



S.S. STEEL LIMITED



ANNUAL REPORT 2022-2023

TABLE OF CONTENTS

OVERVIEW	PAGE
AGM Invitation	03
Notice of the 22 nd AGM	04
Letter of Transmittal	05
Overview of the Company	06
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
Statement of the Chief Financial Officer (CFO)	20
Board of Directors	21
Corporate Governance	22
Directors' Report	22
Management Discussion & Analysis Director's Declaration	26
Financial and Economic Scenario of The Country and The Globe	33
Corporate Governance Statement 2022-23	36
Board Governance	36
Corporate Governance Framework	37
Board Committee	41
Board of Directors Meeting	44
External Statutory Audit	44
Subsidiary Company	45
Company Secretary	46
Head of Internal Audit	47
Effective Control Process	47
Communication with Shareholders & Other Stakeholders	48
Ensure Shareholders Right	49
Code of Conduct	50
Company's Corporate Website	53
Board Audit Committee Report 2022-23	54

Board NRC Committee Report 2022-23	57
Board CSR Committee Report 2022-23	58
CEO & CFO's Declaration	59
Certificate of Bangladesh Association of Publicly Listed Companies (BAPLC)	60
Key Operating & Financial Highlights	61
Corporate Governance Report	63
5-Years competitive analysis of financial statements	72
Key Ratios Analysis, Ratio Analysis & interpretations	73
Risk Management & Internal Control	86
Integrated Report & Responsibility	91
Shareholders and Stakeholders	92
Auditors' Report and Financial Statements	93
Statement of Financial Position	104
Statement of Profit or Loss and Other Comprehensive Income	105
Statement of Changes in Equity	106
Statement of Cash Flows	107
Share Information	124

22nd ANNUAL GENERAL MEETING OF S. S. STEEL LIMITED

AGM INVITATION FOR OUR SHAREHOLDERS

WILL BE HELD AT DIGITAL PLATFORM

DHAKA, BANGLADESH

ON SUNDAY, 31st DECEMBER, 2023 AT 02:00 PM



VISIT BELLOW LINK TO JOIN 22nd ANNUAL GENERAL MEETING OF S. S. STEEL LIMITED

<https://sssteel.bdvirtualagm.com>

NOTICE OF 22nd ANNUAL GENERAL MEETING 2023

Notice is hereby given that the 22nd Annual General Meeting (AGM) of S. S. Steel Limited will be held on Sunday, 31st December 2023 at 02:00 PM at Digital Platform to transact the following business:

Agendas:**1. Report and Accounts:**

To receive, consider and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended June 30, 2023 and the Auditors' Report thereon;

2. Dividends:

To declare a Dividend for the year ended June 30, 2023 as recommended by the Board of Directors;

3. Election/Re-election of Directors:

To Elect/Re-elect Directors in accordance with the provisions of the Articles of Association of the Company;

4. Appointment of External Auditor:

To appoint External Auditors for the FY-2023-2024 and fix their remuneration;

5. Appointment of Compliance Auditor:

To appoint Compliance Auditor for the FY-2023-2024 and fix their remuneration;

6. Others:

To transact any other business with the permission of the chair.

Date: 11th December, 2023

Place: Dhaka

By the Order of the Board



**Md. Mostafizur Rahman
Company Secretary**

Note:

- The Shareholders whose names appear on the Members/Depository Register on the Record Date, i.e. 05th December 2023 shall be eligible to attend the 22nd Annual General Meeting (virtual meeting through digital platform/online live portal) of the Company and to receive the Dividend;*
- In view of the Order (SEC/SRMIC/94-231/25 dated 08th July 2020) of Bangladesh Securities and Exchange Commission (BSEC), the ensuring 22nd Annual General Meeting of the Company would be conducted through a digital platform (virtual meeting). Therefore, the shareholders are requested to attend the 22nd Annual General Meeting through the online live portal. The detailed procedures and link of the online, live portal to attend the meeting will be <https://sssteel.bdvirtualagm.com>;*
- The soft copy of the Annual Report 2022-2023 of the Company will be sent to the shareholders' respective e-mail addresses. However, interested shareholders may collect the hard copy of the Annual Report-2022-2023 from the Company's registered office by submitting a written request. The Annual Report-2022-2023 is available on the investor Relations Section of the Company's website: www.sssteel.biz;*
- 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 electrically 24 hours before the meeting. For any, IT-related guidance in this regard, Shareholders may contact cell number +8802226602509.*
- The concerned Merchant Bank and all Depository Participants (DPs) are requested to provide copies of the list of margin clients along with the bank details for entitlement of dividend on or before 31st December, 2023 as per following: Deliver at the share office of the company by registered email or courier.*
- In compliance with the Circular No: SEC/CMRRCD/2009-193/154 dated 24th October, 2013 issued by BSEC, no benefit in cash or kind shall be offered to the member 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)

Subject: Annual Report for the year ended June 30, 2023.

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, 2023. 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, 2023.

Yours sincerely,



Md. Mostafizur Rahman
Company Secretary

Date: 11th December, 2023
Place: Dhaka.

COMPANY OVERVIEW

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


S. S. Steel Limited was 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 B500/CWR&B400/DWR 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 B500/CWR & B400/DWR MS bars etc.

22 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 aspect 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 is not only involved in MS Billet and MS Rod production but also MS Billet and MS Rod distribution and supply right upto their customer doorstep. The company has market capitalization of 2% and MS Billet and MS Rod related venture in the country. SSSTEEL consolidated total installed capacity stood at 380400 MT per annum is in operation right now, turnover is Tk. 148,628 million.



BRIEF OVERVIEW

Particulars	Description
Name of the Issuer	S. S. Steel Limited
Logo	
Legal Position	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.
Date of Incorporation	December 22, 2001 vide Registration No.C-44670
Converted into a public limited company	December 15, 2016.
Authorized Capital	Tk.5,000,000,000 divided into 500,000,000 Ordinary Shares of Tk.10 each
Paid up Capital	Tk. 3,286,332,000 divided into 328,633,200 Ordinary Shares of Tk.10 each
Board of Director	05 Directors
Statutory Auditor	Shiraz Khan Basak & Co. Chartered Accountants R K Tower (Level 6 & 10), 86 Bir Uttam C R Datta Road, Dhaka-1205, Bangladesh Tel. +88 02 9635139 Fax. +88 02 9672006
Corporate Governance Auditor	Atik Khaled Chowdhury & Co. Hasan Court (1st Floor) 23/1 Motijheel CA, Dhaka 100
Tax Consultants	Niranjan Ghosh, M. Com, LLB, ITP A.K & Associates 81/1 Kakrail, 1 st Floor, Dhaka-1000, Bangladesh Tel: +88028317231, 9356295
Legal Advisor	Advocate Md. Imran Hussain Parvez
Compliance Officer	Mr. Sazed Ahmed Assistant Manager Accounts & Corporate Affairs
Banker of IPO	Brac Bank Limited
Bankers of the Company	Bank Asia Limited National Bank Limited Trust Bank Limited
Registered Office	The Pearl Trade Center, Cha-90/3, Pragati Sarani, North Badda, Dhaka 1212, Bangladesh
Factory Address	Plot-04, Block-B, Tongi Industrial Area, Gazipur, Bangladesh
Website	www.sssteel.biz
E-mail address	mostafizur.rahman@sssteel.biz

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. Md. Abul Bashar

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	: 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	: 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. Sayeed Rezaraj Ahmmad	: Director
Mr. Engr. Md. Delwar Hossain, BUET (MME), MBA	: Executive Director
Mr. Md. Mostafizur Rahman	: Company Secretary
Mr. Md. Abul Bashar	: Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	: Chief Marketing Officer
Mr. Poritos Chandra Roy	: Head of Internal Audit

RISK MANAGEMENT COMMITTEE

Ms. Hasna Opgenhaffen	: Managing Director
Mr. Sayeed Rezaraj Ahmmad	: Director
Mr. Engr. Md. Delwar Hossain, BUET (MME), MBA	: Executive Director
Mr. Md. Mostafizur Rahman	: Company Secretary

HEAD OF INTERNAL AUDIT

Mr. Poritos Chandra Roy

STATUTORY AUDITORS

Shiraz Khan Basak & Co.

GOVERNANCE COMPLIANCE AUDITORS

Atik Khaled Chowdhury

BANKERSBank Asia Limited
National Bank Limited
Trust Bank Limited**NBFIS'**IDLC Finance Limited
Hajj Finance Limited

REGISTERED & CORPORATE OFFICE:	FACTORY ADDRESS:
The Pearl Trade Center Cha-90/3, Pragati Sarani, North Badda, Dhaka 1212, Bangladesh.	Plot-04, Block-B, Tongi Industrial Area, Gazipur, Bangladesh.

ETHOS & VALUES

VISION

MISSION

STRATEGIC FOCUS

Vision

A winning industrial leader creating superior values for business and community beyond the boundary.

Mission

We achieve our vision through honesty integrity, business ethics, global reach, technological expertise, quality building long term relationships with all our associates, customers, partners and employees.

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 Ltd. follow the zero tolerance rules. We at S. S. Steel Ltd. constantly strive to meet and exceed customer expectations in our ongoing quest for excellence. S. S. Steel Ltd. has an enriched quality control system where the quality of the products checked in every step 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 Ltd. 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

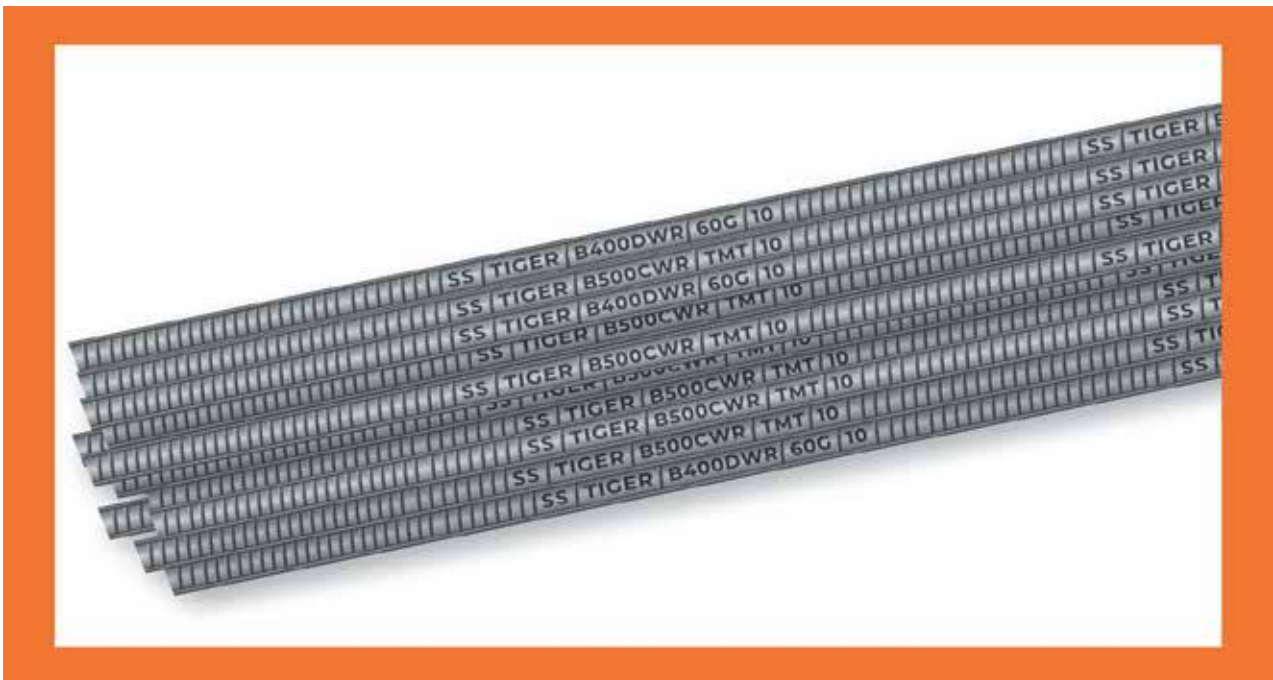
The issuer’s business environment is conducive to the business as good supply of raw materials. The company has skilled and competent labors as well. The facilities and wages are reasonable. The policy of the Government is favorable to this sector. S. S. Steel Ltd.



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 22nd 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 Ltd. for the year ended June 30, 2023. 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. Our 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 Ltd. 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

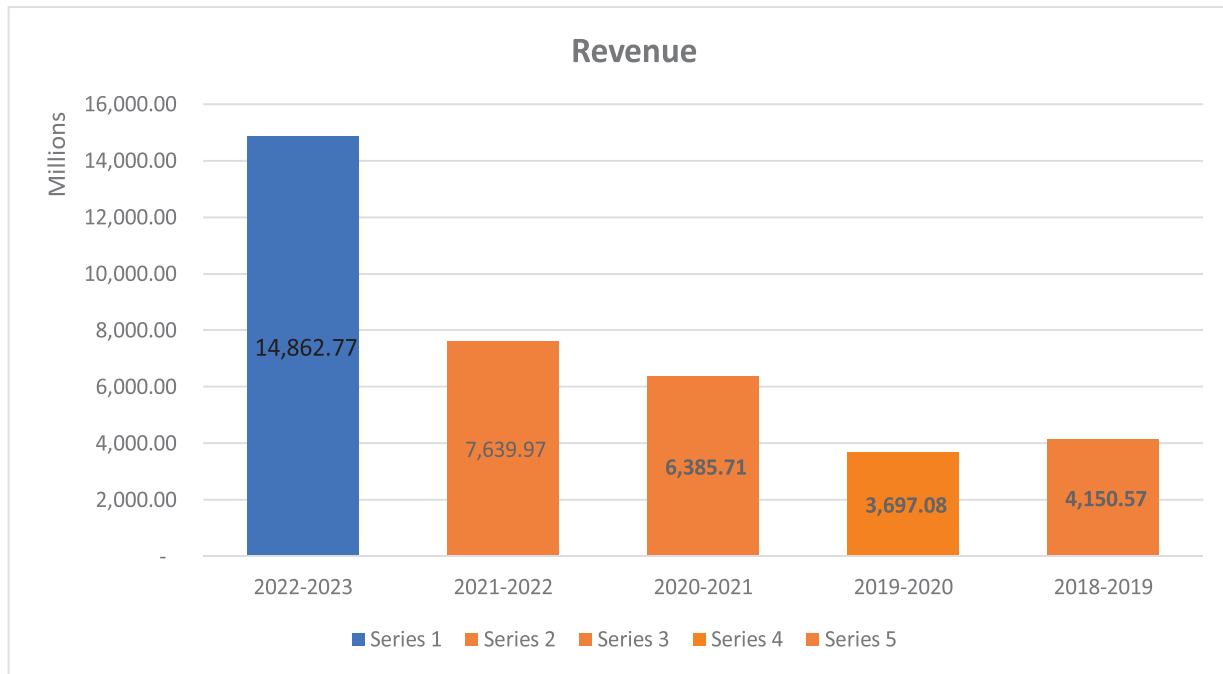
It is well known that steel plays a vital role in construction, sustained economic growth, infrastructure development and security of any country. Bangladesh will need to address the barriers to higher growth posed by low access to reliable and affordable raw material of producing steel. The Government 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 2022-2023 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 1486.27 Crore;
- Consolidated Operating Profit during the year of BDT 121.95 Crore;
- Consolidated Net Profit After Tax during the year of BDT 1.76 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 2022-2023 was driven by revenue growth, increased market shares, elective cost management and productivity initiatives across the Company. If we look in our business performance, 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

“KAZI ZAHIR KHAN & CO.”, Chartered Accountants, have been appointed in the 22nd AGM by the Shareholders for the year 2023-2024. The Board of Directors has also approved the appointment for the year 2023-2024 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 2023-2024 subject to the approval by shareholders in the 22nd AGM.

BOARD OF DIRECTORS

The Board of Directors of S. S. Steel Ltd. 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 2022-2023.

RETURN OF THE SHAREHOLDERS

In this continuously growing business performance, the Board of Directors of S. S. Steel Ltd. recommended 2% (two percentage) Cash Dividend to General Shareholders other than Sponsors and Directors which is being placed in the 22nd 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. Reflecting on the success of 2022-2023, let me express my sincere thanks and appreciation 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 2022-2023.

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 Ltd.



Javed Oppenhaffen
Chairperson

MANAGING DIRECTORS OVERVIEW

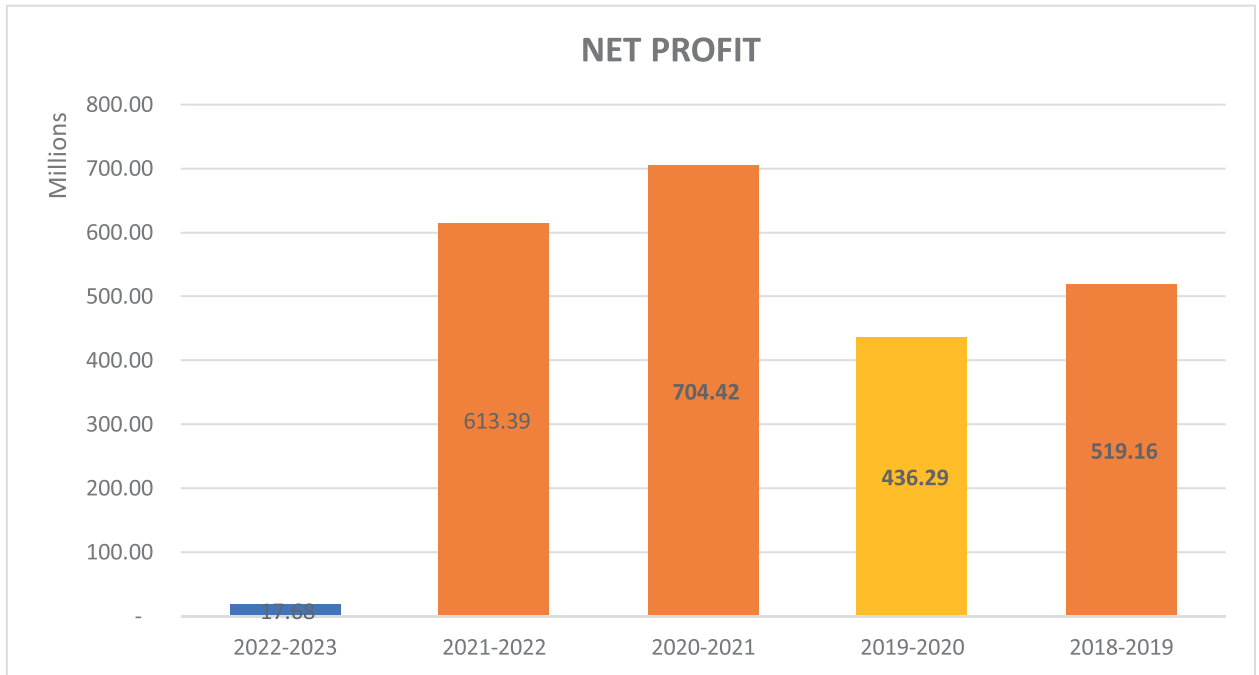
Dear Shareholders,

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 Ltd. 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 2022-2023. On behalf of the Board Members and everyone from S. S. Steel Ltd. I welcome you all to the 22nd Annual General Meeting of 2023 held in 2023. The Company passionately believes that success and responsibility go together. We are committed to the social and economic development of Bangladesh. S. S. Steel Ltd. 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 2022-2023

The management is pleased to report another successful year of revenue growth, supported by profit and earnings growth. In the Worldwide economic crisis situation, the business performance of S. S. Steel Ltd. was overall good comparing to the last year but not significantly. The consolidated gross margin of the Company for the year 2022-2023 was BDT 102.73 Crore. On the other hand, the consolidated net profit margin of the company for the year 2022-2023 was BDT 1.76 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 22 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 2022-2023, 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 continuing 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 that arise 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 SEKORA 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. We, the management of S. S. Steel Ltd. are four Engineers who are graduated from BUET and handling the operations of the business effectively and efficiently. 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 Ltd. tries to make a positive change within and around its business operations. S. S. Steel Ltd. 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.

STATEMENT OF THE COMPANY SECRETARY

Dear Esteemed Shareholders,

I am delighted to extend a warm welcome to each one of you at the 22nd Annual General Meeting of Steel Limited. The steel industry, often regarded as the backbone of the modern economy, plays a pivotal role in fostering economic health. In Bangladesh, the steel sector boasts significant linkages in terms of raw materials, employment, and income growth, making it an integral component of our nation's economic landscape.

In the face of challenges presented by a dynamic and evolving business environment, I am pleased to acknowledge that the tireless efforts of our dedicated management team have resulted in an anticipated business performance for the year. This achievement instills confidence in our unwavering commitment to our esteemed shareholders. Our primary objective remains steadfast - to create sustainable value for our stakeholders and society at large, blending innovation with the wealth of experience garnered in the steel industry.

Embracing best management practices and a relentless pursuit of excellence, S. S. Steel aspires to lead its domain and attain new heights of success. Our enduring commitment to being the best is evident in our investment in product innovation and research and development, yielding positive results. Rigorous quality tests, coupled with the expertise of our skilled technicians, ensure that our steel meets and surpasses international standards.

I am pleased to share that the company's directors have proposed a 2% cash dividend to General Shareholders other than Sponsors and Directors for the year ending June 30, 2023, underscoring our dedication to delivering value to our shareholders.

In conclusion, I express heartfelt gratitude to our valued shareholders, customers, distributors, suppliers, government and semi-government authorities, bankers, consultants, and all stakeholders who have demonstrated unwavering dedication and support. We look forward to your continued support as we navigate the future with optimism and determination.

Sincerely,



Md. Mostafizur Rahman
Company Secretary



STATEMENT OF THE CHIEF FINANCIAL OFFICER (CFO)

Dear Esteemed Shareholders,

I am delighted to extend my warmest greetings to each of you on behalf of S. S. Steel Limited. As the Chief Financial Officer, I am pleased to provide an update on our financial performance and express our gratitude for your continued support.

I am pleased to announce that the Board of Directors has approved a cash dividend of 2% for our esteemed general shareholders. This dividend distribution reflects our commitment to sharing the success of S. S. Steel Limited with those who have invested their trust and resources in our company.



Our decision to declare a cash dividend is a result of the company's strong financial performance and prudent fiscal management. It underscores our dedication to delivering tangible returns to our shareholders while maintaining a sustainable and profitable trajectory.

We recognize the significance of dividends as a means of rewarding our shareholders for their confidence and loyalty. The 2% cash dividend is a demonstration of our commitment to shareholder value and aligns with our strategy to balance reinvestment in the business with the distribution of profits.

