

**ACNABIN**

Chartered Accountants

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Independent Auditor's Report To the Shareholders of Shahjibazar Power Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Shahjibazar Power Company Limited ("The Company") which comprise the statement of financial position as at 30 June 2016, statement of Profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information and all related consolidated financial statements of Shahjibazar Power Company Limited including its subsidiary and associate (together referred to as "the Group").

Management's Responsibility for the Financial Statements

Management of Shahjibazar Power Company Limited is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations, 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 and error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable, but not absolute assurance whether the financial statements are free from material misstatement due to fraud and error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The financial statements of the Company's subsidiary, Petromax Refinery Limited (PRL), was not audited by us. The financial statements of Petromax Refinery Limited shows total assets of Taka 6,338,468,952 as on 30 June 2016 and total revenue of Taka 6,483,197,804 for the year then ended. Aziz Halim Khair Choudhury & Co., Chartered Accountants has audited the Financial Statements of Petromax Refinery Limited and expressed an unmodified opinion. Our opinion, in so far as it relates to the amounts included in respect of the company's subsidiary, is based on the audited financial statements and reports issued by subsidiary's auditor.



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Chartered Accountants

Opinion

In our opinion, the financial statements including the consolidated financial statements give a true and fair view of the financial position as at 30 June 2016, and of the financial performance and cash flows for the year then ended prepared in accordance with Bangladesh Financial Reporting Standards (BFRS).

Other Matter

The financial statements including consolidated financial statements of Shahjibazar Power Company Limited for the year ended 30 June 2015 were audited by Howladar Yunus & Co., Chartered Accountants, who expressed an unmodified opinion on those financial statements on 28 October 2015.

Report on Other Legal and Regulatory Requirements

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

- a) We have 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 Company's statement of financial position and statement of Profit & loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the company's business.

Dhaka,
27 October 2016


ACNABIN

Chartered Accountants





SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2016

	Notes	June 30, 2016 Taka	June 30, 2015 Taka
ASSETS:			Re-States
Non-Current Assets		6,427,200,483	6,666,085,325
Property, Plant and Equipment	4a	6,182,626,606	6,400,681,600
Intangible Assets	5.00	607,312	191,962
Investment Accounted for using the Equity Method	6a	135,034,989	95,888,003
Capital Work In progress	7a	5,923,742	67,919,695
Other Investments	8a	103,007,834	101,404,065
		3,883,982,475	3,840,511,387
Current Assets			
Inventories	9a	927,183,754	907,674,381
Accounts Receivables	10a	1,083,691,281	1,056,867,366
Other Receivables	11a	2,212,221	2,044,863
Advance, Deposits and Prepayments	12a	919,488,307	876,422,951
Financial Assets at fair value through profit or loss	12b	16,223,666	-
Cash and Cash Equivalents	13a	545,437,741	680,258,853
Goods in Transit	14a	389,745,505	317,242,973
		10,311,182,958	10,506,596,712
TOTAL ASSETS			
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		4,396,980,445	4,064,363,206
Share Capital	15.00	1,371,320,370	1,331,379,000
Share Premium	16.00	914,920,000	914,920,000
Tax Holiday Reserve	16a	473,326,411	344,788,265
Retained Earnings	17a	1,637,413,664	1,473,275,941
		209,824,956	174,119,916
Non-controlling interests		4,606,805,401	4,238,483,122
Total equity		778,215,248	1,359,785,767
Non-Current Liabilities			
Long Term Loan- Net of Current Maturity	18a	659,254,696	1,179,103,794
Loan from other than Bank	18b	67,322,967	159,675,475
Deferred Tax Liabilities	19a	17,206,998	9,377,601
Deferred L/C Liabilities	20a	34,430,587	11,628,897
		4,926,162,308	4,908,327,823
Current Liabilities			
Short Term Loan	21a	2,787,365,765	1,941,704,945
IPO Application Amount	22a	6,104,318	6,224,318
Long Term Loan - Current Maturity	23a	840,133,369	1,145,519,408
Sundry Creditors	24a	134,559,807	88,177,446
Liabilities for Expenses	25a	4,715,591	18,338,004
Unclaimed Dividend	25b	20,682,755	6,460,989
Trade Payable	26a	122,425,235	155,891,496
L/C Liabilities	26b	1,010,175,470	1,546,011,216
Total liabilities		5,704,377,557	6,268,113,590
TOTAL EQUITY AND LIABILITIES		10,311,182,958	10,506,596,712
		32.06	29.64

Net Asset Value Per Share (NAVPS)

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CONTINGENT LIABILITIES & COMMITMENTS

The accompanying notes form an integral part of the financial statements

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016

Chairman

Director

Mapping Director

Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Consolidated Financial Position referred to in our report of even date.

27 October 2016
Dated, Dhaka



SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2016

	Notes	June 30, 2016 Taka	June 30, 2015 Taka Re-Styled
ASSETS:			
Non-Current Assets			
Property, Plant and Equipment	4.00	4,068,978,444	4,155,303,793
Investment Accounted for using the Equity Method	6.00	2,930,935,622	3,058,011,725
Investment in Subsidiary	7.00	135,034,989	95,888,003
Other Investments	8.00	900,000,000	900,000,000
		103,007,834	101,404,065
Current Assets			
Inventories	9.00	994,654,121	1,159,008,688
Accounts Receivables	10.00	107,136,484	108,985,944
Other Receivables	11.00	294,569,121	273,220,924
Advance, Deposits and Prepayments	12.00	2,212,221	2,044,863
Cash and Cash Equivalent	13.00	545,173,611	572,457,385
Goods In Transit	14.00	20,520,138	175,966,632
		25,042,546	26,332,940
TOTAL ASSETS		5,063,632,565	5,314,312,481
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	15.00	3,235,816,723	3,224,544,849
Share Premium	16.00	1,371,320,370	1,331,379,000
Retained Earnings	17.00	914,920,000	914,920,000
		949,576,353	978,245,849
Non-Current Liabilities			
Long Term Loan- Net of Current Maturity	18.00	641,632,835	766,817,700
Deferred Tax Liabilities	19.00	589,995,250	745,811,202
Deferred L/C Liabilities	20.00	17,206,998	9,377,601
		34,430,587	11,628,897
Current Liabilities			
Short Term Loan	21.00	1,186,183,007	1,322,949,933
IPO Application Amount	22.00	572,633,509	485,876,427
Long Term Loan - Current Maturity	23.00	6,104,318	6,224,318
Sundry Creditors	24.00	402,271,153	649,170,872
Liabilities for Expenses	25.00	78,313,293	50,867,032
Unclaimed Dividend	25b	825,000	5,873,133
Trade Payable	26.00	20,682,755	6,460,989
		105,352,980	118,477,161
Total Liabilities		1,827,815,842	2,089,767,632
TOTAL EQUITY AND LIABILITIES		5,063,632,565	5,314,312,481
Net Asset Value Per Share (NAVPS)		23.60	23.51

CONTINGENT LIABILITIES & COMMITMENTS

37 & 38

The accompanying notes form an integral part of the financial statements

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Financial Position referred to in our report of even date.

27 October 2016
Dated, Dhaka


Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

	Notes	For the Year Ended	
		June 30, 2016 Taka	June 30, 2015 Taka
			Re-States
Revenue	27a	7,994,314,012	9,182,109,019
Cost of Sales	28a	6,492,895,642	7,527,721,229
Gross Profit		1,501,418,370	1,654,387,790
Operating Expenses:			
General and Administrative Expenses	29a	122,581,630	120,265,275
Financial Expenses	30a	536,620,602	439,300,800
Operating Profit		842,216,138	1,094,821,715
Non-Operating Income	31a	5,801,527	23,595,135
Share of Profit From Associate	32a	69,159,486	77,780,972
Net Profit before Tax and WPPF		917,177,151	1,196,197,822
Workers' Profit Participation Fund	33a	43,675,102	53,257,946
Net Profit before Tax		873,502,049	1,142,939,876
Income Tax Expenses:	34a	132,393,649	120,514,994
Current Tax		124,564,252	111,137,393
Deferred Tax		7,829,397	9,377,601
Net profit after Tax		741,108,399	1,022,424,882
Other Comprehensive Income		-	-
Total Comprehensive Income		741,108,399	1,022,424,882
Profit Attributable to:			
Equity holders' of the parent		705,403,359	949,538,686
Non Controlling Interest		35,705,041	72,886,197
		741,108,399	1,022,424,882
Total Comprehensive Income Attributable to:			
Equity holders' of the parent		705,403,359	949,538,686
Non Controlling Interest		35,705,041	72,886,197
		741,108,399	1,022,424,882
Earnings Per Share (EPS)	35a	5.14	6.92

The accompanying notes form an integral part of the financial statements

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Consolidated Comprehensive Income referred to in our report of even date.

27 October 2016
Dated, Dhaka


ACNABIN
Chartered Accountants





SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

	Notes	For the Year Ended	
		June 30, 2016 Taka	June 30, 2015 Taka
			Re-Styled
Revenue from Sales	27.00	1,511,116,209	1,539,459,033
Cost of Sales	28.00	882,308,619	950,921,576
Gross Profit		628,807,590	588,537,457
Operating Expenses:			
General and Administrative Expenses	29.00	51,815,695	69,898,186
Financial Expenses, Net	30.00	136,010,655	190,562,823
Operating Profit		440,981,239	328,076,449
Non-Operating Income	31.00	3,856,248	22,849,754
Share of Profit of Investment Accounted for using Equity Method	32.00	69,159,486	77,780,972
Net Profit before Tax and WPPF		613,996,973	428,707,174
Less: Workers' Profit Participation Fund	33.00	24,476,046.31	16,710,772
Net Profit before Tax		489,520,926	411,996,402
Income Tax Expenses:	34.00	105,462,932	118,433,490
Current Tax		97,633,535	109,055,889
Deferred Tax		7,829,397	9,377,601
Net profit after Tax		384,057,994	293,562,913
Other Comprehensive Income		-	-
Total Comprehensive Income		384,057,994	293,562,913
Earnings Per Share (EPS)	35.00	2.80	2.14

The accompanying notes form an integral part of the financial statements

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Comprehensive Income referred to in our report of even date.

