Annual Report
2018-19

The Late Awakening



RANI MARKA

APPOLLO ISPAT COMPLEX LTD.

SHIELDING THE FUTURE

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PERFORMANCE AT A GLANCE



Letter of Transmittal



The valued all Shareholders of
APPOLLO ISPAT COMPLEX LTD.
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Sub: Annual Report for the year ended June 30th, 2019

Dear Sir(s),
We are pleased to enclose a copy of the Annual Report of APPOLLO ISPAT COMPLEX LTD. together with the Director's Report, Audited Financial Statements including Balance Sheet as on 30th June 2019, Cashflow Statement, Statement of Changes in Equity for the year ended June 30th, 2019 and Auditor's Report thereon for your kind information and record.

Yours sincerely,

SK. Abul Hassan
Company Secretary
APPOLLO ISPAT COMPLEX LTD.

NOTICE OF THE 25TH ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the shareholders of Appollo Ispat Complex Ltd. will be held on Thursday, December 19th, 2019 at 3:00pm at Factory Premises-Shimrail, Siddhirganj, Narayanganj to transact the following business:

A G E N D A

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30th June 2019 together with the Director's Report and the Auditor's report thereon.
2. To elect/re-elect the Directors of the company.
4. To appoint the Auditors of the company for the year 2019-2020 and fix their remuneration.
5. To approve the appointment of Managing Director.
6. To appoint Compliance Auditor for the year ending 30 June 2020 and to fix their remuneration.
7. To appoint Independent Director.

By order of the Board

Dated: December 19, 2019



SK. Abul Hassan
Company Secretary
(Current Charge)

Notes:

- Shareholders whose names appear on the share register of the company or in the depository register on the Record Date, i.e. 4th December 2024, will be entitled to attend the AGM and receive the dividend.
- A Shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies in his/her stead and forms of proxy must be lodged at the company's factory premises Shimrail, Siddhirganj, Narayanganj.

Special Note: In compliance with the Bangladesh Securities and Exchange Commission's direction, No Gift Box or Food will be distributed at the Annual General Meeting.

VISION

1

Is to become the market leader by providing customer satisfaction in terms of product, quality, economic price, and services.

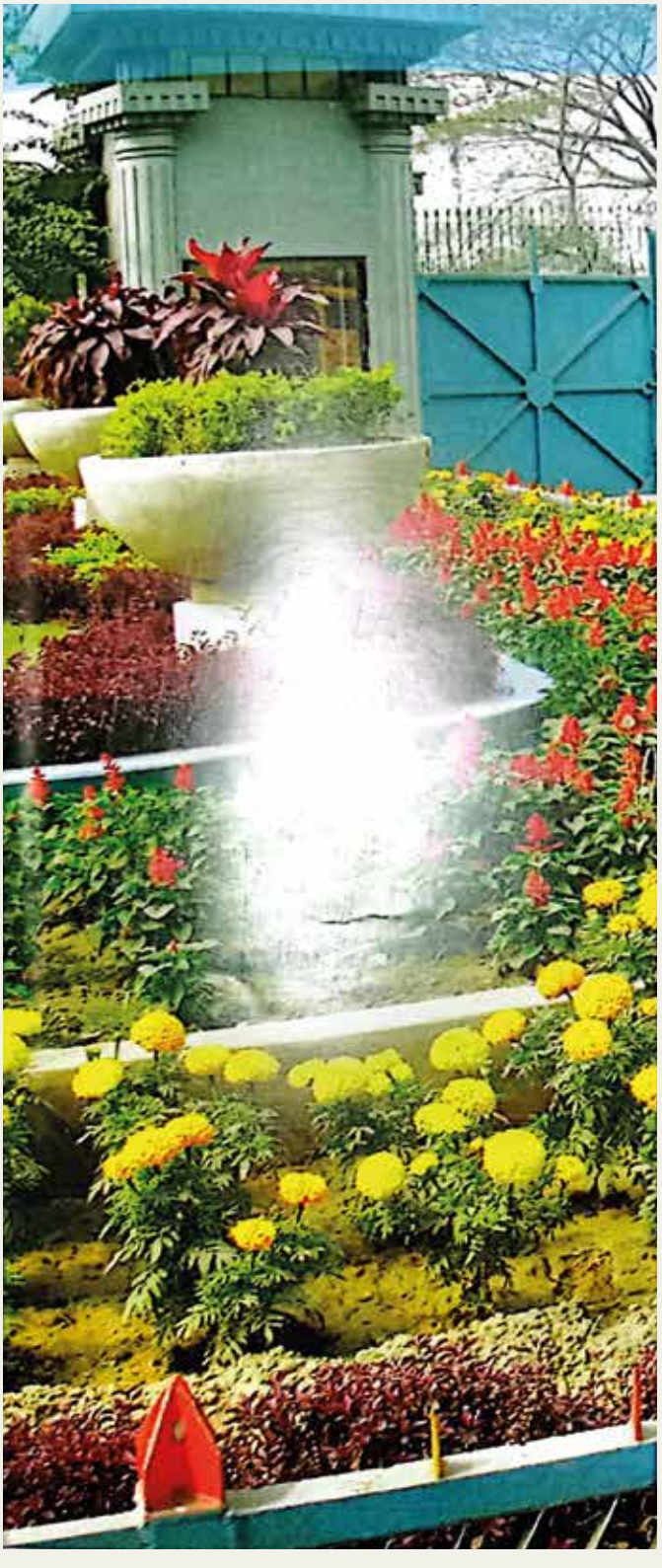
MISSION

2

Our mission is to escalate the standard of living by providing shelter for all in the country with innovative business

SHIELDING THE FUTURE

COMPANY PROFILE



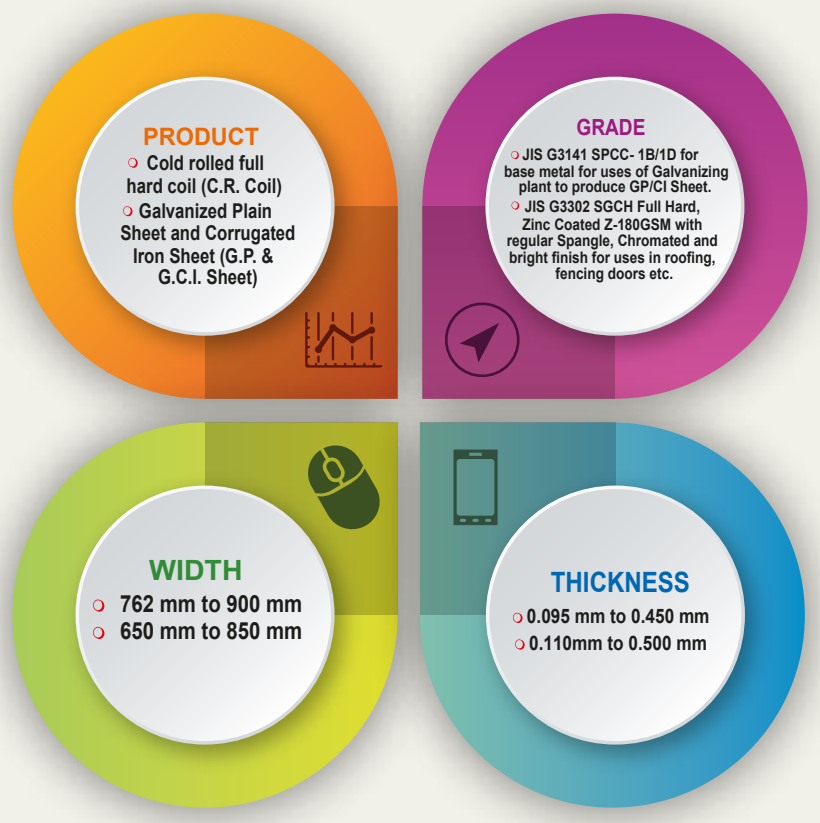
Appollo Ispat Complex Limited (hereinafter referred to as AICL) was incorporated on December 31, 1994 as a Private Limited Company vide certificate no C-27547(1393)/94 under the Companies Act 1994. Thereafter, the Company has been converted into a Public Limited Company on March 30, 2010. The registered office of the Company is located at 407 Tejgaon Industrial Area, Dhaka- 1208. Its factory is situated at Shimrail, Siddhirgonj, Narayangonj, only 14 km, away from Dhaka. The project area is comprised of 16.75 acres of land. The Company went into commercial production in its 1st CGL in early July 1997 and 2nd CGL in early 2002 and Cold Rolled Manufacturing unit in January 2005.

Initially the Authorized Capital of the Company was Tk. 1,000,000,000/- divided into 10,000,000 ordinary shares of Tk. 100/- each. Subsequently, the Company changed the face value of shares from Tk.100/- to Tk.10/- each and increased its Authorized Capital to Tk. 500,00,00,000/- divided into 50,00,00,000 ordinary shares of Tk. 10/- each on March 30, 2010. Paid up capital as on June 30, 2019 of the company is Tk.401,30,86,000/- divided into 40,13,08,600 ordinary shares of Tk.. 10 each. Appollo is the pioneer in CI sheet business in Bangladesh. It started its journey by establishing modern and sophisticated Continuous Galvanizing Line (CGL). Today, Appollo is much ahead by producing its own raw materials at its own art-of-the-state Cold Rolling Mill and established itself as one of the largest CI Sheet manufacturing in the country. The entire production facilities are highly sophisticated, operated by a group of skilled technician and managed by a resourceful management team. With the best precession Japanese technology, sincere and skilled human resources, the company is proudly producing the best quality CI sheets for the country. The company maintains high standards in its manufacturing process and ensures quality as per international standards such as ASTM, JIS, SI & BS. The reputed trading base and quality product help the company to achieve a large marketing network around the country. The products are primarily marketed in C.I. Sheet form in rural and semi-urban areas of Bangladesh under its popular brand **"Rani Marka".**

Appollo is going to start a high quality NOF (RTF technology) Galvanizing plant. NOF plant produces environment friendly shiner CI sheet that looks better and catch consumer attention from the distant. Shiner roof views are still used as a symbol of aristocracy in rural areas. NOF products can command a premium price over regular CI sheets. Moreover, as no acid and led is used in the manufacturing process, the products are environment friendly.

Nature of Business

The company is engaged in manufacturing and selling of CI (Corrugated Iron) sheet of different thickness, ranging from 0.120 mm to 0.420 mm, which is marketed mainly in rural and semi-urban areas of Bangladesh under its well established brand **"Rani Marka"**. The details of the product and production process are as under:-



Get In Touch With

APPOLLO ISPAT COMPLEXT LIMITED

Corporate office :
407, Tejgaon Industrial Area (4th Floor),Dhaka-1208
Tel: +88-02-9114946,9115098, 9137533-5
Fax:+88-02-9126291 Web: www.appollo-ispat.com

APPOLLO
রাণী মার্কা ষ্টেইনলেস আপনাদের ভালবাসায়

APPOLLO ISPAT COMPLEX LTD.
SHIELDING THE FUTURE

IMPORTANT DATES

Date of incorporation	31.12.1994
Date of Commercial Operation	1st CGL-July 1997 2nd CGL early 2002, CRM- June 2005
Authorized Capital Increased	30.03.2010
Split the Face value form Tk.100/-toTk.10/-	30.03.2010
Converted into Public Limited Company	30.03.2010
Listed with Dhaka Stock Exchange Ltd.	15.11.2013
Listed with Chittagong Stock Exchange Ltd.	17.12.2013
Share Trading Start	24.12.2013
Certified ISO 9001-2008	07.03.2011

BOARD OF DIRECTORS



Deen Mohammad
Chairman



Mohammed Shoeb
Vice Chairman



Md. Ansar Ali
Managing Director



Abdur Rahman
Deputy Managing Director



M. A. Majid
Director



Md. Rafique
Director



Roxshana Begum
Director



Evana Fahmida Mohammad
Director

CORPORATE INFORMATION

AUDIT COMMITTEE

Mr. Mohammed Shoeb
Member

Mr. Abdur Rahman
Member

Mr. SK. Abul Hassan
Secretary

MANAGEMENT COMMITTEE

Mr. Sk. Abul Hassan
Company Secretary

Mr. Hasan S. Hannan
Sr. General Manager
(Commercial & General Affairs)

Mr. Md. Razib Hossain FCA
Sr. General Manager &
Chief Financial Officer (CFO)

Mr. Muhammad Abid Hossain FCMA
Asst. General Manager &
Head of internal Audit

AUDITOR

Malek Siddiqui Wali
Chartered Accountants

31, Kamal Ataturk
Road-17, Banani C/A
Dhaka-1213
E-mail: smcbd@citech.net

COMPANY SECRETARY

Mr. Sk. Abul Hassan, Company Secretary-Current Charge

CORPORATE GOVERNENCE AUDITOR

M A FAZAL & CO.
Chartered Accountants
29, Bangabandhu Avenue
(2nd Floor), Dhaka-1000
Bangladesh

BANKER

IFIC Bank Ltd.
Jamuna Bank Ltd.
Southeast Bank Ltd.
Mutual Trust Bank Ltd.