At S. S. Steel Limited, we remain focused on enhancing operational efficiency, pursuing strategic growth opportunities, and upholding the highest standards of corporate governance. We are confident that our continued commitment to excellence will contribute to the sustained success of our company and, by extension, the value of your investment.

On behalf of the entire management team, I would like to express our sincere appreciation for your continued trust in S. S. Steel Limited. We look forward to navigating the future together and are dedicated to creating enduring value for our shareholders.

Thank you for your ongoing support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Md. Abul Bashar', written in a cursive style.

Md. Abul Bashar
Chief Financial Officer

BOARD OF DIRECTORS

Mr. Javed Oppenhaffen, Chairman

Mr. Javed Oppenhaffen, a shareholder and a director, graduated in management from Queen Mary, University of London and in Employment relations from the 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 forward-thinking will certainly contribute to rapid growth and expansion. He is also a Chairman of Saleh Steel Industries Limited, Al-Falah Steel and Re-Rolling Mills Limited, Managing Director of Fu-Wang Ceramic Industry Limited and Director of A.J Corporation Limited. Prior to joining Generation Next Fashions Limited, Mr. Oppenhaffen worked as a Management Trainee at Deutsche Bank GMBH, London. He has dual citizenship in Bangladesh and Belgium.

Mrs. Hasna Oppenhaffen, Managing Director

Mrs. Hasna Oppenhaffen, daughter of Mr. Herman Oppenhaffen appointed as Nominee Director of AI Dewan Technical Services LLC as well as Managing Director. She is also a Managing Director of Saleh Steel Industries Limited, Al-Falah Steel and Re-Rolling Mills Limited. She is Commerce Graduate having more than 20 (twenty) years of experience in difficult field 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 a director of S.S. Steel Limited in 2016 representing NJ Holdings Ltd. He is also nominated as director of Saleh Steel Industries Limited, Al-Falah Steel and Re-Rolling Mills Limited representing NJ Holding Limited, Mr. Sayeed Rezaraj Ahmmad appointed as Nominee Director of NJ Holdings Limited as well as Managing Director of Oimex Electrode 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 serving different types of sectors. 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, Al-Falah Steel and Re-Rolling Mills Limited & Nominee 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 22nd Annual General Meeting 2022-2023 of S. S. Steel Ltd. 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 Ltd. for the year ended 30 June 2023.

INDUSTRY OUTLOOK & FUTURE PROSPECTS

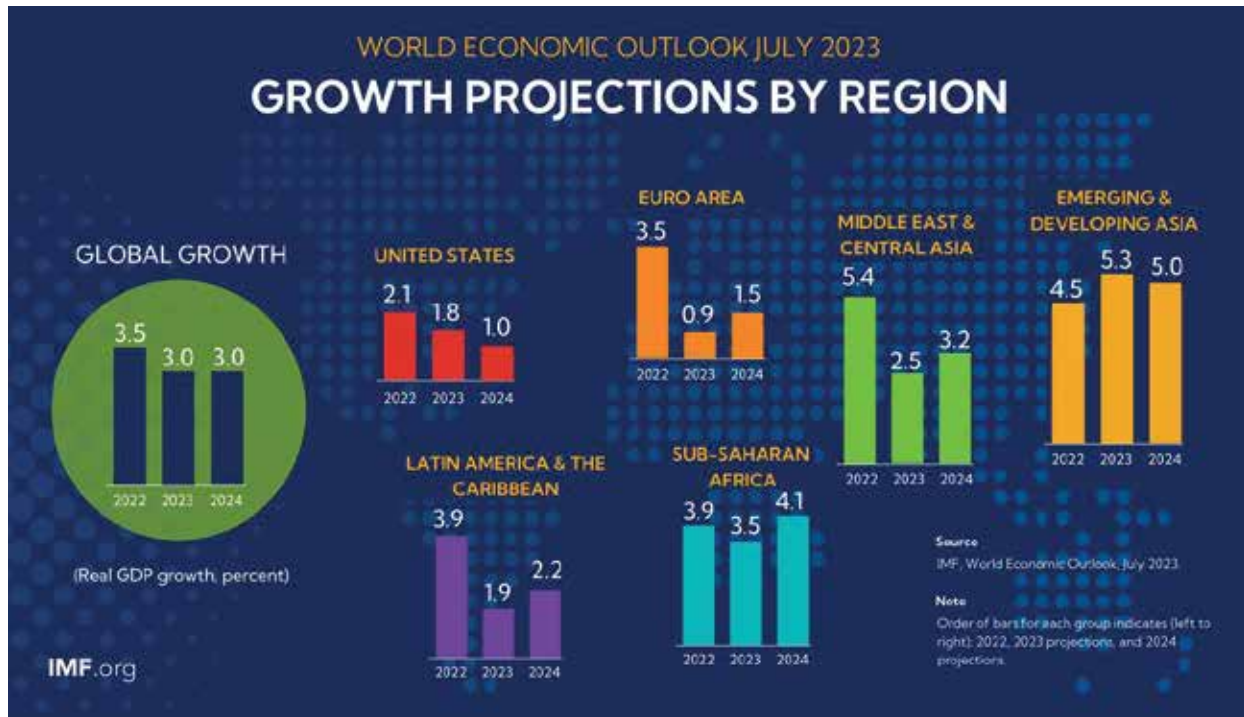
The Steel Industry started its journey before Bangladesh came into being in 1971. At that time there were very few industries in this sector to serve the whole nation. As time went on the industry expanded significantly realizing the emerging demand of steels both in locally and globally. Now the industry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

S. S. Steel Ltd. is looking forward to managing expertise and obtaining technology to provide better engineering solutions by 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 economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.



BANGLADESH ECONOMIC OVERVIEW

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. A robust demographic dividend, strong ready-made garment (RMG) exports, resilient remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades. A strong recovery from the COVID-19 pandemic continued in FY22, although a recent surge in commodity prices has presented new headwinds.

Bangladesh is also a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status in 2015. It is on track to graduate from the UN’s Least Developed Countries (LDC) list in 2026. Poverty declined from 43.5 percent in 1991 to 14.3 percent in 2016, based on the international poverty line of \$1.90 a day (using 2011 Purchasing Power Parity exchange rate). Moreover, human development outcomes improved along many dimensions.

CHALLENGES

Bangladesh, like many other countries, faces global economic challenges. Rising commodity prices and a surge in imports in the second half of FY22 resulted in a widening Balance of Payments (BoP) deficit and accelerating inflation. Foreign exchange reserves declined as a result, reaching US\$ 38.9 billion by the end of August 2022. Real GDP growth is expected to slow in FY23 as import suppression measures disrupt economic activity.

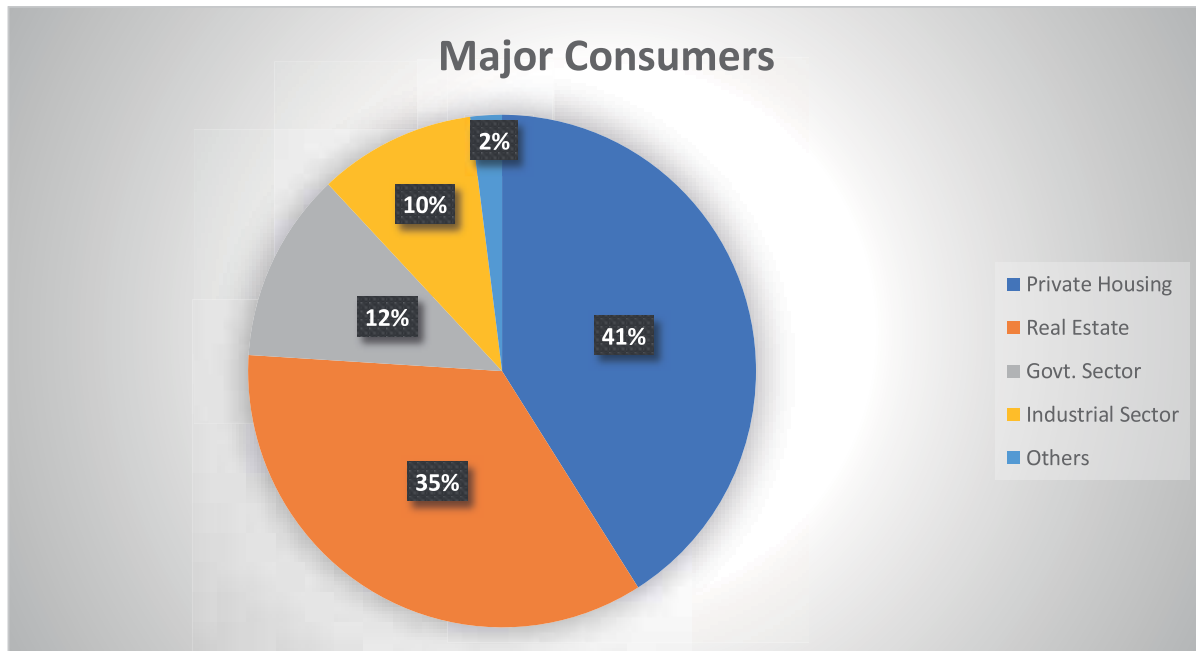
Over the medium term, the balance of payments is projected to return to surplus as import growth moderates.

To achieve its vision of attaining upper middle-income status by 2031, Bangladesh needs to create jobs and employment opportunities through a competitive business environment, increase human capital and build a skilled labor force, build efficient infrastructure, and establish a policy environment that attracts private investment.

Development priorities include diversifying exports beyond the RMG sector; deepening the financial sector; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

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 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.

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.

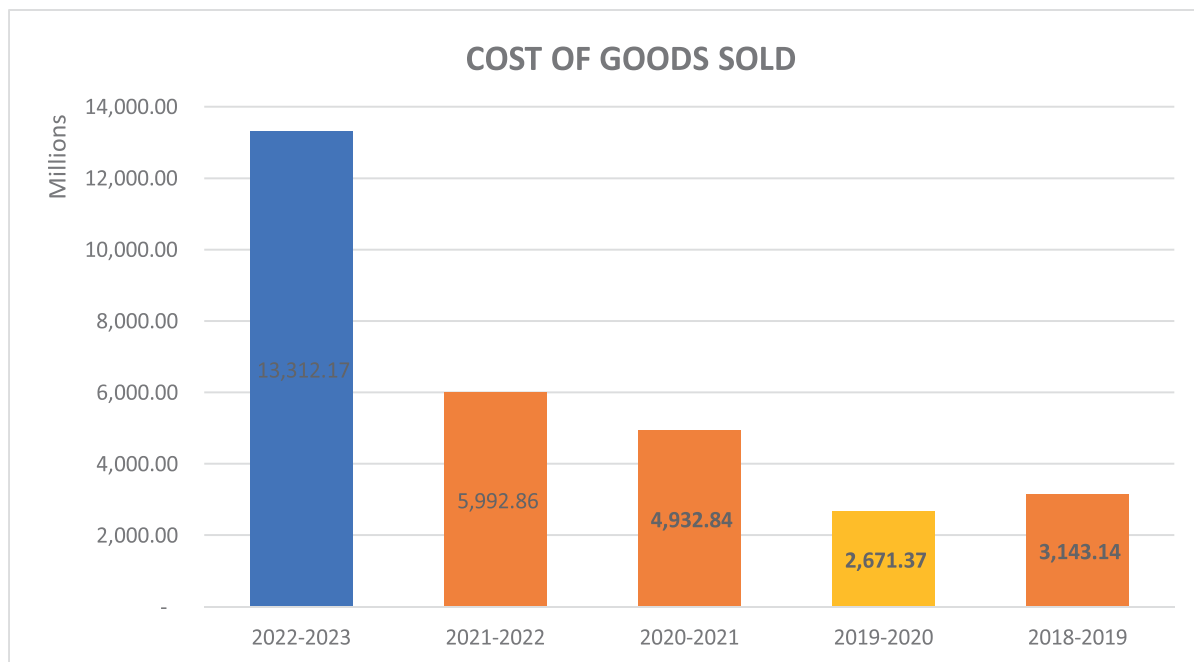
- Promote an effective risk awareness culture where risk management is an integral aspect of the Company’s management systems.
- Ensure that the company’s operations do not impact negatively on the community in which it operates and the environment.

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 2022-2023 Consolidated Cost of Goods Sold is 89.57% of net revenue where as it was 78.44% of last year’s net revenue. It has increased compared to the last year, which is not favorable for the company. 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:



MANAGEMENT DISCUSSION AND ANALYSIS

RELATED PARTY TRANSACTIONS

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

UTILIZATION IPO FUND

S. S. Steel Limited 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 had been fully utilized.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

There were no significant variations between the 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 2022-2023, the Directors not taken any remuneration from the Company which has disclosed in the note 32.06 of the Audited Financial Statements.

FAIRNESS OF THE 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 Financial Officer have given the declaration about the fairness of the financial statements

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 & IFRS

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

INTERNAL CONTROL & AUDIT COMMITTEE

Internal controls are to be an integral part of any organizations financial and business policies and procedures. The company's internal control system is designed at board 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,	Chairman
Mr. Md. Abu Zafer	Member
Mr. Sayeed Rezaraj Ahmmad	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 LAST YEAR'S OPERATING RESULTS AND REASONS BEHIND DEVIATIONS

During the year under review the revenue has increased by Tk.722.28 crore comparing to the last year. For this reason, there were increasing pattern of revenue whereas the Gross Profit Margin, Operating Profit Margin as well as Net Profit Margin has decreased comparing to the last year of 2021-2022.

COMPARATIVE ANALYSIS

Particulars	2022-2023	2021-2022	%	2022-2023	2021-2022	%
	Consolidated	Consolidated		The Company	The Company	
Revenue	14,862,774,132	7,639,970,498	94.54	8,380,896,416	5,040,798,732	66.26
Gross Profit	1,550,601,250	1,647,107,265	(5.86)	1,027,303,118	1,380,828,403	(25.60)
Net Profit After Tax	17,683,491	613,388,234	(97.12)	10,754,278	577,238,046	(98.14)
Non-Current Liabilities	3,654,911,782	3,086,038,803	18.43	3,205,514,463	2,336,972,485	37.17
Current Liabilities	8,719,159,617	7,729,236,718	12.81	5,362,463,610	5,100,601,068	5.13
Total Liability & Equity	20,258,372,302	18,718,319,939	8.23	15,060,664,873	13,964,337,960	7.85
Non-Current Asset	6,229,849,440	6,235,191,955	(0.09)	3,259,965,253	3,350,850,708	(2.71)
Total Asset	20,258,372,302	18,718,319,939	8.23	15,060,664,873	13,964,337,960	7.85
Net Asset Value per Share	23.99	24.05	(0.24)	19.76	19.86	(0.52)
Earnings Per Share	0.05	1.87	(97.12)	0.03	1.76	(98.14)

COMPETITIVE FINANCIAL HIGHLIGHTS FOR LAST FIVE YEARS

Particulars	2022-2023 Consolidated	2022- 2023 The Company	2021-2022 Consolidated	2021-2022 The Company	2020-2021 Consolidated	2020-2021 The Company	2019-2020	2018-2019
Operational Performance								
Revenue	14,862,774,132	8,380,896,416	7,639,970,498	5,040,798,732	6,385,707,338	4,196,859,974	3,697,084,838	4,150,567,726
Gross Profit	1,550,601,250	1,027,303,118	1,647,107,265	1,380,828,403	1,452,866,759	1,136,943,021	1,025,711,833	1,007,425,204
Other Income	79,466,226	71,695,986	35,328,358	34,525,324	40,112,667	39,645,450	38,778,351	21,277,988
Administrative Expenses	221,958,211	145,317,548	159,646,714	106,407,601	117,734,663	87,383,825	85,531,986	102,601,342
Selling & Distribution Expenses	109,097,301	107,824,481	97,187,217	76,655,002	113,273,111	98,908,728	99,020,772	108,313,784
Financial Expenses	1,216,783,519	773,654,698	616,857,714	478,108,269	334,696,108	299,996,825	261,013,537	235,574,704
Contribution to WPPF	3,494,212	3,438,208	37,467,915	35,913,469	44,155,978	32,871,385	29,472,566	27,724,446
Profit Before Tax	78,734,232	68,764,170	771,276,063	718,269,386	883,119,565	657,427,707	589,451,323	554,488,916
Net Profit After Tax	17,683,491	10,754,278	613,388,234	577,238,046	704,421,216	583,271,225	436,285,898	519,163,389
Financial Performance								
Non-Current Liabilities	3,654,911,782	3,205,514,463	3,086,038,803	2,336,972,485	1,678,521,166	1,645,072,234	742,663,061	608,277,657
Current Liabilities	8,719,159,617	5,362,463,610	7,729,236,718	5,100,601,068	3,657,966,026	2,813,683,026	2,642,890,716	2,580,321,020
Shareholder's Equity	7,346,700,902	5,955,086,800	7,365,444,416	5,989,164,407	6,773,431,048	5,475,977,365	4,925,962,271	4,489,676,373
Total Liability & Equity	20,258,372,302	15,060,664,873	18,718,319,939	13,964,337,960	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050
Non-Current Asset	6,229,849,440	3,259,965,253	6,235,191,955	3,350,850,708	4,381,743,601	3,223,544,182	3,094,242,301	2,921,086,855
Total Asset	20,258,372,302	15,060,664,873	18,718,319,393	13,964,337,960	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050
Share Information								
Authorized Capital	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	3,000,000,000	2,500,000,000
Paid up Capital	3,286,332,000	3,286,332,000	3,286,332,000	3,286,332,000	3,042,900,000	3,042,900,000	2,817,500,000	2,450,000,000
No. of Shares Outstanding	328,633,200	328,633,200	328,633,200	328,633,200	304,290,000	304,290,000	281,750,000	245,000,000
Net Asset Value per Share	21.50	19.76	21.41	19.86	20.95	19.32	17.48	18.33
Earnings Per Share	0.05	0.03	1.87	1.76	2.31	1.92	1.55	2.21

PATTERNS OF SHAREHOLDERS

The pattern of shareholding in the company as of 30 June 2023 is 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. Al-Falah Steel & Re-Rolling Mills Limited, 84, Shahid Nazrul Islam Sarani, Zamal Iron Building, Dhaka, Bangladesh.					
C. Directors, CEO, CS, CFO, HIAC and their spouses and minor children (name wise details)					
1	Mr. Javed Oppenhaffen	Chairman	74,736,000	747,360,000	22.74%
2	Ms. Hasna Oppenhaffen (Representative of Al-Dewan Technical Services LLC)	Managing Director	16,317,469	163,174,690	4.97%
3	Mr. Sayeed Rezaraj Ahmmad (Representative of NJ Holdings Ltd.)	Nominated Director	6,706,800	67,068,000	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
8	Mr. Md. Abul Bashar	Chief Financial Officer	Nil	Nil	Nil
D. Executives (Top Salaried Employees)					
9	Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer	Nil	Nil	Nil
10	Engr. Md. Delwar Hossain, BUET (MME), MBA	Executive Director	Nil	Nil	Nil



BOARD OF DIRECTORS 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, 2023 and the attendance of Directors at the Board meetings held in 2022-2023 are as follows:

Names	Designation	Board	Participation
Mr. Javed Oppenhaffen	Chairman	7	7/7
Ms. Hasna Oppenhaffen	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 the Tax base and the 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, 2023.

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 EMPLOYMENT, MUST INTRODUCE GROUP INSURANCE MANNAR 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

The company has posted a consolidated net profit after tax amount to Tk. 17,683,491 [One crore Seventy-Six lakh eighty-three thousand four hundred ninety-one Taka] in the year ended 30 June 2023 which has decreased than the last year. Last year it was Tk 613,388,234 [sixty-one crore thirty-three lakh eighty-eight thousand two hundred thirty-four Taka]

Particulars	2023	2022	2021	2020
Net profit for the year before TAX & WPPF	72,202,378	754,182,856	690,299,092	618,923,889
Add: Retained earnings upto last year	2,013,892,787	1,735,604,577	1,401,961,746	1,323,624,611
	2,086,095,165	2,489,787,433	2,092,260,838	1,942,548,500
Less: Contribution to WPPF	3,438,208	35,913,469	32,871,385	29,472,566
Profit available for appropriation taka	2,082,656,957	2,453,873,964	2,059,389,453	1,913,075,934
Proposed Appropriation				
Provision for income TAX	58,009,891	141,031,340	74,156,482	153,165,425
Stock Dividend	-	243,432,000	225,400,000	367,500,000
Retained Earnings	1,987,881,100	2,013,892,787	1,735,604,577	1,401,961,746
	2,045,890,991	2,398,356,127	2,035,161,059	1,922,627,171
Cash Dividend	44,831,885	44,831,885.00	41,511,004	33,256,131

As mentioned in the earlier paragraph the company has posted a consolidated net profit after tax amount to Tk. 17,683,491 [One crore Seventy-Six lakh eighty-three thousand four hundred ninety-one Taka] in the year ended 30 June 2023 which has decreased than the last year. Last year it was Tk 613,388,234 [sixty-one crore thirty-three lakh eighty-eight thousand two hundred thirty-four Taka]. Considering the above factors, the board has opted recommending @ 2% cash dividend for the year 2022-2023 to the general shareholders only to be distributed subject to approval of the 22nd Annual General Meeting.

DIRECTOR'S APPOINTMENT 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 22 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 January 31, 2024.

ENVIRONMENTAL 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 & CFOS DECLARATION TO FINANCIAL STATEMENTS

The Chief Executive Office and Chief Financial Officer are of the opinion that Financial Statements given on page. 59 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

Whistle blowing is the term used when a worker passes on information concerning wrongdoing. Whistle-blowing 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 whistle blowing policy for the betterment of the company.

CORPORATE GOVERNANCE COMPLIANCE STATEMENTS

Corporate governance is a system by which companies are directed and controlled. To ensure thy 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 stakeholder’s.

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/80dated 3 June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2022-2023. The Certificate of Compliance required under the said Guidelines as provided by “Atik Khaled Chowdhury”, Chartered Secretaries is also annexed to this report.

AUDITORS



Shiraz Khan Basak & Co. Chartered Accountants is the statutory auditor of the Company for the year of 2022-23. Kazi Zahir Khan & Co., Chartered Accountants appointed by the Board of Directors for the year of 2023-2024 with the remuneration of Tk.6,00,000 (Six Lac only) and request the shareholders to approve the appointment. However, they have expressed their willingness to be appointed for the year 2023-2024.

ACKNOWLEDGMENTS

The performance of S. S. Steel Limited in 2022-2023, ever with many challenges confronted 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 Chairman
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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 2021, 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.

