

1-6-16

**Bangla Steel & Mining Co. Ltd**

Report and financial statements as at and  
for the year ended 31 March 2016



**Rahman Rahman Huq**  
**Chartered Accountants**  
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**Independent auditor's report  
to the shareholders of Bangla Steel & Mining Co. Ltd**

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**Report on the financial statements**

We have audited the accompanying financial statements of Bangla Steel & Mining Co. Ltd (the 'Company'), which comprise the statement of financial position as at 31 March 2016 and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

*Management's responsibility for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs) and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BAS). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Bangla Steel & Mining Co. Ltd as at 31 March 2016, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.



**Rahman Rahman Huq**  
Chartered Accountants

**Report on other legal and regulatory requirements**

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

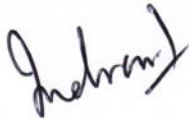
Dhaka, 01 JUN 2016

Bangla Steel & Mining Co. Ltd

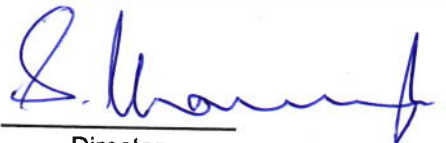
Statement of financial position

<i>In Taka</i>	<i>Note</i>	31 March 2016	31 March 2015
<b>Assets</b>			
<b>Non-current asset</b>			
Advance		-	-
Cash and cash equivalents	3	50,000	50,000
<b>Current assets</b>		<b>339,386</b>	<b>341,036</b>
<b>Total assets</b>		<b>389,386</b>	<b>391,036</b>
<b>Equity</b>			
Share capital	4	1,000,000	1,000,000
Retained earnings		(792,668)	(771,180)
<b>Equity attributable to owners of the Company</b>		<b>207,332</b>	<b>228,820</b>
<b>Total equity</b>		<b>207,332</b>	<b>228,820</b>
<b>Liabilities</b>			
Intercompany payable	5	119,540	119,540
<b>Non-current liabilities</b>		<b>119,540</b>	<b>119,540</b>
Provision for expenses	6	62,514	42,676
<b>Current liabilities</b>		<b>62,514</b>	<b>42,676</b>
<b>Total liabilities</b>		<b>182,054</b>	<b>162,216</b>
<b>Total equity and liabilities</b>		<b>389,386</b>	<b>391,036</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

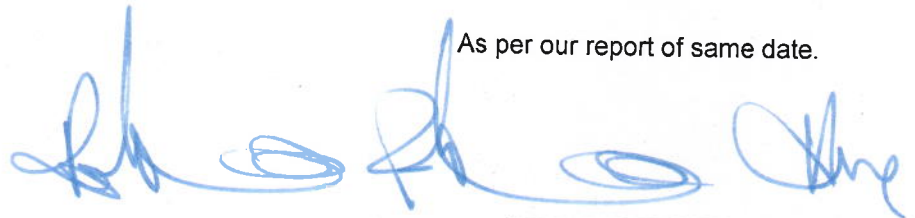


Director



Director

As per our report of same date.



Auditor

Dhaka, 01 JUN 2016



Rahman Rahman Huq  
Chartered Accountants

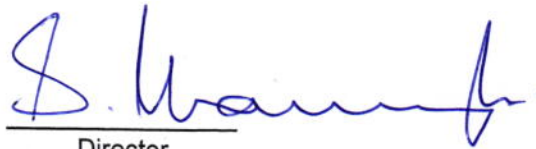
## Statement of profit or loss and other comprehensive income

In Taka	Note	For the year ended 31 March	
		2016	2015
Revenue		-	-
Operating expenses	7	(21,488)	(24,338)
<b>Operating profit</b>		<b>(21,488)</b>	<b>(24,338)</b>
<b>Profit before income tax</b>		<b>(21,488)</b>	<b>(24,338)</b>
Income tax expense		-	-
<b>Net Loss for the year</b>		<b>(21,488)</b>	<b>(24,338)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(21,488)</b>	<b>(24,338)</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

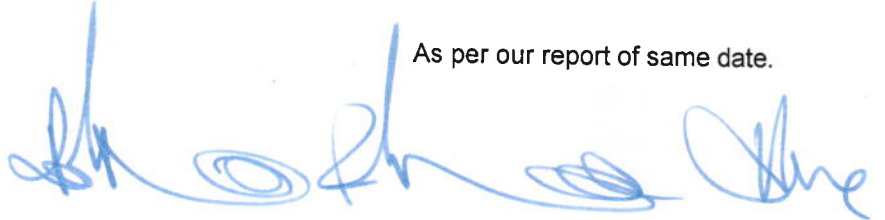


Director



Director

As per our report of same date.