CORPORATE OFFICE

407, Tejgaon Industrial Area (4th
Floor), Dhaka-1208
Tel: +88-02-9114946, 9115098,
9137533-5, Fax: +88-02-9126291
Web: appollo-ispat.com

LOCATIONS:

PLANT
Shimrail, Siddhirganj, Narayangonj
Tel: +88-02-7693353-7
CRM, CGL Unit-1, CGL Unit-2,
NOF (CGL)

AICL VALUES

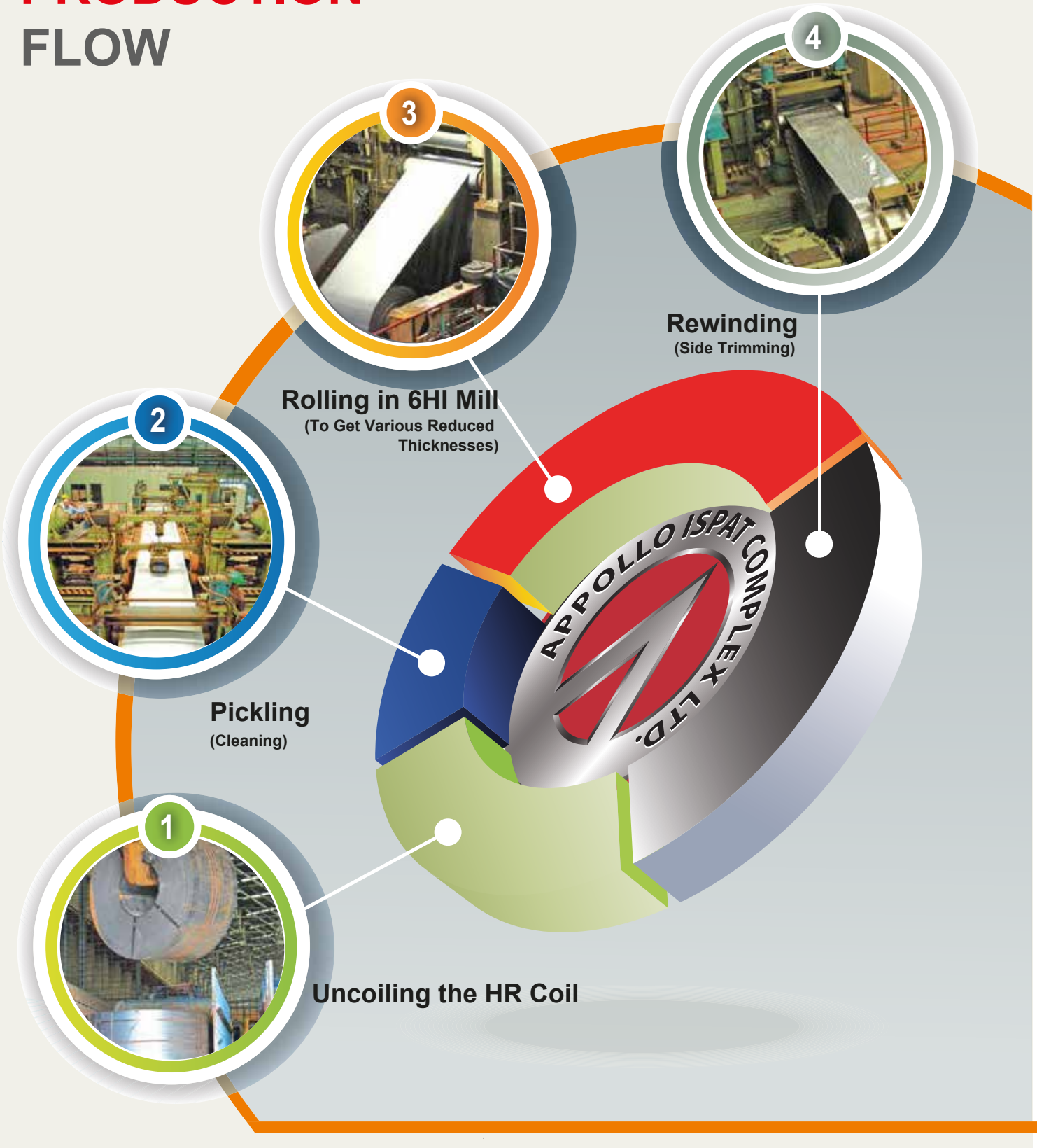
AICL strong marketing and product development portfolio coupled with marketing and sales team have allowed the company to operate in perfect synergy. This synergy has also provided a distinction from others, which is helping in expanding its business rapidly.

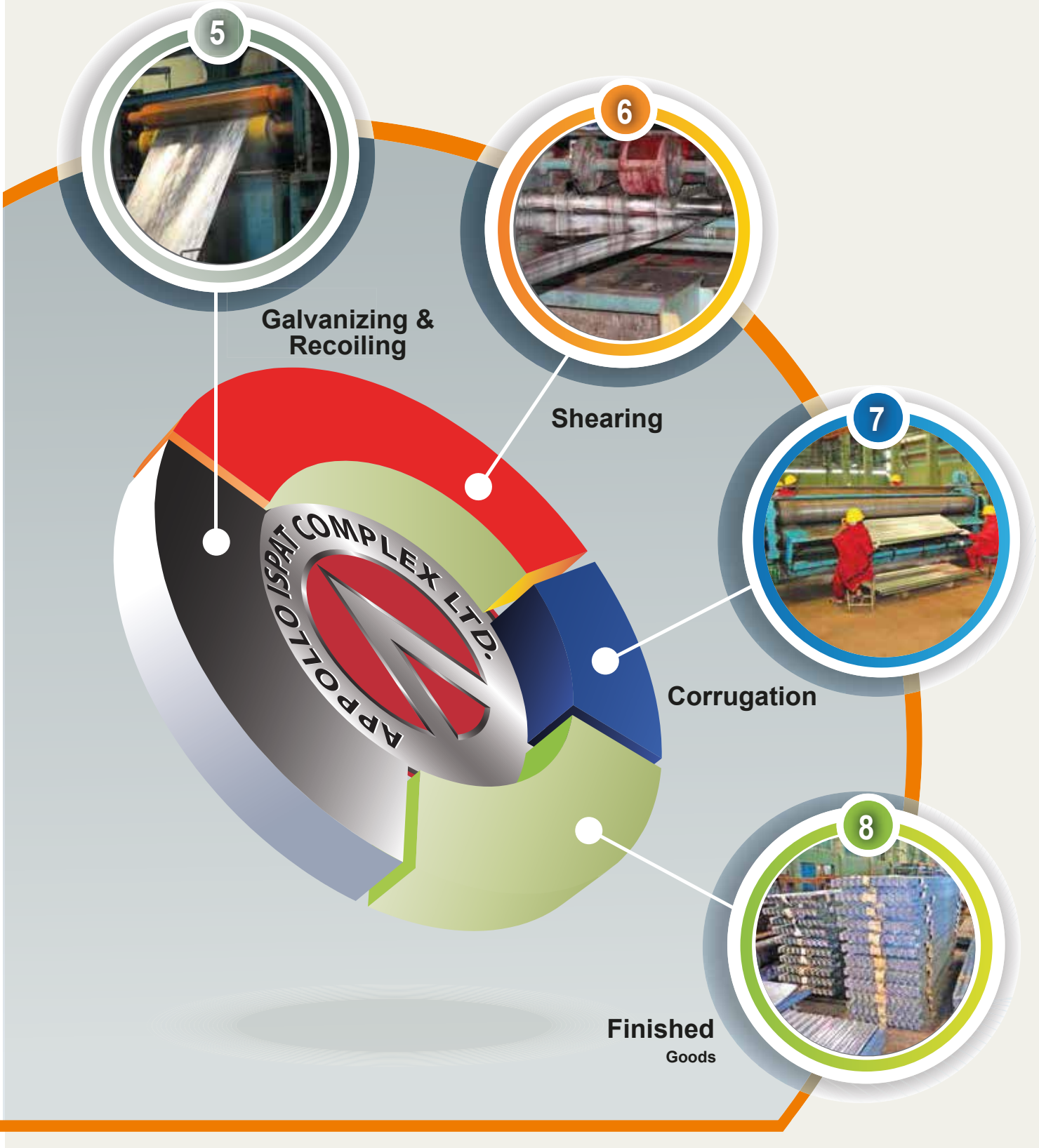


CODE OF CONDUCT

AICL is committed to operating its business in a socially responsible manner while complying with all relevant laws, rules and regulations. We strive to continually improve our CSR Management System to advance social and environmental responsibility and business ethics.

PRODUCTION FLOW




5
Galvanizing &
Recoiling
6
Shearing
7
Corrugation
8
Finished
Goods
APPOLLO ISPAT COMPLEX LTD.

PRODUCTS AND MARKET



Galvanization is the process of applying a protective zinc coating to steel or iron to prevent rusting.The most common method in sheet metal fabrication shops is hot-dip galvanizing. This is the process of submerging metal parts in a bath of molten zinc to protect the metal.

This protection occurs in three different ways:

- The zinc coating, when intact, prevents corrosive substances from reaching the underlying steel or iron.
- It acts as a sacrificial anode, which is the main component of a galvanic cathodic protection (CP) system used to protect buried or submerged metal from corrosion. This means that if the coating is scratched, the exposed steel or iron will be protected by the remaining zinc.
- The zinc protects its base metal from corroding or rusting.