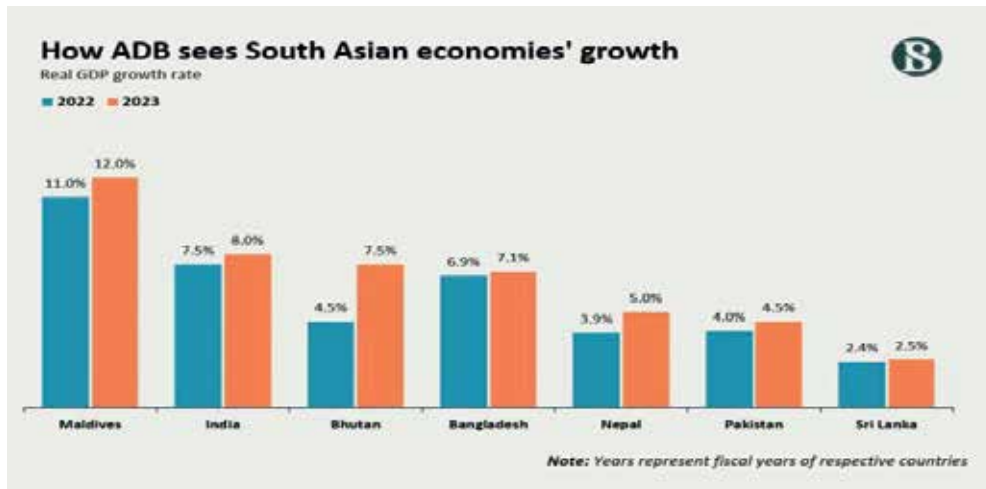
In the decade since 2004, Bangladesh averaged a GDP growth of 6.5%, that has been largely driven by its exports of readymade garments, remittances and the domestic agricultural sector. The country has pursued export-oriented industrialization, with its key export sectors include textiles, shipbuilding, 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.

Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023.

The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 WEO, but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. The 0.5 percentage-point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly across the group.

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.



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 the Page no. 86 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 including Inflation and uncertainty. 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 Oppenhaffen Chairman	 Hasna Oppenhaffen Managing Director
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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, cash flows 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 International Accounting Standards (IAS) 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 judgments and decisions taken by management are rational and prudent.



Javed Oppenhaffen
Chairperson



Hasna Oppenhaffen
Managing Director



Sayeed Rezaraj Ahmmad
Nominated Director



Sadad Rahman
Independent Director



Md. Abu Zafer
Independent Director

CORPORATE GOVERNANCE STATEMENT

2022-2023

The Board of 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 Ltd. 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 society.

S. S. Steel Ltd. 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 Ltd., 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 Ltd. is the most prominent board in the country because it is constituted by a galaxy of very resourceful persons, combined with Engineers and Professional Accountants and 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 Ltd. 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 Ltd. 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 Ltd. 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 Ltd. 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 Ltd. is subject to close monitoring process of regulatory bodies that focus on transparency and require that S. S. Steel Ltd. 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 Ltd. 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 Ltd. 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 Ltd. 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 22nd Annual General Meeting 2022-2023.

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 sectors. 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 & Nominee Director of Fu-Wang Ceramic Industry Limited and Director of the Saleh Steel Industries Limited and Al-Falah Steel and Re-Rolling Mills Limited.

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.

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.

- Formulating the long-term strategies of the Company and setting the goals and direction for the Company.
- 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	Member
Mr. Md. Mostafizur Rahman, Company Secretary	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	Member
Mr. Md. Mostafizur Rahman, Company Secretary	Member Secretary

3. CSR COMMITTEE

The Board of S. S. Steel Ltd. 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. Md. Abu Zafer, Independent Director	Chairman
Ms. Hasna Opgenhaffen, Managing Director	Member
Mr. Sadad Rahman, Independent Director	Member
Mr. Sayeed Rezaraj Ahmmad, Director	Member
Mr. Md. Mostafizur Rahman, Company Secretary	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. Sayeed Rezaraj Ahmmad	Director
Mr. Engr. Md. Delwar Hossain, BUET (MME), MBA	Executive Director
Mr. Md. Mostafizur Rahman	Company Secretary
Mr. Md. Abul Bashar	Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer

BOARD OF DIRECTORS MEETINGS

The Board of Directors holds meetings on a regular basis. The management provides information, references and details working papers for each item on the 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, 2023 and the attendance of Directors at the Board meetings held in 2022-2023 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 the 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 Ltd. 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.

Shiraz Khan Basak & Co. Chartered Accountants was the External/Statutory Auditor of the Company for the year of 2022-2023. 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.

Apart 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, Chartered Accountants" 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

Al-Falah Steel & Re-Rolling Mills Limited:

"Al-Falah Steel & Re-Rolling Mills Limited (AFSRML), a subsidiary company of S. S. Steel Limited was incorporated on 4th April 2005, (incorporation no. C-56521(3204)/05) by the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The registered office of the company is located at 84, Shahid Nazrul Islam Sarani, Zamal Iron Building, Dhaka-1100. In an extraordinary general meeting held on 20th February 2022 the board of directors decided to make an equity investment in AFSRML with a view to subscribe 99% of its existing equity shares amounting Tk. 87.46 crore. AFSRML was acquired by S. S. Steel Limited on 5th March 2022. Consequently, the new management took the control over the company on the same date. Objective of the acquisition was to accelerate consolidated production of the company. AFSRML is a reputed steel industry in Bangladesh, engaged in the production of and selling of steel by its brand name and has capacity of around 64,800 metric ton per annum".

Saleh Steel Industries Limited:

"Saleh Steel Industries Ltd. also subsidiary company of S. S. Steel Limited was incorporated as a private limited company vide certificate of incorporation no. C-5953(511)/1978 dated 11th March 1978, by the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The registered office of the company is located at 85/R and 86/R, Nasirabad, Industrial Area, Chittagong. Saleh Steel is acquired by S. S. Steel in 2020 with an objective to enhance its total production capacity. Saleh Steel is engaged in manufacture and sales of M.S. Deformed Bar of various grades (300w/40 Grade, 400w/60 Grade and 500w/TMT) from M.S. Billet, Ingot, Angles, Channels, Tees and all kinds of M.S. Structures under are-rolling mills. The Company produce M.S. Billets from scrap. The company has an annual production capacity of 86,000 metric ton."



Md. Abul Bashar
Chief Financial Officer

COMPANY SECRETARY

Mr. Md. Mostafizur Rahman is the Company Secretary of S. S. Steel Ltd. 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 organs, 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 Roy is the Head of Internal Audit of S. S. Steel Ltd. 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 Ltd. 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. Sayeed Rezaraj Ahmmad	Director
Mr. Engr. Md. Delwar Hossain, BUET (MME), MBA	Executive Director
Mr. Md. Mostafizur Rahman	Company Secretary
Mr. Md. Abul Bashar	Chief Financial Officer
Mr. Mohammed Shahjahan Chowdhury	Chief Marketing Officer

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 Ltd. 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 Ltd. 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 Ltd. 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 Ltd. 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. I (7) of the Notification on Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission vide BSEC/CMRRCD/2006- ISB/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 Ltd. (hereinafter referred to as "the Company or S. S. Steel") in compliance with the requirements of the Condition 1 (7) of Corporate Governance Code Notification BSEC/CMRRCD- D/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 minimizing 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 WITH 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 Ltd. 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, Chartered Accountants", 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

CONCLUSION

S. S. Steel Ltd. 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

2022-2023

Dear Shareholders,

As a Chairman of the Audit Committee, I am delighted to place its report for the year ended 30 June, 2023 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 2022-2023. 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	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 2022-2023. All the members were present in all meetings of the Committee. The attendance of the Board Audit Committee meetings held in 2022-2023 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	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 2022-2023 financial statements and auditing procedures were as follows:

- Compliance of IAS and the disclosure of its financial information under IFRS 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 2022-2023 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 2023 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. Kazi Zahir Khan & Co. Chartered Accountants may be appointed for the year 2023-2024.

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.

On behalf of the Committee

Md. Mostafizur Rahman
Company Secretary



Sadad Rahman
Independent Director

BOARD REMUNERATION COMMITTEE REPORT

2022-2023

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 2022-2023 are as follow:

Name of members	Designation	Meeting Held	Attendance
Mr. Md. Abu Zafer, Independent Director	Chairman	4	4/4
Mr. Sadad Rahman, Independent Director	Member	4	4/4
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member	4	4/4
Mr. Md. Mostafizur Rahman	Member Secretary	4	4/4

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 2021-2022. 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 15 November 2023.



Md. Mostafizur Rahman
Company Secretary



Md. Abu Zafer
Independent Director

CSR COMMITTEE REPORT

2022-2023

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 Ltd. CSR is essential for the business sustainability and enhancement of long-term stakeholder value. S. S. Steel Ltd. 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 2022-2023 are as follows:

Name of members	Designation	Meeting held	Attendance
Mr. Sadad Rahman, Independent Director	Chairman	4	4/4
Ms. Hasna Opgenhaffen, Managing Director	Member	4	4/4
Mr. Sayeed Rezaraj Ahmmad, Director (Representative of NJ Holdings Limited)	Member	4	4/4
Mr. Md. Mostafizur Rahman	Member Secretary	4	4/4

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. The activities of the CSR have been presented in the CSR Activities part of this report in the page no. 114 to 117.



Md. Mostafizur Rahman
Company Secretary



Sadad Rahman
Independent Director

CEO AND CFO'S DECLARATION

The Board of directors S. S. Steel Ltd.

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 Ltd. do hereby certify that we have thoroughly reviewed the Financial Statements of the Company for the year ended 30 June, 2023 and state that:

- 1.The Financial Statements of S. S. Steel Ltd. for the year ended on June 30, 2023 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: -

We have reviewed the financial statements for the year ended on June 30, 2023 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,



Md. Mostafizur Rahman
Company Secretary



Md. Abul Bashir
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 2022-2023.



COMPARATIVE 5 YEARS OPERATING, FINANCIAL DATA & PERFORMANCE INDICATOR

Particulars	2022-20223 Consolidated	2022-2023 The Company	2021-2022 Consolidated	2021-2022 The Company	2020-2021 Consolidated	2020-2021 The Company	2019-2020	2018-2019
Operational Performance								
Revenue	14,862,774,132	8,380,896,416	7,639,970,498	5,040,798,732	6,385,707,338	4,196,859,974	3,697,084,838	4,150,567,726
Gross Profit	1,550,601,250	1,027,303,118	1,647,107,265	1,380,828,403	1,452,866,759	1,136,943,021	1,025,711,833	1,007,425,204
Other Income	79,466,226	71,695,986	35,328,358	34,525,324	40,112,667	39,645,450	38,778,351	21,277,988
Administrative Expenses	221,958,211	145,317,548	159,646,714	106,407,601	117,734,663	87,383,825	85,531,986	102,601,342
Selling & Distribution Expenses	109,097,301	107,824,481	97,187,217	76,655,002	113,273,111	98,908,728	99,020,772	108,313,784
Financial Expenses	1,216,783,519	773,654,698	616,857,714	478,108,269	334,696,108	299,996,825	261,013,537	235,574,704
Contribution to WPPF	3,494,212	3,438,208	37,467,915	35,913,469	44,155,978	32,871,385	29,472,566	27,724,446
Profit Before Tax	78,734,232	68,764,170	771,276,063	718,269,386	883,119,565	657,427,707	589,451,323	554,488,916
Net Profit After Tax	17,683,491	10,754,278	613,388,234	577,238,046	704,421,216	583,271,225	436,285,898	519,163,389
Financial Performance								
Non-Current Liabilities	3,654,911,782	3,205,514,463	3,086,038,803	2,336,972,485	1,678,521,166	1,645,072,234	742,663,061	608,277,657
Current Liabilities	8,719,159,617	5,362,463,610	7,729,236,718	5,100,601,068	3,657,966,026	2,813,683,026	2,642,890,716	2,580,321,020
Shareholder's Equity	7,346,700,902	5,955,086,800	7,365,444,416	5,989,164,407	6,773,431,048	5,475,977,365	4,925,962,271	4,489,676,373
Total Liability & Equity	20,258,372,302	15,060,664,873	18,718,319,939	13,964,337,960	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050
Non-Current Asset	6,229,849,440	3,259,965,253	6,235,191,955	3,350,850,708	4,381,743,601	3,223,544,182	3,094,242,301	2,921,086,855
Total Asset	20,258,372,302	15,060,664,873	18,718,319,393	13,964,337,960	12,512,918,243	10,337,732,626	8,311,516,048	7,678,275,050
Share Information								
Authorized Capital	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000	3,000,000,000	2,500,000,000
Paid up Capital	3,286,332,000	3,286,332,000	3,286,332,000	3,286,332,000	3,042,900,000	3,042,900,000	2,817,500,000	2,450,000,000
No. of Shares Outstanding	328,633,200	328,633,200	328,633,200	328,633,200	304,290,000	304,290,000	281,750,000	245,000,000
Net Asset Value per Share	21.50	19.76	21.41	19.86	20.95	19.32	17.48	18.33
Earnings Per Share	0.05	0.03	1.87	1.76	2.31	1.92	1.55	2.21

QUALIFIED OPINION & ITS RESPONSE

I. We refer to note No. 21.00 of the Company's financial statements regarding Workers Profit Participation Fund & Welfare Fund (WPPF&WF). As per the provisions made in section 234 of Bangladesh Labour Law-2006 and guideline provided in Rules -2015, the opening (BOT 128,768,433) and closing balance (BOT 146,691,026) of WPP&WF account is not supported by separate bank account. The company does not have any trustee board in place for the maintenance of the account. We failed to trace the opening balance amount as well as current year addition (BOT 3,438,208) in this year. That was a deviation from section 234 of Bangladesh Labour Act-2006.

Management Decision: Due to numerous essential operational expenditures in the fiscal year 2022-2023, we encountered challenges in allocating funds for the Workers' Profit Participation Fund (WPPF) and welfare fund payments. These financial commitments were regrettably deferred as we prioritized critical expenses directly associated with our day-to-day operations.

II. We refer to note No. 15.00 of the financial statements regarding Share Money Deposit which is BDT 537,600,000. The Company is a Public Interest Entity (PIE) as per 2(8) (KA) of Financial Reporting Act-2015 & Financial Reporting Council notification no. 179 /FRC/ FRM/Proggapon/ 2020-01 dated 11 March 2020. As a Public Interest Entity (PIE) the Company did violate Financial Reporting Council (FRC) notification no. 146/ FRC/ Proshason/ Proggapon/2020 /01 dated 11 February 2020 by not converting Share Money Deposit into lawful Share Capital within 06 (six) months period from the date of deposit of the amount. This event, considered material in respect of deviation from applicable regulation & guideline (i.e., Financial Reporting Act-2015 & FRC notification).

Management Decision: Due to the absence of prior approval from the BSEC, the transfer of share money deposit to share capital is currently not feasible.

III. We were unable to satisfy ourselves by alternative means concerning the opening balances regarding the capital Work in Progress (CWIP) note No. 6.00, Compliance with TDS & VDS against expenses. The opening balances are not free from error because last year's closing balances was misstated as per auditors' report. During the period the company could not deduct TDS & VDS under the provisions of Tax and VAT laws up to the mark during the period.

Management Decision: Despite furnishing all pertinent documentation regarding capital work in progress, including suppliers' bills, regrettably, we were unable to garner the auditor's confidence.

IV. We refer to note no: 25.00 regarding revenue where the company presented VAT deduction from sales. As per VAT return the company paid the said amount but as per current applicable VAT rate and the quantity sold in current year, additional provision is required @ Tk. 2,000/- per metric ton. No provision has been made in respect of the additional amount which results in material understatement of liability.

Management Decision: Throughout the audit process, several reconciliation-related issues surfaced concerning the VAT on sales, giving rise to differing perspectives between our management and the auditors. Despite our earnest attempts to reconcile specific VAT-related matters, disparities in interpretation emerged between our management and the auditors, particularly in relation to the accurate application of VAT regulations. Regrettably, these differences in understanding prompted the auditors to issue a qualified opinion in their report.

**Certificate of Compliance of Conditions
of Corporate Governance Code**

By

S. S. Steel Limited

For the year ended 30 June 2023



ATIK KHALED CHOWDHURY
Chartered Accountants

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23/1 Motijheel C/A
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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 2023. 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.

Atik Khaled Chowdhury

Atik Khaled Chowdhury
Chartered Accountants



Dated: Dhaka
26 November 2023



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 (NBF);	✓		
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 of 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 of 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 on 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.			✓			

5 Years competitive analysis of financial statements

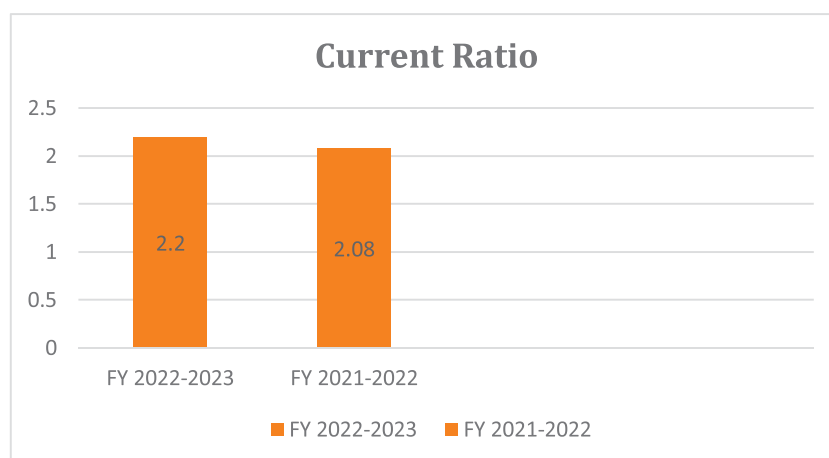
Particulars	2022-2023 Consolidated		2022-2023 The Company		2021-2022 Consolidated		2021-2022 The Company		2020-2021 Consolidated		2020-2021 The Company		2019-2020		2018-2019	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Revenue	14,862,774,132	94.54%	8,380,896,416	66.26%	7,639,970,498	19.64%	5,040,798,732	20.11%	6,385,707,338	4,196,859,974	13.52%	3,697,084,838	-10.93%	4,150,567,726	15.82%	
Cost of goods sold	13,312,172,882	122.13%	7,353,593,297	100.92%	5,992,863,233	21.49%	3,659,970,329	19.61%	4,932,840,579	3,059,916,953	14.54%	2,671,373,005	-15.01%	3,143,145,522	17.82%	
Gross Profit	1,550,601,250	-5.86%	1,027,303,118	-25.60%	1,647,107,265	13.37%	1,380,828,403	21.45%	1,452,866,759	1,136,943,020	10.84%	1,025,511,833	1.82%	1,007,425,004	9.65%	
Other Income	79,466,226	124.94%	71,695,986	107.66%	35,328,358	-11.93%	34,525,324	-12.91%	40,112,667	39,645,450	2.24%	38,778,351	82.25%	1,277,988	165.08%	
Administrative Expenses	221,958,211	39.03%	145,317,548	36.57%	159,646,714	35.60%	106,407,601	21.77%	117,734,663	87,383,825	2.17%	85,531,986	-16.64%	102,601,342	-21.53%	
Selling & Distribution Expenses	109,097,301	12.25%	107,824,481	40.66%	97,187,217	-14.20%	76,655,002	-22.50%	113,273,111	98,908,728	-0.11%	99,020,772	-8.58%	108,313,784	27.27%	
Financial Expenses	1,216,783,519	97.26%	773,654,698	61.82%	616,857,714	84.15%	478,108,269	59.37%	334,969,108	299,996,825	14.94%	261,013,537	10.80%	235,574,704	8.70%	
Contribution to WPPF	3,494,212	-90.67%	3,438,208	-90.43%	37,467,915	-15.15%	35,913,469	9.25%	44,155,978	32,871,385	11.53%	29,472,566	6.31%	27,774,446	17.81%	
Profit Before Tax	78,734,232	-89.79%	68,764,170	-90.43%	77,127,603	-12.66%	718,269,386	9.25%	883,119,565	657,427,707	11.53%	589,451,323	6.31%	554,489,916	17.81%	
Net Profit After Tax	17,683,491	-97.12%	10,754,278	-98.14%	613,388,234	-12.92%	577,238,046	-1.03%	704,421,216	583,271,225	33.69%	436,285,898	-15.96%	519,163,389	69.70%	
Non-current portion term loan	3,396,710,256	20.81%	2,978,942,720	42.25%	2,811,663,396	105.05%	2,094,193,831	-69.30%	1,371,207,768	1,371,207,768	245.84%	396,481,113	21.82%	325,452,486	-22.85%	
Deferred tax liability	258,201,526	2.80%	226,571,743	3.19%	251,170,949	-7.76%	219,574,196	-8.07%	272,303,764	238,854,832	-20.54%	300,594,882	6.28%	282,825,171	-21.77%	
Non-Current Liabilities	3,654,911,782	18.43%	3,205,514,463	37.17%	3,086,038,803	83.85%	2,336,972,485	42.06%	1,678,521,166	1,645,072,234	121.51%	742,663,061	22.09%	608,277,657	-22.35%	
Trade & other payable	945,691,168	5.38%	350,771,597	-4.68%	897,431,262	45.14%	368,007,016	18.37%	618,338,608	310,907,921	-9.12%	342,102,512	-8.57%	374,188,226	7.64%	
Accrued expenses	379,329,375	84.08%	235,132,007	47.71%	206,067,431	70.72%	159,183,719	72.93%	120,705,533	92,049,980	-33.01%	137,413,400	318.53%	32,832,525	-80.51%	
Current portion of term loan	520,968,361	23.74%	381,712,516	-9.34%	421,015,608	73.47%	421,015,608	73.47%	242,695,433	242,695,433	109.68%	115,744,719	16.53%	99,327,133	2.32%	
Short term loan	5,834,866,378	11.62%	3,456,293,980	5.53%	5,227,312,367	4230.63%	3,275,071,226	115.37%	120,705,533	1,520,685,182	-3.71%	1,579,221,288	-8.64%	1,728,535,981	23.40%	
Provision for WPPF & welfare fund	159,586,069	12.70%	146,691,026	13.92%	141,607,473	49.75%	128,768,433	54.62%	94,562,587	83,277,994	84.21%	45,207,721	-35.97%	70,606,076	78.65%	
Provision for income tax	855,347,436	4.79%	768,491,654	5.42%	816,222,812	32.24%	728,975,301	33.48%	617,216,260	546,123,325	33.13%	410,226,793	49.27%	274,831,079	68.34%	
Current Liabilities	8,719,159,617	12.81%	5,362,463,610	5.13%	7,729,236,718	111.30%	5,100,601,068	81.28%	3,657,966,026	2,813,683,026	6.46%	2,642,890,716	2.42%	2,880,321,020	16.40%	
Shareholder's Equity	7,346,700,902	-0.25%	5,955,086,800	-0.57%	7,365,444,416	8.74%	5,989,164,407	9.37%	6,773,431,048	5,475,977,365	11.17%	4,925,962,271	9.72%	4,489,676,373	20.67%	
Total Liability & Equity	20,258,372,302	8.23%	15,060,664,873	7.85%	18,718,319,939	49.59%	13,964,337,960	35.08%	12,512,918,243	10,337,732,626	24.38%	8,311,516,048	8.25%	7,678,275,050	14.25%	
Property plant & equipment's	5,411,014,658	-2.97%	2,709,494,858	-3.25%	5,576,764,421	48.88%	2,800,380,312	3.89%	3,745,751,701	2,695,509,419	-4.90%	2,834,299,445	-0.37%	2,844,693,139	0.08%	
Capital work in progress	694,437,868	30.04%	526,437,319	0.00%	534,030,620	0.16%	526,437,319	0.16%	533,199,869	525,606,569	104.11%	257,514,663	237.09%	76,937,717	-3.97%	
Non-Current Asset	6,229,849,440	-0.09%	3,259,965,253	-2.71%	6,235,191,955	42.30%	3,350,850,708	3.95%	4,381,743,600	3,223,544,182	4.18%	3,094,242,301	5.93%	2,921,086,855	-0.03%	
Inventories	6,049,089,276	37.39%	3,560,350,070	40.51%	4,402,884,153	102.76%	2,533,812,732	40.65%	2,171,458,291	1,801,512,637	13.41%	1,588,539,805	17.52%	1,351,673,216	5.87%	
Trade receivables	4,423,464,869	14.85%	2,697,980,189	7.73%	3,851,540,889	17.81%	2,504,405,046	44.26%	3,269,412,518	1,736,004,234	-0.89%	1,751,600,936	-8.71%	1,918,692,709	22.05%	
Advances, deposits & prepayments	2,495,936,967	-13.44%	2,284,375,340	16.04%	2,883,537,030	53.34%	1,968,648,059	31.46%	1,880,523,884	1,497,571,485	19.62%	1,251,891,730	29.58%	966,127,571	68.2%	
Cash & cash equivalents	701,235,254	9.92%	557,178,064	0.07%	637,931,666	26.52%	556,782,074	10.74%	504,225,139	502,780,603	7.74%	466,653,276	48.96%	313,266,505	589.97%	
Investment	358,796,496	-49.27%	2,700,815,957	11.44%	707,234,245	131.46%	3,049,839,341	93.48%	305,554,809	1,576,319,485	0.00%	-	0.00%	-	0.00%	
Current Assets	14,028,522,862	12.38%	11,800,699,620	11.19%	12,483,127,984	53.52%	10,613,487,252	49.19%	8,131,174,644	7,114,188,445	36.36%	5,217,273,747	9.73%	4,754,760,001	25.17%	
Total Asset	20,258,372,302	8.23%	15,060,664,873	7.85%	18,718,319,939	49.59%	13,964,337,960	35.08%	12,512,918,243	10,337,732,626	24.38%	8,311,516,048	8.25%	7,678,275,050	14.25%	
Authorized Capital	5,000,000,000	0.00%	5,000,000,000	0.00%	5,000,000,000	0.00%	5,000,000,000	0.00%	5,000,000,000	5,000,000,000	66.67%	3,000,000,000	20.00%	2,500,000,000	0.00%	
Paid up Capital	3,286,332,000	0.00%	3,286,332,000	0.00%	3,286,332,000	8.00%	3,286,332,000	8.00%	3,042,900,000	3,042,900,000	8.00%	2,817,500,000	15.00%	2,450,000,000	11.36%	
No. of Shares Outstanding	328,633,200	0.00%	328,633,200	0.00%	328,633,200	8.00%	328,633,200	8.00%	304,290,000	304,290,000	8.00%	281,750,000	15.00%	245,000,000	11.36%	
Net Asset Value per Share	23.99	-0.24%	19.76	-0.52%	24.05	1.99%	19.86	2.80%	23.58	19.32	10.53%	17.48	-4.64%	18.33	9.17%	
Earnings Per Share	0.05	-97.12%	0.03	-98.14%	1.87	-19.05%	1.76	-8.33%	2.31	1.92	23.87%	1.55	-29.86%	2.21	58.9%	



