

ANNUAL REPORT

2020-2021



SHAHJIBAZAR POWER CO. LTD.

TABLE OF CONTENTS

CORPORATE OBJECTIVES, VALUES & STRUCTURE

01.	COMPANY INFORMATION	2
02.	CORPORATE DIRECTORY	3
03.	PARTICULARS OF TOP EXECUTIVES/OFFICERS	4
04.	CORPORATE MANAGEMENT STRUCTURE	5
05.	CREDIT RATING REPORT	6
06.	LETTER OF TRANSMITTAL	7
07.	BUSINESS SCORECARD – 2021	8
08.	CORE VALUES & CODE OF CONDUCTS	9-13
09.	CORPORATE GOVERNANCE	14-15
10.	DIVIDEND DISTRIBUTION POLICY	16-17
11.	NOTICE OF THE 14TH ANNUAL GENERAL MEETING	18
12.	CORPORATE ETHOS	19
13.	TYPICAL ELECTRICITY TRANSPORT MODEL	20
14.	TYPICAL REFINING MODEL	20
15.	LETTER FROM THE CHAIRPERSON	21-23

THE MANAGEMENT & REPORTING

16.	DIRECTORS PROFILE	25-28
17.	SUCCESS MILESTONES	29-30
18.	DIRECTORS REPORT TO SHAREHOLDERS	31-39

COMPLIANCES AND DISCLOSURES

19.	MANAGEMENT DISCUSSION AND ANALYSIS	41-42
20.	NOMINATION AND REMUNERATION COMMITTEE REPORT	43
21.	SNAPSHOTS FROM 13TH AGM	44
22.	COMPLIANCE REPORT	45
23.	REPORT OF THE AUDIT COMMITTEE	45
24.	KEY OPERATING AND FINANCIAL DATA OF PRECEDING 5 (FIVE) YEARS	46
25.	FINANCIAL REVIEW – 2021	47
26.	INVESTOR COMPLAINT REDRESSAL MECHANISM	48
27.	DECLARATION OF STATUS OF UNCLAIMED DIVIDEND	49
28.	CEO AND CFO'S DECLARATION TO THE BOARD	50
29.	CERTIFICATE OF CORPORATE GOVERNANCE COMPLIANCE	51
30.	STATUS REPORT ON COMPLIANCE WITH THE CONDITIONS IMPOSED BY BSEC	52-62
31.	COMMITTEES	63
32.	VALUE ADDED STATEMENT	64

FINANCIAL STATEMENTS

33.	AUDITORS REPORT TO THE SHAREHOLDERS	65-105
-----	-------------------------------------	--------

DIRECTORS' REPORTS AND FINANCIAL STATEMENTS OF SUBSIDIARY

34.	DIRECTORS REPORTS AND FINANCIAL STATEMENTS OF SUBSIDIARY	106-139
35.	PROXY FORM AND ATTENDANCE SLIP	140



REMEMBERING OUR FOUNDERS



(01 February 1954 – 23 April 2021)

Late Mr. Rezakul Haider
Founder Chairman



(30 April 1956 – 5 October 2019)

Late Mr. Feroz Alam
Founder Managing Director

AWARDS & RECOGNITION



Petromax Refinery Ltd (PRL) the subsidiary of SPCL has received award from National Board of Revenue (NBR) as one of the highest tax payers under the category of energy companies on November 24, 2021.

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

(Deceased on April 2021)

Mr. Anis Salahuddin Ahmad

Chairperson

Mr. Faridul Alam

Managing Director

Mr. A.K.M Badiul Alam

Director

Mr. Md. Shamsuzzaman

Director

Mr. Akbor Haider

Director

Mr. Faisal Alam

Director

Mr. Asgar Haider

Director

Mr. Golam Nabi FCA

Independent Director

Mr. Mohammed Nurul Amin

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: +8809678111000

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.

Prime Bank Ltd.

Standard Chartered Bank

PARTICULARS OF TOP EXECUTIVES/OFFICERS

Faridul Alam

Position
Educational Qualification
Date of Joining
Last Five Years' Experience

Managing Director
Business Graduate
Since start of the Project
Worked as 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 & Power
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, FCGA
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, EMBA (IBA-DU)
02.05.2014
Worked as Manager in different Group of companies

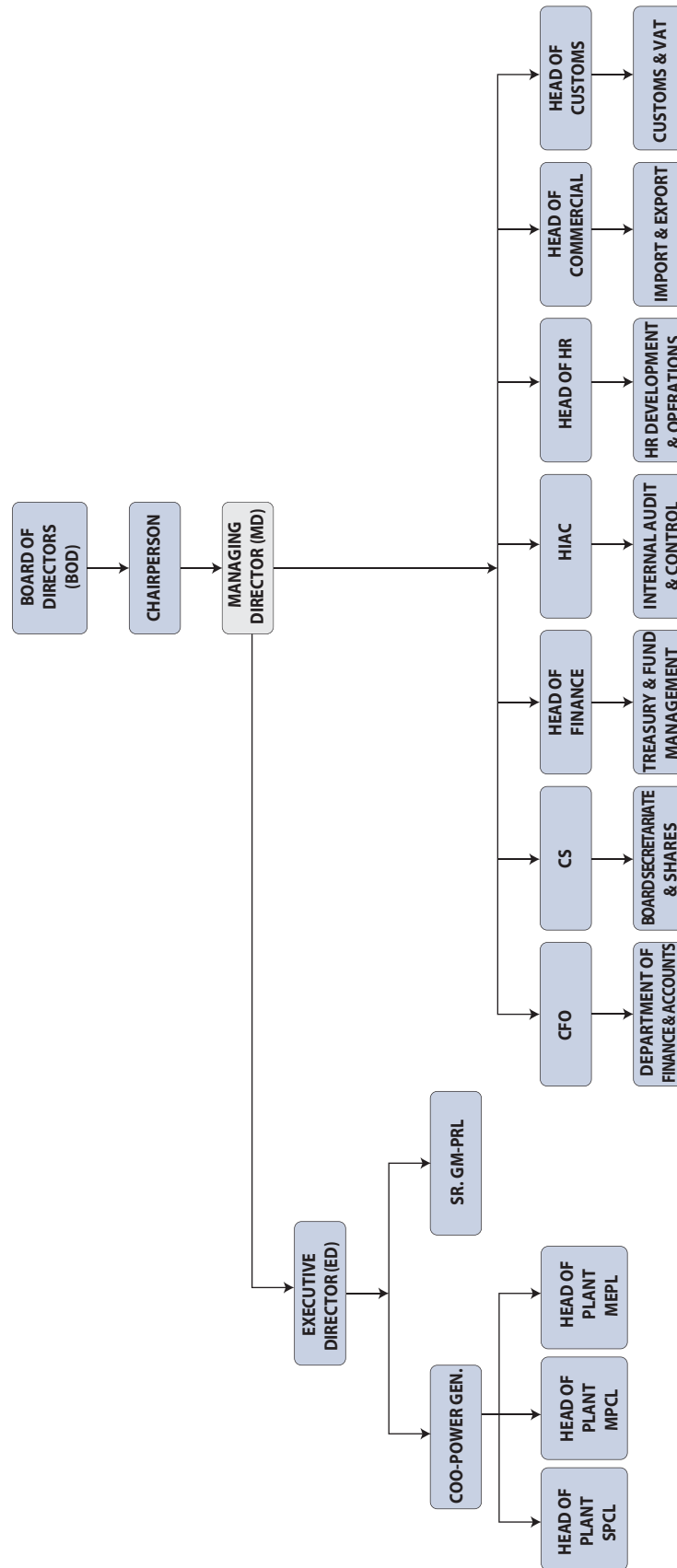
Hasan Imam Siddiki, FCA, ACS

Position
Educational Qualification
Date of Joining
Last Five Years' Experience

DGM - Finance
BBA, MBA (AIS), FCA, ACS
01.03.2015
Worked as Manager in Audit Firms

CORPORATE MANAGEMENT STRUCTURE

At SPCL we have a very highly skilled set of Technical and business management experts across different departments. Lead by the Managing Director who is also working as Executive Head of the company. Under the Managing Director an Executive Director has been leading all four plants under direct or shared control of SPCL. All department heads reports to the Managing Director and Managing Director is accountable to the Board for overall affairs of the Company.



CREDIT RATING REPORT



CRAB Corporate Rating Portrayal

Credit Rating Report (Surveillance) SHAHJIBAZAR POWER CO. LTD.

ANALYSTS

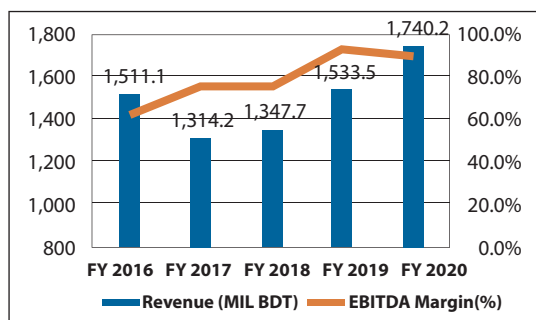
Mohammed Nazrul Islam Bhuiyan
nazrul@crab.com.bd

Mohd Asifur Rahman
asif.rahman@crabrating.com

Entity Rating	Long Term Loan Rating	Short Term Loan Rating	Rating Outlook
AA₁	AA₁(Lr)	ST-2	Stable

Note: Details of the Rating and credit facilities are exhibited in Appendix-1
Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

FINANCIAL HIGHLIGHTS & GRAPHS



Financial Highlights

	Year Ended June 30		
(Mil. BDT)	2020	2019	2018
Revenue/Sales	1,740.17	1,533.54	1,347.73
EBITDA	1,555.70	1,422.31	1,003.79
Net Profit After Tax	802.55	778.47	468.62
COGS as % of Sales	57.4%	52.5%	54.8%
EBITDA Margin	89.4%	92.7%	74.5%
Net Profit Margin	46.1%	50.8%	34.8%
Return on Avg. Asset	14.1%	15.9%	10.0%
Current Ratio (x)	0.75	0.85	0.60
Quick Ratio (x)	0.47	0.38	0.41
Total Assets	6,210.42	5,169.31	4,624.88
Total Shareholders' Equity	4,230.87	3,892.70	3,516.79
Total Debt/Total Assets (x)	0.32	0.25	0.24
Borrowed Fund/Equity (x)	0.35	0.25	0.25
Borrowed Fund/EBITDA (x)	0.95	0.69	0.89
Cash Flow From Operation	1,144.24	861.47	707.58
EBIT/Financial Expenses (x)	18.19	19.51	9.34

Source: The Company and CRAB Analysis

Date of Rating	Valid Till
28 January 2021	27 January 2022

RATING BASED ON:

Audited Financial Statement as on 30 June 2020, Bank Liability position as on 31 December 2020 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

BRIEF PROFILE

Shahjibazar Power Co. Ltd. (hereinafter referred as 'SPCL' or 'the Power Plant' or 'the Company') is one of the private sector power generating companies developed by a group of local entrepreneurs of Bangladesh, which was incorporated in November 2007 as a private limited company. The Company was converted into a public limited company in September 2009. The Power Plant is at Fatepur, Madhobpur, Hobigonj on 631 decimal Land.

RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has retained the entity rating of Shahjibazar Power Co. Ltd. at **AA₁**, (Pronounced as Double A One) and assigned **AA₁ (Lr)** rating to BDT 525.97 million long term outstanding CRAB has also assigned **ST-2** rating to BDT 850.00 million non-fund based limit of the Company in the short term. Rating outlook was assigned as "Stable due to ability of the Company to generate stable performance in next financial year.

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, 2021 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, 2021 and notes thereon.

Thanking You

Sincerely Yours,

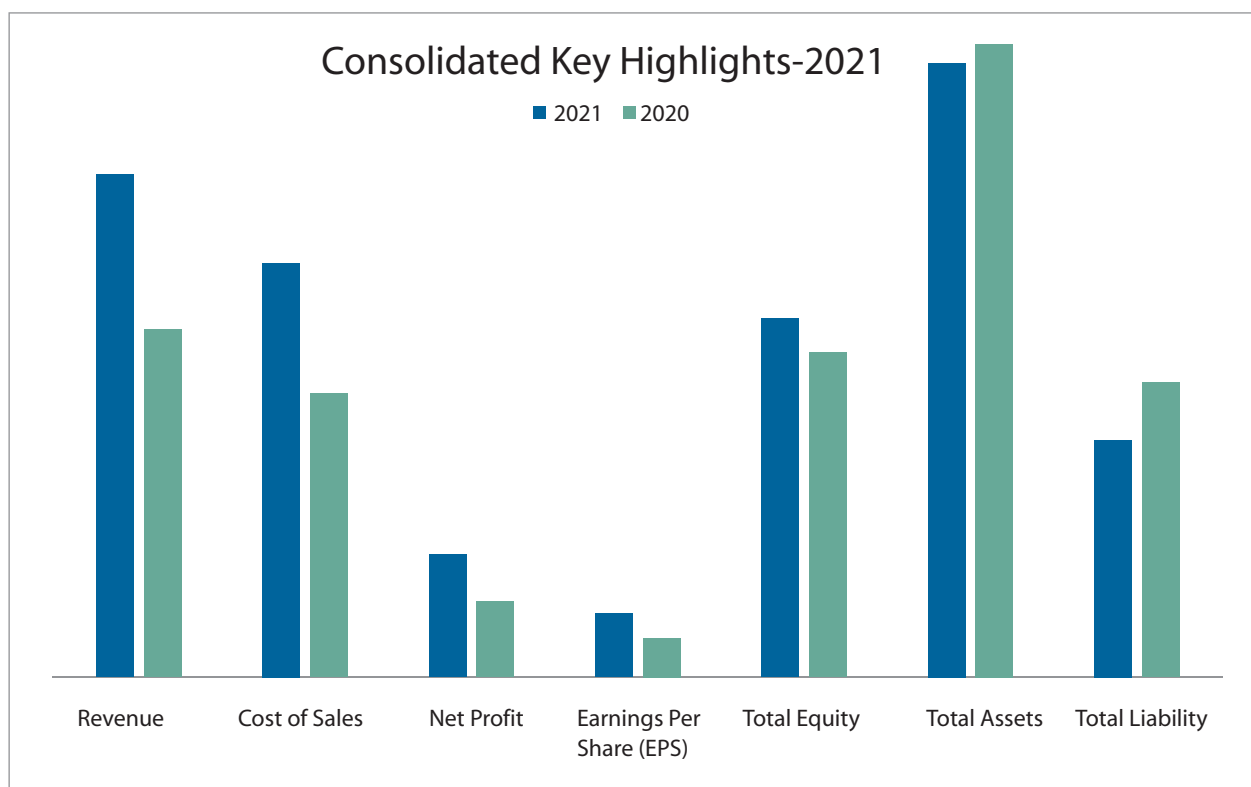


Yeasin Ahmed, ACS
Company Secretary

BUSINESS SCORECARD-2021

(BDT in Million)

Particulars	2021	2020	Change in %
Revenue	9152.95	6332.40	44.54%
Cost of Sales	7569.25	5146.41	47.08%
Net Profit	1159.87	760.38	52.54%
Earnings Per Share (EPS)	6.53	4.38	49.17%
Total Equity	6564.76	5911.06	11.06%
Total Assets	11165.89	11571.58	-3.51%
Total Liability	4311.13	5393.02	-20.06%



CORE VALUES & CODE OF CONDUCTS

3.1. 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.

