



ANNUAL REPORT

2018-2019

Sustainable Energy
Sustainable Growth



SHAHJIBAZAR POWER CO. LTD.

Sadly missed along life's way,
Quietly remembered everyday
No longer in our life to share,
But in our hearts,
you're always there.

(30 April 1956 – 5 October 2019)

Late Mr. Feroz Alam

Founder Managing Director

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COMPANY INFORMATION

Shahjibazar Power Co. Ltd., is a Public Limited Company, registered under The Companies Act, 1994. The Company was incorporated in Bangladesh as a private limited company on 4th November, 2007 vide registration no. C-68888(1400)/07 and subsequently converted into public limited company on 28th September 2009. The registered office of the Company is located at Youth Tower, 822/2, Rokeya Sarani, Dhaka-1216 and the Plant is located at Fatepur, Madhobpur, Hobigonj, Bangladesh. The Company has 86 MW power plant and started commercial production from 10th February, 2009.

Shahjibazar Power Co. Ltd. produce electricity from natural gas and supply to Bangladesh Power Development Board (BPDB) under a 15 year Power Purchase agreement for supply of power with Bangladesh Power Development Board (BPDB) held on 14th February, 2008.

After successful completion of Initial Public Offering (IPO) the Company has started trading of shares in Dhaka and Chittagong-stock exchange from July 15, 2014.

The company has a subsidiary company Petromax Refinery Ltd (PRL) a condensate fractionation plant situated at Mongla, Bagerhat, Bangladesh and an associate company Midland Power Co. Ltd. a 51 MW Independent Power Producer (IPP) situated at Ashuganj, Brahmanbaria.



CORPORATE DIRECTORY

Board of Directors:

Mr. Rezakul Haider

Chairman

Mr. Anis Salahuddin Ahmad

Managing Director

Mr. A.K.M Badiul Alam

Director

Mr. Shamsuzzaman

Director

Mr. Akbor Haider

Director

Mr. Mohammad Liaquat Ali

Independent Director

Mr. Golam Nabi FCA

Independent Director

Company Secretariat:

Mr. Bhulon Kumar Bhowmik

Chief Financial Officer

Mr. Yeasin Ahmed, ACS

Company Secretary

Registered Office:

822/2 Rokeya Sarani, Mirpur

Dhaka-1216

Tel: +88 09678111000

Fax- +88-02 9032436

E-Mail: info@youthbd.com

Website: www.youthbd.com

Auditors :

G. Kibria & CO Chartered Accountants

Sadharan Bima Sadan (5th Floor)

24-25 Dilkusha C/A, Dhaka - 1000,

Tel: +88-02-9568071

www.gkibriaandco.com

Main Bankers:

Islami Bank Bangladesh Ltd.

Eastern Bank Ltd.

Bank Asia Ltd.

PARTICULARS OF TOP EXECUTIVES/OFFICERS

Anis Salahuddin Ahmad

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

Director & Managing Director
 Higher Diploma from Abroad
 Since start of the Project
 Worked as Managing Director in different companies within the group

Engr. Md. Hafizur Rahman

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

Executive Director
 BSc Engineer – Mechanical (BUET)
 Since start of the Project
 Worked as Executive Director in different companies within the group

Engr. Shariful Islam

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

COO - Project and Power Gen.
 BSc Engineer – Mechanical (RUET)
 01.01.2010
 Worked as Sr. Manager in different companies within the group

Bhulon Bhowmik

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

Chief Financial Officer (CFO)
 MBA (Finance), LLB, ITP
 01.01.2008
 Worked as Sr. Manager in different companies within the group

Yeasin Ahmed, ACS

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

Company Secretary
 BBA, MBA (Finance), ACS
 02.05.2014
 Worked as Manager in different Group of companies

Hasan Imam Siddiki, ACA

Position
 Educational Qualification
 Date of Joining
 Last Five Years' Experience

Manager - Finance
 BBA, MBA (AIS), ACA
 01.03.2015
 Worked as Manager in Audit Firms

LETTER OF TRANSMITTAL

All Members & Shareholders
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Dear Sir(s)

The undersigned on behalf of the Board of Directors of Shahjibazar Power Co. Ltd. is pleased to present herewith the Annual Report together with the Audited Financial Statements which includes Statement of Financial Position as at June 30, 2019 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended June 30, 2019 and notes thereon.

Thanking You

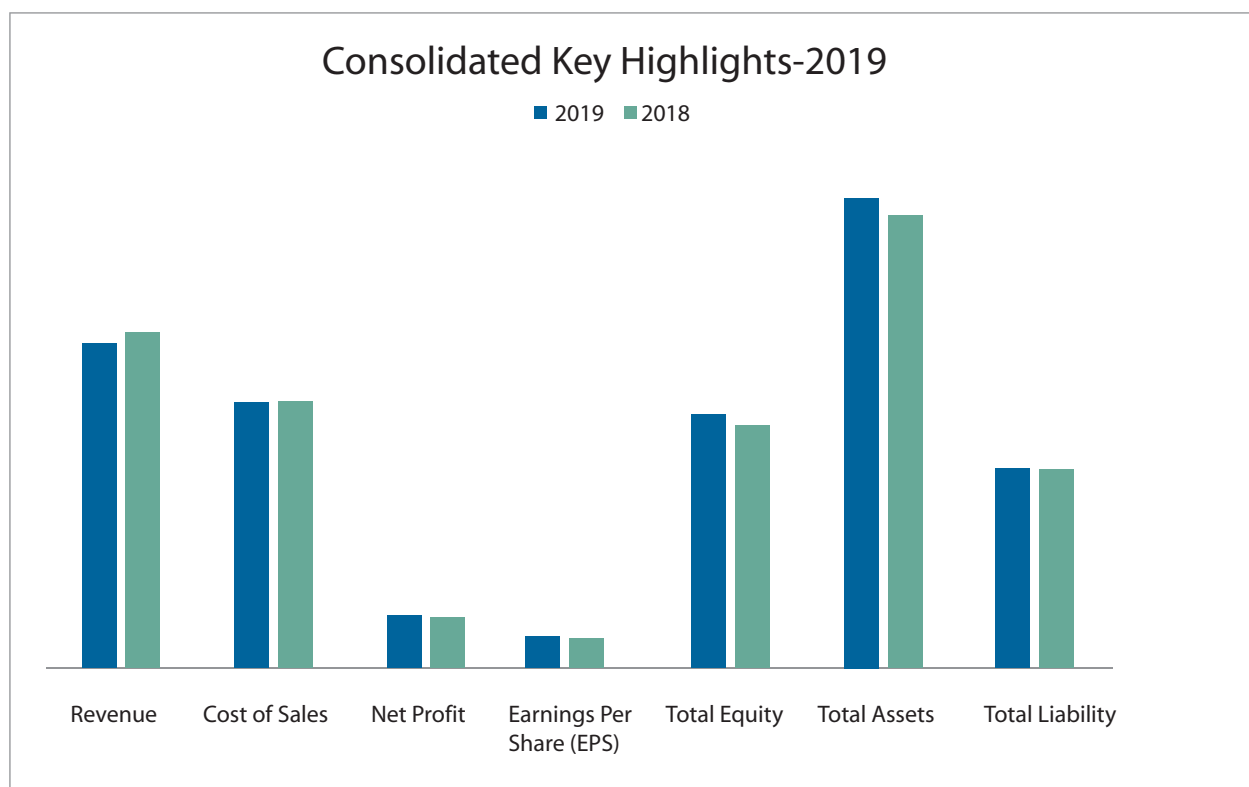
Sincerely Yours,



Yeasin Ahmed, ACS
Company Secretary

CONSOLIDATED KEY HIGHLIGHTS-2019

Particulars	2019	2018	Change in %
Revenue	7140.19	7384.77	-3.31%
Cost of Sales	5828.00	5832.55	-0.08%
Net Profit	729.05	701.76	3.89%
Earnings Per Share (EPS)	4.32	3.98	8.54%
Total Equity	5619.85	5306.41	5.91%
Total Assets	10313.16	9969.07	3.45%
Total Liability	4420.60	4383.00	0.86%



CORE VALUES & CODE OF CONDUCTS

6.1. ETHICS:

Ethics deal primarily with conflicts of interest and integrity. A conflict of interest could be defined as a situation that arises when a decision making authority is seen to have a personal stake in the outcome of the decision itself. This code covers various situations which an SPCL employee may face in the areas of financial control, personal integrity, conflicts, etc, and the role which they should play in such circumstances. This code provides a common code of conduct, which should be adhered to, by all SPCL employees.

6.2 CONFLICTS OF INTEREST:

An employee or director of SPCL shall always act in the interest of the company, and ensure that any business or personal association which he / she may have does not involve a conflict of interest with the operations of the company and his / her role therein..

6.2.1 An employee of SPCL, shall not accept a position or responsibility in any other non-SPCL company or not-for-profit organization without specific approval

6.2.2 Shall not be involved in the decisions pertaining to companies where he / she holds financial interest directly or indirectly, including through close relatives in a company.

6.2.3 Shall not direct business to a supplier managed by a relative or close friend.

6.2.4 Shall not solicit subcontractors and vendors for donation / advertisements to a charity, in which the employee is involved.

6.2.5 Using company facilities for personal purposes or for spouse's / relatives business.

6.2.6 Shall not treat personal expenses / trips as business expenses / trips.

6.2.7 Shall not take part-time job requiring the employee to spend time, during normal working hours or using office equipment in meeting personal responsibilities.

6.2.8 Shall not be in a position to influence career decision about a spouse or relative.

6.2.9 Shall not pursue any business or profession outside SPCL including consultancy.

The above shall not apply to (whether for remuneration or otherwise):

a) Nominations to the boards of SPCL companies, joint ventures or associate companies.

b) Memberships / positions of responsibility in educational / professional bodies, wherein such association will benefit the employee / SPCL Company.

c) Nominations / memberships in government committees / bodies or organizations.

d) Exceptional circumstances, as determined by the competent authority.

6.3 MEMBERSHIP OF SOCIAL SERVICE ORGANISATIONS

Potential conflicts arise when executives take up memberships of Organizations and Associations that undertake Social Service of various kinds. Conflicts arise in the form of fund-raising from SPCL for such Associations / Organizations, using company infrastructure and facilities to discharge responsibilities towards that organization and providing use of such facilities directly to the Association / Organizations and its members. Prior approval from the management should be obtained, for undertaking such activities.

6.4 GIFTS

6.4.1 Buying equipment from suppliers for personal use at high discounts is absolutely prohibited.

6.4.2 Accepting free trips / holidays within Bangladesh and / or abroad and / or members of employees family, from suppliers is also absolutely prohibited.

6.4.3 Business associates such as JV partners, technology suppliers and other closely related companies may also make similar offers. These should be reported to the management, who shall provide guidance.

6.4.4 Small value gifts and flowers on festive occasions from anyone are normally acceptable. High value gifts in extraordinary circumstances, if required, need to be specially approved by the concern management.

6.5 CONFIDENTIALITY AND DISCRETION

Executives should, at all times, realize that they are in possession of sensitive, classified and confidential information that should not be parted with, in any circumstances to Competitors, Investment analysts, Stock brokers, Newspaper reporters and Government officials before intimating the same to BSEC, DSE & CSE as material or price sensitive information. Some illustrations of such information are given here.

6.5.1 Financial Information.

6.5.2 Tax Planning Measures.

6.5.3 Potential Joint Venture deals being negotiated.

6.5.4 New Product Introductions.

6.5.5 Manufacturing Process and Recipe for Products. Employees should maintain total confidentiality with any such classified information.

6.6 PERSONAL INTEGRITY

In day – to – day work most employees are called upon to support broad company objectives like providing equal employment opportunity and environmental protection. Some responsibilities are on a more personal level. For example, every employee also has a direct role in helping to keep the company's records accurate and in protecting company assets.

Sometimes the chance for illegal or unethical personal gain will arise. That is when employees must remember that integrity depends on individual integrity. Every employee should develop the ability to distinguish the right from the wrong and relentlessly follow the right - even when it may be very tempting to do otherwise.

6.7 SEXUAL HARASSMENT AT WORKPLACE

Equality in employment can be seriously impaired when women are subjected to gender specific harassment such as sexual harassment at workplace. Such conduct is discriminatory when the woman has reasonable grounds to believe that her objection would disadvantage her in connection with her employment, including recruiting or promotion, or when it creates a hostile working environment.

The following rules are therefore applicable, regarding this matter.

- 6.8.1 Company should provide a procedure for resolution, settlement or prosecution for acts of sexual harassment, by taking all steps required.

For this purpose, sexual harassment includes such unwelcome sexually determined behavior as

- 6.8.1.1 Physical contact and advances;
- 6.8.1.2 A demand or request for sexual favors;
- 6.8.1.3 Sexually colored remarks;
- 6.8.1.4 Showing pornography;
- 6.8.1.5 Any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

All managers or persons in-charge of work place are required to take appropriate steps, to prevent sexual harassment.

6.8 CODE OF CONDUCT:

- 6.8.1 Every employees of SPCL shall devote their whole time and attention to and use their best skills and care in the business and affairs of the Company and at all times faithfully and diligently perform such duties assigned to them by the Company.
- 6.8.2 They shall not at any time during the continuance of the employment hereunder solicit, seek, engage or be interested or concerned either directly or indirectly or

alone or jointly in any other office, trade, business or occupation without the prior permission in writing of the Company.

- 6.8.3 Notwithstanding anything to the contrary in this document if, in the opinion of the Company, they commit any breach in the observance of performance of their obligations hereunder or if they are, in the opinion of the Company, guilty of any misconduct, including disobedience, breach of duty or gross carelessness or if they absent themselves without leave then and in any and every such case it shall be lawful for the Company, (notwithstanding any waiver by the Company of antecedent breach or circumstances justifying the termination of their services under this clause) to terminate this employment forthwith without notice whatsoever and/or to dismiss them from the services of the Company without prejudice to the Company's remedial rights in respect of such breach or circumstances. In the event of such termination or dismissal they will be entitled to their salary including all allowances up to the date of termination according to the provisions of labor law.

- 6.8.4 As a corollary to their obligation, under sub-clause 2 above, they shall devote their whole-time attention to the Company and use their best skills and care for the benefit of the Company and any discovery or invention or secret process or improvement in procedure made or discovered by them or any work capable of copy right whilst in the service of the Company in connection with or in any manner affecting or relating to the business of the Company or capable of being adopted for use therein or in connection therewith, shall forthwith be disclosed to the Company and if and whenever required to do so by the Company, they shall, at the cost the Company, apply or join the Company in applying for letters, patents or other equivalent protection in Bangladesh and in any other part of the world for any such discovery, invention, process or improvement as aforesaid and shall at the cost of the Company execute and do all instruments and things necessary for vesting the said letters patents or other equivalent protection when obtained and all right, title and interest to and in the same shall vest in the Company absolutely and as sole beneficial owner or in such other person as the Company may specify.

- 6.8.5 During association with the Company, our employees will have access to and be furnished with such information, trade secrets, processes, inventions, customer/supplier lists, etc. which would be sensitive for the Company and therefore would be treated as absolutely confidential (Confidential Information) and they may themselves develop or be a contributory to such Confidential Information. Hence, as a corollary to their duty to act always in the interest of the Company, they shall be obliged not to divulge or communicate to any person other than necessary to those who need to know such information for Company's business and use such Confidential Information solely for the benefit and in the best interests of the Company.

6.8.6 All Confidential Information belongs to the Company and is always to be used for the Company's benefit, needless to mention, such obligation on employee's part will have to be honored, even after they cease to be associated with the Company. Hence, if there is any apprehension that the Confidential Information could be misused to the Company's detriment, you should refrain from associating, joining, or taking up employment with any other person for such period, as is considered necessary by the Company. They can also during their tenure with the company and during the notice period prior to their separation from the company, be restrained from coming to work, associating or communicating with the Company officials for such time as is considered necessary.

6.8.7 Considering the sensitivity of the confidential information which will come to the knowledge, the employee shall not engage in any activity even after ceasing to be in employment with the Company, which will adversely affect the interest of the Company including advising and utilizing the information to the disadvantage of the Company.

6.8.8 Every employee shall not at any time within twelve months after the cessation of their employment with the Company, either directly or indirectly, or through any proprietary firm or a partnership firm in which he/she is a partner or through any Company in which he/she is a shareholder or director, or engage with in any manner whatsoever, solicit or seek to employ or appoint as agent, or engage with, any employee or officer or associate of the Company unless a period of twelve months has elapsed since the date of separation of the concerned employee, agent or associate, unless specifically approved by the management of the Company.

6.8.9 Every employee shall also not request, encourage or cause any of the past, present or prospective customer, supplier, employee or independent contractor to withdraw, curtail or cancel a business relationship with the Company or otherwise interfere in any manner with the relationship between the Company and such past, present or prospective customer, supplier, employee or independent contractor.

6.9 POLITICAL NON ALIGNMENT

As a secular and nonpolitical enterprise, SPCL shall not have any type of political alignments:

- 6.9.1 SPCL shall be committed to and support the constitution and governance systems of the country in which it operates.
- 6.9.2 SPCL shall not support any specific political party and not have any political affiliations.
- 6.9.3 All SPCL Employees are free to contribute or participate in the political process if it does not create conflict of interest or invade work related commitments.

6.10 PROTECTING COMPANY ASSETS

It is the responsibility of all employees to protect the interests of all stakeholders of the company.

- 6.10.1 The assets of SPCL shall not be misused; they shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources, as well as intangible assets such as information technology and systems, proprietary information, intellectual property, and relationships with customers and suppliers.

6.11 DONATIONS

Any amount of donation shall be made only with prior approval of Chairman/Board of Directors/CEO. This will include advertisement in the souvenir or any such support directly or indirectly.

6.12 CORPORATE CITIZENSHIP

- 6.12.1 SPCL shall be committed to good corporate citizenship, not only in the compliance of all relevant laws and regulations but also by actively assisting in the improvement of quality of life of the people in the communities in which it operates. The company shall encourage volunteering by its employees and collaboration with community groups.
- 6.12.2 SPCL also encouraged to develop systematic processes and conduct management reviews from time to time so as to set strategic direction for social development activity.
- 6.12.3 SPCL shall not treat these activities as optional, but should strive to incorporate them as an integral part of its business plan.

6.13 REGULATORY COMPLIANCE

- 6.13.1 Employees of SPCL, in their business conduct, shall comply with all applicable laws and regulations, in letter and spirit.
- 6.13.2 Directors of SPCL shall comply with applicable laws and regulations of all the relevant regulatory and other authorities. As good governance practice they shall safeguard the confidentiality of all information received by them by virtue of their position.

6.14 SECURITIES TRANSACTIONS & CONFIDENTIAL INFORMATION

Handling of sensitive and confidential information relating to the business of SPCL is very crucial. It is also a highly regulated area which requires compliance.

- 6.14.1 An employee of SPCL and his / her immediate family shall not derive any benefit or counsel, or assist others to derive any benefit, from access to and possession of information about the company or its clients or suppliers that is not in the public domain and, thus,

constitutes unpublished, price-sensitive insider information.

6.14.2 An employee of SPCL shall not use or proliferate information that is not available to the investing public, and which therefore constitutes insider information, for making or giving advice on investment decisions about the securities of SPCL client or supplier on which such insider information has been obtained. Such insider information might include (without limitation) the following:

6.14.2.1 Acquisition and divestiture of businesses or business units.

6.14.2.2 Financial information such as profits, earnings and dividends.

6.14.2.3 Announcement of new product introductions or developments.

6.14.2.4 Asset revaluations.

6.14.2.5 Investment decisions / plans.

6.14.2.6 Restructuring plans.

6.14.2.7 Major supply and delivery agreements.

6.14.2.8 Raising of finances.

6.14.3 An employee of SPCL shall also respect and observe the confidentiality of information pertaining to other companies, their patents, intellectual property rights, trademarks and inventions; and strictly observe a practice of non-disclosure.



CORPORATE GOVERNANCE

Shahjibazar Power believes that the fair practice of excellent corporate governance is fundamental to ensuring sustainability of the Business of the Company. The Board of Directors of Shahjibazar Power Co. Ltd. (SPCL) is responsible for the Corporate Governance of the Company. This statement outlines the policies and practices related to the corporate governance guidelines enacted by the Bangladesh Securities & Exchange Commission (BSEC) and fully adopted by us to keep the Company's business integrity and performance on the right track. The Board of Directors put their best effort to establish an appropriate internal control system and risk management procedures to make sure the accountability, transparency at every level of its operation. Moreover, the Directors follow some principles set for them to oversee the function and set up clear guidelines for the management.

Board Composition

The Board of SPCL is comprised of seven (7) Directors including the Chairman of the Company. In compliance with the Corporate Governance Guidelines issued by the Bangladesh Securities & Exchange Commission (BSEC), the board has appointed two (2) Independent Directors with diversified knowledge and experience which provides a balance and ensures transparency in decision making process.

Responsibilities of the Board

The Board assumes overall responsibility for the strategic direction of the Company, retains full and effective control over the company, oversees the operations and activities through appropriate delegation of authority to the management and decisions in subsidiaries. The main role of the Board is to take decisions concerning certain policies, budgets, financing plan and major capital expenditures of the Company. The board is governed by a formal board charter setting out its composition, processes and responsibilities.

The primary responsibilities of the board are to:

- Retain full and effective control of the company
- Give strategic direction to the company
- Take decisions concerning certain policies, budgets, financing plan and major capital expenditures of the Company.
- Monitor management in implementing plans and strategies, as approved by the board
- Appoint the CEO and other directors
- Ensure that succession is planned
- Identify and regularly monitor key risk areas and key performance indicators of the business
- Ensure that the company complies with relevant laws, regulations and codes of business practice
- Ensure that the company communicates with shareholders and relevant stakeholders openly and promptly
- Monitoring the company's integrated performance
- Establish a formal and transparent procedure for appointment to the board
- Regularly review the report provided by the Audit Committee
- Assess the performance of the board, its committees and its individual members on a regular basis

In order to fulfill their responsibilities, directors always have unrestricted access to information including financial data, documents, and records of the company.

Board Meeting

In fulfillment of its responsibilities, the Board of Directors of SPCL holds periodic meetings and takes appropriate decisions. The Board meets not only for scheduled meeting but also on other occasions to deal with urgent matters that require attention; additional meetings are convened on an ad hoc basis.

As per the provision mentioned under Section 96 of the Companies Act-1994, a meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

Pursuant to the above, The Board met Five (4) times during the reporting period and all the directors including both the independent directors were present in most of the meetings. The Company Secretary and the Chief Financial Officer were also present in the Board meetings.

Rotation of Directors

Under the Companies Act 1994, one third of the directors are required to retire by rotation each year and being eligible, offer themselves for re-election by shareholders at the Annual General Meeting. Here, Mr. A.K.M Badiul Alam and Mr. Anis Salahuddin Ahmad Directors of the Company retire by rotation and also offer themselves for re-appointment at the ensuing AGM.

Company Secretary

The Company Secretary, Mr. Yeasin Ahmed ACS is responsible for providing guidance to the Chairman and Board of Directors in respect of their responsibilities, authorities and power. He is directly accountable to the Board, through the Chairman. He is also responsible to advice on the corporate governance and other rules and regulations imposed by different regulatory authorities including RJSC, DSE, CSE, BSEC. He facilitates the distribution of information to the concerned office or person in a timely manner like agenda items for board meetings, investor communications and any other corporate announcement including Price Sensitive Information which may have significant material impact on the performance of the Company.

Chief Financial Officer

The name of the Chief Financial Officer is Mr. Bhulon Bhowmik. He is the Dy. General Manager and also the Head of Finance & Accounts of the Company. His certification on the financial statements is disclosed in Annexure 4.

Board Committee- Audit Committee

The SPCL's Audit Committee has been established as a sub-committee of the Board consisting of three (3) Directors.

The Chairman of the Committee is an Independent Director, Mr. Golam Nabi FCA. Other members are The Chairman of the Committee is an Independent Director, Mr. Akbor Haider (Director) and Mr. A.K.M Badiul Alam (Director). The Audit Committee assists the Board with respect to internal control, financial reporting, risks management, auditing matters, monitoring process, related party transactions etc. The Committee has also the responsibility to make sure that all the rules and regulations issued by the regulatory authorities have been complied with.

Board Committee- Nomination & Remuneration Committee (NRC)

SPCL's Nomination and Remuneration Committee has been established as a sub-committee to the Board consisting of three members. The purpose of the Nomination and Remuneration Committee is to assist the Board in ensuring that the Board retains an appropriate structure, size and balance of skills to support the strategic objectives and values of the company. The Committee assists the Board in meeting its responsibilities regarding the determination, implementation and oversight of senior remuneration arrangements to enable the recruitment, motivation and retention of directors and senior management positions generally. The Committee oversees arrangements for succession planning. The Committee also assists the Board by reviewing and making recommendations in respect of the remuneration policies and framework for all staff.

Mr. Golam Nabi, FCA	- Chair
Mr. Rezakul Haider	- Member
Mr. Md. Shamsuzzaman	- Member
Mr. Yeasin Ahmed ACS	- Member Secretary

Management Team

The Management team of Shahjibazar Power Co. Ltd. is involved in managing and running the affairs of the Company. The team is in full control of the Company's affair and is also accountable to the Board of Directors. It builds the confidence of the Board by ensuring that all the activities carried out by them are consistent with high ethical standards.

Risk Management & Internal Control

A detailed framework to review significant risks impacting the performance of the Company has been established. It is the responsibility of Audit Committee to assess the identified risk

and to implement the mitigating strategy. Apart from this, the establishment of the effective strong internal control system in all levels of the organization is the sole responsibility of the Audit Committee.

Separation of work for the Chairman and Chief Executive Officer

Mr. Rezakul Haider is the Chairman and Mr. Anis Salahuddin Ahmad is the Chief Executive Officer of the Company. The separation of the position of CEO from that of the Chairman ensures the compliance of corporate governance guidelines imposed by BSEC.

Subsidiary Boards

Shahjibazar Power Co. Ltd. is the parent company of:

- Petromax Refinery Ltd

The Board is aware of the fact that any material issues of the subsidiary companies might have an effect on both the parent company as a whole and its subsidiaries. Therefore, it oversees the operation and performance of the subsidiaries to ensure effective control over the decision making process of the subsidiaries. Under the chapter 'Reports and Financials of Subsidiary Company', detailed discussion on the operation and performance of the subsidiary is disclosed.

Investor Relation

The Board of Directors of the Company pays great importance to its investors' community and their information requirements. With the sincere desire to stay close with investors' community, the Company always tries to bridge the gap between investors' and the Company.

Communication with Stakeholders

The Company aims to be transparent with all stakeholders, including the owners of the Company – the Shareholders. The Company holds the Annual General Meeting regularly as per law with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. The Chairman and other members of the Board answer the questions of the shareholders and note the views and suggestions of them offered at the AGM with utmost seriousness. Quarterly, Half-yearly and the Annual financial statements are also posted at Company's website to keep all the stakeholders informed about the Company's financial results.

NOTICE OF THE 12TH ANNUAL GENERAL MEETING

Notice is hereby given that the 12th Annual General Meeting of the Shareholders of Shahjibazar Power Company Limited will be held on Wednesday the 29th day of January, 2020, at KIB Complex Auditorium, Krishi Khamar Road, Farmgate, Dhaka-1215 at 10.30 A.M to transact the following businesses:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended June 30, 2019 together with the Auditors' Report thereon
2. To declare dividend for the year 2019 as recommended by the Board of Directors
3. To elect/Re-elect Directors
4. To approve the appointment of Managing Director
5. To approve the appointment of Director
6. To approve the appointment of Independent Director
7. To approve the appointment of Statutory Auditors for the year 2019-2020 and to fix their remuneration
8. To approve Appointment of professional for the Certification on Corporate Governance for the year 2019-20 and fixation of their remuneration.