RATIO ANALYSIS & INTERPRETATIONS

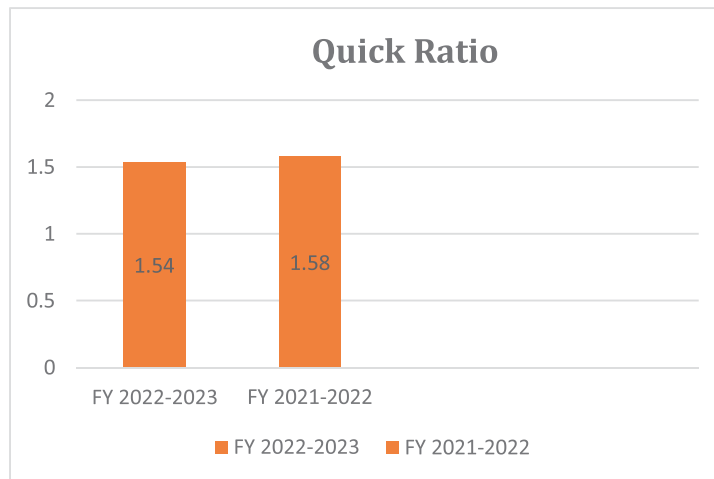
COMPARATIVE ANALYSIS

LIQUIDITY RATIO



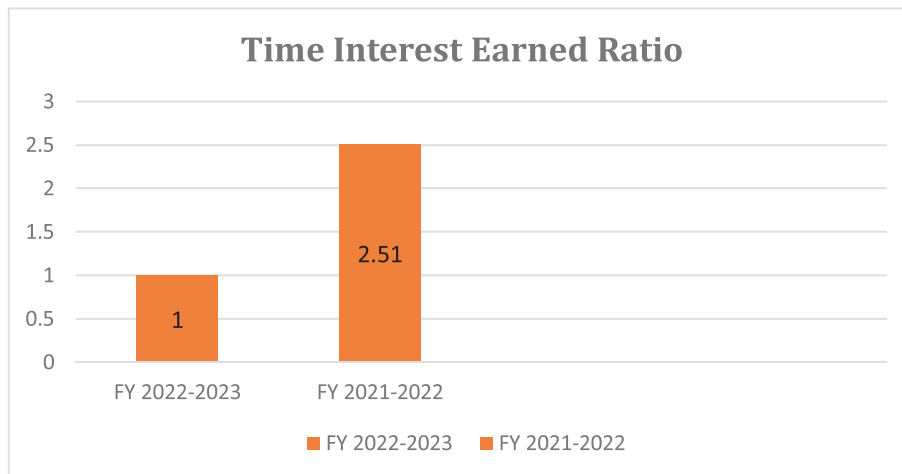
Particular			FY 2022-2023			FY 2021-2022	
	Formula	=	Calculation	Result	=	Calculation	Result
Current Ratio	Current Assets	=	11,800,699,620	2.20	=	10,613,487,252	2.08
	Current Liability		5,362,463,610			5,100,601,068	

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.



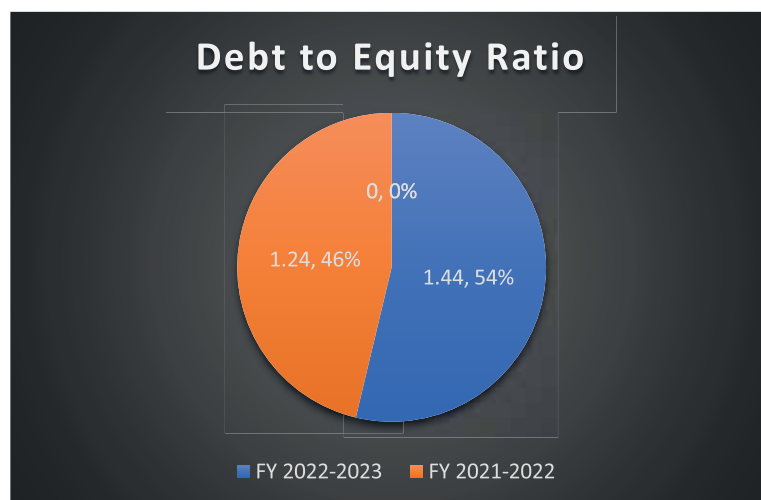
Particular	FY 2022-2023		FY 2021-2022		
	Formula	Calculation	Result	Calculation	Result
Quick Ratio	Current Assets-Inventory	8,240,349,550	1.54	8,079,674,520	1.58
	Current Liability	5,362,463,610		5,100,601,068	

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 slightly lower 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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Time Interest Earned Ratio	: Operating Income	= 774,161,089	1.00	= 1,197,765,800	2.51
	: Interest Expenses				

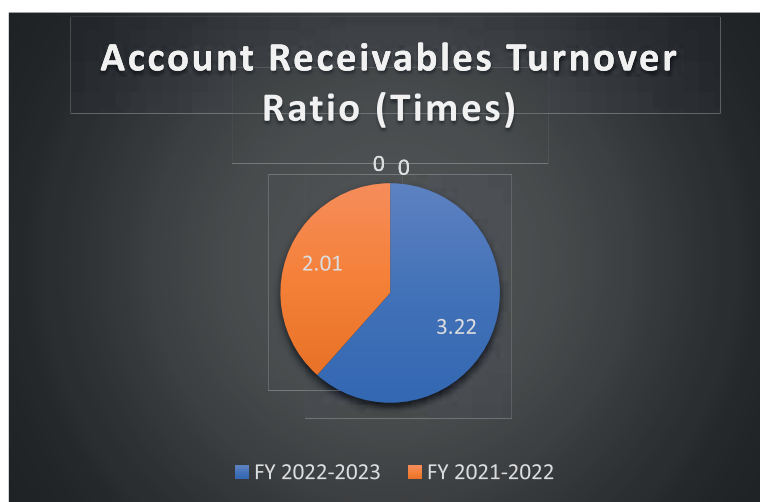
Interpretations: The times interest earned ratio, sometimes called the interest coverage ratio, is a coverage ratio that measures the proportionate amount of income that can be used to cover interest expenses in the future. In some respects, the times interest ratio is considered a solvency ratio because 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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Debt to Equity Ratio	Total Liability	8,567,978,073	1.44	7,437,573,553	1.24
	: Shareholders' Equity	= 5,955,086,800		= 5,989,164,407	

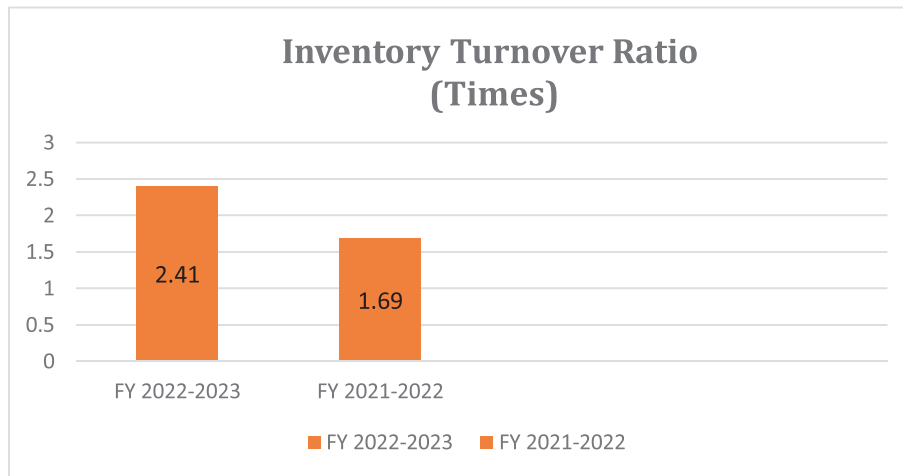
Interpretations: Debt to Equity Ratio is a ratio which is used to measure a company's financial leverage. The Debt-to-Equity ratio indicates how much debt a company is using to finance its assets relative to the value of shareholders' equity. A high debt/equity ratio generally means that a company has 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



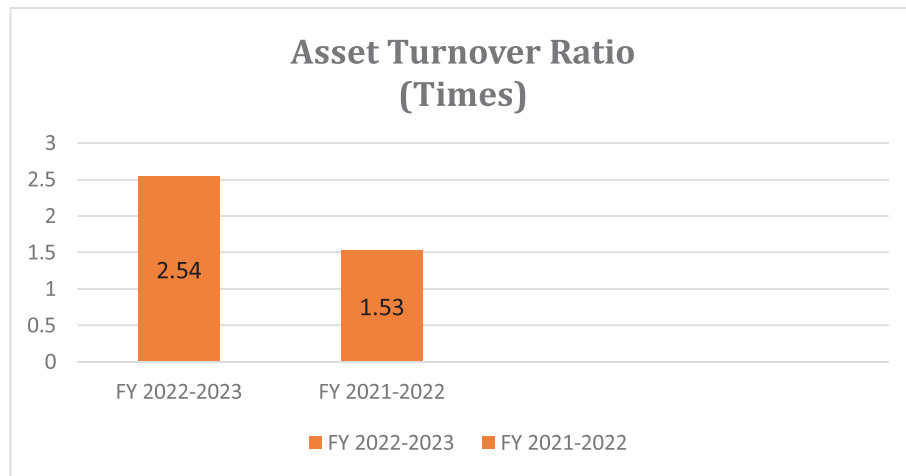
Particular		FY 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Account Receivables Turnover Ratio (Times)	Turnover	8,380,896,416	3.22	5,040,798,732	2.01
	Average Receivables	2,601,192,618		2,504,405,046	

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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Inventory Turnover Ratio (Times)	Cost of goods sold	7,353,593,297	2.41	3,659,970,329	1.69
	Average Inventory	3,047,081,401		2,167,662,685	

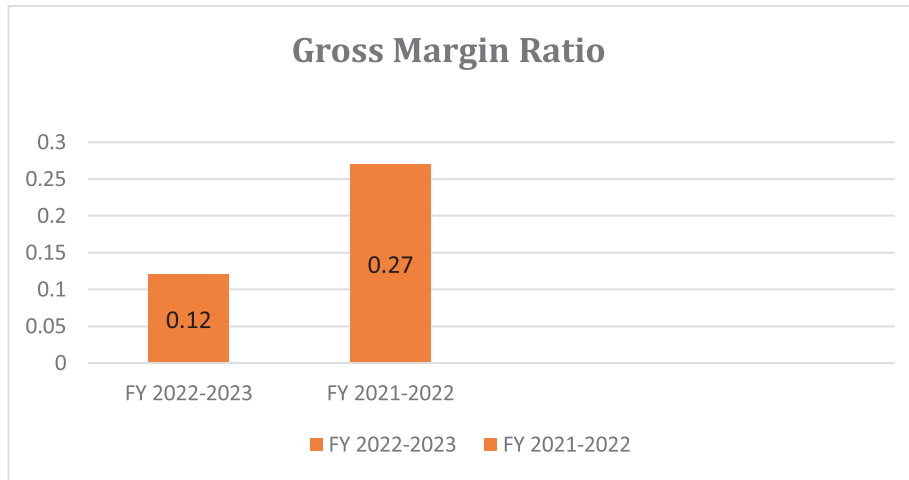
Interpretations: This ratio shows how effectively inventory is managed by comparing cost of goods sold with average inventory for a period. This measures how many times average inventory is “turned” or sold during a period. High inventory turnover ratios may indicate a company is enjoying strong sales. 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 2022-2023			FY 2021-2022	
			Calculation	Result		Calculation	Result
Asset Turnover Ratio	:	Turnover	8,380,896,416	2.54	=	5,040,798,732	1.53
		Average Total Assets	3,305,407,981			3,287,197,445	

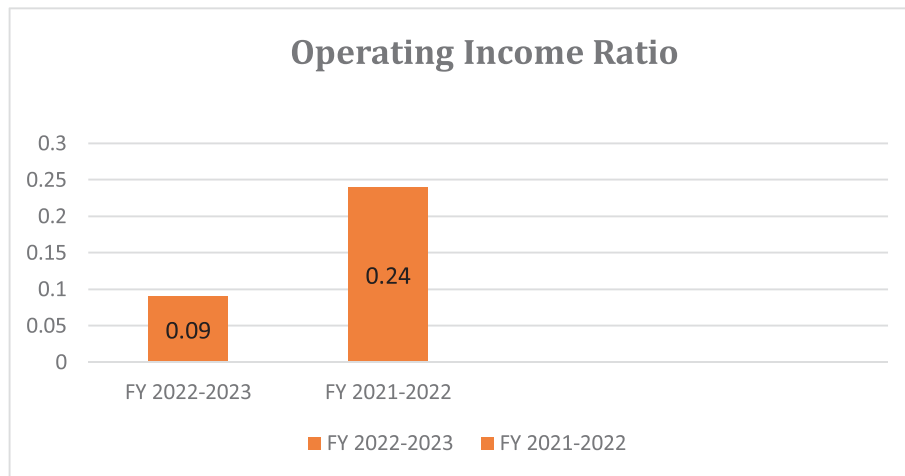
Interpretations: This ratio deals with the measurement of a company’s ability to generate sales from its assets by comparing net sales with average total assets. In other words, this ratio shows how efficiently a company can use its assets to generate sales.

PROFITABILITY RATIOS



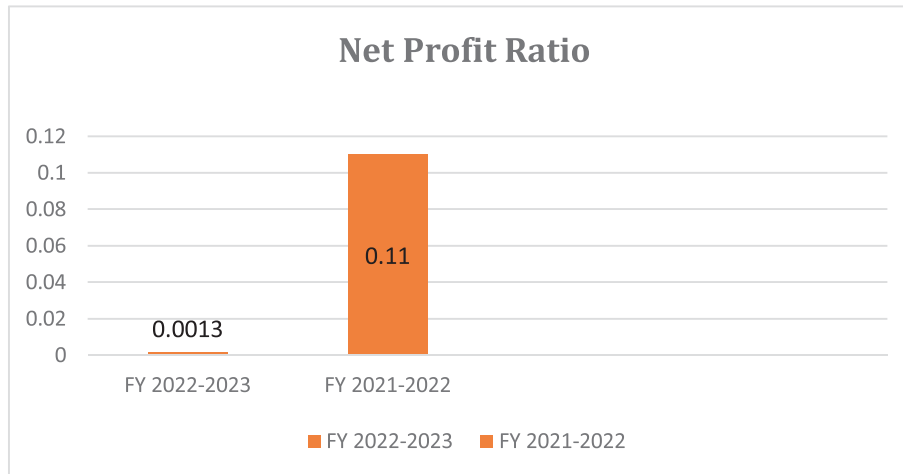
Particular		FY 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Gross Margin ratio	Gross Profit	1,027,303,118	0.12	1,380,828,403	0.27
	Turnover	8,380,896,416		5,040,798,732	

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.



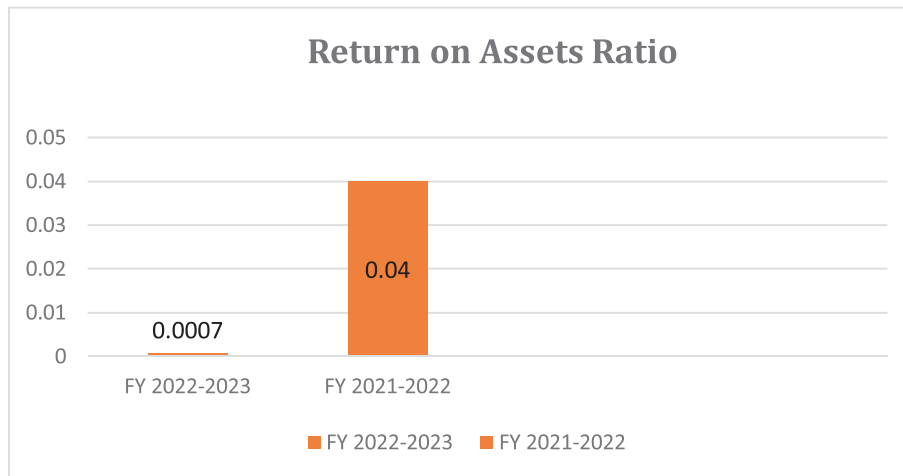
Particular		FY 2022-2023			FY 2021-2022		
	Formula	Calculation	Result		Calculation	Result	
Operating Income Ratio	Operating Profit	774,161,089	0.09	=	1,197,765,800	0.24	
	Turnover	8,380,896,416			5,040,798,732		

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.