3.2. 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.

- 3.2.1. 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
- 3.2.2. 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.
- 3.2.3. Shall not direct business to a supplier managed by a relative or close friend.
- 3.2.4. Shall not solicit subcontractors and vendors for donation /advertisements to a charity, in which the employee is involved.
- 3.2.5. Using company facilities for personal purposes or for spouse's / relatives business.
- 3.2.6. Shall not treat personal expenses / trips as business expenses / trips.
- 3.2.7. Shall not take part-time job requiring the employee to spend time, during normal working hours or using office equipment in meeting personal responsibilities.
- 3.2.8. Shall not be in a position to influence career decision about a spouse or relative.
- 3.2.9. 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.

3.3. 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.

3.4. GIFTS

- 3.4.1. Buying equipment from suppliers for personal use at high discounts is absolutely prohibited.
- 3.4.2. Accepting free trips / holidays within Bangladesh and / or abroad and / or members of employees family, from suppliers is also absolutely prohibited.
- 3.4.3. 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.
- 3.4.4. 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.

3.5. 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.

- 3.5.1. Financial Information.
- 3.5.2. Tax Planning Measures.
- 3.5.3. Potential Joint Venture deals being negotiated.
- 3.5.4. New Product Introductions.
- 3.5.5. Manufacturing Process and Recipe for Products.

Employees should maintain total confidentiality with any such classified information.

3.6. 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.

3.7. 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.

- 3.7.1. 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

- 3.7.1.1. Physical contact and advances;
- 3.7.1.2. A demand or request for sexual favors;
- 3.7.1.3. Sexually colored remarks;
- 3.7.1.4. Showing pornography;
- 3.7.1.5. 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.

3.8. PROHIBITION OF CHILD LABOR

The Company practice zero tolerance of forced labor, child labor, modern slavery, and human trafficking.

3.9. CODE OF CONDUCT:

- 3.9.1. 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.

- 3.9.2. 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.

- 3.9.3. 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 them self 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.

- 3.9.4. 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.

- 3.9.5. 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.

3.9.6. 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.

3.9.7. 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.

3.9.8. 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.

3.9.9. 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.

3.10. RESPONSIBILITIES OF CHAIRPERSON

The Board shall elect a Chairman from among the Directors. Should the Board by a resolution so decide, a Director may assume the powers and duties of the Chairman when the Chairman is absent. The

Chairperson is primarily responsible for the activities of the Board and its Committees. S/He shall act as the spokesman of the Board and is the principal contact for the CEO and the Management team. The CEO and the Chairman shall meet regularly. The Chairman usually presides over General Meetings. The Chairperson shall be a Non-Executive Director does not take any remuneration from the company.

3.10.1. Directors, when appointed, participate in an induction program and, as needed, additional education or training programs;

3.10.2. Directors receive all information necessary for them to perform their duties;

3.10.3. Directors have sufficient time for consultation and decision-making;

3.10.4. Committees function properly;

3.10.5. The performance of the Management team members and Directors are properly evaluated;

3.10.6. Directors have full opportunity to provide their views and opinions on Board matters and issues are discussed and vetted fully prior to taking decisions; and

3.10.7. The Board has proper contact with the Management team.

3.11. RESPONSIBILITIES OF BOARD OF DIRECTORS (BoD)

The Board is elected by and is accountable to the Shareholders. Except for decisions explicitly reserved for Shareholders (by applicable law or regulation, or by the Constitution), the Board has full authority to carry out all activities necessary to provide effective strategic guidance and sound oversight of SPCL. Its ultimate goal is to create long-term shareholder value, while taking into account the interest of its stakeholders.

3.11.1. Reviewing, approving, and monitoring the Company's long-term strategic objectives and business plans of management, including any performance indicators and targets to be used in relation to the strategy.

3.11.2. Setting the risk appetite for the Company, including specific targets, caps, or indicators related to the risk appetite.

3.11.3. Monitoring the overall performance of the Company's progress towards its strategic objectives, and in line with its defined risk appetite.

3.11.4. Establishing a framework of effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets and the steps taken by management to monitor and control such risks.

- 3.11.5. Overseeing and approving the risk management framework and associated policies and procedures used by management to effectively manage risk.
- 3.11.6. Approving the appointment and dismissal of the internal auditor.
- 3.11.7. Overseeing the integrity of the financial statements, the compliance with legal and regulatory requirements, the performance, qualifications, and independence of the external auditor, and the performance of the internal audit function.
- 3.11.8. Overseeing the internal control framework used by management and ensuring it is efficient and effective.
- 3.11.9. Overseeing and approving the human resource policies and framework of the Company.
- 3.11.10. Taking decisions as per a delegation of authority matrix.
- 3.11.11. Appointing and, as necessary, dismissing the CEO.
- 3.11.12. Determining the remuneration and incentive schemes, including key performance indicators, for senior executives
- 3.11.13. Evaluating the overall performance of key senior executives and taking corrective actions as needed.
- 3.11.14. Developing succession plans and developmental objectives for senior executive positions.
- 3.11.15. Identifying, evaluating, selecting and recommending potential candidates for election as Directors by Shareholders.
- 3.11.16. Evaluating the overall performance and effectiveness of the Board and each Director, and taking corrective actions as needed.
- 3.11.17. Overseeing the Company's corporate governance framework and ensuring compliance with approved policies.
- 3.11.18. Set the Company's values and standards, and ensure that obligations to shareholders and other stakeholders are understood and met.
- 3.11.19. Ensuring stakeholder interests are considered and the Company conducts its business in a socially responsible manner to the extent practical.

3.12. POLITICAL NON ALIGNMENT

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

- 3.12.1. SPCL shall be committed to and support the constitution and governance systems of the country in which it operates.
- 3.12.2. SPCL shall not support any specific political party and not have any political affiliations.
- 3.12.3. 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.

3.13. PROTECTING COMPANY ASSETS

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

- 3.13.1. 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.

3.14. 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.

3.15. CORPORATE CITIZENSHIP

- 3.15.1. 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.
- 3.15.2. 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.
- 3.15.3. SPCL shall not treat these activities as optional, but should strive to incorporate them as an integral part of its business plan.

3.16. REGULATORY COMPLIANCE

- 3.16.1. Employees of SPCL, in their business conduct, shall comply with all applicable laws and regulations, in letter and spirit.
- 3.16.2. 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.

3.17. 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.

- 3.17.1. 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.

3.17.2. 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:

3.17.2.1. Acquisition and divestiture of businesses or business units.

3.17.2.2. Financial information such as profits, earnings and dividends.

3.17.2.3. Announcement of new product introductions or developments.

3.17.2.4. Asset revaluations.

3.17.2.5. Investment decisions / plans.

3.17.2.6. Restructuring plans.

3.17.2.7. Major supply and delivery agreements.

3.17.2.8. Raising of finances.

3.17.2.9. 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.

3.18. ENVIRONMENT

As a good corporate citizen, SPCL assume and undertakes initiatives to promote greater environmental responsibility. Most of SPCL's businesses have plenty of impact on external environmental factors. We are highly committed to comply global and local environmental standards. We took several steps to save on water and harness daylight to preserve energy in our business setups. We have implemented 3R i.e. Reduce, Re-use, Recycle in our value system to attain energy efficient culture within our business entities.

3.19. ANTI-CORRUPTION

SPCL has principled its business to the highest level of good governance and ethics. We have a detail anti-corruption policy written for every employees of the company. We follow zero-tolerance strategy in case of any corruption takes place within the entities of our group. We always took record of our instances of corruption and refer the same to minimize the repetition of conducting the corruption in future.

3.20. EMPLOYEE RELATIONS

SPCL 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.



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 codes 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 Nine (9) Directors including the Chairperson of the Company and 2 (two) Independent Directors. The Chairperson of the Board is a Non-Executive Director. 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 Four (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.

Bangladesh Secretarial Standards (BSS)

The Company conducts its Board meetings, records the minutes of the meetings, as well as maintains the 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).

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. Akbor Haider 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 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 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. Akbor Haider	- Member
Mr. A K M Badiul Alam	- Member
Mr. Yeasin Ahmed ACS	- 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 Chairperson and Chief Executive Officer

Mr. Anis Salahuddin Ahmad is the Chairperson and Mr. Faridul Alam is the Chief Executive Officer of the Company. The separation of the position of CEO from that of the Chairperson 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.

DIVIDEND DISTRIBUTION POLICY

1. BACKGROUND

This policy of Dividend Distribution of Shahjibazar Power CO. LTD (Hereinafter "SPCL") has been prepared in a view to comply with the Directive no: BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC). The general scope of this policy shall formulate policy in regards to dividend declaration, pay off, disbursement and compliance.

The Board of Directors of SPCL shall consider this policy as a framework to ensure governance and accountability. However, this policy is not an alternative to the decision of the Board regarding Dividend declaration.

2. DEFINITIONS/INTERPRETATIONS

"the Act" means Companies Act 1994

"the Company" means Shahjibazar Power Co. Ltd.

"AGM" means Annual General Meeting

"Board" means Board of Directors of Shahjibazar Power Co. Ltd.

"Shareholders" means Members whose name is registered in the Member Register of the Company.

"Shares" means Ordinary Equity Shares.

3. THEORY AND CONCEPT OF DIVIDEND

A dividend is the distribution of some of a company's earnings in the form of Cash/Stock to a class of its shareholders, as determined by the company's board of directors. Common shareholders of dividend-paying companies are typically eligible as long as they own the stock on record/book closure date. The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

4. TYPES OF DIVIDEND

The Act has allowed registered companies to declare Interim and Final Dividend.

Interim Dividend: Interim dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.

Final Dividend: Final dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the AGM.

5. DECLARATION METHODOLOGY

Subject to the compliance of the Act and Directives issued by Bangladesh Securities and Exchange Commission (BSEC) time to time dividend shall be declared and paid out of:

- Profit after Tax after netting off minority interest (if any) and setting off losses from previous year(s) if any.
- Retained Earnings from previous financial years which remains undistributed.
- Out of both a and b

Before declaration of dividend, the Company may transfer a portion of its profits to as retained earnings of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

6. FACTORS INFLUENCING DIVIDEND DECLARATION

The decision of dividend payout is a very challenging task for the Board. Strategic intent and future business trajectory of the company may influence the dividend payout decision.

Broadly circumstances can be sub divided in External and Internal factors as elaborated hereunder:

a) External Factors:

- Adverse economic condition triggered by any extra-ordinary event like Covid-19 pandemic and any such crisis in future.
- Transformation to new technology may require additional fund to stay updated which may affect the dividend decision.
- Any restriction imposed by the Act or by regulators.
- Force Majeure event.

b) Internal Factors:

- Profitability
- Availability and Liquidity of Funds
- Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Additional investments in subsidiaries/associates of the Company
- Cost of raising funds from alternate sources
- Cost of servicing outstanding debts
- Funds for meeting contingent liabilities
- Mergers and Acquisitions
- Any other factor as deemed appropriate by the Board.

7. REVIEW OF FINANCIAL STATEMENTS FOR DECLARING DIVIDEND

The board of the Company is a steward to its shareholders and committed to deliver superior value. The company always strives for an optimum and appropriate level of dividend to its shareholders in the form of dividend.

To retain investors the company is in a continuous pursuit of making the investment attractive to the existing and potential investors in the form of Dividend Yield and capital appreciation. Over the years the consistency of Dividend payout is also a very important parameter for the company to consider.

The Board aligning with the industry scenario and internal financial strength shall endeavor to retain a consistent dividend payout to the respected shareholders.

8. UTILIZATION OF RETAINED EARNINGS

Pursuant to the compliance of all provisions and acts the retained earnings of the Company may be utilized under the following areas:

- Issue of fully paid-up bonus shares
- Declaration of dividend-Interim or Final
- Utilization to finance the working capital
- Funding for capital expenditure/expansion plans /acquisition;
- Repayment of debt
- Any other permitted use as may be decided by the Board.

9. CLASSES OF SHARES

The company currently has only one class of share which is Common Stock.

10. EVENTS MAY IMPACT DIVIDEND DECISION

The company has been successfully paying out a consistent dividend for the last several years since its listing with the Stock Exchanges and shall continue the endeavor to sustain the trend.

However, some circumstance may trigger the shareholders may or may not expect dividends from the company.

10.1. May Expect Dividend: Availability of profits and liquidity, Profits are not being utilized in any other purposes.

10.2. May not Expect Dividend: Non-availability of profit, Funds to be retained for business expansion, adverse economic/market scenario, to be utilized for internal resources.

11. DISCLOSURE

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.youthbd.com.

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

12. EFFECTIVE DATE

This Policy has been approved by the Board of Directors of the Company at its meeting held on 11th March, 2021 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2020-21 onwards.