Auditor

Dhaka, 01 JUN 2016



Rahman Rahman Huq  
Chartered Accountants



Bangla Steel & Mining Co. Ltd

		<b>Statement of cash flows</b>	
		For the year ended 31 March	
<i>In Taka</i>	<i>Note</i>	2016	2015
<b>Cash flows from operating activities</b>			
Loss for the year		(21,488)	(24,338)
		(21,488)	(24,338)
Changes in:			
- Provision for expenses		19,838	22,838
Cash generated from operating activities		(1,650)	(1,500)
<b>Net cash from operating activities</b>		-	-
<b>Net cash used in financing activities</b>		-	-
<b>Net decrease in cash and cash equivalents</b>		(1,650)	(1,500)
Cash and cash equivalents at 1 April		341,036	342,536
<b>Cash and cash equivalents at 31 March</b>	3	339,386	341,036





Bangla Steel & Mining Co. Ltd

		Statement of cash flows	
		For the year ended 31 March	
<i>In Taka</i>	<i>Note</i>	2016	2015
<b>Cash flows from operating activities</b>			
Loss for the year		(21,488)	(24,338)
		(21,488)	(24,338)
Changes in:			
- Provision for expenses		19,838	22,838
Cash generated from operating activities		(1,650)	(1,500)
<b>Net cash from operating activities</b>		-	-
<b>Net cash used in financing activities</b>		-	-
<b>Net decrease in cash and cash equivalents</b>		(1,650)	(1,500)
Cash and cash equivalents at 1 April		341,036	342,536
<b>Cash and cash equivalents at 31 March</b>	3	339,386	341,036





**1 Reporting entity**

Bangla Steel & Mining Co. Ltd. was incorporated in Bangladesh as a private company limited by shares on 30 November 2005. The primary objective of the company is to carry on the trades or businesses of ironmasters, steel makers, steel converters, manufacturers of ferro-manganese, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin plate makers and iron founders.

The company was not operational during the period under review and is not expected to be operational in the future.

**2 Basis of preparation****2.1 Statement of compliance**

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and as per the requirements of the Companies Act 1994 subject to above operational plan.

The title and format of financial statements follow the requirements of BFRS which are to some extent different from the requirement of Companies Act 1994; however, such differences are not material and in the view of management, BFRS format gives a better presentation to the shareholders.

**2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**2.3 Functional and presentational currency**

These financial statements are prepared in Bangladesh Taka (Taka/Tk), which is the Company's functional currency.

**2.4 Reporting period**

These financial statements cover the year ended 31 March 2016.

**3 Cash and cash equivalents**

<i>In Taka</i>	<b>2016</b>	<b>2015</b>
Cash in hand	328.00	328.00
Cash at bank:		
Standard Chartered Bank	<b>339,058</b>	340,708
	<b>339,058</b>	340,708
<b>Cash and cash equivalents in the statement of financial position</b>	<b>339,386</b>	341,036
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>339,386</b>	341,036



#### 4 Share capital

<i>In Taka</i>	Ordinary shares	
	2016	2015
In issue at 1 April (10,000 shares @ Taka 100)	1,000,000	1,000,000
<b>In issue at 31 March - fully paid (10,000 shares @ Taka 100)</b>	<b>1,000,000</b>	<b>1,000,000</b>
Authorised 10,000 shares per value Taka 100	1,000,000	1,000,000

All ordinary shares rank equally with regard to the Company's residual assets.

The share holdings were as follows:

	No. of shares		Percentage	
	2016	2015	2016	2015
<b>Shareholders:</b>				
Tata Steel Limited	9,998	9,998	99.98%	99.98%
Mr. S. Manzer Hussain	1	1	0.01%	0.01%
Mr. Indronil Sengupta	1	1	0.01%	0.01%
	<b>10,000</b>	<b>10,000</b>	<b>100.00%</b>	<b>100.00%</b>

#### 5 Intercompany payable

<i>In Taka</i>	2016	2015
Tata Steel Limited	119,540	119,540
	<b>119,540</b>	<b>119,540</b>

#### 6 Provision for expenses

<i>In Taka</i>	2016	2015
Audit fee	51,750	34,500
VAT on audit fee	7,764	5,176
Courier charges	3,000	3,000
	<b>62,514</b>	<b>42,676</b>

#### 7 Operating expenses

<i>In Taka</i>	2016	2015
Audit fees	19,838	19,838
Courier charges	-	3,000
Bank charges	1,150	1,150
Excise duty	500	350
	<b>21,488</b>	<b>24,338</b>

#### 8 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### 8.1 Statement of cash flows

Cash flow from operating activities have been prepared and presented under the indirect method in accordance with the requirements of BAS 7: *Cash flow statement*.



## 8.2 Foreign currency transactions

Transactions in foreign currencies are recorded in the books at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the reporting date are translated into Bangladesh taka at the rate of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss as per BAS 21: *The Effects of Changes in Foreign Exchange Rates*.

## 9 Events after the reporting period

Events after the reporting date that provide additional information about the company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

There is no material events that had occurred after the reporting date to the date of issue of financial statement which could effect the figures stated in the accounts.

## 10 General

10.1 The amounts in these financial statements have been rounded off to the nearest Taka.

10.2 Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation.

