,400,223
Shareholder's Equity	6,773,431,048	5,475,977,365	4,925,962,271	4,489,676,373	3,720,512,985	3,414,579,925
Total Liability & Equity	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Non-Current Asset	4,381,743,601	3,223,544,182	3,094,242,301	2,921,086,855	2,921,978,428	2,800,301,938
Total Asset	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Share Information						
Authorized Capital	5,000,000,000	5,000,000,000	3,000,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Paid up Capital	3,042,900,000	3,042,900,000	2,817,500,000	2,450,000,000	2,200,000,000	2,200,000,000
No. of Shares Outstanding	304,290,000	304,290,000	281,750,000	245,000,000	220,000,000	220,000,000
Net Asset Value per Share	20.95	19.32	17.48	18.33	16.79	15.50
Earnings Per Share	2.31	1.92	1.55	2.21	1.39	1.20

**Certificate of Compliance of conditions
of Corporate Governance Code
by
S. S. STEEL LIMITED
For the year ended 30 June 2020**



ATIK KHALED CHOWDHURY
Chartered Accountants

Hasan Court (1st Floor)
23/1 Motijheel C/A
Dhaka-1000, Bangladesh
Tel: 95533407, 9564972
Fax: +88-02-7124940
e-mail: atik.khaled@gmail.com
website: www.atikkhaled.com

Report to the Shareholders of S. S. STEEL LIMITED on Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **S.S. STEEL LIMITED** for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRD/2006-158/207/Admin/80, dated; 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) 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.
- (b) 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.
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities law and other relevant law, and
- (d) The Governance of the Company is satisfactory.

Dated: Dhaka
24 November 2021

Atik Khaled Chowdhury

Atik Khaled Chowdhury
Chartered Accountants



CORPORATE GOVERNANCE COMPLIANCE REPORT

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission, pursuant to the Notification No. BSEC/CMRRD/2006-158/207/Admin/80, dated; 03 June 2018 issued under section 2CC of the Bangladesh 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)	The total number of members of Board of Directors shall not be less than 5 (five) and more than 20 (twenty).	✓		
1 (2)	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.	✓		
1 (2) (b) (i)	The independent director 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)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company.	✓		
1 (2) (b) (iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1 (2) (b) (iv)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
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)	The independent director is not a shareholder, director or officer of any member or TREC holder of stock exchange or any intermediary of the capital market;	✓		
1 (2) (b) (vii)	The independent director 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)	The independent director shall not be an independent director in more than 5 (five) listed companies;	✓		
1 (2) (b) (ix)	The independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1 (2) (b) (x)	The independent director has not been convicted for a criminal offence involving moral turpitude.	✓		
1 (2) (c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
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.	✓		
1 (3)	Qualification of Independent Director			
1 (3) (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
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	✓		
1 (3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director of Deputy Managing Director of 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	✓		
1 (3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th 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);	✓		
1 (3)	(d)		In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
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;	✓		
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.			No such Incident
1 (5)	The Directors' Report to the Shareholders					
1 (5)	(i)		Industry outlook and possible future developments in the industry;	✓		
1 (5)	(ii)		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)		Discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	✓		
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 from public issues, rights issues and/or through any others 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;	✓		
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;	✓		
1 (5)	(xiv)		A statement that International Accounting Standards (IAS) or International Financial Reporting (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;	✓		
1 (5)	(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1 (5)	(xxiii)	A report on the pattern of shareholding:			
1 (5)	(xxiii) a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details);	✓		
1 (5)	(xxiii) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
1 (5)	(xxiii) c)	Executives; and	✓		
1 (5)	(xxiii) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	✓		
1 (5)	(xxiv)	Disclosure on Appointment/Re-appointment of Director:			
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;	✓		
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;	✓		
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.	✓		
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;	✓		
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;	✓		
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;	✓		
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;	✓		
2	(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		

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:	✓		
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 sub-committees:			
4 (i)	Audit Committee; and	✓		
4 (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;	✓		
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be non-executive 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 members 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;	✓		
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;	✓	
5 (3)	(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (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)	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, annual financial statements before submission to the Board for approval;	✓	
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.		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.	✓	
5 (6)	(a)	(ii) The Audit Committee shall immediately report to the Board on the following findings, if any:		No such Incident
5 (6)	(a)	(ii) (a) report on conflicts of interests;		N/A
5 (6)	(a)	(ii) (b) suspected or presumed fraud or irregularity 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		No such Incident
5 (6)	(a)	(ii) (d) any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;		No such Incident
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.		No such Incident

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 sub-committee 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;	✓	
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;	✓	
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;		N/A
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;		N/A
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;	✓	
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.		N/A
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;		No such Incident
6 (3)	(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the Shareholders.	✓	
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;		N/A
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:	✓	
6 (5)	(b)	(i) formulation 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:	✓	
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.			✓		
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.			✓			
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.			✓			

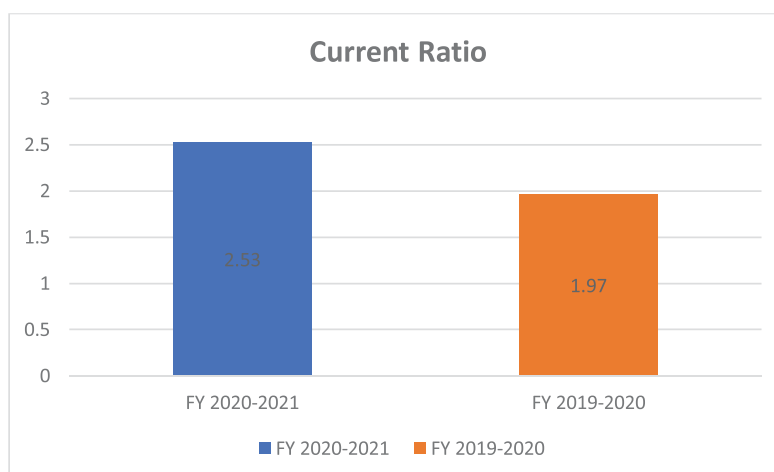
**CERTIFICATE ON COMPLIANCE OF
CORPORATE GOVERNANCE GUIDELINES**
COMPARATIVE 5 YEARS OPERATING, FINANCIAL DATA & PERFORMANCE INDICATOR

Particulars	2020-2021 Consolidated	2020-2021	2019-2020	2018-2019	2018-2017	2017-2016
Operational Performance						
Revenue	6,385,707,338	4,196,859,974	3,697,084,838	4,150,567,726	3,583,579,981	3,003,309,524
Gross Profit	1,452,866,759	1,136,943,021	1,025,711,833	1,007,425,204	918,738,148	680,613,815
Other Income	40,112,667	39,645,450	38,778,351	21,277,988	8,026,875	4,901,664
Administrative Expenses	117,734,663	87,383,825	85,531,986	102,601,342	130,747,895	126,795,163
Selling & Distribution Expenses	113,273,111	98,908,728	99,020,772	108,313,784	85,104,086	73,834,265
Financial Expenses	334,696,108	299,996,825	261,013,537	235,574,704	216,713,483	153,794,703
Contribution to WPPF	44,155,978	32,871,385	29,472,566	27,724,446	23,533,312	15,766,255
Profit Before Tax	883,119,565	657,427,707	589,451,323	554,488,916	470,666,246	315,325,094
Net Profit After Tax	704,421,216	583,271,225	436,285,898	519,163,389	305,933,060	265,018,608
Financial Performance						
Non-Current Liabilities	1,678,521,166	1,645,072,234	742,663,061	608,277,657	783,407,071	693,089,905
Current Liabilities	3,657,966,026	2,813,683,026	2,642,890,716	2,580,321,020	2,216,700,522	1,988,400,223
Shareholder's Equity	6,773,431,048	5,475,977,365	4,925,962,271	4,489,676,373	3,720,512,985	3,414,579,925
Total Liability & Equity	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Non-Current Asset	4,381,743,601	3,223,544,182	3,094,242,301	2,921,086,855	2,921,978,428	2,800,301,938
Total Asset	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050	6,720,620,579	6,096,070,054
Share Information						
Authorized Capital	5,000,000,000	5,000,000,000	3,000,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Paid up Capital	3,042,900,000	3,042,900,000	2,817,500,000	2,450,000,000	2,200,000,000	2,200,000,000
No. of Shares Outstanding	304,290,000	304,290,000	281,750,000	245,000,000	220,000,000	220,000,000
Net Asset Value per Share	20.95	19.32	17.48	18.33	16.79	15.50
Earnings Per Share	2.31	1.92	1.55	2.21	1.39	1.20

RATIO ANALYSIS & INTERPRETATIONS

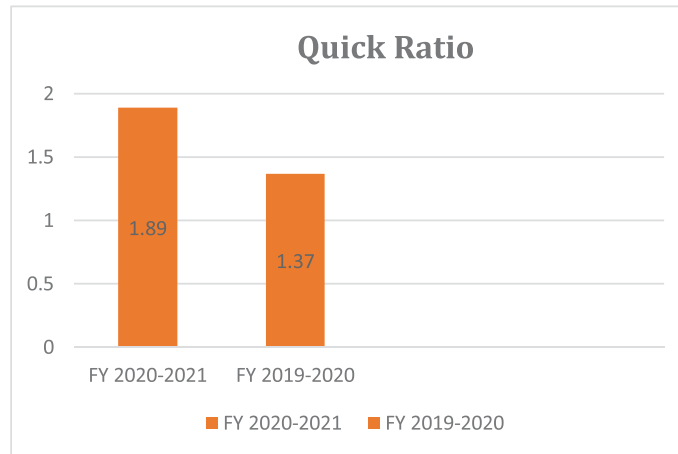
COMPARATIVE ANALYSIS

LIQUIDITY RATIO



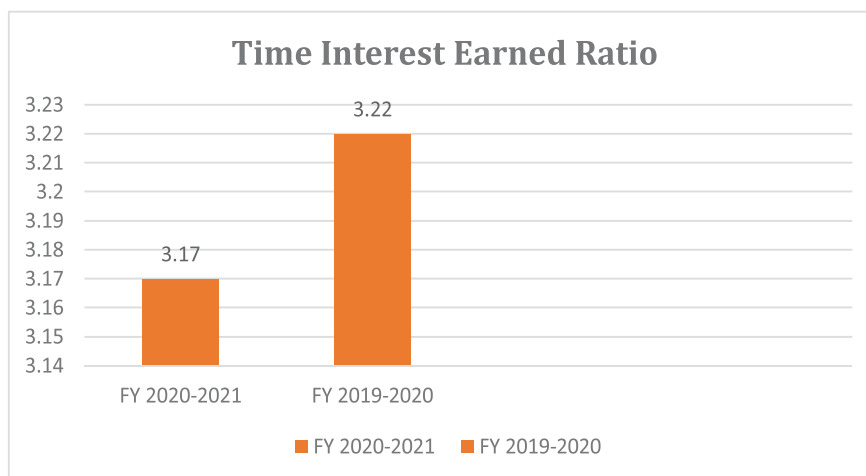
Particular		FY 2020-2021			FY 2019-2020		
	Formula	Calculation	Result		Calculation	Result	
Current Ratio	Current Assets	7,114,188,445	2.53	=	5,217,273,747	1.97	
	Current Liability	2,813,683,026			2,642,890,716		

Interpretation's: The current ratio is a liquidity ratio that measures a company's ability to pay off their short-term liabilities with their current assets. If a company has a high ratio (anywhere above 1) then they are capable of paying their short-term obligations. The higher the ratio, the more capable the company. However, from the calculation we can see that, the current ratio of the Company has increased comparing to the last year. It's a good ratio for our industry because good ratio for the industry means the range of ratio from 1.50 to 2.00. So, the current ratio of S. S. Steel Ltd. is quite healthy and sound which is acceptable.



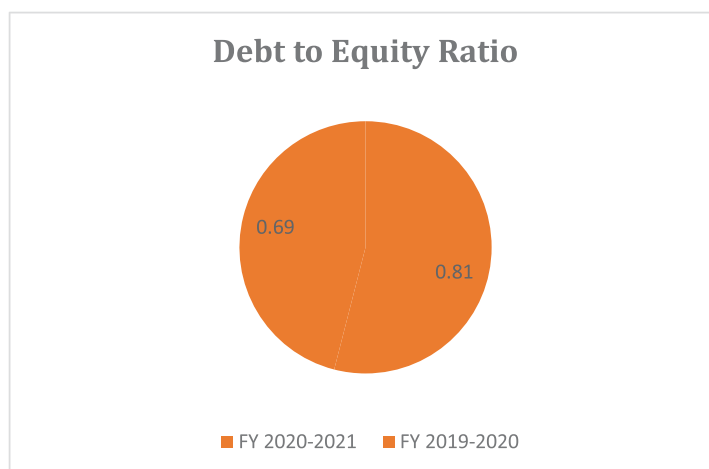
Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Quick Ratio	Current Assets- Inventory	5,312,675,808	1.89	3,628,733,942	1.37
	Current Liability	2,813,683,026		2,642,890,716	

Interpretation: The quick ratio is an indicator of a company’s short-term liquidity, and measures a company’s ability to meet its short-term obligations with its most liquid assets. The most liquid assets are current assets that can be converted to cash within 90 days or in the short-term. The higher the quick ratio, the better the company’s liquidity position. However, too high a quick ratio may indicate that the company has too much cash sitting in its reserves. It may also mean that the company has a high accounts receivable, indicating that the company may be having problems collecting on its account receivables. The Standard of quick ratio is 1:1. From the above calculation we can see that the quick ratio of our company is higher comparing the last year which means the company is doing well and has the capacity to meet its short-term obligations through its liquid assets.



Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Time Interest Earned Ratio	Operating Income	950,650,468	3.17	841,159,075	3.22
	Interest Expenses	299,996,825		261,013,537	

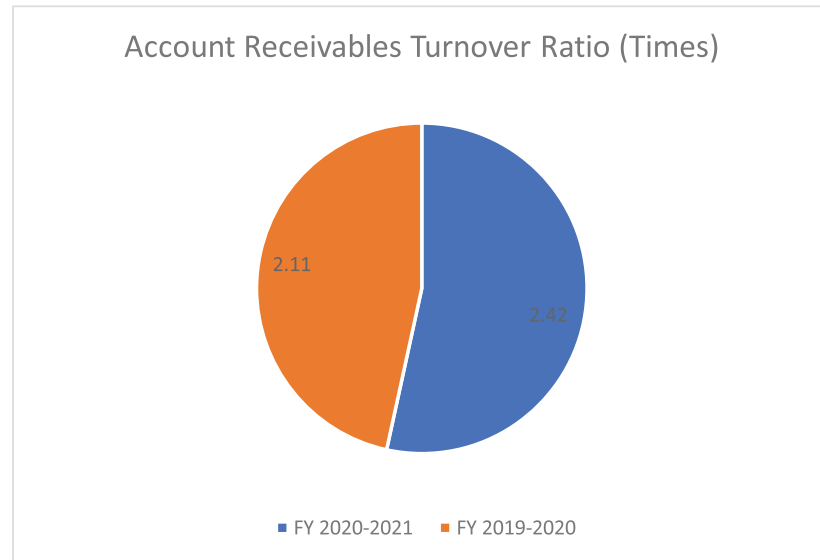
interpretations: The times interest earned ratio, sometimes called the interest coverage ratio, is a coverage ratio that measures the proportionate amount of income that can be used to cover interest expenses in the future. In some respects, the times interest ratio is considered a solvency ratio because it measures a firm’s ability to make interest and debt service payments. Since these interest payments are usually made on a long-term basis, they are often treated as an ongoing, fixed expense. As with most fixed expenses, if the company can’t make the payments, it could go bankrupt and cease to exist. Thus, this ratio could be considered a solvency ratio. After analyzing of the two FY’s data, we can conclude that our company has appropriate amount of income to cover up the interest expense in the future.



Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Debt to Equity Ratio	Total Liability	4,458,755,260	0.81	3,385,553,777	0.69
	: Shareholders' Equity	= 5,475,977,365		= 4,925,962,271	

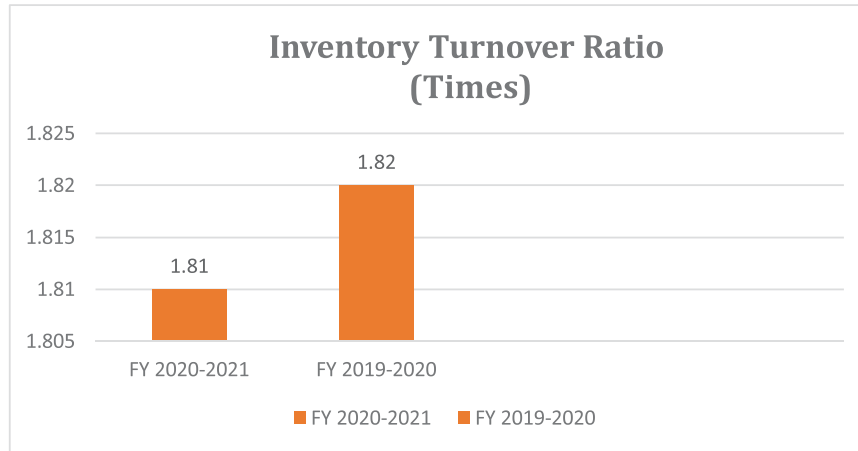
Interpretations: Debt to Equity Ratio is a ratio which is used to measure a company's financial leverage. The Debt-to-Equity ratio indicates how much debt a company is using to finance its assets relative to the value of shareholders' equity. A high debt/equity ratio generally means that a company has been aggressive in financing its growth with debt. Aggressive leverage-ing practices are often associated with high levels of risk. This may result in volatile earnings as a result of the additional interest expense. From the above calculation we can see that the debt-to-equity ratio is lower than previous year which is positive indication for the company and it means that the level of risk has been reduced.

OPERATING RATIOS



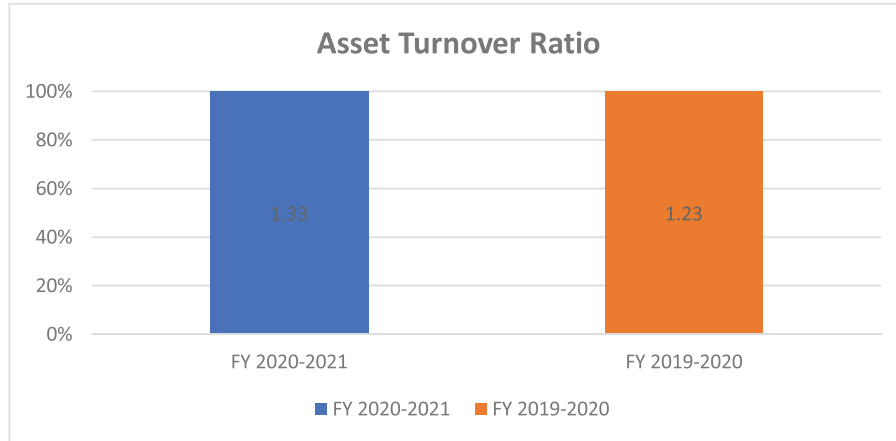
Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Account Receivables Turnover Ratio (Times)	Turnover	4,196,859,974	2.42	3,697,084,838	2.11
	Average Receivables	1,736,004,234		1,751,600,936	

Interpretations: Accounts receivables turnover is an efficiency ratio or activity ratio that measures how many times a business can turn its accounts receivable into cash during a period. In other words, the accounts receivable turnover ratio measures how many times a business can collect its average accounts receivable during the year. This ratio shows how efficient a company is at collecting its credit sales from customers.



Particular		FY 2020-2021			FY 2019-2020		
	Formula	Calculation	Result		Calculation	Result	
Inventory Turnover Ratio (Times)	Cost of goods sold	3,059,916,953	1.81	=	2,671,373,005	1.82	
	Average Inventory	1,695,026,221			1,470,106,511		

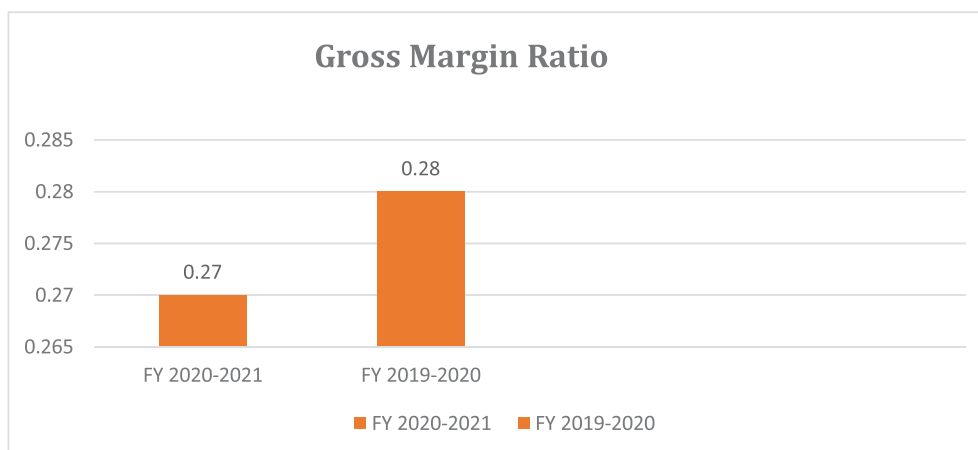
Interpretations: This ratio shows how effectively inventory is managed by comparing cost of goods sold with average inventory for a period. This measures how many times average inventory is “turned” or sold during a period. High inventory turnover ratios may indicate a company is enjoying strong sales. Low inventory turnover ratios indicate a company is carrying too much inventory, which could suggest poor inventory management or low sales on the other hand. From the calculation we can explain that inventory turnover for the previous period was 2 times that means, our company has been taken 6 months to make sell and replace all inventories, whereas from current reporting period we can see, that turn over has raised around 2 times more, which is 4times this year, which also means our company has taken 3 months to make sell and replace all Inventories, which also indicates that our company has a strong inventory management and we are enjoying a strong sales.



Particular		FY 2020-2021			FY 2019-2020		
	Formula	Calculation	Result		Calculation	Result	
Asset Turnover Ratio	: $\frac{\text{Turnover}}{\text{Average Total Assets}}$	4,196,859,974	1.33	=	3,697,084,838	1.23	
		3,158,893,241			3,008,878,675		

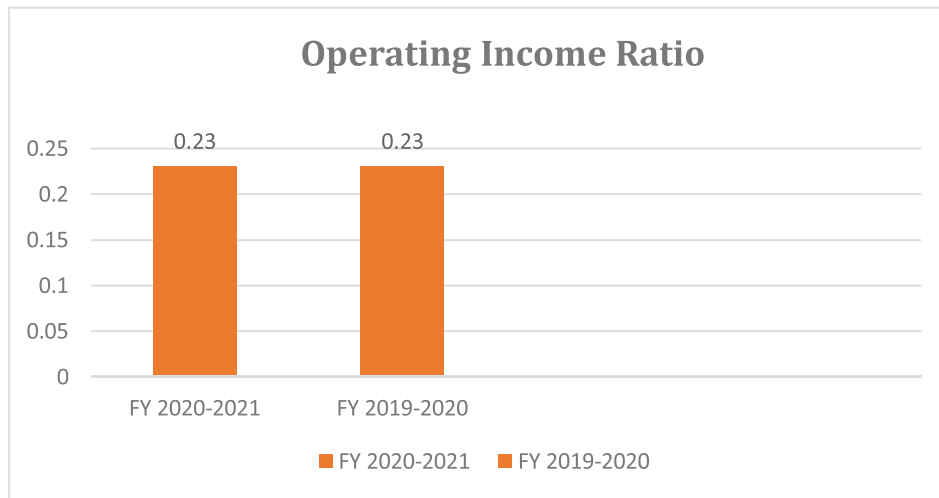
Interpretations: This ratio deals with the measurement of a company’s ability to generate sales from its assets by comparing net sales with average total assets. In other words, this ratio shows how efficiently a company can use its assets to generate sales.

PROFITABILITY RATIOS



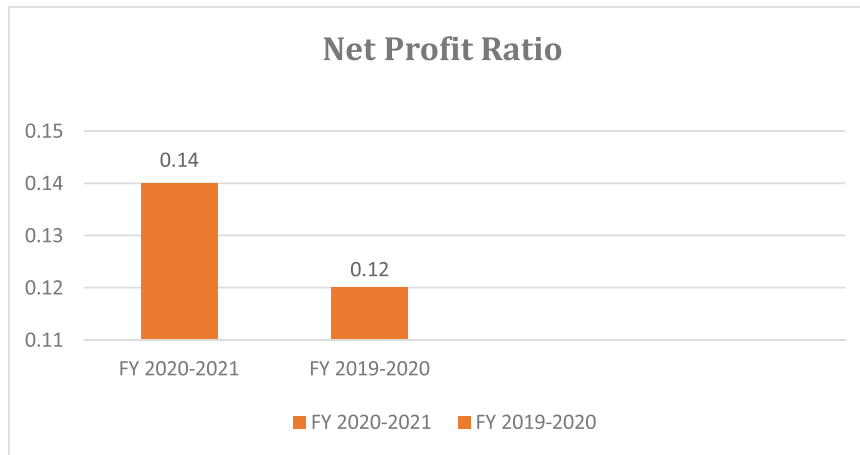
Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Gross Margin ratio	Gross Profit	1,136,943,021	0.27	1,025,711,833	0.28
	Turnover	4,196,859,974		3,697,084,838	

Interpretations: The gross margin ratio is the ratio of gross margin expressed as a percentage of sales. Gross margin, alone, indicates how much profit a company makes after paying off its Cost of Goods sold. The Gross Margin ratio is compared with competitors, a lower margin could indicate a company is underpricing. A higher gross profit margin indicates that a company can make a reasonable profit on sales, as long as it keeps overhead costs in control. Investors tend to pay more for a company with higher gross profit. From the gross margin calculation above we can say that our company has been maintaining a steady percentage of gross margin. Investors will feel comfort to invest in a company with an average of 28% of Gross Margin Ratio.



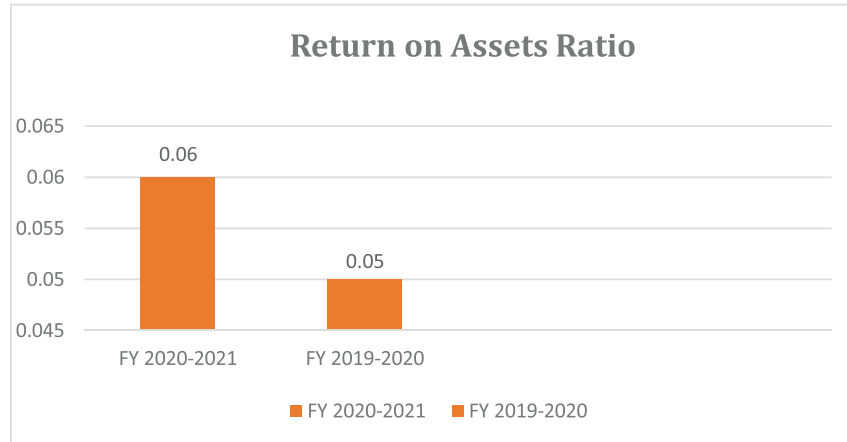
Particular		FY 2020-2021			FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result	
Operating Income Ratio	Operating Profit	950,650,468	0.23	841,159,075	0.23	
	Turnover	4,196,859,974		3,697,084,838		

Interpretations: The operating income ratio measures what proportion of a company's revenue is left over, after deducting direct costs and overhead and before taxes and other indirect costs such as interest. High or increasing operating margin is preferred because if the operating margin is increasing, the company is earning more. From the operating profit ratio calculation, we can say that our company has used best pricing method for the product and the management is more conservative in controlling the direct costs and other overhead expenses. It's really a good condition.



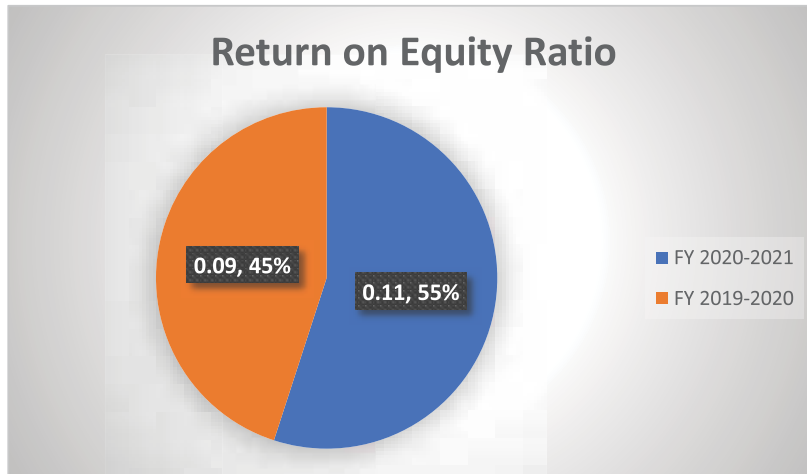
Particular		FY 2020-2021			FY 2019-2020		
	Formula	Calculation	Result		Calculation	Result	
Net Profit Ratio	Net profit after tax	583,271,225	0.14	=	436,285,898	0.12	
	Turnover	4,196,859,974			3,697,084,838		

Interpretation: This ratio is a measure of the overall profitability arrived after taking into account both the operating and non-operating items of incomes and expenses. The ratio indicates what portion of the net sales is left for the owners after all expenses have been met. Net profit margin is one of the most important indicators of a business's financial health. It can give a more accurate view of how profitable a business is than its cash flow, and by tracking increases and decreases in its net profit margin, a business can assess whether or not current practices are working.



Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Return on Assets ratio	Net profit after tax	583,271,225	0.06	436,285,898	0.05
	Total Assets	10,337,732,626		8,311,516,048	

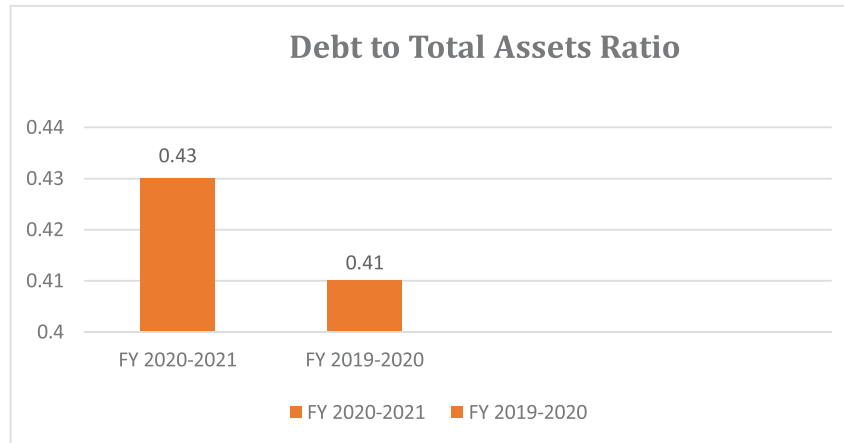
Interpretations: The return on assets ratio, often called the return on total assets, that measures the net income produced by total assets during a period by comparing net income to the average total assets. In other words, the return on assets ratio or ROA measures how efficiently a company can manage its assets to produce profits during a period. This ratio helps both management and investors see how well the company can convert its investments in assets into profits.



Particular		FY 2020-2021		FY 2019-2020	
	Formula	Calculation	Result	Calculation	Result
Return on Equity ratio	Net profit after tax	583,271,225	0.11	436,285,898	0.09
	: Shareholders' Equity	= 5,475,977,365		= 4,925,962,271	

Interpretations: This ratio measures the ability of a firm to generate profits from its shareholders investments in the company. In other words, the return on equity ratio shows how much profit each BOT of common stockholders' equity generates. This ratio is also an indicator of how effective management is at using equity financing to fund operations and grow the company.

COVERAGE RATIOS



Particular		FY 2020-2021			FY 2019-2020		
	Formula	Calculation	Result		Calculation	Result	
Debt to total asset ratio	Total Liability	4,458,755,260	0.43	=	3,385,553,777	0.41	
	Total Asset	10,337,732,626			8,311,516,048		

Interpretation: This ratio helps to evaluate the overall risk of a company. Companies with a higher figure are considered riskier to invest in and loan to because they are more leveraged. This means that a company with a higher measurement will have to pay out a greater percentage of its profits in principal and interest payments than a company of the same size with a lower ratio. Thus, lower is always better. If debt to assets equals 1, it means the company has the same amount of liabilities as it has assets. This company is highly leveraged. A company with a DTA of greater than 1 means the company has more liabilities than assets. This company is extremely leveraged and highly risky to invest in or lend to. A company with an OTA of less than 1 shows that it has more assets than liabilities and could pay off its obligations by selling its assets if it needed to. From the above calculation we can strongly and clearly state that our company has much more assets than liabilities and we are not extremely levered according to the explanation of DTA and still we have that much ability to pay off our leverage in the long run.

RISK MANAGEMENT & INTERNAL CONTROL

Risks are an integral part of a business and contribute to the loss of the company as well as for the shareholders. The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholders' investments and the Company's assets. The main responsibility of risk management is to establish and oversee the Company's risk management framework. Company risk management policy is established to identify and analyze the risks faced by the Company, set the appropriate risk limits and to control and monitor risks and adhere to limits. Risk management policy and system is monitored regularly to comply with the changing market conditions and company activities.

OBJECTIVE OF THE RISK MANAGEMENT

Risk management is certainly embedded in the Company's management system as the Company firmly believes that risk management is critical for the company's sustainability and the enhancement of its shareholders' value. The objective of the risk management of the company may be as follows:

- Protect its assets and reputation.
- Protect the interests of all other stakeholders.
- Preserve the safety, security and health of its employees.
- Ensure the continuity of its supply of products to consumers and customers at all times.
- Promote an effective risk awareness culture where risk management is an integral aspect of the Company's management systems.
- Ensure that the company's operations do not impact negatively on the community in which it operates and the environment.

RISK MANAGEMENT COMMITTEE

Ms. Hasna Opgenhaffen	Managing Director
Mr. B.M. Kashefuzzaman	Chief Financial Officer
Mr. Md. Mahi Uddin	General Manager (Production & QC)
Mr. Poritos Chandra Roy	Head of Internal Audit
Mr. Md. Mostafizur Rahman	Company Secretary

RISK MANAGEMENT PROCESS

Risk management process is a scientific, systematic and structured procedure which involves activities of identifying, analyzing, evaluating, reporting, decision making and mitigation of the different types of risks those are associated with the events. Risk management of S. S. Steel Ltd. involves managing and controlling the risks and also defining numerous strategies to address these risks successfully. This is a key part of our business and this concept is introduced to manage, control, reduce and eliminate the risks.

KEY RISK FACTORS

Risks are defined as uncertainties resulting in adverse variations of profitability or in losses, financial or otherwise. The core risk areas of the business are Industry risk, sourcing cost risk, financial risk, technological risk and environmental risk. Some of these risks and the ways of mitigation are discussed elaborately below:

INDUSTRY RISK

The company is operating in a moderate competitive industry with low profit & highly sensitive to the market. Moreover, the company faces competition from a small number of private sector mills those are found to be steady in the market. Inability of offering competitive products will hinder the company's growth potential. This type of risk refers to increased competition from foreign or domestic sources leading to lower prices, revenues, profit margins, market share etc. These could have an adverse impact on the business condition. Major market players in the Steels industry took initiative to expand their capacity and most of them will come into operation within the next one year. If economic growth as well as development activities of the country are not at expected level, market will be more competitive due to excess capacity in the industry.

MANAGEMENT PERCEPTION

The company has successfully accessed the market till date and is working on offering new and better-quality products at competitive terms. Moreover, the company's track record for operating profitability and highly market potential environment establishes its capability. Implementation of similar project generally have a lead time of 5 (Five) month and before the earliest entrant the company will be able to consolidate its both financial as well as market position. Further-more, with the track record of SSSL and its market reputation it will be very difficult for new comers to make the quality Steels. Moreover, Steels Manufacturing is a high capital-intensive and engineering industry and therefore, barriers to entry are high. Hence, first-mover's advantage is big and SSSL, with its past experience and performance, will enjoy this advantage.

ECONOMIC AND POLITICAL RISKS;

Bangladesh is prone to serious unrest in the political condition which produces Hartal, Road-Block and many other barriers to the business. This could also propel the cost of the product upwards.

MANAGEMENT PERCEPTION

Although the country has passed a political turmoil of last few years, a sound political atmosphere is prevailing from early this year which is expected to continue in future. Both the ruling and opposition parties are committed to the betterment of the country. Last democratic national assembly election and local council polls are instances of peaceful political situation in Bangladesh.

POTENTIAL OR EXISTING GOVERNMENT REGULATIONS;

The Company operates under local laws like the Companies Act, 1994, Taxation Policies adopted by NBR, Bangladesh Securities and Exchange Commission Ordinance and Rules and Rules adopted by other Regulatory Authorities. Any abrupt changes of the policies form by those bodies will impact the business of the Company adversely. Unless adverse policies are taken, which may materially affect the industry as a whole; the business of the Company will not be affected.

MANAGEMENT PERCEPTION

Since, the company operates in Steels 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 company 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.

MARKET AND TECHNOLOGY-RELATED RISKS

The Company has best-class infrastructure with recently imported latest most sophisticated machinery and equipment's. The production facilities are based on currently available technology. But SSSL's investment in plants and technology may become obsolete and the product quality may be impaired due to malpractice or decayed technological enforcement.

MANAGEMENT PERCEPTION

Company owns modern technology with R&D infrastructure and shall be able to adapt to any new inventions with moderate investments. The Company has access to international/multinational companies for supplying appropriate technology and technical management support for operation of new projects. The selected/installed plant and machinery have been manufactured by reputed manufacturer with proper warranty to take care of any defects or confirmation of supplying of adequate spare parts. A significant portion of the entire production process is accomplished through contract manufacturing. This arrangement provides the company with greater leeway to adjust with any changed technological atmosphere.

POTENTIAL OR EXISTING CHANGES IN GLOBAL OR NATIONAL POLICIES

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any scarcity or price hike of raw materials due to change in policy in the international market might adversely affect the production and profitability.

MANAGEMENT PERCEPTION

The management of SSSL is always concerned about the prevailing and upcoming future changes in the global or national policy and shall response appropriately and timely to safeguard its interest. The strong brand equity of the company in the local market and deep and profound knowledge of the sponsors will always endeavor to withstand the unexpected changes or any such potential threats. Nevertheless, political stability and a congenial business environment is definitely the best situation in which SSSL will achieve its maximum potential. Political turmoil and the disturbance are bad for the economy as a whole and also for the company. On the other hand, Government has special attention to the growth of the industry as it is related to infrastructure development of the country.

CREDIT RISK

Credit risk is the risk of a financial loss to the group if a customer or a counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from distributors, institutions etc.

MANAGEMENT PERCEPTION

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 conditions, ageing profile etc. Accounts receivable are related to sale of Steels.

EXCHANGE RATE RISKS

In many cases the Company depends on imported raw materials. For this reason, SSSL has to face foreign currency risk. Unfavorable volatility or currency fluctuation may affect the profitability of the Company.

MANAGEMENT PERCEPTION

Company is fully aware of the risk related to currency fluctuation and as a prudent Company, we always take precautionary measures to save the Company against exchange rate fluctuation.

INTEREST RATE RISKS

SSSL has outstanding long and short-term liabilities from bank. Hence, it is exposed to volatility of interest rates on its outstanding bank liabilities. Due to several macroeconomic and market driven factors, interest rates on short term and long-term bank loans may vary over time. Inflationary pressure, increased demand for bank loan, increased volatility in money market, restrictive monetary policy, etc. may compel SSSL's loan giving institutions to increase their interest rates on its outstanding liabilities. If the interest rates on its existing bank loans are increased from current levels, then its cash flow and profitability will be affected adversely. This may also affect its value of shares.

MANAGEMENT PERCEPTION

While taking loan, Company always carefully considers the balance to be maintained between term loan, which carries fixed interest rate and short-term loan, which carries variable interest rate so that any interest on inflation rate increase can be kept to the minimum. Additionally, Company maintains very good reputation in the banking community and so far, being able to attract very competitive rates from the Banks. Management of the Company is also emphasizing on equity-based financing to reduce the dependency on bank borrowings, which is reflected in the Financial Statements.

INTEGRATED REPORT & RESPONSIBILITY

INTEGRATED REPORTING

Integrated Reporting is a process founded on integrated thinking that results in a periodic integrated report by an organization about value creation over time and related communications regarding aspects of value creation. An integrated report is a concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term. IR is helping businesses to think holistically about the strategy and plans, make informed decisions and manage key risks to build investor and stakeholder confidence and improve future performance. Our 2020-2021 Annual Report has been presented as an 'Integrated Report' with the objective of expressing how S. S. Steel Limited has effectively managed its business to deliver consistent value to its stakeholders.

SCOPE OF THE REPORT

In 2013, the International Integrated Reporting Council (IIRC) released a framework for integrated reporting. The framework establishes principles and concepts that govern the overall content of an integrated report. An integrated report sets out how the organization's strategy, governance, performance and prospects, which lead to the creation of value. In presenting the integrate Report, we have followed to the guidelines issued by the Institute of Chartered Accountants of Bangladesh (ICAB) in the form of "Integrated Reporting Checklist" which is in congruence with the integrated reporting framework model issued by International Integrated Reporting Council (IIRC). In explaining the company's operations and financial performance, financial information so disclosed has been extracted from the Audited Financial Statements for the financial year ended 2020-2021 with relevant comparative information. The financial statements consistently complying with the requirements of-

- International Accounting Standards (IAS)
- International Financial Reporting Standards (IFRS)
- Companies Act 1994
- Securities and Exchange Rules 1987
- The Income Tax ordinance 1984
- And other applicable laws and regulations of the land.

We have followed the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) to report our corporate governance practices.

RESPONSIBILITY

I acknowledge the responsibility to ensure the integrity of the disclosure contained in the integrated Report presented herewith which comprise the discussion and analysis, disclosures pertaining to stewardship, which should be read in conjunction with the audited financial statement. In the opinion, the integrated report, incorporated in this annual report has been prepared in accordance with the IIRC's International Integrated Reporting framework and addresses the material matter pertaining to the long-term sustainability of the group and present fairly the integrated performance of S. S. Steel and impacts thereof.



Hasna Opgenhafen
Managing Director

SHAREHOLDERS' AND STAKEHOLDERS

The Shareholders' and Stakeholders shareholding position as on 30 June, 2021 are given below:

SL No.	Particulars	Percentage (%)
01.	Sponsors/Promoters and Directors	31.79
02.	Government	Nil
03.	Institute	14.68
04.	Foreign	Nil
05.	General Public	53.53



SHADERED MELTING SCRAP



**AUDITORS' REPORT AND FINANCIAL STATEMENTS
OF
S.S. Steel Limited
The Pearl Trade Center (11th Floor)
CHA-90/3 PragatiSarani,
North Badda, DHAKA-1212
FOR THE YEAR ENDED 30 June 2021**

Independent Auditor's Report

To the Shareholders Of S. S. STEEL LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of S.S. Steel Limited and its subsidiary Saleh Steel Industries Limited (the Group) as well as the separate financial statements of S.S. Steel Limited (the 'Company') which comprise the consolidated and separate statements of financial position as at 30 June 2021, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- i) **Refer to Note # 21**, "Provision for Workers Profit Participation Fund (WPPF) and welfare fund", as per section 234 (b) of the Bangladesh Labour Act 2006 and as amended, every company shall pay to the Workers Participation Fund, Welfare Fund and Bangladesh Workers' Welfare Foundation Fund, not later than nine months from the close of that year, five percent of its net profit during such year in the ratio of 80:10:10. However, the company neither paid any amount to the employees nor contributed any fund to the Bangladesh Workers' Welfare Foundation Fund, a non-compliance of the aforesaid section.
- ii) **Refer to Note # 06**, Capital Work In and expenses reported in the statement of profit or loss and other comprehensive income, while verifying the amount, we have observed the following:
 - For BDT. 3086700 (booked under several heads), we found written statement of expenditure on the letterhead of the company without any source documents;
 - For BDT. 10639000 (booked under several heads), we found only entries in the bank statement backed by no supporting;
 - For BDT. 179348141 (reported as Capital Work in Progress), we could not confirm the authenticity of the source documents against payments.