13. REVIEW/AMENDMENT

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

NOTICE OF THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that the 14th Annual General Meeting of the Shareholders of Shahjibazar Power Company Limited will be held on Sunday the 30th day of January, 2022, under digital platform <http://spcl.digitalagmbd.net> at 10.30 A.M to transact the following businesses:

AGENDA(S)

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended June 30, 2021 together with the Auditors' Report thereon
2. To declare dividend for the year 2021 as recommended by the Board of Directors
3. To elect/Re-elect Directors
4. To approve the appointment of Statutory Auditors for the year 2021-2022 and to fix their remuneration
5. To approve Appointment of professional for the Certification on Corporate Governance for the year 2021-22 and fixation of their remuneration.

By order of the Board



(Yeasin Ahmed, ACS)
Company Secretary

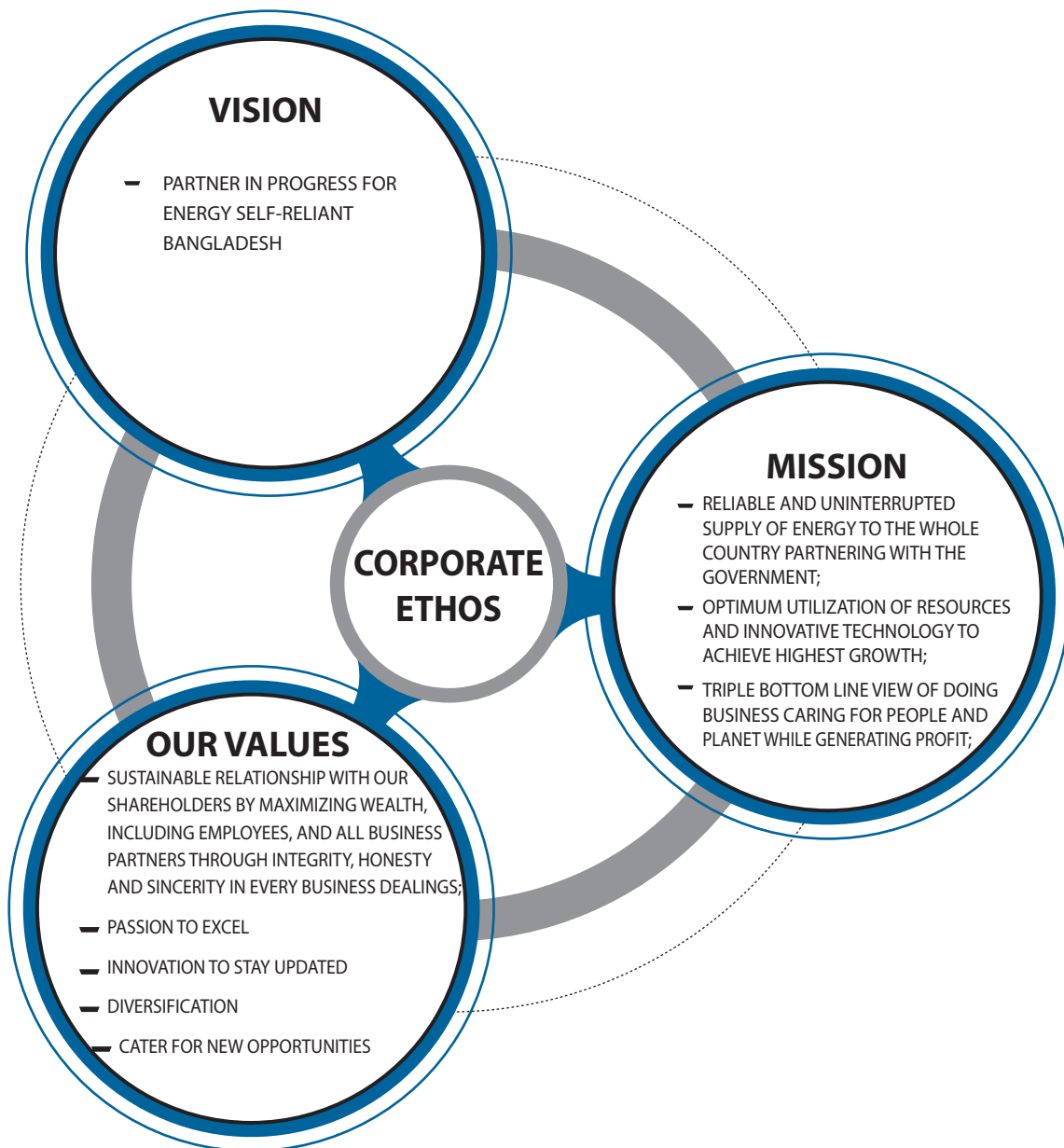
Dhaka, January 09, 2022

Notes:

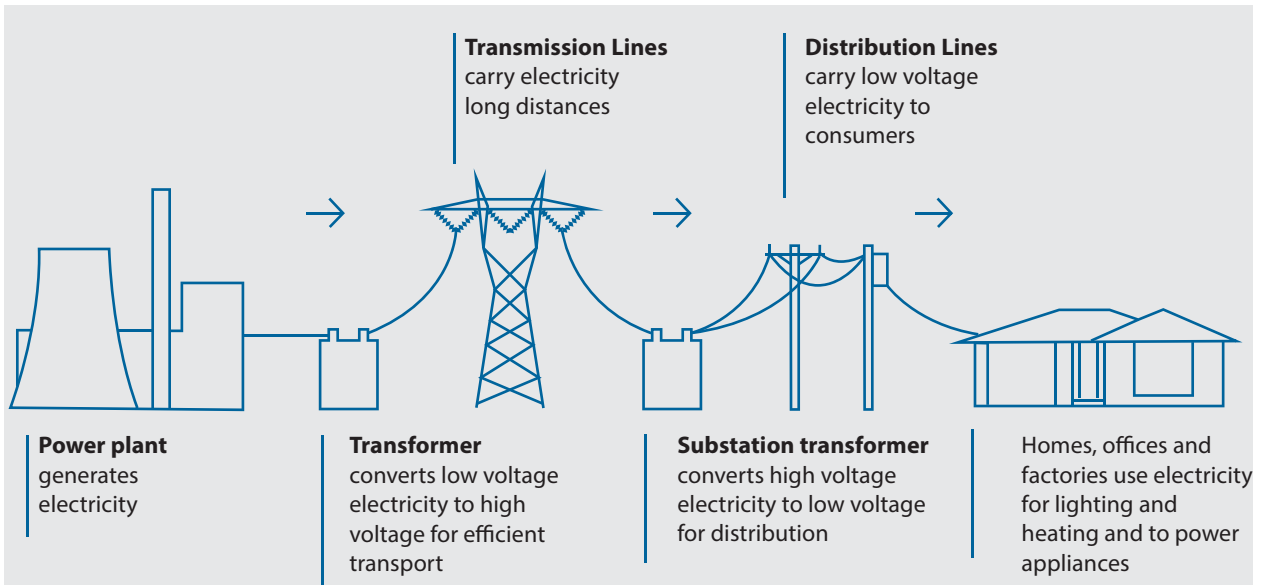
1. Shareholders whose names appeared at the record date i.e. December 2, 2021 in the Share Register of the Company or in the Depository Register on that date will be eligible to attend and vote in the Annual General Meeting and to receive dividend as approved in the AGM.
2. Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 8th July 2020, the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform.
3. The Members will be able to submit their questions/ comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the <http://spcl.digitalagmbd.net>.
4. The members are requested to log-in into the system at least one hour before the start of the A.G.M i.e. 9:30 A.M. Bangladesh Standard Time (BST) to allow sufficient time for establish connectivity. The webcast shall start at 10:30 A.M. (BST) sharp. For any assistance members may dial +88 01734612190 for instant support.
5. 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 E-mail address: debasish@youthbd.com not less than 72 hours before the time fixed for the Annual General Meeting.
6. 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
7. All concerned TREC Holders/Brokerage Houses who have extended margin loan facilities to the members of the Company and their name found on record date are requested to provide us with the statement containing shareholder name, BO ID Number, Client-wise breakdown of shareholding position, gross dividend receivable, applicable tax rate and deduction and net dividend receivable along with name and cell number of the contact person to the Corporate office of the company address: Youth Tower, 822/2 Rokeya Sarani, Dhaka – 1216 and/or by the way of e-mail at debasish@youthbd.com on or before February 6, 2022.

Special Note: No benefit or gift in cash or kind shall be given to the Shareholders for attending the 14th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

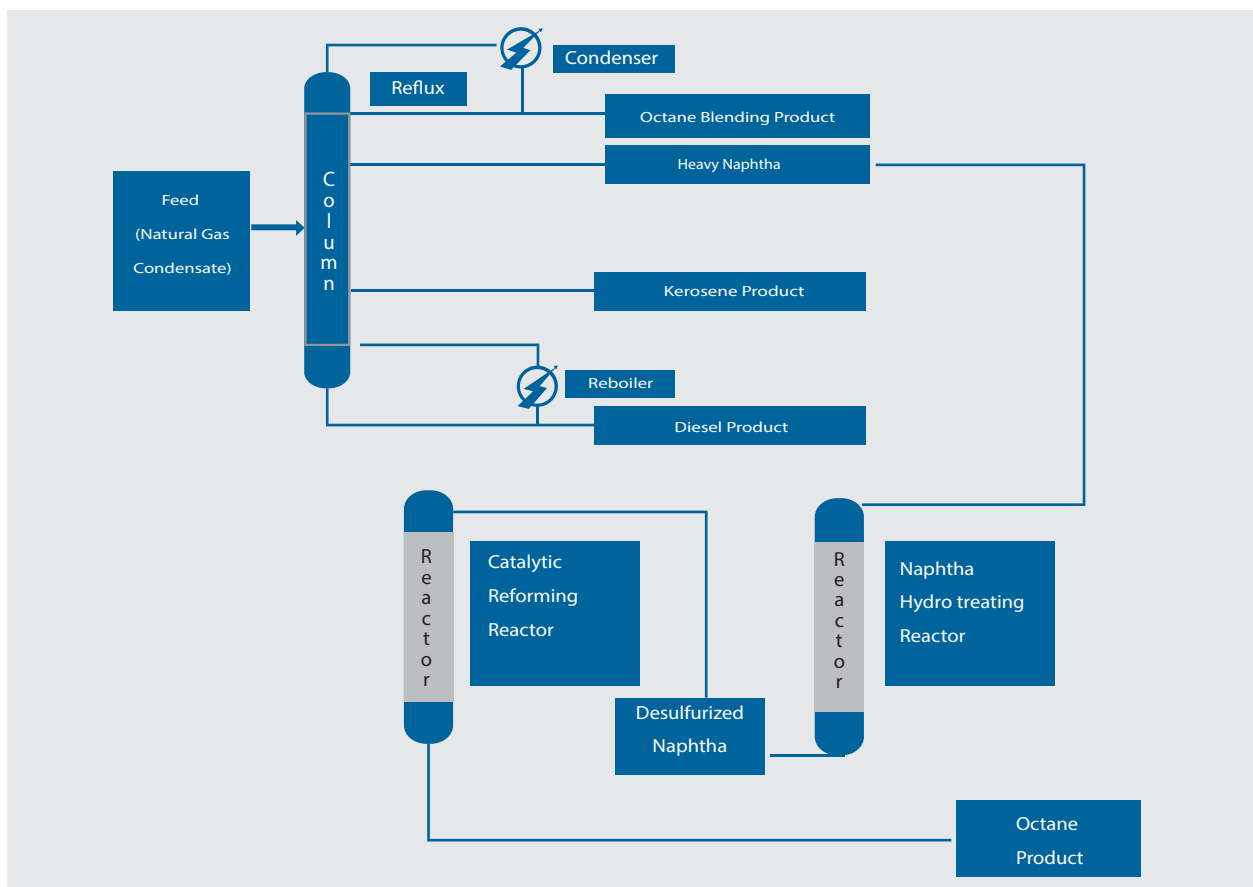
CORPORATE ETHOS



TYPICAL ELECTRICITY TRANSPORT MODEL



TYPICAL OIL REFINING MODEL



LETTER FROM THE CHAIRPERSON

"Together with our battle-tested team of people, we keep lighting Bangladesh and fuelling transportation"



Anis Salahuddin Ahmad
(Chairperson)

Dear Fellow Shareholder,

It is with great honor that I welcome you all to our 14th Annual General Meeting of Shahjibazar Power Co. Ltd. 2021 was another year that was marked by the pandemic and although our business wasn't affected largely, COVID-19 has presented us with one of the most biggest losses and challenges yet, as we mourn the loss of our Founder and Former Chairperson, Mr. Rezakul Haider.

As we experience a return of some level of normalcy, many of us begin to look to the future with greater hope and confidence. With a rebound in the economy in the earlier months, as well as improving business and consumer sentiment that is spurred on economic activity, we remain hopeful at SPCL that better days are ahead of us. However, we continue to remain cautious as prices soar due to inflation backed with a bullish commodity market. We also are aware that energy prices have surged with rising demand and delays in the global supply chain. As I address you all, we also are aware of the raging new variant that has been identified as 'Omicron' which continues to be the center of global concern for the coming days ahead. The resurgence of a new easily transmissible variant has brought us to a plateau and has dampened activity in the energy market and we may also see a fall in the near-term growth of energy consumption.

Moreover, the impacts of climate change were ever present as many countries around the world experienced devastating and drastic weather conditions. In 2021, this makes it more evident than ever that we must call urgent action to continue working along a sustainable path and continue to innovate in this area as we work to make this planet a more livable one for future generations. As discussed on the World Energy Outlook 2021 report published by the International Energy Agency, clean energy technology is becoming a major new area for investment and employment - and a dynamic arena for international collaboration and competition, and we here at SPCL remain committed to embrace this shift in innovative manners as we continue to grow our business and values with a focus on renewable energy, energy efficiency and the financial sustainability of the power system.

It has become clear that this pandemic has accelerated and in many ways reshaped our world and our futures in ways that are here to stay - transforming the way we live, work, shop and connect with each other. Within this uncertain and rapidly evolving context, our society and economies have shown incredible resilience, backed by support from governments and facilitated by institutions like ours that continue to provide energy to our people and have worked extensively to manage through the past two challenging years.

