

Bangla Steel & Mining Co. Ltd.

Report and financial statements prepared
as per Bangladesh Accounting Standards
as at and for the year ended 31st March 2015

**Auditors' Report
to the management of
Bangla Steel & Mining Co. Ltd.**

We have carried out a limited review of the accompanying balance sheet of Bangla Steel & Mining Co. Ltd. as at 31st March 2015 and the related profit and loss account, statement of changes in equity and cash flow statement for the year ended 31st March 2015. These financial statements are the responsibility of the company's management. Our responsibility is to express an independent opinion on these financial statements based on our review.

We conducted our review in accordance with procedures for Review Engagements that we considered appropriate. These procedures require that we plan and perform the review to obtain moderate assurance whether the financial statements are free of material misstatement. A review is limited primarily to enquires of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit which is performed in accordance with Bangladesh Standards on Auditing for the purpose of expressing an opinion on the financial statements. Therefore we do not express an audit opinion.

Based on our review of the financial statements for the yera ended 31st March 2015, nothing has come to our attention that cause us to believe that material or significant modifications should be made to the financial statements to conform with Bangladesh Accounting Standards.

Dhaka,

Bangla Steel & Mining Co. Ltd.

Balance Sheet as at 31st March 2015

| Sources of Fund: | <u>Notes</u> | <u>31st March 2015</u> <u>Taka</u> | <u>31st March 2014</u> <u>Taka</u> |
|---------------------------------|--------------|---------------------------------------|---------------------------------------|
| Shareholders' fund: | | | |
| Share capital | 3 | 1,000,000 | 1,000,000 |
| Retained earnings/(loss) | | <u>(771,180)</u> | <u>(746,842)</u> |
| | | <u><u>228,820</u></u> | <u><u>253,158</u></u> |
| Application of Fund: | | | |
| Current assets: | | | |
| Cash and cash equivalent | 4 | 341,036 | 342,536 |
| Advance | 5 | 50,000 | 50,000 |
| Current liabilities | 6 | (42,676) | (19,838) |
| Intercompany payable | 7 | <u>(119,540)</u> | <u>(119,540)</u> |
| | | <u><u>228,820</u></u> | <u><u>253,158</u></u> |
| | | - | - |

The annexed notes 1 to 9 form an integral part of these financial statements.

Director

Director

As per our report of same date.

Director

Bangla Steel & Mining Co. Ltd.

**Profit and Loss Account
for the year ended 31st March 2015**

| | <u>Notes</u> | <u>31st March 2015</u> | <u>31st March 2014</u> |
|---|--------------|------------------------|------------------------|
| | | <u>Taka</u> | <u>Taka</u> |
| Revenue | | - | - |
| Expenditure: | | | |
| Pre-operating expenses | 8 | <u>24,338.00</u> | <u>23,188.00</u> |
| | | <u>24,338.00</u> | <u>23,188.00</u> |
| Net profit/(loss) before tax | | (24,338.00) | (23,188.00) |
| Income tax expense | | - | - |
| Net profit/(loss) for the period | | <u>(24,338.00)</u> | <u>(23,188.00)</u> |

The annexed notes 1 to 9 form an integral part of these financial statements.

Director

Director

Dhaka,

Bangla Steel & Mining Co. Ltd.

Statement of changes in equity for the year ended 31st March 2015

| | <u>Share capital</u> <u>Taka</u> | <u>Retained</u> <u>earnings/(loss)</u> <u>Taka</u> | <u>Total</u> <u>Taka</u> |
|---|-------------------------------------|--|-----------------------------|
| Balance as at 01st April 2013 | 1,000,000 | (723,654) | 276,346 |
| Net profit/(loss) for the year ended 31st March 2014 | - | (23,188) | (23,188) |
| Balance as at 31st March 2014 | <u>1,000,000</u> | <u>(746,842)</u> | <u>253,158</u> |
| Net profit/(loss) for the year ended 31st March 2015 | - | (24,338) | (24,338) |
| Balance as at 31st March 2015 | <u><u>1,000,000</u></u> | <u><u>(771,180)</u></u> | <u><u>228,820</u></u> |

Bangla Steel & Mining Co. Ltd.

