

Abridged Version of Prospectus



# BSRM Steels Limited

Head Office: Ali Mansion, 1173/1207 Sadarghat Road, Chittagong, Tel: 031-616402, 613759, 613282, Fax: 88-031-610101  
 Dhaka Office: Mahub Castle (2nd & 4th floor), 35, Purana Paltan Line, Inner Circular Road (VIP Road), Dhaka- 1000 Tel: 02-8311994, 8313135, Fax: 88-02-8312905, Website: www.bsrm.com

**2,000,000 Ordinary Shares of Tk. 100 each at par totaling Tk. 200,000,000**

**Subscription for General Public**

Opening date : November 09, 2008  
 Closing date: November 13, 2008

**Subscription for NRB Applications**

Opening date : November 09, 2008  
 Closing date: November 22, 2008

**MANAGERS TO THE ISSUE**

**Alliance Financial Services Limited**  
 Rahman Chamber (3rd Floor), 12-13, Motijheel C/A, Dhaka-1000 Tel: 9567778, 9561817  
 Fax: 9559895, E-mail: allfin@yahoo.com, Website: www.allfin.org

**SACL SOUTH ASIA CAPITAL LIMITED**  
 Nascent Tower (2nd floor) 806/A, Agrabad C/A, Chittagong Tel: 031-713354, 713160  
 Fax: 88-031-713354, Website: www.saclbd.com

**FINANCIAL STATEMENTS IN ACCORDANCE WITH SECTION 135 OF THE COMPANIES ACT, 1994**

The Statement of Assets and Liabilities of the Company is as under:

	31.03.08 Taka	31.12.07 Taka	31.12.06 Taka	31.12.05 Taka	31.12.04 Taka	31.12.03 Taka
<b>Sources of funds</b>						
Share capital	901,715,000	568,125,000	450,000,000	150,000,000	65,464,000	8,100,000
Share money deposit	348,285,000	675,860,000	65,070,775	30,000,000	-	-
Syndicated term loan-Secured	2,078,415,189	1,728,026,899	-	-	-	-
Term loan-Secured	-	-	-	71,289,445	-	-
	<b>3,328,415,189</b>	<b>2,972,011,899</b>	<b>515,070,775</b>	<b>251,289,445</b>	<b>65,464,000</b>	<b>8,100,000</b>
<b>Application of funds</b>						
Fixed assets-at cost	3,540,843,469	2,533,699,378	200,076,160	197,091,554	20,235,003	7,500,276
Capital work-in-progress	-	413,082,891	56,863,828	11,285,130	549,228	-
Net current assets	(214,312,760)	(208,904,132)	212,109,020	20,711,546	42,983,621	428,935
Preliminary expenses	664,527	552,809	228,776	41,005	41,005	41,005
Un-allocated revenue expenses	1,219,953	232,437,916	45,792,991	22,160,210	1,655,143	129,784
Deferred expenses	-	1,143,037	-	-	-	-
	<b>3,328,415,189</b>	<b>2,972,011,899</b>	<b>515,070,775</b>	<b>251,289,445</b>	<b>65,464,000</b>	<b>8,100,000</b>

The statement on operating results of the company is as follows:  
 The company has commenced its commercial operation on 1st April 2008 which is not covered under audit of financial statements for the period ended 31st March 2008.

**KEY FINANCIAL RATIOS**

Ratios	Expressed in	31.03.08	31.12.07	31.12.06	31.12.05	31.12.04	31.12.03
<b>Liquidity Ratios:</b>							
Current ratio	Ratio	0.65:1.00	0.43:1.00	3.39:1.00	4.91:1.00	71:1	10.29:1
Quick ratio	Ratio	0.21:1.00	0.33:1.00	3.39:1.00	4.02:1.00	69:1	10.29:1
Times interest earned ratio	Times	N/A	N/A	N/A	N/A	N/A	N/A
Debt to equity ratio	Ratio	2.30:1	3.04:1	N/A	0.47:1	N/A	N/A
<b>Operating Ratios:</b>							
Accounts receivables turnover ratio	Times	N/A	N/A	N/A	N/A	N/A	N/A
Inventory turnover ratio	Times	N/A	N/A	N/A	N/A	N/A	N/A
Asset turnover ratio	Times	N/A	N/A	N/A	N/A	N/A	N/A
<b>Profitability Ratio:</b>							
Gross margin ratio	%	N/A	N/A	N/A	N/A	N/A	N/A
Operating income ratio	%	N/A	N/A	N/A	N/A	N/A	N/A
Net income ratio	%	N/A	N/A	N/A	N/A	N/A	N/A
Return of assets ratio	%	N/A	N/A	N/A	N/A	N/A	N/A
Return on equity ratio	%	N/A	N/A	N/A	N/A	N/A	N/A
Earnings-per-share ratio(EPS)	Taka	N/A	N/A	N/A	N/A	N/A	N/A