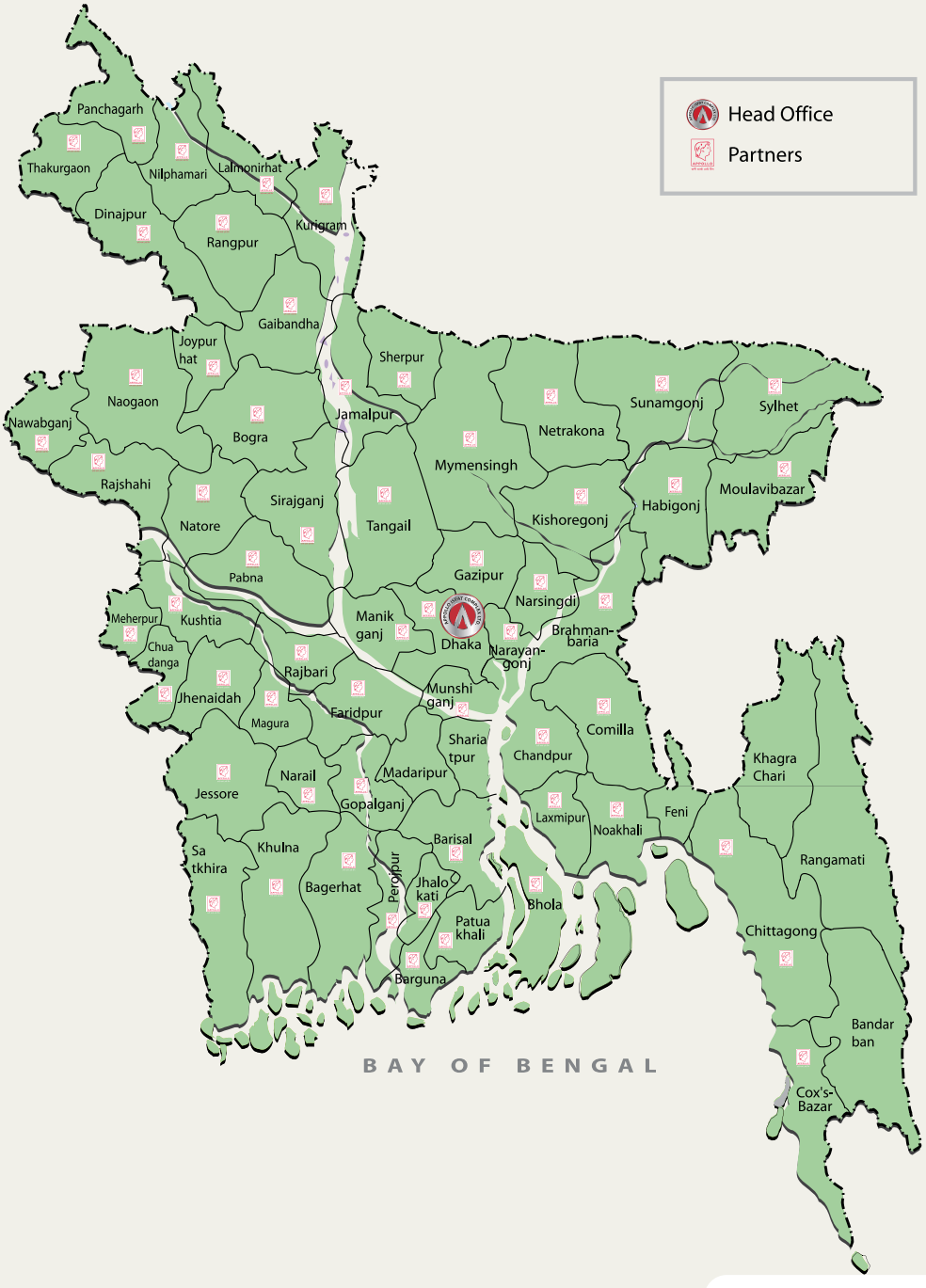
The manufacturing process of such sheets starts from lifting Iron ore from mine and processing it to slab through a series of process and treatments and then pressed to convert it into H.R. Coil (Hot Rolled Coil). HR coils are then 'cold rolled' into C.R. Coils before it is hot dipped, galvanized and corrugated (at a Continuous Galvanizing Line- CGL or Non –Oxidizing Furnace –NOF) into what we know as Corrugated Iron Sheet (C.I.Sheets)

VARIOUS USES OF CI SHEET

- Residential use: CI sheets are used for roofing, side and peripheral fencing purposes. It is the preferred product for residential construction in villages and shanty towns in Bangladesh due to their cheaper price compared to traditional bricks and brick tiles.. A house made using CI sheets in rural areas and shanty towns used to signify affluence and that mode of thinking still exists today.
- Industrial use: Industry owners use CI sheets for roofing of new factories, warehouses and sheds. CI sheets are also used for the fencing of factory area. Industrial users prefer it due to the cheaper price
- Agricultural use: CI sheets are used for roofing cow sheds, roofing and side fencing of poultry farms and fencing of agricultural projects.
- Construction use: CI sheets are used for fencing around the construction area and as construction materials.
- Shopkeepers/Traders use it for roofing of small shops, shutters etc.

FEATURES :

- ❖ Attractive look
- ❖ Can be fabricated and erected with immense ease
- ❖ Excellent insulation
- ❖ No cold bridging
- ❖ No tear-off or wear-off
- ❖ Anti-corrosion
- ❖ Easy to install, and it requires less time
- ❖ Provides proper ventilation
- ❖ The sheets have standard thickness that allows no leakage
- ❖ Extremely weatherproof and hence doesn't allow sun rays, wind
- ❖ Is fitted quickly and simply
- ❖ Owing to galvanized surface, these are good finish and shining
- ❖ Low heat conductivity
- ❖ Available at reasonable cost



AREA WISE MARKETING GRAPH:

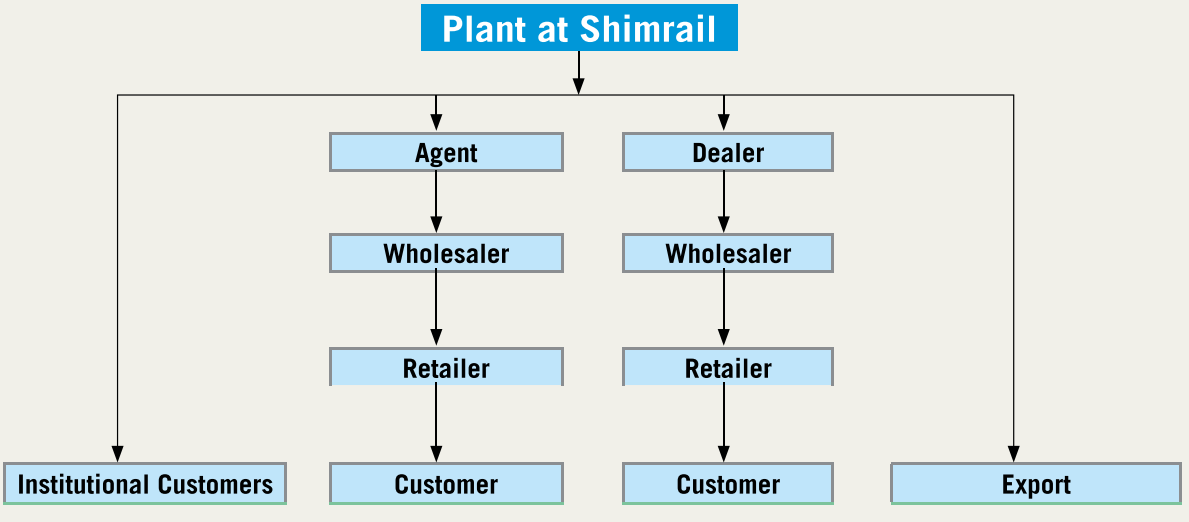
APPOLLO RANI BRAND C.I. SHEET

Appollo Ispat Complex Ltd. marketing its product in the brand name of "**Rani Marka**". At present it is producing C.I. Sheet of **"Rani Marka"** brand of following sizes & thickness

THICKNESS	SIZES (feet)				
0.120 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.130 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.140 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.150 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.160 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.170 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.180 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.200 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.220 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.240 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.250 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.260 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.280 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.340 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.360 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.380 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.400 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.420 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3
0.450 mm	6 x 3	7 x 3	8 x 3	9 x 3	10 x 3

Other than the corrugated iron sheet, Appollo Ispat Complex Ltd. also produces ridges of above thickness

By dint of superior quality products and total team work of its human resources, Appollo Ispat Complex Ltd. is experiencing remarkable growth of share in its market. Its products are mainly purchased by rural people for their shelter purpose while many NGOs, foreign missions/embassies, international organizations and urban people are also the regular customers. Appollo Ispat Complex Ltd. has a countrywide network of sales.



The company sells its product to Agent / Dealer on ex-factory basis. The Dealer / Agent through their nominated logistics provider lift the C.I. Sheet from factory and store in their own warehouse in their respective areas for onward distribution.

The wholesaler / retailers collect the C.I. Sheets from their respective Agent / Dealers on ex-warehouse basis and bring those CI sheets to their shops/outlets where from they sell it to final consumers. Other than above customers, the institutional customers buy the product directly from Company's sales office. Sometimes, Appollo also participates in tender for supply of C.I. Sheet to various government, non-government and international agencies. Besides serving the local market, Appollo Ispat Complex Ltd. is trying to export its product in the International market which is in progress. The types of customers can be classified as follows

- Rural People, for roofing of their houses through wholesalers or retailers
- Urban people, for roofing of house through wholesalers or retailers
- New and old industries for roofing of their industries
- Shop owners / trading concern for roofing their shops
- NGO, international agencies, embassies/ foreign missions for their development program / dis tributing among poor.

QUALITY CONTROL

Appollo Ispat is committed to supply the best quality steel in domestic as well international market as per internationally accepted quality norms. Appollo has got ISO 9002 certificate and maintains following quality standards:

- Procure Hot Rolled Coils form reputed suppliers in the world.
- Test each and every Coil for its Chemical Composition and random checking of Physical and microscope Structure.
- Proper Zinc Coating as per Bangladesh Standard Testing Institute (BSTI)
- Employ trained personnel for different process
- Training program for existing manpower

RTF-Radiant Tube Furnace

RTF-Radiant Tube furnace is a modern technology furnace used in galvanizing process that ensures minimum environment pollution, best product quality, minimum production time and cost effectiveness. For the increasing demand Of C.I Sheet, Appollo introduced RTF project, which will be in commercial production very soon. For RTF project Appollo used world's best technology of ESMECH, a joint venture of SMS Germany. With the production of RTF line,there will be a new era of CI sheet market in Bangladesh.

Therefore when Appollo will market its RTF products under the current brand name of "Rani Marka," certainly due to brand reputation, geographical advantage, strong channel of distribution and better quality it will be advantageous for Appollo to get a brand-edge over the other brands in the market. All these favorable factors make the company the right choice to further expand the CI sheet market of Bangladesh through its most modern RTF Project. Rationale of RTF project as under:

Justification of RTF (Radiant Tube Furnace)Expansion Project forAppollo Ispat Complex Ltd.

TECHNOLOGICAL FACTORS:

- RTF is the world best, most modern, far advanced and sophisticated Technology
- Improved shininess and improved product quality.
- To ensure proper passivity by using dryer that does not allow get rust on the galvanized Sheet.
- Reduces flux formation and flux carry over the galvanized sheet minimizing galvanizing failure.
- RTF Produce a better finish and improved formability.

ENVIRONMENTAL FACTORS:

- RTF is technologically designed for producing environment friendly product, since there will be no use of (acid, caustic soda and lead).
- No hazardous fume generates and Reduce the Carbon emission
- No use of flux (Ammonium Chloride) — that leaved smoke free working environment, Un-hazard_ ous product.

SOCIAL & ECONOMICAL FACTOR:

- Shelter is the basic human need that will never be exhausted
- Product quality and production capacity will increase more than 40% of the existing production
- Robust Market demand
- Longer lasting, attractive and diversified product
- May be used as Basic raw materials of Colour Coated, GP /CI sheet

MARKET AND DEMAND FACTORS:

- A Robust market demand due to quality and durability of RTF CI Sheet
- Existing Export market of RTF CI Sheet to seven sisters of India, Myanmar, Thailand and African country will be explored
- Geographical advantages as Appollo is the only CI sheet manufacturer in Dkaka
- Excess demand in coastal areas, like Khulna, Satkhira, Bhola, Patuakhali and Feni due to salinity water.

All the above favourable factors make the company the right decision to invest in RTF CI Sheet and will make the project economically viable and financially feasible when the commercial production will be started.