27 October 2016
Dated, Dhaka


ACNABIN
Chartered Accountants



**ACNABIN**

Chartered Accountants

**SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016**

	JUNE 30, 2016	JUNE 30, 2015
	Taka	Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	7,967,490,097	9,154,128,097
Cash paid to suppliers, employees	(6,011,809,187)	(8,022,304,075)
Cash Paid for operational Expenses	(174,691,996)	(394,160,945)
Cash received from Other Activities	3,934,169	19,170,637
Cash paid for Workers Profit Participation Fund	-	(12,164,528)
Income Tax Paid	(123,155,260)	(101,119,635)
Cash payment for Financial Expenses	(536,620,602)	(439,300,800)
Net cash flows from operating activities	1,125,147,220	204,248,753
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(233,198,196)	(243,679,080)
Capital work in progress	-	(67,919,695)
Disposal of Fixed Assets	1,700,000	4,100,000
Dividend Received from Associate	30,012,500	53,900,000
Goods in Transit	(73,792,926)	112,032,027
Investment in Quoted Securities	(16,223,666)	-
Intangible Assets	(415,350)	(84,662)
Investment in Subsidiary and FDR	(1,603,768)	(2,996,539)
Net cash used in investing activities	(293,521,406)	(144,647,947)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	845,660,820	1,129,562,351
IPO Application Amount	(120,000)	(329,733,319)
Payment of L/C Liabilities	(535,835,746)	(437,136,022)
Payment of Dividend	(358,564,354)	(164,716,011)
Loan Other Than Bank and Financial Institutes	(92,352,508)	(177,123,909)
Bank Loan (Long Term)	(825,235,138)	(493,621,443)
Net cash used in financing activities	(966,446,926)	(472,768,352)
D Net Cash for the year (A+B+C)	(134,821,112)	(413,167,546)
E Opening Cash & Cash Equivalent	680,258,853	1,093,426,399
F Closing cash and cash equivalents (D+E)	545,437,741	680,258,853
G Net Operating Cash Flow per share	8.20	1.49

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Consolidated Cash flow referred to in our report of even date.

27 October 2016
Dated, Dhaka


Chartered Accountants




SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

	June 30, 2016	June 30, 2015
	Taka	Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	1,489,768,012	1,659,865,071
Cash paid to suppliers, employees	(595,214,547)	(774,409,994)
Cash Paid for operational Expenses	(33,814,142)	(72,236,286)
Cash received from Other Activities	1,988,890	18,425,257
Cash paid for Workers Profit Participation Fund	-	(12,164,528)
Income Tax Paid	(96,224,543)	(99,038,131)
Cash Paid for Financial Expenses	(136,010,655)	(190,562,823)
Net cash flows from operating activities	630,493,015	529,878,567
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(150,216,789)	(105,194,442)
Disposal of Fixed Assets	1,700,000	4,100,000
Dividend Received from Associate	30,012,500	53,900,000
Loan & Advance (Subsidiary & Associate)	8,811,492	106,720,360
Asset in transit	-	(26,332,940)
Investment in MTDR	(1,603,768)	(2,996,539)
Net cash used in investing activities	(111,296,565)	30,196,439
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	86,757,081	278,746,095
IPO Application Amount	(120,000)	(329,733,319)
Payment of L/C Liabilities	-	(437,136,022)
Dividend Paid	(358,564,354)	(164,716,011)
Bank Loan (Long Term)	(402,715,671)	(85,236,404)
Net cash used in financing activities	(674,642,944)	(738,075,661)
D Net Cash inflow/(outflow) for the year (A+B+C)	(155,446,494)	(178,000,655)
E Opening Cash & Cash Equivalent	175,966,632	353,967,287
F Closing Cash & Cash Equivalent	20,520,138	175,966,632
G Net Operating Cash Flow per share	4.60	3.86

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Cash flow referred to in our report of even date.

27 October 2016
Dated, Dhaka


ACNABIN
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016

Particulars	Attributable to share holders' equity					Total	Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share money deposit	Share Premium	Retained Earning			
Balance as at July 01, 2015	1,331,379,000	344,788,265	-	914,920,000	1,473,275,941	4,064,363,206	174,119,916	4,238,483,122
Net profit (After Tax) for the period	-	-	-	-	705,403,359	705,403,359	35,705,041	741,108,399
Bonus Share/Stock Dividend	39,941,370	-	-	-	(39,941,370)	-	-	-
Cash Dividend Paid	-	-	-	-	(372,786,120)	(372,786,120)	-	(372,786,120)
Tax Holiday Reserve	-	128,538,146	-	-	(128,538,146)	-	-	-
Balance as at June 30, 2016	1,371,320,370	473,326,411	-	914,920,000	1,637,413,664	4,396,980,445	209,824,957	4,606,805,401

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015

Particulars	Attributable to share holders' equity					Total	Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share money deposit	Share Premium	Retained Earning			
Balance as at July 01, 2014	1,141,180,000	82,397,956	99,333,400	724,720,000	1,166,521,564	3,214,152,921	1,900,319	3,216,053,240
Net profit (After Tax) for the period	-	-	-	-	949,538,686	949,538,686	72,886,197	1,022,424,883
Share Issued through IPO	126,800,000	-	-	-	-	126,800,000	-	126,800,000
Bonus Share/Stock Dividend	63,399,000	-	-	-	(63,399,000)	-	-	-
Adjustment This Period	-	-	(99,333,400)	-	-	(99,333,400)	99,333,400	-
Tax Holiday Reserve	-	262,390,309	-	-	(262,390,309)	-	-	-
IPO Share Issue Premium	-	-	-	190,200,000	-	190,200,000	-	190,200,000
Cash Dividend	-	-	-	-	(316,995,000)	(316,995,000)	-	(316,995,000)
Balance as at June 30, 2015	1,331,379,000	344,788,265	-	914,920,000	1,473,275,941	4,064,363,207	174,119,916	4,238,483,123

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Consolidated Changes in Equity referred to in our report of even date.

27 October 2016
Dated, Dhaka


ACNABIN
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2015	1,331,379,000	914,920,000	978,245,849	3,224,544,849
Net profit for the year	-	-	384,057,994	384,057,994
Bonus Share/Stock Dividend	39,941,370	-	(39,941,370)	-
Cash Dividend	-	-	(372,786,120)	(372,786,120)
Balance as at June 30, 2016	1,371,320,370	914,920,000	949,576,353	3,235,816,723

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2014	1,141,180,000	724,720,000	1,065,076,936	2,930,976,936
IPO Share Allotment	126,800,000	190,200,000	-	317,000,000
Net profit for the period	-	-	293,562,913	293,562,913
Bonus Share/Stock Dividend	63,399,000	-	(63,399,000)	-
Cash Dividend	-	-	(316,995,000)	(316,995,000)
Balance as at June 30, 2015	1,331,379,000	914,920,000	978,245,849	3,224,544,849

The financial statements were authorized for issuance by the Board of Directors on 27 October 2016


Chairman


Director


Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Changes in Equity referred to in our report of even date.

27 October 2016
Dated, Dhaka


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
Notes to the Financial Statements
As on and for the year ended June 30, 2016

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

1. Status of the Reporting Entity

1.1. Corporate History:

The Shahjibazar Power Company Limited is a Public Limited Company listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) in the Stock Exchange registered under The Companies Act 1994. The Company was incorporated in Bangladesh on 4th November, 2007 vide registration no C-68888(1400)/07. The registered office of the company is located at Youth Tower, 822/2 Rokeya Sarani, Dhaka – 1216 and the plant is located at Fatehpur, Madhobpur, Habiganj, Bangladesh.

1.2. Nature of business

The principal activity of this company is to set up power plants for generation and supply of electricity. The agreement for supply of power with Bangladesh Power Development Board (BPDB) held on 14th February, 2008. The company has 86 MW power plants and started commercial production on 10th February, 2009. The company supplies its generated electricity to Bangladesh Power Development Board (BPDB).

The company has a 90% owned subsidiary company namely Petromax Refinery Limited. The principal activity of this company is production and supply of petroleum products like liquid petroleum gas, special boiling point solvent, mineral turpentine, high speed diesel, octane, kerosene and fuel gas to Bangladesh Petroleum Corporation. The company has started its commercial operation on 25 October, 2013.

The company also has an Associates Company namely "Midland Power Co. Ltd" (51 MW Gas based power Plant) and holding 49% shares. This company has started its commercial operation on 7 December, 2013.

The management of the company will continue its operational existence for the foreseeable future on the basis of improved profitability and continued support its bankers, equipment vendors and other contractors, suppliers.

1.3. Description of Subsidiary

Petromax Refinery Limited is a public Company limited by shares and registered under The Companies Act 1994. The Company was incorporated in Bangladesh on 14th May, 2009 vide registration no. C – 58744 and not listed with any Stock Exchange in Bangladesh. The Company went into commercial operation on October 25, 2013.

The registered office of the company is located at 822/2 Rokeya Sarani, Dhaka – 1216 and the factory is located at 15, Mongla Port Industrial Area, Mongla, Bagerhat, Bangladesh.