**REFUND OF SUBSCRIPTION MONEY**

In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with any of the Bankers to the Issuer and other banks as mentioned below, refund amount of those applicants will be directly credited to the respective bank account as mentioned in their IPO Application Forms.

AB Bank Limited	Investment Corporation of Bangladesh (ICB)
The City Bank Limited	National Bank of Pakistan
Dhaka Bank Limited	Standard Bank Limited
Eastern Bank Limited	Southeast Bank Limited
HSBC	Trust Bank Limited
Habib Bank Limited	BRAC Bank Limited

Otherwise, refund will be made only through "Account Payee" cheque (s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be. For this purpose, the number of the bank account along with name of bank and branch shall be clearly indicated in the securities application form.

**APPLICATION FORM AND THE FULL VERSION OF THE PROSPECTUS MAY BE OBTAINED FROM**

The prospectus of BSRM Steel Limited will be available at the officers of the following entities:

Company	Contact Person	Telephone Number
<b>The Issuer</b>		
<b>Head Office</b>		
Ali Mansion 1173/1207 Sadarghat Road Chittagong	Mr. Mohammed Reazul Kabir ACA Chief Financial Officer	(031)-616402, 613759, 613282
<b>Dhaka Office</b>		
Mahub Castle (2nd & 4th floor) 35, Purana Paltan Line Inner Circular Road (VIP Road) Dhaka- 1000	Mr. Muhammad Ashiqur Rahman Financial Analyst	(02) - 8311994, 8313135 01713-163152
<b>Managers to the Issue</b>		
Alliance Financial Services Limited Rahman Chamber (3rd floor) 12-13 Motijheel C/A, Dhaka- 1000	Mr. Muhammad Nazrul Islam ACMA Manager	(02) - 9554756, 9556752 01914-566039
South Asia Capital Limited Nascent Tower (2nd floor) 806/A, Agrabad C/A, Chittagong	Mr. Md. Shafiqul Islam FCMA Chief Financial & Operational Officer	(031) -713354, 713160
<b>Underwriters</b>		
South Asia Capital Limited Nascent Tower (2nd floor) 806/A, Agrabad C/A, Chittagong	Mr. Md. Shafiqul Islam FCMA Chief Financial & Operational Officer	(031) -713354, 713160
Trust Bank Limited Peoples Insurance Bhavan 36, Dilkusha C/A, Dhaka- 1000	Mr. Mohammad Saleh Ahmed Senior Executive officer	(02) - 9570261, 9570263 01713-193396
Equity Partners Limited 9/E Motijheel C/A Dhaka- 1000	Mr. Saiful Islam Director	(02) - 9561070, 9561232
<b>Stock Exchanges</b>		
Dhaka Stock Exchange Limited. 9/F, Motijheel C/A, Dhaka-1000	DSE Library	(02) - 9564601-7
Chittagong Stock Exchange Limited. CSE Building, 1080 Sheikh Mujib Road, Agrabad, Chittagong-4100	CSE Library	(031) - 714632-3 (031) - 720871-3

Prospectus is also available on the website of SEC (www.secd.org), Issuer (www.bsrm.com), Issue Managers (www.allfin.org and www.saclbd.com), DSE (www.dsebd.org), CSE (www.csebd.com) and Public Reference room of the Securities and Exchange Commission for reading and study.