NEAR-FUTURE VIEW :

- In view of the increasing demand for steel products in Bangladesh Appollo has a plan to include the Colour Coating Sheet in its existing product line which is becoming popular all over the country and has good potentials for export to Southeast Asian countries. For this purpose a modern Colour Coating plant &equipments will be incorporated soon to be installed in the existing plant site which will be capable of manufacturing high quality corrugated colour steel sheets of Flat & Round wave and also Colour Quoted profile Sheets.
- Appollo has a plan to produce profile sheet in order to widen its business arena.



CHAIRMAN'S MESSAGE



Dear Shareholders,

Assalamualaikum

I feel privileged to have the opportunity to welcome you on behalf of the board of Directors to this 25th Annual general Meeting of your company and to present you the Audited Financial Statements for the year ended on 30th June, 2019 and Auditors and Directors Report thereon.

As I address you today, it is with a heavy heart and a deep sense of responsibility that I must share the challenges our company has faced during the financial years 2018-19.

The financial year 2017-18 was already a challenging one, but regrettably, the difficulties have continued into this year. The sharp rise in raw material prices, coupled with an uncalculated and poorly managed plan for the NOF project by the management of our company, resulted in significant delays in its commencement. A project that was originally envisioned to be operational within two years took nearly seven years to complete.

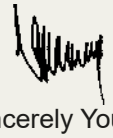
While we had high hopes for this year and anticipated a positive outcome, the prolonged delay in the project created a vacuum that we were unable to fill. Despite some profit in the previous year, the company has suffered significant declines and losses this year, as reflected in the income statements and balance sheet.

As per the balance sheet, the total assets of the company stand at Tk. 13,58,30,64,302, of which property, plant, and equipment account for Tk. 496,52,82,955. The remaining current assets amount to Tk. 8,51,75,22,647, and non-current assets stand at Tk. 5,06,55,41,655. However, total liabilities for the year 2019 amount to Tk. 6,64,21,44,020.

In light of the significant losses we have experienced, it is with great regret that I must inform you that we are unable to declare any dividend for the year ended 30th June 2019.

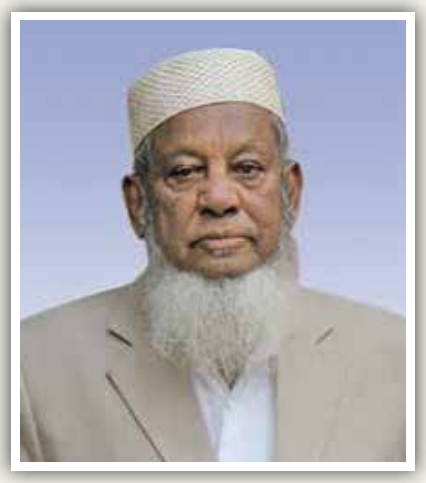
For over three decades, Appollo Ispat Complex Ltd. has proudly served the market, building relationships with our shareholders, partners, and stakeholders. Today, as we face these hard times, I humbly request your understanding and support. We, too, are victims of circumstances beyond our control, and we are committed to navigating this storm with resilience and determination.

Finally, I would like to take this opportunity to express my sincere and heartfelt gratitude to our esteemed shareholders, valued customers, bankers, financial institutions, suppliers, employees, government agencies, the BSEC, DSE, CSE, RJSC, CDBL, and other regulatory bodies. Your continued support and cooperation have been a source of strength for us, and we remain steadfast in our commitment to overcoming these challenges.



Sincerely Yours,
DEEN MOHAMMAD
Chairman

MANAGING DIRECTOR



Dear Shareholders,

AssalamuAlaikum,

It is both an honor and a privilege to welcome you to the 25th Annual General Meeting of APPOLLO ISPAT COMPLEX LTD. and to present the Annual Report for the year 2018-2019.

In 2011, our company undertook a significant and ambitious initiative by initiating a Letter of Credit (LC) to heavily invest in a new project—the Non-Oxidized Furnace (NOF). This green project was envisioned to revolutionize the production of C.I. Sheets by eliminating the need for lead consumption, making the process not only cost-efficient but also environmentally sustainable. The project was expected to lower production costs and allow us to offer more competitively priced products.

Our management team anticipated a significant breakthrough, assuring us that the project would be completed within two years. Upon its completion, it was projected that we would achieve a production capacity of 6,000 tons of CR Coil per month at reduced costs.

However, the reality fell short of our expectations. Due to shortcomings in foresight and planning, coupled with challenges such as insufficient working capital and the unavailability of raw materials, the completion of the NOF project was delayed by almost seven years. This prolonged timeline created an operational and financial vacuum that we were unable to recover from, ultimately preventing us from meeting the expectations of our valued shareholders.

Reflecting on this, I realize that perhaps I should have heeded the advice of the younger management team, who advocated for the introduction of professional management early on. Their insights may have guided APPOLLO ISPAT COMPLEX LTD. through these challenges and positioned it for sustainable success.

At my current age, I must admit that it has become increasingly difficult for me to actively engage in the day-to-day operations of the company or contribute to the best of my abilities. Recognizing this, I believe it is now in the company's best interest to entrust its future to the capable hands of the younger board members. I am confident in their ability to steer APPOLLO ISPAT COMPLEX LTD. towards a brighter future, armed with the lessons of the past and the energy to innovate and grow.

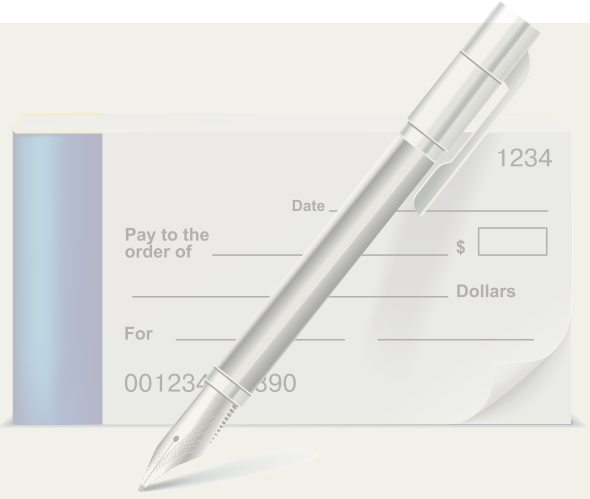
Concluding my message to you all, I would like to offer my heartiest thanks and gratitude to our esteemed shareholders, Employees, Dealers, Financial Institutions, Bankers, Govt. Authorities, BSEC, DSE, CSE, RJSCF, CDBL and foremost to our customers for their consistent support to the company. I hope your continued association with the company will help in its endeavors towards bigger achievement in the days to come.

Thank you for your continued support and trust in APPOLLO ISPAT COMPLEX LTD.

Sincerely yours,

MD. ANSAR ALI
Managing Director

DIRECTORS REPORT



SHIELDING THE FUTURE

Dear Shareholders,

Your directors have the immense pleasure in presenting their 25th Annual Report to you together with the Audit-ed Financial Statements of the company for the financial year ended 30thJune 2019. This report has been made in compliance with Section 184 of The Companies Act 1994 and the Bangladesh Securities Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2003-109/229/Admin/98. dated 25th July 2019.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY

Steel industry of Bangladesh is emerging as one of the major industrial sectors of the country. As a sub-sector of this industry, it consists of Cold Rolled Coil, Corrugated Galvanized Iron sheet and Galvanized Plain sheet which are commonly used in roofing, fencing in both residential and industrial purposes.

The Bangladesh economy, classified as one of the eleven emerging market in the world. During this decade.

Controlled inflation, continued inward remittances, record foreign reserve, increased per capita income helped the economy to stand on a steady position. As a result, overall development in socioeconomic indicator and changing lifestyle of the people tend to consume more CI sheet and GP sheet as their housing materials.

Since it is a booming economy, its infrastructural devel-opment demands huge quantity of steel in different formats like CR coil,CI sheet and GP sheet,etc.In Bangladesh, around 81% in the roofing and 42% in the fencing of the total households in rural and semi-urban areas are constructed with CI sheet and GP sheet. Besides, various Government projects, NGO's initiative, Agro-based farm and Industrial unit use a substantial volume of CI/GP sheet for fencing and roofing within economic price.

Being underdeveloped infrastructure, the industry has a massive opportunity to grow having a huge demand in the local market.Current producers are able to satisfy the demand of the domestic market as well as some companies have already started to export in different countries and government has already declared 10%cash incentive on Export of CI sheets.

To meet the competitive challenges,Appollo Ispat Com-plex Ltd. has introduced 60,000 MT capacity most advanced Radiant Tube Furnace (RTF) technology based Galvanizing plant on April 2018 which is anticipated to be contributed 50% of total expected sales volume.Moreover, Appollo Ispat is looking forward to launch diversified steel products through the upcoming trend and advanced technology.

PRINCIPAL ACTIVITIES

Appollo Ispat Complex Limited is mainly engaged in manufacturing and marketing of Cold Rolled Coil (C.R Coil), Galvanized Plain Sheet (G. P Sheet), Corrugated Galvanized Iron (C.G.I. Sheet) and RTF NOF Galvanizing Sheet from Imported Hot Rolled Coil mainly from Japan,Korea,China and other H.R coil manufacturing countries since its beginning.

Operational Performance

Particulars	2018-19	2017-18	2018-17
Installed Capacity (MT)			
CRM Unit	120,000	120,000	120,000
CGL-Unit-1	60,000	60,000	60,000
CGL-Unit-2	80,000	80,000	80,000
NOF CGL	60,000	-	-
Production (MT)	32,714	65,790	69,791
Capacity Utilization	23.36%	46.99%	49.85%

The reason for low performance in 2017-2018 is mainly due to increase in price of the main raw materials H.R.Coil and Zinc Ingot in the international Market. As a result the turnover was also low as compared to earlier years.

PRODUCTION REVIEW

a) Existing Capacity:

Annual Production capacity of Cold Rolled Manufactur-ing (CRM) Unit is 120,000.00 MT and production capacity of Continuous Galvanizing Line, Unit-I and Unit-II are consecutively 60,000 MT and 80,000 MT.

b) Expansion Unit:

The company's production capacity has increased by another 60,000 MT with the introduction of world best technology of Radiant Tube Furnace (RTF) Galvanizing Line.Eighty percent utilization of expansion unit capacity will increase turnover of Tk.510 Crore per year.

Production of RTF-CGL stopped since May 07,2018and will start further production after sourcing HR Coil and Zinc Ingot.

Segment/Product Wise Report

The segment wise sales volume as under:

Particulars	2017-18	2018-19
CI Sheet	2,738,123,555	14,69,54,511
CR Coil	675,991,709	1,56,21,49,175
GP Coil	396,147,243	13,44,27,975
Ridge	53,564,816	1,03,76,159
Total	**3,863,827,323**	**1,85,39,07,820**

FINANCIAL PERFORMANCE

The details of operational key performance indicator for the last two years from July 2018 to June 2019 are given below for your kind information and consideration:

(TK.In Million)

Particulars	2017-18	2018-19
Sales	3,863.83	1853.91
Gross Profit	716.03	311..21
Profit before interest,taxes VPPF& Gratuity	534.98	(401.63)
Less:Interest Expenses	(568.69)	(729.27)
Less:Tax expenses	(31.65)	43.63
Non-Operating Income	99.22	233.47
Net profit After Tax	21.41	926.4
EPS	0.05	2.31

CORPORATE & SOCIAL RESPONSIBILITIES

The Company's vision is to establish a benchmark in value creation and corporate citizenship and the Company's long-term Corporate Social Responsibility (CSR) objective,is to improve the quality of life of the communities through long-term value.