**Cash flow statement
for the year ended 31st March 2015**

| | Period ended <u>31st March 2015</u> <u>Taka</u> | Period ended <u>31st March 2014</u> <u>Taka</u> |
|--|--|--|
| A. Cash flows from pre-operating activities: | | |
| Net profit/(loss) before tax | (24,338.00) | (23,188.00) |
| Changes in operating assets and liabilities: | | |
| (Increase)/decrease in current assets | - | - |
| Increase/(decrease) in current liabilities | 22,838.00 | - |
| | <u>(1,500.00)</u> | <u>(23,188.00)</u> |
| B. Cash flows from investing activities | <u>-</u> | <u>-</u> |
| C. Cash flows from financing activities | <u>-</u> | <u>-</u> |
| D. Net increase in cash and bank balances (A+B+C) | (1,500.00) | (23,188.00) |
| E. Opening cash and bank balances | 342,536.00 | 365,724.00 |
| F. Closing cash and bank balances (D+E) | <u>341,036.00</u> | <u>342,536.00</u> |
| | 341,036.00 | 342,536.00 |
| | - | - |

Bangla Steel & Mining Co. Ltd.
Notes to the Financial Statements
for the year ended 31st March 2015

1. Company profile

1.1 Background of the company

Bangla Steel & Mining Co. Ltd. was incorporated in Bangladesh as a private company limited by shares on 30 November 2005.

1.2 Nature of business

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.

2. Significant accounting policies

2.1 Basis of accounting

The financial statements have been prepared in accordance with Bangladesh Accounting Standards.

2.2 Foreign currency

Foreign currency transactions are translated into Bangladesh Taka at the rates ruling on the transaction dates. Monetary assets and liabilities at the balance sheet date are reconverted at the rates prevailing on that date. Differences arising on conversion are charged/credited to profit and loss accounts.

3. Share capital

| | <u>31st March 2015</u> | <u>31st March 2014</u> | | |
|---------------------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | <u>Taka</u> | <u>Taka</u> | | |
| Authorised capital: | | | | |
| 10,000 ordinary shares of Tk 100 each | <u>1,000,000.00</u> | <u>1,000,000.00</u> | | |
| Issued and paid up capital: | | | | |
| 10,000 ordinary shares of Tk 100 each | <u>1,000,000.00</u> | <u>1,000,000.00</u> | | |
| Shareholding position as at : | <u>31st March 2015</u> | <u>31st March 2014</u> | | |
| <u>Name of shareholder</u> | <u>No. of Shares</u> | <u>Value (Taka)</u> | <u>No. of Shares</u> | <u>Value (Taka)</u> |
| Kalimati Investment Company Limited | 9,998 | 999,800.00 | 9,998 | 999,800.00 |
| Mr. S. Manzer Hussain | 1 | 100.00 | 1 | 100.00 |
| Mr. Indronil Sengupta | 1 | 100.00 | 1 | 100.00 |
| | <u>10,000</u> | <u>1,000,000.00</u> | <u>10,000</u> | <u>1,000,000.00</u> |

4. Cash and cash equivalent

| | <u>31st March 2015</u> Taka | <u>31st March 2014</u> Taka |
|---|--------------------------------|--------------------------------|
| Cash in hand | 328.00 | 328.00 |
| Cash at bank Standard Chartered Bank | <u>340,708.00</u> | <u>342,208.00</u> |
| | <u><u>341,036.00</u></u> | <u><u>342,536.00</u></u> |

5. Advance

| | | |
|---|-------------------------|-------------------------|
| Advance to Rahman Rahman Huq, Chartered Accountants | <u>50,000.00</u> | <u>50,000.00</u> |
| | <u><u>50,000.00</u></u> | <u><u>50,000.00</u></u> |

6. Current liability

| | | |
|------------------|------------------|------------------|
| Audit fee | 34,500.00 | 17,250.00 |
| VAT on audit fee | 5,176.00 | 2,588.00 |
| Coureur Charges | 3,000.00 | |
| | <u>42,676.00</u> | <u>19,838.00</u> |

7. Intercompany payable

| | | |
|--------------------|-------------------|-------------------|
| Tata Steel Limited | <u>119,540.00</u> | <u>119,540.00</u> |
|--------------------|-------------------|-------------------|

8. Pre-operating expenses

| | <u>31st March 2015</u> Taka | <u>31st March 2014</u> Taka |
|------------------|--------------------------------|--------------------------------|
| Audit fees | 17,250.00 | 17,250.00 |
| Coureur Charges | 3,000.00 | 3,000.00 |
| VAT on audit fee | 2,588.00 | 2,588.00 |
| Bank Charges | 1,150.00 | - |
| Excise Duty | 350.00 | 350.00 |
| | <u>24,338.00</u> | <u>23,188.00</u> |

9. General

Figures have been rounded off to the nearest taka.