Therefore, the amount remains unverified to the extent stated above.

- iii) Tax deducted at source and VAT deducted at source was not at all complied with when making payment for expenditures. Total expenditures (administrative, selling and distribution expenses) for the period amounts to BDT. 186,292,553. A non-compliance of Income Tax Ordinance, 1984 and VAT Act 2012. Also, the Tax at Source amount of BDT. 3,325,613 was deducted on dividend but was not paid to the government treasury. Only tax challans amounting BDT. 3,282,739 as against gas bill of Titas Gas Transmission and Distribution Co. Ltd was made available to us.
- iv) No intercompany transactions are reported in the financial statements although, it is evident from the supporting documents that the company has paid expenditures of Saleh Steel amounting BDT. 9,731,793. The statement of financial position is understated by the same as against overstatement of reported expenditures.
- v) **Refer to Note # 16**, Deferred Tax of BDT. 238,854,832, the liability amount could not be confirmed due to non-availability of details of tax base. Also, no adjustment for revaluation reserve was evident in the calculation of deferred tax. Consequently, the deferred tax expense charge in the statement of profit or loss of BDT. 61,740,050 remain unverified for the same reason.
- vi) **Refer to Note # 24**, in Provision for Income Tax of BDT. 546,123,325, additional tax of BDT. 22,540,000 incurred during the year as per section-16F of Income Tax Ordinance, 1984, was not accounted for and as such no provision is evident in the financial statements.

Emphasis of Matters

We also draw attention to the various notes of the financial statements, which describe the effects of events or matters. Our opinion is not modified in respect of those events or matters.

- i) No gratuity policy is maintained by the company for its permanent employees, a non-compliance of section 27 (4) of the Bangladesh labour Act 2006 and as amended. As per the aforementioned section of the Act, where a permanent worker resigns from his service under this section shall be paid by the employer's compensation as per this section for every completed year of service or gratuity if any, whichever is higher in addition to any other benefit to which he may be entitled under this Act.
- ii) Contingent liabilities for pending tax cases remains unverified due to non-availability of required documents. Also, no disclosure is given in the financial statements in this regard.
- iii) **Refer to Note # 25 & 26**, no standard procedures or documents are generated for sales as well as purchases. Only Mushak 6.3 and monthly VAT return including the monthly sales figure are evident against sales. No orders from dealers, invoices, delivery notes etc. were evident against the reported sales of BDT. 4,196,859,974. For purchase, only Material Receipt Report, Weight Report, Cash memo and monthly VAT return including the monthly purchase figure were evident, with no invoice

value or unit rate. No orders to dealers, invoices, delivery notes etc. were evident against the reported purchase of BDT. 3,059,916,953.

- iv) **Refer to Note # 07**, Inventory reported as BDT. 1,801,512,637 in the financial statements remains unconfirmed due to Covid – 19 country-wide lockdowns, we were unable to carry out the inventory counting as on 30 June 2021. On our factory visit to check the inventory at a later date, we checked the inventory on a sample test basis. Hence, the inventory figure reported in the financial statements, we need to rely on management report of inventory at year end. It was observed that raw materials are only weighed when received from vendor. No weighing is performed when transferred to production, after production and also not when the items are added to the stock of finished goods. The finished stock is once again weighed only when it is delivered to its customers. Hence the quantity remains unverified due to the absence of weighing arrangement. Also, the unit rate for inventory was different from the rate at which the items were bought from vendors and no explanation was provided for the basis of the calculation. No basis for work in progress was also provided by management.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Short-term bank loans and Long-term loan	
<p>At reporting date, the position of loans remained (both short term and long term) amounting to BDT. 3,134,588,383 for both the Company and the Group. In other words, approximately 70% of total liabilities for both the Company and the Group are represented by loans. Evidently, the Company is using loans to operate the business. Therefore, it has been considered as key audit area.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans. Our audit procedures included:</p> <p>among others, the followings:</p> <ul style="list-style-type: none"> • Understanding and reviewing the nature and types of loans; • Reviewing the board minutes for arrangements of the loans; • Obtaining the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other

	<p>conditions associated with the loans;</p> <ul style="list-style-type: none"> • Reviewing the mortgages, major covenants, guarantees and interest rates etc. attached to the loans; • Recalculating the interest related to loans; • Checking the adjustments or repayments of loans through bank statements as per repayment schedule; • Checking whether there is any overdue payments and penal interests; and • Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards. • Our procedures above did not identify any issues with
<p>Investments in subsidiaries of the Company and its impairment</p>	
<p>The Company has investments amounting to BDT. 129 crore on 30 June 2021 held at cost less impairment that represents 12% of the Company's total assets.</p> <p>At the time of conducting our audit of the separate financial statements of the Company we have considered the recoverable value of the Company's investments in Saleh Steel Industries Limited at cost. Management has not conducted impairment assessment and calculated recoverable value of its subsidiary in accordance with IAS-36.</p>	<p>In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.</p>

Other Information

Management is responsible for the other information. The other information comprises the 'Annual Report' but does not include the financial statements and our auditor's report thereon.

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, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that, we have nothing to report in this regard or a statement that describes any material misstatement of the other information.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to

enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit.

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 charge 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 Company so far as it appeared from our examination of those books; and
- c) the statement 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 account.
- d) The expenditure incurred was for the purposes of the Company's business.

Place: Dhaka, Bangladesh

**Signed for & on behalf of
MABS & J Partners
Chartered Accountants**



**S H Talukder FCA
Partner
ICAB Enrollment No: 1244
DVC No: 2112261244AS338167**

S. S. Steel Limited

Financial Statements
For the year ended 30 June 2020

S. S. STEEL LIMITED


Consolidated Statement of Financial Position

Particulars	Notes	Amount in Taka
		30-Jun-21
Assets:		
Non current assets		4,381,743,601
Property, plant & equipments	4.A	3,745,751,702
Deposits	5.00	2,428,193
Goodwill	-	100,363,837
Capital work-in-progress	6.A	533,199,869
Current assets		8,131,174,641
Inventories	7.A	2,171,458,291
Trade and other receivables	8.A	3,269,412,518
Advances, deposits and prepayments	9.A	1,880,523,884
Cash and cash equivalents	10.A	523,634,356
Investment	11.00	286,145,592
Total Assets		12,512,918,243
Shareholders' Equity & Liabilities:		
Shareholders' Equity		6,773,431,048
Share capital	12.00	3,042,900,000
Retained earnings	13.A	2,927,990,855
Revaluation reserve	14.A	802,540,193
Share money deposit		403,000,000
Non current liabilities		1,678,521,166
Deferred tax liabilities	16.A	272,303,764
Non current portion of term loan	17.00	1,371,207,768
Finance lease obligation -non current portion	22.00	35,009,634
Current liabilities		3,657,966,026
Current portion of term loan	17.00	242,695,433
Trade and other payables	18.A	618,338,608
Accrued expenses	19.A	120,705,533
Short term loan	20.A	1,946,504,415
Finance lease obligation - current portion	22.00	9,874,512
Dividend Payable	23.00	8,068,678
Provision for WPPF and welfare fund	21.A	94,562,587
Provision for income tax	24.A	617,216,260
Total Equity and Liabilities		12,512,918,243
Consolidated net assets value per share (NAVPS) without revaluation		20.95
Consolidated net assets value per share (NAVPS) with revaluation		23.58

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.


Independent Director


Managing Director



Chairman


Chief Financial Officer

Place: Dhaka, Bangladesh


Company Secretary

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


S H Talukder FCA
Partner
ICAB Enrollment No: 1244
DVC No: 2112261244AS338167

S. S. STEEL LIMITED

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2021

Particulars	Notes	Amount in Taka
		01 Jul 2020 to 30 Jun 2021
Revenue(Net of VAT)	25.A	6,385,707,338
Cost of goods sold	26.A	(4,932,840,579)
Gross profit		1,452,866,759
Administrative expenses	27.A	(117,734,663)
Selling and distribution expenses	28.A	(113,273,111)
Operating profit before financial expenses		1,221,858,985
Financial expenses	29.A	(334,696,108)
Profit before other income		887,162,877
Other income	30.A	40,112,667
Profit before WPPF and provision for income tax		927,275,543
Contribution to WPPF and welfare fund		(44,155,978)
Profit before income tax		883,119,565
Provision for income tax		(178,698,349)
Current tax		(206,989,467)
Deferred tax		28,291,117
Profit after income tax		704,421,216
Net profit attributable to:		
Equity holders of the company		703,209,716
Non-controlling interest		1,211,500
Consolidated profit/ (loss)		704,421,216
Consolidated Earning Per Share (EPS)		2.31

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Chief Financial Officer



Managing Director



Company Secretary

This is the consolidated Statement of Financial Position referred to in our separate report of even date.

Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


S H Talukder FCA
Partner
ICAB Enrollment No: 1244
DVC No: 2112261244AS338167

S. S. STEEL LIMITED
Consolidated Statement of Cash Flows
For the period ended 30 June 2021

Particulars	Amount in Taka
	01 July 2020 to 31 June 2021
Cash flows from operating activities	
Cash received from customers	4,962,548,795
Payment for Cost and Expenses	(4,321,062,961)
Income tax payment	(28,658,147)
Net cash inflow/(outflow) from operating activities (A)	612,827,687
Cash flows from investing activities	
Acquisition of property, plant and equipment	(24,128,757)
Advance, Deposit & Pre-Payments	(382,952,399.54)
Capital work in progress	(275,685,206)
Investment	(1,417,731,487)
Share money Deposit	1,586,310,057
Net cash inflow/(outflow) from investing activities (B)	(514,187,792)
Cash flows from financing activities	
Long term loan paid	(40,632,688)
Short term loan	367,283,127
Lease Payments	(13,677,203)
Dividend Payments	(25,187,453)
Financial expenses	(329,497,220)
Net cash inflow/(outflow) from financing activities (C)	(41,711,436)
Net increase of cash and cash equivalents for the year (A+B+C)	56,928,458
Cash and cash equivalents at the beginning of the year	466,705,896
Cash and cash equivalents at the end of the period	523,634,356
Net operating cash flow per share-NOCFPS	2.01


The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

This is the consolidated Statement of Financial Position referred to in our separate report of even date.

Place: Dhaka, Bangladesh

S. S. STEEL LIMITED
Consolidated Statement of Changes in Equity

For the period ended 30 June 2021

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2020	2,817,500,000	811,672,815	2,473,093,149	6,102,265,964
8% stock dividend	225,400,000	-	(225,400,000)	-
2% cash dividend	-	-	(33,256,131)	(33,256,131)
Net profit (after tax) transferred from statement of comprehensive income	-	-	704,421,216	704,421,216
Excess depreciation transfer to retained earnings	-	(9,132,622)	9,132,622	-
Balance as at 30 June 2021	3,042,900,000	802,540,193	2,927,990,855	6,773,431,048

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

This is the consolidated Statement of Financial Position referred to in our separate report of even date.

Place: Dhaka, Bangladesh

S. S. STEEL LIMITED
Statement of Financial Position
 As at 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
Assets:			
Non current assets		3,223,544,182	3,094,242,301
Property, plant & equipments	4.00	2,695,509,419	2,834,299,445
Deposits	5.00	2,428,193	2,428,193
Capital work-in-progress	6.00	525,606,569	257,514,663
Current assets		7,114,188,445	5,217,273,746
Inventories	7.00	1,801,512,637	1,588,539,805
Trade and other receivables	8.00	1,736,004,234	1,751,600,935
Advances, deposits and prepayments	9.00	1,497,571,485	1,251,891,730
Cash and cash equivalents	10.00	502,780,603	466,653,276
Investment	11.00	1,576,319,487	158,588,000
Total Assets		10,337,732,626	8,311,516,048
Shareholders' Equity & Liabilities:			
Shareholders' Equity		5,475,977,365	4,925,962,271
Share capital	12.02	3,042,900,000	2,817,500,000
Retained earnings	13.00	1,735,604,577	1,401,961,746
Revaluation reserve	14.00	697,472,788	706,500,525
Share money deposit	15.00	403,000,000	-
Non current liabilities		1,645,072,234	742,663,061
Deferred tax liabilities	16.00	238,854,832	300,594,882
Non current portion of term loan	17.00	1,371,207,768	396,481,113
Finance lease obligation -non current portion	22.00	35,009,634	45,587,066
Current liabilities		2,813,683,026	2,642,890,716
Current portion of term loan	17.00	242,695,433	115,744,719
Trade and other payables	18.00	310,907,921	342,102,512
Accrued expenses	19.00	92,049,980	137,413,400
Short term loan	20.00	1,520,685,182	1,579,221,288
Provision for WPPF and welfare fund	21.00	83,277,994	45,207,721
Finance lease obligation - current portion	22.00	9,874,512	12,974,283
Dividend Payable	23.00	8,068,678	-
Provision for income tax	24.00	546,123,325	410,226,793
Total Equity and Liabilities		10,337,732,626	8,311,516,047
Net assets value per share (NAVPS) without revaluation	31.02	17.03	14.98
Net assets value per share (NAVPS) with revaluation	31.03	19.32	17.48

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

These Statement of Financial Position are to be read in conjunction with notes 1.00 to 32.00 attached.

Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
 Chartered Accountants


 S H Talukder FCA
 Partner
 ICAB Enrollment No: 1244
 DVC No: 2112261244AS338167

S. S. STEEL LIMITED
Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		2020-2021	2019-2020
Revenue	25.00	4,196,859,974	3,697,084,838
Cost of goods sold	26.00	(3,059,916,953)	(2,671,373,005)
Gross profit		1,136,943,021	1,025,711,833
Administrative expenses	27.00	(87,383,825)	(85,531,986)
Selling and distribution expenses	28.00	(98,908,728)	(99,020,772)
Operating profit before financial expenses		950,650,468	841,159,075
Financial expenses	29.00	(299,996,825)	(261,013,537)
Profit before other income		650,653,643	580,145,538
Other income	30.00	39,645,450	38,778,351
Profit before WPPF and provision for income tax		690,299,092	618,923,888
Contribution to WPPF and welfare fund		(32,871,385)	(29,472,566)
Profit before income tax		657,427,707	589,451,323
Provision for income tax		(74,156,482)	(153,165,425)
Current tax		(135,896,531)	(135,395,714)
Deferred tax		61,740,050	(17,769,711)
Profit after income tax		583,271,225	436,285,898
Earning Per Share (EPS)	31.01	1.92	1.55

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

These Statement of Profit or Loss and Other Comprehensive Income are to be read in conjunction with notes 1.00 to 31.00 attached.

Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants



S H Talukder FCA
Partner
ICAB Enrollment No: 1244
DVC No: 2112261244AS338167

S. S. STEEL LIMITED
Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Amount in Taka	
	2020-2021	2019-2020
Cash flows from operating activities		
Cash received from customers	4,306,889,715	3,962,729,392
Payment for Cost and Expenses	(3,662,186,005)	(3,244,215,343)
Income tax payment	(28,658,147)	(24,869,873)
Net cash inflow/(outflow) from operating activities (A)	616,045,563	693,644,176
Cash flows from investing activities		
Acquisition of property, plant and equipment	(6,573,514)	(142,851,732)
Capital work in progress	(268,091,906)	(181,120,946)
Investment	(1,417,731,487)	46,412,000
Share money Deposit	403,000,000	-
Net cash inflow/(outflow) from investing activities (B)	(1,289,396,907)	(277,560,678)
Cash flows from financing activities		
Long term loan paid	1,101,677,369	87,446,214
Short term loan	(58,536,106)	(149,314,693)
Lease Payments	(13,677,203)	58,561,349
Dividend Payments	(25,187,453)	-
Financial expenses	(294,797,937)	(259,389,598)
Net cash inflow/(outflow) from financing activities (C)	709,478,671	(262,696,728)
Net increase of cash and cash equivalents for the year (A+B+C)	36,127,327	153,386,771
Cash and cash equivalents at the beginning of the year	466,653,276	313,266,506
Cash and cash equivalents at the end of the period	502,780,603	466,653,276
Net operating cash flow per share-NOCFPS (Note: 30.04)	2.02	2.46

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

Place: Dhaka, Bangladesh

S. S. STEEL LIMITED
Statement of Changes in Equity

For the year ended 30 June 2021

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
Stock Dividend (8%)	225,400,000	-	(225,400,000)	-
Cash Dividend (2%)	-	-	(33,256,131)	(33,256,131)
Net profit (after tax) transferred from statement of comprehensive income	-	-	583,271,225	583,271,225
Excess depreciation transfer to retained earnings	-	(9,027,737)	9,027,737	-
Balance as at 30 June 2021	3,042,900,000	697,472,788	1,735,604,577	5,475,977,365

For the year ended 30 June 2020

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	4,489,676,374
Net profit (after tax) transferred from statement of comprehensive income	367,500,000	-	(367,500,000)	-
Excess depreciation transfer to retained earnings	-	-	436,285,898	436,285,898
Share capital received from public offering	-	(9,551,237)	9,551,237	-
Balance as at 30 June 2020	2,817,500,000	706,500,525	1,401,961,746	4,925,962,271

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 24 November 2021.



Independent Director



Managing Director



Chairman



Chief Financial Officer



Company Secretary

These Statement of Changes in Equity are to be read in conjunction with notes 1.00 to 31.00 attached.

Place: Dhaka, Bangladesh

S. S. STEEL LIMITED**Notes to the Financial Statements**

As at and For the year ended 30 June 2021

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 Ordinance, 1969, The Securities and Exchange Commission Act, 1993, 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 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

- A. The Income Tax Ordinance, 1984
- B. The Income Tax Rules, 1984
- C. The Value Added Tax and Supplementary duty Act, 2012
- D. The Value Added Tax and supplementary duty Rule, 2016
- 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 Preparation and Presentation of Financial Statements

The financial statements have been prepared on going concern concept, historical cost convention and on accrual basis in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and in compliance with the companies Act 1994, the Securities and Exchanges Rules 1987 and listing regulations of Dhaka Stock Exchange Ltd (DSE).

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.

2.06 Reporting Period

The financial statements of the company cover one year from 01 July 2020 to 30 June 2021

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 information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Previous year's figures have been rearranged wherever considered necessary, to ensure better comparability with the current year's financial statements and to comply with relevant IASs.

2.12 Compliance with International Accounting Standards (IASs)

IAS 01	Presentation of Financial Statements
IAS 02	Inventories
IAS 07	Statement of Cash Flows
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events After the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 33	Earnings Per Share
IAS 37	Provisions, Contingent Liabilities and Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contract with Customers
IFRS 16	Leases
IFRS 10	Consolidated Financial Statements

2.13 Events After the Reporting Period

Events after the reporting date that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

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.

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 IAS 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 equipment's under construction/acquisition is accounted for as capital-work-in-progress until 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, FDR which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

3.06 Trade receivable

All receivables have been recognized following IFRS 9 also carried by 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

Revenue has been recognized as per IFRS 15: Revenue from contract with customers under 05 (five) step approach of recognizing revenue. According to the core principal of IFRS 15, the entity has recognized revenue to depict the transfer of promise goods or service to custom in an amount that reflects the consideration (payment) to which the entity expects to be entitled in exchanging for those goods or services.

05 (five) step approach applied are as follows :

- i. Identify the contract;
- ii. Identify the separate performance obligation;
- iii. Determine the transaction price;
- iv. Allocate the price to the performance obligations;
- v. Recognize revenue.

Interest Income

It is recognized on accrual basis.

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, 2020 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 losses 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.

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

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing cost are expensed in the period in which they occur. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing funds.

3.18 Advertisement and promotional expenses

All cost associated with advertising and promotional activities are charged out in the year 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 year attributable to ordinary shareholders by the total number of ordinary shares outstanding during the year.

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 during the period under review.

3.18.5 Administrative expenses

All cost associated with administrative activities are charged out in the year incurred.

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 June 2021
- Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2021
- Statement of Changes in Equity for the period ended 30 June 2021
- Statement of Cash Flows for the period ended 30 June 2021
- 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.

3.21 Leases

The company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 IFRIC 4.

A. Significant accounting policy

Policy applicable from 1 July 2019

At inception of a contract , the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

The contract involves the use of an identified asset. Represent substantially all of the capacity of an asset.

The company has the right to obtain substantially all of the economic benefits from use of the asset the period

The company has the right to direct the use of the asset

The company has the right to operate the asset

The company designed the asset in a way that predetermines how and for what purpose it will be used

This policy is applied to contracts entered into, or changed in or after July 2019

At the inception or on reassessment of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

3.22 Financial expenses

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

3.23 Operating Expenses

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

3.24 Employee benefits

a. Paid Wages, Salaries and no Social Security Contributions.

b. Festival Bonus

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

c. 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.

3.25 Financial instruments

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

3.25.1 Financial Assets

The Company initially recognizes loans, receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual right of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Financial assets include Trade Receivables, Advances, Deposits and Prepayments, Short-term investments, as well as Cash and cash equivalents.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs' Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, trade receivables, and deposits.

a) Trade Receivables

Trade receivables are initially recognized at cost 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.

b) 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 and loss.

c) Cash and Cash Equivalents

According to IAS-7 "Statement of Cash Flows " cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognized in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.25.2 Financial Liabilities

The company initially recognizes all financial liabilities on the transaction date which is the date the company becomes a party to the contractual obligation of the instrument. The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables.

a) Trade and Other Payables

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.

b) interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft

3.26 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.

3.27 Impact of covid-19

Since March 2021, the consequences of the COVID-19 outbreak have materially and adversely affected the supply and demand for the Company's primary products and therefore, its operating results have been negatively impacted.

3.28 Authorization date for issuing

The Financial Statements were authorized by the Board of Directors on 24.11.2021 for issue after completion of review.



4.00 Property, plant & equipments

Cost

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
Opening balance	3,678,568,812	3,535,717,080
Addition during the year	6,573,514	142,851,732
Total Cost	3,685,142,327	3,678,568,812

Accumulated depreciation

Opening balance	844,269,367	691,023,941
Depreciation for the year	145,363,540	153,245,426
Total depreciation	989,632,907	844,269,367

Written down value (WDV)

	2,695,509,419	2,834,299,445
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*Detail of fixed assets and depreciation are shown in the "Annexure - A"

4.A Consolidated Property, Plant & Equipments

Parent Company	2,695,509,419	-
Subsidiary Company	1,050,242,283	-
Total	3,745,751,702	-

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:

Particulars	Amount in Taka			
	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

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 year	268,091,906	181,120,946
	525,606,569	257,514,663
Adjustment during the year	-	-
Closing balance	525,606,569	257,514,663

6.A Consolidated capital work-in-progress

Parent Company	525,606,569	-
Subsidiary Company	7,593,300	-
Total	533,199,869	-

7.00 Inventories

Stores & spares	160,635,524	122,164,252
Raw materials-scrap	996,332,685	832,583,749
Raw materials -chemicals	74,961,840	31,868,585
Work- in -process	98,457,222	167,471,004
Finished goods	471,125,366	434,452,215
Total	1,801,512,637	1,588,539,805

7.A Consolidated inventories

Parent Company	1,801,512,637	-
Subsidiary Company	369,945,654	-
Total	2,171,458,291	-

8.00 Trade and other receivables

Opening balance	1,751,600,936	1,918,692,709
Additions during the year	4,260,248,256	3,766,287,703
	6,011,849,191	5,684,980,412
Realized during the year	(4,275,844,958)	(3,933,379,476)
Closing balance	1,736,004,234	1,751,600,936

8.A Consolidated trade and other receivables

Parent Company	1,736,004,234	-
Subsidiary Company	1,533,408,285	-
Total	3,269,412,518	-

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.

Disclosure as per schedule-XI, Part-I, of The Companies Act, 1994

Debts below 3 Months	1,162,186,654	987,444,546
Debts below 6 Months	573,817,580	764,156,390

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured	1,736,004,234	1,751,600,936
Receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
Receivables considered doubtful bad	-	-
Receivable to Directors	-	-
Receivables due by common management	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	1,736,004,234	1,751,600,936

9.00 Advances, deposits and prepayments

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
Advances	(Note 9.01)	1,473,581,852	1,227,902,097
Deposits	(Note 9.02)	23,989,633	23,989,633
		1,497,571,485	1,251,891,730

9.A Consolidated advances, deposits and prepayments

Parent Company	1,497,571,485	-
Subsidiary Company	382,952,400	-
Total	1,880,523,884	-

9.01 Advances

L/C margin		164,483,792	152,452,064
Advance income tax	(Note 9.01.1)	170,592,982	141,934,835
Advance against salary		3,745,296	1,176,176
Advance against purchase		1,134,759,782	932,339,023
		1,473,581,852	1,227,902,097

9.01.1 Advance income tax

Opening Balance	141,934,835	117,064,962
Addition during the year	28,658,147	24,869,873
	170,592,982	141,934,835
Adjustment during the year	-	-
Closing balance	170,592,982	141,934,835

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	212,739	5,563,422
Cash at bank	(Note 10.01)	46,000,422
Short term investment (FDR)	(Note 10.02)	456,567,442
	502,780,603	466,653,276

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

10.A Consolidated cash and cash equivalents

Parent Company	502,780,603	-
Subsidiary Company	20,853,753	-
Total	523,634,356	-

10.01 Cash at bank

Bank Name	Branch	A/C No.	Amount in Taka	
Mercantile Bank Ltd.	Motijeel	011913100000158	29,834	417,866
Southeast Bank Ltd.	Banani	0011100005538	23,902	11,592
Southeast Bank Ltd.	New Elephant Road	0011100011066	264,550	6,561
Eastern Bank Ltd.	Gulshan	1041070005302	817,197	12,222
Jamuna Bank Ltd.	Gulshan	0100210006945	33,557	38,057
Bank Asia Ltd.	Principal Office	0000333007355	1,935,895	9,163
Bank Asia Ltd.	Principal Office	0000333008145	5,147,593	-
Brac Bank Ltd.	Graphics Building	1513203842315001	2,295,422	11,213
Brac Bank Ltd.	Gulshan	1501203842315001	6,226,287	6,096,384
Brac Bank Ltd.	Anik Tower Tejgaon	1501203842315000	40,000	-
Exim Bank Ltd.	Uttara	01511100008217	473,136	6,376
Islami bank Bangladesh Ltd.	Badda	20503100100131703	436,176	264,045
Dhaka Bank Ltd.	Uttara	2041000013173	1,692,153	14,017
One bank Ltd.	Principal	0010016432008	1,074,440	10,916
City Bank Ltd.	Gulshan Avenue	1101795924001	1,622,997	531,454
City Bank Ltd.	Gulshan	1101098282001	7,287	7,977
Dutch Bangla Bank Ltd.	Tongi	1791100011457	45,490	16,600
Pubali Bank Ltd.	Tongi	0080901056170	2,424,237	14,448
Shahajalal Islami Bank Ltd.	Gulshan South Avenue	403011100000952	27,395	5,318
Social Islami Bank Ltd.	Tongi	0741330001663	26,776	11,741
AB Bank Ltd.	Uttara	4020763216000	948,020	38,962
Agrani Bank Ltd.	Banani Corporate	0200012665818	84,857	10,420
Al Arafa Islami Bank Ltd.	Tongi	1311020001728	194,974	22,664
Al Arafa Islami Bank Ltd.	Pragati Sarani	0451220001354	3,524,489	21,176
NCC Bank Ltd.	Motijeel	0020210023819	3,046,819	8,946
NCC Bank Ltd.	Tongi	0800210000063	16,870	18,290
National Bank Ltd.	Uttara	1068001635950	878,662	6,588
National Bank Ltd.	Banani	1106001971487	-	1,311
National Bank Ltd.	Banani	1106004008177	100,039	-
NRB Commercial Bank Ltd.	Gulshan	010236000000052	3,623,686	10,325
NRB Commercial Bank Ltd.	Uttara	010836000000037	29,025	33,635
United Commercial Bank Ltd.	Uttara	0832101000005604	3,382,131	5,267
Mutual Trust Bank Ltd.	Uttara Model Town	0070320000532	44,177	259,433
Southeast Bank Ltd.	Banani	0013100001396	249,973	246,467
Trust Bank Ltd.	Millenium Corporate	70220212001135	2,223,404	31,550
Trust Bank Ltd.	Tongi	00420210001817	5,688	6,378
Prime Bank Ltd.	Garib-e-Newaz Ave.	2170119003010	11,700	10,644
Dutch Bangla Bank Ltd.	Pragati Sarani	1931100019057	2,991,584	22,517
Total			46,000,422	8,240,520