We continue to remain focused on improving the quality of life and engaging communities through health, education, sports and infrastructure development. During the last three years, the Company has spent a substantial amount for this purpose. The Annual Report on our CSR activities is annexed to this report Annex-ure-7.

RESERVE AND SURPLUS

Retained earnings during the financial year 2018-19 of the company arrived at Taka 586.26 (mn) against Taka 1,629. (mn) in financial year 2017-2018.

BOARD OF DIRECTORS

(i) Composition and size of the Board:

As on,30th June 2019 there were 8 (eight) members on the Board.The Board comprises a Chairman,Vice Chair-man,Managing Director and Six Directors.

(ii) Board Meeting and attendance:

There were 8 (Eight) Board Meeting held during the financial year.Following table shows the attendance of Directors at the meeting:

Name of The Director	Position	Meeting Held During The Year	Directors Attended In The Meeting
Mr. Deen Mohammad	Chairman	14	6
Mr. Md. Shoeb	Vice-Chairman	14	5
Mr. Md. Ansar Ali	Managing Director	14	6
Mr. Abdur Rahman	Deputy Managing Director	14	2
Mr. M.A. Majid	Director	14	8
Mr. Md Rafique	Director	14	7
Mrs. Roxshana Begum	Director	14	3
Mrs. Evana Fahmida Mohammad	Director	14	2

The member who could not attend the meeting was granted leave of absence.

COMPLIANCE OF AUDITOR APPOINTMENT

As per "Corporate Governance Code" issued by the Bangladesh Securities and Exchange Commission (BSEC), M A FAZAL & CO., Chartered Accountants,compliance auditors of the company audited the compliance status of the Company for the year 2018-19.M A FAZAL & CO., Chartered Accountants retire at this AGM. Being eligible as per"Corporate Governance Code" the existing Auditors offered themselves for reappointment as Compliance Auditors for the financial year 2019-2020.

The profile of the existing Audit Firms and their serviceperformed during the year under review was reviewed by the Board of Directors and Audit Committee and suggested to re-appoint M A FAZAL & CO. Chartered Accountants as Compliance Auditors of the Company for the next financial year. After review and discussion over the particulars of the saidfirm,the Board of Directors has recommended in favorof M A FAZAL & CO. Chartered Accountants to be re-appointed as Compliance Auditors for the financial year 2019-2020.

REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE

The company is committed to maintain the highest standard of corporate governance and adhere to corporate governance set by BSEC.In compliance with Bangladesh Securities and Exchange Commission (BSEC) NotificationNo.-BSEC/ CMRRCD/2006-158/207/Admin/80dated 3rd June 2018 and Clause-36 of Listing regulations 2015 of Dhaka and Chittagong Stock Exchange,status of compliance conditions on corporate governance guidelines along with a compliance certificate issued by M A FAZAL & CO. Chartered Accountants have been added in the Annual Report.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Information and Communication Technology (ICT) plays an important role towards the management of bulk amount of data,facts and figures,the production of real time information and help to operate and manage our business and to connect our customer faster. ICT helps us to excel our expected growth in achieving the company's objectives.We have established a separate ICT department staffed with experienced computer professionals who are responsible for the overall management of ICT within the company and to explore ideas in IT base operation.

HUMAN RESOURCE MANAGEMENT

Apollo Ispat Complex Limited performs its functional activities by a team of experienced professionals, well educated, highly qualified and trained management.Our human capital is our strength as well as our core competence.

1. **Training and Development:** AICL believes that it is important to provide our employees with a learning experience while they are working for us so as to foster their professional development and enhance their capabilities. We offer regular training programs for our employees and workers by organizing workshops,seminars and demonstrations. In the past year in-house

training program has been arranged for our employees as well as holding several work-shops for sales team to improve their performance in the markets.

2. **Empowerment:** We believe in empowering our employees. Empowered employees care more about the success of our company. Sufficient power and authority have been given to all employees to discharge their duties efficiently. Empowered employees require less supervision,develop outstanding business ideas, work smarter and more efficiently and are happy which means they are extremely loyal.

3. **Compensation:** The Company's compensation package including salary and allowance,festival bonus, performance bonus and leave fare assistance are attractive and alluring and motivates the employees to work enthusiastically and dedicatedly. The company also has a contributory provident fund, Workers profit participation fund and Gratuity fund.

4. **Reward:** Prudent performance evaluation system, sound promotion and remuneration system and focus on nursing talent make Appollo unique and unparalleled to its stake-holders.

5. HEALTH AND SAFETY:

Appollo Ispat Complex Ltd. is fully committed to ensuring the safety and health of its people who work for the company. Health and Safety remains your company's number one priority. We, at Appollo Ispat, take all possible measures to ensure that all our workers, employees as well as communities within which we operate remain safe at all time. As it is engaged in manufacturing, several risk factors inherently come. Our safety measures,continuous risk assessment policy ensured a healthy and hazard free work environment for all of our workers,employees in the workplace. In this regards, a safety committee has been constituted under section- 90 of The Bangladesh Labour Code 2006 in which DGM-Plant leads the committee.The goal of your company is to set a model and establish itself as the "Best-in-Class" performance in health and safety.

6. REMUNERATION OF DIRECTORS

Directors were remunerated as per the decision of theBoard on Tk 35,00,750 in total. Directorsin principle agreed not to receive any remuneration from company since April 2018.Each Director has received as sitting fee TK 5000.00 per meeting attended.

7. APPRECIATION:

The Board of Directors would like to express their deep appreciation to the management and employees for their unrelenting commitment through the year.We would like to place on record our gratitude to our valued business partner for their support and loyalty. We believe all our achievements are the result of the commitment and diligence of all our employees and business partners.

In addition, the Board of Directors also express their gratitude to the shareholders of the company, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited,National Board of Revenue, RJSC, various Government Authorities, Trade Bodies and all Bank, Financial Institutions for their continuous support, co-operation and guidance,as we continue to take Appollo Ispat Complex Limited forward faster and further as a leading player within the business community and steel sectors in Bangladesh.We are moving further to the next edge of growth and excellence; we seek your continuous support and encouragement as we have been used to get from you since the beginning of our journey.

On behalf of the Board of Directors,



Deen Mohammad
Chairman

Certificate on Compliance on the Corporate Governance Code

[Issued under condition # 1(5) (xxvii) of Corporate Governance Code of BSEC vide Notification No. BSEC/CMRRCD/2006-158/207\Admin/80 dated 03 June 2018]

We have examined the compliance status to the Corporate Governance Code by **Appollo Ispat Complex Limited** for the year ended on 30June 2019. This Code relates to the Notification No.BSEC/CMRRCD/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 we 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 abovementioned Corporate Governance Code issued by the Commissionspecify in compliance status checklist;

(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 thisCode;

(c) Proper books and records have been kept by the company as Required under the Companies Act, 1994, the securities laws and Other relevant; And

(d) The Governance of the company is Satisfactory.



Oba[illegible] FCA
Partner
MA Fazal & Co. Chartered Accountants
Membership No: 1029

Place: Dhaka
Dated: 3 December 2019

Annexure-B

APPOLLO ISPAT COMPLEX LTD.

Status of compliance with conditions imposed by the Bangladesh Securities and Exchange Commission (BSEC)

Status of compliance with conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/ Admin/44 dated August 07, 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2019 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is presented below:

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 a company's Board of Directors (hereinafter referred to as "Board") shall not be less than5 (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 of director shalll be independent directors.	√		
1(2) (b)	'Independent director' means a director-			
1(2) (b) (i)	who either 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)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall 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)	who 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)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		-
1(2) (b) (vii)	who 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)	who is not independent director in more than 5 (five) listed companies.	√		-
1(2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		-
1(2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2) (c)	The independent director(s) shall be appointed by the Board 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 and	√		
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) terure 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 laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		-
1(3) (b)	Independent Director shall have following Qualifications:			-
1(3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		
1(3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or 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	N/A		-
1(3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; o	√		-
1(3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law or not;	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;	N/A		-
1(3) (c)	The Independent Director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		-
1(3) (d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	-		No such deviation occured
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 theManaging 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;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		-
1(4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		-
1(5)	**The Directors' Report to Shareholders:-**			
1(5) (i)	An industry outlook and possible future developments in the industry;	√		-
1(5) (ii)	The 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)	A discussion on continuity of any extraordinary 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 raised through public issues, rights issues and/or any other 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 Standards (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	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	√		Separately Shown
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	√		
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;	-		N/A
1(5) (xxii)	The total number of Board meetingsheld during the year and attendance by each director;	√		Separately Shown
1(5) (xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:**			
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)	**In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:**			
1(5) (xxiv)(a)	a brief resume of the Director;		√	Information given in the website
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas.		√	Information given in the website
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		Information given in the website
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;			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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 angladesh 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 Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	NA		
2 (b)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	NA		
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.	NA		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	NA		-
2 (e)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	NA		
3.0	**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)	**Appoinment**			
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.	√		-
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:			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4 (i)	Audit Committee	√		-
4 (ii)	Nomination and Remuneration Committee.	√		
5	**Audit Committee:-**			
5 (i)	**Responsibility to the Board of Directors.**			
5(i) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		-
5(i) (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(i) (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 member 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.	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		No AGM was held in 2019 due to Stay order from the Hon'ble High CourtDivision.
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, the 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/ 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 results.	√		-
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		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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 of Directors.	√		-
5(6)(a) (ii)	**The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-**			
5(6)(a)(ii)(a)	Report on conflicts of Interests.	-		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	√		
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√		
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-		
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.	√		
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 a 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;	N/A		
6(2)(b)	All members of the Committee shall be non-executive directors;	N/A		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	N/A		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	N/A		
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;	N/A		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	N/A		
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;	N/A		
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	N/A		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	N/A		
6(4)	**Meeting of the NRC**			
6(4) (a)	The NRC shall conduct at least one meeting in a financial year;	N/A		
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);	N/A		
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.	N/A		
6(5)	**Role of the NRC**			
6(5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	N/A		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5) (b)	**NRC shall oversee, among others, the following matters and make report with recommendation to the Board:**	N/A		
6(5) (b)(i)	Formulating 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:	N/A		
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;	N/A		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	N/A		
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;	N/A		
6(5) (b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	N/A		
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;	N/A		
6(5) (b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	N/A		
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	N/A		
6(5) (b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	N/A		
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.	N/A		
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)	(iii) book-keeping or other services related to the accounting records or financial statements;	√		-
7(1)(iv)	(iv) broker-dealer services;	√		-
7(1)(v)	(v) actuarial services;	√		-
7(1)(vi)	(vi) internal audit services or special audit services;	√		-
7(1)(vii)	(vii) any service that the Audit Committee determines;	√		-
7(1)(viii)	(viii) audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		-
7(1)(ix)	(ix) any other service that creates conflict of interest.	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.		√	No AGM was held in 2023 due to Stay order from the Hon'ble High Court Division.
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	√		-

SHIELDING THE FUTURE

APPOLLO ISPAT COMPLEX LTD.



FINANCIAL STATEMENTS

For the year ended 30th June 2019

মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউনটেন্টস
৯-জি, মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali
CHARTERED ACCOUNTANTS
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Independent Auditor's Report
To the Shareholders of Appollo Ispat Complex Limited
Report on the Audit of the Financial Statements

Qualified Opinion:

We have audited the financial statements of Appollo Ispat Complex Limited (the Company), which comprise the Statement of financial position as at June 30, 2019, the 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Accounting Standard (IAS)/International Financial Reporting Standard (IFRS) and in compliance with the Companies Act, 1994 and other applicable laws and regulations.

Basis for Qualified Opinion:

1) The balance of inventory value at the year-end arrived of Tk. 2,401,521,615. We could not physically verify the inventories at the year end. We were unable to satisfy ourselves concerning the inventory value stated in the financial statements.