The principal activity of this company is production and supply of petroleum products like liquid petroleum gas, special boiling point solvent, mineral turpentine, high speed diesel, octane, kerosene, and fuel gas to Bangladesh Petroleum Corporation.



1.4. Description of Associate

Midland Power Co. Ltd. (hereinafter referred to as "the Company") was incorporated on 27 November 2011 as a private company limited by shares under the Companies Act, 1994. The registered office of the Company is located in Dhaka and the plant is located at Ashuganj, Brahmanbaria.

The principal activity of the Company is to set up 51 MW Gas Fired Power Generating Plant for the generation and supply of electricity. An agreement has been signed for supply of electricity with Bangladesh Power Development Board (BPDB) on 11 April 2012 for a period of 15 years with a provision of further renewal. The Company has started its commercial operation on 7 December 2013.

2. Basis of Preparation:

2.1. Statement of Compliance

The financial statements of Shahjibazar Power Company Limited have been prepared in accordance with the Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2. Application of Standards

The following BASs and BFRSs are applicable for the financial statement for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statement of Cash Flows
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 21	The Effects of Changes in Foreign Exchange Rates
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 32	Financial Instrument: Presentation
BAS 33	Earnings per Share
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BAS 38	Intangible Assets
BAS 39	Financial Instrument: Recognition and measurement
BFRS 7	Financial Instruments: Disclosures
BFRS 8	Operating Segments
BFRS 10	Consolidated Financial Statements
BFRS 12	Disclosure of Interests in other Entities
BFRS 13	Fair Value Measurement

2.3. Date of authorization

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 27th October, 2016 for publication.



2.4. Measurement bases used in Preparing the Financial Statements

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standard Committee (IASC).

2.5. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

2.6. Accounting Convention and Basis

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable International Accounting Standards in Bangladesh which does not vary from the requirements of the Companies Act 1994, and other laws and rules applicable in Bangladesh.

2.7. Functional and presentational currency and level of precision

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.8. Reporting period

The financial period of the company covers one year from 1 July to 30 June and followed consistently.

2.9. Components of the Financial Statements

According to the International Accounting Standard (IAS) 1 as adopted by ICAB as BAS 1 "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- i) Statement of Financial Position
- ii) Statement of Comprehensive Income
- iii) Statement of Changes in Equity
- iv) Statement of Cash Flows
- v) Notes to the Financial Statements

3. Principal Accounting Policies:

The accounting policies set out below have been applied in preparations of these financial statements

3.1. Basis of consolidation

3.1.1. Subsidiary

Subsidiaries are entities controlled by Shahjibazar Power Co. Ltd. Control exists when Shahjibazar Power Co. Ltd. has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries have been included in the consolidated financial statements from the date that control commences until the date that it ceases. The



accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by Shahjibazar Power Co. Ltd.

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of Shahjibazar Power Co. Ltd. interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

3.2. Property, Plant and Equipment

3.2.1. Recognition and Measurement

Items of Property, Plant and Equipment (PPE) are initially measured at cost. After initial recognition, an item of PPE is carried at cost less accumulated depreciation and impairment losses in compliance with the requirements of BAS-16: Property, Plant and Equipment.

3.2.2. Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

3.2.3. Depreciation on Fixed Assets

Depreciation is recognized in the profit and loss account on a straight line basis over the estimated useful life of property, plant and equipment in accordance with the provisions of BAS 16: Property, Plant and Equipment.

Plant and machinery are depreciated from the month on which the asset comes into use or being capitalized. Other items of property, plant and equipment continue to be depreciated for a full year of capitalization respective of the date on which the asset comes into use or being capitalized.

Land is not depreciated. Depreciation on other assets is calculated using straight line method to allocate their cost or revalued amounts to their residual values over their estimated lives, as follows:

Building and Construction	5 to 10 %
Plant and Machinery	6 to 15%
Water Treatment Plant	15%
Mechanical & Electrical Equipment	10%
Computer & Computer Equip.	20%
Motor Vehicles	20%
Office Equipment	15%
Furniture and Fixture	10%

3.2.4. Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as incurred.



3.2.5. Capitalization of Borrowing Cost

Borrowing cost relating to acquisition of fixed assets is capitalized as per Bangladesh Accounting Standard (BAS) - 23, Borrowing costs at the weighted average cost of borrowings. However, capitalization of borrowing costs is ceased when acquisition of relevant asset is completed.

3.2.6. Impairment of Assets

Impairment of assets are carried out if carrying value is less than the value of using the asset or net realizable value of the assets whichever is lower.

3.3. Intangibles Assets

Intangible Assets are measured at cost less accumulated amortization and recognized when all the condition as per BAS-38: Intangible Assets are met. Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied there with will flow to the entity and its cost can be measured reliably. Intangible assets are amortized at the rate of fifteen percent of cost per year.

3.4. Capital work in progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost.

3.5. Inventories

Inventories in hand as at 30th June, 2016 have been valued at lower of cost and net realizable value in accordance with BAS -2 "Inventories" after making due allowance for any obsolete or slow moving items.

3.6. Accounts Receivables

Accounts Receivables are considering good and realizable. Accounts Receivables are stated at the original invoice value.

3.7. Advance, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

3.8. Investment in shares of listed companies

Investment in shares of listed companies is classified as financial assets fair value through profit or loss as it is designated as such upon initial recognition. Financial assets fair value through profit or loss are measured at fair value, and changes therein are recognized in comprehensive income.

3.9. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction.

3.10. Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the balance sheet.



3.11. Other Corporate Debt, Accounts Payable, Trade and Other Liabilities

Liabilities are carried at the anticipated settlement amount in respect of goods and services received, whether or not billed by the supplier.

3.12. Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax

Provision is not required for current income tax on the company's profits as the company has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy of Bangladesh (SRO No. 188 of ITO 1984 dated 1 July, 2009) for a period of 15 years from the date of start of its commercial operation. Currently, in accordance with the provision of Income Tax Ordinance 1984 under section 52N, Bangladesh Power Development Board is deducting tax at source @ 6% on invoice value.

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax. Deferred tax liabilities are recognised for all temporary taxable differences.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3.13. Provisions

A provision is recognized on the balance sheet date if, as a result of past events, the company has a presents legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.14. Revenue Recognition

Invoice are made by survey of meter reading in every month and recognized in the income statement after satisfying all the condition for revenue recognition as provided in BAS 18 "Revenue".

3.15. Foreign Currency

Foreign currencies are converted into Bangladesh Taka at the rates ruling on the date of transaction and the balance at bank at the close of the business, at the rate prevailing on the Balance Sheet date in accordance with BAS 21 "The effects of Changes in Foreign Currency Rates."

3.16. Finance Income and Expenses

Finance income comprises interest income on funds invested. Interest income is recognized on accrual basis.

Finance expenses comprise interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest



method except to the extent that they are capitalized during constructions period of the plants in accordance with BAS-23 Borrowing cost.

3.17. Earnings Per Share (EPS)

The Company calculates Earning per Share (EPS) in accordance with BAS 33: Earning per Share, which has been shown on the face of Statement of Comprehensive Income account, and the computation of EPS is stated in **Note 35**.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

Diluted earnings per share

No diluted earnings per share are required to be calculated per year as there was no scope for dilution during the year.

3.18. Cash flows statement

Cash Flow Statement is prepared in accordance with BAS 7 "Cash Flow Statement". The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of BAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method".

3.19. Workers Profit Participation Fund (WPPF)

During 2013-2014 the company has been producing worker profit participation fund for its employees in accordance with provisions of Bangladesh Labor Act 2006. Section-232(1)

3.20. Responsibility for Preparation and Presentation of Financial Statements:

The Management is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act, 1994 and as per the Provision of "The Framework for the preparation and presentation of Financial Statements" issued by the International Accounting Standard Board (IASB) as adopted by the Institute of The Chartered Accountants of Bangladesh (ICAB).

3.21. Risk and uncertainties for the use of estimates

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported



amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization, taxes, reserves and contingencies.

3.22. Related Party Transactions

During the year the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provisions of BAS 24.

3.23. Comparative Amounts

Comparative period figures have been rearranged to ensure consistency with current year's figures in order to better comparison and presentation;

Interest on Mudaraba Term Deposit Taka 3,727,160 was shown as 'Non-Operating Income' in earlier years now reported as 'Finance expenses'.

3.24. Segment Reporting

Shahjibazar Power Company Limited generate revenue from only power generation. There no other segment of revenue producing and in this consequence no segment reporting is required.

3.25. Measurement of Fair Values

The Company has an established control framework with respect to the measurement of fair values. Management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of BFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**4.00 Property, Plant and Equipment:****Cost:**

Cost at July 01, 2015	4,542,602,865	4,442,108,423
Addition during the period	150,216,789	105,194,442
Disposal during the year	<u>(3,736,920)</u>	<u>(4,700,000)</u>
Cost at June 30, 2016	<u>4,689,082,734</u>	<u>4,542,602,865</u>

Accumulated Depreciation:

Balance at July 01, 2015	1,484,591,141	1,222,592,906
Charged during the year	277,292,892	266,698,234
Adjustment during the year	<u>(3,736,920)</u>	<u>(4,700,000)</u>
At June 30, 2016	<u>1,758,147,113</u>	<u>1,484,591,140</u>

Carrying Value at June 30, 2016

2,930,935,622	3,058,011,725
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LEASEHOLD/FREEHOLD STATUS (at carrying value)

Land, Building, Plant & Machinery, Furniture fixtures & Others

Leasehold

Freehold

2,930,935,622	3,058,011,725
2,930,935,622	3,058,011,725

For details breakup please refer to Annexure - A

4a Consolidated Property, Plant and Equipment:

Shahjibazar Power Company Limited	2,930,935,622	3,058,011,725
Petromax Refinery Limited	<u>3,251,690,984</u>	<u>3,342,669,875</u>
	6,182,626,606	6,400,681,600

5.00 Consolidated Intangible Assets:

Shahjibazar Power Company Limited

Petromax Refinery Limited

607,312	191,962
607,312	191,962

6.00 Investment Accounted for using the Equity Method

Initial Investment in Midland Power Co. Ltd.