Dhaka, January 09, 2020

By order of the Board



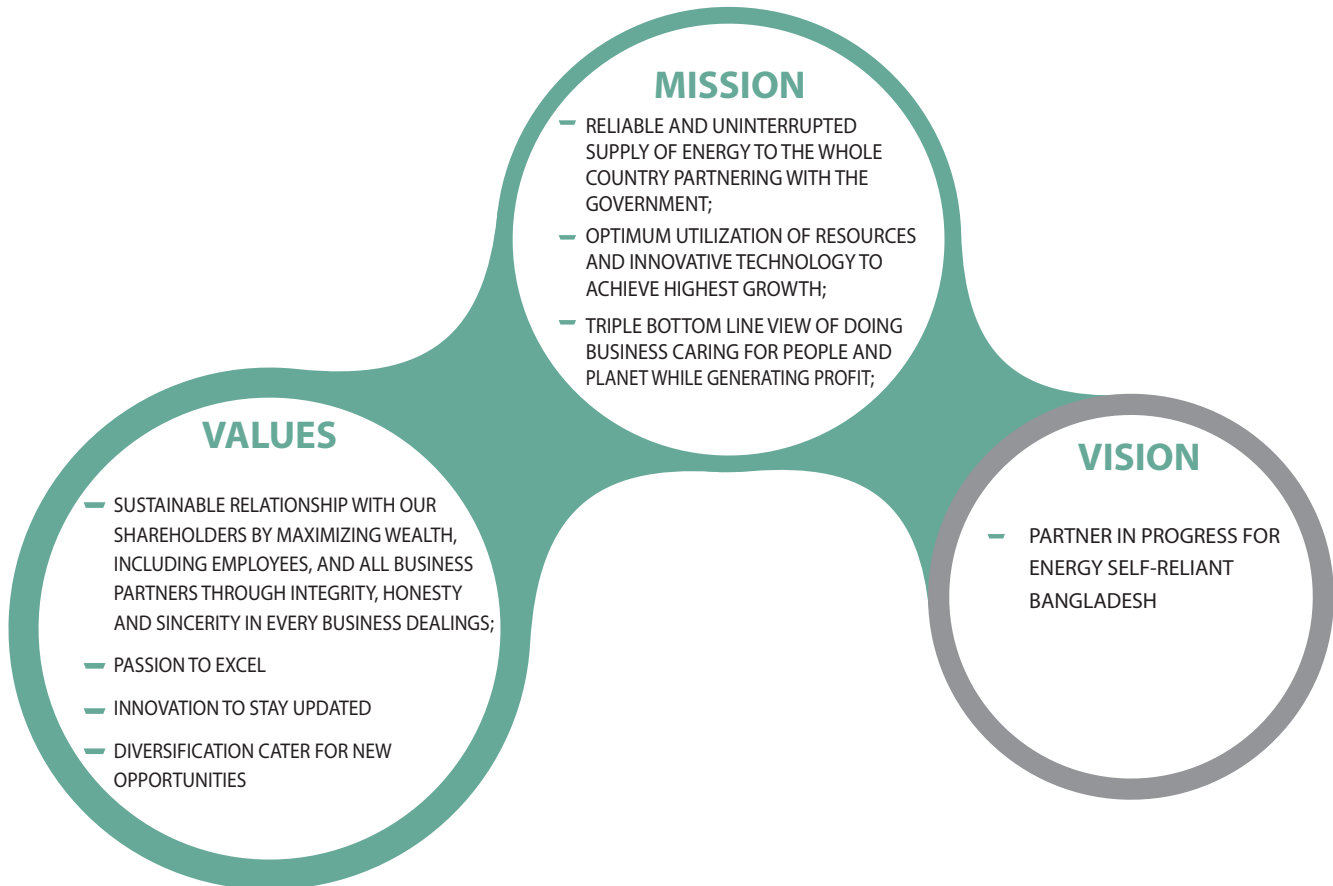
(Yeasin Ahmed, ACS)
Company Secretary

Notes:

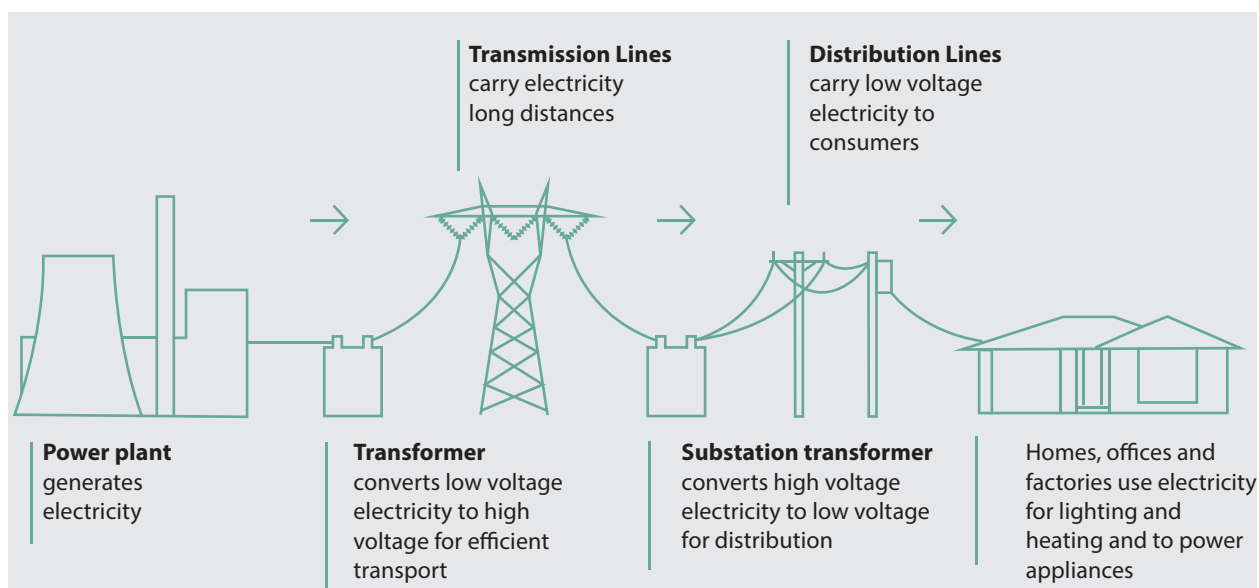
1. Shareholders whose names appeared at the record date i.e. December 3, 2019 in the Share Register of the Company or in the Depository Register on that date will be eligible to attend and vote in the Annual General Meeting and to receive dividend as approved in the AGM.
2. Members entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the Company not less than 72 hours before the time fixed for the Annual General Meeting.
3. Admission into the meeting venue will be allowed on production of the Attendance Slip attached with the Proxy Form.
4. Pursuant to the Notification No: BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June, 2018 of Bangladesh Securities and Exchange Commission (BSEC), soft copy of the Annual Report has been sent to the e-mail addresses of the Honorable Shareholders as found recorded in their respective Beneficial Owner (BO) accounts maintained with the depository. Soft copy of the Annual Report is available in investor relation section of Company's website – www.Youthbd.com

Special Note: No benefit or gift in cash or kind shall be given to the Shareholders for attending the 12th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

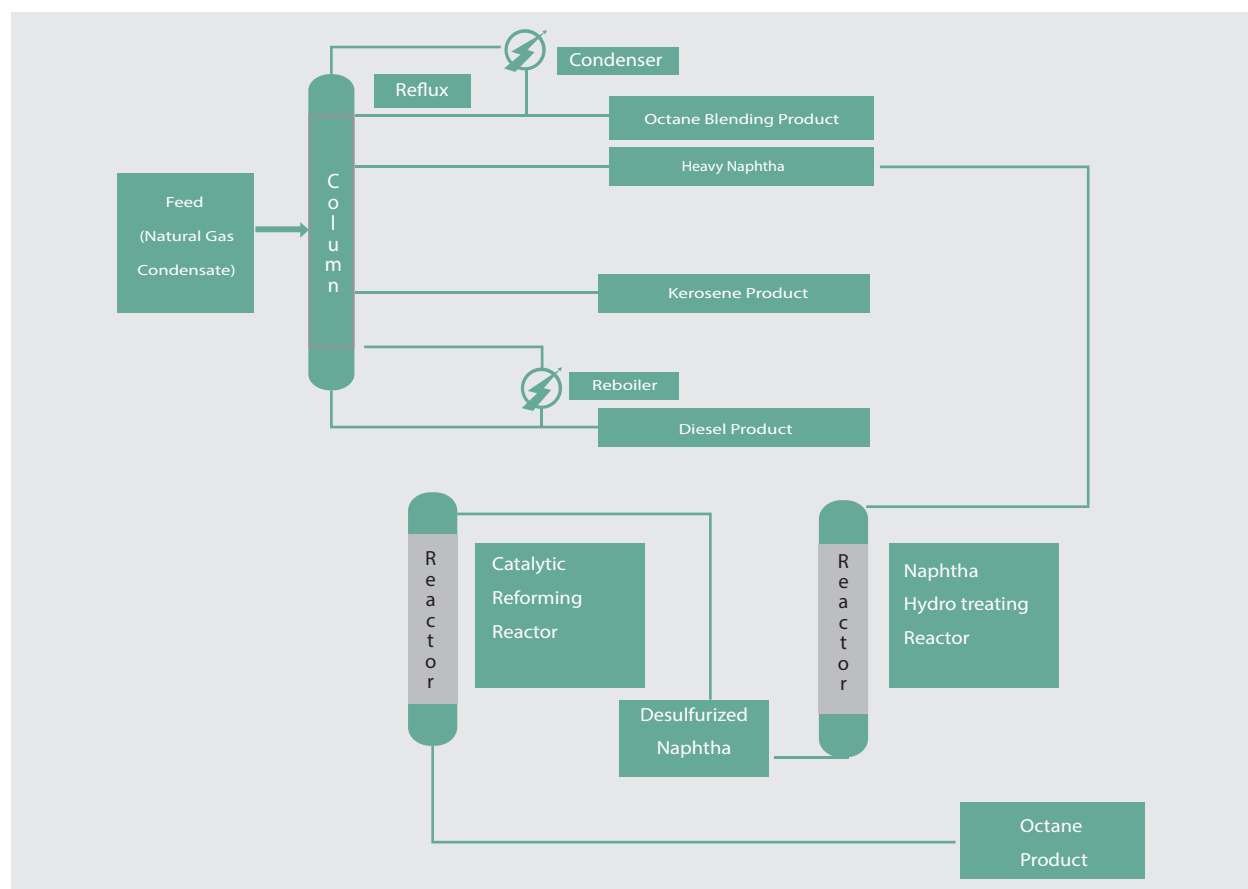
CORPORATE ETHOS



TYPICAL ELECTRICITY TRANSPORT MODEL



TYPICAL OIL REFINING MODEL



LETTER FROM THE CHAIRMAN

Sustainable Energy Sustainable Growth

"All our business models are built after taking sustainability with utmost priority. We give back to the Planet while we are taking out from it."

Rezakul Haider
Founder Chairman

Respected Members, Shareholders and Stakeholders,

I would like to welcome you all to the 12th Annual General Meeting. During the last Financial Year, our operations including subsidiary and associate concerns collectively generates positive results. Energy landscape throughout the globe evolving so rapidly. According to World Energy Outlook published by IEA, energy demand will be rising 1.3% up until 2040 with increasing demand for energy services unrestrained by further efforts to improve efficiency. While this is well below the remarkable 2.3% growth seen in 2018, it would result in a relentless upward march in energy-related emissions, as well as growing strains on almost all aspects of energy security

On the flipside, economic growth of Bangladesh continues to be strong. Robust private consumption pushed real GDP growth close to 8 percent in FY2018 while inflation increase slightly due to higher food price. Export growth has been stagnant as growth in the RMG which contributes almost 80% of the export has been showing very marginal growth. Remittance flow has been increased. The aggregate performance can retain positive results. But the challenge remains with reducing elevated banking sector vulnerabilities; creating fiscal space to address social needs, infrastructure requirements, and climate change vulnerabilities; and diversifying the economy by strengthening the business environment through improved governance.

During the year under report, Midland East Power Ltd (MEPL) subsidiary of Midland Power Co. Ltd. (MPCL) has contributed considerably in the consolidated performance of the company. Apart from that, we have implemented several optimization projects in our power business operations to attain excellence. As a result cost minimization in several areas have been evidenced in the financial performance.

Oil refinery segment has been very highly unutilized throughout the year reaching considerable operating loss to the company. As usual the only reason is lack of Raw Material for which we have no other way left but to rely on the government policy. Continuous persuasion has been made with the appropriate authority of the Government for more Raw Materials to run the plant with full capacity. Many of our contemporaries in the Oil refinery segment compelled to seize operation due to lack of raw material whereas we are still surviving with our sustainable and ethical business model.

Registering a (3.31%) down in consolidated turnover, your company was able to generate BDT 7,140.19 Million Y-o-Y during the year under report. Net Profit after Tax (NPAT) was BDT 729.04 Million Y-o-Y showing a marginal growth of 3.89% than that of the last year. BDT 715.99 Million was added with the appropriation account after netting off the portion of Minority Interest. In terms of separate performance, SPCL has pulled off 13.79% growth in revenue with a 66% growth in total comprehensive income year-over-year.

Considering, the vulnerability in money supply and increasing cost of fund the Board has recommended 28% Cash and 2% Stock dividend for the year under report subject to the approval of the members at 12th Annual General Meeting.

We are always committed to our Human Resources. We believe that satisfied customers are the ultimate result of satisfied employees. We recruit higher standard employees, train, motivate and retain them and align their personal goals with the organizational goals. All our success till date is the result of collective effort by our employees. We remain grateful to our employees for their hard work and dedication towards the company.

On behalf of the Board of Directors (BOD), I would like to extend my sincere thanks to first of all our shareholders, Bangladesh Power Development Board (BPDB), Bangladesh Petroleum Corporation (BPC), Rupantarita Prakritik Gas Company Ltd (RPGCL), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd, Central Depository Bangladesh Limited (CDBL), and Banks and other financial institutions.

You all are aware about the saddest demise of our Honorable Managing Director Late, Mr. Feroz Alam. I cannot help but to recollect his extra-ordinary contribution for the company at this moment. He could envision the industry long back and direct all our resources to the right path to result in a sustainable success. Motivated with his last spirit, we are driving our businesses for sustainable growth. All our business models are built after taking sustainability with utmost priority. We give back to the Planet while we are taking out from it.



CHAIRMAN
SHAHJIBAZAR POWER CO. LTD.

THE
MANAGEMENT
&
REPORTING

DIRECTORS PROFILE



Rezakul Haider
Chairman

Mr. Rezakul Haider aged 63 is the Chairman of the Company, has joined the Board on November 2007. After completing his graduation from University of Chittagong, he has started his career as a businessman dated back from 1982. With a long experience of 35 years, he has established himself as a seasoned Industrialist of different sectors like Readymade Garments, Textile, Apparel, Energy and Power Generation. Sensing the urge of the contribution for the development of the society Mr. Haider has extended his footsteps in School, University and different social welfare organization by his direct participation and generous donations. Mr. Haider has travelled many places throughout the Globe including USA, UK, Germany, Italy, France, Japan, Korea, China, Malaysia, Thailand, Singapore, Srilanka, India, Pakistan to enrich his knowledge and experience in Trade and Business.



Anis Salahuddin Ahmad
Director & Managing Director

Anis Salahuddin Ahmad (56) has recently assumed the position of Managing Director of the company. Mr. Anis received his higher diploma from Italy and Jakarta and upon return briefly joined the hospitality industry. In 1986, Mr. Ahmad joined a garments buying house and in that capacity started traveling extensively to Europe and the Far East. This helped him gain substantial experience and insight of the trade. Mr. Anis forayed into the business arena in 1996 and joined Youth Group of Companies. Over the years Mr. Anis built a prolific business career by dint of his dynamic engagement in textile trading and other manufacturing businesses. He sits on the board of Australian International School and Islamic Finance and Investment Limited.

Mr. Anis is a renowned philanthropist and is associated with many social welfare organizations and activities. A strong sense of discipline and ethics are the guiding principles of Mr. Anis' business philosophy.



A.K.M Badiul Alam
Director

Mr. A.K.M. Badiul Alam, aged 58, is the Director of the Company. He has received Master Degree in Management from the University of Dhaka. He started his career as a businessman after the completion of his education. Mr. Alam acquired vast experience in textile trading and other manufacturing business verticals through his business exposure. He owns a group of full vertical Ready Made Garment named as Amtranet Group with 17 years of legacy. Mr. Alam is associated with and donor of many schools, colleges and different social welfare organizations. He has traveled several Extensive business tours in many countries, including America, Japan, Korea, China, India, Germany, Spain, U.K, Australia, Italy, France, Austria, Saudi Arab, Hong Kong, Singapore, Canada, Taiwan, Holland and many other countries to enrich his knowledge and experience.



Md. Shamsuzzaman
Director

Md. Shamsuzzaman, aged 58, is the Director of the Company. He has received his Bachelor of Textile Science & Technology & Post Graduate Diploma in Industrial Management (PGDIM). He started his career as a business man after his academic education. He was engaged in different types of local and international businesses related to textile chemicals and composite knit. He has been the owner of Micro Fibre Group consist of several manufacturing units producing knitwear apparels for the last around 18 years. Md. Shamsuzzaman acquired vast experience in textile, Chemicals trading and other manufacturing business through his 25 years of business career. He is also associated with and donor of many schools, colleges and different social welfare organizations. He traveled many countries of America, Europe and Asia to enrich his knowledge and experience in his career



Mr. Akbor Haider
Director

Akbor Haider, aged 41 years, has newly joined as the Director of the Company. He is a business graduate and completed his MBA. He has started his career with engaging himself in Ready Made Garment and textile sector. He is the proud sponsor and Deputy Managing Director of Comfit Composite Knit Ltd (CCKL) a state of the art facility exporting around 40 Million Pcs of garments per year. With the progress of his service, he encompasses himself with every functional units i.e. production, commercial, finance, marketing and other related activities of the industry. His strong aspirations drives himself engaging in power generation, oil refinery and downstream market dynamics of energy products in Bangladesh. His role was very much instrumental to reach the brand PETROMAX as an LP Gas company across the country. He continuously travel many countries across the Globe to leverage on the long standing relations with Retail Giants and identify prospect for new business opportunity. Mr. Haider is very well known for his sportsmanship and passion for sports. He has been the host of several corporate football leagues in the corporate arena of Bangladesh. Apart from that he is known for his passion for Culture and Media industry. Under the hood of his production house Club 11 Entertainment he produces many contents for different television channels. He is joining as the new member of the Board of Directors of Shahjibazar Power Co. Ltd.



Mr. Mohammad Liaquat Ali
Independent Director

Mohammad Liaquat Ali, aged 65 is the Independent Director of the Company. He has received his bachelor degree from University of Dhaka in the year 1982 and LL.B from University of Dhaka in the year 1984. He is an advocate of Supreme Court Bangladesh for a long time. He also holds the membership of Supreme Court Bar Association, Judge Court Bar Association Dhaka and Labor Court Bar Association Dhaka. In his career he has moved for various cases relating to company and labor law and obtained extensive experience in the field of Corporate Finance and Accounting, Corporate Tax and labor related laws and implications.



Mr. Golam Nabi - FCA
Independent Director

Mr. Golam Nabi FCA, aged 65 is the Independent Director of the Company. He has received his graduation from University of Dhaka back in the year 1965. He then become an Associate Member of Institute of Chartered Accountants of Bangladesh (ICAB) in 1983 and subsequently become Fellow Member of the Institute in 1989. Mr. Nabi is the founding partner of G. Nabi & Co. Chartered Accountants. He has more than 35 years of experience in public and private sector audit. He has been actively involved with designing and implementing accounting system, corporate and investment planning, project implementation of World Bank and other international agencies. He is also an expert of different types of taxes both at corporate and individual level.

SHAHJIBAZAR POWER COMPANY LIMITED

SUCCESS MILESTONES

CORPORATE OBJECTIVES, VALUES & STRUCTURE

THE MANAGEMENT & REPORTING

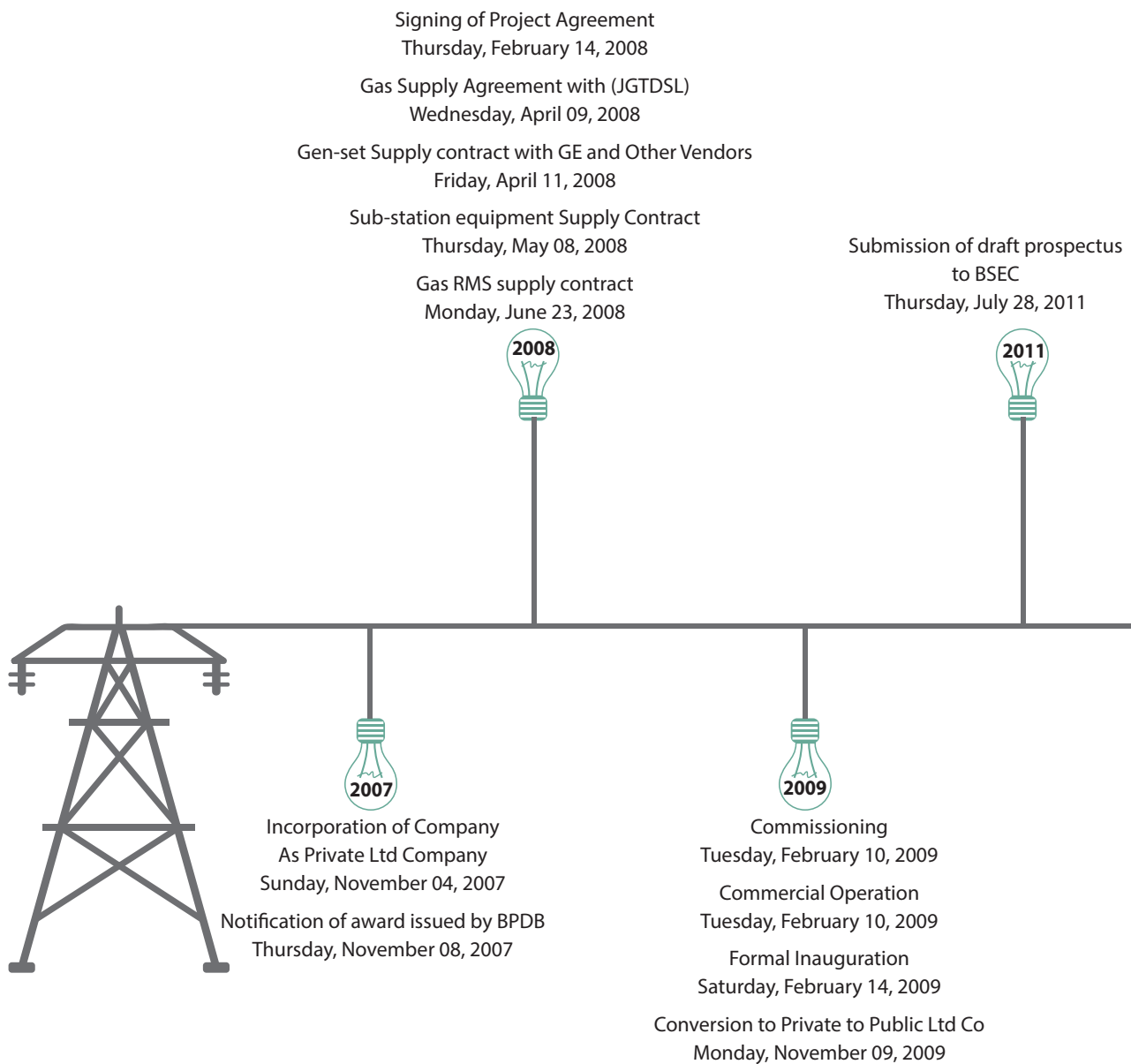
COMPLIANCES AND DISCLOSURES

FINANCIAL STATEMENTS

DIRECTORS' REPORTS AND FINANCIAL STATEMENTS OF SUBSIDIARY



SUCCESS MILESTONES





DIRECTORS REPORT TO SHAREHOLDERS

Respected Members & Shareholders,

Assalamualikum,

We have successfully completed yet another year of success. As authorized by the Board I am delighted to extend my welcome to all distinguished members of Shahjibazar Power Co. Ltd. at the 12th Annual General Meeting and presenting herewith the Audited Financial Statements for the year then ended June 30, 2019.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994, Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), The Dhaka and Chittagong Stock Exchange (Listing) Regulations, 2015 and Bangladesh Securities & Exchange Commission's (BSEC) notification no-BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 regarding Corporate Governance Code.

ECONOMY AT A GLANCE

The world economy is projected to grow at 3.0 percent in 2019—a significant drop from 2017–18 for emerging market and developing economies as well as advanced economies—before recovering to 3.4 percent in 2020. A slightly higher growth rate is projected for 2021–24. This global growth pattern reflects a major downturn and projected recovery in a group of emerging market economies. By contrast, growth is expected to moderate into 2020 and beyond for a group of systemic economies comprising the United States, euro area, China, and Japan—which together account for close to half of global GDP.

Despite that dearth of growth in Global Economy, The economy of Bangladesh appears to be in good shape so far in FY 2020, which started in July. In July–October, remittances increased by around one-fifth in U.S. dollar terms compared to the same period a year earlier. In addition, wages of low-skilled workers rose annually by over 6% in July–September and bank lending increased by over 12% in the same period. These developments indicate healthy domestic demand. They also likely mitigated the impact of the introduction of a wider VAT regime and a one-third increase in natural gas prices in July. However, in July–October, exports of goods decreased by nearly 7% in annual terms, largely due to a drop in ready-made garment exports. In other news, two large Saudi energy companies announced in October they will soon build an LNG facility in Bangladesh worth approximately USD 3 billion, boding well for fixed investment.

Consumer Price Index (CPI) has reached 273.60 point as of November 2019 the average from 1993 is only 131.88. This clearly indicates the rapidly growing cost of living. The only way to battle this is the growth in GDP.

Foreign exchange reserve was slightly slipped y-o-y at USD 31729 Million as of November 2019. Export of RMG and remittance inward from manpower export are the top contributor to the reserve. Payment for Import of capital machineries remains the major user of foreign exchange reserve.

The annual inflation rate edged up to 6.05 percent in November of 2019 from 5.47 percent in the prior month. It was the highest inflation rate since September 2017, as both food (6.41 percent vs 5.49 percent in October) and non-food products (5.47 percent vs 5.45 percent) prices advanced faster. The inflation rates for rural and urban areas were 6.01 percent and 6.12 percent, compared with October's figures of 5.36 percent and 5.67 percent respectively

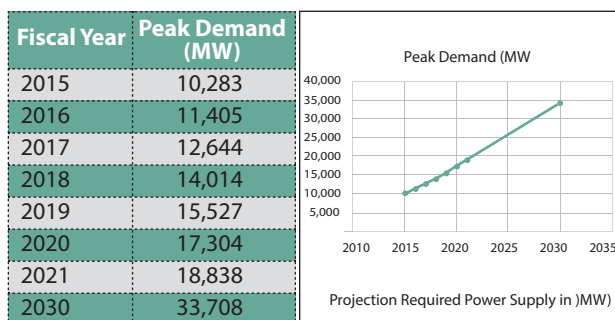
POWER SECTOR SCENARIO OF BANGLADESH

Bangladesh has been continuously marching with unprecedented growth of power sector. The total generation capacity has touched all time high of 22,727 MW as of October 2019. The only area where the generation side lagging is transforming the fuel portfolio towards sustainable and renewable energy sources like Solar PV and Hydro. Only 1.38% of the total generation is now coming from renewables.

According to the estimate of Bangladesh Power Development Board (BPDB), existing installed generation capacity of the country is 19,570 MW (Without Captive and SHS) of which 9,740 MW (50.00%) is being facilitated by Public Sector and rest 9,830 MW (50.00%) is being facilitated by Private Sector investment.

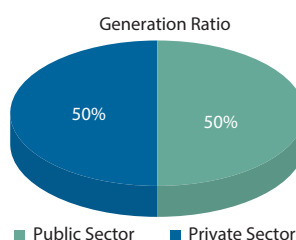
The access to electricity has been raised to 94% as compared to 91% last year and per capita electricity generation improved dramatically (from 220 kWh to 510kWh). Total consumer stands at 35.1 Million (October 2019) and System loss (distribution) reduced to 11.87%.

Power System Master Plan by BPDB Assuming 7% GDP Growth Rate



Present Installed Generation Capacity (MW) as on September 02, 2019

Public Sector	Installed Generation Capacity (MW)	%
BPDB	5498	28.64%
APSCL	1444	7.52%
EGCB	839	4.37%
NWPGCL	1395	7.27%
RPCL	331	1.72%
Sub Total	9507	49.53%
Private Sector	Installed Capacity (MW)	%
IPPs	6689	34.85%
SIPPs (BPDB)	99	0.52%
SIPPs (REB)	251	1.31%
15 YR. Rental	169	0.88%
3/5 YR. Rental	1320	6.88%
Power Import	1160	6.04%
Sub Total	9688	50.47%
Total	19195	100.00%



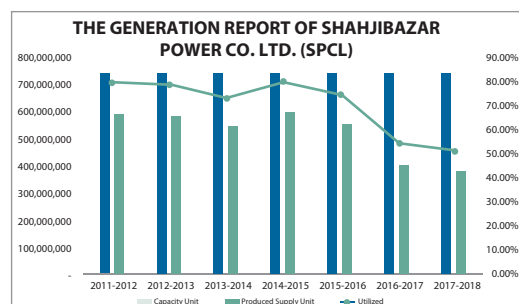
Public and private sector is contributing 50% and 50% respectively in the total generation of power as of October 2019. Amongst the public sector generation units BPDB is playing the champion role as usual.

BUSINESS ACTIVITIES INCLUDING ITS OPERATING PERFORMANCE

Shahjibazar Power Company Limited (SPCL) has come into the power sector of Bangladesh winning competitive tender beating several other participants with Bangladesh Power Development Board (BPDB) on February 14, 2008. Subsequently the company has entered into Gas Supply Agreement (GSA) with Jalalabad Gas Transmission and Distribution System Limited (JGTDSL) on April 9, 2008. Partnering with US based Company General Electric International, the 86 MW power plant constructed based on PPA (Power Purchase Agreement) between BPDB and the Company to supply electricity to the Government. As of June 30, 2019 the company is producing 63.81% of total capacity on an average. The operational performance of the Company is shown as hereunder:

Fiscal Year	Capacity Unit	Produced Supply Unit	Utilized %
2012-2013	743,040,000	584,089,568	78.61%
2013-2014	743,040,000	543,261,043	73.11%
2014-2015	743,040,000	593,039,904	79.81%
2015-2016	743,040,000	553,765,512	74.53%
2016-2017	743,040,000	402,946,125	54.23%
2017-2018	743,040,000	381,564,619	51.35%
2018-2019	743,040,000	474,114,000	63.81%

The generation report of Shahjibazar Power Co. Ltd. (SPCL)



The generation report of Shahjibazar Power Co. Ltd. (SPCL)

In the fiscal year 2018-2019 your company has contributed a total of 474,114,000 Kwh to the national grid as compared to 381,564,619 of the Fiscal Year 2017-2018. Only off-taker of power of your company is Bangladesh Power Development Board (BPDB). Revenue for the year under report stands at Tk.1,533.54Million as compared to that of the previous year TK 1,347.73Million which is higher due to higher volume transmission. Consolidated revenue of Tk. 7,140.19Million was reported during the year under report as compared to Tk. 7,384.77Million. Net Profit After Tax (NPAT) with adding subsidiaries performance stands at Tk. 729.05Million. Oil refinery segment has delivered around 98.95 Million Liter of different grades of petroleum products including Octane, MS and HSD recording a revenue of Tk.5,606.66 Million separately.