The Bangladesh Economy has been attracting massive global attention and has been identified as one of the top players under resilient economies around the world, with an impressive growth of 6% YoY. Bangladesh's economy experienced a plummet of 3.51% as an impact of COVID-19 in FY2019-20, however this has been marked by a sharp take off of 5.47% growth rate in FY 2020-21, and a further projection of 6.8% in FY2021-22. This level of growth has put Bangladesh's economy at a record high per capita GDP of US \$2,227 surpassing both India and Pakistan. Government

incentives that have been rolled out to continue to keep our economy aligned with the current growth levels include, special funds for export-oriented industries, working capital for the affected industries and service sector institutions, SMEs and several credit guarantee schemes and so forth.

While many of our competing industries continue to grapple with the lasting effects of COVID-19, we here at SPCL along with our subsidiary companies have been able to relentlessly avoid such impacts. Our collective funds have helped us position our business competitively during this time, as we retain the top performing machinery across our power generation and oil refinery units, which has resulted in zero outage and downtime in aggregate. Being able to strategize and adopt innovative ways has helped us the most during this time to remain efficient and maintain our regular activity levels. We are continuously working with acquiring the latest technology in the sector to ensure that we are able to embrace the shifts the world and global economy is facing. This includes introducing a refurbished value creation process, which is being supported by vigorous and powerful systems to protect and continue to produce the most valuable output possible for our clients.

The performance of the oil refinery segment which continues to perform in an inconsistent manner has been a major focus of our reporting period, despite the solid expertise that we have had to generate a significant and stable revenue stream. We continue to thank our team and the contributions of the government for higher allocation of raw materials which has allowed the oil refinery sector to grow to a significant number of BDT 292 Million, in comparison to BDT 43 Million for the same period last year. This highlights a remarkable growth of BDT 249 Million from 2020 to 2021. However, due to shifts in the global supply chains a lower supply of raw materials and allocation towards some government-owned oil refineries will mark a critical risk and challenge for our business in the coming days.

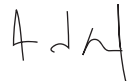
Some highlights of our company growth in FY 2021 against all the challenges marked above are:

- A consolidated revenue of our company ramped up 44.54% YoY bringing us to BDT 9,152.95 Million in FY 2020-21, in comparison to BDT 6,332.40 Million in FY2019-20.
- Our net profit after taxes (NPAT) was BDT 1,159.87 Million (including minority interest) against BDT 760.38 Million same period last year. This is mainly underlined by the big jump our oil refinery business has faced in profits over this year. BDT 1,127.36 Million was added for appropriation after netting off minority interest.
- The separate profit of SPCL has shown 15.23% growth in profit registering us at BDT 924.82 Million in FY2020-21 against BDT 802.55 Million same period last year.
- Your Board has recommended 28% Cash and 4% Stock Dividend for the year under report subject to approval of the Members at the 14th General Meeting scheduled to be held on January 30th, 2022.

As we move forward, we remain focused on our strategies and our purpose here at Shahjibazar Power Co to build a renowned brand and ensure the continuity and strength of our company. Our highest priority remains the health, safety and well-being of each of our employees, who remain the foundation and the most important aspect of our continuous growth and stability in the market. All our employees are covered with a life insurance policy. In the wake of COVID-19, we continue to implement strict guidelines and rules to follow all government regulations with regard to personal hygiene, social distancing and work from home when necessary and full lockdown when imposed. We have also prepared dedicated quarantine and isolation centres within our employee rest house which remains far from core operation,

to ensure that we continue quality assurance and lower any risk of further spread. We have also set aside a budget to support any emergency fund requirements that might be needed for any critical situation with regards to the company's workforce. We will continue to prioritize a disciplined focus on expense management to remain strategically flexible. Alongside that, we continue to prioritize investments to accelerate future growth, and sustain leadership in areas of strategic focus.

Our continued momentum is a result of our tremendous support from our customers, shareholders, regulators, lenders, suppliers, employees, insurers, legal counsel and other business partners - we are so thankful for everything they do. With all the support, we continue to focus on our vision which is to keep lighting Bangladesh and fuelling our transportations all across the country.



CHAIRPERSON
SHAHJIBAZAR POWER CO. LTD.

THE MANAGEMENT & REPORTING

DIRECTORS PROFILE



Anis Salahuddin Ahmad
Chairperson

Anis Salahuddin Ahmad (57) is the Chairperson 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.

Faridul Alam
Managing Director

Faridul Alam (38) is the Managing Director of the Company. He has been generously admired as one of the youngest entrepreneurs within the corporate fraternity of the Country. His legacy starts with engaging himself in the Ready-Made Garment and textile sector. He has played a key role in the overall operation and supply chain of the business. Mr. Alam adapted himself to the business culture very quickly and starts delivering results. He stepped into the private power generation business by becoming one of the sponsors of Shahjibazar Power Co. Ltd. (SPCL) in 2007.

He becomes one of the Directors of Petromax Refinery Ltd (PRL) the lone privately-owned condensate fractionation plant of the country at the time of its inception. He, in particular, was able to harvest a lot of technical issues of the petrochemical industry due to his commitment and enthusiasm to this sector. His area of service was especially included but not limited to the selection of the appropriate type of feedstock strictly in conformity with the highest yield ratio and maintain standard calibration of all refining equipment within the stream. He has played several stand-out roles by speculating the energy price movement within the international market and address the issue with related government entities for sustainable national energy security. Under his valiant leadership Petromax Refinery Ltd has secured the award as Best Private Sector Organization under the category of Energy from the Honorable Prime Minister through the Ministry of Power Energy and Mineral Resources (MPEMR) for two terms in a row.

Mr. Alam has come up with the idea of production and marketing of Liquefied Petroleum Gas (LPG) manufacturing and bottling plant in Bangladesh. He presumed that considering the depleting reserve of Natural Gas and rapid economic growth resulting in a shift of living standard and urbanization, LP-gas shall be the lone alternative as fuel for domestic use. He worked on the consumption pattern, distribution network, and other risk factors of the LPG industry and kick off the business in early 2015. His capable leadership has gained the momentum in LP Gas business and earns the fourth spot among all LP Gas Companies of the country after starting the commercial production from the year 2018 under the brand Petromax.

Mr. Alam is also known for his altruism and generosity for the deprived corner of the society. He, along with some other members institutionalize their philanthropic pursuit by establishing a voluntary foundation known as "Shornadip Foundation" to render medical and health services to the impoverished dwellers of the remote island Sandwip. Under that foundation, a general hospital is already operational in this remote island to serve the great cause of reaching emergency medical and health care services to the destitute families.





A.K.M Badiul Alam
 Director

Mr. A.K.M. Badiul Alam, aged 60, 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 60, 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 24 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 43 years, has 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 member of the Board of Directors 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 culture. He has been the host of several corporate football leagues in the corporate arena of Bangladesh. He currently holds office as the member of the Board of Directors of Shahjibazar Power Co. Ltd. and member of the Audit Committee.

**Mr. Faisal Alam**

Director

Mr. Faisal Alam aged 35 is a Textile Engineer. By dint of his educational background, he has engaged himself in the operation of Comfit Composite Knit Ltd (CCKL). He has profusely adapted himself to the operation of the composite textile and garments business and contributes a lot in terms of several improvements in the operation area. He also has thorough understanding of commercial, finance, marketing, and other related activities of the textile industry. Mr. Alam has also engaged himself in the LP-Gas bottling and distribution business in Bangladesh. He has played a key role in the project stage of the LPG plant by contributing in to the procurement and commissioning of critical machinery items. He also actively participates in the operation LP Gas business. He has been the sponsor of Shahjibazar Power Co. Ltd. since the inception of the project. Being eligible and as recommended by the Nomination and Remuneration Committee (NRC) to the Board, Mr. Alam is assuming the position of Director of the Company.

Mr. Asgar Haider

Director

Asgar Haider is known as an entrepreneur, philanthropist, and sportsperson among contemporaries. He sits in the Board of the Company. Mr. Haider involved himself in the business with the lone composite textile business of Youth Group. He became seasoned with the entire value creation process of the industry ranging from grabbing orders from customers around the globe, planning for sourcing materials, engaging labor and workmanships, and addressing all the hurdle of outbound logistics to ensure the delivery. With the pace of diversified investment strategy of Youth Group, Mr. Haider parts with several Power & Energy projects. His service was instrumental at the engineering and commissioning stage of around 150 MW gas-fired and 150 MW HFO-fired power plants as the sponsor. He continuously flourishes his knowledge of energy business prospects in the Country and engaged himself in Oil & Gas sector. He gained a thorough knowledge of fractionation of hydrocarbon to produce premium-grade gasoline upon embarking himself with the fractionation investment of the group. He preserves a thorough understanding of the manufacturing of LP-Gas cylinders and the market modality in Bangladesh. He especially contributes to procurement and all inbound and outbound logistics of LP-Gas Cylinder manufacturing facility along with downstream market scenario of Steel Cylinder products in the country and the region. Mr. Haider has been very generous to the underprivileged people of his community. He is one of the members of a social organization in Sandwip. Under that organization, a 20-bed general hospital already operational in his hometown. Mr. Haider is an avid promoter of sports. He has been the host of several corporate sports leagues in the country and played in those leagues in person. Mr. Haider graduated with an MBA from the USA. He is a Chartered Member of the Chartered Institute of Logistics and Transport and a Life Member of the American Alumni Association. He was awarded the Business Leader of South Asian Leadership Awards Bangladesh in 2019.

**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 34 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.

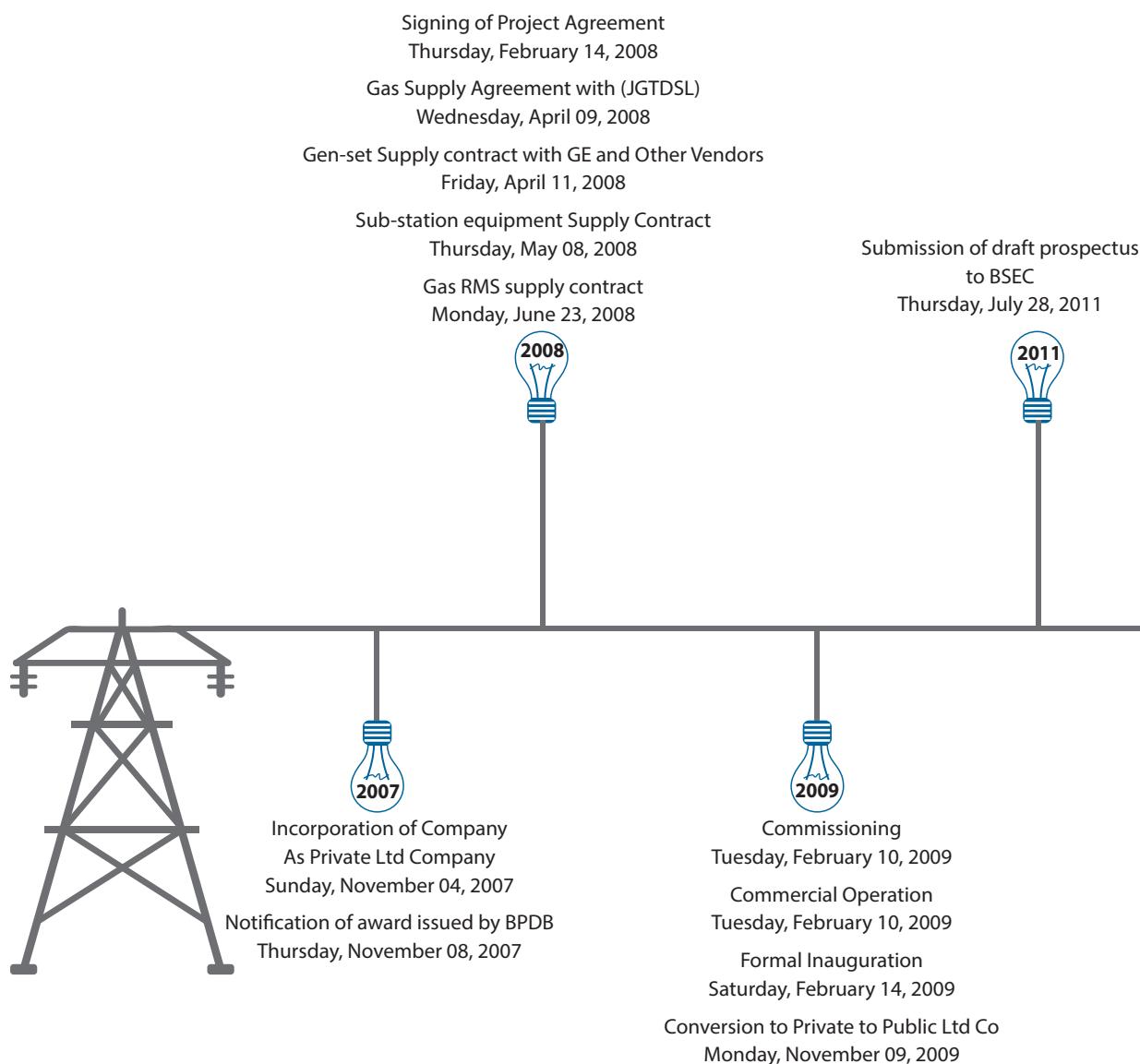
Mr. Mohammed Nurul Amin
 Independent Director