Share of Post Acquisition Change in Net Asset

6.01

49,000,000	49,000,000
<u>86,034,989</u>	<u>46,888,003</u>
135,034,989	95,888,003

6.01 Share of Post Acquisition Changes in Net Asset

Opening Balance

Share of net profit for this Period

Interim dividend declared and paid

46,888,003	23,007,031
69,159,486	77,780,972
<u>(30,012,500)</u>	<u>(53,900,000)</u>
86,034,989	46,888,003

6a Consolidated Investment Accounted for using the Equity Method

Initial Investment

Share of Post Acquisition Changes in Net Asset

49,000,000	49,000,000
<u>86,034,989</u>	<u>46,888,003</u>
135,034,989	95,888,003



June 30, 2016
Taka

June 30, 2015
Taka

6b Nature of Investment in Associate:

Name of the Entity	Place of Business/Country of Incorporation	% of ownership Interest	Nature of the relationship	Measurement Method
Midland Power Co. Ltd.	The Company is incorporated and registered in Bangladesh. The plant of the Company is situated at Ashuganj, Brahmanbaria. The Company is engaged in generating supplying electricity to national grid. It has a set up of 51 MW gas based power plant.	49%	Associate	Equity

Midland Power Company Limited is a private limited company and there is no quoted market price available for its share.

There is no contingent liabilities relating to the group's interest in the associate.

Summarized financial information for associate

Summarized Balance Sheet:

	June 30, 2016	June 30, 2015
Current:		
Cash & Cash Equivalents	184,408,207	175,539,403
Other Current Assets (excluding cash)	193,779,723	157,519,270
Total Current Assets	378,187,930	333,058,673
Financial liabilities (excluding trade payables)	21,354,390	168,683,985
Other current liabilities	60,921,060	89,470,827
Total Current Liabilities	82,275,450	258,154,812
Non-Current:		
Assets	2,493,831,160	2,689,037,252
Total Non-Current Assets	2,493,831,160	2,689,037,252
Financial Liabilities	1,383,259,207	1,482,439,284
Other Liabilities	-	-
Total Non-Current Liabilities	1,383,259,207	1,482,439,284
Net Assets	1,275,581,610	1,281,501,829

Summarized Statement of Comprehensive Income

Revenue	713,835,208	775,272,069
Cost of Revenue	468,557,546	479,855,680
Other Expenses	104,135,854	136,679,711
Income Tax Expense	-	-
Post tax profit from continuing operations	141,141,808	158,736,677
Other Comprehensive Income	-	-
Total Comprehensive Income	141,141,808	158,736,677

7.00 Investment In Subsidiary

Petromax Refinery Limited	900,000,000	900,000,000
	900,000,000	900,000,000

Petromax Refinery Limited is 90% owned subsidiary company of Shahjibazar Power Co. Ltd.

**7a Consolidated Capital Work in Progress:**

Shahjibazar Power Co. Ltd.
Petromax Refinery Limited

8.00 Other Investments

Investment In Mudaraba Term Deposit

8.01 Investment in Mudaraba Term Deposit

Mudaraba Term Deposit Receipt-IBBL
Mudaraba Term Deposit Receipt-IFIL

Lien Status:

Under Lien (Against Short Term Loan)
Free from Lien

8a Consolidated Other Investment

Shahjibazar Power Company Limited
Petromax Refinery Limited

9.00 Inventories:

Oil & Lubricant
Spare parts and others

9a Consolidated Inventories:

Shahjibazar Power Company Limited
Petromax Refinery Limited

10.00 Accounts Receivables

Bangladesh Power Development Board (BPDB)

Ageing Status of Accounts Receivables

Less than six months
More than six months

10a Consolidated Accounts Receivables:

Shahjibazar Power Company Limited
Petromax Refinery Limited

Out of total receivable of Petromax Refinery Limited an amount of Taka : 24,59,98,869.03 is under the process of settlement with BPC. Since the government of Bangladesh has published a gazette reducing the petroleum price with effect from November 1, 2014 dated back on March 5, 2015 and accordingly, against this gazette the company filed a writ petition through Honorable High Court dated on March 16, 2015, therefore considering the old rate total receivable of the company was reported.

11.00 Other Receivables

Interest on Mudaraba Term Deposit-IFIL
Interest on Mudaraba Term Deposit-IBBL

June 30, 2016 Taka	June 30, 2015 Taka
-	-
5,923,742	67,919,695
5,923,742	67,919,695
103,007,834	101,404,065
103,007,834	101,404,065
95,751,896	94,824,815
7,255,938	6,579,250
103,007,834	101,404,065
95,751,896	94,824,815
7,255,938	6,579,250
103,007,834	101,404,065
103,007,834	101,404,065
103,007,834	101,404,065
4,191,680	3,246,977
102,944,804	105,738,967
107,136,484	108,985,944
107,136,484	108,985,944
820,047,270	798,688,437
927,183,754	907,674,381
294,569,121	273,220,924
294,569,121	273,220,924
294,569,121	273,220,924
294,569,121	273,220,924
789,122,160	783,646,442
1,083,691,281	1,056,867,366
582,716	319,811
1,629,505	1,725,052
2,212,221	2,044,863

**11a Consolidated Other Receivables:**

Shahjibazar Power Company Limited
Petromax Refinery Limited

12.00 Advance, Deposits and Prepayments:

Advance 12.01
Deposits 12.02
Prepayments 12.03

June 30, 2016 Taka	June 30, 2015 Taka
2,212,221	2,044,863
2,212,221	2,044,863
495,872,002	504,967,753
14,646,235	32,373,524
34,655,374	35,116,108
545,173,611	572,457,385

12.01 Advances:**Advance to Associate:**

Midland Power Co. Ltd.

490,000,000	498,811,492
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Advance Income Tax:

Opening Balance
Adjusted with Non-Operating Income Tax Payable

4,055,887	8,060,830
(373,264)	(4,004,943)
3,682,623	4,055,887

Advance to Others :

Abdullah Electric Co.	200	-
Guraba Engineering Ltd.	400	-
Saudia Electric Co.	94,412	-
Mahim Traders	39,700	-
Delcot Ltd.	103,600	-
Al-Amin Trading Organization	66,400	-
Inter Space Design	1,200,000	-
Linde Bangladesh Limited	-	250,000
Energypac Engineering Ltd.	-	747,500
Multitech International	-	60,000
	1,504,712	1,057,500

Advance to Staffs:

Mr. Tamiz Uddin/Engr. Shariful Islam	332,044	518,796
Mr. Bhulon Bhowmik	10,533	34,333
Mr. Tarekul Islam	35,136	45,732
Mr. Jamal Mia Iqbal	-	319,183
Mr. Hasan Imam Siddiki	225,000	-
Others	81,954	124,830
	684,667	1,042,874
	495,872,002	504,967,753

Total Advances :**12.02 Deposits :**

Central Depository Bangladesh Ltd.(CDBL)	500,000	500,000
Power Development Board (Hobigonj)	72,660	72,660
Bank Guarantee margin - IBBL	9,889,690	23,642,499
Letter of credit margin - IBBL	4,183,885	8,158,365
Total Deposits :	14,646,235	32,373,524

**12.03 Pre-Payments:**

	June 30, 2016 Taka	June 30, 2015 Taka
Pre-paid Insurance	4,668,133	3,671,407
Pre-paid Legal & professional fees	-	7,160,400
Pre-paid Interest on MPI Loan	161,440	-
Pre-paid Interest-Bai Murabaha FC bills	3,701,783	7,090,137
Pre-paid Interest-Bai Murabaha TR Loan	18,672,487	7,660,744
Pre-paid BG Commission	7,451,531	9,533,420
Total Prepayments :	34,655,374	35,116,108

Islami Bank Bangladesh Limited has issued Bank Guarantee on behalf of SPCL favoring Bangladesh Power Development Board (BPDB) & Jalalabad Gas Transmission and Distribution Company Limited (JGTDL) regarding Plant Operation & ensuring the bill payment. The Bank has kept a Margin of said Guarantee which will be continued up to 2023.

Ageing Status of Advance, Deposits & Prepayments

Less than One Year	50,918,328	37,216,482
More than One Year	494,255,283	535,240,903
	545,173,611	572,457,385

12a Consolidated Advance, Deposits and Prepayments:

Shahjibazar Power Company Limited	545,173,611	572,457,385
Petromax Refinery Limited	565,233,255	494,884,125
Less : Loan from Petromax Refinery Limited	(190,918,559)	(190,918,559)
	919,488,307	876,422,951

12b Consolidated Financial Assets at fair value through profit or loss

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	16,223,666	-
	16,223,666	-

Financial Assets at fair value through profit or loss**Listed Equity Securities-Held for Trading**

		-
		-
ACI Limited	4565563.2	-
The ACME Laboratories Limited	907920	-
Active Fine Chemicals Limited	402360	-
Apex Footwear Limited	1335092	-
Building Systems Limited	976692	-
Bangladesh Steel Re-Rolling Mills Limited	1123280	-
CVO Petrochemical Refinery Limited	1617840	-
Dhaka Electric Supply Company Limited	305109	-
The IBN SINA Pharmaceutical Industry Limited	162750	-
Jamuna Oil Company Limited	909000	-
Lafarge Surma Cement Limited	791000	-
RAK Ceramics (Bangladesh) Limited	304500	-
Summit Alliance Port Limited	2822560	-
	16,223,666	-

Changes in fair value of financial assets at fair value through profit or loss are recorded in Non-operating income and General and Administrative Expense.