Amount in Taka	
30-jun-2021	30-jun-2020

10.02 Short term investment (FDR)

Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	Amount in Taka
Bank Asia Ltd.	Principle	3 Months	6%	355019718	37,450,285
Bank Asia Ltd.	Principle	3 Months	6%	355019784	24,703,861
Bank Asia Ltd.	Principle	3 Months	7%	355019931	60,671,633
Bank Asia Ltd.	Principle	3 Months	6%	355021075	26,070,557
Bank Asia Ltd.	Principle	3 Months	6%	355021076	26,070,557
Bank Asia Ltd.	Principle	3 Months	6%	355021077	26,070,557
Bank Asia Ltd.	Principle	3 Months	6%	355021079	26,070,557
National Bank Ltd.	Banani	3 Months	6%	6002236568	-
National Bank Ltd.	Banani	3 Months	6%	6004307133	25,076,881
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330669659	150,000,000
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330670370	27,191,277
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330670389	27,191,277
Total					456,567,442
					452,849,334

11.00 Investment (FDR)

Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	Amount in Taka
Bank Asia Ltd.	Principle	1 Year	8%	355020434	32,145,000
Bank Asia Ltd.	Principle	1 Year	8%	355020436	10,705,000
Bank Asia Ltd.	Principle	1 Year	8%	355020437	16,065,000
Bank Asia Ltd.	Principle	1 Year	8%	355020438	10,705,000
Bank Asia Ltd.	Principle	1 Year	8%	355020439	10,705,000
Bank Asia Ltd.	Principle	1 Year	8%	355020440	10,705,000
Bank Asia Ltd.	Principle	1 Year	8%	355020445	21,425,000
Bank Asia Ltd.	Principle	1 Year	8%	355020477	56,439,592
NRBC Bank Ltd.	Gulshan	Matured		1200000269	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006681	7,111,000
					-

Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003019	1,620,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003028	5,000,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003037	1,760,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003046	2,018,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003055	2,450,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003064	2,018,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003108	1,891,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003117	4,800,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003126	1,997,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003135	6,727,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003144	937,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003153	1,295,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003162	434,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003171	2,230,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003180	1,816,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003224	2,000,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003233	2,176,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003242	2,095,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003260	890,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003279	2,804,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003288	1,223,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006378	1,705,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006387	3,152,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006396	4,353,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006403	2,804,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006421	4,758,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006430	2,158,000	-

Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006467	658,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006476	431,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006485	319,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006494	4,732,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006501	468,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006510	2,305,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006547	4,758,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006574	4,609,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006583	1,863,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006592	1,279,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006609	6,913,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006636	1,237,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006645	3,972,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006654	1,863,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006663	759,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006672	2,243,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	30673000	1,620,000	-
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	330672850	3,000,000	-
Total					286,145,592	158,588,000

11.01 Investment in Saleh Steel Industries Limited

1,290,173,893	-
1,290,173,893	-

12.00 Share capital

12.01 Authorized capital

500,000,000 Ordinary Shares of Tk 10 each

5,000,000,000	3,000,000,000
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12.02 Issued, subscribed and paid-up capital	
245,000,000 Ordinary Shares of Tk 10 each	2,817,500,000
15% Stock Dividend in 2018-2019 Respectively	2,450,000,000
8% Stock Dividend in 2019-2020 Respectively	367,500,000
	225,400,000
	3,042,900,000

12.02.01 Details of Issued, subscribed and paid-up capital

Sl. No.	Particulars	Date	No. of Share	Amount in Taka	
				30-Jun-2021	30-Jun-2020
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	367,500,000
8	Bonuse share issued	31.12.2020	22,540,000	225,400,000	-
	Total		304,290,000	3,042,900,000	2,817,500,000

12.03 Position of shares holding as at 30 June 2021

Group Name	Number of Shareholders	Ownership (%)	Number of Shares	Taka
All Investors A/C Company	3	0.343%	1,044,679	10,446,790
General Public	385	14.335%	43,620,838	436,208,380
Non resident bangladeshi	20085	53.420%	162,552,720	1,625,527,200
Sponsor /Director	219	0.111%	336,785	3,367,850
	4	31.790%	96,734,978	967,349,780
	20,696.00	100%	304,290,000	3,042,900,000

Distribution schedule of the shares as at 30 June 2021 is given below:

Slabs by number of shares	Shareholders	No of Shares	Ownership (%)
	30 Jun 2021		
1-500	5237	1,255,295	0.413%
501 - 5000	11244	21,073,728	6.926%
5,001 - 10,000	1897	15,191,904	4.993%
10,001 - 20,000	1128	17,114,395	5.624%
20,001 - 30,000	450	11,463,856	3.767%
30,001 - 40,000	186	6,577,374	2.162%
40,001 - 50,000	162	7,621,207	2.505%
50,001 - 100,000	238	17,223,046	5.660%
100001 - 1000000	134	30,764,449	10.110%
1000001 - 1000000000	20	176,004,746	57.841%
Total	20696	304,290,000	100%

13.00 Retained earnings

Opening balance	1,401,961,746	1,323,624,612
Transferred from revaluation surplus through use of assets (depreciation)	9,027,737	9,551,237
Net profit during the year	583,271,225	436,285,898
Less: 15% Stock Dividend		(367,500,000)
Less: 8% Stock Dividend	(225,400,000)	
Less: 2% Cash Dividend	(33,256,131)	
Closing balance	1,735,604,577	1,401,961,746

13.A Consolidated retained earnings

Parent Company	1,735,604,577	-
Subsidiary Company	1,180,462,415	-
	2,916,066,992	-
Non controlling interest	11,923,863	-
Total	2,927,990,855	-

14.00 Revaluation reserve

Opening balance	706,500,525	716,051,762
Depreciation charged during the year	(9,027,737)	(9,551,237)
Closing balance	697,472,788	706,500,525

14.A Consolidated revaluation reserve

Parent Company	697,472,788	-
Subsidiary Company	105,067,406	-
Total	802,540,193	-

This transfer of revaluation was made in accordance with paragraph 39 of IAS 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 Share money deposit

Share money deposit	403,000,000	-
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Note: Conversion of Share money deposit into Share Capital requires approval of regulatory bodies. The company has already applied for conversion of Share Money Deposit into Share Capital to be under process.

16.00 Deferred tax liabilities

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

Opening balance	300,594,882	282,825,171
Add: Amount provided for the year	(61,740,050)	17,769,711
Closing balance	238,854,832	300,594,882

Property plant & equipments

Carrying Value as at 30 June 2021
Revaluation surplus (excluding land)

Total

Applicable tax rate

Deferred tax liability/(assets)

Carrying Value as at 30 June 2020
Revaluation surplus (excluding land)

Total

Applicable tax rate

Deferred tax liabilities

Accounting Base	Tax Base	Temporary Differences
1,865,241,524	960,797,569	904,443,955
157,133,076	-	157,133,076
2,022,374,600	960,797,569	1,061,577,031
		22.5%
		238,854,832
1,995,003,813	958,785,099	1,036,218,714
166,160,814	-	166,160,814
2,161,164,626	958,785,099	1,202,379,527
		25%
		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.

16.A Consolidated Deferrd Tax

Parent Company

Subsidiary Company

238,854,832	-
33,448,932	-
272,303,764	-

17.00 Term loan

Bank Asia Ltd, A/C-00335017418 (Note- 16.01)
Nitol Motors Ltd. (Note- 16.02)
GSP Finance Co. Ltd - Note- 14.4
Infrastructure Development Finance Compnay Ltd (Note 16.03)
Bank Asia Ltd, A/C 18310 (Note- 16.04)
IDLC Finance Limited (Note -16.05)
Hajj Finance, A/C 0698 (Note- 16.06)
Bank Asia Ltd, A/C 20926 (Note- 16.07)
Trust Bank Ltd, A/C 2414 (Note- 16.08)
Trust Bank Ltd, A/C 2423 (Note- 16.09)
Brac Bank Limited (Note- 16.10)
City Bank Limited (Note- 16.11)

Total

Current portion of term loan

Non-current portion of term loan

17.01 Bank Asia Ltd, A/C-00335017418

Opening balance

Interest charged during the year

Payment during the year

Closing balance

Current portion of term loan

Non-current portion of term loan

Limit amount

Purpose

Sanction date

Interest rate

Security

Tenure

17.02 Nitol Motors Ltd.

Opening balance

Loan received during the year

Interest charged during the year

Payment during the year

Closing Balance

Current portion of term loan

Non current portion of term loan

Amount in Taka	
30-Jun-2021	30-Jun-2020

212,651,264	213,719,611
-	-
-	-
-	898,765
35,429,188	33,338,830
54,865,169	60,431,974
40,762,406	41,846,247
-	2,912,961
97,651,060	92,097,850
263,090,250	66,979,593
470,853,417	-
438,600,447	-
1,613,903,202	512,225,832

242,695,433	115,744,719
1,371,207,768	396,481,113

213,719,611	272,888,959
19,203,318	26,655,030
232,922,929	299,543,989
(20,271,665)	(85,824,378)
212,651,264	213,719,611

58,873,570	59,169,348
153,777,694	154,550,264

Tk 490,000,000

For Restructuring of Plant & Machinery.

25-May-2016

9.0%

Hypothecation 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.

5 years

-	2,413,436
-	-
-	78,813

-	2,492,249
-	(2,492,249)

-	-
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-	2,413,436
-	-

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

17.06 Hajj Finance, A/C 0698

Opening balance		41,846,247	44,778,204
Loan received during the year		-	-
Interest charged during the year		5,516,107	5,862,109
		47,362,354	50,640,313
Payment during the year		(6,599,948)	(8,794,066)
Closing Balance		40,762,406	41,846,247
Current portion of term loan		6,868,493	7,051,121
Non current portion of term loan		33,893,913	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

17.07 Bank Asia Ltd, A/C 20926

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
Opening balance		-	-
Loan received during the year		-	79,120,000
Interest charged during the year		-	4,342,961
		-	83,462,961
Payment during the year		-	(80,550,000)
Closing balance		-	2,912,961
Current portion of term loan		-	582,592
Non-current portion of term loan		-	2,330,369

17.08 Trust Bank Ltd, A/C 2414

Opening balance		92,097,850	-
Loan received during the year		-	90,173,333
Interest charged during the year		9,757,311	3,339,222
		101,855,161	93,512,555
Payment during the year		(4,204,101)	(1,414,705)
Closing balance		97,651,060	92,097,850
Current portion of term loan		19,384,826	18,282,452
Non-current portion of term loan		78,266,234	73,815,398

Limit amount	:	TK. 46,000,000
Purpose	:	Procurement of different types of capital machineries
Sanction date	:	15 May, 2018
Interest rate	:	9.0%
Security	:	01 Bigha (33.00 decimal) land along with building and sheds constructed and to be constructed thereon located at Plot #19/A and 19/C block-B, Tongi industrial area Gazipur
Tenure	:	5 Years

17.09 Trust Bank Ltd, A/C 2423

Opening balance	66,979,593	
Loan received during the year	189,755,600	64,602,163
Interest charged during the year	10,436,205	4,510,559
	267,171,398	69,112,722
Payment during the year	(4,081,148)	(2,133,129)
Closing balance	263,090,250	66,979,593

Current portion of term loan	52,618,050	13,395,919
Non-current portion of term loan	210,472,200	53,583,675

Limit amount : TK. 46,000,000
 Purpose : Procurement of different types of capital machineries
 Sanction date : 15 May, 2018
 Interest rate : 9.0%
 Security : 01 Bigha (33.00 decimal) land along with building and sheds constructed and to be constructed thereon located at Plot #19/A and 19/C block-B, Tongi industrial area Gazipur
 Tenure : 5 Years

17.10 Brac Bank Ltd.

Opening balance	-	
Loan received during the year	453,729,626	-
Interest charged during the year	39,300,382	-
	493,030,008	-
Payment during the year	(22,176,591)	-
Closing balance	470,853,417	-

Current portion of term loan	47,085,342	-
Non-current portion of term loan	423,768,075	-

Limit amount : TK. 46,000,000
 Purpose : For acquisition of assets of Saleh Steel Industries Limited
 Sanction date : 23 June, 2020
 Interest rate : 9.0%
 Security : Registered Hypothecation (1st charge on Pari Passu Basis) on all Present and Future Fixed and Floating Assets of the Company with RJSC, alongwith Notarized IGPA to sell the Hypothecated Assets.
 Tenure : 7 Years

17.11 City Bank Ltd

Opening balance	-	
Loan received during the year	428,580,316	-
Interest charged during the year	37,170,656	-
	465,750,972	-
Payment during the year	(27,150,525)	-
Closing balance	438,600,447	-

Current portion of term loan	43,860,045	-
Non-current portion of term loan	394,740,402	-

Limit amount : TK. 43,000,000
 Purpose : Purchase of Steel manufacturing factory at Nasirabad, Chittagong
 Sanction date : 23 June, 2020
 Interest rate : 9.0%
 Security : Registered Hypothecation (1st charge on Pari Passu Basis) on all Present and Future Fixed and Floating Assets of the Company with RJSC, alongwith Notarized IGPA to sell the Hypothecated Assets.
 Tenure : 7 Years