**BANKERS TO THE ISSUE**

<b>Dhaka Bank Limited</b>	Khatungonj Br. Chittagong	Bashundhara Br., Dhaka	Islami Banking Br. Dhaka
Local Office Br. Dhaka	CDA Avenue Br. Chittagong	Sonargaon Road Br. Dhaka	Mouchak Br. Dhaka
Bangshal Br. Dhaka	Sylhet Br. Sylhet	Station Road Br. Chittagong	Johnson Road Br. Dhaka
Imamgonj Br. Dhaka	Khulna Br. Khulna	Khatungonj Br. Chittagong	Uttara Br. Dhaka
Islampur Br. Dhaka	Rajshahi Br. Rajshahi	Narayangonj Br., Narayangonj	Shaymoli Br. Dhaka
Banani Br. Dhaka	Jessore Br. Jessore	Khulna Br., Khulna	DSE Nikunja Br. Dhaka
Foreign Exchange Br. Dhaka	Principal Branch, Dhaka	Agrabad Br. Chittagong	Tongi Br. Gazipur
Dhanmondi Br. Dhaka	SKB Br. Dhaka	Rajshahi Br., Rajshahi	Tanbazar Br. Narayangonj
Kawranbazar Br. Dhaka	Comilla Br. Comilla	Bogra Br., Bogra	Comilla Br. Comilla
Uttara Br. Dhaka	Chittagong Cantt. Br. Chittagong	AB Bank Limited	Jubilee Road Br. Chittagong
Amin Bazar Br. Dhaka	Rangpur Cantt. Br. Rangpur	Principal Br. Dilkusha Dhaka	Agrabad Br. Chittagong
Islami Banking Br. Dhaka	Jessore Cantt. Br. Jessore	Karwan Bazar Br. Dhaka	Khatungonj Br. Chittagong
Narayangonj Br. Narayangonj	Agrabad Br. Chittagong	Kakrail Br. Dhaka	O.R. Nizam Road Br. Chittagong
Laldighi Br. Sylhet	Dhanmondi Br. Dhaka	Mohakhali Br. Dhaka	Bandar Bazar Br. Sylhet
Agrabad Br. Chittagong	Gulshan Corporate Br. Dhaka	Gulshan Br. Dhaka	Zinda Bazar Br. Sylhet
Jubilee Road Br. Chittagong	Khatungonj Br. Chittagong	Dhanmondi Br. Dhaka	Bogra Br. Bogra
Khatungonj Br. Chittagong	Dilkusha Corporate Br. Dhaka	New Elephant Road Br. Dhaka	Rajshahi Br. Rajshahi
Cox's Bazar Branch, Cox's Bazar	Sylhet Corporate Br. Sylhet	Nawabpur Br. Dhaka	Barishal Br. Barishal
<b>HSBC</b>	CDA Avenue Br. Chittagong	Uttara Br. Dhaka	Khulna Br. K. Khulna
Motijheel Branch, Dhaka	Rokeya Sharani Br. Dhaka	ICB	Head Office (NSC Tower), Dhaka
<b>Standard Bank Limited</b>	Millenium Corporate Br. Dhaka	Khulna Br. Khulna	Chittagong Br. Agrabad, Chittagong
Principal Branch, Dhaka	Uttara Corporate Br. Dhaka	Modhuban Br. Sylhet	Rajshahi Br. Rajshahi
Foreign Exchange Br. Dhaka	Mirpur Br. Dhaka	Agrabad Br. Chittagong	Khulna Br. K. Khulna
Topkhana Road Br., Dhaka	Naval Base Br. Chittagong	<b>The City Bank Limited</b>	Barisal Br. Barisal
Imamgonj Br. Dhaka	Kawranbazar Br. Dhaka	Principal Office, Br. Dhaka	Sylhet Br. Sylhet
Gulshan Br. Dhaka	Narayangonj Br. Narayangonj	B.B. Avenue Br. Dhaka	Bogra Br. Bogra
Dhanmondi Br. Dhaka	<b>Eastern Bank Limited</b>	Dhanmondi Br. Dhaka	Local Office Br. Dhaka
Uttara Br. Dhaka	Dhanmondi Br. Dhaka	New Market Br. Dhaka	
Gulshan-1 Br. Dhaka	Gulshan Br. Dhaka	Gulshan Br. Dhaka	
Panthapath Br. Dhaka	Mirpur Br. Dhaka	Kawran Bazar Br. Dhaka	
Banani Br. Dhaka	Motijheel Br. Motijheel, Dhaka	Foreign Ex. Br. Dhaka	
Narayangonj Br. Narayangonj	Principal Br., Dilkusha, Dhaka	Mirpur Br. Dhaka	
Munshikhola Br. Dhaka	Shantinagar Br. Dhaka	Dhaka Chamber Br. Motijheel, Dhaka	
Jubilee Road Br. Chittagong	Uttara Br. Dhaka	VIP Road Br. Dhaka	
Agrabad Br. Chittagong	Shyamoli Br., Dhaka	Imamgonj Br. Dhaka	