**13.00 Cash and Cash Equivalent****Cash in Hand****Cash at Bank:**

CD Account with Bank Asia Limited # 6128
CD Account with Bank Asia Limited, IPO-USD
CD Account with Bank Asia Limited, IPO-GBP
CD Account with Bank Asia Limited, IPO-EURO
STD Account with Bank Asia Limited, IPO-Taka
CD Accounts with Exim Bank Limited # 14088
CD Account with Islami Bank Bangladesh Ltd# 9396
CD Account with Islami Bank Bangladesh Ltd# 1250
SND Account with Islami Bank Bangladesh Ltd# 49
MDA Account with Islami Bank Bangladesh Ltd# 56512
CD A/C with Standard Chartered Bank # 53917701
STD A/C with Exim Bank Limited # 85345
CD A/C with Eastern Bank Ltd. # 1041060274350

June 30, 2016
TakaJune 30, 2015
Taka

	90,012	71,477
	20,430,126	175,895,155
	0.20	0.20
	96,351	95,860
	31,778	40,875
	780	828
	13,955,925	13,499,023
	183	183
	590,781	94,866,598
	12,280	2,692,555
	5,250,734	64,691,180
	209,796	-
	6,900	8,050
	4	3
	274,614	-
	20,520,138	175,966,632

13a Consolidated Cash and Cash Equivalent

Shahjibazar Power Company Limited
Petromax Refinery Limited

20,520,138	175,966,632
524,917,603	504,292,221
545,437,741	680,258,853

14.00 Goods In Transit :

Parts of Plant & Machinery

25,042,546	26,332,940
25,042,546	26,332,940

14a Consolidated Goods in Transit

Shahjibazar Power Company Limited
Petromax Refinery Limited

25,042,546	26,332,940
364,702,959	290,910,033
389,745,505	317,242,973

15.00 Share Capital:**Authorized :**

500,000,000 shares @ Tk.10.00 each

5,000,000,000	5,000,000,000
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Issued, Subscribed and paid -up:

137,132,037 shares @ Tk.10.00 each

1,371,320,370	1,331,379,000
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Movement of Share Capital:

Opening Balance

1,331,379,000	1,141,180,000
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Add: Share Issue through IPO

-	126,800,000
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Add: Bonus Share issued (3%)

39,941,370	63,399,000
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1,371,320,370	1,331,379,000
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Shareholding position was as follows:

Name of Shareholders	June 30, 2016 Taka	June 30, 2015 Taka
	% of Shareholding 31-Mar-16	% of Shareholding 30-Jun-15
Mr. Rezakul Haider	10.60%	10.60%
Mr. Feroz Alam	9.84%	9.84%
Mr. Anis Salahuddin Ahmad	9.84%	9.84%
Mr. A.K.M.Badiul Alam	7.57%	7.57%
Md. Samsuzzaman	11.36%	11.36%
Ms. Shahida Alam	3.79%	3.79%
Md. Akbor Haider	3.79%	3.79%
Mr. Faridul Alam	3.79%	3.79%
Mr. Rezina Alam	3.79%	3.79%
Mr. Faisal Alam	3.79%	3.79%
Mr. Asgor Haider	3.79%	3.79%
Ms. Israt Azim Ahmad	3.79%	3.79%
General Public	24.29%	24.29%
	100%	100%

Classification of Shareholders by holding:

Class by number of shares	Number of Shareholders		Percentage of Shareholding	Percentage of Shareholding
	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
Less than 500 Shares	5,188	5,710	55.63%	60.96%
501 to 5,000 shares	3291	2913	35.29%	31.10%
5,001 to 10,000 shares	335	312	3.59%	3.33%
10,001 to 20,000 Shares	224	185	2.40%	1.98%
20,001 to 30,000 Shares	109	90	1.17%	0.96%
30,001 to 40,000 Shares	40	26	0.43%	0.28%
40,001 to 50,000 Shares	28	29	0.30%	0.31%
50,001 to 100,000 Shares	45	47	0.48%	0.50%
100,001 to 1,000,000 Shares	51	39	0.55%	0.42%
Over 1,000,000 Shares	15	16	0.16%	0.17%
	9,326	9,367	100%	100%

Name of the Directors and their Shareholding position:

Name of the Directors	No. of Shareholding 30-Jun-16	No. of Shareholding 30-Jun-15
Mr. Rezakul Haider	14,535,360	14,112,000
Mr. Feroz Alam	13,497,120	13,104,000
Mr. Anis Salahuddin Ahmad	13,497,120	13,104,000
Mr. A.K.M.Badiul Alam	10,382,400	10,080,000
Md. Samsuzzaman	15,573,600	15,120,000
Total :	67,485,600	65,520,000

16.00 Share Premium

Opening Balance	914,920,000	724,720,000
Addition during this period (12,680,000 shares @ Tk. 15.00 each)	-	190,200,000
	914,920,000	914,920,000

16a Consolidated Tax Holiday Reserve

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	473,326,411	344,788,265
	473,326,411	344,788,265

**17.00 Retained Earning**

	June 30, 2016 Taka	June 30, 2015 Taka
Opening Balance	978,245,849	1,065,076,936
Add: Net profit for this year	384,057,994	293,562,913
Less: 28% Cash Dividend	(372,786,120)	(316,995,000)
Less: 3% Stock Dividend	(39,941,370)	(63,399,000)
	949,576,353	978,245,849

17a Consolidated Retained Earning

Opening Balance	1,473,275,941	1,166,521,564
Net Profit for the period	705,403,359	949,538,686
Bonus Share/Stock Dividend	(39,941,370)	(63,399,000)
Cash Dividend Paid	(372,786,120)	(316,995,000)
Transfer to Tax Holiday Reserve	(128,538,146)	(262,390,309)
	1,637,413,664	1,473,275,941

18.00 Long Term Loan - Net of Current Maturity:

Islami Bank Bangladesh Limited	213,315,689	745,811,202
Eastern Bank Limited	376,679,561	-
	589,995,250	745,811,202

A portion (550 Million) of Long Term Loan has been transferred to Eastern Bank Limited from Islami Bank Bangladesh Limited. The reason behind the transfer is lowering the financial charges considering downtrend market interest rate.

Facility arrangement for bank overdraft, short term bank loan and long term loan, working capital loan and bank guarantee.

Name of the Bank	Working Capital Loan	Short Term Facilities Limit	Long Term Loan Limit	Bank Guarantee
Islami Bank Bangladesh Ltd.	233.80	300.00	1,354.83	290.00
Eastern Bank Limited	300.00	300.00	1,100.00	250.00
Total	533.80	600.00	2,454.83	540.00

Islami Bank Bangladesh Limited**Name of the facility:**

HPSM (Project)

Purpose of Loan:

To import equipment/accessories for the existing power plant.

Mode of Repayment:

Monthly installment

Security:

Proportionate ownership of the proposed machinery of the project to be procured valued Tk. 234.37 million shall be retained in the Bank's name by creating hypothecation till full adjustment of Bank's dues.

Collaterals:

Registered Mortgage/further charge with registered irrevocable power of attorney from the mortgagors in Bank's favor including the clause "Bank can sell the property as per section-12 of Artho Rin Adalat Ain-2003 without the intervention of court in case of default to pay bank's dues within due date by the client"

432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal project land and building (Total area: 24,200 sft) & Machineries and vehicles as per Balance sheet.

**June 30, 2016****Taka****June 30, 2015****Taka**

Name of facility
Purpose of Loan:
Mode of Repayment:
Security:

Working Capital
 To procure spare parts, lube oil etc. for the existing power plant
 Deal to deal basis as per bank's standard norms
 Proportionate ownership of the proposed machinery of the project to be procured valued Tk. 234.37 million shall be retained in the Bank's name by creating hypothecation till full adjustment of Bank's dues.

Collaterals:

Registered Mortgage/further charge with registered irrevocable power of attorney from the mortgagors in Bank's favor including the clause "Bank can sell the property as per section-12 of Artho Rin Adalat Ain-2003 without the intervention of court in case of default to pay bank's dues within due date by the client"

432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal project land and building (Total area: 24,200 sft) & Machineries and vehicles as per Balance sheet.