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
18.00 Trade and other payables			
Opening balance		342,102,512	374,188,226
Addition during the year		2,562,898,403	2,171,311,796
		2,905,000,915	2,545,500,022
Payment during the year		(2,594,092,993)	(2,203,776,692)
Other payable (Note 17.01)			379,182
Closing balance		310,907,921	342,102,512
18.A Consolidated trade and other payables			
Parent Company		310,907,921	-
Subsidiary Company		307,430,687	-
Total		618,338,608	-
Disclosure as per schedule-XI, Part-I, of The Companies			
Debts below 3 Months		177,106,319	279,313,189
Debts below 6 Months		133,801,602	63,212,960
*Detail of Trade payable are shown in the "Annexure - D"			
18.01 Other payable			
Opening balance		379,182	379,182
Addition during the year		-	-
Payment during the year		379,182	379,182
Closing balance		-	-
19.00 Accrued expenses			
Salary & wages		14,355,582	14,000,816
Electricity bill		12,731,486	29,777,386
Gas bill		64,282,912	93,015,199
Professional fees payable		680,000	620,000
		92,049,980	137,413,400
19.A Consolidated Accrued expenses			
Parent Company		92,049,980	-
Subsidiary Company		28,655,553	-
Total		120,705,533	-
20.00 Short term loan			
Bank Overdraft (Note-19.01)		1,108,296,968	1,025,488,266
Demand Loan (Bank Asia Limited) (Note-19.02)		361,996,492	506,535,489
Short Term Loan (Bank Asia Ltd, A/C 19065) (Note-19.03)		50,391,723	47,197,533
		1,520,685,182	1,579,221,288
20.A Consolidated short term loan			
Parent Company		1,520,685,182	-
Subsidiary Company		425,819,233	-
Total		1,946,504,415	-
20.01 Bank Overdraft			
Bank Asia Limited, Principal Office Branch -Overdraft		460,418,424	453,357,254
National Bank Ltd-Overdraft		260,404,000	269,145,455
Bank Asia Ltd.-SOD		156,935,484	148,353,834
NRB Commercial Bank Ltd.-SOD			-
National Bank Ltd CC Hypo-Cov		75,000,000	-
Trust Bank Ltd.-SOD		155,539,061	154,631,723
		1,108,296,968	1,025,488,266
20.02 Demand Loan (Bank Asia Limited)			
Opening balance		506,535,489	510,339,456
Loan received during the year		1,598,240,083	1,215,490,735
Interest charged during the year		73,538,323	51,581,078
		2,178,313,894	1,777,411,270
Payment during the year		(1,816,317,403)	(1,270,875,781)
Closing balance		361,996,492	506,535,489

20.03 Short Term Loan

Bank Asia Ltd, A/C 19065 (Note-19.03.01)	50,391,723	47,197,533
Bank Asia Ltd, A/C-19066 (Note-19.03.02)	-	-

	50,391,723	47,197,533
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20.03.01 Bank Asia Ltd, A/C 19065

Opening balance	47,197,533	52,149,671
Loan received during the year	-	-
Interest charged during the year	4,450,731	5,152,763
	51,648,264	57,302,434
Payment during the year	(1,256,542)	(10,104,901)
Closing balance	50,391,723	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	:	9.00%	
Security	:	Lease agreement, Sole ownership of the leased hold machine. Insurance policy covering the risk of fire and RSD.	
Tenure	:	1 Year	

Amount in Taka	
30-Jun-2021	30-Jun-2020
-	20,688,254
-	-
-	495,604
-	21,183,858
-	(21,183,858)
-	-

20.03.02 Bank Asia Ltd, A/C-19066

Opening balance	-	20,688,254
Loan received during the year	-	-
Interest charged during the year	-	495,604
	-	21,183,858
Payment during the year	-	(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	:	9.00%	
Security	:	One post dated cheque covering the loan amount and six nos. post dated cheques covering the monthly installment.	
Tenure	:	1 Year	

21.00 Provision for WPPF and welfare fund

Opening balance	45,207,721	70,606,076
Contribution to WPPF and Welfare Fund	32,871,385	29,472,566
Interest applied @ 11.5%	5,198,888	1,623,940
Payment during the year	-	(63,555,469)
Received during year	-	7,060,608
Closing balance	83,277,994	45,207,721

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.

21.A Consolidated WPPF & Welfare fund

Parent Company	83,277,994	-
Subsidiary Company	11,284,593	-
Total	94,562,587	-

22.00 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 June 2021	Depreciation	Carrying amount
Warehouse	47,938,420	-	-	47,938,420	24,408,233	23,530,187

ii. Lease liability maturity analysis

Lease liability non	35,009,634	45,587,066
Lease liability current	9,874,512	12,974,283
	<u>44,884,146</u>	<u>58,561,349</u>

iii. Amount recognised in profit or loss

Interest on lease liability	4,753,715	4,753,715
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v. Allocation of depreciation of ROU

Factory Overhead	Note 24.04	21,967,409.65	23,255,310.03
Administrative Expenses	Note 25.00	2,440,823.29	2,583,923.34
		<u>24,408,232.94</u>	<u>25,839,233.37</u>

23.0 Dividend Payable

Opening Balance	-	-
Dividend Declared	29,930,518.40	-
	29,930,518.40	-
Dividend Paid	(25,187,453.00)	-
Closing Balance	4,743,065.40	-
TDS on Dividend Payable	Note 23.1	3,325,613.00
Total dividend payable	<u>8,068,678.40</u>	<u>-</u>

23.1 TDS on Dividend Payable

Opening Balance	-	-
During the year	3,325,613.00	-
	3,325,613.00	-
Payment during the year	-	-
Closing Balance	<u>3,325,613.00</u>	<u>-</u>

24.0 Provision for income tax

Opening balance	410,226,793	274,831,079
Provision made during the year	135,896,531	135,395,714
	<u>546,123,325</u>	<u>410,226,793</u>
Payment/adjustment during the year	-	-
Closing balance	<u>546,123,325</u>	<u>410,226,793</u>

*Details calculations are shown in the "Annexure - B"

24.A Consolidated income tax

Parent Company	546,123,325	-
Subsidiary Company	71,092,935	-
Total	<u>617,216,260</u>	<u>-</u>

25.0 Revenue

	Amount in Qty. (Kgs)		Amount in Taka	
	2020-2021	2019-2020	2020-2021	2019-2020
Sales	70,860,793	66,493,084	4,251,647,564	3,756,859,268
Less: VAT	-	-	54,787,590	59,774,430
	<u>70,860,793</u>	<u>66,493,084</u>	<u>4,196,859,974</u>	<u>3,697,084,838</u>

25.A Consolidated revenue (Net of VAT)

Parent Company	4,196,859,974	-
Subsidiary Company	2,188,847,364	-
Total	<u>6,385,707,338</u>	<u>-</u>

26.00 Cost of goods sold

	2020-2021	2019-2020	2020-2021	2019-2020
Raw materials consumed	66,241,927	64,805,130	2,391,209,654	2,170,971,848
Carriage inwards	-	-	31,580,704	39,590,927
Salary, wages and allowances	-	-	104,976,592	98,887,041
Factory overhead (Note 26.04)	-	-	499,809,372	524,341,636
Cost of Production	<u>66,241,927</u>	<u>64,805,130</u>	<u>3,027,576,322</u>	<u>2,833,791,453</u>
Opening work-in-process	3,872,162	4,168,928	167,471,004	178,138,295
Closing work-in-process	(1,758,039)	(3,872,162)	(98,457,222)	(167,471,004)
Cost of goods manufactured	<u>68,356,050</u>	<u>65,101,896</u>	<u>3,096,590,104</u>	<u>2,844,458,744</u>
Opening finished goods	10,103,540	6,169,396	434,452,215	261,366,476
Cost of goods available for sale	<u>78,459,590</u>	<u>71,271,292</u>	<u>3,531,042,319</u>	<u>3,105,825,220</u>
Closing finished goods	(7,598,796)	10,103,540	(471,125,366)	(434,452,215)
	<u>70,860,794</u>	<u>81,374,832</u>	<u>3,059,916,953</u>	<u>2,671,373,005</u>

26.A Consolidated cost of goods sold

Parent Company	3,059,916,953	-
Subsidiary Company	1,872,923,626	-
Total	4,932,840,579	-

Amount in Qty. (Kgs)		Amount in Taka	
2020-2021	2019-2020	2020-2021	2019-2020

26.01 Raw materials (scrap) consumed

Opening inventory	26,857,540	26,117,704	832,583,749	798,679,382
Purchase during the year	57,082,773	49,900,288	2,511,642,031	1,596,809,214
Total materials available	83,940,314	76,017,992	3,344,225,780	2,395,488,596
Closing Inventory	(17,698,387)	(26,857,540)	(996,332,685)	(832,583,749)
	66,241,927	49,160,451	2,347,893,095	1,562,904,847

26.02 Raw materials (billet) consumed

Purchase during the year	-	12,453,602	-	547,958,467
	-	12,453,602	-	547,958,467

26.03 Raw materials (chemicals) consumed

Opening inventory	31,868,585	14,667,745
Purchase during the year	86,409,814	77,309,374
Total materials available	118,278,399	91,977,119
Closing Inventory	(74,961,840)	(31,868,585)
	43,316,559	60,108,534

26.04 Factory overheads

Depreciation	130,827,186	137,920,884
Insurance premium	6,466,859	4,076,948
Gas Bill	210,227,465	221,632,895
Electricity	57,430,179	62,164,461
Fuel & lubricants	5,957,889	5,435,410
Repair & maintenance	14,250,993	7,480,705
Stores & spare parts consumed (Note 26.05)	56,255,407	67,017,119
Cylinder gas & oxygen	3,598,980	3,218,520
Labour charges	14,794,414	15,394,694
	499,809,372	524,341,636

26.05 Stores & spare parts consumed

Opening inventory	122,164,252	98,821,318
Purchase during the year	94,726,679	90,360,053
Total spare parts available	216,890,931	189,181,371
Closing inventory	(160,635,524)	(122,164,252)
	56,255,407	67,017,119

Amount in Taka	
2020-2021	2019-2020

27.00 Administrative expenses

Salaries & wages	29,802,867	32,395,931
Car maintenance	925,714	1,668,664
Conveyance & allowances	1,354,406	308,644
Postage & couriers	160,842	46,123
Renewal & registration	4,647,520	1,619,415
Rent, Rates & Taxes	9,000,000	4,701,983
Legal fees & other professional charges	3,103,498	1,404,657
Printing & stationery	501,086	1,018,507
Audit fee	500,000	440,000
Entertainment	2,394,217	1,630,451
Telephone & communication	1,573,360	1,441,986
Traveling & conveyance	677,043	189,438
Business promotion	14,270,664	20,710,303
Office maintenance	3,936,255	2,631,342
Depreciation - Annexure-A	14,536,354	15,324,543
	87,383,825	85,531,986

27.A Consolidated Administrative expenses

Parent Company	87,383,825	-
Subsidiary Company	30,350,838	-
Total	117,734,663	-

28.00 Selling and distribution expenses

Advertisement	1,694,451	2,771,026
Travelling & conveyance	103,018	508,175
Discount & commission	10,002,693	17,505,296
Salary & allowances	34,259,470	27,068,804
Entertainment	504,185	1,074,394
Labour Fees	12,599,608	8,074,399
Truck maintenance & delivery expenses	39,745,303	42,018,678
	98,908,728	99,020,772

28.A Consolidated selling and distribution expenses

Parent Company	98,908,728	-
Subsidiary Company	14,364,383	-
Total	113,273,111	-

29.00 Financial expenses

Bank and other Interest	298,214,016	259,149,719
Bank charge	1,782,809	1,863,818
	299,996,825	261,013,537

29.A Consolidated financial expenses

Parent Company	299,996,825	-
Subsidiary Company	34,699,283	-
Total	334,696,108	-

30.00 Other income

Income from wastage sales	4,963,238	828,222
Interest on short notice deposit	1,942,211	199,489
Interest on Fixed Deposit Receipt	32,740,001	37,750,640
	39,645,450	38,778,351

30.A Consolidated Other Income

Parent Company	39,645,450	-
Subsidiary Company	467,217	-
Total	40,112,667	-

31.00 Information based on per share

31.01 a) Basic Earning Per Share (EPS)

The computation of EPS is given below:

Earning attributable to the ordinary shareholders	583,271,225	436,285,898
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Earning Per Share (EPS)	1.92	1.55

b) Earning Per Share (EPS)-Adjusted

Earning attributable to the ordinary shareholders	583,271,225	436,285,898
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Earning Per Share (EPS)-Adjusted	1.92	1.55

EPS decreased due to decrease in of Sales (10.93%), profit after income tax and increase of financial expense from last year.

31.02 Net asset value per share (NAV) without valuation

a) Net assets value per share

Total assets	9,640,259,839	7,605,015,523
Liabilities	(4,458,755,260)	(3,385,553,777)
Net Asset Value (NAV)	5,181,504,579	4,219,461,746
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Net assets value per share before revaluation	17.03	14.98

31.02A Consolidated Net asset value per share (NAV) without valuation

a) Net assets value per share

Total assets	11,710,378,049	-
Liabilities	(5,336,487,193)	-
Net Asset Value (NAV)	6,373,890,857	-
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	-
Net assets value per share before revaluation	20.95	-

Amount in Taka	
30-Jun-2021	30-Jun-2020
9,640,259,839	-
(4,458,755,260)	-
5,181,504,579	-
304,290,000	-
17.03	-

b) Net assets value per share before revaluation-Adjusted

Total assets	9,640,259,839	-
Liabilities	(4,458,755,260)	-
Net Asset Value (NAV)	5,181,504,579	-
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	-
17.03	-	

NAV decreased due to increase in liability

31.03 Net asset value per share (NAV) with valuation

a) Net assets value per share

Total assets	10,337,732,626	8,311,516,048
Liabilities	(4,458,755,260)	(3,385,553,777)
Net Asset Value (NAV)	5,878,977,367	4,925,962,271
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Net assets value per share after revaluation	19.32	17.48

b) Net assets value per share after revaluation-Adjusted

Total assets	10,337,732,626	8,311,516,048
Liabilities	(4,458,755,260)	(3,385,553,777)
Net Asset Value (NAV)	5,878,977,367	4,925,962,271
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Net assets value per share after revaluation	19.32	17.48

31.03 A Net asset value per share (NAV) with valuation

a) Net assets value per share

Total assets	12,512,918,243	-
Liabilities	(5,336,487,193)	-
Net Asset Value (NAV)	7,176,431,050	-
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	-
Net assets value per share after revaluation	23.58	-

b) Net assets value per share after revaluation-Adjusted

Total assets	12,512,918,243	-
Liabilities	(5,336,487,193)	-
Net Asset Value (NAV)	7,176,431,050	-
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	-
Net assets value per share after revaluation	23.58	-

31.04 a) Net operating cash flow per share (NOCFPS)

Net operating cash flows (from statement of cash flows)	616,045,563	693,644,176
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Net operating cash flows per share	2.02	2.46

b) Net operating cash flows per share-Adjusted

Net operating cash flows (from statement of cash flows)	616,045,563	693,644,176
Number of ordinary shares outstanding as on 30 June 2021	304,290,000	281,750,000
Net operating cash flows per share	2.02	2.46

NOCPs increased due to increase in collection and decrease of payment in the year

31.05 Cash flow reconciliation

Profit before income tax	657,427,707	709,774,473
Depreciation - Annexure-A	145,363,540	26,906,118
Increase in Inventory	(212,972,832)	(236,866,589)
Increase in Trade and other receivable	15,596,702	167,091,773
Increase in Advance, deposits and prepayment	(217,021,608)	(260,894,286)
Decrease in Trade and other payable	(31,194,590)	(32,085,714)
Decrease in Accrued expenses	(45,363,421)	104,580,875
Income tax paid	(28,658,147)	(24,869,873)
Finance expenses	299,996,824	261,013,537
Contribution to WPPF and welfare fund	32,871,385	35,488,724
Payment of WPPF and welfare fund	-	(63,555,469)
Recive from WPPF and Welfare fund	-	7,060,608
Net cash inflow/(outflow) from operating activities	616,045,561	693,644,177

32.00 Other commitments, contingencies and relevant information
32.01 Contingencies

There is no contingent event that may require recognition of contingent liabilities for the year of 30 June 2021

32.02 Capital expenditure commitment

There was no capital expenditure commitment or contract as at 30 June 2021. There was no material capital expenditure authorized by the Board but not contracted for as at 30 June 2021.