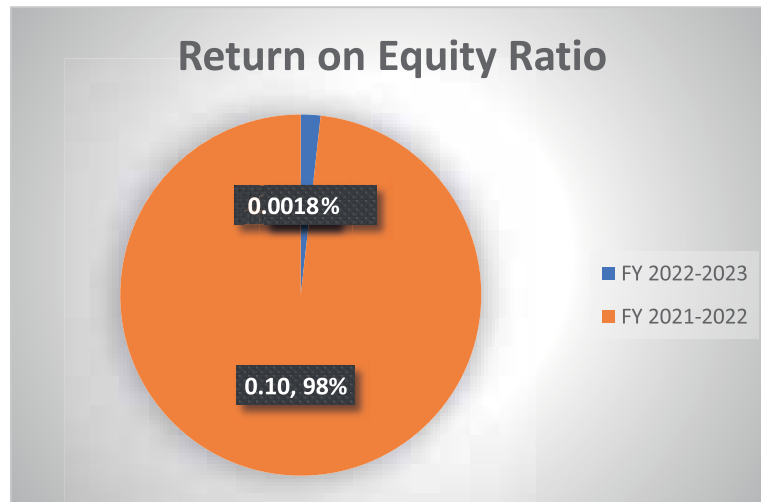
Particular			FY 2022-2023			FY 2021-2022	
	Formula		Calculation	Result		Calculation	Result
Net Profit Ratio	Net profit after tax	=	10,754,278	0.0013	=	577,238,046	0.11
	Turnover		8,380,896,416			5,040,798,732	

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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Return on Assets ratio	Net profit after tax	10,754,278	0.0007	577,238,046	0.04
	Total Assets	15,060,664,873		13,964,337,960	

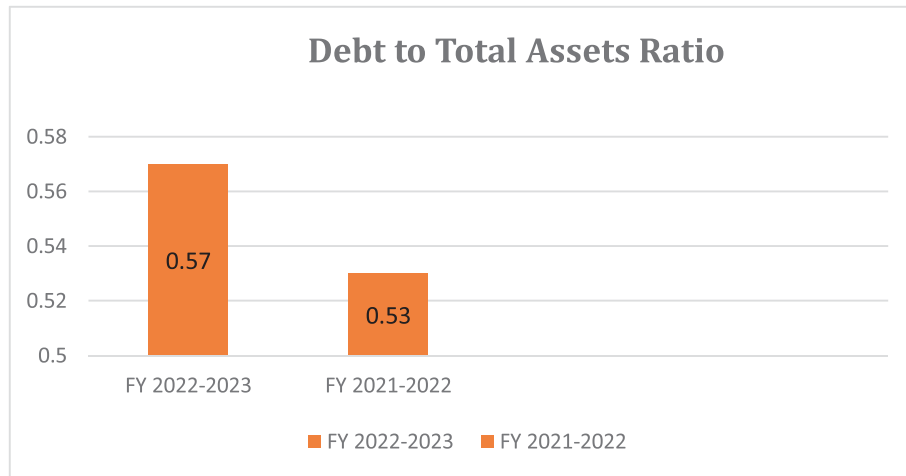
Interpretations: The return on assets ratio, often called the return on total assets, that measures the net income produced by total assets during a period by comparing net income to the average total assets. In other words, the return on assets ratio or ROA measures how efficiently a company can manage 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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Return on Equity ratio	Net profit after tax	10,754,278	0.0018	577,238,046	0.10
	: Shareholders' Equity	= 5,955,086,800		= 5,989,164,407	

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 2022-2023		FY 2021-2022	
	Formula	Calculation	Result	Calculation	Result
Debt to total asset ratio	Total Liability	8,567,978,073	0.57	7,437,573,553	0.53
	Total Asset	15,060,664,873		13,964,337,960	

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 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. Md. Abul Bashar	Chief Financial Officer
Mr. Engr. Md. Delwar Hossain	Executive Director
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, 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 respond 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 2022-2023 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 (IRC) 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 2022-2023 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, 2023 are given below:

SL No.	Particulars	Percentage (%)
01.	Sponsors/Promoters and Directors	31.79
02.	Government	Nil
03.	Institute	11.109
04.	Foreign	0.054
05.	General Public	56.85
06	All Investors A/C	0.196



**AUDITOR' REPORT AND FINANCIAL STATEMENTS
OF**

S. S. STEEL LIMITED

**The Pearl Trade Center (11th Floor) CHA-90/3
Pragati Sarani, North Badda, Dhaka-1212
FOR THE YEAR ENDED 30 JUNE 2023**

**Independent Auditor's Report
To the Shareholders of S. S. Steel Limited**

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of **S. S. Steel Limited** and its subsidiaries (the 'Group') as well as the separate financial statements of **S. S. Steel Limited** (the 'Company'), which comprise the consolidated and separate statement of financial position as at 30 June 2023, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement 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, the accompanying consolidated and separate financial statements "except for" issues presented in the basis for qualified opinion, give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30th June, 2023, 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. We refer to note No. 21.00 of the Company's financial statements regarding Workers Profit Participation Fund & Welfare Fund (WPPF&WF). As per the provisions made in section 234 of Bangladesh Labour Law-2006 and guideline provided in Rules -2015, the opening (BDT 128,768,433) and closing balance (BDT 146,691,026) of WPP&WF account is not supported by separate bank account. The company does not have any trustee board in place for the maintenance of the account. We failed to trace the opening balance amount as well as current year addition (BDT 3,438,208) in this year. That was a deviation from section 234 of Bangladesh Labour Act-2006.
- II. We refer to note No. 15.00 of the financial statements regarding Share Money Deposit which is BDT 537,600,000. The Company is a Public Interest Entity (PIE) as per 2(8) (KA) of Financial Reporting Act-2015 & Financial Reporting Council notification no. 179 /FRC/ FRM/ Proggapon/ 2020-01 dated 11 March 2020. As a Public Interest Entity (PIE) the Company did violate Financial Reporting Council (FRC) notification no. 146/ FRC/ Proshason/ Proggapon/2020/01 dated 11 February 2020 by not converting Share Money Deposit into lawful Share Capital within 06 (six) months period from the date of deposit of the amount. This event considered material in respect of deviation from applicable regulation & guideline (i.e. Financial Reporting Act-2015 & FRC notification).
- III. We were unable to satisfy ourselves by alternative means concerning the opening balances regarding the capital Work in Progress (CWIP) note No. 6.00, Compliance with TDS & VDS against expenses. The opening balances are not free from error because last year's closing balances was misstated as per auditors' report. During the period the company could not deduct TDS & VDS under the provisions of Tax and VAT laws up to the mark during the period.
- IV. We refer to note no: 25.00 regarding revenue where the company presented VAT deduction from sales. As per VAT return the company paid the said amount but as per current applicable VAT rate and the quantity sold in current year, additional provision is required @ Tk. 2,000/- per

metric ton. No provision has been made in respect of the additional amount which results in material understatement of liability.

- V. Deferred tax of BDT 226,571,743 (Note 16.00), the liability amount could not be confirmed due to non-availability of details of tax base. The deferred tax charged to statement of Profit or Loss for the year is BDT 6,997,547.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

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

- I. We also refer to note no: 3.23(d) regarding company's intention to introduce policy guideline for gratuity fund as per Labour Act-2006.
- I. Al-Falah Steel & Re-Rolling Mills Limited did not comply Labour Laws 2006 in respect of WPPF & WF and did not comply IAS 12 in respect of Deferred Tax.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1.Revenue Recognition Ref: Note 25.00	
Key audit matters	How our audit address the matter
<p>The company in current year recognized consolidated revenue of BDT 8,380,896,416 for the year.</p> <p>Revenue recognition have significant and widespread influence over the financial statements and plays a vital role in calculating Corporate Tax. Since, revenue recognition is one of the performance indicators in almost all sector, there always exist risk of revenue smoothing or window dressing.</p>	<ul style="list-style-type: none"> -We clearly encoded the total procedure of process starting from receipt of customer order to realization of revenue. -We obtained understanding of revenue streams of the company. - We obtained general ledger for sales to trace all sales transaction during the year and checked for material journal entries at the end of the year. -We choose sample from recorded transactions & cross check as per invoice & delivery challan date

<p>As per IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised goods or service.</p>	<p>and number.</p> <ul style="list-style-type: none"> -We tested the key controls over approval of sales order, signing off documents by appropriate personnel and input sales data into system in a complete & accurate manner. -We collected sample work order, delivery challan, GRN, invoice & payment disbursement documents against revenue. -We collect delivery challan & invoice 10 days before and after the year end and check those against sales ledger to ensure cut off. -We also considered the bank account statement used for realization of revenue to make an estimation of reported sales. -We collect monthly VAT return of the company and compare sales as per Mushak-9.1 and general ledger. - We checked adequacy of appropriate disclosure in accordance with IFRS 15 and other local regulatory requirement.
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2.Inventory Valuation

Ref: Note 07.00

Key audit matters	How our audit address the matter
<p>The company discloses BDT 6,049,089,276 as consolidated closing inventory in financial statements which represents 29.86% of total assets & 43.12 % of total current assets.</p> <p>In its separate financial statements, the value of inventory is BDT 3,560,350,070.</p> <p>Inventories are usually carried in financial statements at the lower of cost and net realizable value. Since frequent changes in customer demand is unavoidable in manufacturing industry and a large quantity of raw material is held. As a result, there is risk that the carrying value of inventory exceeds net realizable value.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> -We gained an understanding of recording and valuation methods regarding Inventory. -We made sure that closing balances are carried forward correctly and current year purchase amounts are in agreement with ledger balances. -We carried out analytical procedure to identify unusual fluctuation. -We visited factory during our audit period and checked store ledger with delivery chalan, requisition, gate pass etc. We tested sample basis store items and scrap in factory location. We inspected finished goods store and checked quantity as of date & other documentation on sample basis. There were one inventory location for raw imported scrap material which was in a separate location. -We obtained the yearend inventory count report with segregated value prepared by management at

	<p>a later date.</p> <ul style="list-style-type: none"> - We retest the NRV calculation made the company and consider relevant assumptions made. -We reviewed the company’s policy of accounting for obsolete, damaged & slow moving items along with procedure for disposal. -We have checked the physical safeguard of inventory held at warehouse of the company. - We checked for company’s workings on NRV test in valuation of inventory and tried recalculating NRV test. -We have also considered the adequacy of the company’s disclosures in respect of the levels of provisions against inventory as per IAS-2.
<p>3. Property, Plant and Equipment Ref: Note 4.00</p>	
<p>Key audit matters</p>	<p>How our audit address the matter</p>
<p>The carrying value of the PPE amounted to BDT 2,709,494,858 as at 30-6-2023. The consolidated carrying value of PPE is BDT 5,411,014,658.</p> <p>The consolidated carrying value represents around 26.71% of total assets. Large amount and number of fixed assets and subsequent additions subject to huge amount of depreciation charged against profit. Error in addition to fixed asset & depreciation calculation could result in over or understatement of profit / assets. The valuation of PPE was identification as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of expenditures involves judgment. The useful lives of PPE items are based on management’s estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<ul style="list-style-type: none"> -We obtained asset register and confirm the opening balances that are carried forward from last year. -We obtained current year purchase / addition to fixed asset documents and ensure their complete recording in ledger. -We obtain import documents of machineries (bill of entry, AIT documents, C & F documents, insurance coverage, carrying , installation costs) to assess the reliability of value recorded. -We inspected the physical existence of the assets, assets capitalized in current year along with the verification of company’s legal rights on those assets. -We recalculate the depreciation charged against assets in current year. -We carried out analytical procedure to detect any unusual fluctuation in value in comparison with last year. -We evaluate the appropriateness of disclosures in financial statements in line with IAS-16.

4. Cost of Goods Sold (COGS) Ref: Note 26.00	
Key audit matters	How our audit address the matter
<p>The company accounted for BDT 13,312,172,882 as consolidated cost of goods sold during the year in separate financial statements. The amount of COGS plays vital role in arriving at the gross profit margin of the company. There are chances of over/understatement of COGS either through deliberate attempt or by error. Either Both event could distort the fair view of the financial performance of the company.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> -We obtained purchase ledger to identify all transactions made current year for purchase of raw material, chemicals & spare parts/store items. -We checked the correctness of opening balances carried forward for raw material, finished goods & WIP in the calculation of COGS. -We obtained and checked vouchers, challan & 3rd party invoices against ledger regarding salary & wages, factory overheads, carriage inward to ensure occurrence and accuracy of events. --We recalculate the figures to ensure mathematical accuracy of the balances & transactions recorded. -We use analytical procedure to detect any unusual trend in COGS compared to revenue / last year COGS. -We checked import LC, bill of entry, material received note for scrap & chemicals. -We reviewed disclosures regarding quantity & value of items included in COGS.

5. Cash & Cash Equivalent Ref: Note 10.00	
Key audit matters	How our audit address the matter
<p>The company disclose for 41 Bank Accounts in it's separate financial statements with total of BDT 70,010,850 closing balance as on 30 June 2023. It also disclose BDT 4,405,841 as cash in hand at year end along with short term investment in FDR BDT 482,761,373. The total amount of cash & cash equivalent is BDT 557,178,063 which is 3.7% of total asset of the company and is considered material for the purpose of audit.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> -We obtained ledger balances of bank accounts to confirm correct balances are carried forward in financial statements. -We sent & obtained 3rd party confirmation (from banks) regarding the closing balances of the bank accounts.

<p>The consolidated Cash & cash equivalent amount is BDT 701,235,254 represents 3.46% of total assets in the consolidated financial statements.</p>	<p>-Where necessary, we obtained bank statements along with reconciliation statements to check any mismatch with ledger and bank statement balances.</p> <p>--We inspect documents to detect any new bank account opening or old account closing in current year.</p> <p>-We checked the adequacy of disclosures regarding the identity of bank, branch name, account type and currency.</p>
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6. Long Term & Short Term Loan
Ref: Note 17.00 & 20.00

Key audit matters	How our audit address the matter
<p>The company disclose for 12 term loan Accounts in its separate financial statements with different bank & NBFi amounting BDT 3,360,655,237 as on 30 June, 2023 which is 45.26%.. of total asset of the company and is considered material for the purpose of audit.</p> <p>The consolidated Long Term & short term Loan is BDT 9,231,576,634 representing 45.57% of total consolidated equity & liability.</p>	<p>Our audit approach includes but not limited to the followings:</p> <p>-We obtained loan account ledger to identify all transactions took place current year and closing balances are carried forward correctly in financial statements.</p> <p>-We sent & obtained 3rd party confirmation (from bank) regarding the closing balances of the bank accounts.</p> <p>-Where necessary, we obtained bank statements along with reconciliation statements to check any mismatch with ledger and bank statement balances.</p> <p>--We inspect documents to detect any new bank account opening or old account closing in current year.</p> <p>-We collect sanction letters in respect of the loans to identify tenure, limit, interest rate & covenants.</p> <p>-We review the finance cost calculation charged in statement of comprehensive income and its reasonableness as per loan documents obtained.</p> <p>-We checked the adequacy of disclosures regarding the type, bank/NBFi detail, branch, and limit and covenants relevant to loan finance.</p>

7. Receivables
Ref: Note 08.00

Key audit matters	How our audit address the matter
<p>The company account for Trade Receivables closing balance as BDT 2,697,980,189 which is</p>	<p>Our audit approach includes but not limited to the followings:</p>

<p>22.86% of current assets and 17.91% of total assets of the company in the separate financial statements.</p> <p>Trade receivable closing balance might include balances that are old enough to ensure complete recoverability. There is possibility of fictitious client name with misleading balances. Over/understated balances in receivable accounts and the possibility of recoverability could lead to material misstatement to the financial position of the company.</p>	<ul style="list-style-type: none"> -We obtained receivable account ledger to identify all transactions took place current year . -We ensure that, all closing balances of parties carried forward correctly as opening balance in current year. -We checked the transactions in current year in terms of invoice & challan number and recalculate the closing balance at yearend. -We sent and obtained 3rd party confirmation on sample basis to ensure reliability of the closing balance. --Where necessary, we obtained subsequent ledger and bank statement/money receipt to confirm recoverability of the year end closing balance. -We review company’s assessment regarding the requirement for recording expected credit loss against any aged receivable amount. -We checked the adequacy of disclosures regarding accounting standards and The Companies Act-1994.
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8. Investment
Ref: Note 11.00

Key audit matters	How our audit address the matter
<p>The Company invested BDT 2,364,773,893 in 02 subsidiary companies and BDT 336,042,064 in FDR as long term investment. The amount of total investment represents 17.93% of total assets of the company in the separate financial statements.</p> <p>Investment in subsidiary could be with control or without control. Basis of presentation of investment of subsidiary will depend on control obtained by investment. There are chances that the company may not follow proper accounting standard for presentation of investment in subsidiary. There is also risk that, the investment balances are fictitious or not free from error. There is also chances that, the FDR balances are not free from material misstatement or the amount is lean against some guarantee/margin where the company is not the beneficiary.</p>	<p>Our audit approach includes but not limited to the followings:</p> <ul style="list-style-type: none"> -We calculate figures of investment in subsidiary to ensure mathematical accuracy of the invested amount. -We reviewed last year audited financial statements to ensure correct opening balances are carried forward. -We checked the adequacy of disclosures regarding accounting standards and The Companies Act-1994.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all available information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purpose of the Group's and the Company's business.

Place: Dhaka
Date: 27 November 2023

DVC:2311270599AS259173

Signed for & on behalf of
Shiraz Khan Basak & Co.
Chartered Accountants



Bhudhar Chakraborty FCA
Enrollment no: 599
Partner



S.S. STEEL LIMITED

Financial Statements

For the year ended 30 June 2023

S. S. STEEL LIMITED

Consolidated Statement of Financial Position

As at 30 June 2023

Particulars	Notes	Amount in Taka	Amount in Taka
		30-Jun-23	30-Jun-22
Assets:			
Non current assets		6,229,849,440	6,235,191,952
Property, plant & equipments	4.A	5,411,014,658	5,576,764,420
Deposits	5.A	24,033,077	24,033,076
Goodwill	33.A	100,363,837	100,363,837
Capital work-in-progress	6.A	694,437,868	534,030,619
Current assets		14,028,522,862	12,483,127,986
Inventories	7.A	6,049,089,276	4,402,884,153
Trade and other receivables	8.A	4,423,464,869	3,851,540,889
Advances, deposits and prepayments	9.A	2,495,936,967	2,883,537,030
Cash and cash equivalents	10.A	701,235,254	637,931,666
Investment	11.A	358,796,496	707,234,245
Total Assets		20,258,372,302	18,718,319,939
Shareholders' Equity & Liabilities:			
Total shareholders' Equity		7,346,700,902	7,365,444,416
Total equity attributable to owners of the parent		7,298,223,735	7,265,258,514
Share capital	12.A	3,286,332,000	3,286,332,000
Retained earnings	13.B	3,191,884,719	3,113,254,539
Revaluation reserve	14.A	820,007,016	865,671,975
Non controlling interest	13.B	48,477,167	100,185,902
Share money deposit	15.A	537,600,000	537,600,000
Non current liabilities		3,654,911,782	3,086,038,803
Deferred tax liabilities	16.A	258,201,526	251,170,949
Non current portion of term loan	17.A	3,396,710,256	2,811,663,396
Finance lease obligation - non current portion	22.A	-	23,204,458
Current liabilities		8,719,159,617	7,729,236,718
Current portion of term loan	17.B	520,968,361	421,015,608
Trade and other payables	18.A	945,691,168	897,431,262
Accrued expenses	19.A	379,329,375	206,067,431
Short term loan	20.A	5,834,866,378	5,227,312,367
Finance lease obligation - current portion	22.A	2,723,285	6,544,847
Dividend Payable	23.A	20,647,545	13,034,919
Provision for WPPF and welfare fund	21.A	159,586,069	141,607,473
Provision for income tax	24.A	855,347,436	816,222,812
Total Equity and Liabilities		20,258,372,302	18,718,319,939
Consolidated net assets value per share (NAVPS) without revaluation		21.50	21.41
Consolidated net assets value per share (NAVPS) with revaluation		23.99	24.05



Managing Director



Chief Financial Officer

Place: Dhaka

Date: 27 November 2023



Chairman



Independent Director

Signed for & on behalf of
Shiraz Khan Basak & Co.
Chartered Accountants



Bhudhar Chakraborty FCA
Enrollment no: 599
Partner
DVC : 2311270599AS259173



S. S. STEEL LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 June 2023

Particulars	Notes	Amount in Taka	Amount in Taka
		01 Jul 2022 to 30 Jun 2023	01 Jul 2021 to 30 Jun 2022
Revenue (Net of VAT)	25.A	14,862,774,132	7,639,970,498
Cost of goods sold	26.A	(13,312,172,882)	(5,992,863,233)
Gross profit		1,550,601,250	1,647,107,265
Administrative expenses	27.A	(221,958,211)	(159,646,714)
Selling and distribution expenses	28.A	(109,097,301)	(97,187,217)
Operating profit before financial expenses		1,219,545,738	1,390,273,334
Financial expenses	29.A	(1,216,783,519)	(616,857,714)
Profit before other income		2,762,218	773,415,620
Other income	30.A	79,466,226	35,328,358
Profit before WPPF and provision for income tax		82,228,444	808,743,979
Contribution to WPPF and welfare fund		(3,494,212)	(37,467,915)
Profit before income tax		78,734,232	771,276,064
Provision for income tax		(61,050,741)	(157,887,829)
Current tax		(54,020,163)	(175,316,285)
Deferred tax		(7,030,578)	17,428,456
Profit after income tax		17,683,491	613,388,235
Gain on property revaluation (Al-Falah Steel & Re-Rolling Mills Limited)		-	970,149,569
Total comprehensive income		17,683,491	1,583,537,803
Net profit attributable to:			
Equity holders of the company		17,592,172	612,963,648
Non-controlling interest		91,319	424,586
Consolidated profit/ (loss)		17,683,491	613,388,234
Total comprehensive income for the year attributable to:			
Equity holders of the company		17,506,656	1,567,702,425
Non-controlling interest		176,835	15,835,378
Consolidated total comprehensive profit/ (loss)		17,683,491	1,583,537,803
Consolidated Earning Per Share (EPS)		0.05	1.87

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.



Managing Director



Chairman



Chief Financial Officer




Independent Director

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

Place: Dhaka
Date: 27 November 2023

Signed for & on behalf of
Shiraz Khan Basak & Co.
Chartered Accountants


Bhudhar Chakraborty FCA
Enrollment no: 599
Partner
DVC : 2311270599AS259173

S. S. STEEL LIMITED
Consolidated Statement of Changes in Equity
For the period ended 30 June 2023

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2022	3,286,332,000	865,671,976	3,213,440,441	7,365,444,417
2% cash dividend	-	-	(44,831,885)	(44,831,885)
Non controlling interest (NCI)			48,477,167	48,477,167
Net profit (after tax) transferred from statement of comprehensive income	-	-	17,683,491	17,683,491
Excess depreciation transfer to retained earnings	-	(48,138,207)	8,065,919	(40,072,288)
Balance as at 30 June 2023	3,286,332,000	817,533,768	3,242,835,132	7,346,700,902

For the period ended 30 June 2022

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2021	3,042,900,000	802,540,193	2,838,418,429	6,683,858,623
8% stock dividend	243,432,000	-	(243,432,000)	-
2% cash dividend	-	-	(41,511,004)	(41,511,004)
Revaluation incurred in 2021-2022	-	72,918,321	-	72,918,321
Adjustment for tax FY 2020-2021			(22,540,000)	(22,540,000)
Net profit (after tax) transferred from statement of comprehensive income	-	-	613,388,234	613,388,234
Non controlling interest (NCI) at acquisition	-	-	50,594,385	50,594,385
NCI Share of post acquisition retained earnings	-	-	1,740,002	1,740,002
Excess depreciation transfer to retained earnings	-	(9,786,538)	16,782,395	6,995,857
Balance as at 30 June 2022	3,286,332,000	865,671,976	3,213,440,441	7,365,444,417

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.



Managing Director



Chief Financial Officer



Chairman




Independent Director

Place: Dhaka
Date: 27 November 2023

S. S. STEEL LIMITED
Consolidated Statement of Cash Flows
For the period ended 30 June 2023

Particulars	Amount in Taka	Amount in Taka
	01 July 2022 to 31 June 2023	01 July 2021 to 31 June 2022
Cash flows from operating activities		
Cash received from customers & others	14,418,914,080	6,572,615,375
Payment for Cost and Expenses	(15,159,350,819)	(7,859,624,216)
Income tax payment	(69,039,494)	(39,340,934)
Net cash inflow/(outflow) from operating activities (A)	(809,476,233)	(1,326,349,776)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(37,415,720)	(242,652,881)
Advance, Deposit & Pre-Payments	695,246,212	(546,155,835)
Capital work in progress	(160,407,248)	(830,750)
Investment	349,023,384	(1,476,279,437)
Share money Deposit	-	378,100,043
Net cash inflow/(outflow) from investing activities (B)	846,446,627	(1,887,818,859)
Cash flows from financing activities		
Long term loan	545,743,768	1,220,918,525
Short term loan	746,809,856	2,793,298,766
Lease Payments	(27,026,020)	(15,134,841)
Dividend Payments	(37,219,259)	(36,544,764)
Financial expenses	(1,201,975,150)	(615,918,850)
Net cash inflow/(outflow) from financing activities (C)	26,333,195	3,346,618,836
Net increase of cash and cash equivalents for the year (A+B+C)	63,303,589	132,450,201
Cash and cash equivalents at the beginning of the year	637,931,666	505,481,465
Cash and cash equivalents at the end of the period	701,235,255	637,931,666
Net operating cash flow per share-NOCFPS	(2.46)	(4.04)

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.