2) We have not obtained sufficient and appropriate audit evidence in respect of Advance, Deposit and prepayment. The financial statements of the Company contained of Tk. 2,862,652,530 in respect of Advance, Deposit and prepayment.

3) The financial statements of the Company contained of Tk. 3,077,231,556 of Account Receivable. We were unable to obtain required third party confirmation in respect of receivable balance. All the receivables of Company is due more than one year or more.

4) The company did not made provision on revaluation reserve. The balance of revaluation reserve at the year-end is Tk. 1,141,578,189. If the Company makes deferred provision on revaluation reserve then deferred tax liability shall be increased by Tk. 171,236,728 correspondingly revaluation reserve (equity balance) will be reduced by the same amount.

Emphasis Matter of Paragraph:

With reference to the note no. 22 of the financial statements, which shown that the sales revenue of the company has been fallen significantly during the year. Consequently, the contribution made from sales unable to absorb all fixed cost and one off cost, e.g. Accounts Receivable written off, and hence the made huge loss during the year.

Key Audit Matters:

Risk	Our response
Revenue recognition	
At the year ended, the company's reported total revenue of Tk. 185 crore. Time of revenue recognition is matter. Considering the other inherent risk of the existence and the accuracy on revenue recognition, the revenue has been selected as key audit matter.	We have tested the design and operating effectiveness of key controls focusing on the following: • Policy of revenue recognition. • Issuance of VAT challan; • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition. Our substantive procedures in relation to the revenue recognition comprises the following: • Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.
Please see the note no. 22 in these financial statements.	
Valuation of inventory	
The balance of inventory of the Company at the year-end was Tk. 240 crore held in the company's store. Inventories are carried at the lower of cost and net realizable value. As a result, the Management's apply judgment in determining the appropriate values for slow-moving or obsolete items.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory and related provisions by: • evaluating the design and implementation of key inventory controls operating across the Company in respect of inventory management; • to attend the physical inventory counts and reconciling the count results to the inventory listings to test the completeness of data; • to review the inventory costing procedures and methodology. • comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; • reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and • Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow- moving/obsolete stock are valid and complete.
Please see the note no. 6 in these financial statements.	

Risk	Our response
Measurement and recognition of deferred tax	
The balance of reported deferred tax liability of the company was Tk. 0.79 crore as on June 30, 2019. The risk for the financial statements is that these provisions are not properly measured for all types of temporary difference as per IAS 12: Income Tax.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax. We have assessed the appropriateness of the carrying amounts of net asset value as per tax base and accounting base. We have also assessed the rate of deferred for each temporary difference. Also, we examined the accounting treatment of deferred tax.
Please see the note no. 20 in these financial statements.	

Other Information:

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

CHARTERED ACCOUNTANTS

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 not obtained all the 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 Company so far as it appeared from our examination of these books;

c) the Statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are unable to check the agreement, in some respects, with the books of accounts and returns; and

d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka
September 14, 2020

Md. Waliullah
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Financial Position
As on 30 June' 2019

Particulars	Notes	Amounts in Taka 30th June' 2019	Amounts in Taka 30th June' 2018
Non-Current Assets		**4,965,282,955**	**4,919,101,638**
Property, Plant and Equipment	3.00	4,965,282,955	4,919,101,638
Capital Work-in-process	4.00	-	-
Investment	5.00	100,258,700	100,317,881
Current Assets		**8,517,522,647**	**7,972,955,981**
Inventories	6.00	2,401,521,615	1,852,044,092
Trade & Other Receivables	7.00	3,077,231,556	3,287,397,476
Advances, Deposits and Prepayments	8.00	2,862,652,530	2,709,620,777
Cash and Cash Equivalent	9.00	176,116,947	123,893,636
TOTAL ASSETS		**13,583,064,302**	**12,992,375,500**
Source of Funds:			
Shareholders Equity		**6,940,920,282**	**7,867,319,460**
Share Capital	10.00	4,013,086,000	3,896,200,000
Share Premium	11.00	1,200,000,000	1,200,000,000
Revaluation Surplus	12.00	1,141,578,189	1,141,578,189
Retained Earnings	13.00	586,256,093	1,629,541,271
Non-Current Liabilities		**1,871,502,019**	**771,459,579**
Long Term Borrowings	14.00	1,863,591,028	706,128,821
Long Term Liabilities for Deferred Taxes	20.00	7,910,991	65,330,758
Current Liabilities		**4,770,642,001**	**4,353,596,460**
Short Term Borrowings	15.00	1,696,526,943	2,358,954,856
Bank Overdraft	16.00	288,868,854	811,910,763
Current Portion of Long Term Borrowings	14.00	2,340,512,451	730,582,631
Liabilities for Expenses	17.00	47,338,761	59,419,845
Trade & Other Payables	18.00	16,509,145	25,084,912
Provision for Income Tax	19.00	239,290,599	225,505,338
Other Provisions	21.00	141,595,248	142,138,116
TOTAL EQUITY AND LIABILITIES		**13,583,064,302**	**12,992,375,500**
CONTINGENT LIABILITIES & COMMITMENT			
Net Asset Value (NAV)	30.00	**17.30**	**20.19**

The accounting policies and other notes from 01 to 36 form an integral part of the Financial Statements. The Financial Statements were authorized for issue by the Board of Directors on 14.09.2020 and signed on its behalf by :

Company secretary (C.C.)

Chief Financial Officer

Director

Managing Director

Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka
Dated: 14 September, 2020

Malek Siddiqui Wali
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the Year ended 30 June, 2019

Particulars	Notes	Amounts in Taka 30th June' 2019	Amounts in Taka 30th June' 2018
Net Turnover	22.00	1,853,907,820	3,863,827,323
Cost of Sales	23.00	(1,542,694,483)	(3,147,799,527)
A.Gross Profit		**311,213,337**	**716,027,797**
Operating Expenses:			
Administrative Expenses	24.00	(689,929,980)	(130,615,100)
Selling and Distribution Expenses	25.00	(22,913,976)	(50,433,252)
B.Total Operating Expenses		**(712,843,957)**	**(181,048,352)**
C.Profit from Operating Activities (A-B)		**(401,630,619)**	**534,979,445**
Financial Expenses	26.00	(792,271,380)	(568,691,199)
Net Profit from Operation		**(1,193,901,999)**	**(33,711,755)**
Non Operating Income	27.00	233,469,776	99,216,234
Profit before Gratuity and WPPF Fund		**(960,432,223)**	**65,504,479**
Provision For Gratuity	21.01	(9,601,461)	(9,172,400)
Provision for Workers Profit Participation Fund (WPPF)	21.02	-	(3,275,224)
Profit Before Income Tax		**(970,033,684)**	**53,056,855**
Taxation (Expenses)/Income	28.00	43,634,506	(31,647,210)
Net Profit / (Loss) after Tax		**(926,399,178)**	**21,409,645**
Basic Earning per share (Taka)	29.00	**(2.31)**	**0.05**

The accounting policies and other notes from 01 to 36 form an integral part of the Financial Statements. The Financial Statements were authorized for issue by the Board of Directors on 14.09.2020 and signed on its behalf by :

Company secretary (C.C.) | Chief Financial Officer | Chairman

Director | Managing Director

Signed in terms of our separate report of even date annexed.

Place : Dhaka
Daled: 14 September, 2020

Malek Siddiqui Wali
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Cash Flows
For the Year ended 30 June'2019

Particulars	Amounts in Taka July'18 to June'19	Amounts in Taka July'17 to June'18
Cash Flow from Operating Activities:		
Cash receipts from customers and others	2,064,073,740	3,509,924,219
Cash receipts from others income	233,469,776	99,216,234
Payment of Advance Income Tax	(16,965,965)	(111,899,417)
Cash payments for suppliers, employees and others	(2,957,043,862)	(3,179,337,687)
A) Net Cash used in Operating Activities	**(676,466,311)**	**317,903,349**
Cash Flow from Investing Activities:		
Purchase of property, plant and equipment	(66,231,202)	(36,528,826)
Capital Work in Process	-	(224,693,584)
Disposal of Non Current assets	5,270,000	-
B) Net Cash used in Investing Activities	**(60,961,202)**	**(261,222,410)**
Cash Flow from Financing Activities:		
Dividend Paid	-	-
Borrowing Costs/Finance Costs	(792,271,380)	(568,691,199)
Increase/(Decrease) in bank overdraft	(523,041,909)	527,856,362
Increase/(Decrease) in short term borrowings	(662,427,914)	444,810,883
Increase/(Decrease) in long term borrowings	2,767,392,028	(358,112,939)
C) Net Cash Flow from Financing Activities	**789,650,823**	**45,863,107**
Net increase in Cash and Bank Balances (A+B+C)	**52,223,311**	**102,544,046**
Cash and Bank balances at beginning of period	123,893,636	21,349,589
Cash and Bank Balances at end of Period	**176,116,947**	**123,893,636**
Net Operating Cash Flows per share-NOCFPS	**(1.69)**	**0.082**

The accounting policies and other notes from 01 to 36 form an integral part of the Financial Statements. The Financial Statements were authorized for issue by the Board of Directors on 14.09.2020 and signed on its behalf by :

Company secretary (C.C.) | Chief Financial Officer

Director | Managing Director | Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka
Dated: 14 September, 2020

Malek Siddiqui Wali
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Changes In Equity
As on 30 June' 2019

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Reserve	Total Equity
Balance as at 01-07-2017	**3,542,000,000**	**1,200,000,000**	**1,962,331,626**	**1,141,578,189**	**7,845,909,815**
Net Profit after Tax			21,409,645		21,409,645
Cash Dividend Paid	-		-		-
Adjustment of Dividend	354,200,000		(354,200,000)		-
Bonus Share Issued	-		-		-
Closing Balance (30-06-2018)	**3,896,200,000**	**1,200,000,000**	**1,629,541,271**	**1,141,578,189**	**7,867,319,460**
Balance as at 01-07-2018	**3,896,200,000**	**1,200,000,000**	**1,629,541,271**	**1,141,578,189**	**7,867,319,460**
Net Profit after Tax			(926,399,178)		(926,399,178)
Increased in Paid up capital					-
Adjustment of Dividend	116,886,000		(116,886,000)		-
Less:ReversalTax benefit on Unabsorbed					-
Closing Balance (30-06-2019)	**4,013,086,000**	**1,200,000,000**	**586,256,093**	**1,141,578,189**	**6,940,920,282**

The accounting policies and other notes from 01 to 36 form an integral part of the Financial Statements. The Financial Statements were authorized for issue by the Board of Directors on 14.09.2020 and signed on its behalf by :

Company secretary (C.C.)

Chief Financial Officer

Director

Managing Director

Chairman

Signed in terms of our separate report of even date annexed.