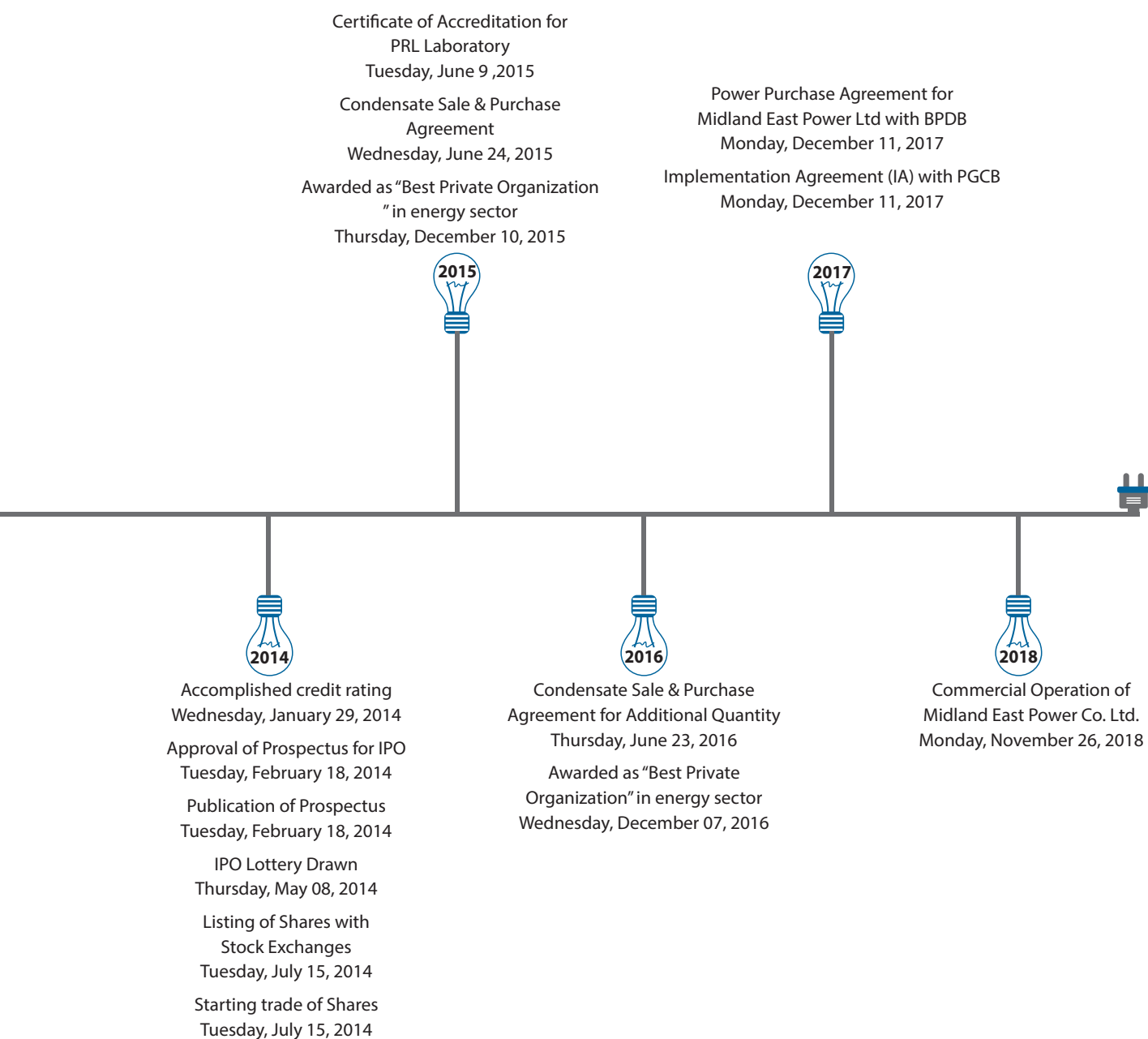
Mohammed Nurul Amin has recently assumed the position of Independent Director of the Company. He obtained his Honors and Masters in Economics in 1973 and 1974 respectively from University of Dhaka. Besides, he received higher education and different training on banking from home and abroad. He started his career by joining Janata Bank Limited in 1977 as Senior Officer. In 1983, he joined in National Bank Limited, first Private Bank in the Country. He then joined National Credit Limited (Later NCC Bank Ltd) in 1985 and worked there for long 29 years. He was Managing Director & CEO for 9 years in NCC Bank Limited from 2005-2014. He took the responsibility of Managing Director & CEO of Meghna Bank Limited in June 2014 and served up to December, 2017. He was the Chairman of Association of Bankers Bangladesh (ABB) and Primary Dealers' Bangladesh Ltd (PDBL) and Bangladesh Foreign Exchange Dealers Association (BAFEDA). He is the only CEO of any bank who held the position of Chairman of all 3 organizations of banking professionals in the country. Mr. Amin also associated with various social activities which includes-Member of Rotary Club of Jahangir Nagar Dhaka, Senate Member of University of Dhaka from 2010 to 2013, Life member of Bangladesh Economic Association (BEA) and Dhaka University Economics Department Alumni Association (DUEA), Member of Bangladesh-China People's Friendship Association, Life member Bangladesh Red Crescent Society and a Fellow of Institute of Bankers, Bangladesh (IBB).





SUCCESS MILESTONES





DIRECTORS REPORT TO SHAREHOLDERS

Dear Owners of Shahjibazar Power Co. Ltd.
Assalamualikum,

We have completed yet another very eventful and challenging year with positive operating results. As authorized by the Board, I am pleased to welcome all the distinguished members of Shahjibazar Power Co. Ltd. in the 14th Annual General Meeting and presenting herewith the Audited Financial Statements for the year then ended June 30, 2021.

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 keeping the momentum even as the pandemic surges with new variants in circulation. According to World Economic Outlook (WEO) global economy is projected to grow 5.9% in 2021 and 4.9% in 2022. This downgraded projection reflects the downgraded national projection of Advanced Economies and low-income developing countries, largely due to worsening pandemic dynamics. Beyond 2022, up till now, the global growth seems to be a formidable 3.3% over medium term.

Bangladesh on the other hand take a great leap forward by registering 5.47% GDP in FY20-21 as compared to 3.51% in FY19-20. Thanks to integrated steps taken by different government bodies to withstand against the pandemic strain. While many other economies of the world are still struggling to re-track economic activities Bangladesh's pursuit as one of the fastest growing economies is projected to grow by more than 6% in FY21-22. Foreign Exchange Reserve in US\$ 44.88 Billion marginally lower due to a rise in import of Capital Machineries. The export sector has resumed back to a positive trend after overcoming the COVID-19 shock with the support of all the interventions of the GOB. The export earnings growth was 15.1% in FY 2020-21 than FY 2019-20. The amount was US\$ 38.75 billion, which was US\$ 33.67 billion in FY 2019-20.

An expansionary monetary policy during FY20-21 was on the rolling and several steps were taken on that spirit. Central Bank has reduced the repo rate from 5.25% to 4.75% and reverse repo rate from 4.75% to 4%. The bank rate was revised and reset by reducing 100 basis point to 4 percent to align it with the recently declared interest rationalization policy. Besides, The Cash Reserve Requirement (CRR) was reduced from 5.5 percent to 4.0 percent for internal banking and from 5.5 percent to 2.0 percent for off-shore banking to pump money supply in the market

The downwards trend of interest rate for both deposit and credit trend remains static. At the end of February 2021, the weighted average interest rate stood at 7.48 percent for credit and 4.46 percent for deposit. The gap between weighted average interest rate of credit and deposit (spread) at that time reached at 4.02 percent. To attain a sustainable economic structure, the government has kept its constant efforts to

creating access opportunities of financial services for all its grass root level citizens, especially those who are yet to financially include. The growth of broad index for Dhaka Stock exchange was 37.37 percent and for Chattogram Stock exchange was 39.84 percent.

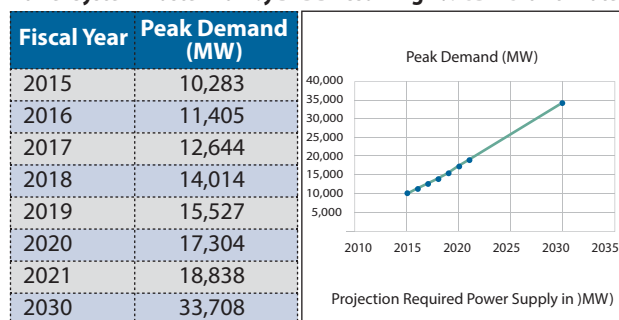
POWER SECTOR SCENARIO OF BANGLADESH

The growth expedition of power sector is underway with several milestone achievements for the last decade. As of September 30, 2021 the generation capacity was 22,031 MW (Including Power Import and on-grid renewable energy). The fuel portfolio has been in process of restructuring by setting aside Coal, HFO or HSD run power plant transforming towards gas, hydro and other renewable sources.

As per the publication of Bangladesh Power Development Board (BPDB) existing installed capacity of power is 22031 MW (Without Captive and SHS) of which 11390 MW (52%) is being produced under government owned facilities and 10641 MW (48%) is being produced under private owned facilities. The access to electricity has been raised to 99.75% as compared to 98% last year and per capita electricity generation improved to 560 KWh. Total consumer stands at 41.20 Million (September 2021) and System loss (distribution) reduced to 8.48%.

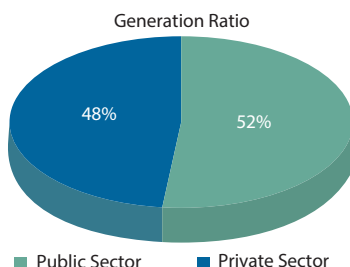
In the run power demand shall increase in a consistent pattern over the years. Key drivers behind will be Digitization of services in several sectors, More use of Digital Financial Services, Mechanized Agriculture technologies transforming the way of farming, Change of lifestyles in the rural areas, the demography of rising population, several infrastructural mega projects like Padma Bridge, Dhaka Metrorail, Airport Terminal – 3, One Hundred economic zones and Matarbari Moheshkhali Integrated Development Initiative (MIDI).

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



Present Installed Generation Capacity (MW) as on September 30, 2021

BPDB	6013	27.29%
APSCCL	1444	6.55%
EGCB	957	4.34%
NWPGCL	1401	6.36%
RPCL	182	0.83%
B-R Power Gen	149	0.68%
JV-NWPGCL-CMC	1244	5.65%
Sub Total	11390	51.70%
IPPs	8042	36.50%
SIPPs (BPDB)	99	0.45%
SIPPs (REB)	251	1.14%
15 YR. Rental	169	0.77%
3/5 YR. Rental	920	4.18%
Power Import	1160	5.27%
Sub Total	10641	48.30%
Total	22031	100.00%



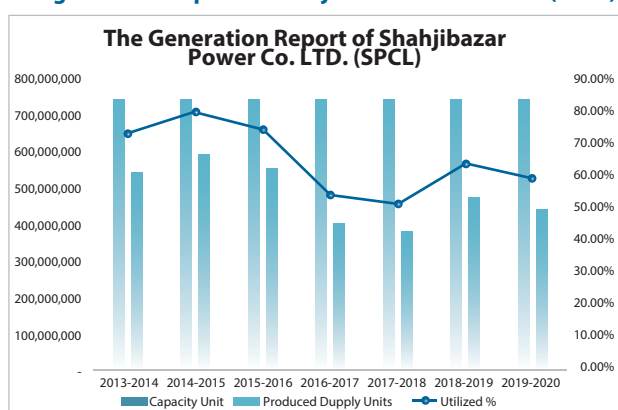
Public and private sector is contributing 52% and 48% respectively in the total generation of power as of October 2019. Amongst the public sector generation units BPDB is playing the champion role as usual.

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, 2021 the company is producing 81.49% of total capacity on an average. The operational performance of the Company is shown as hereunder:

Fiscal Year	Capacity Unit	Produced Supply Unit	Utilized %
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%
2019-2020	743,040,000	440,517,096	59.29%
2020-2021	743,040,000	605,484,672	81.49%

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



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

During FY20-21 your company has generated 605,484,672 Kwh as compared to 440,517,096 Kwh in FY19-20 to supply the national grid. As always the only off-taker is Bangladesh Power Development Board (BPDB). Revenue for the year under report stands at BDT 2,146.71 Million as compared to the previous year of BDT 1,740.17 Million growing 23.36%

Y-o-Y. Consolidated Revenue was also grow 44.54% Y-o-Y scoring BDT 9,152.95 Million in FY20-21 and BDT 6,332.40 Million in FY19-20. Consolidated Net Profit after Tax (NPAT) after adding the contribution from subsidiaries and associate entities stands at BDT 1159.87 in FY20-21 as compared to BDT 760.38 on FY19-20 which has shown a massive 52.54% growth. Oil Refinery segment has delivered around 127.36 Million liters of petroleum products with a revenue of Tk. 7006.23 Million.

SEGMENT WISE PERFORMANCE

Segment/Product	Quantity	Sales in Million Tk.
Power	605,484,672 Kwh	2146.70
Oil & Gas	127,367,175 Ltr	7006.23
Total		9152.94

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, 2021 your company has contributed Tk. 380.97 Million as income tax and subsidiary of your company has added Tk. 1050.97 Million in the form 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 Disclosure". The related party transactions have been taken place on arm's length basis during the year have been disclosed in the **Annexure - B** 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 rise in supply of raw material in the oil refinery business an contribution from the associate company performance using equity method.

REMUNERATION OF DIRECTORS

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, 2021 the total minority shareholders represent 39.71% 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 –

- 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.