**SHORT BIO-DATA OF THE DIRECTORS**

**Mr. Alihussain Akberali, FCA- Chairman**  
 Mr. Alihussain Akberali was born in 1949. His father Late Akberali Alibhai Africawala was a renowned businessman in steel sector. Mr. Alihussain Akberali has graduated in commerce from University of Karachi, Pakistan. He is a Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of Bangladesh. He is one of the most experienced industrialists in steel sector. He is the Chairman of BSRM Group. Mr. Alihussain Akberali has been selected as CIP for 2008 from large scale industry category. Previously he was also selected CIP for four years in 1995, 1996, 1997 & 2001. He is a well traveled person. In business circle he is considered as an epitome of enterprise for his integrity and hard work. Mr. Alihussain Akberali is engaged in various social activities like Rotary Club, Chittagong Ma O Shishu Hospital, Chirayat Shanti Society, Patient Welfare Samitee of Chittagong Medical College etc.

**Mr. Aameir Alihussain - Managing Director**  
 Mr. Aameir Alihussain S/O Mr. Alihussain Akberali- Chairman of the Company was born in 1975. He did his bachelor degree in Economics from McGill University, Canada and did MBA from LUMS University in Pakistan. He has joined the family business in 2001 and aims to set high industry standards and benchmarks with the performance of the group. He is the Managing Director of BSRM Steels Limited. He also holds the position of Director of most of the units of BSRM Group.

**Mr. Zohair Taherali- Director**  
 Mr. Zohair Taherali, Director of all other units of BSRM Group, was born in 1963. He was graduated in Commerce from University of Karachi, Pakistan. He has 15 years proven record in steel sector and established himself as one of the leading industrialist of the country. He is involved in banking and financial activities of BSRM Steels Limited. He is a well traveled person. Mr. Zohair Taherali is engaged in various social activities.

**Ms. Tehseen Zohair Taherali- Director**  
 Ms. Tehseen Zohair did her graduation from University of Chittagong. She was born in 1970. Ms. Tehseen Zohair Taherali is actively involved in the management of the BSRM Group of Companies. She is also involved in various charitable institutions and is a highly regarded personality in the society. Beside BSRM Steels Limited she also holds the position of Director of other units of BSRM Group.

**Ms. Sabeen Aameir- Director**  
 Ms. Sabeen Aameir was born in 1977. She did MBA from Lums University in Pakistan. She has been working in Human Resource Development activities of BSRMS.

**DIRECTORS INVOLVEMENT WITH OTHER LISTED COMPANIES AS DIRECTORS**

None of the Directors of BSRM Steels Limited has any involvement as Director with any other listed Company.

**AUDITORS INFORMATION:**

**RAHMAN RAHMAN HUQ**  
 102 Agrabad C/A (3rd Floor), Chittagong, Tel : +880(31)710704, Fax : +880(31)2520795

**CREDIT RATING**

Long Term	Short Term
A	ST-3
Credit Rating by: Credit Rating Information and Services Limited (CRISL)	

**USE OF PROCEEDS**

The project has already been established and net proceeds from IPO shall be utilized for finance working capital (partial) of the company.

**SPECIAL NOTE:**

Please read the prospectus carefully which includes "Risk Factors" before taking your investment decision.

An applicant cannot submit more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, whole or part of application money may be forfeited by the Commission.

The Securities and Exchange Commission has decided that the primary shares allotted to an applicant through IPO may be forfeited by SEC, if the BO account of the said applicant is found closed at the time of allotment of shares. So, all IPO applicants are required to keep their BO accounts operational till allotment of IPO shares.

Application will not be treated as valid if anyone uses a non-scheduled bank account. To avoid this complication, investors are requested not to use the name of any non-scheduled bank on their Application Form.