SEGMENT WISE PERFORMANCE

Segment/Product	Quantity	Sales in Million Tk.
Power	474,114,000 Kwh	1,533.54
Oil & Gas	98,956,865 Ltr	5,606.66
Total		7,140.20

CONTRIBUTION TO THE NATIONAL EXCHEQUER

The driving force of growth to any economy is uninterrupted energy supply and your company is supplying energy to the whole country in the form of Power and Oil. In process, As of June 30, 2019 your company has contributed Tk. 275.41 Million as income tax and subsidiary of your company has added Tk. 840.99 Million in the form of VAT to the national exchequer.

EXTRA-ORDINARY GAIN OR LOSS

There are no extra ordinary gain or Loss during the reporting period

DISCUSSION ON RELATED PARTY TRANSACTION

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 in accordance with the provision of IAS 24 "Related Party Disclosures". The related party transactions have been taken place on arm's length basis during the year have been disclosed in the **Note -45** to the financial statements.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHER INSTRUMENT

No such event was incurred during the year under report, utilization has completed in the year 2014-2015

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

Variations between quarterly and annual financial statements occurred due to inconsistent supply of raw material in the oil refinery business.

REMUNERATION OF DIRECTORS

Remuneration, performance and other related Remuneration, performance and other related perquisites/benefits of managing director is disclosed in Note 29.01 Other directors are not entitled to remuneration and other facilities for their directorship except the Board Meeting Fee.

MINORITY SHAREHOLDERS:

As of June 30, 2019 the total minority shareholders represent 37.00% of total shareholdings of the Company including Institute and General Public Portion. Every material decision which may affect the profitability of the company has been disclosed by disseminating the same as Material or Price Sensitive Information (PSI) as the case may be. Hence, active participation of the Independent Directors in the board has balanced the interest of Minority shareholders while considering or adopting any operational decision in the board.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

As per law the financial statements of your Company has followed International Financial Reporting Standards (IFRS) as adopted by ICAB as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). This has been completely followed to fairly present the financial position and performance of the Company. While preparing the financial statements, the following points were considered

- I. Selection of suitable accounting policies and then applying them consistently,
- II. Making judgments and estimates that are reasonable and prudent,
- III. Ensuring that the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS),
- IV. Preparing the financial statements in an ongoing concern basis unless it is appropriate to presume that the Company will not continue in business. Proper accounting records have been kept so that at any given point the financial position of the Company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities.

In compliance with the requirements of the SEC's Notification dated 07th August 2012, the Directors are also pleased to make the following declarations in their report:

- a. The financial statement prepared by the management of your Company fairly presents its state of affairs, the result of its operations, cash flows and changes in equity;
- b. Proper books of accounts of your Company have been maintained;

- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- d. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- e. The system of internal control is well structured and has been effectively implemented and monitored;
- f. There are no significant doubts upon your Company's ability to continue as an ongoing concern basis;
- g. Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results & profit appropriation;
- h. Key operating and financial data has been summarized for the preceding five years;
- i. Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company has been outlined under the related captions of this report;
- j. The number of Board meetings held during the year and attendance of each director has been disclosed;
- k. The pattern of shareholding has been reported in Annexure-3 to disclose the aggregate number of shares.

FINANCIAL RESULTS AND PERFORMANCE OF THE COMPANY

Consolidated and separate Financial Result compared with last year is detailed below:

Particulars	2018 (in Million Taka)	% on Sales	2019 (in Million Taka)	% on Sales	% Change
Revenue	7,384.77		7,140.19		-3.31%
Cost of Sales	5,832.55	79%	5,828.00	82%	-0.08%
Gross Profit	1,552.22	21%	1,312.20	18%	-15.46%
General and Administrative Expenses	200.78	3%	173.61	2%	-13.53%
Finance Cost Net	365.28	5%	375.66	5%	2.84%
Operating Profit	986.16	13%	762.92	11%	-22.64%
Other Income Net	24.25	0%	40.52	1%	67.08%
Share of Profit from Associate	-4.69	0%	260.24	4%	5650.55%
WPPF	56.46	1%	59.22	1%	4.89%
Net Profit Before Income Tax	949.26	13%	1004.46	14%	5.81%
Income Tax	247.50	3%	275.41	4%	11.27%
Total Comprehensive Income	701.76	10%	729.05	10%	3.89%
Less: Minority Interest	35.71	0%	13.06	0%	-63.43%
Net Profit (After Tax & Minority Interest)	666.05	9%	715.99	10%	7.50%

Consolidated Summary of Financial Statement of Shahjibazar Power Co. Ltd.

Particulars	2018 (in Million Taka)	% on Sales	2019 (in Million Taka)	% on Sales	% Change
Revenue	1,347.73		1,533.54		13.79%
Cost of Sales	738.99	55%	805.37	53%	8.98%
Gross Profit	608.74	45%	728.17	47%	19.62%
General and Administrative Expenses	59.51	4%	64.31	4%	8.06%
Finance Cost Net	77.20	6%	57.22	4%	-25.88%
Operating Profit	472.03	35%	606.64	40%	28.52%
Other Income Net	176.45	13%	192.16	13%	8.90%
Share of Profit from Associate	-4.69	0%	260.24	17%	5650.55%
WPPF	30.66	2%	50.43	3%	64.50%
Net Profit Before Income Tax	613.14	45%	1008.61	66%	64.50%
Income Tax	144.52	11%	230.14	15%	59.24%
Total Comprehensive Income	468.62	35%	778.47	51%	66.12%

Separate Summary of Financial Statement of Shahjibazar Power Co. Ltd.

SIGNIFICANT VARIANCE OF FINANCIAL STATEMENTS

Variations between quarterly and annual financial statements occurred due to inconsistent supply of raw material in the oil refinery business and lower off-take of generated power by BPDB from power generation business.

A DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

Particulars	2018		2019		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	7,384.77		7,140.19		-3.31%
Cost of Sales	5,832.55	79%	5,828.00	82%	-0.08%
Gross Profit	1,552.22	21%	1,312.20	18%	-15.46%
Operating Profit	986.16	13%	762.92	11%	-22.64%
Net Profit Before Income Tax	949.26	13%	1,004.46	14%	5.81%
Total Comprehensive Income	701.76	10%	729.05	10%	3.89%
Net Profit (After Tax & Minority Interest)	666.05	9%	715.99	10%	7.50%

Consolidated

As per the consolidated summary of accounts during the year under report, the revenue of the company was decreased by 3.31% year over year and cost of sales was decreased by -0.08%, Gross Profit Margin was 18% as compared to 21% of the previous year and Net Profit Margin was 10% as compared to 9% of the previous year.

Particulars	2018		2019		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	1,347.73		1,533.54		13.79%
Cost of Sales	738.99	55%	805.37	53%	8.98%
Gross Profit	608.74	45%	728.17	47%	19.62%
Operating Profit	472.03	35%	606.64	40%	28.52%
Net Profit Before Income Tax	613.14	45%	1,008.61	66%	64.50%
Total Comprehensive Income	468.62	35%	778.47	51%	66.12%

Separate

As per the separate summary of accounts during the year under report, the revenue of the company has increased by 13.79% year-over-year and cost of sales was increased by 8.98%, Gross Profit Margin was 47% as compared to 45% of the previous year and Net Profit Margin was 51% as compared to 35% of the previous year

PROFIT APPROPRIATION

During the year under report the consolidated Net Profit After Tax (NPAT) of your company stands at Tk.715.99Million As compared to Tk. 666.05Million year-over-year. The Company needs availability of funds for continuous progress to fight against emerging risk factors. Keeping these in mind, Directors would like to report the Company's financial result for the year that ended on June 30, 2019 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2019	715.99
Profit brought Forward	1,432.71
Profit available for appropriation	2,148.70
Appropriations:	
Proposed Stock and Cash Dividend	450.85
Transferred to Retained Earning	1,697.85
Profit available for appropriation	2,148.70

DIVIDEND

Your Board recommends a final cash dividend of 28% and 2% stock dividend for the year 2019 i.e. 2 (Two) Ordinary shares of Taka 10 each for 100 shares held on the record date, subject to approval by the shareholders at the 12th Annual General Meeting.

Dividend Type	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Cash Dividend (%)	28%	25%	16%	30%	28%
Stock Dividend (%)	2%	3%	14%	3%	3%
Total	30%	28%	30%	33%	31%

DIRECTORS' MEETING & ATTENDANCE

During the year ended June 30, 2019 The Board of Directors has attended 4 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
Mr. Rezakul Haider	4
Mr. Feroz Alam	4
Mr. Anis Salahuddin Ahmad	4
Mr. A.K.M Badiul Alam	4
Mr. Shamsuzzaman	4
Mr. Mohammad Liaquat Ali	4
Mr. Golam Nabi FCA	4



The directors who could not attend the meetings were granted leave of absence.

THE PATTERN OF SHAREHOLDING

Annexure-3

Name of Shareholders	Status	Relation	Share Held	Percentage (%)
i) Parent/Subsidiary/Associated Companies and other related parties	-		-	-
ii) Directors				
A. Mr. Rezakul Haider	Chairman		14,257,690	8.60%
B. Mr. Feroz Alam	Managing Director		12,923,317	7.79%
C. Mr. Anis Salahuddin Ahmad	Director		14,778,766	8.91%
D. Mr. A.K.M. Badiul Alam	Director		12,556,744	7.57%
E. Mr. Md. Shamsuzzaman	Director		18,835,116	11.36%
F. Mr. Akbor Haider	Sponsor	Son of Mr. Rezakul Haider	5,176,272	3.12%
G. Mr. Faridul Alam	Sponsor	Son of Mr. Feroz Alam	4,944,000	2.98%
H. Ms. Rezina Alam	Sponsor	Daughter of Mr. Feroz Alam	5,176,272	3.12%
J. Mr. Faisal Alam	Sponsor	Son of Mr. Feroz Alam	5,691,272	3.43%
K. Mr. Asgar Haider	Sponsor	Son of Mr. Rezakul Haider	4,970,272	3.00%
L. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	5,176,272	3.12%
F. Mr. Mohammad Liaquat Ali	Independent Director		Nil	Nil
G. Mr. Golam Nabi FCA	Independent Director		Nil	Nil
iii) Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Childrens:				
A. Bhulon Kumar Bhowmik	CFO		0	0.00%
B. Yeasin Ahmed	Company Secretary		0	0.00%
C. Saiful Islam	Head of Internal Audit		0	0.00%
iv) Executives			Nil	Nil
v. Shareholders Holding 10% or more voting interest in the company:	--		-	-
A. Mr. Md. Shamsuzzaman	Director		18,286,521	11.36%

DIRECTORS' ELECTION & RE-APPOINTMENT:

As per Articles of Association Mr. A.K.M Badiul Alam and Mr. Anis Salahuddin Ahmad shall retire in 12th Annual General Meeting by rotation and being eligible to offer themselves for re-election.

RESUME OF THE DIRECTORS & THEIR EXPERTISE IN SPECIFIC FUNCTIONAL AREA

Described in Directors Profile

INDEPENDENT DIRECTOR TO THE BOARD OF SUBSIDIARY COMPANY

Mr. Golam Nabi FCA has been continuing as the nominated director in the subsidiary company.

HOLDING OF DIRECTORSHIP AND MEMBERSHIP OF THE COMMITTEES OF THE BOARD OTHER THAN THIS COMPANY

Name of Directors	Companies >>				
	Mr. Shamsuzzaman	Mr. A.K.M Badiul Alam	Mr. Anis Salahuddin Ahmad	Mr. Feroz Alam	Mr. Rezakul Haider
	√	√	√	√	√
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AUDIT COMMITTEE

The Company has an audit committee with an established charter. The audit committee has met four times this year and the committee members' attendance record is disclosed below:

Name of Directors	Status	Attended
Mr. Golam Nabi FCA	Chair	4
Mr. Anis Salahuddin Ahmad	Member	4
Mr. A.K.M Badiul Alam	Member	4
Mr. Yeasin Ahmed ACS	Secretary	4

AUDITORS

M/S G. Kibria and Co. Chartered Accountants was appointed as the auditor of the Company in the 11th Annual General Meeting. They have carried out the audit for the year 2019 and will retire in the 12th Annual General Meeting. M/S G. Kibria and Co. Chartered Accountants again had expressed their willingness to become appointed as the Statutory Auditor of your company for the Financial Year 2019-2020. Being eligible as per section 212 of Company Act 1994 and a member of list of Panel Auditors by Bangladesh Securities and Exchange Commission (BSEC), the appointment of ACNABIN Chartered Accountants shall be presented at the 12th AGM for member's approval.

BUSINESS RISK & UNCERTAINTIES

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Your company operates in a field of involving some internal/external risk factors and those some are avertible; others are beyond control, which may be causes of loss. The management of Shahjibazar Power Company Limited perceives the risk factors which are as follows simultaneously:

Principal Risks	Impact	Key Mitigations
Interest Rate Risk	<ul style="list-style-type: none"> Interest/financial charges are paid against any kind of borrowed fund. Volatility in money market and increased demand for loan process interest rate structure to be fixed at high. Raising of interest rate increases the cost of fund for a company, which has borrowed fund, consequently profit is squeezed. 	<ul style="list-style-type: none"> Prioritize Equity Based Financing Prefer Long Term fund over Short Term due to lower cost Continuously seeking cheap source of fund
Exchange Rate Risk	<ul style="list-style-type: none"> SPCL imports mostly spare parts (if required) against payment of foreign currency. Unfavorable volatility or currency fluctuation may affect the profitability of the Company. 	<ul style="list-style-type: none"> Justified Forward Contract agreements Purchase through L/C which is known to be less exposed method in terms of Forex Risk
Industry Risk	<ul style="list-style-type: none"> The supply of electricity and alternative energy is not adequate than the demand of it. For that reason organizations engaged in generating electricity can't provide all required amount of electricity. Power companies mainly supply electricity to national power distributors to supply electricity. 	<ul style="list-style-type: none"> Payment is guaranteed by Power Purchase Agreement (PPA) with Bangladesh Power Development Board (BPDB)



Market And Technology Related Risk	<ul style="list-style-type: none"> Technology is related to generation, transmission, distribution, quantity measuring and maintaining of required electricity generation. 	<ul style="list-style-type: none"> Modernization program after periodic interval
Potential Or Existing Government Regulations	<ul style="list-style-type: none"> The business activities of SPCL and its Subsidiary Petromax is fully controlled by policies, rules and regulation framed by Government, that is policies related to electricity price fixation, demand & supply and distribution is fully under the control of Government. So, Government policies in this regard may impact business operation of SPCL. 	<ul style="list-style-type: none"> Every possible effect of abrupt policy change by government is communicated with respective authority of the Government time to time Energy sector being one of the priority sector the respective authority
Potential Changes In The Global or National Policies	<ul style="list-style-type: none"> The performance of the Company may be affected due to unavoidable circumstances in Bangladesh, as such political turmoil, war, terrorism, political unrest in the Country may adversely affect the economy in general. Moreover, natural disasters like Cyclone, Tide, and Earthquake may hamper normal performance of power generation. 	<ul style="list-style-type: none"> Prudent Rehabilitation Scheme Insurance Coverage to all possible extents
Pricing	<ul style="list-style-type: none"> The BPDB and BPC are the single buyers respectively who purchases total electricity generated and total petroleum items produced. In these circumstances usually they are only buyers who may determine the pricing of the electricity and Petroleum products by the Company. 	<ul style="list-style-type: none"> For Power Generation Segment, BPDB and the Company have pre-determined and contracted terms-conditions regarding the tariff of electricity, expressed under two slabs–(i) Rental Payment (ii) Fuel Payments and Operation & Maintenance Payment according to supplied MW. Tariff for each month adjusted as per price index by the Bangladesh Bank. So, there is no risk associated with tariff value of electricity supplied to BPDP. For Petroleum Segment, pricing of only Raw Material NGC is also administered by the government. Being the industry is under a priority sector of the Government, it is assumed to be guaranteed that no abrupt change of price shall be administered by the government in a foreseeable future.
Risk Associated With Payment	<ul style="list-style-type: none"> There is an impending risk in the case of delayed payment from BPDB and BPC. In case of any dispute with BPDB and BPC or failure to comply with certain rules and regulations, BPDB and BPC may stop making payments to SPCL and Petromax resulting into non-payment to its lenders 	<ul style="list-style-type: none"> Power Generation Segment is getting the payment regularly from BPDB. Sometimes, there are delays in payment but that is mainly due to administrative reasons. Till date, no payment has been defaulted. As per the PPA, BPDB needs to ensure minimum guaranteed payment supported by Letter of Credit. Which mitigates risk of any non-payments. Petroleum Segment has been collecting payment from BPC in a regular basis. There is no history of default in payment from BPC till today.
Environmental Pollution	<ul style="list-style-type: none"> SPCL and Petromax plant operation may cause air and water pollution which may affect the ecological balance and living condition and health of the people around the plant. 	<ul style="list-style-type: none"> The operations and maintenance (O & M) contractor of SPCL plant, GE Austria is responsible for environmental management of the project. Plant operation is certified by the Department of Environment, Government of Bangladesh. Petromax Has installed state of the art technology of oil refining equipment that ensures zero emission of spill overs.

GOING CONCERN

While approving the financial statements, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the Company adopted the going concern basis in preparing these financial statements.

CORPORATE GOVERNANCE

Corporate Governance is the system through which companies are directed, guided and controlled by the Board while keeping in view its accountability to the shareholders. Your Company strives to maintain full compliance with the laws, rules and regulations that govern our business and to uphold the highest standards. Since corporate governance is not a static process, we will always continue to improve our practices.

CORPORATE SOCIAL RESPONSIBILITY

As a part of the ongoing commitment to the society and environment in which the company conducts its business, your company continues to perform its obligations. As in the previous years, the Company remains committed to support the following CSR activities that included:

- Regular contributor to Bangladesh Scout Annually
- Regular contributor of IEB
- Regular Contributor in National Power & Electricity Week
- Co-organizer of Environment Rally organized by DOE
- Contributor to Muktijudho Academy
- Contribution to Rohingya Camp

HUMAN RESOURCE MANAGEMENT

Your company recognizes that people are the most important resource and key to success of any organization. To develop and equip the employees with key skills, the company places great emphasis on the development of its people and hence training and workshops are arranged at regular interval for their training and updating knowledge on the respective functional areas.

STATUS OF COMPLIANCE

In accordance with the requirement stipulated As per condition No. 1(5) (xxvii) of the Securities & Exchange Commission's notification no-SEC/CMRRCD/2006-158/207/Admin/80 dated 07 June 3, 2018 issued under section 2CC of the Ordinance 1969 the Corporate Governance Compliance Report is shown in **Annexure-C**. A certificate from Mazumdar Sikder and Associates confirming compliance of conditions of Corporate Governance Guidelines as stipulated under condition 7(i) is also annexed to this report as **Annexure-B**.

KEY OPERATING AND FINANCIAL DATA:

The summarized key data for last five years is set out in the page 39.

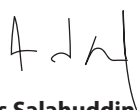
ACKNOWLEDGEMENT:

We express our deep hearted gratitude to you all for your continuous believe and trust on us. We shall remain committed to ensure the best utilization of your hard earned invested money in our company. We are always craving for new opportunity to diversify the business and generate more values for our shareholders.

The board would further like to extend their graceful appreciation for the assistance and co-operation received from Bangladesh Power Development Board (BPDB), Power Cell of the Power Division, MPEMR, Jalalabad Gas T&D System Limited. Banks and financial institutions, Insurance Companies, Service Providers, Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSCF), Dhaka Stock Exchange Ltd (DSE), Chittagong Stock Exchange Ltd (CSE), Central Depository Bangladesh Limited (CDBL) and various government authorities, individual and agencies.

Looking forward for a better future and sustainable growth.

For and On Behalf of the Board



Anis Salahuddin Ahmad
 Managing Director

COMPLIANCES AND DISCLOSURES

MANAGEMENT DISCUSSION AND ANALYSIS

A Management's Discussion and Analysis (MD&A) presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, described as provided hereunder:

(a) Accounting policies and estimation: We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRS) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are well elaborated in note 3 of the financial statements. In the absence of applicable IFRSs to any particular transactions, other events or conditions, we have used our best judgment in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable.

(b) Changes in accounting policies and estimation: We usually change an accounting policy only when the change is required by a IFRS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows.

(c) Comparative analysis of financial performance and financial position as well as cash flows for current year with immediate preceding five years explain the reasons thereof: We have presented a comprehensive financial highlights for all the relevant periods containing financial performance, financial position, cash flows and important financial ratio in the Page 39 of this annual report. As the financial highlights presented, the detailed comparative analysis thereon are as following:

- Consolidated revenue was decreased by -3.31% year-over-year.
- With the same pace as the revenue went down, Cost of Sales were also went down by -0.08 % due to the same reason.
- Net Profit after Tax increased by 7.50%.
- Total Liabilities of the Company marginally increased by 0.86%.
- Shareholders' Equity was up by 5.91%.
- Operating Profit went down by -22.64% on account of full year performance due to lower margin of Petroleum segment of the business
- The EPS was up by 8.54% over the last year's EPS due to contribution of profit from Associate Companies of the business.
- The long term liabilities has increased by 24.38% this year the reason of such significant difference can be attributed to over handling Investment

(d) Comparative analysis of financial performance and financial position as well as cash flows with peer industry scenario: As presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameter are described as following:

- Plenty of room for price escalation if assumed that, average P/E ratio of listed companies are 16;
- Large market capitalization of the company will help competing for lesser cost of fund from different lenders including Banks and Financial Institutions;

(e) Financial and economic scenario of the country and the world: As stated in the Directors' Report, The world economy is projected to grow at 3.0 percent in 2019—a significant drop from 2017–18 for emerging market and developing economies as well as advanced economies—before recovering to 3.4 percent in 2020. A slightly higher growth rate is projected for 2021–24. This global growth pattern reflects a major downturn and projected recovery in a group of emerging market economies. By contrast, growth is expected to moderate into 2020 and beyond for a group of systemic economies comprising the United States, euro area, China, and Japan—which together account for close to half of global GDP.

Despite that dearth of growth in Global Economy, The economy of Bangladesh appears to be in good shape so far in FY 2020, which started in July. In July–October, remittances increased by around one-fifth in U.S. dollar terms compared to the same period a year earlier. In addition, wages of low-skilled workers rose annually by over 6% in July–September and bank lending increased by over 12% in the same period. These developments indicate healthy domestic demand. They also likely mitigated the impact of the introduction of a wider VAT regime and a one-third increase in natural gas prices in July. However, in July–October, exports of goods decreased by nearly 7% in annual terms, largely due to a drop in ready-made garment exports. In other news, two large Saudi energy companies announced in October they will soon build an LNG facility in Bangladesh worth approximately USD 3 billion, boding well for fixed investment.

Consumer Price Index (CPI) has reached 273.60 point as of November 2019 the average from 1993 is only 131.88. This clearly indicates the rapidly growing cost of living. The only way to battle this is the growth in GDP.

Foreign exchange reserve was slightly slipped y-o-y at USD 31729 Million as of November 2019. Export of RMG and remittance inward from manpower export are the top contributor to the reserve. Payment for Import of capital machineries remains the major user of foreign exchange reserve.

The annual inflation rate edged up to 6.05 percent in November of 2019 from 5.47 percent in the prior month. It was the highest inflation rate since September 2017, as both food (6.41 percent vs 5.49 percent in October) and non-food products (5.47 percent vs 5.45 percent) prices advanced faster. The inflation rates for rural and urban areas were 6.01 percent and 6.12 percent, compared with October's figures of 5.36 percent and 5.67 percent respectively(f) Risks and concerns issues related to the financial statements: Within the context of changes in global economy and financial market including the expansion of emerging markets, the financial and economic practices have shifted in a radical pace. Changes in contractual concept in world business, expansion of more and more cross-border business urge world accounting bodies and forums to set new accounting standards and practices to address business requirement by providing more reliable and relevant information to the economic decision makers. Hence, in summary, the risks and concerns issues related to Company's financial statements are as following:

- To understand, identify and recognize cross border transactions, other events or conditions properly;

- To understand, identify and recognize foreign currency based transactions, other events or conditions including its timely currency valuation effects properly;
 - Recognition and presentation of property, plant & equipment including classification of spare parts are now a days very challenging job to reflect the effect reliably; and
 - Identification and recognition of deferred tax issue on property, plant & equipment is now a days challenging due to its effect in the financial statements correctly and reliably;
 - Recognition of revenue and trade receivables in line with contractual provisions including the receivable management have become concern in preparation and presentation of reliable financial statements. To mitigate the above risk concerns and challenges, the Company has a well set of internal control system including the Internal Audit team under the guidance of Audit Committee and under the direct consultation with competent external auditors. Talented pool of employees are well aware of the risk concerns and they are nominated for training and workshop program for skill development in the challenging areas so that they can identify, measure, recognize and condition relevantly and reliably.
- (g) Future plan for Company's operation, performance and financial position: The Company has continuously been seeking more opportunity to invest in more power plants partnering with the government. Recent breakthrough achievement as discussed in the director's report is the start of Commercial Operation of 150 MW HFO fired power plant under the sponsorship of Midland Power Co. Ltd. which is an associate company of Shahjibazar Power Co. Ltd.



Anis Salahuddin Ahmad
 Managing Director
 Shahjibazar Power Co. Ltd.

COMPLIANCE REPORT

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No: SEC/CMRRCD/2006-158/207/Admin/80 dated 07 June 3, 2018 is presented in Page No. 44-54.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Shahjibazar Power Company Ltd (SPCL) a subcommittee of Board of Directors (BOD) was formed and its Charter was approved by the Company's Board. The Audit Committee of SPCL comprises of the following Board members:

1. Mr. Golam Nabi FCA (Chair)
2. Mr. A.K.M Badiul Alam (Member)
3. Mr. Akbor Haider (Member)
4. Mr. Yeasin Ahmed (Secretary)

A total of 4 (four) meetings were held since the last Annual General Meeting of SPCL, the last being on 25th April 2019. Besides Company Secretary who supports the committee as its secretary as well, permanent invitees to the meetings were the CFO and Head of Internal Audit. Relevant heads of other functions. The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function and the terms of reference are detailed in Committee Charter approved by the Board. The major responsibilities of the Committee, among others, include:

1. Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and, upon its satisfaction of the review, recommend them to the board for approval.
2. Monitoring and reviewing the adequacy and effectiveness of the company's financial reporting process, internal control and risk management system.
3. Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
4. Recommending to the Board the appointment, re-appointment or removal of external auditors.
5. Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

The Committee during the period under report met four times and its activities include:

1. Review, among other issues, the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities & Exchange Commission.
2. Also review the audited financial statements of the Company together with consolidated statements with its associate and subsidiary for the year ended June 30, 2019 and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with the required laws and regulations, also confirmed by the external auditor in their independent report, recommended to Board for adoption.
3. Committee recommended M/S. G. Kibria & Co. Chartered Accountants, for appointment as the external auditors of the Company for the year ending on June 30, 2020;
4. Review the external auditors' findings arising from audit, particularly comments and responses given by the management.
5. Review the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
6. The committee is of the opinion that reasonable controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and the financial position of the Company is adequately managed.

On behalf of the Committee



Mr. Golam Nabi FCA
 Chairman of the Audit Committee

NOMINATION AND REMUNERATION COMMITTEE REPORT

In compliance with the Corporate Governance Code 2018, the Board of Directors constituted the Nomination and Remuneration Committee ("NRC") to assist the Board broadly in formulation of policy with regard to determining qualifications, positive attributes, experiences, remuneration mainly for directors and top level executives. A brief of the NRC and its roles, responsibilities and functions are appended below:

Composition and Meetings

The NRC of SPCL comprises of three (3) members who will exclusively be Non-Executive Directors, including one (1) Independent Director. The Committee includes:

Nomination and Remuneration Committee (NRC)

Mr. Golam Nabi, FCA (Independent Director)	-Chair
Mr. Rezakul Haider	-Member
Mr. Md. Shamsuzzaman	-Member
Mr. Yeasin Ahmed ACS (Company Secretary)	-Secretary

The Independent Director, Mr. Golam Nabi, FCA acts as Chair of the Committee. As per regulatory guidelines, the Company Secretary, Mr. Yeasin Ahmed, ACS acts as Secretary to the Committee. The NRC, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC).

Permanent invitees to the meetings are the Managing Director, the CFO, and the Company Secretary. Relevant heads of divisions and other members of the Management team will also attend the meetings at occasions, as required.

Major Responsibilities of NRC

The purpose, authority, composition, duties and responsibilities of the Nomination and Remuneration Committee are delineated in its Charter. Some of the major responsibilities of the NRC are as follows:

- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- Formulate the criteria for determining qualification and independence of Directors;
- Identify persons who are qualified to become Directors and in top level executives and recommend their appointment and removal;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the Directors, and top level executives;
- Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

Identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;

- Recommend and review annually the Company's human resources and training policies;
- Recommend the remuneration policy of the Company, particularly in relation to the yearly increment principle; and
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and Managing Director of the Company.

Nomination, Election and Selection of Directors

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous. The Board places great emphasis on ensuring its membership reflecting diversity in broader sense. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant personal attributes in the Board is important in providing a range of perspectives, insights and challenges needed to support right decision making. Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values. Qualifications stated explicitly in SPCL's corporate governance to promote the equitable and unbiased selection.

Evaluation of the Board

The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance as well as monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. The evaluation process is led by the Chair of the Board and assisted by the Company Secretary. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

Top Level Executive Selection and Remuneration Policy

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

The recruitment process for Top Level Executives shall be transparent, non-discriminatory, diversified and in alignment with the Codes of Conduct. Recruitment standards shall support SPCL's reputation as an attractive employer.

The objective of SPCL's remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders in accordance with the SPCL behaviour.

Remuneration for Board of Directors

Each Director shall receive reasonable remuneration from the Company for every meeting attended, plus travelling expenses from and to usual place of residence and an allowance per day for the number of days spent attending, travelling to and returning from Board meetings. The amounts will be determined by the Shareholders at the General Meeting.

For and on behalf of the Nomination and Remuneration Committee of Shahjibazar Power Co. Ltd.