Place : Dhaka
Dated: 14 September, 2020

Malek Siddiqui Wali
Chartered Accountants

APPOLLO ISPAT COMPLEX LTD.
Notes to the Financial Statements
As at and for the Year ended 30 June'2019

CHARTERED ACCOUNTANTS

	Amounts in Taka	
	30th June' 2019	30th June' 2018
3.00 Property, Plant and Equipment :		
These have arrived at as under:		
Cost (Opening Balance)	7,099,932,228	4,910,853,803
Add: Revaluation surplus of land	-	-
	7,099,932,228	**4,910,853,803**
Add: Addition during the period	355,480,764	36,528,826
Add: Transfer from Capital Work in Process(NOF)*	-	2,152,549,599
Adjustment/disposal	15,031,829	-
Total Cost	**7,440,381,163**	**7,099,932,228**
Less: Accumulated Depreciation (Opening Balance)	2,180,830,590	2,026,831,417
Less: Accumulated Depreciation (Disposal)	(8,832,584)	-
Add: Charged during the period	303,100,202	153,999,174
Total	**2,475,098,208**	**2,180,830,590**
Written down value : (WDV)	**4,965,282,955**	**4,919,101,638**
4.00 Capital Work-in-Process:		
This amount consists as follows:		
Opening Balance (4.01)	-	1,927,856,015
Add: Addition during the year (4.02)	-	224,693,584
	-	**2,152,549,599**
Less: Adjustment during the year	-	-
Total	-	**2,152,549,599**
Less: Transfer to Fixed Assets	-	**(2,152,549,599)**
Total	-	-
4.01 Opening Balance (4.01) :		
Machineary Work-in Progress	-	1,097,486,582
Building & Other Work-in-Prog.	-	830,369,433
	-	**1,927,856,015**
4.02 Addition during the year :		
Machineary Work-in Progress	-	182,155,898
Building & Other Work-in-Prog.	-	42,537,686
Total	-	**224,693,584**
5.00 Investment:		
This amount consists as follows:		
Un-Quoted		
Palash Spinning Mills Ltd.	100,000,000	100,000,000
Phoenix Holdings Ltd.	258,700	317,881
Total	**100,258,700**	**100,317,881**

	Amounts in Taka	
	30th June' 2019	30th June' 2018

The company has recognised both Palash Spinning Mills Ltd. and Phoenix Holdings Ltd. as an associate company. The company has significant influence over the mentioned investee compnaies that qualify to become an Associate company in accordance with IAS 28: Investments in Associates and Joint Ventures. The compnay assumes that it has siginificant influence over the investee compnaies as the company holds 45% and 30% of companies shares of Palash Spinning Mills Ltd. and Phoenix Holdings Ltd. respectively. Moreover, The company has participation in the policy-making process, including participation in decisions about dividends or other distributions; interchange of managerial personnel and provision of essential technical information.

5.01 The Company by way of transfer acquired 225,000 ordinary share of at a cost of Tk.100,000,000 each @ Tk. 444.44 each including a premium of Tk. 344.44 of Palash Spinning Mills which is 45% of total share. There is no commercial operation of Palash Spinning Mills. The principal place of business is in Bangladesh.

5.02 The Company acquired 15,000 ordinary shares out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total shares. The principal place of business is in Bangladesh. The compnay has measured the associate compnay using equity method of accounting. The said company incurred loss of Tk. 4,137,666 up to 30-06-2019. Due to reported Loss upto 30.06.2019 Appollo Ispat Complex Ltd. has recognized 30% Holding Loss which is equivalent of Tk. 1,241,300 by this reason Investment stands at Tk. (1,500,000-1,241,300)= Tk. 258,700

6.00 Inventories :

Finished goods	617,014,688	527,768,823
Work in Process	895,857,325	870,098,901
Raw Materials	795,126,436	362,126,774
Spare Parts	93,523,165	92,049,595
Total	**2,401,521,615**	**1,852,044,092**

The above Inventories are as per Physical counting made and valued by the inventory team consists of management staff. Inventories in hand have been valued at lower of cost and net realizable value as per IAS-2.

7.00 Trade & Other Receivables :

A. Trade Receivable :		
Opening balance	3,249,053,959	2,895,150,853
Add: Sales and Scrap Sales during the period	1,853,907,820	3,863,827,323
	5,102,961,779	**6,758,978,177**
Less: Adjustment/recovery	(1,463,166,640)	(3,509,924,218)
Less: Irrecoverable debt written off	(600,907,100)	-
Total Trade Receivable	**3,038,888,040**	**3,249,053,959**
B. Other Receivable:		
Insurance Receivable	38,343,516	38,343,516
Interest Receivable	-	-
Total Other Recievable	**38,343,516**	**38,343,516**
Total Trade & Other Receivables : (A+B)	**3,077,231,556**	**3,287,397,475**

A district wise break down given be	Amounts in Taka	
	30th June' 2019	30th June' 2018
BAGERHAT	90	90
B. BARIA	79,612,317	79,612,317
BHOLA	66,279,348	64,863,635
BOGURA	670,204,904	660,665,788
BORGUNA	1,211,956	1,211,956
BORISAL	(3,727,117)	(3,393,392)
CHADPUR	46,208,696	46,348,599
CHITTAGONG	5,348,565	5,348,565
CHUYADANGA	20,641,827	20,926,221
COMILLA	46,373,683	47,496,585
DHAKA	894,122,908	1,403,825,486
DINAJPUR	(77,174,828)	(45,607,243)
FENI	685,936	685,936
FORIDPUR	(2,489,959)	(4,617,148)
GAIBANDA	93,307,345	94,107,345
GAZIPUR	79,240,694	79,218,042
GOPALGONJ	(701,258)	(714,115)
JAMALPUR	48,389,151	48,171,127
JESSORE	62,108,051	62,508,051
JHALOKHATHI	(18,811,175)	(8,732,764)
JHINAIDA	(890,855)	(735,997)
KHULNA	31,215,623	31,327,277
KISHORGONJ	2,650,342	2,833,953
KURIGRAM	92,739	(290,191)
KUSHTIA	47,061	695,061
LALMONIRHAT	(5,159,199)	(4,434,946)
MADARIPUR	589,581	589,581
MAGURA	422,205	472,177
MANIKGONJ	(6,823,111)	(6,157,070)
MAYMENSING	(404,490)	(2,744,124)
MUNSHIGONJ	1,782	1,782
NAOGAON	(10,825,824)	(10,600,621)
NARAIL	(3,601,676)	(3,875,760)
NATOR	1,943,507	1,943,507
NAYABAZAR	26,557,362	26,362,081
NETROKONA	1,676,040	1,776,040
N. GONJ	5,727,715	5,727,716
NILFAMARI	57,691,172	58,683,093
NOAKHALI	2,764,204	2,865,791
NORSHINDI	15,884,487	15,884,487
Others (Trade Debtors)	582,077,042	267,483,606
PABNA	184,115	955,534
PANCHOGAR	60,340,122	65,677,697
PIROJPUR	404,941	404,941
POTUAKHLI	202,383	202,383
RAJBARI	(4,135,072)	(3,835,257)
RAJSHAHI	(33,559,443)	(23,763,949)
RONGPUR	103,753,518	119,391,178
SATKHIRA	291,988	291,988
SHARIYATPUR	42,731	42,731
SHERPUR	14,964,326	13,890,299
SIRAJGONJ	131,745	131,745
Suspenses A/c (Trade Debtors)	46,354	46,354
SYHLET	128,951,049	131,945,354
TANGAIL	45,646,411	(5,591,800)
THAKURGAON	17,207,974	18,057,974
ZINZIRA	(8,051,941)	(8,525,738)
Total	**3,038,888,040**	**3,249,053,959**

	Amounts in Taka	
	30th June' 2019	30th June' 2018
7.01 Ageing of trade and other receivable:		
0-90 days	501,416,526	536,093,903
91-180 days	1,081,844,142	1,156,663,209
181-365 days	784,033,114	838,255,921
1-2 years	285,655,476	305,411,072
over 2 years	385,938,781	412,629,853
	3,038,888,040	**3,249,053,959**
8.00 Advances, Deposits and Prepayments :		
This amount consists as follows:		
Advances	2,749,448,016	2,552,692,066
Deposits and Investments	113,204,514	156,928,711
	2,862,652,530	**2,709,620,777**
8.01 Advances :		
Against goods and services	565,264,022	382,636,447
Against Salary	18,594,049	10,513,086
Against Land purchase	153,498,652	442,748,214
Advance for Preliminary & Pre-Operating Expense (NOF)	19,171,846	26,154,194
Advance Income Tax	445,204,610	428,238,645
Material in Transit	985,117,957	869,952,386
LC margin	488,630,384	392,784,775
VAT current account	73,966,495	(335,681)
	2,749,448,016	**2,552,692,066**
8.02 Advance Income Tax :		
Opening Balance	428,238,645	499,655,610
Add: Addition during the year	16,965,965	111,899,417
	445,204,610	611,555,027
Less: Refund during the year	-	-
Less : Adjusted after Tax Assessment	-	183,316,382
Closing Balance	**445,204,610**	**428,238,645**
8.03 Deposits and Investments:		
CDBL	500,000	500,000
FDR with South East Bank Ltd.	4,065,095	3,961,277
FDR with IFIC Bank Ltd.	53,068,144	96,804,279
FDR with Jamuna Bank Ltd.	1,897	1,897
Bank Guarantee Bond	23,216,586	23,308,466
Deposit Against GAS cylindar	60,000	60,000
Security deposit with Titas Gas,WASA, DESA & Custom	32,292,792	32,292,792
Total	**113,204,514**	**156,928,711**
8.04 Advance for Preliminary & Pre-Operating Expense (NOF)		
Opening Balance	26,154,194	12,606,294
Add: Addition during the year	-	15,197,537
	26,154,194	27,803,831
Less : Amortization	6,982,348	1,649,637
Closing Balance	**19,171,846**	**26,154,194**

	Amounts in Taka	
	30th June' 2019	30th June' 2018
9.00 Cash and Bank balances :		
This amount consists as follows:		
Cash in Hand	1,932,292	381,053
Factory current account	725,094	2,827,748
Cash at Bank (Notes-9.01)	173,459,561	120,684,835
	176,116,947	**123,893,636**
9.01 Cash at Bank:		
Agrani Bank Ltd Tejgaon Br.	15,119	12,309
AB Bank Ltd Kawran Bazar Br.	1,081	1,081
Al-Arafah Islami Bank Ltd Jatra Bari	30,032	230,032
Bank Asia Ltd Scotia Br.	5,078,206	5,026,549
Bank Asia Ltd Scotia Br.	11,393	24,333
Basic Bank Ltd karwan bazar	5,505	16,555
BRAC Bank Ltd Gulshan Br.	18,237	68,237
BRAC Bank Ltd Kawran Bazar Br.	26,341	26,341
City Bank Ltd Motijheel	407,445	400,664
Dutch Bangla Bank Ltd Dilkusha	-	24,315
Dutch Bangla Bank Ltd /Local KB	124,989	124,989
Dhaka Bank Ltd (Motijheel)	9,530	204,414
Eastern Bank Ltd Sonargoan Br.	11,966	63,116
Exim Bank Ltd Motijheel	8,856	42,236
Islami Bank BD Ltd Gandria	5,000	5,000
Jamuna Bank Ltd Dhilkusha	24,971,563	20,825,730
Janata Bank Ltd Bangshal Br.	6,211	20,206
Mercantail Bank (Motijheel)	14,000,000	14,000,000
Mutual Trust Bank Ltd Motijheel Br.	4,008,219	4,028,602
Mutual Trust Bank Ltd Dhanmondi Br.	10,000	10,000
National Bank Ltd Dhilkusha Br.	18,058	17,284
National Bank Ltd Dhilkusha Br.	10,000	10,000
NCC Bank Ltd Dhanmondhi Br.	39,975,000	15,000,000
NRB bank	10,000	10,000
Prime Bank Ltd K.Bazzar	7,818	59,094
Primier Bank Ltd Gulshan Br.	1,717	1,717
Pubali Bank Ltd Tejgaon	2,360	2,360
Rupali Bank Ltd Green Road	12,913	25,507
Southeast Bank Ltd Dhanmondhi Br.-25	14,105	30,008,152
Southeast Bank Ltd Dhanmondhi Br.	20,085	20,766
Shajalal Bank Ltd Motijheel Br.	10,490	14,140
Social Islami Bank Ltd Motijheel Br.	84,462,000	30,000,000
Social Islami Bank Ltd Panthopath Br.	-	24,583
Sonali Bank Ltd Tejgaon Br.	76,584	167,710
Sonali Bank Ltd Motejheel Br.	4,940	4,940
Sonali Bank (STD - Awlad H. Market)	-	18,031
Sonali Bank Ltd RJC Motejheel Br.	-	17,964
State Bank Of India	4,130	5,280
United Commercial Bank Ltd Mohakhali Br.	18,382	66,313
United Commercial Bank Ltd Karwan Bazar Br.	5,000	-
United Commercial Bank Ltd Naya Bazar Br.	56,284	56,284
Total	**173,459,561**	**120,684,835**