Eastern Bank Limited**Name of the facility:**

Term Loan

Purpose of Loan:

To takeover the loan from Islami Bank Bangladesh Limited

Mode of Repayment:

Monthly installment

Tonor:

4 (Four) Years

18a Consolidated Long Term Loan- Net of Current Maturity

Shahjibazar Power Company Limited
 Petromax Refinery Limited

589,995,250	745,811,202
69,259,446	433,292,592
659,254,696	1,179,103,794

18b Consolidated Loan from other than Bank

Shahjibazar Power Company Limited
 Petromax Refinery Limited

67,322,967	159,675,475
67,322,967	159,675,475

19.00 Deferred Tax Liabilities

Investment in associates carrying value
 Investment in associates tax base

135,034,989	95,888,003
49,000,000	49,000,000
86,034,989	46,888,003
17,206,998	9,377,601

Deferred tax liabilities at 20%**19a Consolidated Deferred Tax Liabilities**

Shahjibazar Power Company Limited
 Petromax Refinery Limited

17,206,998	9,377,601
-	-
17,206,998	9,377,601

20.00 Deferred L/C Liabilities

Liabilities for Deferred LC

34,430,587	11,628,897
34,430,587	11,628,897

20a Consolidated Deferred/LC Liabilities

Shahjibazar Power Company Limited
 Petromax Refinery Limited

34,430,587	11,628,897
-	-
34,430,587	11,628,897

**21.00 Short Term Loan:**

	June 30, 2016 Taka	June 30, 2015 Taka
QTDR - Islami Bank Bangladesh Ltd.	59,892,460	59,892,460
Bai Murabaha FC Bills-IBBL	51,366,818	52,967,387
Bai Murabaha TR-IBBL	211,217,598	125,692,777
MPI Loan-IBBL	2,946,262	-
Comfit Composite Knit Ltd.	56,225,950	56,340,866
Youth Fashion Ltd.	65,861	18,594
Youth Garments Ltd (C&F).	-	45,784
Petromax Refinery Ltd.	190,918,559	190,918,559
	572,633,509	485,876,427

Short term loan from Comfit Composite Knit Ltd. and Petromax Refinery Ltd. were taken at zero profit margin basis. This loan was taken due to overcome the short time deficiencies. Repayment will be made on availability of cash.

21a Consolidated Short Term Loan

Shahjibazar Power Company Limited	572,633,509	485,876,427
Petromax Refinery Limited	2,405,650,815	1,646,747,077
Less: Intercompany Loan	(190,918,559)	(190,918,559)
	2,787,365,765	1,941,704,945

22.00 IPO Application Amount:

6,104,318 **6,224,318**

This amount represents the balance amount of IPO proceeds collected through applications from general public. The company submitted the Return of Allotment to the Registrar of Joint Stock Companies on July 06, 2014 for allotment of 126,80,000 shares of Tk. 10 per share which was approved by RJSC on September 22, 2014. On that day an amount of Tk. 19,02,00,000 was also credited to Share Premium Account. The balance amount are the refund amount of the un-successful applicant of IPO.

22a Consolidated IPO Application Amount

Shahjibazar Power Company Limited	6,104,318	6,224,318
Petromax Refinery Limited	-	-
	6,104,318	6,224,318

23.00 Long Term Loan- Current Maturity:

Islami Bank Bangladesh Limited	237,600,000	649,170,872
Eastern Bank Limited	164,671,153	-
	402,271,153	649,170,872

This represents the current portion of Long Term Loan payable with in one year from the Financial Position date.

23a Consolidated Long Term Loan- Current Maturity

Shahjibazar Power Company Limited	402,271,153	649,170,872
Petromax Refinery Limited	437,862,216	496,348,536
	840,133,369	1,145,519,408

**24.00 Sundry Creditors:**

	June 30, 2016 Taka	June 30, 2015 Taka
ABB Limited	4,375,744	1,623,871
Adroit Environment Consultants Ltd.	-	40,000
Aamra Networks Ltd	7,000	21,000
Amber IT Ltd./Dhaka.com	-	12,508
Alpana Tyre Corporation	-	159,120
Amicus Curiae	15,000	93,750
A. Hossain Associates	-	3,300
Arthosuchak	40,000	-
Clarke Enery Bangladesh Ltd.	6,000	-
Square Pharmaceuticals Ltd.	10,200	10,200
Dhaka Insurance Ltd.	-	72,113
Dhaka Stock Exchange	40,000	-
Global Insurance Ltd.	-	18,377
BITS Ltd.	-	10,699
Orient Energy Systems Ltd. Bangladesh	1,319,382	1,319,382
Rupali Insurance Co. Ltd.	-	219,836
Barrister Mahmud Jabbar Khan	-	26,250
BDJobs	-	9,405
M/S Nahar Enterprise	-	182,280
Navana Toyota 3S center	-	16,018
Rifat Automobile	-	9,900
TDS & VAT Payable	-	30,830
Provision for WPPF	54,825,819	30,349,773
Payable for Current Tax	17,674,147	16,638,420
24.01	<u>78,313,293</u>	<u>50,867,032</u>

24.01 Payable for Current Tax

Sales Tax at Source	90,666,973	92,356,660
Previous year Income Tax Payable	16,638,420	21,405,605
Tax on non-operating income	6,966,562	5,919,229
Total Payable	<u>114,271,955</u>	<u>119,681,494</u>
Tax paid during this period	<u>(96,224,543)</u>	<u>(99,038,131)</u>
	<u>18,047,412</u>	<u>20,643,363</u>
Adjustment of Non-Opr. Tax with AIT on Share premium	373,264	(4,004,943)
Net Payable	<u>17,674,147</u>	<u>16,638,420</u>

24a Consolidated Sundry Creditors

Shahjibazar Power Company Limited	78,313,293	50,867,032
Petromax Refinery Limited	56,246,514	37,310,413
	<u>134,559,807</u>	<u>88,177,446</u>

25.00 Liabilities for Expenses:

Salary & Allowance	-	3,124,165
Directors Remuneration	-	300,000
Festival Bonus	-	1,693,968
Audit Fees	660,000	660,000
Office Rent	165,000	50,000
Car Maintenance	-	45,000
	<u>825,000</u>	<u>5,873,133</u>

25a Consolidated Liabilities for Expenses

Shahjibazar Power Company Limited	825,000	5,873,133
Petromax Refinery Limited	3,890,591	12,464,871
	<u>4,715,591</u>	<u>18,338,004</u>

25b Unclaimed Dividend

Dividend Payable	20,682,755	6,460,989
	<u>20,682,755</u>	<u>6,460,989</u>

Subsequent to the year end maximum portion of unclaimed dividend has been claimed and disbursed accordingly.



26.00 Trade Payable:

	June 30, 2016 Taka	June 30, 2015 Taka
Orient Energy Systems Ltd.	65,200	65,200
MJL Bangladesh Limited	17,297,280	6,223,360
Anwara Trade International	3,660	6,700
Sohan Business Centre	-	2,000
Jalalabad Gas Transmission and Distribution Systems Ltd.	87,887,023	111,458,407
Pacific Chemitrade Co.	-	229,500
Aqua Care Trading	75,000	75,000
A to Z Computers	-	30,650
Berger Paints Bangladesh Ltd.	-	281,444
S.S. Trade Link	-	90,000
SYS Computers	-	14,900
Others	24,817	-
	105,352,980	118,477,161

26a Consolidated Trade Payable

Shahjibazar Power Company Limited	105,352,980	118,477,161
Petromax Refinery Limited	17,072,254	37,414,334
	122,425,235	155,891,496

26b Consolidated L/C Liabilities

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	1,010,175,470	1,546,011,216
	1,010,175,470	1,546,011,216



		2015 - 2016	2014 - 2015
		Taka	Taka
27.00 Revenue :			
Sales		1,511,116,209	1,539,459,033
		1,511,116,209	1,539,459,033
27a Consolidated Revenue			
Shahjibazar Power Company Limited		1,511,116,209	1,539,459,033
Petromax Refinery Limited		6,483,197,804	7,642,649,986
		7,994,314,012	9,182,109,019
28.00 Cost of Sales:			
Raw Material Consumed	28.01	538,937,569	606,169,404
Factory Overhead	28.02	343,371,050	344,752,172
		882,308,619	950,921,576
28.01 Raw Material Consumed			
Opening Stock		108,985,944	128,064,872
Purchase During the Year		537,088,109	587,090,476
Closing Stock		(107,136,484)	(108,985,944)
		538,937,569	606,169,404
Consumption of Raw Materials:			
		2016	2015
Natural Gas Consumption (Cubic Meter)		152,321,464	161,654,351
Lube Oil		128,336	155,584
28.02 Factory Overhead			
Salary & Allowance		36,501,586	29,985,194
Overtime		798,186	298,634
Festival Bonus		3,011,526	4,212,076
Plant & Machinery maintenance		28,398,604	46,679,278
Fuel & Lubricants for car		1,744,991	1,226,672
Diesel for Generator		200,669	230,452
Depreciation		272,715,487	262,119,866
		343,371,050	344,752,172
28a Consolidated Cost of Sales			
Shahjibazar Power Company Limited		882,308,619	950,921,576
Petromax Refinery Limited		5,610,587,023	6,576,799,653
		6,492,895,642	7,527,721,229
29.00 General & Administrative Expenses			
Salary & Allowance		9,878,278	10,486,756
Audit Fee		760,000	760,000
Advertisement & Publicity		1,418,960	1,321,410
Secretarial Expenses		3,660,569	1,659,134
BG Commission		2,940,815	1,519,869
Board Meeting Fees		345,000	120,000
Credit Rating Expenses		200,000	430,000
Carrying Inwards/C&F Charges		873,000	672,080
Capital Raising/IPO Expenses		-	15,492,947
Gift, Donation & Subscription		5,677,200	2,448,080
Utility Bill		887,038	752,860
Entertainment		3,780,585	1,367,170
Insurance Premium		6,493,960	5,368,194
Legal & Professional Fees		1,695,271	6,895,864
LD Charges		-	4,267,839



2015 - 2016	2014 - 2015
Taka	Taka
Directors Remuneration	3,600,000
Office Maintenance	1,596,103
Printing, Stationary & Supplies	768,430
Registration & Renewals	909,304
Tool Tax/Land Tax	80,040
Traveling & Conveyances	1,640,288
Training & Workshop	33,450
Write Off of advance	-
Impairment of Biological Assets	-
Depreciation Expenses	4,577,404
51,815,695	69,898,186

29.01 Discloser as per requirement of Schedule XI, Part II, Para 4

Name	Designation	June-2016	June-2015
Feroz Alam	Managing Director	3,600,000	3,600,000
Total		3,600,000	3,600,000

Note: Other directors are not entitled to receive remuneration and other facilities for their directorship.