Managing Director


Chairman


Chief Financial Officer


Independent Director

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

Place: Dhaka
Date: 27 November 2023


S. S. STEEL LIMITED
Statement of Financial Position
As at 30 June 2023


Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
Assets:			
Non current assets		3,259,965,253	3,350,850,708
Property, plant & equipments	4.00	2,709,494,858	2,800,380,312
Deposits	5.00	24,033,076	24,033,076
Capital work-in-progress	6.00	526,437,319	526,437,319
Current assets		11,800,699,620	10,613,487,252
Inventories	7.00	3,560,350,070	2,533,812,732
Trade and other receivables	8.00	2,697,980,189	2,504,405,046
Advances, deposits and prepayments	9.00	2,284,375,340	1,968,648,059
Cash and cash equivalents	10.00	557,178,064	556,782,074
Investment	11.00	2,700,815,957	3,049,839,341
Total Assets		15,060,664,873	13,964,337,960
Shareholders' Equity & Liabilities:			
Shareholders' Equity		5,955,086,800	5,989,164,407
Share capital	12.02	3,286,332,000	3,286,332,000
Retained earnings	13.00	1,987,881,100	2,013,892,788
Revaluation reserve	14.00	680,873,700	688,939,619
Share money deposit	15.00	537,600,000	537,600,000
Non current liabilities		3,205,514,463	2,336,972,485
Deferred tax liabilities	16.00	226,571,743	219,574,196
Non current portion of term loan	17.00	2,978,942,720	2,094,193,831
Finance lease obligation -non current portion	22.00	-	23,204,458
Current liabilities		5,362,463,610	5,100,601,068
Current portion of term loan	17.00	381,712,516	421,015,608
Trade and other payables	18.00	350,771,597	368,007,016
Accrued expenses	19.00	235,132,007	159,183,719
Short term loan	20.00	3,456,293,980	3,275,071,226
Provision for WPPF and welfare fund	21.00	146,691,026	128,768,433
Finance lease obligation - current portion	22.00	2,723,285	6,544,847
Undistributed Dividend	23.00	20,647,545	13,034,919
Provision for income tax	24.00	768,491,654	728,975,301
Total Equity and Liabilities		15,060,664,873	13,964,337,960
Net assets value per share (NAVPS) without revaluation	31.02	17.68	17.76
Net assets value per share (NAVPS) with revaluation	31.03	19.76	19.86

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.


Managing Director


Chief Financial Officer


Chairman


Independent Director

These Statement of Financial Position are to be read in conjunction with notes 1.00 to 33.00 attached.

Place: Dhaka
Date: 27 November 2023

Signed for & on behalf of
Shiraz Khan Basak & Co.
Chartered Accountants



Bhudhar Chakraborty FCA
Enrollment no: 599
Partner

DVC : 2311270599AS259173



S. S. STEEL LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Revenue	25.00	8,380,896,416	5,040,798,732
Cost of goods sold	26.00	(7,353,593,297)	(3,659,970,329)
Gross profit		1,027,303,118	1,380,828,403
Administrative expenses	27.00	(145,317,548)	(106,407,601)
Selling and distribution expenses	28.00	(107,824,481)	(76,655,002)
Operating profit before financial expenses		774,161,089	1,197,765,800
Financial expenses	29.00	(773,654,698)	(478,108,269)
Profit before other income		506,392	719,657,531
Other income	30.00	71,695,986	34,525,324
Profit before WPPF and provision for income tax		72,202,378	754,182,856
Contribution to WPPF and welfare fund		(3,438,208)	(35,913,469)
Profit before income tax		68,764,170	718,269,386
Provision for income tax		(58,009,891)	(141,031,340)
Current tax		(51,012,344)	(160,311,976)
Deferred tax		(6,997,547)	19,280,636
Profit after income tax		10,754,278	577,238,046
Earning Per Share (EPS)	31.01	0.03	1.76

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.



Managing Director



Chairman



Chief Financial Officer



Independent Director

These Statement of Profit or Loss and Other Comprehensive Income are to be read in conjunction with notes 1.00 to 33.00 attached.

Place: Dhaka
Date: 27 November 2023

Signed for & on behalf of
Shiraz Khan Basak & Co.
Chartered Accountants



Bhudhar Chakraborty FCA
Enrollment no: 599
Partner

DVC : 2311270599AS259173



S. S. STEEL LIMITED
Statement of Changes in Equity
For the year ended 30 June 2023

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2022	3,286,332,000	688,939,619	2,013,892,787	5,989,164,408
Cash Dividend (2%)	-	-	(44,831,885)	(44,831,885)
Adjustment for tax FY 2021-2022	-	-	-	-
Net profit (after tax) transferred from statement of comprehensive income	-	-	10,754,278	10,754,278
Excess depreciation transfer to retained earnings	-	(8,065,919)	8,065,919	-
Balance as at 30 June 2023	3,286,332,000	680,873,700	1,987,881,100	5,955,086,800

For the year ended 30 June 2022

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance at the beginning on 01 July 2021	3,042,900,000	697,472,788	1,735,604,577	5,475,977,365
Stock Dividend (8%)	243,432,000	-	(243,432,000)	-
Cash Dividend (2%)	-	-	(41,511,004)	(41,511,004)
Adjustment for tax FY 2020-2021	-	-	(22,540,000)	(22,540,000)
Net profit (after tax) transferred from statement of comprehensive income	-	-	577,238,046	577,238,046
Excess depreciation transfer to retained earnings	-	(8,533,168)	8,533,168	-
Balance as at 30 June 2022	3,286,332,000	688,939,619	2,013,892,787	5,989,164,407

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.



Managing Director



Chairman



Chief Financial Officer



Independent Director

These Statement of Changes in Equity are to be read in conjunction with notes 1.00 to 33.00 attached.

Place: Dhaka

Date: 27 November 2023

S. S. STEEL LIMITED
Statement of Cash Flows
For the year ended 30 June 2023

Particulars	Amount in Taka	
	2022-2023	2021-2022
Cash flows from operating activities		
Cash received from customers & others	8,308,482,124	4,335,397,384
Payment for Cost and Expenses	(8,772,644,200)	(4,779,448,485)
Income tax payment	(59,386,933)	(36,224,126)
Net cash inflow/(outflow) from operating activities (A)	(523,549,009)	(480,275,226)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(28,655,329)	(239,849,192)
Deposits	(0)	(21,604,883)
Capital work in progress	(0)	(830,750)
Investment	349,023,384	(1,473,519,856)
Share money Deposit	-	134,600,000
Net cash inflow/(outflow) from investing activities (B)	320,368,055	(1,601,204,680)
Cash flows from financing activities		
Long term loan	845,445,797	901,306,238
Short term loan	181,222,754	1,754,386,044
Lease Payments	(27,026,020)	(15,134,841)
Dividend Payments	(37,219,259)	(36,544,764)
Financial expenses	(758,846,328)	(468,531,299)
Net cash inflow/(outflow) from financing activities (C)	203,576,944	2,135,481,378
Net increase of cash and cash equivalents for the year (A+B+C)	395,990	54,001,471
Cash and cash equivalents at the beginning of the year	556,782,074	502,780,603
Cash and cash equivalents at the end of the period	557,178,064	556,782,074
Net operating cash flow per share-NOCFPS (Note: 30.04)	(1.59)	(1.46)

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 15 November 2023.



Managing Director



Chief Financial Officer



Chairman



Independent Director

Place: Dhaka
Date: 27 November 2023

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

As at and For the year ended 30 June 2023

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.

1.04 Subsidiary Companies**Al-Falah Steel & Re-Rolling Mills Limited**

Al-Falah Steel & Re-Rolling Mills Limited (AFSRML), a subsidiary company of S. S. Steel Limited was incorporated on 4th April 2005,(incorporation no. C-56521(3204)/05) by the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The registered office of the company is located at 84, Shahid Nazrul Islam Sarani, Zamal Iron Building, Dhaka-1100.

In an extraordinary general meeting held on 20th February 2022 the board of directors dcedied to make an equity investment in AFSRML with a view to subscribe 99% of its existing equity shares amounting Tk. 87.46 crore.

AFSRML was acquired by S. S. Steel Limited on 5th March 2022. Consequently the new management took the control over the company on the same date. Objective of the aquisition was to accelerate consolidated production of the compnay. AFSRML is a reputed steel industry in Bangladesh, engaged in the production of and selling of steel by its brand name and has capacity of around 64,800 metric ton per annum

Saleh Steel Industries Limited

Saleh Steel Industries Ltd. also subsidiary company of S. S. Steel Limited was incorporated as a private limited company vide certificate of incorporation no. C-5953(511)/1978 dated 11th March 1978, by the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The registered office of the company is located at 85/R and 86/R, Nasirabad, Industrial Area, Chittagong.

Saleh Steel is acquired by S. S. Steel in 2020 with an objective to enhance its total production capacity. Saleh Steel is engaged in manufacture and sales of M.S. Deformed Bar of various grades (300w/40 Grade, 400w/60 Grade and 500w/TMT) from M.S. Billet, Ingot, Angles, Channels, Tees and all kinds of M.S. Structures under are-rolling mills. The Company produce M.S. Billets from scrap. The company has an annual production capacity of 86,000 metric ton.

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 Securities and Exchange Rules 1987.

2.02 Other Regulatory Compliances

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

- A. The Income Tax Ordinance, 1984
- B. The Income Tax Rules, 1984
- C. The Value Added Tax 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 2022 to 30 June 2023

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)

The following IASs and IFRSs are applicable and adopted by management for preparation of financial statements for the year ended 30 June 2023;

Sl. No.	Name of the IASs	IASs no.	Status
1	Presentation of financial statements	1	Applied
2	Inventories	2	Applied
3	Statement of cash flows	7	Applied
4	Accounting policies, changes in accounting estimates & errors	8	Not Applicable
5	Events after the reporting period	10	Applicable
6	Income taxes	12	Applied
7	Property, plant and equipment	16	Applied
8	Leases	17	Applied
9	Employee benefits	19	Not Applicable
10	Accounting of Government grants and disclosure of Government assistance	20	Not Applicable
11	The effects of changes in foreign exchange rates	21	Applied
12	Borrowing costs	23	Not Applicable
13	Related party disclosures	24	Applied
14	Accounting and reporting by retirement benefit plans	26	Not Applicable
15	Separate financial statements	27	Not Applicable
16	Investment in associates and joint venture	28	Not Applicable
17	Financial reporting in hyperinflationary economies	29	Not Applicable
18	Financial instruments: presentation	32	Applied
19	Earnings per share	33	Applied
20	Interim financial reporting	34	Not Applicable
21	Impairment of assets	36	Applied
22	Provision, contingent liabilities and contingent assets	37	Applied
23	Intangible assets	38	Not Applicable
24	Financial Instruments: Recognition and Measurement	39	Not Applicable
25	Investment property	40	Not Applicable
26	Agriculture	41	Not Applicable
SL. No.	Name of the IFRS	IFRS's no.	Status
01	First-time adoption of International Financial Reporting Standards	1	Applied
02	Share based payment	2	Not Applicable
03	Business combinations	3	Applied
04	Insurance contracts	4	Not Applicable
05	Non-current assets held for sale and discontinued operations	5	Not Applicable
06	Exploration for and evaluation of mineral resources	6	Not Applicable
07	Financial instruments: disclosures	7	Applied
08	Operating segments	8	Not Applicable
09	Financial instruments	9	Applied
10	Consolidated financial statements	10	Applied
11	Joint arrangements	11	Not Applicable
12	Disclosure of interests in other entities	12	Not Applicable
13	Fair value measurement	13	Applied
14	Regulatory Deferral Accounts	14	Not Applicable
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Applied
17	Insurance contracts	17	Not Applicable

The financial statements are in compliance with the International Financial Reporting Standards (IFRSs) which are adopted from the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

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 Financial Reporting Council (FRC) 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 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.

3.06 Creditors & Accrued Expenses**3.6.1 Trade & Other payables**

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

3.6.2 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

3.07 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.

3.08 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 loses or unused tax credits can be can be utilized. Considering the practices generally followed in Bangladesh the company has been recognized deferred tax liability in accordance with IAS-12 "Income Taxes."

3.09 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.

3.10 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.

3.11 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.

3.12 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 and also as per IAS-7: Statement of Cash flows.

3.13 Statement of Changes in Equity

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

3.14 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.

3.15 Segment reporting

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

3.16 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.

3.17 Advertisement and promotional expenses

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

3.17.1 Earnings Per Share (EPS)

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

3.17.2 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.

3.17.3 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.

3.17.4 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.

3.17.5 Administrative expenses

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

3.18 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 2023
- Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2023
- Statement of Changes in Equity for the period ended 30 June 2023
- Statement of Cash Flows for the period ended 30 June 2023
- Notes to the Financial Statements

3.19 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.

3.20 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.

3.21 Financial expenses

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

3.22 Operating Expenses

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

3.23 Employee benefits**a. 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.

d. Gratuity Fund

The employees are entitled to gratuity fund benefit. The preparation & introduction of a detailed comprehensive policy guideline for gratuity fund is under progress.

3.24 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.

3.24.1 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.

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.

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.

3.24.2 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

3.25 Accounting Policies, Changes in Accounting Estimates and Errors

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.

A change in **accounting estimate** is an adjustment of the carrying amount of an asset or liability, or related expense, resulting from reassessing the expected future benefits and obligations associated with that asset or liability as per IAS-8. The general principle in IAS 8 is that an entity must correct all material prior period **errors** retrospectively in the first set of financial statements authorised for issue after their discovery.

There is no events regarding IAS-8 in this accounts.

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 Authorization date for issuing

The Financial Statements were authorized by the Board of Directors on 15 November 2023 for issue after completion of review.

3.28 Group Structure:

Basis of Consolidation-

Percentage of Shareholding on subsidiary companies are as follows as of 30 June 2023

Subsidiary Company	Holding of Share	Percentage of Holding
Saleh Steel Industries Limited (SSIL)	12333101	96%
Alfalah Steel & Re-Rolling Mills Limited	28572	99%

Subsidiary entity is controlled by S. S. Steel Limited (SSSL). Control exists when SSSL has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

Consolidation of Accounts-

As per Conformity of IFRS-10, Consolidated Financial Statements consolidated of accounts have been made as follows:

Subsidiary Company	Year Ending	Remarks
Saleh Steel Industries Limited (SSIL)	6/30/2023	Financial Statements
Alfalah Steel & Re-Rolling Mills Limited	6/30/2023	Financial Statements

4.00 Property, plant & equipments

Cost

Opening balance

Addition during the year

Total Cost

Accumulated depreciation

Opening balance

Depreciation for the year

Total depreciation

Written down value (WDV)

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

4.A Consolidated Property, Plant & Equipments

Parent Company

Saleh Steel Industries Limited

Al-Falah Steel & Re-Rolling Mills Limited

Total

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

Dhaka Electric Supply Company Ltd

Hajj Finance

Grameen Phone Ltd.

5.A Consolidated long term deposits

Parent Company

Saleh Steel Industries Limited

Al-Falah Steel & Re-Rolling Mills Limited

6.00 Capital work-in-progress

Opening balance

Addition during the year

Adjustment during the year

Closing balance

6.A Consolidated capital work-in-progress

Parent Company

Saleh Steel Industries Limited

Al-Falah Steel & Re-Rolling Mills Limited

Total

7.00 Inventories

Stores & spares

Raw materials-scrap

Raw materials -chemicals

Work- in -process

Finished goods

Total

7.A Consolidated inventories

Parent Company

Saleh Steel Industries Limited

Al-Falah Steel & Re-Rolling Mills Limited

Total

Amount in Taka	
30-Jun-2023	30-Jun-2022

3,924,991,518	3,685,142,326
28,655,329	239,849,192
3,953,646,848	3,924,991,518

1,124,611,206	989,632,907
119,540,784	134,978,298
1,244,151,990	1,124,611,206

2,709,494,858	2,800,380,312
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2,709,494,858	2,800,380,312
1,099,382,490	1,125,426,606
1,602,137,309	1,650,957,502
5,411,014,657	5,576,764,420

10,451	10,451
23,475,584	23,475,584
540,541	540,541
6,500	6,500
24,033,076	24,033,076

24,033,076	24,033,076
-	-
-	-
24,033,076	24,033,076

526,437,319	525,606,569
-	830,750
526,437,319	526,437,319
-	-
526,437,319	526,437,319

526,437,319	526,437,319
7,593,300	7,593,300
160,407,248	-
694,437,867	534,030,619

251,987,663	247,296,545
2,982,244,662	2,029,161,996
191,365,220	142,361,826
83,486,225	82,655,819
51,266,300	32,336,545
3,560,350,070	2,533,812,732

Amount in Taka	
30-Jun-2023	30-Jun-2022

3,560,350,070	2,533,812,731
2,221,610,807	1,507,996,619
267,128,400	361,074,803
6,049,089,276	4,402,884,153

8.00 Trade and other receivables

Opening balance	2,504,405,046	1,736,004,234
Additions during the year	8,440,975,113	5,076,570,755
	10,945,380,159	6,812,574,989
Realized during the year	(8,247,399,970)	(4,308,169,943)
Closing balance	2,697,980,189	2,504,405,046

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

Debts below 3 Months	1,915,565,934	1,728,039,481
Debts below 6 Months	782,414,255	776,365,564

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	2,697,980,189	2,504,405,045
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 **2,697,980,189** **2,504,405,045**

8.A Consolidated trade and other receivables

Parent Company	2,697,980,189	2,504,405,045
Saleh Steel Industries Limited	1,463,556,515	1,106,980,567
Al-Falah Steel & Re-Rolling Mills Limited	261,928,165	240,155,277
Total	4,423,464,869	3,851,540,889

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.

9.00 Advances, deposits and prepayments

Advances (Note 9.01)	2,257,640,299	1,942,489,966
Deposits (Note 9.02)	26,735,041	26,158,093
	2,284,375,340	1,968,648,059

9.A Consolidated advances, deposits and prepayments

Parent Company	2,284,375,340	1,968,648,059
Saleh Steel Industries Limited	159,721,818	836,013,651
Al-Falah Steel & Re-Rolling Mills Limited	51,839,809	78,875,320
Total	2,495,936,967	2,883,537,030

9.01 Advances

L/C margin	778,278,093	530,500,650
Advance income tax (Note 9.01.1)	254,708,050	206,817,107
VAT current account	-	-
Godown rent advance	-	-
Advance against salary	7,335,651	4,311,680
IPO related expense	-	-
Advance against purchase	1,217,318,505	1,200,860,528
	2,257,640,299	1,942,489,966

9.01.1 Advance income tax

Opening Balance	206,817,107	170,592,982
Addition during the year	47,890,943	36,224,126
	254,708,050	206,817,107
Adjustment during the year	-	-
Closing balance	254,708,050	206,817,107

Amount in Taka

30-Jun-2023	30-Jun-2022
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9.02 Deposits

Titas Gas Transmission & Distribution Ltd	26,735,041	26,158,093
	26,735,041	26,158,093

10.00 Cash and cash equivalents

Cash in hand	4,405,841	4,144,757
Cash at bank (Note 10.01)	70,010,850	91,692,113
Short term investment (FDR) (Note 10.02)	482,761,373	460,945,204
	557,178,063	556,782,074

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

Saleh Steel Industries Limited

Al-Falah Steel & Re-Rolling Mills Limited

Total

557,178,063	556,782,074
1,219,468	1,179,467
142,837,723	79,970,125
701,235,254	637,931,666

10.01 Cash at bank

Bank Name	Branch	A/C No.	Amount in Taka	
Mercantile Bank Ltd.	Motijeeel	011913100000158	24,364	2,530,677
Southeast Bank Ltd.	Banani	0011100005538	22,372	23,902
Southeast Bank Ltd.	New Elephant Road	0011100011066	119,988	1,993,538
Eastern Bank Ltd.	Gulshan	1041070005302	110,272	38,066
Jamuna Bank Ltd.	Gulshan	0100210006945	1,094,508	34,255
Bank Asia Ltd.	Principal Office	0000333007355	860,461	5,756,022
Bank Asia Ltd.	Principal Office	0000333008145	4,936,891	4,952,581
Brac Bank Ltd.	Graphics Building	1513203842315001	3,864,157	616,120
Brac Bank Ltd.	Gulshan	1501203842315001	6,422,736	6,336,196
Brac Bank Ltd.	Anik Tower Tejgaon	1501203842315000	39,092	39,092
Exim Bank Ltd.	Uttara	01511100008217	2,372,886	420,670
Islami bank Bangladesh Ltd.	Badda	20503100100131703	6,523,570	1,524,940
Dhaka Bank Ltd.	Uttara	2041000013173	76,354	552,053
One bank Ltd.	Principal	0010016432008	72,188	22,501
City Bank Ltd.	Gulshan Avenue	1101795924001	1,827,605	1,265,768
City Bank Ltd.	Gulshan	1101098282001	7,287	7,287
Dutch Bangla Bank Ltd.	Tongi	1791100011457	1,066,823	80,695
Pubali Bank Ltd.	Tongi	0080901056170	10,247,916	225,669
Shahajalal Islami Bank Ltd.	Gulshan South Avenue	403011100000952	3,395,494	60,453
Social Islami Bank Ltd.	Tongi	0741330001663	424,334	14,868
AB Bank Ltd.	Uttara	4020763216000	3,271,805	946,955
AB Bank Ltd.	Principal	4019778253000	241,110	51,287,243
Agrani Bank Ltd.	Banani Corporate	0200012665818	695,769	2,420,721
Al Arafa Islami Bank Ltd.	Tongi	1311020001728	576	1,496
Al Arafa Islami Bank Ltd.	Pragati Sarani	0451220001354	6,573,217	72,857
NCC Bank Ltd.	Motijeeel	0020220023819	939,377	1,216,754
NCC Bank Ltd.	Tongi	0800210000063	16,870	16,870
National Bank Ltd.	Uttara	1068001635950	1,325,197	491,696
National Bank Ltd.	Banani	1106004008177	13,393	17,083
National Bank Ltd.	DilkhuSha	1999004828968	70,998	112,372
NRB Commercial Bank Ltd.	Gulshan	010236000000052	1,628,339	2,437,534
NRB Commercial Bank Ltd.	Uttara	010836000000037	27,760	27,760
United Commercial Bank Ltd.	Uttara	0832101000005604	121,619	12,890
United Commercial Bank Limited	Pragati Sarani	1131101000000390	228,609	3,034,289
Mutual Trust Bank Ltd.	Uttara Model Town	0070320000532	107,209	433,266
Southeast Bank Ltd.	Banani	0013100001396	253,294	249,973
Trust Bank Ltd.	Millenium Corporate	70220222001135	2,621,006	1,480,596
Trust Bank Ltd.	Tongi	00420220001817	4,308	4,998
Prime Bank Ltd.	Garib-e-Newaz Ave.	2170119003010	5,913,999	92,431
Dutch Bangla Bank Ltd.	Pragati Sarani	1931100019057	999,615	838,976
United Commercial Bank Limited	Pragati Sarani	1131301000000180	1,447,483	-
Total			70,010,850	91,692,113