32.03 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

32.04 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2021 other than trade credit available in the ordinary course of business.

32.05 Attendance Status of Board Meeting of Directors

During the year ended 30 June 2021, there were seven board meetings were held. The attendance status of all the meetings is as follows:

Sl No.	Name of the Directors	Position	Meeting held	Meeting Attended
1	Javed Opgenhaffen	Chairman	11	11
2	Hasna Opgen Haffen	Managing Director	11	11
3	N J Holdings Ltd. Represented Sayeed Rezaraj Ahmmad	Nominee Director	11	11
4	Md. Abu Zafer	Independent Director	11	11
5	Mr. Sadad Rahman	Independent Director	11	11

The directors of the Company were not paid any fee for attending board meeting during the year.

32.06 Related party disclosures
i) Related party transactions

The Company has carried no transactions with related parties in during the year.

ii) Particulars of directors of S.S. Steel Limited as at 30 June 2021.

Sl. No.	Name of Directors	BOD of S. S. Steel Limited	Entities where they have interests
1	Javed Opgenhaffen	Chairman	None
2	Hasna Opgen Haffen	Managing Director	None
3	N J Holdings Ltd Represented	Nominee Director	None
4	Md. Abu Zafer Sayeed Rezaraj	Independent Director	None
5	Mr. Sadad Rahman	Independent Director	None

32.07 Disclosure as per requirement of Schedule XI, Part II of The Companies Act 1994
32.07.1 Quantity wise schedule as required under Para 3, Schedule XI, Part 11 of The Companies Act, 1994

Quantity wise schedules of sales, raw material consumed and closing stock of finished goods relating to the financial statements for the year ended 30 June 2019 as required under Para 3, Part 11 of The Companies Act 1994 given below:

a. Sales:

Particulars	2020-2021		2019-2020	
	Quantity (kgs)	Amount in Taka	Quantity (kgs)	Amount in Taka
Domestic sales	70,860,793	4,251,647,564	66,493,084	3,756,859,268
Export sales	-	-	-	-

b. Raw Materials consumed in Quantities:

	2020-2021		2019-2020	
	Quantity (kgs)	Amount in Taka	Quantity (kgs)	Amount in Taka
Opening Stock	26,857,540	832,583,749	26,117,704	798,679,382
Purchase	57,082,773	2,511,642,031	49,900,288	1,596,809,214
Raw material available for consumption	83,940,314	3,344,225,780	76,017,992	2,395,488,596
Closing Stock	(17,698,387)	(996,332,685)	(26,857,540)	(832,583,749)
Raw material consumed	66,241,927	2,347,893,095	49,160,451	1,562,904,847

c. Particulars in respect of opening stock, sales and closing stock of finished goods:

Details	2020-2021		2019-2020	
	Qty (kgs)	Amount in Taka	Qty (kgs)	Amount in Taka
Opening stock	10,103,540	434,452,215	6,078,290	261,366,476
Closing stock	7,598,796	471,125,366	10,103,540	434,452,215
Sales	70,860,793	4,251,647,564	66,493,084	3,756,859,268

32.07.2 Employee Position of S. S. Steel Limited as per requirement of schedule XI, part II, Para 3

Salary Range (Monthly)	Total Employee	Officer & Staff		Worker & Employee	
		Head Office	Factory	Head Office	Factory
For the year ended 30 June 2021	537	43	67	-	427
Below 3,000	-	-	-	-	-
Above 3,000	537	43	67	-	427
For the year ended 30 June 2020	537	43	67	-	427

During the year 2020, all the employees were in the permanent payroll of the Company

32.07.3 Payment information to Directors as per requirement of schedule XI, part II, Para 4

Remuneration		Amount in Taka	
Name	Designation	2020-2021	2019-2020
Javed Opgenhaffen	Chairman	-	-
Hasna Opgen Haffen	Managing Director	-	-
Sayeed Rezaraj Ahmmad	Director	-	-
Md. Abu Zafer	Independent Director	-	-
Mr. Sadad Rahman	Independent Director	-	-
		-	-

The company has no payment to the directors during the period

32.07.4 Quantitative information of production capacity for the year from 01 July 2020 to 30 June 2021 as per requirement of schedule XI, part II, Para 7

Particulars	License Capacity	Installed Capacity (Kgs)	Actual Production (Kgs)	Capacity Utilization in %
Annual Production Capacity of S. S. Steel Ltd. in Kgs.	Not Available	108,000,000	68,356,050	63.29%

32.07.5 Disclosure as per requirement of schedule XI, part II, Para 8

a CIF value of import of raw materials, spare parts and capital goods and percentage of components in consumption as per (a) and (c) of Para 8

For the year from 01 July 2020 to 30 June 2021

Particulars	Opening Balance	Purchase during the year	Raw materials available for use	Closing Balance	Consumed	% of Consumption
Raw materials	864,452,334	2,598,051,845	3,462,504,179	1,071,294,525	2,391,209,654	69.06%
Spare parts	122,164,252	94,726,679	216,890,931	160,635,524	56,255,407	25.94%
Total	986,616,586	2,692,778,524	3,679,395,110	1,231,930,049	2,447,465,061	

Raw material includes scrap and chemicals

For the year from 01 July 2019 to 30 June 2020

Particulars	Opening Balance	Purchase during the year	Raw materials available for use	Closing Balance	Consumed	% of Consumption
Raw materials	813,347,127	1,674,118,588	2,487,465,715	864,452,334	1,623,013,381	65.25%
Spare parts	98,821,318	90,360,053	189,181,371	122,164,252	67,017,119	35.42%
Total	912,168,445	1,764,478,641	2,676,647,086	986,616,586	1,690,030,500	

b Expenditure for royalty, know-how, professional consultancy, interest in foreign currency as per (b) of Para 8

) The company did not spend any foreign currency on account of technical know-how, royalty, professional consultation fees, interest and other matters during the year ended 30 June 2021.

c Amount remitted in foreign currency on account of Dividends to non-resident shareholders as per (d) of Para 8

) No amount was remitted as dividend to the non-resident shareholders during the year under audit.

d Earnings in foreign currency under the following heads as per (e) of Para 8

No foreign currency earnings during the period from 01 July 2019 to 30 June 2021;

32.07.6 Financial Risk Management

The management of company has overall for the establishment and oversight of the company's risk management framework. 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 risk for its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk


32.07.7 Events after the reporting year

i) The Board of Directors of the Company in its meeting held on 24 November 2021 approved the financial statements of the Company for the year ended 30 June 2021 and authorized the same for issue. The Board of Directors also recommended 02% cash and 08% Bonus Share dividend for all shareholders only for the year ended 30 June 2021 subject to approval in the next Annual General Meeting.

ii) There is no other significant event that has occurred between the balance sheet date and the date when the financial statements were authorized for issue by the Board of Director.


Independent Director


Managing Director


Chairman


Chief Financial Officer


Company Secretary

S. S. STEEL LIMITED
Schedule of Property, Plant & Equipments

For the year ended 30 June 2021

Particulars	Cost		Dep. Rate (%)	Depreciation		Written Down Value as on 30.06.2021	Written Down Value as on 30.06.2020
	Opening Balance as on 01.07.2020	Addition during the year		Opening Balance as on 01.07.2020	Charge during the year		
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	280,000		54,341,246	239,449,772	592,467,636	646,528,883
Factory Building	474,362,292	280,000	5%	17,881,872	134,676,533	339,965,759	357,567,631
Right of Use of Asset	73,777,653	-	5%	24,408,233	50,247,466	23,530,187	47,938,420
Office Building	283,497,463	-	5%	12,051,142	54,525,773	228,971,690	241,022,832
Plant & Machinery:	890,803,981	5,379,414		37,942,821	299,522,053	596,661,343	629,224,749
Plant & Machinery	890,803,981	5,379,414	6%	37,942,821	299,522,053	596,661,343	629,224,749
Equipment & Appliance:	776,865,831	140,000		34,274,704	289,014,490	487,991,341	522,126,045
Electric Equipments	20,658,715	140,000	10%	1,259,648	9,420,845	11,377,870	12,497,518
Electric & Gas Installation	24,363,600	-	10%	1,281,233	12,832,502	11,531,098	12,812,331
Crane, Forklift	65,591,836	-	10%	4,812,128	22,282,680	43,309,156	48,121,285
Transformer	2,462,400	-	6%	52,034	1,647,207	815,193	867,227
Gas Generator	663,789,280	-	6%	26,869,661	242,831,257	420,958,023	447,827,684
Others Assets:	143,021,758	774,100		9,777,032	79,507,836	64,288,022	73,290,954
Furniture & Fixtures	1,544,022	113,000	10%	47,675	1,152,713	504,309	438,984
Office equipments	3,979,603	-	10%	139,338	2,725,565	1,254,038	1,393,376
Motor vehicles	94,402,853	-	10%	5,600,351	43,999,696	50,403,157	56,003,507
Computer Software	43,095,280	661,100	25%	3,989,669	31,629,861	12,126,519	15,455,087
As on 30 June 2021	2,766,162,160	6,573,514		136,335,803	907,494,151	1,865,241,524	1,995,003,812
Revaluation Surplus :	912,406,652	-		9,027,737	82,138,757	830,267,895	839,295,632
Land & Land Development	673,134,818	-	-	-	-	673,134,818	673,134,818
Factory Building	115,642,067	-	5%	4,709,559	26,160,439	89,481,628	94,191,187
Plant & Machinery	123,629,766	-	6%	4,318,178	55,978,318	67,651,448	71,969,626
As on 30 June 2021	3,678,568,812	6,573,514		145,363,540	989,632,908	2,695,509,419	(2,695,509,419)
As on 30 June 2020	3,535,717,081	142,851,732		153,245,426	844,269,368	2,834,299,445	(2,834,299,445)
Depreciation Allocated to:	30-Jun-2021	30-Jun-2020					
Factory Overhead - Note 21.04	Taka	Taka					
Administrative Expenses - Note 22.00	130,827,186	137,920,884					
	14,536,354	15,324,543					
	145,363,540	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.



S.S. STEEL LIMITED
TIN-037-201-0711

Income tax assessment year 2021-2022
Accounting year ended June 30, 2021
Computation of Total Income/(loss)

Annexure - B

	Amount in Taka	
	2020-2021	
Net profit/(loss) before taxation as per audited profit and loss account		657,427,707
Less: Other income to be considered separately		(39,645,450)
		<u>617,782,258</u>
Add: Charges to be considered separately:		
Accounting Depreciation	145,363,540	
Entertainment Expenses	2,898,402	148,261,942
		<u>766,044,200</u>
Add: Inadmissible Expenses:		
Perquisite in excess of admissible limit	-	
Business promotion in excess of admissible limit		
Gift Expenses	-	-
		<u>766,044,200</u>
Add: Other Business Income:		
Foreign currency fluctuation gain	-	
Wastage sale	-	-
		<u>766,044,200</u>
Less: Admissible Items:		
Tax depreciation	198,806,665	198,806,665
		<u>567,237,535</u>
Less: Entertainment expenses u/s 30(f)(i) and Rule 65 ITO 1984		2,898,402
Total income from business		<u><u>564,339,133</u></u>
Add: Income from other sources:		
Interest on FDR	39,645,450	
Interest on STD	-	39,645,450
Total Taxable Income		<u><u>603,984,583</u></u>
Tax comes:		
(a) Tax on total business income	126,976,305	126,976,305
(b) Tax on other income		8,920,226
		<u>135,896,531</u>
(c) Minimum Tax on Gross Receipt @ 0.60%	25,747,758	
	-	<u>25,747,758</u>
Demand of tax is higher of (a) & (c)		135,896,531
Less: Advance tax deducted from import		28,658,146
Tax Liability		<u>107,238,385</u>
Less: Excess provision has been already made		
NET TAX LIABILITY		<u><u>107,238,385</u></u>

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S. S. STEEL LIMITED

The Pearl Trade Center (11th Floor), Cha-90/3, Pragati Sarani
North Badda, Dhaka-1212, Bangladesh
Email: info@sssteel.biz



150

ANNUAL REPORT 2020-2021



S. S. STEEL LIMITED

Registered Office: The Pearl Trade Center (11th Floor), Cha-90/3, Pragati Sarani North Badda, Dhaka

PROXY FROM

I/We.....
of.....

Being the member of S. S. Steel Limited, hereby appoint Mr./Mrs..... as my/our proxy to attend and vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held on Friday, 31st December, 2021 at 11:00 am and/or/ at Digital Platform through link <https://sssteel.bdvirtualagm.com> and any adjournment thereof. As witness my hand this..... day of2021.

Signature of the Shareholder (S)

Signature of Proxy

Folio No.

Folio No.

Or

Or

BO#

BO#

Number of Shares held.....

Note: A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be deposited at the Registered Office of the company not later than 72 hours before the time fixed for the meeting.



S. S. STEEL LIMITED

Registered Office: The Pearl Trade Center (11th Floor), Cha-90/3, Pragati Sarani North Badda, Dhaka

Attendance Slip

I hereby record my attendance at the 20th Annual General Meeting of the Company to be held Friday, 31st December, 2021 at 11:00 am at Digital Platform through link <https://sssteel.bdvirtualagm.com>

Name of Shareholder	
Number of Shares	
Folio No.	
BO ID No.	
Name of the Proxy (if any)	





Signature of Shareholder/Proxy

Signature verified by

NB: Please present this slip at the registration counter on or before 10:00 am on the AGM date





-  The Pearl Trade Center, (11th Floor),
Cha-90/3 Pragati Sarani, North Badda, Dhaka-1212
-  info@sssteel.biz
-  +880 2 989 9562
-  www.sssteel.biz