29a Consolidated General & Administrative Expenses

Shahjibazar Power Company Limited	51,815,695	69,898,186
Petromax Refinery Limited	70,765,934	50,367,089
	122,581,630	120,265,275

30.00 Financial Expenses, Net

Interest on Loan - Islami Bank Bangladesh Ltd.	137,657,553	189,423,438
Interest on Mudaraba Term Deposit	(7,679,244)	(3,727,160)
Interest on Loan - Eastern Bank Ltd.	5,073,310	-
Bank Charges & Commission	959,036	4,866,545
	136,010,655	190,562,823

30a Consolidated Financial Expenses

Shahjibazar Power Company Limited	136,010,655	190,562,823
Petromax Refinery Limited	400,609,947	248,737,977
	536,620,602	439,300,800

31.00 Non-operating Income

Income from Bank Interest	760,012	1,830,950
Wastage Sale	3,258,209	10,802,860
Foreign Exchange Gain	6,109	6,567,992
Foreign Exchange Loss	(1,868,082)	(452,048)
Gain on sale of vehicle	1,700,000	4,100,000
	3,856,248	22,849,754

31a Consolidated Non-operating Income

Shahjibazar Power Company Limited	3,856,248	22,849,754
Petromax Refinery Limited	1,945,279	745,381
	5,801,527	23,595,135

32.00 Share of Profit from Associate:

Net Profit of Associate company	141,141,808	158,736,677
Percentage of share holding	49%	49%
Share of profit from Associate	69,159,486	77,780,972

32a Consolidated Share of Profit from Associate:

Shahjibazar Power Company Limited	69,159,486	77,780,972
Petromax Refinery Limited	-	-
	69,159,486	77,780,972



33.00 WPPF is based on net profit before tax @ 5%

2015 - 2016	2014 - 2015
Taka	Taka

24,476,046	16,710,772
24,476,046	16,710,772

33a Consolidated Workers' Profit Participant Fund:

Shahjibazar Power Company Limited
Petromax Refinery Limited

24,476,046	16,710,772
19,199,056	36,547,174.00
43,675,102	53,257,946

In accordance with Bangladesh Labor Act 2006 as amended in 2013, the company has made a provision for Workers Profit Participation Fund @ 5% of Profit Before Tax.

34.00 Income Tax Expense

Current Tax

Sales Tax

Tax on Non-Operating Income @ 25%

Tax on Dividend Received @ 20%

Tax on Capital Gain @ 15%

90,666,973	92,356,660
964,062	5,619,229
6,002,500	10,780,000
	300,000
97,633,535	109,055,889

In accordance with the provision of Income Tax Ordinance 1984 under section 52N, Bangladesh Power Development Board is deducting tax at source @ 6% on invoice value.

Deferred Tax

Deferred Tax on the Profit from Associate accounted for using
Equity Method

7,829,397	9,377,601
7,829,397	9,377,601

Deferred tax has been recognized on Share of Profit of Associate accounted for using Equity Method for the earlier period for better presentation.

34a Consolidated Income Tax Expense

Shahjibazar Power Company Limited
Petromax Refinery Limited

97,633,535	109,055,889
26,930,717	2,081,504
124,564,252	111,137,393

35.00 Earning Per Share (EPS)

Net Profit After Tax

Number of share

Earnings Per Share

384,057,994	293,562,913
137,132,037	137,132,037
2.80	2.14

35a Consolidated Basic Earning Per Share (EPS)

Profit/(Loss) attributable to equity holder of the parent

Number of share

Earnings Per Share

705,403,359	949,538,686
137,132,037	137,132,037
5.14	6.92

36.00 Capacity and Utilization:

License Capacity (Unit - Kw)

Actual Utilized (Unit - Kw)

Capacity Utilize (Unit - Kw)

753,360,000	753,360,000
553,765,512	593,039,904
74%	79%

During the period license capacity and Actual capacity considered for 12 (Twelve) months.



2015 - 2016

Taka

2014 - 2015

Taka

37.00 Contingent Liabilities:

The Company has also Contingent Liabilities of an amount Tk. 32,13,29,225/- which was issued by Shahjibazar Power Company Limited infavour of BPDB, Commissioner of Customs, Chittagong and Jalalabad Gas Transmission & Distribution Systems Ltd, The Chief Controller of Import and Export, The Commissioner of Customs, Benapole. These contingent liabilities created due to released of capital goods from customs authority, guarantee of power sell and gas bill List of contingent liabilities are as follows:

B.G Issued	Beneficiary Name	B.G No	Guarantee Value
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/51	1,897,479
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/57	839,273
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/60	127,431
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/58	648,848
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/61	509,724
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/71	4,247,697
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/75	118,935
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/80	1,136,259
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/81	4,247,696
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/82	4,183,981
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/85	95,572
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/86	1,018,152
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/87	4,183,981
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	BG/08/91	139,816,591
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/94	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/97	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/98	826,644
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/100	8,082,049
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/101	9,135,058
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/105	8,750,934
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/107	45,875
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/109	8,664,228
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/110	420,564
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/02	35,043
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/03	8,407,253
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/10	10,619
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/13	467,247
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/16	20,389
Islami Bank Bangladesh Ltd.	Bangladesh Power Development Board	BG/09/25	91,500,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	Gas Purchase	11,249,611
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Export	Export-Import Permit	1,280,000
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Benapole	Export-Import Permit	1,280,000
Grand Total =			321,329,225



2015 - 2016

Taka

2014 - 2015

Taka

38.00 Capital Expenditure commitment:

- No capital expenditure contracted or incurred provided for as at 30th June, 2016.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2016.

39.00 Claim Acknowledgement:

There was no claim against the Company not acknowledged as debt as on June 30, 2016.

40.00 Restatement

The company has been recognizing deferred tax expenses related to investment in associates to the extent that it is not distributed as dividend until year 2014-15. By pursuant to a decision of the management, deferred tax on the investment in associates is being recognized in the financial statements. As such, the comparative figures for deferred tax expenses, provision for deferred tax liabilities and opening balance Retained Earnings have been restated. Retained earnings of FY 2015 has decreased by BDT. 9,377,601 (Taka'000) (net of tax) respectively. Comparative figures for deferred tax liabilities and deferred tax expense also has been restated and increased by BDT. 9,377,601 (Taka'000).

41.00 Events After the Reporting Period :

The Board of Directors at the Board Meeting held on 27th October 2016, has recommended to the shareholders a cash dividend @ 30% i.e. Tk. 3.00 per share (amounting to Tk. 411,396,111.00) and stock dividend @ 3%. This will be considered for approval by the shareholders at the 9th Annual General Meeting(AGM) to be held on 5th February 2017.

42.00 Number of Employees:

Total number of employees is 128 in comparison to 124 in previous year. There is no employees in the company who is entitled to get annual salary below TK. 36,000.

Annexure - A

SHAHJIBAZAR POWER COMPANY LIMITED
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2016

SL No.	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2016
		Balance as on 01.07.2015	Addition during this period	Disposal/ Impairment during the period	Balance as on 30.06.16	Rate %	Balance as on 01.07.15	Adjustment during the year	Charged During the Period	Balance as on 30.06.2016	
01	Land & Land Development	149,587,065	-	-	149,587,065	0.0%	-	-	-	-	149,587,065
02	Building & Construction	374,855,803	-	-	374,855,803	7.0%	158,621,973	-	26,239,906	184,861,879	189,993,924
03	Plant & Machineries	3,994,148,149	131,859,354	-	4,126,007,503	6.0%	1,306,838,038	-	245,967,855	1,552,805,893	2,573,201,610
04	Mechanical & Electrical Goods	1,072,263	-	-	1,072,263	10.0%	479,856	-	107,226	587,082	485,181
05	Office Equipment	3,077,895	311,230	-	3,389,125	15.0%	1,824,598	-	474,187	2,298,785	1,090,340
06	Computer & Computer Equipment	2,302,470	9,500	-	2,311,970	20.0%	1,869,058	-	442,912	2,311,970	-
07	Water Treatment Plant	1,170,000	3,000,000	-	4,170,000	15.0%	1,077,250	-	400,500	1,477,750	2,692,250
08	Furniture & Fixture	4,089,300	37,455	-	4,126,755	10.0%	2,368,103	-	411,275	2,779,378	1,347,377
09	Vehicles	12,299,920	14,999,250	3,736,920	23,562,250	20.0%	11,512,265	3,736,920	3,249,030	11,024,375	12,537,875
	June-2016	4,542,602,865	150,216,789	3,736,920	4,689,082,734		1,484,591,141	3,736,920	277,292,892	1,758,147,113	2,930,935,622
	June-2015	4,442,108,423	105,194,442	4,700,000	4,542,602,865		1,222,592,906	4,700,000	266,698,234	1,484,591,140	3,058,011,725

Allocation Current Year Depreciation:

Cost of Goods Sold Portion:

	Take
Building & Construction	26,239,906
Plant & Machineries	245,967,855
Mechanical & Electrical Goods	107,226
Water Treatment Plant	400,500
Total	272,715,487

Note: 28

General & Amin. Portion:

Office Equipment	474,187
Computer & Computer Equipment	442,912
Furniture & Fixture	411,275
Vehicles	3,249,030
Total	4,577,404
Grand Total :	277,292,892