10.02 Short term investment (FDR)

					Amount in Taka	
					30-Jun-2023	30-Jun-2022
Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	Amount in Taka	
Bank Asia Ltd.	Principle	3 Months	6%	355019718	40,241,354	38,585,557
Bank Asia Ltd.	Principle	3 Months	6%	355019784	26,373,718	25,447,585
Bank Asia Ltd.	Principle	3 Months	7%	355019931	64,851,924	62,285,886
Bank Asia Ltd.	Principle	3 Months	6%	355021075	27,972,828	26,856,233
Bank Asia Ltd.	Principle	3 Months	6%	355021076	27,972,828	26,856,233
Bank Asia Ltd.	Principle	3 Months	6%	355021077	27,972,828	26,856,233
Bank Asia Ltd.	Principle	3 Months	6%	355021079	27,972,828	26,856,233
National Bank Ltd.	Banani	3 Months	6%	6004307133	27,590,405	26,326,023
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330669659	150,000,000	150,000,000
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330670370	26,106,330	25,437,611
Trust Bank Limited.	Gulshan Corporate	3 Months	5%	330670389	26,106,330	25,437,611
Trust Bank Limited.	Gulshan Corporate	6 Months	6%	330676525	9,600,000	-
Total					482,761,373	460,945,204

11.00 Investment (FDR)

Bank Name	Branch Name	Maturity	Interest Rate	FDR A/C	Amount in Taka	
AB Bank Limited	Principle	1 Year	4%	13761719		40,445,000
AB Bank Limited	Principle	1 Year	4%	13761720		40,445,000
AB Bank Limited	Principle	1 Year	4%	13761721		40,445,000
AB Bank Limited	Principle	1 Year	4%	23761703		50,000,000
AB Bank Limited	Principle	1 Year	4%	23761704		50,000,000
AB Bank Limited	Principle	1 Year	4%	23761705		50,000,000
Bank Asia Ltd.	Principle	1 Year	8%	355020434	34,870,007	33,287,220
Bank Asia Ltd.	Principle	1 Year	8%	355020436	11,591,998	11,075,380
Bank Asia Ltd.	Principle	1 Year	8%	355020437	17,411,500	16,628,340
Bank Asia Ltd.	Principle	1 Year	8%	355020438	11,591,998	11,075,380
Bank Asia Ltd.	Principle	1 Year	8%	355020439	11,591,998	11,075,380
Bank Asia Ltd.	Principle	1 Year	8%	355020440	11,591,998	11,075,380
Bank Asia Ltd.	Principle	1 Year	8%	355020445	23,231,002	22,181,300
Bank Asia Ltd.	Principle	1 Year	8%	355020477	59,493,918	57,923,461
Hajj Finance	Dhanmondi	1 Year	4%	2421007309	42,529,287	39,985,000
Hajj Finance	Dhanmondi	1 Year	4%	2421007546	11,460,414	10,785,000
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006681	7,282,514	7,347,997
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003019	1,709,456	1,672,320
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003028	5,000,000	5,174,000
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003037	1,857,977	1,817,360
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003046	-	2,084,648
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003064	2,131,679	2,084,648
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003108	1,996,950	1,953,076
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003126	2,109,402	2,062,892
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003135	-	6,963,172
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003144	992,506	969,732
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003153	1,364,675	1,335,620
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003162	459,958	449,324
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003171	2,356,582	2,304,280
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003180	1,917,385	1,875,376
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003224	2,107,976	2,061,500
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003233	2,294,282	2,243,440
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003242	2,208,540	2,159,707
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003260	940,594	919,037
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003279	2,868,296	2,892,635
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331003288	1,285,475	1,258,277
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006378	1,743,902	1,759,544
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006387	3,226,292	3,255,380
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006396	4,456,762	4,496,914
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006403	2,869,752	2,895,635
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006421	4,871,962	4,915,582
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006430	2,208,020	2,227,832
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006467	695,520	679,707
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006476	455,937	445,397
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006485	337,378	329,617
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006494	-	4,888,705
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006501	495,102	483,645
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006510	2,358,600	2,379,794
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006547	-	4,915,582
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006574	4,719,155	4,761,554
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006583	1,905,709	1,922,877
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006592	1,307,365	1,319,167
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006609	7,079,746	7,143,314
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006636	1,264,318	1,275,749
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006645	-	4,103,055
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006654	1,905,685	1,922,877
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006663	-	784,117
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	331006672	2,295,013	2,315,702
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	30673000	1,709,456	1,672,320
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	330672850	3,187,272	3,115,500
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	8410	-	30,000,000
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	8429	-	30,000,000
Trust Bank Limited.	Gulshan Corporate	1 Year	4%	8438	-	15,000,000
Trust Bank Limited.	Gulshan Corporate	1 Year	3.5%	331011004	10,700,750	-
Total					336,042,064	685,065,448

Investment in Saleh Steel Industries Limited	1,290,173,893	1,290,173,893
Investment in Al-Falah Steel & Re-Rolling Mills Limited	1,074,600,000	1,074,600,000
Total Investment	2,700,815,957	3,049,839,341
11.A Consolidated Investment		
Parent Company	336,042,064	685,065,448
Saleh Steel Industries Limited	22,754,432	22,168,797
Al-Falah Steel & Re-Rolling Mills Limited	-	-
	358,796,496	707,234,245
12.00 Share capital		
12.A Consolidated share capital	3,286,332,000	3,286,332,000
12.01 Authorized capital		
500,000,000 Ordinary Shares of Tk 10 each	5,000,000,000	5,000,000,000
12.02 Issued, subscribed and paid-up capital		
245,000,000 Ordinary Shares of Tk 10 each	2,450,000,000	2,450,000,000
15% Stock Dividend in 2019-2020 Respectively	367,500,000	367,500,000
8% Stock Dividend in 2020-2022 Respectively	225,400,000	225,400,000
8% Stock Dividend in 2021-2022 Respectively	243,432,000	243,432,000
	3,286,332,000	3,286,332,000

12.02.01 Details of issued, subscribed and paid-up capital

SL. No.	Particulars	Date	No. of Share	30-Jun-2023	30-Jun-2022
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	225,400,000
9	Bonuse share issued	31.12.2022	24,343,200	243,432,000	243,432,000
	Total		328,633,200	3,286,332,000	3,286,332,000

12.03 Position of shares holding as at 30 June 2023

Group Name	Number of Shareholders	Ownership (%)	Number of Shares	Number of Shares
All Investors A/C	5	0.196%	645,610	616,770
Company	183	11.109%	36,506,849	35,987,500
General Public	25601	56.850%	186,828,462	186,653,212
Non resident bangladeshi	167	0.054%	178,504	901,943
Sponsor /Director	4	31.790%	104,473,775	104,473,775
	25,960	100%	328,633,200	328,633,200

Distribution schedule of the shares as at 30 June 2023 is given below:

Slabs by number of shares	Shareholders	No of Shares	Ownership (%)
	30 Jun 2023		
1-500	6313	1,225,925	0.373%
501 - 5000	14037	25,341,215	7.711%
5,001 - 10,000	2441	17,516,222	5.330%
10,001 - 20,000	1610	22,342,873	6.799%
20,001 - 30,000	579	14,109,765	4.293%
30,001 - 40,000	261	9,108,085	2.772%
40,001 - 50,000	182	8,240,820	2.508%
50,001 - 100,000	298	20,878,661	6.353%
100001 - 1000000	224	50,604,275	15.398%
1000001 - 1000000000	15	159,265,359	48.463%
Total	25960	328,633,200	100%

		Amount in Taka	
		30-Jun-2023	30-Jun-2022
13.00 Retained earnings			
	Opening balance	2,013,892,788	1,735,604,577
	Transferred from revaluation surplus through use of assets (depreciation)	8,065,919	8,533,168
	Net profit during the year	10,754,278	577,238,046
	Previous year's adjustment for tax	-	(22,540,000)
	Less: 8% Stock Dividend 2020-2021	-	-
	Less: 2% Cash Dividend 2020-2021	-	-
	Less: 8% Stock Dividend 2021-2022	-	(243,432,000)
	Less: 2% Cash Dividend 2021-2022	(44,831,885)	(41,511,004)
	Closing balance	1,987,881,100	2,013,892,788
13.A Consolidated retained earnings			
	Parent Company	1,987,881,100	2,013,892,788
	Saleh Steel Industries Limited	1,165,988,173	1,164,140,250
	Al-Falah Steel & Re-Rolling Mills Limited	(10,461,721)	(64,778,499)
		3,143,407,553	3,113,254,539
13.B Non controlling interest (NCI) at acquisition			
	NCI Share of post acquisition retained earnings	48,477,167	58,425,861
		-	41,760,041
		48,477,167	100,185,902
	Closing balance (13.A+13.B)	3,191,884,719	3,213,440,441
14.00 Revaluation reserve			
	Opening balance	688,939,619	697,472,788
	Depreciation charged during the year	(8,065,919)	(8,533,168)
	Closing balance	680,873,700	688,939,619
14.A Consolidated revaluation reserve			
	Parent Company	680,873,700	688,939,619
	Saleh Steel Industries Limited	102,623,334	103,814,035
	Al-Falah Steel & Re-Rolling Mills Limited	36,509,982	72,918,321
		820,007,016	865,671,975

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	537,600,000	537,600,000
	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.		
15.A Consolidated share money deposit			
	Parent Company	537,600,000	537,600,000
	Saleh Steel Industries Limited	-	-
	Al-Falah Steel & Re-Rolling Mills Limited	-	-
		537,600,000	537,600,000

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	219,574,196	238,854,832
	Add: Amount provided for the year	6,997,547	(19,280,636)
	Closing balance	226,571,743	219,574,196

	Accounting Base	Tax Base	Temporary Differences
Property plant & equipments			
	Carrying Value as at 30 June 2023	1,895,826,050	1,029,374,514
	Revaluation surplus (excluding land)	140,533,989	-
	Total	2,036,360,039	1,029,374,514
	Applicable tax rate		22.5%
	Deferred tax liability/(assets)		226,571,743
	Carrying Value as at 30 June 2022	1,978,645,585	1,029,374,514
	Revaluation surplus (excluding land)	148,599,908	-
	Total	2,127,245,493	1,029,374,514
	Applicable tax rate		20.0%
	Deferred tax liabilities		219,574,196

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.

Carrying Value as at 30 June 2022
Revaluation surplus (excluding land)

1,978,645,585	1,029,374,514	949,271,071
148,599,908	-	148,599,908
2,127,245,493	1,029,374,514	1,097,870,979

Total

Applicable tax rate
Deferred tax liabilities

20.0%
219,574,196

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.

Consolidated Deferrd Expenses

Parent Company
Saleh Steel Industries Limited
Al-Falah Steel & Re-Rolling Mills Limited

Amount in Taka	
30-Jun-2023	30-Jun-2022
6,997,547	19,280,636
33,031	(1,852,180)
-	-
7,030,578	17,428,456

16.A Consolidated Deferrd Tax Liabilities

Parent Company
Saleh Steel Industries Limited
Al-Falah Steel & Re-Rolling Mills Limited

226,571,743	219,574,195.52
31,629,783	31,596,753.00
-	-
258,201,526	251,170,949

17.00 Term loan

Bank Asia Ltd, A/C-00335017418 (Note- 17.01)
Hajj Finance, A/C 1708 (Note- 17.02)
Bank Asia Ltd, A/C 18310 (Note- 17.03)
IDLC Finance Limited (Note -17.04)
Hajj Finance, A/C 0698 (Note- 17.05)
Trust Bank Ltd, A/C 4439 (Note- 17.06)
Trust Bank Ltd, A/C 2414 (Note- 17.07)
Trust Bank Ltd, A/C 2423 (Note- 17.08)
Brac Bank Limited (Note- 17.09)
City Bank Limited (Note- 17.10)
National Bank Limited (Note- 17.11)
National Bank Limited (Note- 17.12)

62,562,538	147,968,125
38,512,244	52,313,523
23,172,960	30,569,536
47,262,850	51,364,525
13,847,589	25,691,513
946,352,631	960,275,150
91,472,757	100,121,906
345,852,730	306,146,692
366,468,332	432,348,537
337,906,465	408,409,934
1,008,358,719	-
78,885,423	-
3,360,655,237	2,515,209,440

Total

Current portion of term loan
Non-current portion of term loan

381,712,516	421,015,608
2,978,942,720	2,094,193,831

17.A Consolidated Non-current portion of term loan

Parent Company
Saleh Steel Industries Limited
Al-Falah Steel & Re-Rolling Mills Limited

2,978,942,720	2,094,193,831
-	-
417,767,536	717,469,565
3,396,710,256	2,811,663,396

17.B Consolidated current portion of term loan

Parent Company
Saleh Steel Industries Limited
Al-Falah Steel & Re-Rolling Mills Limited

381,712,516	-
-	-
139,255,845	-
520,968,361	2,811,663,396

17.01 Bank Asia Ltd, A/C-00335017418

Opening balance
Interest charged during the year

147,968,125	212,651,264
9,750,886	20,940,277
157,719,011	233,591,541

Payment during the year

(95,156,473)	(85,623,416)
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Closing balance

62,562,538	147,968,125
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Current portion of term loan
Non-current portion of term loan

17,517,511	41,431,075
45,045,027	106,537,050

Limit amount : Tk 490,000,000
Purpose : For Restructuring of Plant & Machinery.
Sanction date : 25-May-2016 Extended up-to 2023 due to corona pandemic
Interest rate : 9.0%

Security : Hypothecation of machineries & equipment's. Insurance policy covering the risk of MBD covering the book value. One post dated cheques covering the monthly installment to be submitted.

Tenure : 5 years

17.02 Hajj Finance, A/C 1708

Opening balance	52,313,523	-
Loan received during the year	-	60,600,000
Interest charged during the year	5,393,413	5,060,418
	57,706,936	65,660,418
Payment during the year	(19,194,692)	(13,346,895)
Closing Balance	38,512,244	52,313,523
Current portion of term loan	3,851,224	5,231,352
Non current portion of term loan	34,661,020	47,082,171

Limit amount	:	Tk 60,000,000
Purpose	:	Vehicle Loan for official use.
Sanction date	:	14/09/2021
Interest rate	:	12%
Security	:	Personal guarantees of Javed Oppenhaffen (Chairman) & Mrs. Hasna Oppenhaffen (Managing Director)
Tenure	:	5 years

Amount in Taka	
30-Jun-2023	30-Jun-2022

17.03 Bank Asia Ltd, A/C-18310

Opening balance	30,569,536	35,429,188
Loan received during the year	-	-
Interest charged during the year	2,476,799	3,641,498
	33,046,335	39,070,686
Payment during the year	(9,873,375)	(8,501,150)
Closing Balance	23,172,960	30,569,536
Current portion of term loan	3,707,674	4,891,126
Non current portion of term loan	19,465,286	25,678,410

Limit amount	:	Tk 50,000,000
Purpose	:	For install Sub-Station, plant, steel fabrication, electrical work, and setup charge of induction furnace, installation charge etc.
Sanction date	:	27-Jul-17 Extended up-to 2023 due to corona pandemic
Interest rate	:	9.0%
Security	:	Counter guarantee/ indemnity of the customer. 01 (one) post dated cheque covering the loan amount and 06 (six) nos. post dated cheques covering the monthly installment.
Tenure	:	5 years

17.04 IDLC Finance Limited

Opening balance	51,364,525	54,865,169
Loan received during the year	-	-
Interest charged during the year	5,986,697	6,388,022
	57,351,222	61,253,191
Payment during the year	(10,088,372)	(9,888,666)
Closing Balance	47,262,850	51,364,525
Current portion of term loan	7,129,677	7,748,421
Non current portion of term loan	40,133,173	43,616,104

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 Extended up-to 2023 due to corona pandemic

17.05 Hajj Finance, A/C 0698

Opening balance	25,691,513	40,762,406
Loan received during the year	-	-
Interest charged during the year	2,855,920	4,729,301
	28,547,433	45,491,707
Payment during the year	(14,699,844)	(19,800,194)
Closing Balance	13,847,589	25,691,513
Current portion of term loan	2,333,328	4,329,037
Non current portion of term loan	11,514,261	21,362,475

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

17.06 Trust Bank Ltd, A/C 4439

	Amount in Taka	
	30-Jun-2023	30-Jun-2022
Opening balance	960,275,150	-
Loan received during the year	-	940,000,000
Interest charged during the year	87,332,737	20,375,150
	1,047,607,887	960,375,150
Payment during the year	(101,255,256)	(100,000)
Closing balance	946,352,631	960,275,150
Current portion of term loan	189,270,526	192,055,030
Non-current portion of term loan	757,082,104	768,220,120

Limit amount	:	Tk. 96,000,0000
Purpose	:	Acquisition of Al-Falah Steel & Re-Rolling Mills Limited
Sanction date	:	30 March, 2022
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

17.07 Trust Bank Ltd, A/C 2414

Opening balance	100,121,906	97,651,060
Loan received during the year	-	-
Interest charged during the year	8,875,011	18,731,404
	108,996,917	116,382,464
Payment during the year	(17,524,160)	(16,260,558)
Closing balance	91,472,757	100,121,906
Current portion of term loan	18,294,551	20,024,381
Non-current portion of term loan	73,178,205	80,097,524

Limit amount	:	TK. 46,000,000
Purpose	:	Procurement of different types of capital machineries
Sanction date	:	17 September, 2019
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

17.08 Trust Bank Ltd, A/C 2423

Opening balance	306,146,692	263,090,250
Loan received during the year	-	-
Interest charged during the year	101,342,663	83,348,857
	407,489,355	346,439,107
Payment during the year	(61,636,625)	(40,292,416)
Closing balance	345,852,730	306,146,692
Current portion of term loan	69,170,546	61,229,338
Non-current portion of term loan	276,682,184	244,917,353

Limit amount : TK. 46,000,000
 Purpose : Procurement of different types of capital machineries
 Sanction date : 25 September, 2019
 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 Brac Bank Ltd.

Opening balance	432,348,537	470,853,417
Loan received during the year	-	-
Interest charged during the year	37,345,396	42,496,647
	469,693,933	513,350,064
Payment during the year	(103,225,600)	(81,001,528)
Closing balance	366,468,332	432,348,537
Current portion of term loan	36,646,833	43,234,854
Non-current portion of term loan	329,821,499	389,113,683

Amount in Taka	
30-Jun-2023	30-Jun-2022

Limit amount : TK. 46,000,000
 Purpose : For acquisition 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

17.10 City Bank Ltd

Opening balance	408,409,934	438,600,447
Loan received during the year	-	-
Interest charged during the year	34,343,267	40,052,073
	442,753,201	478,652,520
Payment during the year	(104,846,736)	(70,242,586)
Closing balance	337,906,465	408,409,934
Current portion of term loan	33,790,647	40,840,993
Non-current portion of term loan	304,115,819	367,568,940

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

17.11 National Bank Limited

Opening balance	-	
Loan received during the year	1,002,593,805	
Interest charged during the year	5,764,914	
	1,008,358,719	
Payment during the year	-	
Closing balance	1,008,358,719	
Current portion of term loan	100,835,872	
Non-current portion of term loan	907,522,847	

Limit amount : TK. 1,002,593,805
 Purpose : Short term loan converted to long term loan
 Sanction date : 14 June, 2023
 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 : 5 Years

17.12 National Bank Limited

Opening balance	-	
Loan received during the year	78,434,426	
Interest charged during the year	450,998	
	78,885,423	
Payment during the year		
Closing balance	78,885,423	
Current portion of term loan	7,888,542	
Non-current portion of term loan	70,996,881	

Limit amount	:	TK. 78,434,426
Purpose	:	Short term loan converted to long term loan
Sanction date	:	14 June, 2023
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	:	5 Years

18.00 Trade and other payables

		Amount in Taka	
		30-Jun-2023	30-Jun-2022
Opening balance		368,007,016	310,907,921
Addition during the year		7,024,325,387	3,628,472,867
		7,392,332,403	3,939,380,788
Payment during the year		(7,041,560,806)	(3,571,373,772)
Other payable	(Note 18.01)		
Closing balance		350,771,597	368,007,016

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

Debts below 3 Months	284,124,994	224,484,280
Debts below 6 Months	66,646,603	143,522,736
	350,771,597	368,007,016

18.A Consolidated trade and other payables

Parent Company	350,771,597	368,007,016
Saleh Steel Industries Limited	302,586,426	238,050,229
Al-Falah Steel & Re-Rolling Mills Limited	292,333,146	291,374,017
Total	945,691,168	897,431,262

18.01 Other payable

Opening balance	379,182	379,182
Addition during the year	-	-
Payment during the year	379,182	379,182
Closing balance	379,182	379,182

19.00 Accrued expenses

Salary & wages	22,084,277	11,370,382
Electricity bill	86,127,783	73,246,010
Gas bill	125,905,947	73,553,327
Professional fees payable	1,014,000	1,014,000
	235,132,007	159,183,719

19.A Consolidated Accrued expenses

Parent Company	235,132,007	159,183,719
Saleh Steel Industries Limited	131,589,919	41,015,749
Al-Falah Steel & Re-Rolling Mills Limited	12,607,449	5,867,963
Total	379,329,375	206,067,431

20.00 Short term loan

Bank Overdraft	(Note-20.01)	798,464,665	2,862,148,692
Demand Loan (Bank Asia Limited)	(Note-20.02)	711,843,279	375,671,002
Short Term Loan (AB Bank Limited)	(Note-20.04)	1,113,902,130	-
Short Term Loan (United Commercial Bank Limited)	(Note-20.05)	802,137,497	-
Short Term Loan (Bank Asia Ltd, A/C 19065)	(Note-20.03)	29,946,409	37,251,532
		3,456,293,980	3,275,071,226