Mr. Golam Nabi, FCA
Chair
Nomination and Remuneration Committee
28 October 2019

PICTURES FROM 11TH ANNUAL GENERAL MEETING



KEY OPERATING AND FINANCIAL DATA OF PRECEDING 5 (FIVE) YEARS

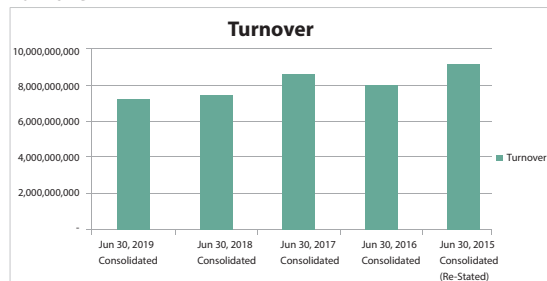
Operational Result	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated	Jun 30,2016 Consolidated	Jun 30,2015 Consolidated (Re-Styled)
Turnover	7,140,194,813	7,384,769,136	8,642,556,150	7,994,314,012	9,182,109,019
Cost of Sales	5,827,997,744	5,832,546,927	6,889,320,961	6,492,895,642	7,527,721,229
Gross Profit	1,312,197,068	1,552,222,209	1,753,235,189	1,501,418,370	1,654,387,790
Profit From Operation	762,920,143	986,158,965	1,196,353,450	842,216,138	1,094,821,715
Net Profit Before Tax	1,004,457,268	949,261,411	1,195,921,525	873,502,049	1,142,939,876
Net Profit After Tax	729,048,052	701,757,692	949,894,782	741,108,399	1,022,424,882
Net Cash Flow From Operation	1,032,587,127	407,668,732	1,922,297,991	1,125,147,220	204,248,754

Financial Position	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated	Jun 30,2016 Consolidated	Jun 30,2015 Consolidated (Re-Styled)
Non-Current Assets	6,664,344,988	6,636,245,011	6,647,548,177	6,427,200,483	6,666,085,325
Current Assets	3,648,816,197	3,332,823,782	2,795,563,575	3,883,982,475	3,840,511,387
Inventories	1,112,159,536	1,128,458,840	785,392,635	927,183,754	907,674,381
Shareholders' Equity	5,619,852,858	5,306,414,147	4,871,963,609	4,396,980,445	4,064,363,206
Long Term Liability	238,951,203	192,115,541	388,672,715	743,784,661	1,359,785,767
Current Liabilities	4,181,644,855	4,190,885,084	3,924,134,964	4,960,592,895	4,908,327,823
Total Liabilities	4,420,596,059	4,383,000,624	4,312,807,679	5,704,377,557	6,268,113,590

Key Financial Ratio	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated	Jun 30,2016 Consolidated	Jun 30,2015 Consolidated (Re-Styled)
Current Ratio	0.87	0.80	0.71	0.78	0.78
Quick Ratio	0.61	0.53	0.51	0.60	0.60
Debt to Equity Ratio	0.79	0.83	0.89	1.30	1.54
Net Income Ratio (%)	10%	10%	11%	9%	11%
Return on Equity (%)	13%	13%	19%	17%	25%
Earning Per Share	4.32	3.98	5.50	5.14	7.20

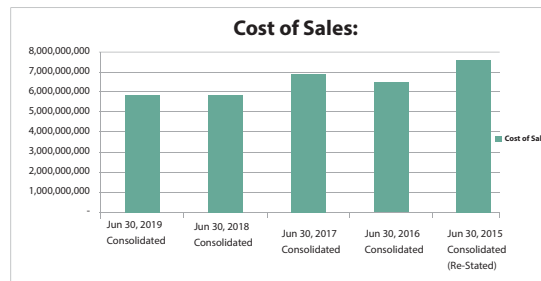
FINANCIAL REVIEW – 2019

Turnover



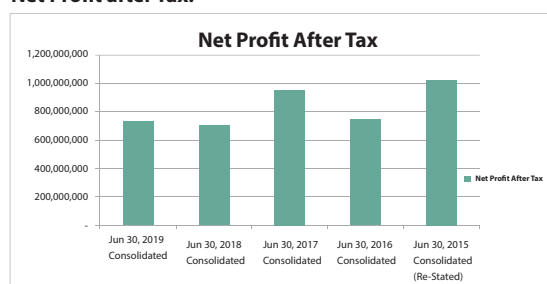
- Consolidated revenue was decreased by -14.55% year-over-year.

Cost of Sales:



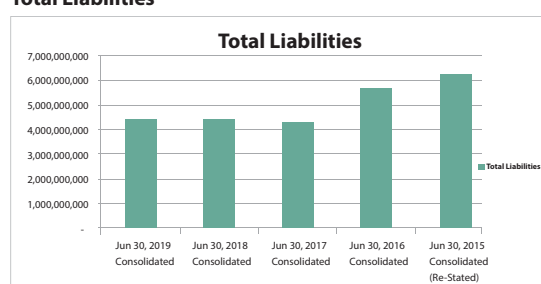
- With the same pace as the revenue went down, Cost of Sales were also went down by -15.34% due to the same reason.

Net Profit after Tax:



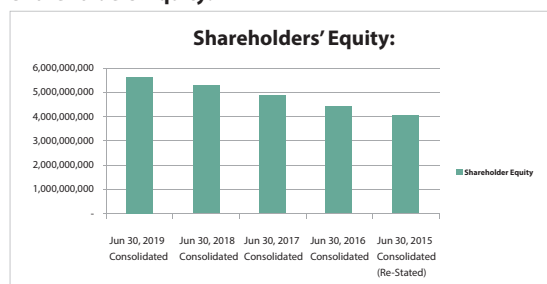
- Net Profit after Tax went down by -26.12%.

Total Liabilities



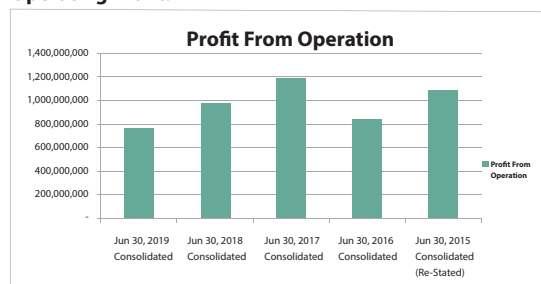
- Total Liabilities of the Company marginally increased by 1.63%.

Shareholders' Equity:



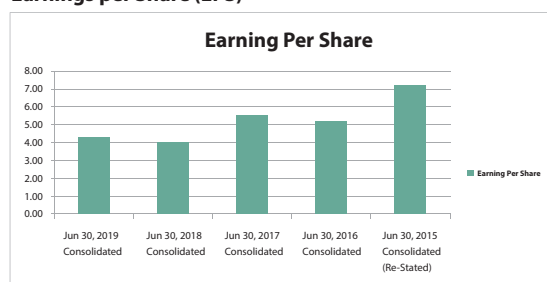
- Shareholders' Equity was up by 8.92%.

Operating Profit:



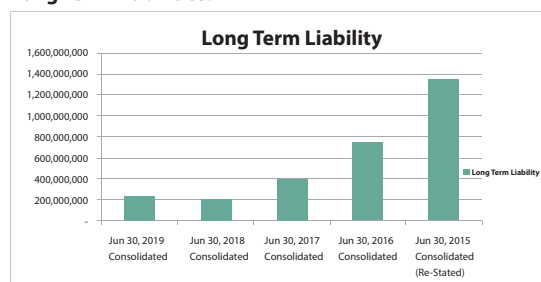
- Operating Profit went down by -17.57% on account of full year performance due to lower margin of Petroleum segment of the business

Earnings per Share (EPS)



- The EPS was down by -25.45% over the last year's EPS due to lower margin of Petroleum segment of the business.

Long Term Liabilities:



- The long term liabilities has decreased by -50.57% this year
- The reason of such significant difference can be attributed to the principal repayment of borrowed fund.

INVESTOR COMPLAINT REDRESSAL MECHANISM



1. The company has a designated investor grievances E-Mail id debasish@youthbd.com on which the client or investor can make their complaints. Apart from that Investors are allowed to call directly to concerned officer of Investor Relation Department through Telephone Numbers.
2. An Investor can make a written complaint through letter addressing to "The Company Secretary, Shahjibazar Power Co. Ltd, 822/2 Rokeya Sarani, Dhaka – 1216" as well.
3. The Company maintains investor grievance register in which full detail of every written complaint shall be entered.
4. The full detail of the written complaint must be passed to the concerned department and inform the compliance officer of the company as soon as it is received.
5. A letter or mail must be written to all the investor who has submitted written complaints by the designated person or Compliance Officer acknowledging receipt of the complaint and informing them it will be dealt with.
6. Compliance Department will obtain all information available on the complaint which is considered necessary for a proper investigation. Look into all the necessary information and resolve them as soon as possible.
7. There is standing policy of the company to resolve the investor complaint within seven days of the receipt of the same except the complicated case.
8. A serious complaint (where the written response does not settle the issue) must be referred to the higher management of the company.
9. The Compliance Officer of the Company shall review the investor complaint register on weekly basis to find out whether complaint has been resolved within time or not.

CEO AND CFO'S DECLARATION TO THE BOARD

Dated: October 28, 2018

The Board of Directors
Shahjibazar Power Co. Ltd.
822/2 Rokeya Sarani
Dhaka-1216

Subject: Declaration on Financial Statements for the year ended on June 30, 2019

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 Dated: June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Shahjibazar Power Co. Limited for the year ended on June 30, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on June 30, 2019 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Bhulon Bhowmik
Chief Financial Officer



Anis Salahuddin Ahmad
Managing Director



MAZUMDAR SIKDER AND ASSOCIATES

Cost & Management Accountants

Report to the Shareholders of Shahjibazar Power Co. Ltd. on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Shahjibazar Power Co. Ltd. for the year ended on June 30, 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory.

For Mazumdar Sikder and Associates
Cost & Management Accountants

Md. Salauddin Sikder FCMA
Senior Partner

Place -Dhaka.
Date- January 02, 2020

SHAHJIBAZAR POWER CO. LTD.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE CODE

Annexure-C

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006158/207/Admin /80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
1.	Board of Directors:-			
1 (1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The SPCL Board is comprised of 7 Directors.
1 (2)	Independent Directors			
1 (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are two Independent Directors in the SPCL Board
1 (2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		The Independent Director has declared his Compliance.
1 (2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		Do
1 (2) (b) (iii)	who has not been an executive of the company in immediately preceding 2(two) financial years;	✓		Do
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1 (2) (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
1 (2) (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		Do
1 (2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		Do
1 (2) (b) (viii)	who is not independent director in more than 5 (five) listed companies;	✓		Do
1 (2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		Do
1 (2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		Do
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		-
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		No vacancy occurred
1 (2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	✓		

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
1 (3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		The qualification and background of IDs justify their abilities
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			
1 (3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;			
1 (3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;			
1 (3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;			
1 (3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		The qualification and background of IDs justify their abilities
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		Do
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such issue arose
1 (4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-			
1 (4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1 (4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1 (4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1 (4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such issue arose
1 (5)	The Directors' Report to Shareholders			
1 (5) (i)	An industry outlook and possible future developments in the industry;	✓		The Director's Report compliance with the guidelines

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
1 (5) (ii)	The segment-wise or product-wise performance;	✓		Do
1 (5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1 (5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Do
1 (5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		Do
1 (5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		The Director's Report complied with the guidelines.
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	✓	-	Do
1 (5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	-	-	Not Applicable
1 (5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓	-	The Director's Report complied with the guidelines.
1 (5) (x)	A statement of remuneration paid to the directors including independent directors;	✓	-	Do
1 (5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		Do
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained	✓		Do
1 (5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		Do
1 (5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		Do
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		Do
1 (5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		The Director's Report compliance with the guidelines.
1 (5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		The Director's Report compliance with the guidelines.
1 (5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	-	Do
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		Do
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The BOD Declared Dividend

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		N/A
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		The Director's Report complied with the guidelines.
1 (5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1 (5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		Do
1 (5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		Do
1 (5) (xxiii)(c)	Executives;	✓		Do
1 (5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		Do
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	✓		Do
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas;	✓		Do
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		Do
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓		The Director's Report compliance with the guidelines
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		The Director's Report compliance with the guidelines.
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		Do
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		Do
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		Do
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		Do
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and	✓		Do
1(5)(xxvii)	(xxvii) The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	✓		Do

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
1(6)	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		Do
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		Do
1(7) (b)	The code of conduct as determined by the NRC shall be posted on the website of the company.	✓		Do
2	Governance of Board of Directors of Subsidiary Company.			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		Do
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3 (2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		In Practice
3 (3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3 (3) (a) (i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
3 (3) (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3 (3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee. For ensuring good governance in the company, the Board shall have at least following sub committees:			
4 (i)	Audit Committee;	✓		In Practice
4 (ii)	Nomination and Remuneration Committee.	✓		In Practice
5	Audit Committee			
5 (1)	Responsibility to the Board of Directors.			
5 (1) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		Already in place
5 (1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		In Practice
5 (1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		In Practice
5 (2) (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		Do
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5 (2) (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5 (2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No Such incident arose
5 (2) (e)	The company secretary shall act as the secretary of the Committee;	✓		In Practice
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		In Practice
5 (3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		

Condition No.	Title	Compliance Status		Annexure-1 Remark (If any)
		Complied	Not Complied	
5 (3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No Such incident arose
5 (3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	✓		In Practice
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		In Practice
5 (4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		In Practice
5 (5)	The Audit Committee shall:-			
5 (5) (a)	Oversee the financial reporting process;	✓		In Practice
5 (5) (b)	monitor choice of accounting policies and principles;	✓		In Practice
5 (5) (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		In Practice
5 (5) (d)	oversee hiring and performance of external auditors;	✓		In Practice
5 (5) (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		In Practice
5 (5) (f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		In Practice
5 (5) (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		In Practice
5 (5) (h)	review the adequacy of internal audit function;	✓		In Practice
5 (5) (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		In Practice
5 (5) (j)	review statement of all related party transactions submitted by the management;	✓		In Practice
5 (5) (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		In Practice
5 (5) (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓		In Practice
5 (5) (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	✓		Stated in Director's Report
5 (6)	Reporting of the Audit Committee			
5 (6) (a)	Reporting to the Board of Directors			

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
5 (6) (a) (i)	The Audit Committee shall report on its activities to the Board.	✓		Audit Committee informs board periodically through its minutes which are placed a board meeting.
5 (6) (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5 (6) (a) (ii) (a)	report on conflicts of interests;	-	-	N/A
5 (6) (a) (ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	N/A
5 (6) (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	N/A
5 (6) (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	N/A
5 (6) (b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	N/A
5 (7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6	Nomination and Remuneration Committee (NRC).-			
6 (1)	Responsibility to the Board of Directors			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6 (1) (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	✓		
6 (2)	Constitution of the NRC	✓		
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6 (2) (b)	All members of the Committee shall be non-executive directors;	✓		
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
6 (2) (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6 (2) (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such incident arose
6 (2) (g)	The company secretary shall act as the secretary of the Committee;	✓		
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6 (2) (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6 (3)	Chairperson of the NRC			
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6 (3) (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-		No Such incidence occurred
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6 (4)	Meeting of the NRC			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6 (2) (h);	✓		
6 (4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6 (5)	Role of the NRC			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6 (5) (b) (i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to 13 the remuneration of the directors, top level executive, considering the following:	✓		
6 (5) (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6 (5) (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
6 (5) (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6 (5) (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6 (5) (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6 (5) (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6 (5) (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6 (5) (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6 (5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors.-			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7 (1) (i)	appraisal or valuation services or fairness opinions;	✓		
7 (1) (ii)	financial information systems design and implementation;	✓		
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7 (1) (iv)	broker-dealer services;	✓		
7 (1) (v)	actuarial services;	✓		
7 (1) (vi)	internal audit services or special audit services;	✓		
7 (1) (vii)	any service that the Audit Committee determines;	✓		
7 (1) (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7 (1) (ix)	any other service that creates conflict of interest.	✓		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.-			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8 (2)	The company shall keep the website functional from the date of listing.	✓		

Condition No.	Title	Compliance Status		Remark (If any)
		Complied	Not Complied	
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.-			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9 (3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

VARIOUS COMMITTEES

Audit Committee

Mr. Golam Nabi FCA (Independent Director)	Chair
Mr. A.K.M Badiul Alam (Director)	Member
Mr. Akbor Haider (Director)	Member
Mr. Yeasin Ahmed, ACS (Company Secretary)	Secretary

Nomination and Remuneration Committee (NRC)

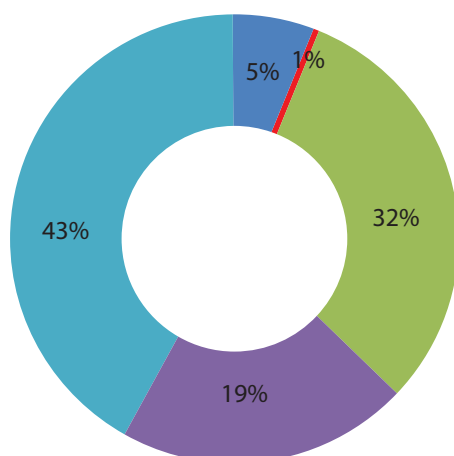
Mr. Golam Nabi, FCA (Independent Director)	-Chair
Mr. Rezakul Haider	-Member
Mr. Md. Shamsuzzaman	-Member
Mr. Yeasin Ahmed ACS (Company Secretary)	-Secretary

VALUE ADDED STATEMENT

SHAHJIBAZAR POWER CO. LTD. Consolidated Value Added Statement For the year ended June 30, 2019

Particulars	2019	2018
	Taka	Taka
Revenue	7,140,194,813	7,384,769,136
Other Income including interest income	40,523,698	24,253,990
Profit Sharing from Associate	260,236,290	(4,688,473)
Cost of Sales, Excluding Depreciation	(5,404,332,320)	(5,549,753,317)
Other Operating Expenses	(36,129,613)	(34,034,482)
Total Value Added	2,000,492,868	1,820,546,854
Distribution of Added Value		
To Employees as salaries and allowance	62,061,726	59,376,237
To Directors as salaries and allowances	7,000,000	7,000,000
To Banks and other lenders	375,662,195	365,281,173
To Government as Taxes	223,361,958	248,441,414
To Shareholders	497,553,153	450,857,226
	1,165,639,032	1,130,956,050
Retained for Re-investment and Future Growth		
Depreciation and amortization	306,056,719	282,793,611
Retained Profit	528,797,117	406,797,194
	834,853,836	689,590,805
Total Value Distributed	2,000,492,868	1,820,546,854

Distribution of Added Value



- To Employees as salaries and allowance
- To Directors as salaries and allowances
- To Banks and other lenders
- To Government as Taxes
- To Shareholders



G. KIBRIA & CO.
 CHARTERED ACCOUNTANTS



Independent Auditors' Report To The Shareholders of Shahjibazar Power Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Shahjibazar Power Company Limited and its subsidiaries (the 'Group') as well as the separate financial statements of Shahjibazar Power Company Limited (the 'Company'), which comprise the consolidated and separate statement of financial position as at 30 June 2019, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

RISK	OUR RESPONSE TO THE RISK
Revenue Recognition Revenue of BDT 714 Crore is recognized in the consolidated income statement of Shahjibazar Power Company Limited. The Company's revenue recognition policies and procedures are not complex and revenue is recognized at a point in time when invoices are made by survey of meter reading. However, Revenue is highly material to the financial statement users and is the primary driver of key investor metrics such as Earnings per Share etc. Details of the Revenue Section are summarized in Note 27 and 27a to the Financial Statements	Our audit procedures included: Understanding the process of estimating, recording and reassessing going concern. <ul style="list-style-type: none"> ● Obtain an understanding of Company's internal controls specifically geared towards adoption of the new accounting standard ● Examine the customer contract to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfer from Company to Customer. ● Reviewing Invoices, other supporting documentation to ensure revenue recognition is occurring appropriately ● Examine Payment documentation to ensure completion of revenue cycle is documented appropriately

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the 2019 Annual Report. The Annual Report comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the 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 financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- The expenditures incurred were for the purpose of the Company's business.

Date: 27 October, 2019
 Dhaka, Bangladesh

G. Kibria & Co.
G. Kibria & Co.
 Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2019

	Notes	June 30, 2019 Taka	June 30, 2018 Taka
ASSETS:			
Non-Current Assets		6,664,344,988	6,636,245,011
Property, Plant and Equipment	4a	5,343,862,662	5,517,729,701
Intangible Assets	5.00	466,483	606,135
Investment Accounted for using the Equity Method	6a	433,278,892	173,042,601
Other Investments	8a	886,736,950	944,866,574
Current Assets		3,648,816,197	3,332,823,782
Inventories	9a	1,112,159,536	1,128,458,840
Accounts Receivables	10a	1,290,439,850	1,427,596,071
Other Receivables	11a	264,993	2,503,949
Advance, Deposits and Prepayments	12a	748,234,181	564,049,241
Financial Assets at fair value through profit or loss	12b	20,367,330	20,201,919
Cash and Cash Equivalents	13a	114,576,709	61,707,167
Goods in Transit	14a	362,773,597	128,306,595
TOTAL ASSETS		10,313,161,184	9,969,068,793
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		5,619,852,858	5,306,414,147
Share Capital	15.00	1,658,510,510	1,610,204,378
Share Premium	16.00	914,920,000	914,920,000
Tax Holiday Reserve	16a	897,720,729	850,711,042
Retained Earnings	17a	2,148,701,619	1,930,578,727
Non-controlling interests		272,712,268	279,654,021
Total equity		5,892,565,126	5,586,068,168
Non-Current Liabilities		238,951,203	192,115,541
Long Term Loan- Net of Current Maturity	18a	162,095,425	167,217,657
Loan from other than Bank	18b	-	89,364
Deferred Tax Liabilities	19a	76,855,778	24,808,520
Current Liabilities		4,181,644,855	4,190,885,084
L/C Liabilities	20a	426,912,660	90,345,074
Short Term Loan	21a	3,233,290,331	3,628,529,390
IPO Application Amount	22a	6,084,317	6,084,318
Long Term Loan - Current Maturity	23a	179,935,756	194,599,119
Sundry Creditors	24a	203,092,460	145,268,525
Liabilities for Expenses	25a	21,479,861	19,884,836
Unclaimed Dividend	25b	9,451,872	9,211,728
Trade Payable	26a	101,397,598	96,962,095
Total liabilities		4,420,596,059	4,383,000,624
TOTAL EQUITY AND LIABILITIES		10,313,161,184	9,969,068,793
Net Asset Value Per Share (NAVPS)		33.88	32.00
Number of shares used to computer NAVPS		165,851,050	165,851,050
CONTINGENT LIABILITIES & COMMITMENTS	37 & 38		

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019


Chairman


Director


Managing 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.
 The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
 27 October 2019


G. Kibria & Co.
 Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2019

	Notes	June 30, 2019 Taka	June 30, 2018 Taka
ASSETS:			
Non-Current Assets		4,285,658,876	4,056,630,337
Property, Plant and Equipment	4.00	2,492,616,862	2,443,737,263
Investment Accounted for using the Equity Method	6.00	433,278,892	173,042,602
Investment in Subsidiary	7.00	900,000,000	900,000,000
Other Investments	8.00	459,763,121	539,850,471
Current Assets		883,648,280	568,252,773
Inventories	9.00	177,156,569	122,610,952
Accounts Receivables	10.00	293,107,638	290,111,349
Other Receivable	11.00	264,993	2,503,949
Advance, Deposits and Prepayments	12.00	28,999,372	38,492,208
Cash and Cash Equivalent	13.00	70,783,484	55,120,219
Goods In Transit	14.00	313,336,223	59,414,096
TOTAL ASSETS		5,169,307,155	4,624,883,110
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		3,892,703,339	3,516,788,848
Share Capital	15.00	1,658,510,510	1,610,204,378
Share Premium	16.00	914,920,000	914,920,000
Retained Earnings	17.00	1,319,272,829	991,664,470
Non-Current Liabilities		238,951,203	164,014,924
Long Term Loan- Net of Current Maturity	18.00	162,095,425	139,206,404
Deferred Tax Liabilities	19.00	76,855,778	24,808,520
Current Liabilities		1,037,652,613	944,079,337
L/C Liabilities	20.00	423,381,018	82,677,127
Short Term Loan	21.00	132,775,773	454,666,390
IPO Application Amount	22.00	6,084,318	6,084,318
Long Term Loan - Current Maturity	23.00	179,935,756	182,096,793
Sundry Creditors	24.00	184,683,035	115,778,239
Liabilities for Expenses	25.00	5,858,957	5,601,319
Unclaimed Dividen	25b	9,451,872	9,211,728
Trade Payable	26.00	95,481,884	87,963,424
Total Liabilities		1,276,603,816	1,108,094,262
TOTAL EQUITY AND LIABILITIES		5,169,307,155	4,624,883,110
Net Asset Value Per Share (NAVPS)		23.47	21.20
Number of shares used to computer NAVPS		165,851,050	165,851,050
CONTINGENT LIABILITIES & COMMITMENTS	37 & 38		

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



Chairman



Director



Managing Director



Company Secretary

Report of the Auditors to the Shareholders:

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

The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
27 October 2019

G. Kibria & Co.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2019

	Notes	For the Year Ended	
		June 30, 2019 Taka	June 30, 2018 Taka
Revenue	27a	7,140,194,813	7,384,769,136
Cost of Sales	28a	5,827,997,744	5,832,546,927
Gross Profit		1,312,197,068	1,552,222,209
Operating Expenses:			
General and Administrative Expenses	29a	173,614,731	200,782,072
Financial Expenses	30a	375,662,195	365,281,173
Operating Profit		762,920,143	986,158,964
Non-Operating Income	31a	40,523,698	24,253,990
Share of Profit From Associate	32a	260,236,290	(4,688,473)
Net Profit before Tax and WPPF		1,063,680,131	1,005,724,481
Workers' Profit Participation Fund	33a	59,222,863	56,463,071
Net Profit before Tax		1,004,457,268	949,261,410
Income Tax Expenses:		275,409,216	247,503,719
Current Tax	34a	223,361,958	248,441,414
Deferred Tax	34	52,047,258	(937,695)
Net profit after Tax		729,048,052	701,757,692
Other Comprehensive Income		-	-
Total Comprehensive Income		729,048,052	701,757,692
Profit Attributable to			
Equity holders' of the parent		715,989,805	666,052,651
Non Controlling Interest		13,058,247	35,705,041
		729,048,052	701,757,692
Total Comprehensive Income Attributable to:			
Equity holders' of the parent		715,989,805	666,052,651
Non Controlling Interest		13,058,247	35,705,041
		729,048,052	701,757,692
Earnings Per Share (EPS)	35a	4.32	3.98

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019


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.
 The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
27 October 2019


G. Kibria & Co.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Notes	For the Year Ended	
		June 30, 2019 Taka	June 30, 2018 Taka
Revenue from Sales	27.00	1,533,537,526	1,347,732,091
Cost of Sales	28.00	805,369,668	738,992,074
Gross Profit		728,167,857	608,740,017
Operating Expenses:			
General and Administrative Expenses	29.00	64,307,039	59,507,835
Financial Expenses	30.00	57,216,981	77,197,746
Operating Profit		606,643,838	472,034,435
Non-Operating Income	31.00	192,155,150	176,453,195
Share of Profit of Investment Accounted for using Equity Method	32.00	260,236,290	(4,688,473)
Net Profit before Tax and WPPF		1,059,035,278	643,799,157
Less: Workers' Profit Participation Fund	33.00	50,430,251	30,657,103
Net Profit before Tax		1,008,605,027	613,142,054
Income Tax Expenses:	34.00	230,139,442	144,519,937
Current Tax		178,092,184	145,457,632
Deferred Tax		52,047,258	(937,695)
Net profit after Tax		778,465,585	468,622,117
Other Comprehensive Income		-	-
Total Comprehensive Income		778,465,585	468,622,117
Earnings Per Share (EPS)	35.00	4.69	2.83

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



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.
 The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
 27 October 2019


G. Kibria & Co.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019 Taka	June 30, 2018 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	7,277,351,035	6,865,590,903
Cash paid to suppliers, employees	(5,529,352,138)	(5,705,094,758)
Cash Paid for operational Expenses	(336,970,445)	(180,503,086)
Cash received from Other Activities	221,849,560	38,723,313
Cash paid for Workers Profit Participation Fund	(50,657,103)	(29,390,327)
Income Tax Paid	(173,971,586)	(216,376,140)
Cash payment for Financial Expenses	(375,662,195)	(365,281,173)
Net Cash flows from operating activities	1,032,587,127	407,668,732
B CASH FLOWS IN INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(40,741,030)	(131,769,800)
Disposal of Fixed Assets	20,318,790	7,782,046
Investment in Quoted Security	-	15,918,559
Deposit against Bank Guarantee	-	(63,039,462)
Other Investment	58,129,624	(407,893,465)
Net cash used in investing activities	37,707,384	(579,002,122)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(395,239,059)	482,040,108
Payment of Dividend	(602,310,951)	(246,922,914)
Loan Other Than Bank and Financial Institutes	(89,364)	(12,410,636)
Bank Loan (Long Term)	(19,785,595)	(498,657,095)
Net cash used in financing activities	(1,017,424,969)	(275,950,537)
D Net Cash for the year (A+B+C)	52,869,542	(447,283,927)
E Opening cash and bank balance	61,707,166	508,991,093
F Closing cash and cash equivalents (D+E)	114,576,708	61,707,166
G Net Operating Cash Flow per share (NOCFPS)	6.23	2.53

Effect of exchange rate changes on cash and cash equivalents in the Statement of Cash Flow Prepared for the year ended on June 30, 2019 Tk. 9,384.83

The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



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.