Note: 29

Annexure A/1

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2016

SL	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2016
		Balance as on 01.07.2015	Addition during the period	Disposal during the period	Balance as on 30.06.16	Rate %	Balance as on 01.07.2015	Adjustment during the period	Charged During the period	Balance as on 30.06.2016	
1	Land & Land Development	193,910,407	15,474,767		209,385,174	0.0%	-	-	-	-	209,385,174
2	Building & Construction	788,758,136	99,882,999		888,641,135	7.0%	198,979,366	-	53,926,471	252,905,837	635,735,298
3	Plant & Machineries	6,822,550,420	140,117,502		6,962,667,922	6.0%	1,546,292,676	-	398,105,004	1,944,397,680	5,018,270,242
4	Mechanical & Electrical Goods	1,072,263	-		1,072,263	10.0%	479,856	-	107,226	587,082	485,181
5	Office/factory Equipment	9,629,742	969,533		10,599,275	15.0%	2,916,246	-	1,308,136	4,224,382	6,374,893
6	Computer & Computer Equipments	3,494,396	130,987		3,625,383	20.0%	2,067,047	-	588,069	2,655,116	970,267
7	Water Treatment Plant	5,192,645	3,360,000		8,552,645	15.0%	1,834,427	-	876,950	2,711,377	5,841,268
8	Furniture & Fixture	10,698,321	332,914		11,031,235	10.0%	3,338,290	-	1,229,487	4,567,777	6,463,458
9	Vehicles	27,946,217	32,364,250	3,736,920	56,573,547	20.0%	14,604,687	3,736,920	6,200,253	17,068,020	39,505,527
10	Electric Installation	33,938,626	1,517,400		35,456,026	15.0%	6,668,857	-	3,965,192	10,634,049	24,821,977
11	Fire Extinguisher/Equipments	560,910	46,000		606,910	15.0%	106,447	-	68,138	174,585	432,325
12	Lab Equipments	2,626,701	153,620		2,780,321	15.0%	301,248	-	338,561	639,808	2,140,512
13	Refrigerator	28,300	-		28,300	15.0%	5,834	-	3,185	9,018	19,282
14	Air Conditioner	4,960,040	682,500		5,642,540	15.0%	617,447	-	644,785	1,262,232	4,380,309
15	Fork LIFT	1,750,000	-		1,750,000	15.0%	360,743	-	196,957	557,700	1,192,300
16	Jetty	9,047,777	-		9,047,777	15.0%	1,494,016	-	1,070,908	2,564,924	6,482,853
17	Cylindrical Vertical Steel Tank	105,669,606	-		105,669,606	15.0%	21,589,362	-	11,920,178	33,509,540	72,160,066
18	Generator	20,300,278	-		20,300,278	15.0%	4,112,343	-	2,294,988	6,407,331	13,892,948
19	Ship	187,196,247	69,680		187,265,927	20.0%	25,048,497	-	30,087,332	55,135,829	132,130,098
20	Solar Power System	560,000	-		560,000	15.0%	115,438	-	63,026	178,464	381,536
21	Telephone Installation	1,610,091	91,997		1,702,088	15.0%	145,812	-	217,559	363,371	1,338,717
22	Water Line Installation	326,395	-		326,395	15.0%	67,283	-	36,735	104,018	222,377
	June 30, 2016	8,231,827,518	295,194,149	3,736,920	8,523,284,747		1,831,145,918	3,736,920	513,249,140	2,340,658,138	6,182,626,609
	June 30, 2015	7,993,266,162	250,494,798	11,933,443	8,231,827,518		1,328,142,005	4,716,054	507,719,966	1,831,145,918	6,400,681,600

Annexure- B

During the year under review, the Company carried out a number of transactions with related parties in the normal course of business. The name of related parties, nature of these transactions and their value have been set out below in accordance with the provision of BAS 24 **"Related Party Disclosure"**.

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2015	Addition during the period	Adjustment during the period	Balance as at June 30, 2016
Comfit Composite Knit Ltd.	Common Directorship	Short Term Loan	56,340,866	314,950	429,866	56,225,950
Petromax Refinery Limited	Parent - Subsidiary	Short Term Loan	190,918,559	-	-	190,918,559
Youth Fashion Limited	Common Directorship	Short Term Loan	18,594	293,885	246,618	65,861
Youth Garments Limited	Common Directorship	Short Term Loan	45,784	58,100	103,884	-
Midland Power Co. Ltd.	Associate Company	Advance	498,811,492	-	8,811,492	490,000,000
Islamic Finance & Inv. Ltd.	Common Directorship	MTDR	6,579,250	753,123	76,434	7,255,938
Feroz Alam	Managing Director	Remuneration	300,000	4,200,000	4,500,000	-
		Office Rent	50,000	512,500	480,000	82,500
Yeaasin Ahmed	Company Secretary	Salaries and other short term benefit	80,950	785,700	866,650	-
Saiful Islam	Head of Internal Audit	Salaries and other short term benefit	-	240,000	240,000	-

**Financial risk management**

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It mainly comprises of accounts/trade receivables, advances to suppliers and trade deposits. The Company's maximum exposure to credit risk at the reporting date is accounts receivables which is also secured by agreement with Bangladesh Power Development Board (BPDB) and Bangladesh Petroleum Corporation (BPC).

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2016 Taka*	2015 Taka
Accounts receivable	1,083,691,281	1,056,867,366
Advance, Deposit & Prepayments	919,488,307	876,422,951
Other Receivable	2,212,221	2,044,863
	2,005,391,809	1,935,335,180

b) Ageing of receivables

Accounts receivable were aged as below:

Less than six months	837,691,637	1,056,866,591
More than six months	245,999,644	775
	1,083,691,281	1,056,867,366

c) Impairment losses

The accounts receivables are secured by agreement with Bangladesh Power Development Board (BPDB) and Bangladesh Petroleum Corporation (BPC). According to the company, recognition of any impairment losses were not necessary as they were fully collectible. Subsequent to year end the collectibles were realised duly.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The contractual maturities of financial liabilities of the Group are as follows:

Particulars	Carrying amount	Cash flows	Up to 1 year	Above 1 Year
As at 30 June 2016	Taka	Taka	Taka	Taka
Short Term interest bearing loans	2,731,073,954	2,731,073,954	2,731,073,954	-
Short Term non-interest bearing loans	56,291,811	56,291,811	56,291,811	-
Long Term interest bearing loans	1,499,388,065	1,499,388,065	840,133,369	659,254,696
Long Term non-interest bearing loans	67,322,967	67,322,967	-	67,322,967
Trade creditors/Payable	122,425,235	122,425,235	122,425,235	-
Sundry creditors	131,266,497	131,266,497	131,266,497	-
L/C Liabilities	1,044,606,057	1,044,606,057	1,010,175,470	34,430,587
Other liabilities	31,502,664	31,502,664	31,502,664	-
	5,683,877,250	5,683,877,250	4,922,868,999	761,008,250
As at 30 June 2015				
Short Term interest bearing loans	1,941,704,945	1,941,704,945	1,941,704,945	-
Long Term interest bearing loans	2,324,623,202	2,324,623,202	1,145,519,408	1,179,103,794
Long Term non-interest bearing loans	159,675,475	159,675,475	-	159,675,475
Trade creditors/Payable	155,891,496	155,891,496	155,891,496	-
Sundry creditors	88,177,446	88,177,446	88,177,446	-
L/C Liabilities	1,557,640,113	1,557,640,113	1,546,011,216	11,628,897
Other liabilities	31,023,312	31,023,312	31,023,312	-
	6,258,735,989	6,258,735,989	4,908,327,823	1,350,408,166

**Market risk**

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk/foreign exchange rate risk

The Company's exposure to foreign currency risk at June 30, 2016 are as follows:

	2016	2015
Deferred L/C for Import of Spare Parts (USD)	35,000.00	-
Deferred L/C for Import of Spare Parts (EURO)	348,208.50	131,059.36
Bank Balance/IPO Fund (USD)	1,228.97	1,228.97
Bank Balance/IPO Fund (EURO)	9.00	9.00
Bank Balance/IPO Fund (GBP)	312.90	312.90

b) Interest rate risk

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments were as follows:

	2016	2015
	Taka	Taka
<u>Fixed rate instruments</u>		
Financial assets	5%-9.50%	103,007,834
Financial liabilities	9.00%-11.50%	101,404,065
		4,266,328,147
<u>Variable rate instruments</u>		
Financial assets	-	-
Financial liabilities	-	-

Reporting under Company Act 1994, section 186(6)

Investment in Subsidiary							
							Amount in BDT
Share of net assets	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non- current Liabilities	Total Liabilities	Net Assets
<u>30 June 2016</u>							
Petromax Refinery Limited	3,080,246,913	3,258,222,039	6,338,468,952	3,930,897,862	136,582,413	4,067,480,273	2,270,988,679
<u>30 June 2015</u>							
Petromax Refinery Limited	2,872,421,257	3,410,781,532	6,283,202,789	3,776,296,448	592,968,067	4,369,264,515	1,913,938,274
Share of Net Profit & Loss	Reporting Date	Nature of Investment Controlling Power	Income	Expenses	Tax Expenses	Profit After tax	Share of Profit
<u>30 June 2016</u>							
Petromax Refinery Limited	20-Oct-16	Subsidiary	6,485,143,083	6,101,161,961	26,930,717	357,050,405	321,345,365
<u>30 June 2015</u>							
Petromax Refinery Limited	21-Oct-15	Subsidiary	7,643,395,367	6,912,451,892	2,081,504	728,861,971	655,975,774