20.A Consolidated short term loan

Parent Company	3,456,293,980	3,275,071,226
Saleh Steel Industries Limited	1,866,210,527	1,654,017,146
Al-Falah Steel & Re-Rolling Mills Limited	512,361,871	298,223,995
Total	5,834,866,378	5,227,312,367

20.01 Bank Overdraft

Bank Asia Limited, Principal Office Branch -Overdraft
National Bank Ltd-Overdraft
Bank Asia Ltd.-SOD
National Bank Ltd CC Hypo-Cov
United Commercial Bank -Overdraft
Trust Bank Ltd.-SOD

460,340,122	460,358,869
-	2,006,496,389
163,767,154	163,403,754
-	78,455,240
20,456,871	-
153,900,519	153,434,440
798,464,665	2,862,148,692

20.02 Demand Loan (Bank Asia Limited)

Opening balance
Loan received during the year
Interest charged during the year

Payment during the year
Closing balance

375,671,002	361,996,492
1,989,273,009	1,959,273,134
70,967,910	75,245,949
2,435,911,921	2,396,515,575
(1,724,068,642)	(2,020,844,573)
711,843,279	375,671,002

Amount in Taka

30-Jun-2023	30-Jun-2022
29,946,409	37,251,532
29,946,409	37,251,532

20.03 Short Term Loan

Bank Asia Ltd, A/C 19065 (Note-20.03.01)

20.03.01 Bank Asia Ltd, A/C 19065

Opening balance
Loan received during the year
Interest charged during the year

Payment during the year
Closing balance

37,251,532	50,391,723
-	-
3,089,233	4,802,402
40,340,765	55,194,124
(10,394,356)	(17,942,592)
29,946,409	37,251,532

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

20.04 Short Term Loan (AB Bank Limited)

Opening balance
Loan received during the year
Interest charged during the year

-	
2,376,000,000	
62,255,471	
2,438,255,471	
(1,324,353,341)	
1,113,902,130	

Payment during the year
Closing balance

20.05 Short Term Loan (United Commercial Bank Limited)

Opening balance
Loan received during the year
Interest charged during the year

-	
914,154,000	
10,969,657	
925,123,657	
(122,986,160)	
802,137,497	

Payment during the year
Closing balance

21.00 Provision for WPPF and welfare fund

Opening balance
Contribution to WPPF and Welfare Fund
Interest applied @ 11.5%
Payment during the year
Received during year
Closing balance

128,768,433	83,277,994
3,438,208	35,913,469
14,808,370	9,576,969
(323,985)	-
-	-
146,691,026	128,768,433

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 Provision for WPPF & Welfare fund

Parent Company
Saleh Steel Industries Limited
Al-Falah Steel & Re-Rolling Mills Limited
Total

146,691,026	128,768,433
12,895,043	12,839,040
-	-
159,586,069	141,607,473

Consolidated Contribution to WPPF & Welfare fund

Parent Company	3,438,208	35,913,469
Saleh Steel Industries Limited	56,004	1,554,446
Al-Falah Steel & Re-Rolling Mills Limited		
Total	3,494,212	37,467,915

22.00 Leases

i. Right-of-use assets

Name of assets	Cost				Depreciation	Carrying amount
	As on 01 July 2022	Addition during the year	Disposal during the year	As on 30 June 2023	Depreciation	Carrying amount
Warehouse	2,790,039	-	-	2,790,039	2,790,039	0

ii. Lease liability maturity analysis

Lease liability non current	-	23,204,458
Lease liability current	2,723,285	6,544,847
	2,723,285	29,749,305

iii. Amount recognised in profit or loss

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

Factory Overhead	Note 26.04	2,511,035	18,666,133
Administrative Expenses	Note 27.00	279,004	2,074,015
		2,790,039	20,740,148

Amount in Taka

30-Jun-2023	30-Jun-2022
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22.A Consolidated Leases

Parent Company	2,723,285	29,749,305
Saleh Steel Industries Limited	-	-
Al-Falah Steel & Re-Rolling Mills Limited	-	-
	2,723,285	29,749,305

Consolidated Lease liability maturity analysis

Consolidated Lease liability non current	2,723,285	23,204,458
Consolidated Lease liability current portion	-	6,544,847
	2,723,285	29,749,305

23.0 Dividend Payable

Opening Balance	13,034,919	8,068,678
Dividend Declared	39,506,249	35,849,752
	52,541,167	43,918,430
Dividend Paid	(37,089,259)	(36,044,764)
Closing Balance	15,451,908	7,873,666
TDS on Dividend Payable	5,195,636	5,161,252
Total dividend payable	20,647,545	13,034,919

23.1 TDS on Dividend Payable

Opening Balance	8,486,865	3,325,613
During the year	5,325,636	5,661,252
	13,812,501	8,986,865
Payment during the year	(130,000)	(500,000)
Closing Balance	13,682,501	8,486,865

23.A Consolidated Dividend Payable

Parent Company	20,647,545	-
Saleh Steel Industries Limited	-	-
Al-Falah Steel & Re-Rolling Mills Limited	-	-
	20,647,545	-

24.0 Provision for income tax

Opening balance	728,975,301	546,123,325
Provision made during the year	51,012,344	160,311,976
Adjustment for FY 2020-2021	-	22,540,000
	779,987,645	728,975,301
Payment/adjustment during the year	(11,495,991)	
Closing balance	768,491,654	728,975,301

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

24.A Consolidated provision for income tax

Parent Company	768,491,654	728,975,301
Saleh Steel Industries Limited	80,422,684	80,069,862
Al-Falah Steel & Re-Rolling Mills Limited	6,433,098	7,177,649
Total	855,347,436	816,222,812

Consolidated income tax expense

Parent Company	51,012,344	160,311,976
Saleh Steel Industries Limited	352,822	8,976,927
Al-Falah Steel & Re-Rolling Mills Limited	2,654,997	6,027,382
Total	54,020,163	175,316,285

Amount in Taka

2022-2023	2021-2022
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25.0 Revenue

Sales	8,430,361,281	5,069,272,872
Less: VAT	49,464,865	28,474,140
Total	8,380,896,416	5,040,798,732

25.A Consolidated revenue(Net of VAT)

Parent Company	8,380,896,416	5,040,798,732
Saleh Steel Industries Limited	3,440,961,976	2,221,443,395
Al-Falah Steel & Re-Rolling Mills Limited	3,040,915,740	377,728,371
Total	14,862,774,132	7,639,970,498

26.00 Cost of goods sold

Raw materials consumed	6,129,179,302	2,542,499,946
Carriage inwards	2,848,345	3,228,795
Salary, wages and allowances	147,927,843	112,770,396
Factory overhead (Note 26.04)	1,093,397,968	546,880,968
Cost of Production	7,373,353,458	3,205,380,105

Opening work-in-process	82,655,819	98,457,222
Closing work-in-process	(83,486,225)	(82,655,819)

Cost of goods manufactured	7,372,523,052	3,221,181,508
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Opening finished goods	32,336,545	471,125,366
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Cost of goods available for sale	7,404,859,597	3,692,306,874
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Closing finished goods	(51,266,300)	(32,336,545)
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Total	7,353,593,297	3,659,970,329
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26.A Consolidated cost of goods sold

Parent Company	7,353,593,297	3,659,970,329
Saleh Steel Industries Limited	3,059,102,426	2,079,496,862
Al-Falah Steel & Re-Rolling Mills Limited	2,899,477,158	253,396,042
Total	13,312,172,882	5,992,863,233

26.01 Raw materials (scrap) consumed

Opening inventory	2,029,161,996	996,332,685
Purchase during the year	6,908,844,277	3,517,699,701
Total materials available	8,938,006,273	4,514,032,386
Closing Inventory	(2,982,244,662)	(2,029,161,996)
Total	5,955,761,611	2,484,870,390

26.02 Raw materials (billet) consumed

Purchase during the year	-	-
Total	-	-

26.03 Raw materials (chemicals) consumed

Opening inventory	142,361,826	74,961,840
Purchase during the year	222,421,085	125,029,543
Total materials available	364,782,911	199,991,383
Closing Inventory	(191,365,220)	(142,361,826)
Total	173,417,691	57,629,556

26.04 Factory overheads

Depreciation	107,586,706	121,480,468
Insurance premium	1,323,669	1,428,000
Gas Bill	306,157,612	194,938,828
Electricity	400,502,206	135,058,537
Fuel & lubricants	20,255,628	14,168,886
Repair & maintenance	26,057,075	16,726,620
Stores & spare parts consumed (Note 26.05)	199,627,192	43,805,044
Cylinder gas & oxygen	5,415,865	3,777,950
Labour charges	26,472,016	15,496,634
	1,093,397,968	546,880,968

26.05 Stores & spare parts consumed

Opening inventory	247,296,545	160,635,524
Purchase during the year	204,318,310	130,466,065
Total spare parts available	451,614,855	291,101,589
Closing inventory	(251,987,663)	(247,296,545)
	199,627,192	43,805,044

27.00 Administrative expenses

Salaries & wages	67,800,665	50,145,860
Car maintenance	3,507,495	2,331,865
Conveyance & allowances	930,345	1,006,049
Postage & couriers	402,547	89,445
Renewal & registration	459,903	727,125
Rent, Rates & Taxes	2,000,000	4,284,487
Legal fees & other professional charges	4,542,008	4,280,254
Printing & stationery	1,946,125	616,195
Audit fee	700,000	700,000
Entertainment	3,784,849	2,150,804
Telephone & communication	2,020,621	1,715,490
Traveling & conveyance	1,168,415	562,072
Business promotion	19,666,061	12,874,566
Office maintenance	14,093,058	6,632,297
Bank Charges	10,341,378	4,793,262
Depreciation - (Annexure-A)	11,954,078	13,497,830
	145,317,548	106,407,601

27.A Consolidated Administrative expenses

Parent Company	145,317,548	106,407,601
Saleh Steel Industries Limited	41,398,517	50,653,369
Al-Falah Steel & Re-Rolling Mills Limited	35,242,146	2,585,744
Total	221,958,211	159,646,714

Amount in Taka

2022-2023	2021-2022
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28.00 Selling and distribution expenses

Advertisement	4,986,222	4,764,540
Travelling & conveyance	2,198,742	1,923,217
Discount & commission	149,736	925,569
Salary & allowances	46,989,396	37,212,029
Entertainment	1,732,933	1,011,847
Labour Fees	9,155,283	11,756,837
Truck maintenance & delivery expenses	42,612,169	19,060,963
	107,824,481	76,655,002

28.A Consolidated selling and distribution expenses

Parent Company	107,824,481	76,655,002
Saleh Steel Industries Limited	1,272,820	20,532,215
Al-Falah Steel & Re-Rolling Mills Limited	-	-
Total	109,097,301	97,187,217

29.00 Financial expenses

Bank and other Interest	773,654,698	478,108,269
	773,654,698	478,108,269

29.A Consolidated financial expenses

Parent Company	773,654,698	478,108,269
Saleh Steel Industries Limited	345,664,680	38,749,720
Al-Falah Steel & Re-Rolling Mills Limited	97,464,142	99,999,725
Total	1,216,783,519	616,857,714

30.00 Other income

Income from wastage sales	21,525,591	8,428,041
Interest on short notice deposit	4,377,765	822,179
Interest on Fixed Deposit Receipt	45,792,631	25,275,104
	71,695,986	34,525,324

30.A Consolidated Other Income

Parent Company	71,695,986	34,525,324
Saleh Steel Industries Limited	7,652,542	632,140
Al-Falah Steel & Re-Rolling Mills Limited	117,698	170,894
Total	79,466,226	35,328,358

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	10,754,278	577,238,046
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Earning Per Share (EPS)	0.03	1.76

b) Earning Per Share (EPS)-Adjusted

Earning attributable to the ordinary shareholders	10,754,278	577,238,046
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Earning Per Share (EPS)-Adjusted	0.03	1.76

31.02 Net asset value per share (NAV) without valuation

a) Net assets value per share

Total assets	14,379,791,173	13,275,398,340
Liabilities	(8,567,978,073)	(7,437,573,553)
Net Asset Value (NAV)	5,811,813,101	5,837,824,787
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share before revaluation	17.68	17.76

Amount in Taka

30-Jun-2023	30-Jun-2022
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31.02A Consolidated Net asset value per share (NAV) without valuation

a) Net assets value per share

Total assets	19,438,365,286	17,852,647,963
Liabilities	(12,374,071,399)	(10,815,275,521)
Net Asset Value (NAV)	7,064,293,887	7,037,372,442
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share before revaluation	21.50	21.41

b) Net assets value per share before revaluation-Adjusted

Total assets	14,379,791,173	13,275,398,340
Liabilities	(8,567,978,073)	(7,437,573,553)
Net Asset Value (NAV)	5,811,813,101	5,837,824,787
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
	17.68	17.76

31.03 Net asset value per share (NAV) with valuation
a) Net assets value per share

Total assets	15,060,664,873	13,964,337,960
Liabilities	(8,567,978,073)	(7,437,573,553)
Net Asset Value (NAV)	6,492,686,801	6,526,764,407
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share after revaluation	19.76	19.86

b) Net assets value per share after revaluation-Adjusted

Total assets	15,060,664,873	13,964,337,960
Liabilities	(8,567,978,073)	(7,437,573,553)
Net Asset Value (NAV)	6,492,686,801	6,526,764,407
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share after revaluation	19.76	19.86

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

Total assets	20,258,372,302	18,718,319,939
Liabilities	(12,374,071,399)	(10,815,275,521)
Net Asset Value (NAV)	7,884,300,903	7,903,044,417
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share after revaluation	23.99	24.05

b) Net assets value per share after revaluation-Adjusted

Total assets	20,258,372,302	18,718,319,939
Liabilities	(12,374,071,399)	(10,815,275,521)
Net Asset Value (NAV)	7,884,300,903	7,903,044,417
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net assets value per share after revaluation	23.99	24.05

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

Net operating cash flows (from statement of cash flows)	(523,549,009)	(480,275,226)
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net operating cash flows per share	(1.59)	(1.46)

b) Net operating cash flows per share-Adjusted

Net operating cash flows (from statement of cash flows)	(523,549,009)	(480,275,226)
Number of ordinary shares outstanding as on 30 June 2023	328,633,200	328,633,200
Net operating cash flows per share	(1.59)	(1.46)

31.05 Cash flow reconciliation

Profit before income tax	68,764,170	718,269,386
Depreciation - (Annexure-A)	119,540,784	134,978,298
Increase in Inventory	(1,026,537,338)	(732,300,095)
Increase in Trade and other receivable	(193,575,143)	(768,400,812)
Increase in Advance, deposits and prepayment	(267,836,339)	(434,852,449)
Decrease in Trade and other payable	(17,235,419)	57,099,095
Decrease in Accrued expenses	75,948,287	67,133,739
Income tax paid	(59,386,933)	(36,224,126)
Finance expenses	773,654,698	478,108,269
Contribution to WPPF and welfare fund	3,438,208	35,913,469
Payment of WPPF and welfare fund	(323,985)	-
Net cash inflow/(outflow) from operating activities	(523,549,009)	(480,275,227)

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 2023

32.02 Capital expenditure commitment

There was no capital expenditure commitment or contract as at 30 June 2023. There was no material capital expenditure authorized by the Board but not contracted for as at 30 June 2023.

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 2023 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 2023, 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	7	7
2	Hasna Opgen Haffen	Managing Director	7	7
3	N J Holdings Ltd. Represented Sayeed Rezaraj Ahmmad	Nominee Director	7	7
4	Md. Abu Zafer	Independent Director	7	7
5	Mr. Sadad Rahman	Independent Director	7	7

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 Information

1. Saleh Steel Industries Limited
2. Al-Falah Steel & Re-Rolling Mills Limited
3. Fu Wang Ceramic Industry Limited
4. Oimex Electrode Limited

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 2023.

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 Sayeed Rezaraj Ahmmad	Nominee Director	None
4	Md. Abu Zafer	Independent Director	None
5	Mr. Sadad Rahman	Independent Director	None

32.07 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 2022 to 30 June 2023

Particulars	Opening Balance	Purchase during the year	Raw materials available for use	Closing Balance	Consumed	% of Consumption
Raw materials	2,171,523,822	7,131,265,362	9,302,789,184	3,173,609,882	6,129,179,302	65.89%
Spare parts	247,296,545	204,318,310	451,614,855	251,987,663	199,627,192	44.20%
Total	2,418,820,367	7,335,583,672	9,754,404,039	3,425,597,545	6,328,806,494	

Raw material includes scrap and chemicals

For the year from 01 July 2021 to 30 June 2022

Particulars	Opening Balance	Purchase during the year	Raw materials available for use	Closing Balance	Consumed	% of Consumption
Raw materials	1,071,294,525	3,642,729,244	4,714,023,769	2,171,523,822	2,542,499,946	53.93%
Spare parts	160,635,524	130,466,065	291,101,589	247,296,545	43,805,044	15.05%
Total	1,231,930,049	3,773,195,309	5,005,125,358	2,418,820,367	2,586,304,990	

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 2023.

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 2022 to 30 June 2023;

32.08 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

32.09 Events after the reporting year

i) The Board of Directors of the Company in its meeting held on 15 November 2023 approved the financial statements of the Company for the year ended 30 June 2023 and authorized the same for issue. The Board of Directors also recommended 02% cash (Except Sponsor Directors and Shareholders-only for general shareholders) for the year ended 30 June 2023 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.

Amount in Taka	
30-Jun-2023	30-Jun-2022

33.A Goodwill

The goodwill for the year ended 30 June 2023 are as follows

- Saleh Steel Industries Limited
- Al-Falah Steel & Re-Rolling Mills Limited (33.01)

100,363,837	100,363,837
-	-
100,363,837	100,363,837

33.01 Goodwill arises from acquisition of Al-Falah Steel & Re-Rolling Mills Limited

- Consideration transfer
- Non controlling interest
- Fair value of previous equity interests
- Fair value of identifiable net assets

0.00	874,600,000
-	8,834,343
-	-
-	883,434,343
0.00	0

Goodwill

- Acquirer : S. S. Steel Limited
- Acquiree : Al-Falah Steel & Rolling Mills Limited
- Date of acquisition : 5th March 2022
- Percentage of rights : 99% voting rights
- Type of consideration : Cash
- Non controlling interest : 1%



Managing Director



Chairman



Chief Financial Officer



Independent Director

Schedule of Property, Plant & Equipments
For the year ended 30 June 2023

Particulars	Cost		Dep. Rate (%)	Depreciation		Written Down Value as on 30.06.2023	Written Down Value as on 30.06.2022
	Opening Balance as on 01.07.2022	Addition during the year		Opening Balance as on 01.07.2022	Charge during the year		
Land and Land Development:	190,227,687	-	-	-	-	190,227,687	190,227,687
Land & land developments	190,227,687	-	-	-	-	190,227,687	190,227,687
Building:	919,597,408	3,550,000		34,251,463	323,104,452	600,042,956	630,744,419
Factory Building	474,642,292	-	5%	16,148,374	167,823,194	306,819,098	322,967,471
Right of Use of Asset	73,777,653	-	5%	2,790,039	73,777,653	0	2,790,039
Office Building	371,177,463	3,550,000	5%	15,313,050	81,503,605	293,223,858	304,986,909
Plant & Machinery:	963,909,766	13,065,407		37,993,859	373,331,636	603,643,537	628,571,989
Plant & Machinery	963,909,766	13,065,407	6%	37,993,859	373,331,636	603,643,537	628,571,989
Equipment & Appliance:	789,192,707	621,180		30,900,821	352,618,135	437,195,752	467,475,393
Electric Equipments	20,798,715	411,180	10%	1,033,236	11,591,868	9,618,027	10,240,083
Electric & Gas Installation	24,363,600	-	10%	1,037,799	15,023,411	9,340,189	10,377,988
Crane, Forklift	77,778,712	-	10%	5,039,050	32,427,263	45,351,449	50,390,499
Transformer	2,462,400	210,000	6%	48,704	1,744,822	927,578	766,282
Gas Generator	663,789,280	-	6%	23,742,032	291,830,771	371,958,509	395,700,541
Others Assets:	149,657,298	11,418,742		8,328,721	96,359,923	64,716,117	61,626,096
Furniture & Fixtures	2,423,722	843,960	10%	155,464	1,397,439	1,870,243	1,181,747
Office equipments	3,979,603	-	10%	112,863	2,963,832	1,015,771	1,128,634
Motor vehicles	98,302,853	8,115,000	10%	5,133,415	54,272,797	52,145,056	49,163,471
Computer Software	44,951,120	2,459,782	25%	2,926,979	37,725,855	9,685,047	10,152,244
As on 30 June 2022	3,012,584,866	28,655,329		111,474,865	1,145,414,146	1,895,826,049	1,978,645,585
Revaluation Surplus :	912,406,652	-		8,065,919	98,737,844	813,668,807	821,734,726
Land & Land Development	673,134,818	-	-	-	-	673,134,818	673,134,818
Factory Building	115,642,067	-	5%	4,250,377	34,884,898	80,757,170	85,007,547
Plant & Machinery	123,629,766	-	6%	3,815,542	63,852,947	59,776,819	63,592,361
As on 30 June 2023	3,924,991,517	28,655,329		119,540,784	1,244,151,990	2,709,494,857	2,800,380,312
As on 30 June 2022	3,685,142,326	239,849,192		134,978,298	1,124,611,206	2,800,380,312	-
30-Jun-2023	Taka	30-Jun-2022					
		Taka					
Factory Overhead - Note 21.04	107,586,706	121,480,468					
Administrative Expenses - Note 22.00	11,954,078	13,497,830					
	119,540,784	134,978,298					

Depreciation Allocated to:
Factory Overhead - Note 21.04
Administrative Expenses - Note 22.00

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

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





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 22nd Annual General Meeting of the Company to be held on Sunday, 31st December, 2023 at 02:00 pm and/or/ at Digital Platform through link <https://sssteel.bdvirtualagm.com> and any adjournment thereof. As witness my hand this..... day of2023.

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 22nd Annual General Meeting of the Company to be held Sunday, 31st December, 2023 at 02:00 pm at Digital Platform through link <https://sssteel.bdvirtualagm.com>





Name of Shareholder	<input type="text"/>
Number of Shares	<input type="text"/>
Folio No.	<input type="text"/>
BO ID No.	<input type="text"/>
Name of the Proxy (if any)	<input type="text"/>

Signature of Shareholder/Proxy _____

Signature verified by _____

NB: Please present this slip at the registration counter on or before 01:00 pm on the AGM date



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