See Note 48 for reconciliation of consolidated net operating cash flow and NOCFPS Calculation Detail

Dhaka,
27 October 2019


G. Kibria & Co.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019 Taka	June 30, 2018 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	1,530,541,237	1,279,888,510
Cash paid to suppliers, employees	(808,358,756)	(447,987,870)
Cash Paid for operational Expenses	(46,791,402)	(50,408,993)
Cash received from Other Activities	193,481,012	10,922,518
Cash paid for Workers Profit Participation Fund	(30,657,103)	(29,390,327)
Income Tax Paid	(128,629,177)	(113,392,358)
Cash Paid for Financial Expenses	(57,216,981)	(77,197,746)
Net Cash flows from operating activities	652,368,831	572,433,734
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(21,258,023)	(37,236,122)
Disposal of Fixed Assets	7,938,690	1,500,000
Dividend Received from Subsidiary	-	180,000,000
Other Investment	80,087,350	(2,877,362)
Net cash flow from investing activities	66,768,017	141,386,516
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(188,890,617)	(86,234,390)
Dividend Paid	(402,310,949)	(226,922,914)
Loan & Advance (Subsidiary & Associate)	(133,000,000)	(15,918,559)
Bank Loan (Long Term)	20,727,984	(375,943,745)
Net cash used financing activities	(703,473,582)	(705,019,608)
D Net Cash inflow/(outflow) for the year (A+B+C)	15,663,266	8,800,642
E Opening Cash & Cash Equivalent	55,120,219	46,319,577
F Closing Cash & Cash Equivalent	70,783,485	55,120,219
G Net Operating Cash Flow per share (NOCFPS)	3.93	3.56

Effect of exchange rate changes on cash and cash equivalents in the Statement of Cash Flow Prepared for the year ended on June 30, 2019 Tk. 9,384.83

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



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.

See Note 47 for reconciliation of net operating cash flow and NOCFPS Calculation Detail

The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
27 October 2019


G. Kibria & Co.
 Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
Balance as at July 01, 2018	1,610,204,378	850,711,042	914,920,000	1,930,578,726	5,306,414,146	279,654,022	5,586,068,168
Net profit (After Tax) for the period	-	-	-	715,989,805	715,989,805	13,058,247	729,048,052
Bonus Share/Stock Dividend	48,306,131	-	-	(48,306,131)	-	-	-
Cash Dividend Paid	-	-	-	(402,551,095)	(402,551,095)	(20,000,000)	(422,551,095)
Tax Holiday Reserve	-	47,009,687	-	(47,009,687)	-	-	-
Balance as at June 30, 2019	1,658,510,509	897,720,729	914,920,000	2,148,701,618	5,619,852,857	272,712,269	5,892,565,125

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
Balance as at July 01, 2017	1,412,459,981	701,982,235	914,920,000	1,842,601,393	4,871,963,609	258,340,465	5,130,304,074
Net profit (After Tax) for the year	-	-	-	660,444,134	660,444,134	41,313,557	701,757,692
Bonus Share/Stock Dividend	197,744,397	-	-	(197,744,397)	-	-	-
Cash Dividend Paid	-	-	-	(225,993,597)	(225,993,597)	(20,000,000)	(245,993,597)
Tax Holiday Reserve	-	148,728,807	-	(148,728,807)	-	-	-
Balance as at June 30, 2018	1,610,204,378	850,711,042	914,920,000	1,930,578,726	5,306,414,146	279,654,022	5,586,068,169

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



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. The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
27 October 2018

G. Kibria & Co.
G. Kibria & Co.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2018				
Net profit for the year	1,610,204,379	914,920,000	991,664,470	3,516,788,849
Bonus Share/Stock Dividend	-	-	778,465,585	778,465,585
Cash Dividend	48,306,131	-	(48,306,131)	-
	-	-	(402,551,095)	(402,551,095)
Balance as at June 30, 2019	1,658,510,510	914,920,000	1,319,272,829	3,892,703,339

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2017				
Net profit for the year	1,412,459,982	914,920,000	946,780,347	3,274,160,329
Bonus Share/Stock Dividend	-	-	468,622,117	468,622,117
Cash Dividend	197,744,397	-	(197,744,397)	-
	-	-	(225,993,597)	(225,993,597)
Balance as at June 30, 2018	1,610,204,379	914,920,000	991,664,470	3,516,788,849

The financial statements were authorised for issuance by the Board of Directors on 27 October 2019



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.
 The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka,
27 October 2018


G. Kibria & Co.
 Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

Notes to the Financial Statements As on and for the year ended June 30, 2019

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) 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 (IAS), Bangladesh Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2. Application of Standards

The following IASs and IFRSs are applicable for the financial statement for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instrument: Presentation
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instrument: Recognition and measurement
IFRS 10	Consolidated Financial Statements
IFRS 12	Disclosure of Interests in other Entities
IFRS 13	Fair Value Measurement
IFRS 15	Revenue

2.3. Date of authorization

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on October 27, 2019 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.

Note 9 and 9a Inventories – Inventories are valued at lower of cost of net realizable value. Cost of inventory includes cost of purchase (purchase price, transport, handling and other costs directly attributable to the acquisition of inventories), cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value for inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made in the financial statements of loss and comprehensive loss in the current year on any difference between book value and net realizable value

Note 4 and 4a: Property, Plant & Equipment (Impairment) - Tangible assets with finite lives will be reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. Intangible assets not yet put into use are evaluated for impairment at least annually. Whether an asset is impaired requires management to determine whether there is an indication of impairment based on the consideration of internal and external indicators. If an indication of impairment exists, management must determine if the carrying amount of an asset, or the CGU in which the asset is included, exceeds its recoverable amount. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, future capital requirements and future operating performance. The estimation of the future cash flows requires assumptions to be made by management. Therefore, the determination of the recoverable amount implies estimates that may affect the amount of an impairment loss, if any.

Note 6 and 6a: Investment under Equity Method (Impairment) – Similar to Property, Plant & Equipment, Management has to estimate future cash flows that will result from the investment and whether indicators of impairment exist and if so, whether the carrying amount of the investment exceeds its recoverable amount.

Note 24.01 Provision for Tax –Provision for income tax expense for the current year represents management's best estimate on how much tax the Company has to pay to the National Board of Revenue ("NBR") for profits generated in the current year. They do not represent the final tax bill assessed by the NBR which could have deviations based on deductions allowed or disallowed through the assessment process. Once assessments are finalized by the NBR, the Company will record an adjustment to reflect the change

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, "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

2.10. Standards, amendments or interpretations which became effective during the year

During the year certain amendments to Standards and new interpretations became effective however they did not have any material effect on the financial statements of the Company.

IFRS 9, "Financial Instruments" ("IFRS 9"), is part of the International Accounting Standards Board's ("IASB") wider project to replace IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 retains, but simplifies, the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact of the new standard on its consolidated financial statements.

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"), which replaces IAS 11, "Construction Contracts", IAS 18, "Revenue", and other interpretive guidance associated with revenue recognition. IFRS 15 provides a single, principles-based model to be applied to all contracts with customers to determine the recognition and measurement of revenue. The standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company is currently assessing the impact of adopting this new standard on its consolidated financial statements.

On December 8, 2016 the IASB issued IFRIC 22, "Foreign Currency Transactions and Advance Consideration" ("IFRIC 22") which specifies that the date of a transaction for the purposes of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency, is the date on which that non-monetary asset or liability was initially recognized. IFRIC 22 will be effective for annual reporting periods beginning on or after January 1, 2018 with earlier application permitted. The Company is currently assessing the impact of adopting this new standard on its consolidated financial statements.

2.12 New/revised accounting standards, amendments to published accounting standards, and Interpretations that are not yet effective

The following new standards, amendments and interpretations of approved accounting standards are only effective for annual periods beginning from the dates specified below and have not been early adopted by the company.

On January 13, 2016, the IASB issued IFRS 16, "Leases" ("IFRS 16"), which outlines requirements for lessees to recognize assets and liabilities for most leases. Lessees are required to recognize the lease liability for the obligations to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term. Lease liability is measured at the present value of lease payments to be made over the term of the lease. The right-of-use asset is initially measured at the amount of the lease liability and adjusted for prepayments, direct costs and incentives received. The new standard will be effective for annual periods beginning on or after January 1, 2019. Early adoption is permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same date as IFRS 16. The Company has commenced a review process to assess any impact on its current lease recognition policies.

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 IAS-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 IAS 16: Property, Plant and Equipment.

Plant and machinery are depreciated from the day on which the asset comes into use or being capitalized. Other fixed assets are also depreciating on the same basis.

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 (IAS) - 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 IAS-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, 2019 have been valued at lower of cost and net realizable value in accordance with IAS -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

Current Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for the Company is currently 25%.

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

Revenue from net sales of the company represents invoiced value of meter reading for electricity generated. Revenue is recognized in accordance with IFRS 15 and the recognition process involves the following 5-step process:

- Identifying the contract from a customer;
- Identifying the performance obligation;
- Determining the transaction prices;
- Allocating the transaction price to the performance obligation; and
- Recognizing revenue when/as performance obligation(s) is satisfied.

If the Company satisfies a performance obligation before it receives the consideration, the Group recognizes and Accounts Receivable (See Note 7) in its statement of financial position. Similarly, if the Company receives a consideration before the performance obligation, a contract liability is recognized. As at June 30, 2019, the Company did not receive any consideration before performance obligation was completed and there is no amount recognized on the Statement of Financial position as of the end of the year.

In compliance with the requirements of IFRS 15, the Company recognizes revenue when control of the goods or services has been transferred at the point in time to the customer and the performance obligation has been completed. Revenue is measured at the fair value of the amount of consideration to which the Company expects to be entitled to, including variable consideration, if any, to the extent that it is highly probable that a significant reversal will not occur.

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 IAS 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 IAS-23 Borrowing cost.

3.17. Earnings Per Share (EPS)

The Company calculates Earning per Share (EPS) in accordance with IAS 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 & 35a

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 IAS 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 IAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method". In addition to disclosures on direct method of cash flows, reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for nonoperating items and for the net changes in operating accruals A reconciliation of Cash flow related to operating activities is also provided in Note 47 and 48.

3.19. Workers Profit Participation Fund (WPPF)

The company has been providing 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 IAS 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;

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.

		June 30, 2019 Taka	June 30, 2018 Taka										
4.00	PROPERTY, PLANT AND EQUIPMENT:												
	Cost												
	Cost at July 01, 2018	4,747,511,724	4,746,249,524										
	Addition during the period	361,961,914	37,236,124										
	Disposal during the year	(14,625,000)	(35,973,924)										
	Cost at June 30, 2019	5,094,848,638	4,747,511,724										
	Accumulated Depreciation												
	Balance at July 01, 2018	2,303,774,462	2,038,993,534										
	Charged during the year	306,056,719	282,793,611										
	Adjustment during the year	(7,599,404)	(18,012,684)										
	At June 30, 2019	2,602,231,777	2,303,774,461										
	Carrying Value at June 30, 2019	2,492,616,862	2,443,737,263										
	LEASEHOLD/FREEHOLD STATUS (at carrying value)												
	Land, Building, Plant & Machinery, Furniture fixtures & Others												
	Leasehold	-	-										
	Freehold	2,492,616,862	2,443,737,263										
		2,492,616,862	2,443,737,263										
	For details breakup please refer to Note: 43												
4a	Consolidated Property, Plant and Equipment												
	Shahjibazar Power Company Limited	2,492,616,862	2,443,737,263										
	Petromax Refinery Limited	2,851,245,800	3,073,992,438										
	Total Consolidated Property, Plant & Equipment	5,343,862,662	5,517,729,701										
5.00	CONSOLIDATED INTANGIBLE ASSET												
	Shahjibazar Power Company Limited	-	-										
	Petromax Refinery Limited	466,483	606,135										
	Total Consolidated Intangible Asset	466,483	606,135										
6.00	INVESTMENT ACCOUNTED FOR USING EQUITY METHOD												
	Initial Investment in Midland Power Co. Ltd.	49,000,000	49,000,000										
	Share of Post Acquisition Change in Net Asset 6.01	384,278,892	124,042,602										
	Total Investment accounted for using Equity Method	433,278,892	173,042,602										
6.01	Share of Post Acquisition Changes in Net Asset												
	Opening Balance	124,042,602	128,731,076										
	Share of net profit for the this Period	260,236,290	(4,688,473)										
	Interim dividend declared and paid	-	-										
	Total share of Post Acquisition Changes in Net Asset	384,278,892	124,042,602										
6a	Consolidated Investment Accounted for using the Equity Method												
	Initial Investment	49,000,000	49,000,000										
	Share of Post Acquisition Changes in Net Asset	384,278,892	124,042,602										
	Total Consolidated Investment	433,278,892	173,042,602										
6c	Nature of Investment in Associate:												
	<table><tr><th>Name of the Entity</th><th>Place of Business/Country of Incorporation</th><th>% of ownership Interest</th><th>Nature of the relationship</th><th>Measurement Method</th></tr><tr><td>Midland Power Co. Ltd.</td><td>The Company is incorporated and registered in Bangladesh. The plant of the Company is situated at Ashuganj, Brahmanbaria. The Company is engaged in generating supply- ing electricity to national grid. It has a set up of 51 MW gas based power plant.</td><td>49%</td><td>Associate</td><td>Equity</td></tr></table>	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 supply- ing electricity to national grid. It has a set up of 51 MW gas based power plant.	49%	Associate	Equity		
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 supply- ing electricity to national grid. It has a set up of 51 MW gas based power plant.	49%	Associate	Equity									

June 30, 2019 Taka	June 30, 2018 Taka
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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.

Summarised financial information for associate

Summarised Balance Sheet:

Current:

Cash & Cash Equivalents

Other Current Assets (excluding cash)

Total Current Assets

Financial liabilities (excluding trade payables)

Other current liabilities

Total Current Liabilities

Non-Current:

Assets

Total Non-Current Assets

Financial Liabilities

Other Liabilities

Total Non-Current Liabilities

Net Assets

Summarised Statement of Comprehensive Income

Revenue

Cost of Revenue

Other Expenses

Income Tax Expense

Post tax profit from continuing operations

Detail of Post tax profit from continuing operations:

Midland Power Co. Ltd.

Midland East Power Ltd.

Midland Power Company Ltd. [A]

Profit Transfer to Midland Power Company Ltd.

Midland East Power Company Ltd.

Less: Non-Controlling Interest

Total Profit Transfer to Midland Power Company Ltd. [B]

Total Profit attributable for Midland Power Company [A+B]

Other Comprehensive Income

Total Comprehensive Income

7.00 INVESTMENT IN SUBSIDIARY

Petromax Refinery Limited

Total Investment in Subsidiary

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

8.00 OTHER INVESTMENTS:

Investment In Mudaraba Term Deposit 8.01

Investment In Associate over share capital as advance

Midland East Power Ltd.

	432,073,751	10,796,886
	2,915,485,085	317,799,632
Total Current Assets	3,347,558,836	328,596,518
	3,281,131,451	1,273,915,972
	1,653,768,628	111,154,760
Total Current Liabilities	4,934,900,079	1,385,070,732
	11,990,062,563	3,302,667,718
Total Non-Current Assets	11,990,062,563	3,302,667,718
	6,018,970,692	992,715,583
	-	-
Total Non-Current Liabilities	6,018,970,692	992,715,583
Net Assets	4,383,750,629	1,253,477,921
	3,480,319,430	599,856,084
	2,204,230,264	438,622,472
	191,595,696	170,479,347
	2,617,671	322,578
	611,496,409	(9,568,313)
	(71,932,036)	
	683,428,445	
	611,496,409	
	(71,932,036)	(9,568,313)
	683,428,445	-
	(80,401,939)	-
	603,026,506	-
	531,094,470	(9,568,313)
	-	-
Total Comprehensive Income	531,094,470	(9,568,313)
	900,000,000	900,000,000
Total Investment in Subsidiary	900,000,000	900,000,000
	16,898,621	108,650,471
	431,200,000	431,200,000
	11,664,500	-
	459,763,121	539,850,471

Shahjibazar Power Co. Ltd. has invested in Midland East Power Co.'s equity share for 1,164,450 shares @ Tk. 10 each.

		June 30, 2019 Taka	June 30, 2018 Taka
8.01 Investment in Mudaraba Term Deposit			
Mudaraba Term Deposit Receipt-IBBL		7,795,748	100,226,335
Mudaraba Term Deposit Receipt-IFIL		9,102,873	8,424,136
		16,898,621	108,650,471
Lien Status:			
Under Lien (Against Bank Guarantee)		7,795,748	59,892,230
Free from Lien		9,102,873	48,758,241
		16,898,621	108,650,471
8a Consolidated Other Investment			
Shahjibazar Power Company Limited		459,763,121	539,850,471
Petromax Refinery Limited		426,973,829	405,016,103
		886,736,950	944,866,574
9.00 INVENTORIES			
Oil & Lubricant		6,870,952	7,796,380
Spare parts and others		170,285,617	114,814,572
Total Inventories		177,156,569	122,610,952
Inventories in hand have been valued at lower of cost and net realizable value.			
Quantity wise disclosure of inventory:			
Inventories in hand have been valued at lower of cost and net realizable value.			
Items	Measurement Unit	Quantity	Value
Oil & Lubricant	Drum	123	6,668,220
	Liter	85	194,304
	Can	11	8,428
Spare Parts & Others	Pieces	75,960	121,172,630
	Packet	102	678,950
	Set	58	1,265,390
	Roll	1	900
	Rim	10	3,700
	Rft	19,750	37,531,837
	Pairs	205	725,301
	Book	65	8,950
	Box	85	8,525,639
	Kgs	30	85,310
	Lbs	1	1,650
	Mtr	230	285,360
Total		96,716	177,156,569
9a Consolidated Inventories			
Shahjibazar Power Company Limited		177,156,569	122,610,952
Petromax Refinery Limited		935,002,967	1,005,847,888
Total Consolidated Inventories		1,112,159,536	1,128,458,840
10.00 ACCOUNTS RECEIVABLES			
Bangladesh Power Development Board (BPDB)		293,107,638	290,111,349
Ageing Status of Accounts Receivables			
Less than six months		293,107,638	290,111,349
More than six months		-	-
Total Ageing		293,107,638	290,111,349
10a Consolidated Accounts Receivables:			
Shahjibazar Power Company Limited		293,107,638	290,111,349
Petromax Refinery Limited		997,332,211	1,137,484,722
Total Consolidated Accounts Receivable		1,290,439,849	1,427,596,071

June 30, 2019 Taka	June 30, 2018 Taka
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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	-	319,122
Interest on Mudaraba Term Deposit-IBBL	114,993	1,184,827
Engr. Shariful Islam	-	1,000,000
Engr. A.F.M Sarwar Jahan	150,000	-
Total Other Receivables:	264,993	2,503,949

11a Consolidated Other Receivables:

Shahjibazar Power Company Limited	264,993	2,503,949
Petromax Refinery Limited	-	-
Total Consolidated Other Receivables:	264,993	2,503,949

12.00 ADVANCE, DEPOSITS AND PREPAYMENTS:

Advance	12.01	315,629	754,741
Deposits	12.02	22,456,730	17,521,116
Prepayments	12.03	6,227,013	20,216,351
		28,999,372	38,492,208

12.01 Advances:

Advance Income Tax:

Opening Balance	-	-
Adjusted with Non-Operating Income Tax Payable (Previous Year)	-	-
Add: During this period	84,195	9,398
Adjusted with Non-Operating Income Tax Payable	(84,195)	(9,398)
	-	-

Advance to Others :

Linde Bangladesh Ltd.	-	408,250
Youth Garments Ltd.	101,101	-00
	101,101	408,250

Advance to Staffs:

Mr. A.F.M Sarwar Jahan/Engr. Shariful Islam	129,395	132,048
Mr. Tarequl Islam	80,362	142,388
Mr. Faridur Rahman	-	5,802
Mr. Kazi Mamunur Rashid	-	62,145
Others	4,771	4,108
	214,528	346,491

Total Advances :

315,629	754,741
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12.02 Deposits :

Central Depository Bangladesh Ltd.(CDBL)	500,000	500,000
Power Development Board (Hobigonj)	72,660	72,660
Bank Guarantee Margin - IBBL	15,903,070	12,243,456
Letter of Credit Margin - IBBL	5,681,000	4,705,000
Trust Filling Station	300,000	-
Total Deposits	22,456,730	17,521,116

12.03 Pre-Payments:

Pre-paid Insurance	5,189,509	4,679,139
Pre-paid Interest on MPI Loan	-	2,853,660
Pre-paid Interest-Bai Murabaha TR Loan	107,911	10,570,233
Pre-paid BG Commission	929,593	2,113,319
Total Prepayments :	6,227,013	20,216,351

	June 30, 2019 Taka	June 30, 2018 Taka
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 (JGTDC) 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	28,999,372	38,492,208
More than One Year	-	-
	28,999,372	38,492,208
12a Consolidated Advance, Deposits and Prepayments:		
Shahjibazar Power Company Limited	28,999,372	38,492,208
Petromax Refinery Limited	804,234,809	743,557,033
Less : Loan from Petromax Refinery Limited	(85,000,000)	(218,000,000)
	748,234,181	564,049,241
12b Consolidated Financial Assets at fair value through profit or loss		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	20,367,330	20,201,919
	20,367,330	20,201,919
Financial Assets at fair value through profit or loss		
Listed Equity Securities-Held for Trading		
AB Bank Ltd.	814,000	967,200
Active Fine Chemicals Limited	-	252,000
Aman Feed Ltd.	-	1,108,800
Appollo Ispat Complex Limited.	269,654	462,000
Asia Insurance Ltd. (ASIAINS)	122,000	-
Bay Leasing & Investment Ltd.	1,921,500	2,152,500
BBS Cables Ltd.	2,948,670	1,386,240
Bashundhara Paper Mills Ltd. (BPML)	1,200,200	-
Bangladesh Steel Re-Rolling Mills Limited	2,916,826	1,401,400
The City Bank Ltd.	796,887	917,280
CVO Petrochemical Refinery Limited	1,024,304	1,332,752
Dhaka Electric Supply Company Limited	278,313	256,389
Dhaka Bank Ltd.	1,428,000	-
Dutch-Bangla Bank Limited	94,738	607,000
EXIM Bank Limited	847,500	696,150
Far Chemicals Industries Ltd.	157,300	173,800
GPH Ispat Ltd.	398,475	385,350
IFIC Bank Limited	352,352	391,160
Jamuna Bank Limited	-	1,472,979
Lafarge Holcim Bangladesh Limited	397,000	564,000
Nahee Aluminum Composite Panel Ltd.	813,890	604,500
Nurani Dyeing & Sweater Ltd. (NURANI)	294,100	-
National Polymar Industries Ltd.	-	1,955,923
One Bank Limited	1,097,250	866,250
Premier Leasing & Finance Ltd .	190,618	213,465
RAK Ceramics (Bangladesh) Limited	224,939	260,150
Union Capital Ltd.	901,288	1,023,750
Uttara Bank Ltd.	877,526	750,880
	20,367,330	20,201,919

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.

	June 30, 2019 Taka	June 30, 2018 Taka
13.00 CASH AND CASH EQUIVALENT:		
Cash in Hand	40,343	50,288
Cash at Bank:	70,743,141	55,069,931
CD Account with Bank Asia Limited, IPO-USD	103,787	96,351
CD Account with Bank Asia Limited, IPO-GBP	33,638	31,778
CD Account with Bank Asia Limited, IPO-EURO	869	780
STD Account with Bank Asia Limited, IPO-Taka	15,316,857	14,815,117
CD Account with Islami Bank Bangladesh Ltd# 9396	34,272,010	4,747,792
CD Account with Islami Bank Bangladesh Ltd# 1250	3,491,341	3,540,297
SND Account with Islami Bank Bangladesh Ltd# 49	2,604,438	17,833,216
SND Account with Islami Bank Bangladesh Ltd# 29413	2,767,432	-
CD A/C with Standard Chartered Bank # 53917701	4,600	4,600
CD A/C with Eastern Bank Ltd. # 1041060274350	12,148,169	14,000,000
	70,783,484	55,120,219
13a Consolidated Cash and Cash Equivalent		
Shahjibazar Power Company Limited	70,783,484	55,120,219
Petromax Refinery Limited	43,793,225	6,586,948
	114,576,709	61,707,167
14.00 GOODS IN TRANSIT:		
Parts of Plant & Machinery	313,336,223	59,414,096
	313,336,223	59,414,096
14a Consolidated Goods in Transit		
Shahjibazar Power Company Limited	313,336,223	59,414,096
Petromax Refinery Limited	49,437,374	68,892,499
	362,773,597	128,306,595
15.00 SHARE CAPITAL:		
Authorized :		
500,000,000 shares @ Tk.10.00 each	5,000,000,000	5,000,000,000
Issued, Subscribed and paid -up:		
16,58,51,050 shares @ Tk.10.00 each	1,658,510,510	1,610,204,378
Movement of Share Capital:		
Opening Balance	1,610,204,378	1,412,459,981
Add: Bonus Share issued (3%)	48,306,132	197,744,397
	1,658,510,510	1,610,204,378

Shareholding position was as follows:

Name of Shareholders	% of Shareholdin 30-Jun-19	% of Shareholding 30-Jun-18
Mr. Rezakul Haider	8.60%	8.60%
Mr. Feroz Alam	7.79%	8.03%
Mr. Anis Salahuddin Ahmad	8.91%	8.91%
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	3.12%	3.12%
Mr. Faridul Alam	2.98%	2.98%
Mr. Rezina Alam	3.12%	3.12%
Mr. Faisal Alam	3.43%	3.43%
Mr. Asgor Haider	3.00%	3.00%
Ms. Israt Azim Ahmad	3.12%	3.12%
General Public	33.21%	32.98%
	100%	100%

June 30, 2019
Taka

June 30, 2018
Taka

Classification of Shareholders by holding:

Class by number of shares	Number of Shareholders		Percentage of Shareholding 30-Jun-19	Percentage of Shareholding 30-Jun-18
	30-Jun-19	30-Jun-18		
Less than 500 Shares	4,723	4,648	55.91%	48.82%
501 to 5,000 shares	2,807	3,793	33.23%	39.84%
5,001 to 10,000 shares	385	463	4.56%	4.86%
10,001 to 20,000 Shares	217	267	2.57%	2.80%
20,001 to 30,000 Shares	70	110	0.83%	1.16%
30,001 to 40,000 Shares	42	38	0.50%	0.40%
40,001 to 50,000 Shares	21	34	0.25%	0.36%
50,001 to 100,000 Shares	79	85	0.94%	0.89%
100,001 to 1,000,000 Shares	83	65	0.98%	0.68%
Over 1,000,000 Shares	21	18	0.25%	0.19%
	8,448	9,521	100%	100%

Name of the Directors and their Shareholding position:

Name of the Directors	No. of Shareholding 30-Jun-19	No. of Shareholding 30-Jun-18
Mr. Rezakul Haider	14,257,690	13,842,418
Mr. Feroz Alam	12,923,317	12,923,317
Mr. Anis Salahuddin Ahmad	14,778,766	14,348,317
Mr. A.K.M.Badiul Alam	12,556,744	12,191,014
Md. Samsuzzaman	18,835,116	18,286,521
Total :	73,351,633	71,591,587
16.00 SHARE PREMIUM:		
Opening Balance	914,920,000	914,920,000
Total Share Premium	914,920,000	914,920,000
16a Consolidated Tax Holiday Reserve		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	897,720,729	850,711,042
Total Consolidated Share Premium	897,720,729	850,711,042
17.00 RETAINED EARNING:		
Opening Balance	991,664,470	946,780,347
Add: Net profit for this year	778,465,585	468,622,117
Less: 25% Cash Dividend	(402,551,095)	(225,993,597)
Less: 3% Stock Dividend	(48,306,131)	(197,744,397)
Total Retained Earnings	1,319,272,829	991,664,470
17a Consolidated Retained Earning		
Opening Balance	1,930,578,727	1,842,601,393
Net Profit for the period	715,989,805	660,444,134
Bonus Share/Stock Dividend	(48,306,131)	(197,744,397)
Cash Dividend Paid	(402,551,095)	(225,993,597)
Transfer to Tax Holiday Reserve	(47,009,687)	(148,728,807)
Total Consolidated Retained Earnings	2,148,701,619	1,930,578,727

	June 30, 2019 Taka	June 30, 2018 Taka
18.00 LONG TERM LOAN - NET OF CURRENT MATURITY		
Islami Bank Bangladesh Limited	162,095,425	-
Eastern Bank Limited	-	139,206,404
Total Long Term Loan - Net of Current Maturity	162,095,425	139,206,404

Facility arrangement for 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	350.00	368.87
Eastern Bank Limited	300.00	300.00	1,100.00	250.00
Total	533.80	600.00	1,450.00	618.87

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.
Collaterals:	Registered Mortgage/further charge with registered irrevocable power of attorney from the 432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal project
Name of facility	Working Capital
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
Tenor:	4 (Four) Years

18a Consolidated Long Term Loan- Net of Current Maturity		
Shahjibazar Power Company Limited	162,095,425	139,206,404
Petromax Refinery Limited	-	28,011,253
Total Consolidated Long Term Loan - net of current maturity	162,095,425	167,217,657
18b Consolidated Loan from other than Bank		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	-	89,364
Total Consolidated Loan from other than Bank	-	89,364
19.00 DEFERRED TAX LIABILITIES:		
Investment in associates carrying value	433,278,892	173,042,602
Investment in associates tax base	49,000,000	49,000,000
Taxable temporary Difference	384,278,892	124,042,602
Deferred tax liabilities at 20%	76,855,778	24,808,520
19a Consolidated Deferred Tax Liabilities		
Shahjibazar Power Company Limited	76,855,778	24,808,520
Petromax Refinery Limited	-	-
Total Consolidated Deferred Tax Liabilities	76,855,778	24,808,520
20.00 L/C LIABILITIES:		
Liabilities for Letter of Credit	423,381,018	82,677,127
Total L/C Liabilities	423,381,018	82,677,127