		Amounts in Taka	
		30th June' 2019	30th June' 2018
10.00	**Share Capital :**		
	Authorized Capital : Tk.		
	500,000,000 Ordinary share of Tk.10 each.	5,000,000,000	5,000,000,000
	Issued, Subscribed and paid up Capital:		
	This amount consists as follows:		
	250,000,000 Ordinary Share of Tk.10 each, fully paid up in cash	2,500,000,000	2,500,000,000
	Bonus Share	1,513,086,000	1,396,200,000
		4,013,086,000	3,896,200,000
10.01	**Bonus Share capital:**		
	This amount consists as follows:		
	Bonus 2013-2014 : 37,500,000 Bonus Share@ Tk.10 each.	375,000,000	375,000,000
	Bonus 2014-2015 : 34,500,000 Bonus Share@ Tk.10 each.	345,000,000	345,000,000
	Bonus 2015-2016 : 32,200,000 Bonus Share@ Tk.10 each.	322,000,000	322,000,000
	***Bonus 2016-2017 : 35,420,000 Bonus Share@ Tk.10 each.**	354,200,000	354,200,000
	***Bonus 2017-2018: 11,688,600 Bonus Share@ Tk.10 each.**	116,886,000	-
		1,513,086,000	1,396,200,000

For the Financial Year 2017-2018 Board of Directors of the company proposed Dividend: 03% Stock; with due approval at 24rd Annual General Meeting held on 31rd December 2018.

10.02 A distribution schedule of the above shares is given below:

A. Director's Shareholding

Name	No. of Shares	Status with the Company	30 June' 2019 % of Holding	30 June' 2018 % of Holding
Deen Mohammad	13,195,026	Chairman	3.288	3.29
Mohammad.Shoeb	9,984,557	Vice Chairman	2.488	2.49
Md. Ansar Ali	8,026,172	Managing Director	2.000	2.00
Md. Abdur Rahman	8,026,172	Dy Managing Director	2.000	2.00
M.A Majid	10,191,167	Director	2.540	2.54
Md Rafique	8,026,172	Director	2.000	2.00
Md. Abu Kaiser	-	Ind. Director	-	0.00
Ms. Roxshana Begum	8,026,597	Director	2.000	2.00
Evana Fahmida Mohammad	8,026,597	Director	2.000	2.00
Late Md.Mozammel Haque*	-	Sponsor	-	0.00
Md.Sirajul Haque	7,129,137	Sponsor	1.777	2.73
Murshida Haque	590,062	Sponsor	0.147	0.01
Md. Mustafijul Haque	15,530	Sponsor	0.004	0.13
Total	**81,237,189**		**20.2431**	**21.20**

***N.B: In compliance with listing regulation 2015, Late Md.Mozammel Haque as sponsor sharehoder, has been removed from the sponsor shareholder list.**

Amounts in Taka	
30th June' 2019	30th June' 2018

B. Other Shareholders

Name		Status with the Company	30 June' 2019 % of Holding	30th June' 2018
Above 5 % shareholding:	20,473,544	Shareholders	5.10	5.10%
Below 5% shareholdings	299,597,867	Shareholders	74.66	73.71%
Total	320,071,411		79.76	78.81%
Grand Total (A+B)	401,308,600		100	100%

Classification of Shareholders by holding

Holdings	As on June 2019		As on June 2018	
	No. of holders	% of Holding	No. of holders	% of Holding
Less than 500 Shares	27,996	1.85	30,589	2.08
501 to 5000 Shares	12,828	6.37	12,943	6.80
5,001 to 10,000 Shares	3,518	6.14	3,384	6.19
10,001 to 20,000 Shares	1,441	8.34	2,257	8.05
20,001 to 30,000 Shares	847	5.12	814	5.16
30,001 to 40,000 Shares	454	3.90	401	3.57
40,001 to 50,000 Shares	288	3.22	229	2.67
50,001 to 100,000 Shares	479	8.12	432	7.49
100,001 to 1,000,000 Shares	299	17.89	288	17.76
1,000,001 to above Shares	39	39.04	33	40.24
	48,189	100	51,370	100

11.00 Share Premium :

100,000,000 Ordinary Shares of Tk.12 each, fully paid up in cash	1,200,000,000	1,200,000,000
	1,200,000,000	1,200,000,000

12.00 Revaluation Surplus :

This is as per last Account		
***Land & Land Development**	1,141,578,189	1,141,578,189
	1,141,578,189	1,141,578,189

ıation of Land has been done on June 30, 2012 by A.Wahab & Co. Chartered Accountants , A member Firm of Lading Edg

13.00 Retained Earnings:

This amount consists as follows:

Balance brought forward	1,629,541,271	1,962,331,626
Add. Profit for the period	(926,399,178)	21,409,645
Add:Unabsorbed Carry Forwrded u/s 42(6)	-	-
	703,142,093	1,983,741,271
Less: Amount Transferred to Share Capital as Bonus Share of 3,542,000,000 (10% Stock Bonus) @ Tk. 10 each with due approval at 23rd Annual General Meeting.Bonus Share of 3,896,200,000 (3% Stock Bonus) @ Tk. 10 each with due approval at 24th Annual General Meeting	- (116,886,000)	- (354,200,000)
	586,256,093	1,629,541,271

Amounts in Taka	
30th June' 2019	30th June' 2018

14.00 Long Tern Borrowings:
This amount consists as follows:

Name of Bank	30 June 2019		30 June 2018	
	Due within one year	Due after more than one year	Due within one year	Due after more than one year
Jamuna Bank Ltd.	113,468,400	162,091,837	120,630,000	158,767,089
IFIC Bank Ltd.	1,727,100,000	732,872,672	228,383,328	82,840,838
Mercantile Bank limited	31,704,000	119,957,142	60,000,000	102,625,584
Mutual trust Bank limited	47,865,006	58,856,008	51,783,804	24,356,767
Phoenix Finance & Investment	199,349,820	293,062,151	93,966,348	189,203,290
GSP Finance Company Ltd	14,155,164	31,777,335	13,960,956	25,896,273
GSP Finance Company Ltd(Lease)	16,994,544	34,356,496	13,960,956	28,670,565
NCC Bank limited	41,800,705	-	39,242,141	-
Islamic Finance & Investment Ltd	55,593,960	103,084,132	55,593,960	93,768,415
Social Islami Bank limited	18,426,898	26,661,335	53,061,138	-
Southest Bank Ltd.	42,253,954	121,129,367	-	-
Union Capital	31,800,000	179,742,553	-	-
Total	**2,340,512,451**	**1,863,591,028**	**730,582,631**	**706,128,821**
Total Long Term Borrowings		**4,204,103,480**		**1436711452**

This represent the present outstanding balances of the above term loans. The above loans are secured by personal guarantee of the director of the company and the pari passu sharing agreement between banks on fixed and floating assets of the company. The interest rate of this loans are varying from 10%-13%. The Payment of installment were being made regularly.

15.00 Short Term Borrowings:
This amount consists as follows:

Jamuna Bank Ltd (TR)	104,866,803	318,170,116
Jamuna Bank Ltd (Demand)	537,466,231	
Mutual Trust Bank Ltd	97,985,137	85,639,920
IFIC Bank Ltd (TR)	-	80,846,971
IFIC Bank Ltd (Deferred & LG)	254,859,451	589,174,487
GSP Finance Company Ltd.	336,460,202	303,227,057
Southeast Bank Ltd	230,204,336	372,176,393
Phoenix Finance & Investment Ltd	-	164,469,711
Time loan with Jamuna bank Ltd.	20,276,187	159,363,475
MIDAS Finance Ltd.	114,408,596	102,000,000
Union Capital Ltd.	-	183,886,726
Total	**1,696,526,943**	**2,358,954,856**

16.00 Bank overdraft:
This consist of the following:

Jamuna Bank OD A/c	65,898,831	58,470,611
AB Bank Ltd Kawran Bazar BrA/c No-4002-750680-000	-	2,498,447
Al-Arafah Islami Bank Ltd Motijheel	-	69,987,166
City Bank Ltd Po Motijheel	-	261,850,722
Dhaka Bank Ltd K.Bazar Local	-	4,827,446
First Security Bank Ltd Mohakhali Br.	-	26,036,245
Islami Bank BD Ltd Mohakhali	-	61,491,125
Janata Bank Ltd (Farmgate)	-	40,288,323
National Bank Ltd K Bazzar	-	6,976,501
One Bank Ltd Dhilkusha Br.	-	49,967,636
Pubali Bank Ltd Tejgaon		2,155,044

	Amounts in Taka	
	30th June' 2019	30th June' 2018
IFIC Bank Ltd OD A/C	221,368,789	191,128,842
IFIC Bank Ltd K.B	1,477,711	4,444,571
Uttara Bank Ltd A.H.M Br.	-	31,788,085
Social Islami Bank Ltd. (STD-panthapath Br.)	-	-
Sonali Bank (Registry Office)	-	-
Sonali Bank (STD- Awlad H. Market)	42,850	-
Dutch Bangla Bank Ltd. (salary A/c)	80,673	-
Islami Bank Bangladesh Ltd. (Mohakhali Br)	-	-
Total	**288,868,854**	**811,910,763**

17.00 Liabilities for Expenses :

This consist of the following:

Audit fee	555,000	430,000
Electricity	5,037,818	512,272
Gas	6,472,513	13,499,237
Salary and Allowances**	9,482,472	15,553,681
Wages and Salary	4,090,250	3,243,535
AIT payable	1,764,705	1,278,261
Income Tax Deducted at source from Salary	602,443	648,693
VAT Deducted at source	2,645,880	7,229,332
Duty payable	8,213	8,213
Telephone	887,387	431,792
Stock Exchange Fee Payable	7,344,200	5,179,542
AGM Expenses Payable	191,000	-
Head Office Rent Payable	1,197,143	-
Contribution to Providend fund	7,059,737	11,405,287
	47,338,761	**59,419,845**

17.01 Salary, wages & allowance Payable

The company pays salary & allowance on accrual basis i.e. current's month salary is accrued for the month and it is paid on following month.

18.00 Trade & Other Payables:

This amount consists as follows:

Trade Payables	8,976,451	17,440,756
Other Payables	7,532,694	7,644,156
	16,509,145	**25,084,912**

18.01 Trade Payables:

AK Traders	1,691,136	5,556,022
ABB Ltd (gulshan)	265,000	265,000
Airtech	337,500	337,500
Abul Hossain & co.	126,000	126,000
Ator Banu Traders	143,450	143,450
Barishal Printers	13,401	38,401
Buzz Communication	-	880,144
Bow Engineering Ltd.	221,500	221,500
Bismillah Transport Agency	-	-
Bashundhara Industrial Complex Ltd	144,000	144,000
CDBL Payable	106,000	188,915
Eastern Chemical	23,289	23,289
Electro Mech Automation	165,890	41,790
Fars Hotel & Resorts	137,476	137,476
Fritzh & Fixabit Inc	13,885	13,885
HR International	-	1,755,331
Global Connection Tours & travels	1,620	1,620
ION Exchange	260,000	260,000
MD Steel Casting Indus.	65,000	65,000
Hilfu We Engoneering	150,000	-
Khan Thai Aluminium & Fabricators	84,743	84,743
Happy Int.	1,620	1,620