In compliance with the requirements of the BSEC's Notification No- BSEC/CMRRCD/2006-158/207/Admin/80 dated: June 3, 2018, the Directors are also pleased to make the following declarations in their report:

- 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;
- Proper books of accounts of your Company have been maintained;
- 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;
- International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- The system of internal control is well structured and has been effectively implemented and monitored;
- There are no significant doubts upon your Company's ability to continue as an ongoing concern basis;
- Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results & profit appropriation;
- Key operating and financial data has been summarized for the preceding five years;

- 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;
- The number of Board meetings held during the year and attendance of each director has been disclosed;
- 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	2020		2021		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	6,332.40		9,152.95		44.54%
Cost of Sales	5,146.41	82%	7,569.25	83%	47.08%
Gross Profit	1,186.00	18%	1,583.70	17%	33.53%
General and Administrative Expenses	146.76	2%	163.88	2%	11.67%
Finance Cost Net	386.00	5%	358.14	4%	-7.22%
Operating Profit	653.24	11%	1,061.68	12%	62.53%
Other Income Net	30.60	1%	47.04	1%	53.73%
Share of Profit from Associate	387.80	4%	489.21	5%	26.15%
WPPF	55.32	1%	57.08	1%	3.19%
Net Profit Before Income Tax	1,016.32	14%	1,540.85	17%	51.61%
Income Tax	255.94	4%	380.98	4%	48.85%
Total Comprehensive Income	760.38	10%	1,159.87	13%	52.54%
Less: Minority Interest	4.78	0%	32.51	0%	579.69%
Net Profit (After Tax & Minority Interest)	755.59	10%	1,127.36	12%	49.20%

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

Particulars	2020		2021		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	1,740.17		2,146.71		23.36%
Cost of Sales	998.67	53%	1,354.21	63%	35.60%
Gross Profit	741.50	47%	792.50	37%	6.88%
General and Administrative Expenses	65.69	4%	69.40	3%	5.66%
Finance Cost Net	63.42	4%	86.54	4%	36.46%
Operating Profit	612.40	40%	636.56	30%	3.95%
Other Income Net	89.93	13%	83.13	4%	-7.57%
Share of Profit from Associate	387.80	17%	489.21	23%	26.15%
WPPF	51.91	3%	34.27	2%	-33.98%
Net Profit Before Income Tax	1,038.22	66%	1,174.63	55%	13.14%
Income Tax	235.66	15%	249.81	12%	6.00%
Total Comprehensive Income	802.55	51%	924.82	43%	15.23%

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 exponential rise in supply of raw material in the oil refinery business and higher 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	2019		2020		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	6,332.40		9,152.95		44.54%
Cost of Sales	5,146.41	82%	7,569.25	83%	47.08%
Gross Profit	1,186.00	18%	1,583.70	17%	33.53%
Operating Profit	653.24	11%	1,061.68	12%	62.53%
Net Profit Before Income Tax	1,016.32	14%	1,540.85	17%	51.61%
Total Comprehensive Income	760.38	10%	1,159.87	13%	52.54%
Net Profit (After Tax & Minority Interest)	755.59	10%	1,127.36	12%	49.20%

Consolidated

As per the consolidated summary of accounts during the year under report, the revenue of the company was ramped up by 44.54% year over year and cost of sales was increased by of 47.08%, Gross Profit Margin was 18% as compared to 17% of

the previous year and Net Profit Margin was 12% as compared to 10% of the previous year.

Particulars	2020		2021		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	1,740.17		2,146.71		23.36%
Cost of Sales	998.67	53%	1,354.21	63%	35.60%
Gross Profit	741.50	47%	792.50	37%	6.88%
Operating Profit	612.40	40%	636.56	30%	3.95%
Net Profit Before Income Tax	1038.22	66%	1174.63	55%	13.14%
Total Comprehensive Income	802.55	51%	924.82	43%	15.23%

Separate

As per the separate summary of accounts during the year under report, the revenue of the company has increased by 23.36% year-over-year and cost of sales was increased by 35.60%, Gross Profit Margin was 37% as compared to 47% of the previous year and Net Profit Margin was 43% as compared to 51% of the previous year.

PROFIT APPROPRIATION

In FY20-21, total Net Profit after Tax (NPAT) of the company along with the contribution from Subsidiary and Associate Companies stands at BDT 1127.36 Million as compared to BDT 755.59 Million year-over-year. To strategize on different growth prospects and battle against unforeseen turbulent business condition the Board would like to report the Company's financial result for the year that ended on June 30, 2021 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2020	1,127.36
Profit brought Forward	2,796.96
Profit available for appropriation	3,924.32
Appropriations:	
Proposed Stock and Cash Dividend	552.16
Transferred to Retained Earning	3,372.16
Profit available for appropriation	3,924.32

DIVIDEND

Your Board recommends a final cash dividend of 28% and 4% stock dividend for the year 2021 i.e. 4 (Four) Ordinary shares of Taka 10 each for 100 shares held on the record date, subject to approval by the shareholders at the 14th Annual General Meeting.

Dividend Type	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Cash Dividend (%)	28%	28%	28%	25%	16%	30%
Stock Dividend (%)	4%	2%	2%	3%	14%	3%
Total	32%	30%	30%	28%	30%	33%

DIRECTORS' MEETING & ATTENDANCE

During the year ended June 30, 2021 The Board of Directors has attended 4 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
Mr. Rezakul Haider (Deceased on April 2021)	2
Mr. Anis Salahuddin Ahmad	4
Mr. Faridul Alam	4
Mr. A.K.M Badiul Alam	4
Mr. Shamsuzzaman	4
Mr. Akbor Haider	4
Mr. Faisal Alam	4
Mr. Asgar Haider	4
Mr. Golam Nabi FCA	4
Mr. Mohammed Nurul Amin	4



THE PATTERN OF SHAREHOLDING

Pattern of Shareholding as on June 30, 2021

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	Deceased		14,833,699	8.60%
B. Mr. Anis Salahuddin Ahmad	Chairperson		15,375,827	8.91%
C. Mr. A.K.M. Badiul Alam	Director		10,064,035	5.83%
D. Mr. Md. Shamsuzzaman	Director		19,596,054	11.36%
E. Mr. Akbor Haider	Director	Son of Mr. Rezakul Haider	5,385,392	3.12%
F. Mr. Faridul Alam	Managing Director		9,849,634	5.71%
G. Mr. Faisal Alam	Director		10,627,095	6.16%
H. Mr. Asgar Haider	Director	Son of Mr. Rezakul Haider	5,171,070	3.00%
I. Ms. Rezina Alam	Sponsor		7,738,341	4.48%
J. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	5,385,392	3.12%
K. Mr. Golam Nabi FCA	Independent Director		Nil	Nil
L. Mr. Mohammed Nurul Amin	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. Akbor Haider and Mr. Anis Salahuddin Ahmad shall retire in 14th 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

Companies >>					
Name of Directors					
Mr. Rezakul Haider	✓	✓			Petromax Refinery Ltd.
		✓			Midland Power Company Ltd.
		✓			Midland East Power Ltd.
	✓		✓		Petromax LPG LTD
	✓		✓		Petromax Cylinders LTD
	✓			✓	Comfit Composite Knit Ltd.
	✓			✓	Youth Fashion Ltd.
	✓			✓	Youth Garments Ltd.
		✓		✓	Zenith Islami Life Insurance Ltd
			✓	✓	Islamic Finance & Investment Ltd.
		✓			Garments Export Village Ltd.
		✓			Grey 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
Mr. Anis Salahuddin Ahmad	✓		✓		
Mr. A.K.M Badrul Alam	✓				
Mr. Shamsuzzaman	✓				
Mr. Faridul Alam	✓	✓			
Mr. Akbor Haider			✓		
Mr. Faisal Alam			✓		
Mr. Asgar Haider	✓	✓	✓		

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. Akbor Haider	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 13th Annual General Meeting. They had carried out the audit for the year 2021 and will retire in the 14th Annual General Meeting. M/S G. Kibria and Co. Chartered Accountants has completed statutory audit of the Company for consecutive 3 (three) terms and become ineligible to carry out the Audit for the year 2021-2022. M/S ACNABIN Chartered Accountants has shown their willingness to conduct the statutory audit of the Company for the year 2021-2022. 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 14th AGM for member's approval.

M/S A.K.M Delwer Hussain & Associates Cost & Management Accountants had provided Corporate Governance Code certificate for FY2020-21. For the FY2021-22 M/S A.K.M Delwer Hussain & Associates Cost & Management Accountants has expressed their willingness to provide Corporate Governance Code certificate. Being eligible the appointment the appointment of M/S A.K.M Delwer Hussain & Associates Cost & Management Accountants shall be presented in 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 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 BPDB. 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

June 3, 2018 issued under section 2CC of the Ordinance 1969 the Corporate Governance Compliance Report is shown in [Annexure-1](#). A certificate from M/S A.K.M Delwer Hussain & Associates Cost & Management Accountants confirming compliance of conditions of Corporate Governance Code as stipulated under condition 9 is also annexed to this report as [Annexure-2](#).

KEY OPERATING AND FINANCIAL DATA:

The summarized key data for last five years is set out in the page number 46.

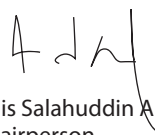
ACKNOWLEDGEMENT:

In this tragic moment of human history caused by COVID-19 pandemic we express our thanks from the deep of our heart to all of you 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 striving 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
Chairperson

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 an 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 therelevant periods containing financial performance, financial position, cash flows and important financial ratio in the Page 46 of this annual report. As the financial highlights presented, the detailed comparative analysis thereon are as following:

- Consolidated revenue ramped up by 44.54% year-over-year
- With the same range as the revenue went up, Cost of Sales were also went down by 47.08% due to the same reason.
- Net Profit after Tax increased by 52.54%.
- Total Liabilities of the Company decreased by -20.06%.
- Shareholders' Equity was up by 11.06%.
- Operating Profit went up exponentially by 62.53% on account of full year performance due to higher contribution of Petroleum segment of the business.
- The EPS was up by 49.17% over the last year's EPS due to contribution of profit from Associate Companies of the business.
- The long term liabilities has increased by 95.53% this year the reason of such significant difference can be attributed to the scheduled plant overhauling 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:

Company	SPCL		Baraka Power		Doreen Power		KPCL		Summit Power		Industry Average	
Year	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
EPS (Tk.)	6.53	4.47	2.96	2.41	8.09	5.53	0.87	3.4	5.25	5.17	4.74	4.20
NAVPS (Tk.)	38.05	34.26	20.91	20	48.41	40.62	22	25	34.45	31.53	32.764	30.28
Dividend (%)	32	30	10	15	12	13	12.5	34	35	35	20.3	25.40
NOCFPS (Tk.)	13.13	2.87	3.44	5.21	6.46	15.12	6.71	6.68	8.53	9.42	7.654	7.86
No of Shares (in Million)	172	166	235	220	144	131	397	397	1067	1067	403	396.20
Net Profit (Tk. In Million)	1127	760	697	413	1168	802	346	1350	5605	5525	1788.6	770.00

It has been observed that EPS, NAVPS, Dividend of the company is better than the industry average. However, the key limitation of this analysis lies with different investment portfolios of each of the companies analyzed in the table.

(e) Financial and economic scenario of the country and the world: As stated in the Directors' Report, The world economy is keeping the momentum even as the pandemic resurges with new variants in circulation. According to World Economic Outlook (WEO) global economy is projected to grow 5.9% in 2021 and 4.9% in 2022. This downgraded projection reflects the downgraded national projection of Advanced Economies and low-income developing countries, largely due to worsening pandemic dynamics. Beyond 2022, up till now, the global growth seems to be a formidable 3.3% over medium term.

Bangladesh on the other hand take a great leap forward by registering 5.47% GDP in FY20-21 as compared to 3.51% in FY19-20. Thanks to integrated steps taken by different government bodies to withstand against the pandemic strain. While many other economies of the world are still struggling to re-track economic activities Bangladesh's pursuit as one of the fastest growing economies is projected to grow by more than 6% in FY21-22. Foreign Exchange Reserve in US\$ 44.88 Billion marginally lower due to a rise in import of Capital Machineries. The export sector has resumed back to a positive trend after overcoming the COVID-19 shock with the support of all the interventions of the GOB. The export earnings growth was 15.1% in FY 2020-21 than FY 2019-20. The amount was US\$ 38.75 billion, which was US\$ 33.67 billion in FY 2019-20.

An expansionary monetary policy during FY20-21 was on the rolling and several steps were taken on that spirit. Central Bank has reduced the repo rate from 5.25% to 4.75% and reverse repo rate from 4.75% to 4%. The bank rate was revised and reset by reducing 100 basis point to 4 percent to align it with the recently declared interest rationalization policy. Besides, The Cash Reserve Requirement (CRR) was reduced from 5.5 percent to 4.0 percent for internal banking and from 5.5 percent to 2.0 percent for off-shore banking to pump money supply in the market

The downwards trend of interest rate for both deposit and credit trend remains static. At the end of February 2021, the weighted average interest rate stood at 7.48 percent for credit and 4.46 percent for deposit. The gap between weighted average interest rate of credit and deposit (spread) at that time reached at 4.02 percent. To attain a sustainable economic structure, the government has kept its constant efforts to creating access opportunities of financial services for all its grass root level citizens, especially those who are yet to financially include. The growth of broad index for Dhaka Stock exchange was 37.37 percent and for Chottogram Stock exchange was 39.84 percent.

(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 for more opportunity to invest in power plants partnering with the government. Aside of this the company is also tracking possibilities to invest in diversified fields in the coming days.



Faridul Alam
 Managing Director
 Shahjibazar Power Co. Ltd.



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. Akbor 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. During the year under report 1 (one) meeting of the Committee was held and all the members were duly present and their attendance was recorded accordingly.

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
27 October 2021

SNAPSHOTS FROM 13TH AGM



13th Annual General Meeting (AGM) of Shahjibazar Power Co. Ltd. was held through Digital Platform, on (Monday) January 25, 2021 at 10:30 A.M. Among others Mr. Rezakul Haider (Chairman), Mr. Faridul Alam (Managing Director), Mr. Anis Salahuddin Ahmad (Director), Mr. A.K.M Badiul Alam (Director), Mr. Md. Shamsuzzaman (Director), Mr. Akbor Haider (Director), Mr. Faisal Alam (Director-Proposed), Mr. Asgar Haider (Director-Proposed), Mr. Golam Nabi FCA (Independent Director), Mr. Mohammed Nurul Amin (Independent Director) Mr. Yeasin Ahmed, ACS Company Secretary and Mr. Bhulon Bhowmik (CFO) was present on the occasion.

REPORT OF THE AUDIT COMMITTEE

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: June 3, 2018 is presented in Page No. 52-62.