	June 30, 2019 Taka	June 30, 2018 Taka
20a Consolidated LC Liabilities		
Shahjibazar Power Company Limited	423,381,018	82,677,127
Petromax Refinery Limited	3,531,642	7,667,947
Total Consolidated L/C Liabilities	426,912,660	90,345,074
21.00 SHORT TERM LOAN:		
QTDR - Islami Bank Bangladesh Ltd.	-	59,917,690
Bai Murabaha TR-IBBL	47,727,711	132,505,255
MPI Loan-IBBL	-	44,201,344
Youth Fashion Ltd.	48,062	32,101
Youth Garments Ltd.	-	10,000
Petromax Refinery Ltd.	85,000,000	218,000,000
Total Short Term Loan	132,775,773	454,666,390
Short term loan from Petromax Refinery Ltd. was 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	132,775,773	454,666,390
Petromax Refinery Limited	3,185,514,558	3,391,863,000
Less: Intercompany Loan	(85,000,000)	(218,000,000)
Total Consolidated Short Term Loan	3,233,290,331	3,628,529,390
22.00 IPO APPLICATION AMOUNT:	6,084,318	6,084,318
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	6,084,318	6,084,318
Petromax Refinery Limited	-	-
Total Consolidated IPO Application Amount	6,084,318	6,084,318
23.00 LONG TERM LOAN - CURRENT MATURITY:		
Islami Bank Bangladesh Limited	32,051,892	17,425,640
Eastern Bank Limited	147,883,864	164,671,153
Total Long Term Loan	179,935,756	182,096,793
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	179,935,756	182,096,793
Petromax Refinery Limited	-	12,502,326
Total Consolidated Long Term Loan - Current Maturity	179,935,756	194,599,119
24.00 SUNDRY CREDITORS:		
Al-Amin Trading Organization	-	600
Aamra Networks Ltd	-	5,000
Amicus Curiae	-	15,000
Amber IT Ltd.	10,812	11,841
Square Pharmaceuticals Ltd.	10,200	10,200
Smart Printing Solutions Ltd.	-	2,549
Inspace Atelier	2,000,000	2,000,000
Orient Energy Systems Ltd. Bangladesh	-	1,319,382
CDZ Global Logistics Limited	969,000	-
Peerless Technical Services Ltd.	43,200	-
Provision for WPPF	67,362,562	47,589,413
Payable for Current Tax	114,287,261	64,824,254
	184,683,035	115,778,239

	June 30, 2019 Taka	June 30, 2018 Taka
24.01 Payable for Current Tax		
Sales Tax at Source @ 6%	139,053,397	107,295,209
Previous year Income Tax Payable	64,824,254	32,768,378
Tax on non-operating income	3,038,788	2,162,423
Tax on Dividend	36,000,000	36,000,000
Total Payable	242,916,438	178,226,010
Tax paid during this period	(128,544,982)	(113,392,358)
	114,371,456	64,833,652
TDS adjustment	(84,195)	(9,398)
	114,287,261	64,824,254
24a Consolidated Sundry Creditors		
Shahjibazar Power Company Limited	184,683,035	115,778,239
Petromax Refinery Limited	18,409,425	29,490,286
Total Consolidated Sundry Creditors	203,092,460	145,268,525
25.00 LIABILITIES FOR EXPENSES:		
Salary & Allowance	4,438,707	4,114,819
Directors Remuneration	500,000	500,000
Audit Fees	759,000	759,000
Credit Rating Fees	-	172,500
Car Maintenance	30,000	55,000
Office Rent	131,250	-
Total Liabilities for expenses	5,858,957	5,601,319
25a Consolidated Liabilities for Expenses		
Shahjibazar Power Company Limited	5,858,957	5,601,319
Petromax Refinery Limited	15,620,904	14,283,517
Total Consolidated Liabilities for Expenses	21,479,861	19,884,836
25b Unclaimed Dividend		
Dividend Payable	9,451,872	9,211,728
Total Dividend Payable	9,451,872	9,211,728
Subsequent to the year end maximum portion of unclaimed dividend has been claimed and disbursed accordingly.		
26.00 TRADE PAYABLE:		
Orient Energy Systems Ltd.	-	65,200
Clarke Energy Bangladesh Ltd.	172,500	115,000
MJL Bangladesh Limited	15,592,200	5,187,260
Blue Star Communications	-	5,000
Jalalabad Gas Transmission and Distribution Systems Ltd.	79,469,569	82,567,160
Energy Plus Electric	2,000	2,000
Delcot Ltd.	243,071	-
Others	2,544	21,804
Total Trade Payable	95,481,884	87,963,424
26a Consolidated Trade Payable		
Shahjibazar Power Company Limited	95,481,884	87,963,424
Petromax Refinery Limited	5,915,714	8,998,671
Consolidated Trade Payable	101,397,598	96,962,095
27.00 REVENUE		
Sales	1,533,537,526	1,347,732,091
Less: Tax on Sales	-	-00
Total Revenue	1,533,537,526	1,347,732,091
27a Consolidated Revenue		
Shahjibazar Power Company Limited	1,533,537,526	1,347,732,091
Petromax Refinery Limited	5,606,657,287	6,037,037,045
Total Consolidated Revenue	7,140,194,813	7,384,769,136

		June 30, 2019 Taka	June 30, 2018 Taka
28.00 COST OF SALES:			
Raw Material Consumed	28.01	446,011,283	403,087,777
Factory Overhead	28.02	359,358,385	335,904,297
Total Cost of Sales		805,369,668	738,992,074
28.01 Raw Material Consumed			
Opening Stock		122,610,952	132,208,155
Purchase During the Year		500,556,900	393,490,574
Closing Stock		(177,156,569)	(122,610,952)
		446,011,283	403,087,777
Consumption of Raw Materials:		2019	2018
Natural Gas Consumption (Cubic Meter)		130,019,515	104,928,612
Lube & Other Oil (Ltrs)		170,645	99,822
28.02 Factory Overhead			
Salary & Allowance		43,411,071	42,826,261
Overtime		728,895	416,003
Festival Bonus		4,509,497	3,476,221
Plant & Machinery maintenance		10,940,790	10,064,810
Fuel & Lubricants for car		1,360,178	2,006,543
Diesel for Generator		116,398	136,450
Depreciation		298,291,556	276,978,010
Total Factory Overhead		359,358,385	335,904,297
28a Consolidated Cost of Sales			
Shahjibazar Power Company Limited		805,369,668	738,992,074
Petromax Refinery Limited		5,022,628,076	5,093,554,853
Total Consolidated Cost of Sales:		5,827,997,744	5,832,546,927
29.00 GENERAL & ADMINISTRATIVE EXPENSES:			
Salary & Allowance		13,412,263	12,657,752
Audit Fee		816,500	759,000
Advertisement & Publicity		1,342,475	1,156,460
Secretarial Expenses		2,945,076	3,987,161
BG Commission		2,369,227	2,050,269
Credit Rating Expenses		107,811	172,500
Carrying Inwards/C&F Charges		6,802,821	2,168,402
Gift, Donation & Subscription		741,500	2,763,274
Utility Bill		1,056,528	885,924
Entertainment		2,094,603	3,680,350
Insurance Premium		7,893,846	6,943,907
Legal & Professional Fees		235,000	255,000
Directors Remuneration	29.01	7,000,000	7,000,000
Office Maintenance		3,069,333	2,619,284
Printing, Stationary & Supplies		738,856	1,479,812
Registration & Renewals		719,151	789,540
Traveling & Conveyances		3,281,246	2,626,855
Training & Workshop		63,500	61,950
Civil Works Maintenance		1,852,140	1,058,510
Lease Rental		-	576,284
Depreciation Expenses		7,765,162	5,815,601
Total General & Administrative Expense:		64,307,039	59,507,835

		2018-2019 Taka	2017-2018 Taka												
29.01	Discloser as per requirement of Schedule XI, Part II, Para 4														
	<table> <tr> <th>Name</th><th>Designation</th><th>June-2019</th><th>June-2018</th></tr> <tr> <td>Feroz Alam</td><td>Managing Director</td><td>7,000,000</td><td>7,000,000</td></tr> <tr> <td colspan="2">Total</td><td>7,000,000</td><td>7,000,000</td></tr> </table>	Name	Designation	June-2019	June-2018	Feroz Alam	Managing Director	7,000,000	7,000,000	Total		7,000,000	7,000,000		
Name	Designation	June-2019	June-2018												
Feroz Alam	Managing Director	7,000,000	7,000,000												
Total		7,000,000	7,000,000												
29a	Consolidated General & Administrative Expenses														
	Shahjibazar Power Company Limited	64,307,039	59,507,835												
	Petromax Refinery Limited	109,307,692	141,274,236												
	Total Consolidated General & Administrative Expense	173,614,731	200,782,072												
30.00	FINANCIAL EXPENSES														
	Interest on Loan - Islami Bank Bangladesh Ltd.	23,245,919	39,896,225												
	Interest on Loan - Eastern Bank Ltd.	27,818,909	36,070,629												
	Bank Charges & Commission	5,236,874	1,230,893												
	Charge for Delay Payment	915,279	-00												
	Total Financial Expense	57,216,981	77,197,746												
30a	Consolidated Financial Expenses														
	Shahjibazar Power Company Limited	57,216,981	77,197,746												
	Petromax Refinery Limited	318,445,214	288,083,427												
	Total Consolidated Financial Expenses	375,662,195	365,281,173												
31.00	NON-OPERATING INCOME:														
	Income from Bank Interest	1,063,727	559,158												
	Wastage Sale	1,069,475	3,393,399												
	Foreign Exchange Gain	4,965,044	4,426,531												
	Interest on Mudaraba Term Deposit	4,143,811	5,074,745												
	Foreign Exchange Loss	-	(1,329,397)												
	Gain on sale of vehicle	913,094	810,000												
	Loss on Assets Disposal	-	(17,271,240)												
	Income from Insurance Claim	-	790,000												
	Income from Dividend- Subsidiaries	180,000,000	180,000,000												
	Total Non-Operating Income	192,155,150	176,453,195												
31a	Consolidated Non-operating Income														
	Shahjibazar Power Company Limited	192,155,150	176,453,195												
	Petromax Refinery Limited	28,368,548	27,800,795												
	Less: Inter-company Dividend	(180,000,000)	(180,000,000)												
	Total Consolidated Non-operating Income	40,523,698	24,253,990												
32.00	SHARE OF PROFIT FROM ASSOCIATE:														
	Net Profit of Associate company	531,094,470	(9,568,313)												
	Percentage of share holding	49%	49%												
	Share of profit from Associate	260,236,290	(4,688,473)												
32a	Consolidated Share of Profit from Associate:														
	Shahjibazar Power Company Limited	260,236,290	(4,688,473)												
	Petromax Refinery Limited	-	-												
	Total Consolidated Share of Profit from Associate	260,236,290	(4,688,473)												
33.00	WPPF IS BASED ON NET PROFIT BEFORE TAX @ 5%														
		50,430,251	30,657,103												
		50,430,251	30,657,103												

	June 30, 2019 Taka	June 30, 2018 Taka
33a Consolidated Workers' Profit Participant Fund:		
Shahjibazar Power Company Limited	50,430,251	30,657,103
Petromax Refinery Limited	8,792,612	25,805,968
	59,222,863	56,463,071

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 EXPENSES:

Current Tax

Tax on Operating Income @ 25%	139,053,397	107,295,209
Tax on Non-Operating Income @ 25%	3,038,788	2,162,423
Tax on Dividend Received @ 20%	36,000,000	36,000,000
	178,092,184	145,457,632

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	52,047,258	(937,695)
Total Deferred Tax	52,047,258	(937,695)

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	178,092,184	145,457,632
Petromax Refinery Limited	45,269,774	102,983,782
	223,361,958	248,441,414

35.00 EARNING PER SHARE (EPS)

Net Profit After Tax	778,465,585	468,622,117
Number of share	165,851,050	165,851,050
Earnings Per Share	4.69	2.83

35a Consolidated Basic Earning Per Share (EPS)

Profit/(Loss) attributable to equity holder of the parent	715,989,805	660,444,134
Number of share	165,851,050	165,851,050
Consolidated Earnings Per Share	4.32	3.98

36.00 CAPACITY AND UTILIZATION:

Disclosure as per Schedule XI, Part II, Para 7 of the Companies Act 1994.	30-Jun-19	30-Jun-18
License Capacity (Unit - Kw)	753,360,000	753,360,000
Actual Utilized (Unit - Kw)	474,114,000	381,564,619
Capacity Utilize (Unit - Kw)	63%	51%

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

37.00 CONTINGENT LIABILITIES:

The Company has also Contingent Liabilities of an amount Tk. 36,42,55,787/- 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

		June 30, 2019 Taka	June 30, 2018 Taka
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.	Jalalabad Gas Transm. & Dist. Co. Ltd.	Gas Purchase	18,213,655
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	3,319,300
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	3,319,300
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	Export-Cum-Import Permission	3,475,030
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	Export-Cum-Import Permission	3,475,030
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	3,405,698
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	3,405,698
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	Export-Cum-Import Permission	3,436,426
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	Export-Cum-Import Permission	3,436,426
Grand Total			364,255,787

38.00 CAPITAL EXPENDITURE COMMITMENT:

No capital expenditure contracted or incurred provided for as at 30th June, 2019.

There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2019.

39.00 CLAIM ACKNOWLEDGEMENT:

There was no claim against the Company not acknowledged as debt as on June 30, 2019.

June 30, 2019
Taka

June 30, 2018
Taka

40.00 EVENTS AFTER THE REPORTING PERIOD:

The Board of Directors at the Board Meeting held on 27 October 2019, has recommended to the shareholders a cash dividend @ 28% Cash i.e. Tk. 2.8 per share (amounting to Tk. 464,382,940) and stock dividend @2%. This will be considered for approval by the shareholders at the 12th Annual General Meeting (AGM) to be held on January 29, 2020.

"The financial statements for the year ended 30 June 2019 do not include the effect of these dividends which will be counted for in the period when shareholders' right to receive payment is established. There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements."

41.00 Name of Auditors of Group Companies

SL	Name of the Company	Status	Name of Auditor
1	Petromax Refinery Limited	Subsidiary	Aziz Halim Khair Choudhury
2	Midland Power Co. Ltd.	Associate	Howlader Yunus & Co.
3	Midland East Power Limited	Equity Investment	ACNABIN

42.00 NUMBER OF EMPLOYEES:

This is the disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994. Total number of employees is 121 in comparison to 127 in previous year. There is no employees in the company who is entitled to get annual salary below TK. 36,000.

	30-Jun-19	30-Jun-18
Head Office Staff	19	12
Plant Staff/Employees	102	115
Total	121	127

SHAHJIBAZAR POWER COMPANY LIMITED
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2019

Note: 43

SL No.	Particulars	Cost			Depreciation					Written Down Value as on 30.06.2019	
		Balance as on 01.07.2018	Addition during this year	Disposal/ Impairment during the year	Balance as on 30.06.19	Rate %	Balance as on 01.07.18	Adjustment during the year	Charged During the year		Balance as on 30.06.2019
01	Land & Land Development	149,587,065	-	-00	149,587,065	0.0%	-	-	-	-	149,587,065
02	Building & Construction	374,855,803	-	-00	374,855,803	7.0%	237,341,692	-	26,239,906	263,581,598	111,274,205
03	Plant & Machineries	4,181,326,528	342,881,735	-00	4,524,208,263	6.0%	2,036,282,577	-	271,185,741	2,307,468,318	2,216,739,945
04	Mechanical & Electrical Goods	1,816,263	2,351,300	-00	4,167,563	10.0%	918,968	-	240,409	1,159,377	3,008,186
05	Office Equipment	4,245,875	75,779	-00	4,321,654	15.0%	3,397,291	-	639,715	4,037,006	284,648
06	Computer & Computer Equipment	2,458,470	253,100	-00	2,711,570	20.0%	2,321,620	-	389,950	2,711,570	-00
07	Water Treatment Plant	4,170,000	-	-00	4,170,000	15.0%	2,728,750	-	625,500	3,354,250	815,750
08	Furniture & Fixture	7,148,470	-	-00	7,148,470	10.0%	3,705,389	-	714,847	4,420,236	2,728,234
09	Vehicles	21,903,250	16,400,000	14,625,000	23,678,250	20.0%	17,078,175	7,599,404	6,020,650	15,499,421	8,178,829
	June-2019	4,747,511,724	361,961,914	14,625,000	5,094,848,638		2,303,774,462	7,599,404	306,056,719	2,602,231,777	2,492,616,862
	June-2018	4,746,249,524	37,236,124	35,973,924	4,747,511,724		2,038,993,534	18,012,684	282,793,611	2,303,774,462	2,443,737,262

Allocation Current Year Depreciation:

	Taka
Cost of Goods Sold Portion:	
Building & Construction	26,239,906
Plant & Machineries	271,185,741
Mechanical & Electrical Goods	240,409
Water Treatment Plant	625,500
Total	298,291,556
General & Amin. Portion:	
Office Equipment	639,715
Computer & Computer Equipment	389,950
Furniture & Fixture	714,847
Vehicles	6,020,650
Total	7,765,162
Grand Total:	306,056,719

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2019

Note: 44

SL	Particulars	Cost				Depreciation				Written Down Value as on 30.06.2019	
		Balance as on 01.07.2018	Addition during the year	Disposal during the year	Balance as on 30.06.19	Rate %	Balance as on 01.07.2018	Adjustment during the year	Charged During the year		Balance as on 30.06.2019
1	Land & Land Development	212,140,831	1,672,030	-	213,812,861	0.0%	-	-	-00	-00	213,812,861
2	Building & Construction	898,873,480	7,392,418	-	906,265,898	7.0%	364,935,709	-	53,421,984	418,357,693	487,908,205
3	Plant & Machineries	7,017,986,947	342,881,735	14,000,000	7,346,868,682	6.0%	2,706,332,223	-	397,448,114	3,103,780,337	4,243,088,345
4	Mechanical & Electrical Goods	1,816,263	2,351,300	-	4,167,563	10.0%	918,967	-	240,409	1,159,376	3,008,187
5	Office/factory Equipment	14,354,641	396,185	-	14,750,826	15.0%	6,845,396	-	1,602,599	8,447,995	6,302,831
6	Computer & Computer Equipments	4,482,283	351,700	-	4,833,983	20.0%	3,006,742	-	588,106	3,594,848	1,239,135
7	Water Treatment Plant	8,552,645	-	-	8,552,645	15.0%	4,791,967	-	954,329	5,746,296	2,806,349
8	Furniture & Fixture	14,681,118	-	-	14,681,118	10.0%	6,869,270	-	1,378,729	8,247,999	6,433,119
9	Vehicles	58,899,547	24,078,616	23,015,998	59,962,165	20.0%	27,648,581	13,611,618	11,469,152	25,506,115	34,456,050
10	Electric Installation	35,794,236	-	-	35,794,236	15.0%	17,173,244	-	2,639,925	19,813,169	15,981,067
11	Fire Extinguisher/Equipments	680,810	1,725,000	-	2,405,810	15.0%	300,025	-	118,672	418,697	1,987,113
12	Lab Equipments	2,791,179	-	-	2,791,179	15.0%	1,206,261	-	224,697	1,430,958	1,360,221
13	Refrigerator	28,299	-	-	28,299	15.0%	14,098	-	2,014	16,112	12,187
14	Air Conditioner	6,357,190	174,300	-	6,531,490	15.0%	2,461,131	-	565,178	3,026,309	3,505,181
15	Jetty	9,047,777	-	-	9,047,777	15.0%	4,272,791	-	676,956	4,949,747	4,098,030
16	Cylindrical Vertical Steel Tank	111,594,038	-	-	111,594,038	15.0%	53,550,246	-	8,228,953	61,779,199	49,814,839
17	Generator	20,300,278	-	-	20,300,278	15.0%	10,067,343	-	1,450,739	11,518,082	8,782,196
18	Ship	355,753,863	-	-	355,753,863	20.0%	125,006,609	-	42,802,174	167,808,783	187,945,080
19	Helicopter	90,285,623	-	-	90,285,623	10.0%	12,721,602	-	7,470,355	20,191,957	70,093,666
20	Solar Power System	560,000	-	-	560,000	15.0%	278,978	-	39,842	318,820	241,180
21	Telephone Installation	1,702,088	-	-	1,702,088	15.0%	716,046	-	139,793	855,839	846,249
22	Water Line Installation	326,395	-	-	326,395	15.0%	162,602	-	23,222	185,824	140,571
	June 30, 2019	8,867,009,531	381,023,284	37,015,998	9,211,016,817		3,349,279,831	13,611,618	531,485,942	3,867,154,155	5,343,862,662
	June 30, 2018	8,786,570,388	131,769,802	51,330,659	8,867,009,531		2,854,472,184	23,400,273	518,207,918	3,349,279,829	5,517,729,701

Note: 45

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 IAS 24 "Related Party Disclosure".

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2018	Addition during the period	Adjustment during the	Balance as at June 30, 2019
Comfit Composite Knit Ltd.	Common Directorship	Short Term Loan	-	356,736	356,736	-00
Petromax Refinery Limited	Parent - Subsidiary	Short Term Loan	218,000,000	5,200,000	138,200,000	85,000,000
Youth Fashion Limited	Common Directorship	Short Term Loan	32,101	2,675,847	2,659,886	48,062
Youth Garments Limited	Common Directorship	Short Term Loan	10,000	438,899	347,798	101,101
Midland Power Co. Ltd.	Associate Company	Advance	431,200,000	-	-	431,200,000
Midland East Power Ltd.	Common Directorship	Equity Investment	-	11,664,500	-	11,664,500
Islamic Finance & Inv. Ltd.	Common Directorship	MTDR	8,424,136	45,852,727	45,173,990	9,102,873
Feroz Alam	Managing Director	Remuneration	500,000	5,500,000	5,500,000	500,000
Yasasin Ahmed	Company Secretary	Salaries and other short term benefit	50,000	778,000	759,000	69,000
Saiful Islam	Head of Internal Audit	Salaries and other short term benefit	26,347	376,164	371,164	31,347

Key Management Personnel Compensation:

Key Management Personnel Compensation comprised the following

	For the year ended	
	30-June-19	30-June-18
<i>In Taka</i>		
Salary & Allowances	22,696,906	20,427,215
	22,696,906	20,427,215

The Company's key management personnel includes the Company's Managing Director and Director and top level management employees.

Note: 46

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:

	2019	2018
	Taka	Taka
Accounts receivable	1,290,439,849	1,427,596,071
Advance, Deposit & Prepayments	748,234,181	564,049,241
Other Receivable	264,993	2,503,949
	2,038,939,023	1,994,149,261

b) Ageing of receivables

Accounts receivable were aged as below:

	2019	2018
	Taka	Taka
Less than six months	293,107,638	290,111,349
More than six months	997,332,211	1,137,484,722
	1,290,439,849	1,427,596,071

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
	Taka	Taka	Taka	Taka
As at 30 June 2019				
Short Term interest bearing loans	3,185,514,558	3,185,514,558	3,185,514,558	-
Short Term non-interest bearing loans	309,341,597	309,341,597	309,341,597	-
Long Term interest bearing loans	342,031,181	342,031,181	182,096,793	-
Long Term non-interest bearing loans	53,705,545	53,705,545	-	-
Trade creditors/Payable	101,397,598	101,397,598	101,397,598	-
Sundry creditors	203,089,779	203,089,779	203,089,779	-
L/C Liabilities	426,912,660	426,912,660	426,912,660	-
Other liabilities	21,479,861	21,479,861	21,479,861	-
	4,643,472,779	4,643,472,779	4,429,832,846	-
As at 30 June 2018				
Short Term interest bearing loans	2,197,040,851	2,197,040,851	2,197,040,851	-
Short -Term non interest bearing loans	1,431,446,438	1,431,446,438	1,431,446,438	-
Long Term interest bearing loans	321,303,196	321,303,196	182,096,793	139,206,404
Long Term non-interest bearing loans	-	-	-	-
Trade creditors/Payable	87,963,424	87,963,424	87,963,424	-
Sundry creditors	115,778,239	115,778,239	115,778,239	-
L/C Liabilities	82,677,127	82,677,127	82,677,127	-
Other liabilities	35,180,881	35,180,881	35,180,881	-
	4,271,390,157	4,271,390,157	4,132,183,753	139,206,404

Market risk

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, 2019 are as follows:

	2019	2018
Deferred L/C for Import of Spare Parts (USD)	\$671,431.92	\$109,959.30
Deferred L/C for Import of Spare Parts (EURO)	€ 3,736,905.95	€ 750,669.90
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

		2019	2018
<u>Fixed rate instruments</u>	<u>Rate of Interest</u>	<u>in BDT</u>	<u>in BDT</u>
Financial assets	5%-9.50%	-	513,666,577
Financial liabilities	9.00%-11.50%	3,527,545,739	3,990,346,165

Variable rate instruments

Financial assets
 Financial liabilities

Note: 47

Reporting under BSEC Notification of Financial Reporting and Disclosure dated 20 June 2018.

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019 Taka	June 30, 2018 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	778,465,585	468,622,117
Adjustments to reconcile net income to net cash provided by operating activities		
(+) Depreciation	306,056,719	282,793,611
(-) Increase in Inventory	(54,545,617)	9,597,203
(-) Increase in Accounts Receivable	(2,996,289)	(67,843,581)
(+) Decrease in Other Receivable	2,238,956	(1,991,917)
(+) Decrease in Prepaid Expenses	9,492,836	1,118,660
(-) Increase in Goods Intransit	(253,922,127)	(49,874,849)
(+) Increase in Sundry Creditors	68,904,796	35,130,051
(+) Increased in Trade Payable	7,518,460	27,868,837
(+) Increase in L/C Liabilities	-	24,637,002
(+) Increase in Liabilities for Expenses	257,638	2,164,581
(-) Increase in Investment in equity Methods	(260,236,290)	4,688,474
(+) Provision for Deferred Tax	52,047,258	(937,695)
(-) Dividend from Subsidiary	-00	(180,000,000)
(+) Loss on Asset Disposal	-00	17,271,240
(-) Gain or Loss on Sales of Vehicle	(913,094)	(810,000)
Net Cash flows from operating activities	652,368,831	572,433,734
Weighted Average Number of Shares [B]	165,851,050	165,851,050
NOCFPS [A/B]	3.93	3.45

Note: 48

Reporting under BSEC Notification of Financial Reporting and Disclosure dated 20 June 2018.

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019 Taka	June 30, 2018 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	909,048,051	880,361,372
Adjustments to reconcile net income to net cash provided by operating activities		
(+) Depreciation	531,907,579	518,207,918
(+) Amortization of Intangible Assets	139,652	139,652
(+) Decrease in Inventory	16,299,304	(343,066,205)
(+) Decrease in Accounts Receivable	137,156,222	(521,170,150)
(+) Decrease in Other Receivable	2,238,956	-
(-) Increase in Prepaid Expenses	(184,184,940)	7,470,388
(-) Increase in Financial Assets	(165,411)	4,572,637
(-) Increase in Goods Intransit	(234,467,002)	(67,915,022)
(+) Increase in Sundry Creditors	65,821,839	37,500,766
(+) Increased in Trade Payable	(3,562,401)	27,868,837
(-) Decrease in other payable	-	(13,908,447)
(+) Increase in L/C Liabilities	(4,136,305)	25,318,553
(+) Increase in Liabilities for Expenses	1,595,025	8,389,315
(-) Increase in Investment in equity Methods	(260,236,290)	4,688,473
(-) Increase in Investment in activities (Dividend Received)	-	(180,000,000)
(+) Provision for Deferred Tax	52,047,258	(937,695)
(+) loss on assets disposal	-	20,958,340
(-) Gain or Loss on Sales of Vehicle	3,085,590	(810,000)
Net Cash flows from operating activities [A]	1,032,587,127	407,668,732
Weighted Average Number of Shares [B]	165,851,050	165,851,050
NOCFPS [A/B]	6.23	2.46

Note: 49

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	
30 June 2019									
Petromax Refinery Limited		2,850,167,916	3,278,686,112	6,128,854,028	3,228,992,242	-00	3,228,992,242	2,899,861,786	
30 June 2018									
Petromax Refinery Limited		2,982,571,008	3,479,614,676	6,462,185,684	3,464,805,747	28,100,617	3,492,906,364	2,969,279,320	
Share of Net Profit & Loss	Reporting Date	Nature of Investment Controlling Power	Income	Expenses	Tax Expenses	Profit After tax	Share of Profit		
30 June 2019									
Petromax Refinery Limited	15-Oct-2017	Subsidiary	5,606,657,287	5,430,805,047	45,269,774	130,582,466	117,524,219		
30 June 2018									
Petromax Refinery Limited	23-Oct-2018	Subsidiary	6,037,037,045	5,520,917,689	102,983,782	413,135,574	371,822,016		

DIRECTORS
REPORTS
AND
FINANCIAL
STATEMENTS
OF
SUBSIDIARY

COMPANY INTRODUCTION

Petromax Refinery Ltd (PRL) erstwhile Mongla Oil Mills registered under Company Act 1994 Registration No- C – 58744 is a fractionation facility of Hydrocarbon to refine and produce different grades of gasoline. The Plant is situated at the embankment of Poshur River Mongla Industrial Area, Khulna. The facility consists of Condensate Fractionation Unit (CFU), Naphtha Hydro Treating Unit (NHTU) and a Catalytic Reforming Unit (CRU). The only customer of the company is Bangladesh Petroleum Corporation (BPC).

Partnering with some world class energy companies, Petromax has sourced and installed state of the art refining equipment and equipped the project as one of the first of its kind in the Country. In the Petrochemical Industry of Bangladesh PRL is the first company to achieve the quality credentials from Bangladesh Accreditation Board (BAB).

Experiencing several hurdles at the commissioning phase, the Company has been in successful operations since October, 2013.



DIRECTORS REPORT TO SHAREHOLDERS

Respected Shareholders,

On behalf of the Board of Directors of Petromax Refinery Ltd (PRL) I would like to extend my warm greetings and welcome you all to the 14th Annual General Meeting of the Company. Being authorized by the Board of Directors, I am hereby submitting the Audited Financial Statements for the year then ended June 30, 2019.

This Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994.

2.1 Economy at a Glance

Over the last almost one decade the Economy of Bangladesh has been showing a consistent growth of over six percent in terms of GDP. According to several sources, the Economy is going to register a GDP of staggering 8.00% for the period of 2019-20 which is an all-time record.

Foreign Exchange Reserve has reached a record USD 31.71 Billion and GDP Per capita has reached at USD 1203 showcasing unprecedented growth.

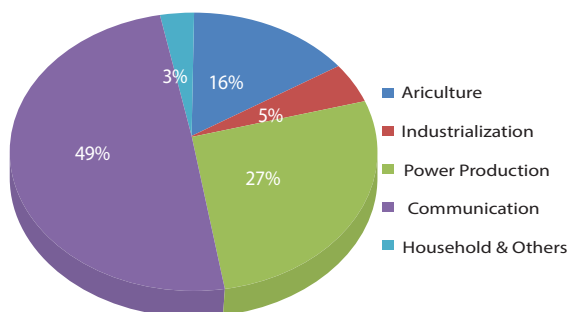
2.2 Petrochemical Sector Scenario of Bangladesh

Business of Petrochemical sector has been lone prerogative of Government of Bangladesh since the inception of the Country. Bangladesh Petroleum Corporation (BPC) a statutory corporation under an ordinance effective from the year 1977 has been given with the only right of Petroleum Import, Collection, Production and Distribution. Government is realizing the matter that, sustainable development can only be possible by ensuring participation of both private and public sector.

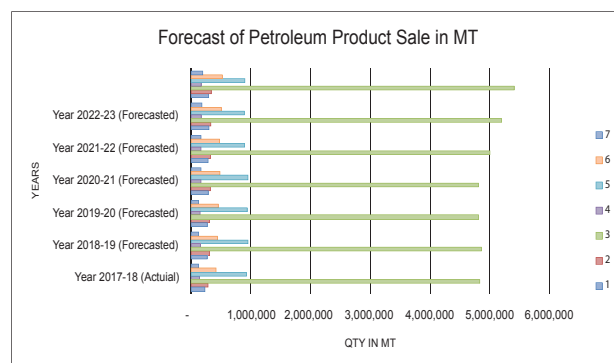
Energy is the driving force of economic development. Each dollar investment in energy will return in manifolds to all branches of economy which includes Agriculture, Industrialization, Power Production, Communication, Households and so forth.

For the period of 2017-18 total consumption of petroleum product was 69.48 Lac MT out of which more than 49% was consumed by communication and power production sector.

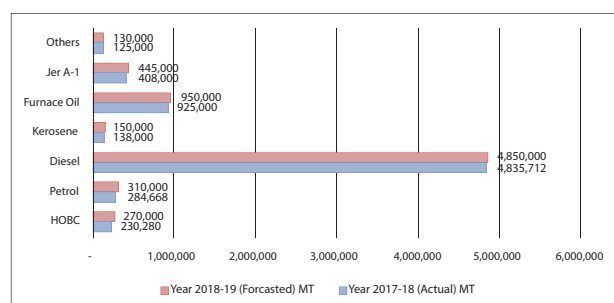
Sector wise use of Fuel Oil 2016-17



Around 55.42 Lac MT refined oil are imported from abroad and the rest 14.06 Lac MT are being refined within the country by BPC's subsidiary company Eastern Refinery Ltd (ERL) and other Private Fractionation Plants operating within the framework of BERC and MPEMR. The distribution channel is maintained by three state run oil companies PADMA, MEGHNA and JAMUNA through 23 Countrywide Depots. Around 90% of the total petroleum product are distributed through riverine channels using 191 Tanker vessels, rest 10% are being distributed through Railway and Road.



According to the estimates of Bangladesh Petroleum Corporation (BPC), till the year 2020-21 the total size of the market will be around 70.25 Lac MT.



Current oil consumption portfolio shows the dominant use of Diesel. Almost 69.60% of total oil consumption is covered by Diesel use most of which are imported from overseas market. Existing storage capacity for Petroleum product is somewhere between 12 Lac MT in aggregate of both floating and fixed storage capacity.

The sector enjoys subsidies from the Government for a long time. Recent fall of price in petroleum products throughout the world market, has reveal the opportunity for the state owned oil companies to recover huge accumulated loss by making some profit.

Major challenge of the industry remains with pilferages in different stages of refining, collection and distributing throughout the country. The limited storage capacity is also an issue for optimum use of distribution channels and more extension of Refining Capacity.

Business Activities Including Its Operating Performance

During the year under report, your company has managed to generate a revenue of Tk. 5,606.66 Million as compared to Tk. 6,037.03 Million in FY 2017-18 which is -7.13% lower.

Particulars	FY 2018-19	FY 2017-18
Capacity (In liter Per day)	3,97,500	3,97,500
Capacity Utilization (%)	69.15	74.75
Revenue (In Million Taka)	5,606.66	6,037.03
Gross Profit (In Million Taka)	584.03	943.48
Profit from Operation (In Million Taka)	474.72	802.20
Profit Before Tax (In Million Taka)	175.85	516.11
Profit After Tax (In Million Taka)	130.58	413.13
Gross Profit Margin (%)	10.42	15.63
Operating Profit Margin (%)	8.47	13.29
Net Profit Margin (%)	2.33	6.84

To ensure the availability of NGC (Natural Gas Condensate) which is the only feedstock of the plant; there is an agreement between Rupantarita Prakritik Gas Company Ltd (RPGCL) and Your Company for the allocation of 30,000 MT NGC signed and executed on October 01, 2019 for next three months which will expire on December 31, 2019.

For delivery of Finished Oil in different Depots throughout the country operated by PADMA, MEGHNA and JAMUNA Oil Company Ltd, your company is maintaining a fleet of tanker vessel consists of 3 number of Vessels (1000 MT x 3). Apart from that your company is also maintaining a fixed storage capacity of approximately 2300 MT in 12 Tanks installed within the premises of the plant area.

Segment Wise Performance

Your company retains the higher ratio of production and sale of HOBC being the higher margin product as per the latest price gazette of the government. Production of HOBC was increased by 8% to harness on the higher margin benefit as per government price.

Taka in Million				
Product	Year 2017-18	%	Year 2018-19	%
HOBC	4,684.08	78%	4,794.46	86%
Petrol	256.73	4%	149.43	3%
Diesel	758.89	13%	444.57	8%
Kerosene	337.34	6%	218.20	4%
Others	-	0%	-	0%
Total	6,037.04	100%	5,606.66	100%

Contribution to the National Exchequer

Seamless supply of energy is a prerequisite for the development of economy. Your company is contributing to the economic growth by supplying energy products in the market. For FY2018-19 your company has added a total of Tk. 45.27 Million as Income Tax and Tk. 840.99 Million in the form of VAT.

Extra-Ordinary Gain or Loss

Bank interest and wastage sale can be termed as Extra-Ordinary Gain which may fluctuate time to time.

Related Party Transaction

The related party transactions have been taken place on arm's length basis during the year have been disclosed in the financial statements.

Utilization of Proceeds from Public Issues, Rights Issues and/or Through Any Other Instrument

There was no such issues.

Remuneration of Directors

Remuneration, performance and other related perquisites/benefits of managing director is disclosed other directors are not entitled to remuneration and other facilities for their directorship except the Board Meeting Fee.

Corporate and Financial Reporting Framework

As per law the financial statements of your Company has followed International Financial Reporting Standards (IFRS) as adopted by ICAB as International Financial Reporting Standards (IFRS). This has been completely followed to fairly present the financial position and performance of the Company. While preparing the financial statements, the following points were considered –

- Selection of suitable accounting policies and then applying them consistently,
- Making judgments and estimates that are reasonable and prudent,
- Ensuring that the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS),
- Preparing the financial statements in an ongoing concern basis unless it is appropriate to presume that the Company will not continue in business. Proper accounting records have been kept so that at any given point the financial position of the Company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities.

Financial Results and Performance of the Company

Taka in Million					
Particulars	2018 (in Million Taka)	% on Sales	2019 (in Million Taka)	% on Sales	% Change
Revenue	6,037.03		5,606.66		-7.13%
Cost of Sales	5,093.55	84.37%	5,022.63	89.58%	-1.39%
Gross Profit	943.48	15.63%	584.03	10.42%	-38.10%
Other Income Net	27.80	0.46%	28.37	0.51%	2.05%
General and Administrative Expenses	141.27	2.34%	109.31	1.95%	-22.62%
Operating Profit	802.21	13.29%	474.72	8.47%	-40.82%
Finance Costs Net	288.08	4.77%	318.45	5.68%	10.54%
WPPF	25.80	0.43%	8.79	0.16%	-65.92%
Net Profit Before Income Tax	516.11	8.09%	175.85	2.63%	-69.80%
Income Tax	102.98	1.71%	45.27	0.81%	-56.04%
Net Profit After Income Tax	413.15	6.84%	130.58	2.33%	-68.39%

Significant Variance of Financial Statements & Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

Gross revenue has decreased by around -7.13% due to under capacity production and Cost of Sales was also decreased in the same ratio and the company lose -38.10% on Gross Margin. General and Administrative expenses has also fell 22.62%, due to increase in sales and distribution expenses. 10.54% increase in Net Finance Cost can be attributed to increase in interest on working capital finance.

As you know, your company is enjoying Tax Holiday from the

date of commercial operation. Therefore, in the earlier years there is lesser provision of Income Tax. During the year under report, Income Tax expenses fall by -56.04% due to lesser income.

Profit Appropriation

During the year under report the net profit of your company stands at Tk. 130.58 Million as compared to Tk.413.15 Million in the last year. However, the Company needs availability of funds for continuous progress and investments in new projects. Keeping these in view, the Directors would like to report the Company's financial results for the year that ended on June 30, 2019 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2019	130.58
Profit brought Forward	963.78
Less: Tax Holiday Reserve	(52.23)
Profit available for appropriation	911.54
Appropriations:	
Proposed Stock and Cash Dividend	100.00
Transferred to Retained Earning	811.54
Profit available for appropriation	911.54

Dividend

Your company has just started commercial operation from October 2013. Due to lack of raw material, the Company is passing through a toughest phase of operation since its commercial operation. Therefore the management decided for 10% cash dividend for the year under report and keep strict observation on the operation of the project.

Dividend Type	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15
Cash Dividend (%)	10%	25%	20%	15%	0%
Stock Dividend (%)	0%	0%	0%	0%	0%
Total	0%	25%	20%	15%	0%

Directors' Meeting & Attendance

During the year ended June 30, 2019 The Board of Directors held 4 meetings. Directors who attended the board meetings are shown below

Name of Directors	Attended
Mr. Rezakul Haider	4
Mr. Feroz Alam	4
Mr. Anis Salahuddin Ahmad	4
Mr. A.K.M Badiul Alam	4
Mr. Shamsuzzaman	4
Mr. Faridul Alam	4
Mr. Golam Nabi FCA	4

The directors who could not attend the meetings were granted leave of absence.

The Pattern of Shareholding

Pattern of Shareholding as on June 30, 2019

Name of Shareholders	Status	Relation	Share Held	Percentage (%)
i) Parent/Subsidiary/Associated Companies and other related parties	-	-	-	-
Shahjibazar Power Co. Ltd.	Public Listed Company	Parent	90,000,000	90%
ii) Directors				
A. Mr. Rezakul Haider	Chairman	1,700,000	1.70%	
B. Mr. Feroz Alam	Managing Director	1,800,000	1.80%	
C. Mr. Anis Salahuddin Ahmad	Director	1,000,000	1.00%	
D. Mr. A.K.M. Badiul Alam	Director	1,000,000	1.00%	
E. Mr. Md. Shamsuzzaman	Director	1,500,000	1.50%	
F. Ms. Shahida Alam	Sponsor	Spouse of Mr. A.K.M. Badiul Alam	500,000	0.50%
G. Mr. Akbor Haider	Sponsor	Son of Mr. Rezakul Haider	500,000	0.50%
H. Mr. Faridul Alam	Director	Son of Mr. Feroz Alam	500,000	0.50%
I. Mr. Faisal Alam	Sponsor	Son of Mr. Feroz Alam	500,000	0.50%
J. Mr. Asgar Haider	Sponsor	Son of Mr. Rezakul Haider	500,000	0.50%
K. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	500,000	0.50%
M. Mr. Golam Nabi FCA	Nominee Director	-	Nil	Nil
v. Shareholders Holding 10% or more voting interest in the company:	-	-	-	-
Shahjibazar Power Co. Ltd.	Public Listed Company	Parent	90,000,000	90%

Directors' election & re-appointment

As per Articles of Association Mr. A.K.M Badiul Alam and Mr. Md. Shamsuzzaman shall retire in 14th Annual General Meeting by rotation and being eligible to offer themselves for re-election.

Holding Of Directorship and Membership of the Committees of the Board Other Than This Company

Companies >>	Petromax Refinery Ltd.	Midland Power Company Ltd.	Comit Composite Knit Ltd.	Youth Fashion Ltd.	Chowdhury Apparels (Pvt.) Ltd.	Islamic Finance & Investment Ltd.	Garments Export Village Ltd.	Gray Stone Sweater Ltd.	Power Vantage Wear Ltd.	Shirts Mine Ltd.	Apparel Marketing & Trading Network Ltd.	Orbital Accessories Ltd.	Eden Multi Care Hospital (Pvt.) Ltd.	Orient Chem-Tex Ltd.	Micro Fiber Ltd.	Liberty Knitwear Ltd.	Midland Knitwear Ltd.	A-One Polar Ltd.	Midland Bank Limited
Name of Directors																			
Mr. Rezakul Haider	√	√	√	√	√	√													
Mr. Feroz Alam	√	√	√	√	√	√													
Mr. Anis Salahuddin Ahmad	√	√																	
Mr. A.K.M Badiul Alam	√						√	√	√	√	√	√							√
Mr. Shamsuzzaman	√													√	√	√	√	√	√
Mr. Faridul Alam	√	√	√																

Auditors

Being eligible as per section 212 of Company Act 1994, the re-appointment of Aziz Halim Khair Chowdhury Chartered Accountants shall be presented at the 14th AGM for member's approval.

Business Risk & Uncertainties

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Your company operates in a field of involving some internal/external risk factors and some of those are avertible; others are beyond control, which may be causes of loss. The management of Petromax Refinery Limited perceives the risk factors which are as follows simultaneously:

Private sector oil refinery businesses are very highly exposed to the risk of government policy change. As we all know, like other countries, energy security of the country is the sole jurisdiction of Ministry of Power, Energy and Mineral Resources (MPEMR). During the year under report your company has to struggle for adjustment of price administered by regulatory authority.

Interest/financial charges are paid against any kind of borrowed fund. Volatility in money market and increased demand for loan process interest rate structure to be fixed at high. Raising of interest rate increases the cost of fund for a company, which has borrowed fund, consequently profit is squeezed.

The management of the company is always aware of interest rate, which is connected to the cost of fund of the Company. The Management prefers procuring the long-term fund with minimum fixed interest rate and the short term fund with reasonable competitive rate. On the other hand management of the company is emphasizing equity based financing.

Technology always plays a vital role for existence of any industrial concern. Innovation of new and cost effective technology may obsolescence existent technology, which may cause negative impact. The project is equipped with world's modern and latest machineries and technology and to cope with the pace in harmony with modern power sector, the company is continuing modernization program of its machinery.

Apart from the above your company operates under companies act, taxation policy adopted by NBR, Security and Exchange Commission's rule and rules adopted by other regulatory organizations. Any abrupt changes of the policies formed by those bodies will impact the business of the Company.

adversely. Unless adverse policies are taken, which may materially affect the industry as a whole; the business of the company will not be effected.

Government emphasizes participation of private sector in energy business. A large amount of foreign currency reserve are spent for importing raw as well as refined oil. A well-organized policy of international standard is still lacking this sector. Sponsors are in process of convincing the authority to formulate a standard policy by infusing favorable terms for private sector investors.

The performance of the Company may be affected by the political and economic instability both in Bangladesh and Global Market. Any instance of political turmoil and disturbance in the country may adversely affect the power production of the company and can adversely impact the profitability of the company.

Going Concern

While approving the financial statements, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the Company adopted the going concern basis in preparing these financial statements.

Corporate Governance

Corporate Governance is the system through which companies are directed, guided and controlled by the Board while keeping in view its accountability to the shareholders. Your Company strives to maintain full compliance with the laws, rules and regulations that govern our business and to uphold the highest standards. Since corporate governance is not a static process, we will always continue to improve our practices.

Human Resource Management

Your company recognizes that people are the most important resource and key to success of any organization. To develop and equip the employees with key skills, the company places great emphasis on the development of its people and hence regular courses and workshops are arranged at regular interval for their training and updating knowledge on the respective functional areas.

Acknowledgement

Through the undersigned, the Board of Directors (BOD) would like to extend their sincerest thanks to the shareholders for their continuous support and trust upon the business of the Company.

The board would further like to extend their graceful appreciation for the assistance and co-operation received from Bangladesh Petroleum Corporation (BPC), Petro Bangla, Rupantarita Prakritic Gas Compay Ltd (RPGCL), Registrar of Joint Stock

Companies & Firms, and various government authorities, individual and agencies.

The Board of Directors would like to acknowledge the effort of its employees to the Business of the Company. Their commitment, passion and teamwork towards the dream of the Company

has helped to stand the company where it is today. Looking forward for a better future and sustainable growth.

For and On Behalf of the Board



Rezakul Haider
Chairman



INDEPENDENT AUDITOR'S REPORT To the Shareholders of Petromax Refinery Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Petromax Refinery Ltd. which comprise the statement of financial position as at 30 June 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements, section of our report. We are independent of the Company in accordance with the ethical requirement that is relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of the financial statements that gives a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

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

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

Dhaka
15 October, 2019


Aziz Halim Khair Choudhury
Chartered Accountants

Petromax Refinery Limited
Statement of Financial Position

As at June 30, 2019

	Notes	June 30, 2019	June 30, 2018
Assets			
Non-Current Assets		3,278,686,112	3,479,614,676
Property, Plant and Equipment	4.00	2,851,245,800	3,073,992,438
Intangible Assets	5.00	466,483	606,135
Other Investment	6.00	426,973,829	405,016,103
Current Assets		2,850,167,916	2,982,571,008
Inventories	7.00	935,002,967	1,005,847,888
Account Receivables	8.00	997,332,211	1,137,484,722
Advances, Deposits and Prepayments	9.00	804,234,809	743,557,033
Financial Assets at fair value through profit or loss	10.00	20,367,330	20,201,919
Goods in transit	11.00	49,437,374	68,892,499
Cash and Cash Equivalents	12.00	43,793,225	6,586,948
Total Assets		6,128,854,028	6,462,185,684
Shareholders Equity and Liabilities			
Shareholder's Equity		2,899,861,786	2,969,279,320
Share Capital	13.00	1,000,000,000	1,000,000,000
Tax Holiday Reserve	14.00	988,312,149	936,079,162
Retained Earnings	15.00	911,549,637	1,033,200,157
Non-Current Liabilities		-	28,100,617
Loan other than Bank and Financial Institutions	16.00	-	89,364
Long Term Loan-Net off Current Maturity	17.00	-	28,011,253
Current Liabilities		3,228,992,242	3,464,805,747
Account Payables	18.00	5,915,714	8,998,671
Other Payables	19.00	18,409,425	29,490,286
L/C Liabilities	20.00	3,531,642	7,667,947
Short Term Loan	21.00	3,185,514,558	3,391,863,000
Long Term Loan-Current Maturity	22.00	-	12,502,326
Liabilities for Expenses	23.00	15,620,904	14,283,517
Total Liabilities		3,228,992,242	3,492,906,364
Total Shareholders Equity and Liabilities		6,128,854,028	6,462,185,684
Net Assets Value Per Share (NAV)		29.00	29.69
Number of Shares used to compute NAV		100,000,000	100,000,000

The accompanying notes 1 to 34 form an integral part of these financial statements.


Managing Director


Director


Chairman

Dhaka
15 October 2019


Aziz Halim Khair Choudhury
Chartered Accountants

Petromax Refinery Limited
Statement of Profit or Loss and other Comprehensive Income
 For the Year Ended June 30, 2019

	Notes	For the Year Ended	
		July' 2018 to June'2019	July' 2017 to June'2018
Revenue	24.00	5,606,657,287	6,037,037,045
Cost of Sales	25.00	5,022,628,076	5,093,554,853
Gross Profit		584,029,210	943,482,192
General and Admin. Expenses	26.00	109,307,692	141,274,236
Profit/(Loss) from Operation		474,721,519	802,207,956
Non-Operating Income	28.00	28,368,548	27,800,795
Financial Expenses	27.00	318,445,214	288,083,427
Worker's Profit Participation Fund (WPPF)	29.00	8,792,612	25,805,968
Net Profit/(Loss) Before Tax		175,852,240	516,119,356
Current Tax	30.00	45,269,774	102,983,782
Net Profit/(Loss) After Tax		130,582,466	413,135,574
Other Comprehensive Income		-	-
Total Comprehensive Income		130,582,466	413,135,574
Earnings Per Share (EPS)	31.00	1.31	4.13
Number of Shares used to compute EPS		100,000,000	100,000,000

The accompanying notes 1 to 34 form an integral part of these financial statements.


Managing Director


Director


Chairman

Dhaka
 15 October 2019


Aziz Halim Khair Choudhury
 Chartered Accountants

Petromax Refinery Limited
Statement of Changes in Equity
 For the Year Ended June 30, 2019

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as at July 01, 2018	1,000,000,000	936,079,162	1,033,200,157	2,969,279,320
Dividend Payment	-	-	(200,000,000)	(200,000,000)
Net profit for the period	-	-	130,582,466	130,582,466
Tax Holiday Reserve	-	52,232,986	(52,232,986)	-
Balance as at June 30, 2019	1,000,000,000	988,312,149	911,549,637	2,899,861,786

Statement of Changes in Equity
 For the Year ended June 30, 2018

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as at July 01, 2017	1,000,000,000	770,824,933	985,318,813	2,756,143,746
Net profit for the period	-	-	413,135,574	413,135,574
Transfer for the period	-	165,254,230	(165,254,230)	-
Dividend Payment	-	-	(200,000,000)	(200,000,000)
Balance as at June 30, 2018	1,000,000,000	936,079,163	1,033,200,157	2,969,279,320

The accompanying notes 1 to 34 form an integral part of these financial statements.


Managing Director


Director


Chairman

Dhaka
 15 October 2019


Aziz Halim Khair Choudhury
 Chartered Accountants

Petromax Refinery Limited

Statement of Cash Flows

For the year ended June 30, 2019

	June 30, 2019	June 30, 2018
Cash Flows from Operating Activities		
Cash receipt from customers	5,746,809,798	5,585,702,393
Cash paid to suppliers, service providers and employees	(4,721,066,018)	(5,257,106,888)
Cash (used)/Generated from operations	(290,179,043)	(130,094,093)
Tax (Paid)/Deducted	(45,269,774)	(102,983,782)
Cash paid Worker's Profit Participation Fund (WPPF)	(20,000,000)	-
Cash received from Non-Operating Activities	28,368,548	27,800,795
Financial Charges	(318,445,214)	(288,083,427)
Net Cash Provided/(Used) from Operating Activities	380,218,296	(164,765,002)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(19,483,007)	(94,533,678)
Sales of property, plant and equipment	12,380,100	6,282,046
Deposit against Bank Guarantee	-	(63,039,462)
Other Investment	(21,957,726)	(405,016,103)
Investment in quoted Securities	-	15,918,559
Net Cash Provided/(Used) in Investing Activities	(29,060,633)	(540,388,637)
Cash Flows from Financing Activities		
Loan other than Bank and Financial Institutions	(89,364)	(12,410,636)
Short term Loan	(206,348,442)	584,193,057
Dividend Paid	(200,000,000)	(200,000,000)
Loan and Advance (Shahjibazar Power Co. Ltd. (Parent Co.))	133,000,000	-
Long Term Loan	(40,513,579)	(122,713,350)
Net Cash Provided/(Used) in Financing Activities	(313,951,386)	249,069,071
Net cash increased/(decreased) during the period	37,206,277	(456,084,568)
Cash and Cash Equivalent as at July 01, 2018	6,586,948	462,671,516
Cash and Cash Equivalent as at June 30, 2019	43,793,225	6,586,948

The accompanying notes 1 to 34 form an integral part of these financial statements.


Managing Director


Director


Chairman

Dhaka
 15 October 2019


Aziz Halim Khair Choudhury
 Chartered Accountants

Petromax Refinery Limited Notes to the Accounts As at and for the year ended 30 June 2019

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

1.00 Status of the Reporting Entity

1.01 Legal form of the Company

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.

1.02 Registered office

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.

1.03 Nature of business activities

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

2.00 Basis of Preparation and Presentation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared and the disclosures of information are made in accordance with the requirements of International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS) as much as practicable. The statement of financial position and statement of comprehensive income have been prepared according to IAS 1 Presentation of Financial Statements on accrual basis of accounting and statement of cash flows is prepared according to "IAS 7 Statement of Cash Flows".

2.02 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulation in addition to the Companies Act 1994:

The Income Tax Ordinance 1984
 The Income Tax Rules 1984
 The Value Added Tax Act 1991
 The Value Added Tax Rules 1991
 The Customs Act 1969
 Bangladesh Labor Law 2006
 Securities and Exchange Rules 1987
 Other applicable regulations

2.03 Application of Standards

The following IASs and IFRSs are applicable for the financial statements for the year under review.

IAS	1	Presentation of Financial Statements
IAS	2	Inventories
IAS	7	Statement of Cash Flows
IAS	8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS	10	Events after the Reporting Period
IAS	12	Income Taxes
IAS	16	Property, Plant and Equipment
IAS	18	Revenue
IAS	19	Employee Benefits
IAS	21	The Effects of Changes in Foreign Exchange Rates
IAS	23	Borrowing Costs
IAS	24	Related Party Disclosures
IAS	33	Earnings Per Share
IAS	37	Provisions, Contingent Liabilities and Contingent Assets
IAS	38	Intangible Assets
IFRS	9	Financial Instruments

2.04 Going Concern Assumption

The company has adequate resources to continue its operation for the foreseeable future and the Directors are of the opinion that the Company is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

2.05 Measurement bases used in preparing the Financial Statements

The elements of financial statements have been measured on "Historical Cost" convention except for those which is measured under revaluation model including land, financial instrument, biological assets etc. which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

2.06 Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

2.07 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 these estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are reflected in measuring fair value of Land and Building, calculation of deferred tax liabilities and any other head as appropriate.

2.08 Comparative Information

Comparative information has been disclosed in respect of the year ended 30 June 2018 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Certain figures for the year ended 30 June 2018 have been rearranged wherever considered necessary, to ensure better comparability with the current year's financial and to comply with relevant IAS.

2.09 Accounting Convention and Basis

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, financial assets and financial liabilities (including derivative financial instruments at fair value through profit or loss) and certain biological assets. The financial statement also followed by 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.

2.10 Functional and presentational currency and level of precision

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

2.11 Authorization for issue

The financial statements have been authorized by the Board of Directors on 27 October, 2019.

2.12 Reporting period

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

2.13 Components of the Financial Statements

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

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

3.00 Summary of Significant Accounting Policies

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

3.01 Property, Plant and Equipment

3.1.1 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 IAS-16: Property, Plant and Equipment.

3.1.2 Subsequent Cost

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 statement of comprehensive income as incurred.

3.1.3 Disposal of Non-Current 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.

3.1.4 Depreciation on Non-Current Assets

Depreciation is recognized in the statement of comprehensive Income on a reducing Balance method in accordance with the provisions of IAS 16: Property, Plant and Equipment.

Depreciation is charged on PPE in the following quarter of the procurement because procured assets takes on an average 2 to 3 months for ready to use.

3.1.5 Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized are also included in applicable borrowing cost considering the requirement of IAS-23: Borrowing Costs.

3.1.6 Impairment of Assets

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss and other comprehensive income.

3.02 Intangible Assets

Intangible assets are measured at cost less accumulated amortization and recognized when all the conditions for recognition as per IAS-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 Company and its cost can be measured reliably. Intangible assets are amortized at the rate of fifteen percent of cost per year.

3.03 Inventories

Inventories are valued in accordance with IAS-2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion and selling. When the inventories are used, the carrying amount of those inventories is recognized in the period in which the related revenue is recognized.

3.04 Trade Receivable (Book Debt)

Book debts are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the period-end.

3.05 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. 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.

3.06 Foreign Exchange

Transactions in foreign currencies are translated at the average rate of the month. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Bangladeshi Taka at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the income statement in accordance with IAS 21 "The effects of Changes in Foreign Currency Rates."

3.07 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.

3.08 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.

3.09 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.

3.10 Taxation

3.10.1 Current Tax

No provision is required for current income tax on the company's operating profit because Petromax Refinery Limited has been enjoying tax holiday for 7 years from the date of October 25, 2013 to October 24, 2020 and the rate of tax holiday for the year are 40% and 25%. Moreover, tax on remaining 60% and 75% of income had duly been calculated and adjusted with the Tax deducted at source. Again, Tax on Non-operating income has been calculated properly and provision made accordingly.

3.10.2 Deferred Tax

As Petromax Refinery Limited has been enjoying Tax holiday for 7 years under income Tax Ordinance 1984 (XXXVI of 1984) section 46B, there is no effect regarding deferred taxation to increase or decrease the current tax liability.

3.11 Creditors and Accrued Expenses

3.11.1 Trade and Other Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

3.11.2 Provisions

The preparation of financial statements in conformity with IAS-37:Provisions, Contingent Liabilities and Contingent Assets, requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by IAS-37, provisions were recognized in the following situations:

- When the Company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

We have shown the provisions in the statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision, represents the best estimate of the probable expenditure required to fulfill the current obligation on the date of statement of financial position.

Other provisions are valued in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

3.12 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS-37, provision, contingent liabilities and contingent assets those are disclosed in the notes to the financial statements.

3.13 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity.

3.14 Cash flows statement

Cash Flow Statement is prepared in accordance with IAS 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 IAS-7, which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method".

3.15 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 ICAB.

3.16 Risk and uncertainties for the use of estimates in preparing financial statements

Preparation of Financial Statements in conformity with the International 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.

3.17 Earnings Per Share (EPS)

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

3.17.1 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.

3.17.2 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.

3.17.3 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.

3.18 Worker's Profit Participation Fund

The company has created Worker's Profit Participation Fund (WPPF) @ of 5% on Net Profit before Tax in accordance with Chapter XV of Labor Law 2006 as amended in 2013.

3.19 Related Party Transaction

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 IAS 24.

4.00 Property, Plant & Equipment

Cost

Opening Balance

Addition During The Year

Less: Disposal During The Year

Cost at June 30, 2019

Accumulated Depreciation

As at July 01, 2018

Charged during the Year

Less: Disposal During The Year

At June 30, 2019

Written Down Value at June 30, 2019

Amount in BDT	
June 30, 2019	June 30, 2018
4,119,497,807	4,040,320,864
19,483,007	94,533,678
(22,390,998)	(15,356,735)
4,116,589,816	4,119,497,807
1,045,505,369	815,478,650
225,850,860	235,414,308
(6,012,214)	(5,387,589)
1,265,344,016	1,045,505,369
2,851,245,800	3,073,992,438

All assets are freehold to the company and there is no leasehold property presented in the head "Property, Plant & Equipment".

For details please refer to Annexure A

5.00 Intangible Assets

Cost

Opening Balance

Addition During the Period

Closing Balance

Amortization

Opening Balance

Amortization During the Period

Closing Balance

Written Down Value

931,000	931,000
-	-
931,000	931,000
324,866	185,214
139,652	139,652
464,517	324,866
466,483	606,135

Intangible assets are amortizing @ 15% on cost as per the Company's policy.

6.00 Other Investment

Fixed Deposit Receipt

Islami Bank Bangladesh Limited (A/C No. 3074816)

Islami Bank Bangladesh Limited (A/C No. 3142812)

Islami Bank Bangladesh Limited (A/C No. 3217512)

Islami Bank Bangladesh Limited (A/C No. 333674)

Exim Bank Limited (MTDR A/C No:272671)

266,766,263	254,661,726
127,219,736	119,372,685
25,616,854	24,026,053
5,137,275	4,845,388
2,233,701	2,110,251
426,973,829	405,016,103

7.00 Inventories

Raw materials(Condensate)

Work-in-progress

Finished Goods

General Stores

512,852,993	532,839,581
4,450,530	4,514,025
380,605,438	433,761,060
37,094,006	34,733,222
935,002,967	1,005,847,888

Amount in BDT	
June 30, 2019	June 30, 2018

8.00 Account Receivables

Bangladesh Petroleum Corporation
Jamuna Spaceteck Joint Venture Ltd.
Interest Receivable

993,090,605	1,133,166,129
63,389	63,389
4,178,216	4,255,203
997,332,211	1,137,484,722

Out of total receivable of the Company an amount of Taka : 24,59,98,869.03 is under the process of settlement with BPC. Since 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.

Age Analysis of Accounts Receivables

Less than One Year
More than One Year

722,274,395	862,426,906
275,057,816	275,057,816
997,332,211	1,137,484,722

9.00 Advances, Deposits and Prepayments

Advances
Deposits
Prepayments

740,183,352	679,505,576
64,051,457	64,051,457
-	-
804,234,809	743,557,033

Advance

Advance to Different Suppliers
Advance for Operational Activities
AIT (Advance Income Tax)
VAT Current A/C
Interest Charges in Advance by IBBL for MTR Loan
Advance to Shahjibazar Power Co. Ltd. (Parent Co.)

9.01
9.02
9.03

345,631,836	254,829,312
4,762,832	2,371,550
115,890,149	40,592,194
15,428,679	22,290,583
173,469,857	141,421,937
85,000,000	218,000,000
740,183,352	679,505,576

9.01 Advance to Different Suppliers

Alam Tyre's & Battery
Bhai Bhai Refrigeration
Inspace Atelier
Index Power & Energy Ltd.
H.R.S Trading Corporation
LAUGFS Gas (Bangladesh) Ltd.
Linde Bangladesh Ltd.
Mirzapur Green City
MJL Bangladesh Ltd.
Omera Petroleum Ltd.
Petromax LPG Ltd.
Petromax Cylinders Ltd.
Midland East Power Ltd.
Youth Garments Ltd. (Khulna- C & F Division)
Rupantarita Praktik Gas Company Ltd.
EBL Investments Limited
South Asian Airlines Limited
Advance Insurance Premium

69,800	-
-	8,000
7,000,000	7,000,000
-	52,626
-	32,700
-	19,085
-	273,589
27,000	80,000
630	13,520
-	26,355
11,109	27,401,669
1,702,378	1,290
178,961,170	-
12,750	-
152,193,656	215,438,022
500,000	-
500,000	-
4,653,343	4,482,457
345,631,836	254,829,312

9.02 Advance for Operational Activities

Arafatuzzaman	
Al Amin (Driver)	
Faridur Rahman	
Faruk (Peon)	
Kazi Mamun	
Hasan Imam Siddiki	
Lutfun Nahar	
Fazlu (Driver)	
Redwanul Bari	
Shahriar	
Shahidur Rahman	
Saydure Rahman	
Tariqul Islam	
Masud (Driver)	
Kamal (Driver)	
Salek (Driver)	
Tajul	
Raful Islam	
Zakirul	
Advance to Different Individual for Official Work	
Comfit Composite Knit Ltd.	

Deposits

Security Deposit with Pally Biddut Samitee
Security Deposit To MPA for Pipeline
Security Deposit against Bank Guarantee
Electricity Connection
BTRC Demand Note

9.03 AIT (Advance Income Tax)

AIT (Advance Income Tax)
Adjusted with current tax payable

Ageing Status of Advance, Deposit and Prepayments

Less than one year
More than one year

10.00 Financial Assets at Fair Value through Profit or Loss

AB Bank Ltd.
Active Fine Chemicals Limited
Aman Feed Ltd.
Appollo Ispat Complex Limited.
Asia Insurance Ltd. (ASIAINS)
Bay Leasing & Investment Ltd.
BBS Cables Ltd.
Bashundhara Paper Mills Ltd. (BPML)
Bangladesh Steel Re-Rolling Mills Limited
The City Bank Ltd.
CVO Petrochemical Refinery Limited

Amount in BDT	
June 30, 2019	June 30, 2018
-	9,696
5,000	6,739
432	518
-	200
34,500	-
1,560,000	2,000,000
202,000	-
-	6,000
320,000	200,000
1,585	1,585
3,005	-
7,745	30,851
54,809	66,029
1,147	-
5,068	10,507
6,765	15,227
-	12,000
6,096	5,000
2,965	7,198
2,211,117	2,371,550
2,551,715	-
4,762,832	2,371,550
35,616	35,616
938,979	938,979
63,039,462	63,039,462
20,840	20,840
16,560	16,560
64,051,457	64,051,457
161,159,924	143,575,976
45,269,774	102,983,782
115,890,149	40,592,194
762,999,799	639,852,361
41,235,010	40,646,008
804,234,809	743,557,033
814,000	967,200
-	252,000
-	1,108,800
269,654	462,000
122,000	-
1,921,500	2,152,500
2,948,670	1,386,240
1,200,200	-
2,916,826	1,401,400
796,887	917,280
1,024,304	1,332,752

Amount in BDT		
	June 30, 2019	June 30, 2018
Dhaka Electric Supply Company Limited	278,313	256,389
Dhaka Bank Ltd.	1,428,000	-
Dutch-Bangla Bank Limited	94,738	607,000
EXIM Bank Limited	847,500	696,150
Far Chemicals Industries Ltd.	157,300	173,800
GPH Ispat Ltd.	398,475	385,350
IFIC Bank Limited	352,352	391,160
Jamuna Bank Limited	-	1,472,979
Lafarge Holcim Bangladesh Limited	397,000	564,000
Nahee Aluminum Composite Panel Ltd.	813,890	604,500
Nurani Dyeing & Sweater Ltd. (NURANI)	294,100	-
National Polymar Industries Ltd.	-	1,955,923
One Bank Limited	1,097,250	866,250
Premier Leasing & Finance Ltd .	190,618	213,465
RAK Ceramics (Bangladesh) Limited	224,939	260,150
Union Capital Ltd.	901,288	1,023,750
Uttara Bank Ltd.	877,526	750,880
	20,367,330	20,201,919
11.00 Goods In Transit		
Goods In Transit- Condensate	45,905,732	61,224,552
Goods In Transit- Machinery/Parts	3,531,642	7,667,947
	49,437,374	68,892,499
12.00 Cash and Cash Equivalents		
Cash in Hand	109,621	88,111
Islami Bank Bangladesh Limited (A/C No:9766)	36,841,652	801,879
Bank Asia Limited (A/C No:333006320)	2	2
Exim Bank Limited (A/C No:125161)	8,427	401,877
Bank Asia Ltd. (A/C No:60533000478)	1,550	3,505
Prime Bank Ltd. (A/C No:2118117019682)	397,294	785,712
Standard Chartered Bank (A/C No.-01-1308664-01)	221,021	-
Islami Bank Bangladesh Limited (A/C No:46-IDB Br.)	4,798,854	1,529,844
Islami Bank Bangladesh Limited (L/C Margin)	370,774	379,050
Islami Bank Bangladesh Limited (A/C No:560)	1,032,186	2,572,680
Revolving A/C (Mongla Port Authority)	10,000	10,000
Ledger Balance of BO Account	1,845	14,288
	43,793,225	6,586,948
13.00 Share Capital		
Authorized Capital :		
300,000,000 shares @ Tk.10.00 each	3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up Capital		
10,00,00,000 shares @ Tk.10.00 each	1,000,000,000	1,000,000,000
Movement of Share Capital:		
Opening Balance	1,000,000,000	1,000,000,000
Allotment During the Period	-	-
	1,000,000,000	1,000,000,000

SHARE HOLDING POSITION:

Name of the Share Holder

Feroz Alam
 Rezakul Haider
 Anis Salahuddin Ahmad
 Akbor Haider
 Asgar Haider
 Faridul Alam
 Faisal Alam
 Shahida Alam
 Israt Azim Ahmad
 A.K.M.Badiul Alam
 Shamsuzzaman
 Shahjibazar Power Co. Ltd.

14.00 Tax Holiday Reserve

Balance as at July 01, 2018
 Addition during the Period
 Balance as at June 30, 2019

15.00 Retained Earnings

Balance as at July 01, 2018
 Less: Dividend
 Add: Net profit/(Loss) for the Period
 Less: Transferred to Tax Holiday Reserve
 Balance as at June 30, 2019

16.00 Loan Other Than Bank and Financial Institution

Comfit Composite Knit Ltd.

17.00 Long Term Loan - Net off Current Maturity

Islami Bank Bangladesh Ltd.

Amount in BDT	
June 30, 2019	June 30, 2018
No. of shares held	Percentage
1,800,000	1.80%
1,700,000	1.70%
1,000,000	1.00%
500,000	0.50%
500,000	0.50%
500,000	0.50%
500,000	0.50%
500,000	0.50%
500,000	0.50%
1,000,000	1.00%
1,500,000	1.50%
90,000,000	90.00%
100,000,000	100%
936,079,162	770,824,933
52,232,986	165,254,230
988,312,149	936,079,162
1,033,200,157	985,318,813
(200,000,000)	(200,000,000)
130,582,466	413,135,574
(52,232,986)	(165,254,230)
911,549,637	1,033,200,157
-	89,364
-	89,364
-	28,011,253
-	28,011,253

- The Company is paying installments against term loan as per schedule.
- The term loan are fully secured to IBBL- Local Office Branch, against registered mortgage on the following:
 - 711.50 Decimal project land at Industrial Plot No.- 15, Mongla Port, Bagherhat.
 - Project Building.
 - Machineries of the project.
- Personal Guarantee of all Directors of the company.

18.00 Account Payables

AKH Fashion Ltd.
Angelic Accessories
Alpana Tyre Corporation
Amber IT Limited
Bata Shoe Company Bangladesh Ltd.
Confidence Design & Construction (CDC) Ltd.
DHL Worldwide Express (Bangladesh) Pvt. Ltd.
Dhaka Metal & Machinery Stores
Clearing and forwarding agency
EMI Engineering Ltd.
F T Mill Store
Euro-Tex International
Integrated Design
Islami Insurance Bangladesh Ltd.
Lubricants Asia Ltd.
Linde Bangladesh Ltd.
Masum Trade International
Maisha Enterprise Ltd.
Monico Ltd.
Mayer Doa Tripal House
Offshore & marine Engineering Ltd.
Omera Petroleum Ltd.
Omni Solutions Ltd.
Rupali Insurance Co. Ltd.
Powerbreeze Electromech Services Ltd.
Pole-Star Engineering Co.
R & B International
RINA Bangladesh Ltd.
Reliance Engineering
Rizwan Transport Agency Ltd.
Science Museum
Smart Printing Solutions Ltd.
S.S. Computer Center-2
Youth Fashion Ltd.
Tanveer Marine Services
Trust Filling Station

Age Analysis of Accounts Payable

Less Than One Year
More Than One Year

Amount in BDT	
June 30, 2019	June 30, 2018
18,861	12,113
10,000	-
-	12,400
-	6,666
621	621
-	479,368
14,465	-
-	19,920
289,590	180,730
896,706	896,706
841	-
371,040	-
240,000	240,000
335,044	335,044
-	57,000
469,502	-
-	2,357,381
-	1,139,205
178,645	178,645
360	360
-	650,000
2,250	-
65,000	71,000
943,690	908,912
108,208	-
-	3,600
13,400	-
-	1,437,164
47,500	-
34,200	-
12,700	-
8,627	6,877
-	4,960
105,255	-
1,629,060	-
120,150	-
5,915,714	8,998,671
4,505,320	7,588,277
1,410,395	1,410,395
5,915,714	8,998,671
54,011	54,011
100,000	-
402,500	402,500
143	143
17,500,559	28,707,947
17,000	17,000

19.00 Other Payables

Sahara Trading
Shahjibazar Power Co. Ltd.
Audit Fee
Raaj Fuel Agency
Worker's Profit Participation Fund
Danlop Enterprise

Md. Asadullah
Md. Shoful Islam
Md. Arafat Hossain
Mr. Khair Ahmed
Asif Ahmed Chowdhury

20.00 L/C Liabilities

Islami Bank Bangladesh Ltd.

21.00 Short Term Loan

MTR Loan (Murabaha Term Loan-IBBL)
TR Loan (Time Loan-PBL)
OD Loan (Over Draft-PBL)

22.00 Long Term Loan - Current Maturity

Islami Bank Bangladesh Ltd.

23.00 Liabilities for Expenses

Remuneration
Salary & Allowance - H/O
Salary & Wages - Factory
Electricity Bill
Water Bill
Telephone Bill
Internet Bill
Security Service Charge-H/O

Amount in BDT	
June 30, 2019	June 30, 2018
90,125	180,250
81,146	-
85,952	64,681
24,200	-
53,790	63,755
18,409,425	29,490,286
3,531,642	7,667,947
3,531,642	7,667,947
2,692,255,266	1,960,416,562
492,906,000	1,378,392,000
353,292	53,054,438
3,185,514,558	3,391,863,000
-	12,502,326
-	12,502,326
500,000	300,000
1,330,101	1,661,411
9,731,086	8,791,020
4,021,125	3,406,337
-	51,734
2,222	4,353
10,500	13,513
25,871	55,149
15,620,904	14,283,517

24.00 Revenue

High Speed Diesel (HSD)
Superior Kerosene Oil (SKO)
Motor Spirit (MS)
High Octane Blending Component (HOBC)

25.00 Cost of Sales

Raw Materials Consumed
Factory Overhead

25.01 Raw Materials Consumed

Opening Stock
Purchased & Manufactured During the Period
Less: Closing Stock

Amount in BDT	
July 2018- June' 2019	July 2017- June' 2018
444,568,650	664,735,178
218,200,728	299,484,329
149,426,600	237,340,577
4,794,461,309	4,835,476,961
5,606,657,287	6,037,037,045
4,539,411,253	4,584,471,871
483,216,824	509,082,982
5,022,628,076	5,093,554,853
1,005,847,888	653,184,479
4,468,566,331	4,937,135,280
(935,002,967)	(1,005,847,888)
4,539,411,253	4,584,471,871

25.02 Factory Overhead

	June 30, 2019	June 30, 2018
Insurance Premium	16,438,468	16,350,695
Rent & Rates	23,732,279	42,510,612
Electricity, Gas & Water	45,740,047	44,711,473
Wages, Salary & Allowance - Factory	128,740,532	112,705,763
Repair & Maintenance - Factory	42,435,703	56,908,615
Tiffin & Refreshment - Factory	1,612,576	1,429,465
Medical Expenses	951,262	23,270
Government Taxes & License Fee	812,591	1,262,086
Office Expenses-Factory	596,711	617,890
Uniform & Liveries	27,589	417,404
Lab Test Fees	153,284	272,801
LPG for Operation	3,244,370	4,108,654
Labour Bill	45,820	106,090
Safety Items Expenses	305,086	391,400
Exchange (Gain)/Loss	-	118,976
Depreciation	218,380,506	227,147,788
	483,216,824	509,082,982

26.00 General and Administrative Expenses

Rent & Rates	2,075,748	2,216,020
Carriage Outward	1,189,709	1,697,177
Repair & Maintenance	585,104	979,650
Vehicles Running & Maintenance	3,231,146	3,513,710
Tiffin & Refreshment	4,152,226	3,771,459
Fees & Subscription	5,485,425	11,920,470
Postage, Telephone, Fax & Telex	483,819	548,840
Govt. Taxes, Stamp Duty & License Fee	1,686,195	1,319,243
Advertisement Expenses	15,124	130,692
Audit Fees	402,500	402,500
Insurance Premium of Helicopter	1,657,920	1,477,702
BO Account Charge	550	550
Electricity Bill- Office	141,801	11,179
Internet Bill	71,260	73,387
Survey Bill	338,017	160,816
Traning & Development	273,126	200,110
Stationary	551,814	503,506
Overseas Travelling	462,000	988,360
Remuneration	4,800,000	6,600,000
Papers, Books & Periodicals	8,339	11,225
Selling & Distribution Expenses	36,469,992	53,562,981
Salary & Allowance	18,613,379	21,653,789
Security Charge	317,339	273,878
Amortization of Intangible Assets	139,652	139,652
Provision for Unrealised loss on holding shares	2,848,819	7,418,820
Operational, Maintenance & Other Charges (Helicopter)	7,197,160	8,211,592
Tree Plantation	185,627	177,409
Surveillance Aeseement Fees	-	82,000
Capital Gain / (Loss)	3,998,684	3,687,100
Write off of Receivables	2,419,654	-
Depreciation of Helicopter	7,470,355	8,266,520
Fuel & Lubricant- Helicopter	1,236,000	-
Travelling & Conveyance bill	799,210	1,273,902
	109,307,692	141,274,236

27.00 Financial Expenses

Interest / Profit Charge
 Bank Charge

28.00 Non-Operating Income

Wastage Sales
 Dividend Income
 Lab Test Income
 Interest / Profit Income
 Exchange (Gain)/Loss
 Unrealised Gain/Loss on Sale of Share
 Realised Gain on Sale of Share

29.00 Worker's Profit Participation Fund (WPPF)

Net Profit Before Tax
 WPPF @ 5% of Net Profit Before Tax

30.00 Income Tax Expenses

Current Tax

31.00 Earning Per Share

Net Profit after Tax
 Number of Shares Outstanding
Earning Per Share (EPS)

Amount in BDT	
July 2018 June' 2019	July 2017 June '2018
311,982,314	282,748,163
6,462,900	5,335,263
318,445,214	288,083,427
414,213	692,719
280,920	422,112
31,350	12,600
24,469,869	23,935,354
169,859	-
1,633,074	-
1,369,263	2,738,010
28,368,548	27,800,795
175,852,240	516,119,356
8,792,612	25,805,968
8,792,612	25,805,968
45,269,774	102,983,782
45,269,774	102,983,782
130,582,466	413,135,574
100,000,000	100,000,000
1.31	4.13

32.00 Financial risk management

The company has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

a) Credit risk

Credit risk represents the financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It mainly comprises of trade receivables, advances to suppliers, trade deposits and bank balances. The Company's maximum exposure to credit risk at the reporting date is trade receivable which is also secured by agreement with Bangladesh petroleum Corporation (BPC), the only one customer of the Company.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range:

i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates. The Company is exposed to currency risk on its purchases that is denominated in foreign currencies. Majority of the Company's foreign currency transactions are denominated in USD. The Company also has exposure in foreign currencies relating to some services.

ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its long term foreign currency debts with the lender.

Interest bearing financial instruments of the Company at reporting date are as follows:

Financial Liabilities	30-Jun-19	30-Jun-18
Term loan	-	40,513,579
Short term loan	3,185,514,558	3,391,863,000
	3,185,514,558	3,432,376,579

Including the current portion of long term loan.

c) 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 maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

33.00 Related Party Transaction

- a) Key management Personnel Compensation:
 Short Term Employee Benefits (Salary & Allowances etc.)

Particulars	30.06.2019		30.06.2018	
	Directors	All Managers	Directors	All Managers
Board Meeting Fee	-	-	-	-
Remuneration & Allowances	4,800,000	22,732,104	6,600,000	28,684,457
Bonus	160,000	1,470,945	120,000	1,952,008
Total	4,960,000	24,203,049	6,720,000	30,636,465

Transport and Other Facilities Provided to Managing Directors, Directors, GM, DGM, Managers and Deputy Managers:

Designation	Facilities Provided
Managing Director	Mobile Bill & Transport Facility
Directors	Mobile Bill & Transport Facility
GM & DGM	Mobile Bill & Transport Facility
Manager & Deputy Manager	Mobile Bill & Transport Facility

b) Other Related Party Transactions:

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 IAS 24 "Related Party Disclosure".

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2018	Addition during the period	Adjustment during the period	Balance as at June 30, 2019
Shahjibazar Power Co. Ltd.	Parent-Subsidiary	Advance	218,000,000	5,400,000	138,400,000	85,000,000
Comfit Composite Knit Ltd.	Common Directorship	Short Term Loan	(89,364)	15,506,355	12,865,277	2,551,715
Youth Garments Limited	Common Directorship	Short Term Loan	-	-	-	-
Youth Fashion Limited	Common Directorship	Short Term Loan	-	-	-	-
Midland Power Co. Ltd.	Common Directorship	Short Term Loan	-	1,135,000,000	1,135,000,000	-
Midland East Power Ltd.	Common Directorship	Short Term Loan	-	390,851,401	211,890,231	178,961,170
Petromax LPG Ltd.	Common Directorship	Short Term Loan	27,401,669	167,338,405	194,728,965	11,109
Petromax Cylinders Ltd.	Common Directorship	Short Term Loan	1,250	1,701,088	-	1,702,338
Feroz Alam	Managing Director	Office Rent	-	1,470,000	1,470,000	-
Rezukul Haider	Chairman	Office Rent	-	105,000	105,000	-

34.00 Commitments and Contingencies

A) Capital expenditure commitments

B) Bank guarantees

In favor of:

The Commissioner of Customs, Mongla Custom House, Khulna

Rupantarita Prakritik Gas Company Limited

The Commissioner of Customs, Custom House, Chittagong

30 June 19	30 June 18
528,084,260	528,084,260
3,000,000	3,000,000
5,088,238	5,088,238
536,172,498	536,172,498

35.00 Other disclosures**35.01 Number of employees**

As at 30 June 2019, number of regular employees receiving salary & allowance above Tk. 30,000.00 per month were 97 persons.

35.02 Comparatives

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

35.03 Events after the reporting period

No material events had occurred after the reporting period to the date of issue of these financial statements, which could affect the values stated in the financial statements.

Petromax Refinery Limited
Fixed Assets Schedule
As at June 30, 2019

Annexure A

SL	Name of Assets	Cost			Depreciation					Written down Value at June 30, 2019	
		Balance at July 01, 2018	Addition during the period	Disposal During the Period	Balance at June 30, 2019	Rate %	Balance at July 01, 2018	Charged During the Period	Adjustment During the Period		Balance at June 30, 2019
01	Land & Land Development	62,553,766	1,672,030	-	64,225,796	-	-	-	-	-	64,225,796
02	Building & Construction	524,017,678	7,392,418	-	531,410,096	7%	127,594,018	27,182,078	-	154,776,097	376,633,999
03	Electric Installation	35,794,236	-	-	35,794,236	15%	17,173,245	2,639,925	-	19,813,170	15,981,066
04	Computer	2,023,813	98,600	-	2,122,413	15%	685,121	198,156	-	883,277	1,239,136
05	Jetty	9,047,777	-	-	9,047,777	15%	4,272,791	676,956	-	4,949,747	4,098,030
06	Factory Equipments	8,956,925	320,406	-	9,277,331	15%	2,928,300	873,278	-	3,801,578	5,475,753
07	Lab Equipment	2,791,179	-	-	2,791,179	15%	1,206,262	224,697	-	1,430,959	1,360,220
08	Fire Fighting Equipments	680,810	1,725,000	-	2,405,810	15%	300,025	118,672	-	418,697	1,987,113
09	Plant & Machineries	2,836,660,419	-	14,000,000	2,822,660,419	6%	670,049,648	126,684,012	-	796,733,659	2,025,926,760
10	Cylindrical Vertical Steel Tank	111,594,037	-	-	111,594,037	15%	53,550,245	8,228,953	-	61,779,198	49,814,839
11	Generator	20,300,278	-	-	20,300,278	15%	10,067,340	1,450,739	-	11,518,080	8,782,198
12	Office Equipment	1,151,841	-	-	1,151,841	15%	519,806	89,606	-	609,411	542,430
13	Refrigerator	28,300	-	-	28,300	15%	14,099	2,014	-	16,113	12,187
14	Solar Power System	560,000	-	-	560,000	15%	278,978	39,842	-	318,820	241,180
15	Telephone Installation	1,702,089	-	-	1,702,089	15%	716,047	139,793	-	855,839	846,249
16	Ship	355,753,862	-	-	355,753,862	20%	125,006,608	42,802,174	-	167,808,782	187,945,080
17	Helicopter	90,285,623	-	-	90,285,623	10%	12,721,602	7,470,355	-	20,191,956	70,093,667
18	Vehicle	36,996,297	7,678,616	8,390,998	36,283,915	20%	10,570,406	5,448,502	6,012,214	10,006,693	26,277,222
19	Air Condition	6,357,190	174,300	-	6,531,490	15%	2,461,130	565,178	-	3,026,308	3,505,182
20	Water Line Installation	326,395	-	-	326,395	15%	162,602	23,222	-	185,823	140,572
21	Water Treatment Plant	4,382,645	-	-	4,382,645	15%	2,063,217	328,829	-	2,392,045	1,990,600
22	Furniture & Fixture	7,532,648	421,637	-	7,954,285	15%	3,163,881	663,882	-	3,827,763	4,126,522
June 30, 2019		4,119,497,807	19,483,007	22,390,998	4,116,589,816		1,045,505,369	225,850,860	6,012,214	1,265,344,016	2,851,245,800
June 30, 2018		4,040,320,864	94,533,678	15,356,735	4,119,497,807		815,478,651	235,414,307	5,387,589	1,045,505,369	3,073,992,438

Depreciation Expenses:

Factory Overhead	218,380,506
General and Administrative	7,470,355
Total	225,850,860



SHAHJIBAZAR POWER CO. LTD.

Head Office: 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh, Tel: 88-02-9025401

Fax: 88-02-9032436, E-mail: info@youthbd.com, Web: www.youthbd.com

Plant: Fatepur, Shahjibazar, Madhobpur, Hobigonj, Bangladesh

Affix
Tk. 20
Revenue
Stamp

PROXY FORM

I/We.....of.....being a shareholder of
Shahjibazar Power Company Limited and entitled to vote hereby appoint Mr. / Mrs. / Miss.
..... as my / our proxy to attend and vote for me / us and on my / our behalf at the 12th Annual
General Meeting of the Company to be held on Wednesday the 29th day of January, 2020, at KIB Complex Auditorium, Krishi
Khamar Road, Farmgate, Dhaka-1215 at 10.30 A.M. As witness my/our hand this day
of.....2020.

Signature Shareholder

Signature of Proxy

BO ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held Dated

Notes :

01. This Form of Proxy, duly completed must be deposited at least 48 hours before the meeting of the company's Shares office 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh
02. Proxy is invalid if not signed and stamped as indicated above.



SHAHJIBAZAR POWER CO. LTD.

Head Office: 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh, Tel: 88-02-9025401

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Plant: Fatepur, Shahjibazar, Madhobpur, Hobigonj, Bangladesh

ATTENDANCE SLIP

I/we hereby record my/our attendance at the 12th Annual General Meeting of the Company being held on Wednesday
the 29th day of January, 2020, at KIB Complex Auditorium, Krishi Khamar Road, Farmgate, Dhaka-1215 at 10.30 A.M.

Name of Member / Proxy :

BO ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

Signature Shareholder

Signature of Proxy

Date :

- Note: i) Shareholders attending the meeting in person or by proxy are requested to complete Attendance slip and deposit the same at the entrance of the meeting hall.
- ii) No gift or benefit in cash or kind shall be paid / offered to the Shareholders as per Circular No. SEC/CMRRCD/2009. 193/154 dated 24 October 2013 of BSEC for attending the AGM.



SHAHJIBAZAR POWER CO. LTD.

Corporate Office : Youth Tower, 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh

Tel : +88 09678111000, Fax : 88-02-9032436

Plant : Fatepur, Shahjibazar, Madhabpur, Hobigonj, Bangladesh

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