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. 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. Reviewed, 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 reviewed the audited financial statements of the Company together with consolidated statements with its associate and subsidiary for the year ended June 30, 2021 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. ACNABIN Chartered Accountants, for appointment as the external auditors of the Company for the year ending on June 30, 2022;
4. Reviewed the external auditors' findings arising from audit, particularly comments and responses given by the management.
5. Reviewed 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

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

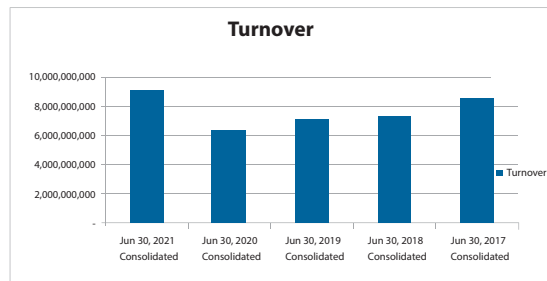
Operational Result	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated
Turnover	9,152,947,633	6,332,403,614	7,140,194,813	7,384,769,136	8,642,556,150
Cost of Sales	7,569,246,367	5,146,405,025	5,827,997,744	5,832,546,927	6,889,320,961
Gross Profit	1,583,701,265	1,185,998,589	1,312,197,068	1,552,222,209	1,753,235,189
Profit From Operation	1,061,683,399	653,242,578	762,920,143	986,158,965	1,196,353,450
Net Profit Before Tax	1,540,846,418	1,016,320,854	1,004,457,268	949,261,411	1,195,921,525
Net Profit After Tax	1,159,870,053	760,375,863	729,048,052	701,757,692	949,894,782
Net Cash Flow From Operation	2,265,679,564	494,805,146	1,032,587,127	407,900,650	1,922,297,991

Financial Position	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated
Non-Current Assets	7,504,461,539	7,374,335,212	6,664,344,988	6,636,245,011	6,647,548,177
Current Assets	3,661,430,643	4,197,240,580	3,648,816,197	3,332,823,782	2,795,563,575
Inventories	1,146,413,070	1,515,005,284	1,112,159,536	1,128,458,840	785,392,635
Shareholders' Equity	6,564,757,458	5,911,063,380	5,619,852,858	5,306,414,147	4,871,963,609
Long Term Liability	713,409,783	467,214,670	238,951,203	192,115,541	388,672,715
Current Liabilities	3,597,724,906	4,925,803,084	4,181,644,855	4,190,885,084	3,924,134,964
Total Liabilities	4,311,134,688	5,393,017,754	4,420,596,059	4,383,000,624	4,312,807,679

Key Financial Ratio	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated	Jun 30,2019 Consolidated	Jun 30,2018 Consolidated	Jun 30,2017 Consolidated
Current Ratio	1.02	0.85	0.87	0.80	0.71
Quick Ratio	0.70	0.54	0.61	0.53	0.51
Leverage Ratio	0.66	0.91	0.79	0.83	0.89
Net Profit Margin Ratio (%)	13%	12%	10%	10%	11%
Return on Equity (%)	18%	13%	13%	13%	19%
Earnings Per Share (EPS)	6.53	4.38	4.32	3.98	5.50
Return on Average Asset (ROAA) %	10.20%	6.95%	7.19%	7.23%	9.62%
Return on Average Equity (ROAE) %	12.18%	8.72%	8.81%	9.06%	13.43%
Debt Service Coverage Ratio	2.48	2.57	1.82	1.47	1.37
Operating Cash Flow to Sales	24.75%	7.81%	14.46%	5.52%	22.24%

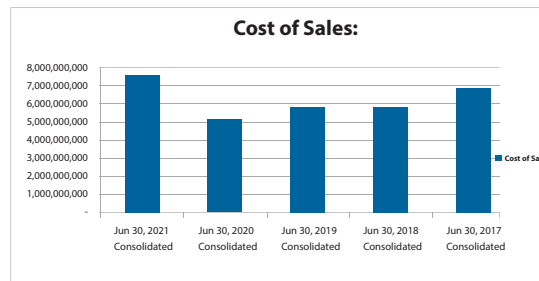
FINANCIAL REVIEW – 2021

Revenue:



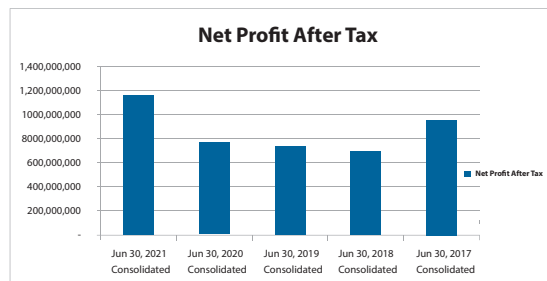
- Consolidated revenue was ramped up by 44.54% year-over-year due to higher contribution from Oil Refinery business.

Cost of Sales:



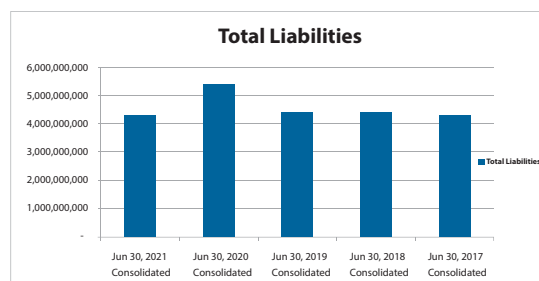
- Cost of Sales was plunged by (47.08%) with almost the same ratio of increased revenue.

Net Profit after Tax:



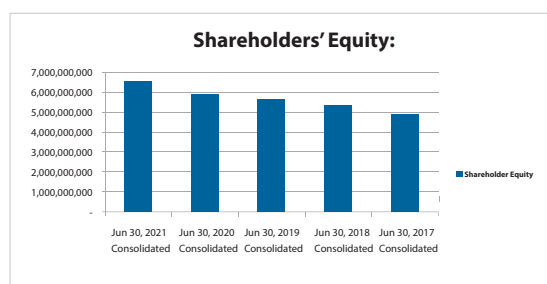
- Net Profit after Tax went up by 52.54%

Total Liabilities



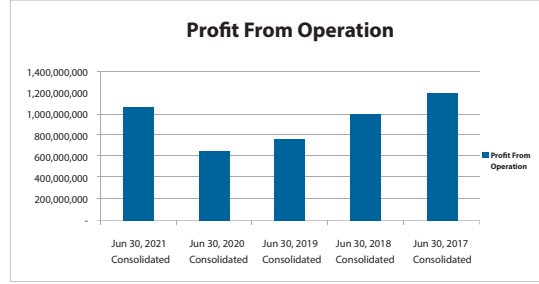
- Total Liabilities of the Company significantly decreased by -20.06%.

Shareholders' Equity:



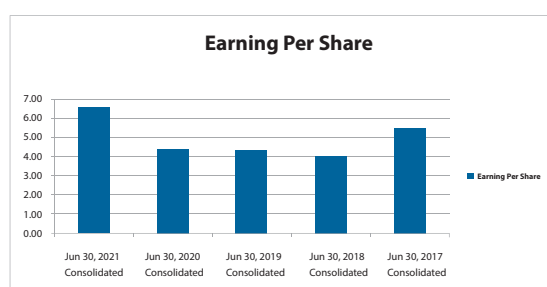
- Shareholders' Equity was up by 11.06% due to higher retention of profit during the year.

Operating Profit:



- Operating Profit went up by 62.53% on account of full year performance due to higher margin from the Petroleum segment of the business

Earnings per Share (EPS)



- The EPS was up by 49.17% over the last year's EPS due to higher contribution of Subsidiary and Associate Companies.

Long Term Liabilities:



- The long term liabilities has increased by 52.69% this year due to major overhauling expenses of the plant to keep highest calibration of machineries across power generation and refinery plants.

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 expect 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.

DECLARATION OF STATUS OF UNCLAIMED DIVIDEND

Pursuant to Capital Market Stabilization Fund Rules, 2021 issued by Bangladesh Securities and Exchange Commission (BSEC), one month's Notice has been circulated through newspaper on July 30, 2021 and till the end of August 30, 2021 several shareholders claimed their dividend. We have disbursed Tk. 3,304,003 (Thirty Three Lakh Four Thousand and Three) only to the nominated bank account of Capital Market Stabilization Fund afterwards.



CEO AND CFO'S DECLARATION TO THE BOARD

Dated: October 27, 2021

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, 2021**

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, 2021 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, 2021 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



Faridul Alam
Managing Director



A. K. M. Delwer Hussain & 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, 2021. 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 a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the 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 A. K. M. Delwer Hussain & Associates

Place -Dhaka.
Date- December 30, 2021


A. K. M. Delwer Hussain FCMA
Principal & CEO

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 9 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 Directors have declared their 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 experience 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;	✓		
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
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 compliance 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:-	✓		Do
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)

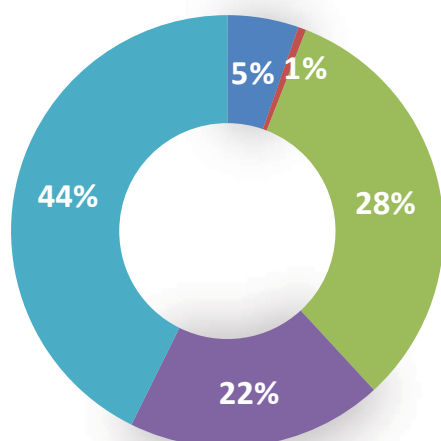
Mr. Golam Nabi, FCA (Independent Director)	-Chair
Mr. Akbor Haider (Director)	-Member
Mr. Md. Shamsuzzaman (Director)	-Member
Mr. Yeasin Ahmed ACS (Company Secretary)	-Secretary

VALUE ADDED STATEMENT

SHAHJIBAZAR POWER CO. LTD. Consolidated Value Added Statement For the year ended June 30, 2021

Particulars	2021	2020
	Taka	Taka
Revenue	9,152,947,633	6,332,403,614
Other Income including interest income	47,038,823	30,598,181
Profit Sharing from Associate	489,206,207	387,796,137
Cost of Sales, Excluding Depreciation	(7,057,621,964)	(4,744,246,594)
Other Operating Expenses	(39,887,297)	(36,283,741)
Total Value Added	2,591,683,402	1,970,267,597
Distribution of Added Value		
To Employees as salaries and allowance	67,824,728	66,405,639
To Directors as salaries and allowances	6,000,000	5,550,000
To Banks and other lenders	358,137,119	385,997,588
To Government as Taxes	283,135,124	178,385,763
To Shareholders	552,164,584	507,504,213
	1,267,261,554	1,143,843,203
Retained for Re-investment and Future Growth		
Depreciation and amortization	467,314,182	402,158,431
Retained Profit	857,107,665	424,265,963
	1,324,421,847	826,424,394
Total Value Distributed	2,591,683,402	1,970,267,597

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 2021, 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, 2021, and 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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSES THE KEY AUDIT MATTER
Revenue Recognition Revenue of BDT 915 Crore (BDT 633 Crore for the year ended June 30, 2020) is recognized in the consolidated Statement of Profit or Loss and Other Comprehensive Income 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: <ul style="list-style-type: none"> ● Obtain an understanding of Company's internal controls specifically geared towards adoption of the new accounting standard. ● Examine customer contracts to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfer from Company to Customer. ● Reviewing Invoices, Shipping Documents and other supporting documentation to ensure revenue recognition is occurring appropriately ● Examine Payment documentation to ensure completion of revenue cycle is documented appropriately
Details of Revenue Recognition are Included in Note 27 and 27a to the Financial Statements	

Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh
 Email: gkibria@gkibriaandco.com, kibria03@hotmail.com, Web: <http://gkibriaandco.com/>
 Tel: +88-02-9568071, +88-02-9570717, +88-02-9575324

Property, Plant & Equipment	
<p>The Company's consolidated PPE balance as at 30 June 2021 was BDT 516.23 Crore (BDT 555.76 Crore as at 30 June 2020). This represents 46% of Total Assets of the Company (48% of the Company as at 30 June 2020). There is estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ● Obtain an understanding of Company's internal controls, systems and processes around PPE. ● Performed discussions with management to understand their process of determining asset useful life. ● We performed PPE additions procedures by obtaining supporting documentation, invoices, and delivery information as well payments support. ● We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. ● We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable ● For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset. ● Reviewed management's calculations to ensure it is free from no clerical errors.
Details of Property, Plant & Equipment are included in Note 4 and 4a to the Financial Statement	

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

Management is responsible for the 2021 Annual Report. The Annual Report comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Group and Company so far as it appeared from our examinations of those books;
- Financial statements for the year ended 30 June 2021 of subsidiary namely, Petromax Refinery Limited have been audited by Aziz Halim Khair Choudhury, Chartered Accountants and have been properly reflected in the consolidated financial statements. The auditors have expressed an unqualified opinion for the company;
- The consolidated and the separate statements 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; and
- The expenditures incurred were for the purpose of the Group's and the Company's business.

Date: 27 October, 2021
Dhaka, Bangladesh
DVC: 2111040392AS228776


A.K. Gulam Kibria, FCA
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants

Ref: GKC/21-22/A/38

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Notes	June 30, 2021 Taka	June 30, 2020 Taka
ASSETS:			
Non-Current Assets		7,504,461,539	7,374,335,212
Property, Plant and Equipment	4a	5,162,250,342	5,557,612,336
Intangible Assets	5	187,180	326,832
Investment Accounted for using the Equity Method	6a	1,310,281,236	821,075,030
Other Investments	8a	1,031,742,781	995,321,015
Current Assets		3,661,430,643	4,197,240,580
Inventories	9a	1,146,413,070	1,515,005,284
Accounts Receivables	10a	1,108,874,086	1,671,558,329
Other Receivables	11a	73,328	355,974
Advance, Deposits and Prepayments	12a	555,342,334	735,267,993
Financial Assets at fair value through profit or loss	12b	22,585,096	14,133,508
Cash and Cash Equivalents	13a	652,967,418	72,783,831
Goods in Transit	14a	175,175,311	188,135,660
TOTAL ASSETS		11,165,892,182	11,571,575,793
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		6,564,757,458	5,911,063,380
Share Capital	15.00	1,725,514,324	1,691,680,710
Share Premium	16.00	914,920,000	914,920,000
Tax Holiday Reserve	16a	-	914,937,337
Retained Earnings	17a	3,924,323,134	2,389,525,333
Non-controlling interests		290,000,036	267,494,659
Total equity		6,854,757,494	6,178,558,039
Non-Current Liabilities		713,409,783	467,214,670
Long Term Loan- Net of Current Maturity	18a	461,154,225	312,799,664
Deferred Tax Liabilities	19a	252,255,558	154,415,006
Current Liabilities		3,597,724,906	4,925,803,084
L/C Liabilities	20a	543,258,465	706,602,001
Short Term Loan	21a	2,404,950,168	3,563,288,765
IPO Application Amount	22a	6,084,318	6,084,318
Long Term Loan - Current Maturity	23a	214,538,232	118,025,748
Sundry Creditors	24a	245,883,475	276,028,435
Liabilities for Expenses	25a	25,058,105	19,603,334
Unclaimed Dividend	25b	10,004,512	12,012,509
Trade Payable	26a	147,947,632	224,157,975
Total liabilities		4,311,134,688	5,393,017,753
TOTAL EQUITY AND LIABILITIES		11,165,892,182	11,571,575,792
Net Asset Value Per Share (NAVPS)	26b	38.05	34.26
CONTINGENT LIABILITIES & COMMITMENTS	37 & 38		

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


Chairman


Director

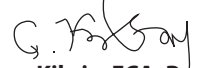

Managing Director


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, October 27, 2021
DVC: 2111040392AS228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Notes	June 30, 2021 Taka	June 30, 2020 Taka
ASSETS:			
Non-Current Assets		5,470,051,800	5,077,234,373
Property, Plant and Equipment	4.00	2,692,383,735	2,901,477,112
Investment Accounted for using the Equity Method	6.00	1,310,281,236	821,075,029
Investment in Subsidiary	7.00	900,000,000	900,000,000
Other Investments	8.00	567,386,830	454,682,232
Current Assets		1,051,980,924	1,133,187,983
Inventories	9.00	317,082,743	290,966,565
Accounts Receivables	10.00	529,410,059	609,041,275
Other Receivables	11.00	73,328	355,974
Advance, Deposits and Prepayments	12.00	25,689,067	41,567,259
Cash and Cash Equivalent	13.00	73,630,723	55,469,481
Goods In Transit	14.00	106,095,004	135,787,429
TOTAL ASSETS		6,522,032,725	6,210,422,356
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		4,682,018,030	4,230,872,342
Share Capital	15.00	1,725,514,324	1,691,680,710
Share Premium	16.00	914,920,000	914,920,000
Retained Earnings	17.00	2,041,583,706	1,624,271,632
Non-Current Liabilities		713,410,472	467,214,670
Long Term Loan- Net of Current Maturity	18.00	461,154,225	312,799,664
Deferred Tax Liabilities	19.00	252,256,247	154,415,006
Current Liabilities		1,126,604,222	1,512,335,344
L/C Liabilities	20.00	539,623,425	706,602,001
Short Term Loan	21.00	21,401,096	179,202,760
IPO Application Amount	22.00	6,084,318	6,084,318
Long Term Loan - Current Maturity	23.00	214,538,232	118,025,748
Sundry Creditors	24.00	185,755,965	266,114,351
Liabilities for Expenses	25.00	6,073,277	5,454,927
Unclaimed Dividend	25b	10,004,512	12,012,509
Trade Payable	26.00	143,123,398	218,838,731
Total Liabilities		1,840,014,694	1,979,550,014
TOTAL EQUITY AND LIABILITIES		6,522,032,725	6,210,422,356
Net Asset Value Per Share (NAVPS)	26bb	27.13	24.52
CONTINGENT LIABILITIES & COMMITMENTS	37 & 38		

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


Chairman


Director



Managing Director


Company Secretary

Report of the Auditors to the Shareholders:

This is the statement of Financial Position referred to in our report of even date.
The annexed notes 1 to 49 form an integral part of these financial statements

Dhaka, October 27, 2021
DVC: 2111040392AS228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
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, 2021

	Notes	For the Year Ended June 30, 2021 Taka	June 30, 2020 Taka
Revenue	27a	9,152,947,633	6,332,403,614
Cost of Sales	28a	7,569,246,367	5,146,405,025
Gross Profit		1,583,701,265	1,185,998,589
Operating Expenses:			
General and Administrative Expenses	29a	163,880,748	146,758,423
Financial Expenses	30a	358,137,119	385,997,588
Operating Profit		1,061,683,399	653,242,578
Non-Operating Income	31a	47,038,823	30,598,181
Share of Profit From Associate	32a	489,206,207	387,796,137
Net Profit before Tax and WPPF		1,597,928,429	1,071,636,896
Workers' Profit Participation Fund	33a	57,082,011	55,316,043
Net Profit before Tax		1,540,846,418	1,016,320,853
Income Tax Expenses:	34a	380,976,365	255,944,991
Current Tax		283,135,124	178,385,763
Deferred Tax		97,841,241	77,559,227
Net profit after Tax		1,159,870,053	760,375,863
Other Comprehensive Income		-	-
Total Comprehensive Income		1,159,870,053	760,375,863
Profit Attributable to			
Equity holders' of the parent		1,127,364,676	755,593,472
Non Controlling Interest		32,505,377	4,782,391
		1,159,870,053	760,375,863
Total Comprehensive Income Attributable to:			
Equity holders' of the parent		1,127,364,676	755,593,472
Non Controlling Interest		32,505,377	4,782,391
		1,159,870,053	760,375,863
Earnings Per Share (EPS)	35a	6.53	4.38

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


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, October 27, 2021
 DVC: 2111040392AS228776
 Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	Notes	For the Year Ended June 30, 2021 Taka	June 30, 2020 Taka
Revenue from Sales	27.00	2,146,709,561	1,740,166,065
Cost of Sales	28.00	1,354,207,701	998,665,757
Gross Profit		792,501,860	741,500,308
Operating Expenses:			
General and Administrative Expenses	29.00	69,401,804	65,685,636
Financial Expenses, Net	30.00	86,535,693	63,416,601
Operating Profit		636,564,363	612,398,071
Non-Operating Income	31.00	83,127,749	89,932,796
Share of Profit of Investment Accounted for using Equity	32.00	489,206,207	387,796,137
Net Profit before Tax and WPPF		1,208,898,319	1,090,127,004
Less: Workers' Profit Participation Fund	33.00	34,271,053	51,910,810
Net Profit before Tax		1,174,627,266	1,038,216,194
Income Tax Expenses:	34.00	249,810,980	235,664,242
Current Tax		151,969,738	158,105,014
Deferred Tax		97,841,241	77,559,227
Net profit after Tax		924,816,286	802,551,953
Other Comprehensive Income		-	-
Total Comprehensive Income		924,816,286	802,551,953
Earnings Per Share (EPS)	35.00	5.36	4.65

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


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, October 27, 2021
DVC: 2111040392AS228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

	JUNE 30, 2021 Taka	JUNE 30, 2020 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	9,715,914,522	5,951,194,153
Cash paid to suppliers, employees	(6,531,022,143)	(4,794,694,759)
Cash Paid for operational Expenses	(165,149,708)	(114,830,815)
Cash received from Other Activities	59,104,931	36,961,401
Cash paid for Workers Profit Participation Fund	(72,248,353)	(67,930,810)
Income Tax Paid	(382,782,566)	(129,896,436)
Cash payment for Financial Expenses	(358,137,119)	(385,997,588)
Net Cash flows from operating activities	2,265,679,564	494,805,146
B CASH FLOWS IN INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(259,785,195)	(366,984,311)
Disposal of Fixed Assets	405,000	-
Other Investment	(36,421,766)	-
Financial Assets at Fair Value	(8,451,588)	(108,584,065)
Net cash used in investing activities	(304,253,549)	(475,568,376)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(973,452,312)	321,998,434
Payment of Dividend	(485,678,595)	(471,822,303)
Loan Other Than Bank and Financial Institutes	(166,978,576)	-
Bank Loan (Long Term)	244,867,045	88,794,231
Net cash used in financing activities	(1,381,242,438)	(61,029,638)
D Net Cash for the year (A+B+C)	580,183,577	(41,792,868)
E Opening cash and bank balance	72,783,841	114,576,709
F Closing cash and cash equivalents (D+E)	652,967,418	72,783,841
G Net Operating Cash Flow per share [Note-47]	13.13	2.87
Effect of Exchange Rate:	5,194	491

Net Operating Cash Flow per Share increased due to significant increase in cash receipts from customers during the current year and an overall decrease in accounts receivables compared to prior year.

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


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

Dhaka, October 27, 2021
DVC: 2111040392A5228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021 Taka	June 30, 2020 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	2,226,623,423	1,424,141,447
Cash paid to suppliers, employees	(909,779,502)	(561,586,123)
Cash Paid for operational Expenses	(60,769,047)	(72,570,475)
Cash received from Other Activities	95,193,856	96,296,015
Cash paid for Workers Profit Participation Fund	(68,843,120)	(50,430,251)
Income Tax Paid	(251,616,491)	(109,615,687)
Cash Paid for Financial Expenses	(86,535,693)	(63,416,601)
Net Cash flows from operating activities	944,273,425	662,818,325
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(258,220,805)	(356,612,124)
Disposal of Fixed Assets	405,000	-
Other Investment	(112,704,598)	5,080,889
Net cash flow from investing activities	(370,520,402)	(351,531,235)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(80,801,664)	46,426,987
Dividend Paid	(475,678,595)	(461,822,303)
Payment of Liabilities(Letter of Credit)	(166,978,576)	-
Loan & Advance (Subsidiary)	(77,000,000)	-
Bank Loan (Long Term)	244,867,045	88,794,231
Net cash used financing activities	(555,591,790)	(326,601,085)
D Net Cash inflow/(outflow) for the year (A+B+C)	18,161,233	(15,313,995)
E Opening Cash & Cash Equivalent	55,469,490	70,783,485
F Closing Cash & Cash Equivalent	73,630,723	55,469,490
G Net Operating Cash Flow per share [Note-48]	5.47	3.84
Effect of Exchange Rate:	5,194	491

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


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

Dhaka, October 27, 2021
DVC: 2111040392AS228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

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, 2020	1,691,680,710	914,937,337	914,920,000	2,389,525,333	5,911,063,380	267,494,659	6,178,558,039
Net profit (After Tax) for the period	-	-	-	1,127,364,676	1,127,364,676	32,505,377	1,159,870,053
Bonus Share/Stock Dividend	33,833,614	-	-	(33,833,614)	-	-	-
Cash Dividend Paid	-	-	-	(473,670,598)	(473,670,598)	(10,000,000)	(483,670,598)
Tax Holiday Reserve	-	(914,937,337)	-	914,937,337	-	-	-
Balance as at June 30, 2021	1,725,514,324	-	914,920,000	3,924,323,134	6,564,757,458	290,000,036	6,854,757,494

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2020

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, 2019	1,658,510,500	897,720,729	914,920,000	2,148,701,619	5,619,852,848	272,712,268	5,892,565,116
Net profit (After Tax) for the year	-	-	-	755,593,472	755,593,472	4,782,391	760,375,863
Bonus Share/Stock Dividend	33,170,210	-	-	(33,170,210)	-	-	-
Cash Dividend Paid	-	-	-	(464,382,940)	(464,382,940)	(10,000,000)	(474,382,940)
Tax Holiday Reserve	-	17,216,608	-	(17,216,608)	-	-	-
Balance as at June 30, 2020	1,691,680,710	914,937,337	914,920,000	2,389,525,333	5,911,063,380	267,494,659	6,178,558,039

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


Chairman


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, October 27, 2021
DVC: 211 1040392A5228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2020	1,691,680,710	914,920,000	1,624,311,632	4,230,912,342
Net profit for the year	-	-	924,816,286	924,816,286
Bonus Share/Stock Dividend	33,833,614	-	(33,833,614)	-
Cash Dividend	-	-	(473,670,598)	(473,670,598)
Balance as at June 30, 2021	1,725,514,324	914,920,000	2,041,623,706	4,682,058,030

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2020

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2019	1,658,510,500	914,920,000	1,319,312,829	3,892,743,329
Net profit for the year	-	-	802,551,953	802,551,953
Bonus Share/Stock Dividend	33,170,210	-	(33,170,210)	-
Cash Dividend	-	-	(464,382,940)	(464,382,940)
Balance as at June 30, 2020	1,691,680,710	914,920,000	1,624,311,632	4,230,912,342

The financial statements were authorised for issuance by the Board of Directors on October 27, 2021


Chairman


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, October 27, 2021
DVC: 211 1040392AS228776
Ref: GKC/21-22/A/38


A.K. Gulam Kibria, FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED

Notes to the Financial Statements As on and for the year ended June 30, 2021

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 (PRL) 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

Ref: GKC/21-22/A/38

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, 2021 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

Basis for Consolidation: Management has to use their judgment to determine whether their investment in subsidiary Petromax Refinery meets the criteria for consolidation.

Ref: GKC/21-22/A/38

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 for using Going concern without material uncertainties

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.

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. During the previous financial year, on 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID 19. The impact of this global pandemic has been felt by almost every organization or company and Shajibazar Power Company was not different. The pandemic resulted in decrease in revenue and profits in the prior year. Even with the impact of the pandemic, Management has assessed the going concern issue and found no material uncertainties regarding the Company's ability to continue as a going concern. The Company has a very health positive Net Asset Value (NAV) per share and the Company has been consistently able to generate positive Net Operating Cash Flows per share (NOCFPS) and provide healthy return on investment to their shareholders.

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

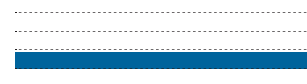
According to the International Accounting Standard (IAS) 1 as adopted by ICAB, "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- 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 issued but not yet effective for the Company

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

Ref: GKC/21-22/A/38



IFRS 17 – Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. This standard is not applicable to the Company and will not be adopted.

IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for de-recognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IAASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

3. Principal Accounting Policies:

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

3.1 Accounting policy for Subsidiary and Associate

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.

When Shahjibazar Power Company Ltd. loses control over its subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of the equity. Any resulting gain or loss is recognized in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Non-controlling interest (NCI) is the equity interest in Petromax Refinery Limited not attributable to Shahjibazar Power Company Ltd. NCI is measured at PRL's proportionate share of identifiable net assets at the date of acquisition as per para 19 of IFRS 3: Business Combinations. The Company presents the non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of parent as per Para 22 of IFRS 10: Consolidated Financial Statements.

Changes in Company's interest in PRL that do not result in a loss of control are accounted for as equity transaction as per Para 23 of IFRS 10: Consolidated Financial Statements.

3.1.2 Investment in Associate

In line with IAS 28, The Company's investment in its associates over which the Company has significant influence are accounted for using the equity method in the Consolidated and Separate Financial Statements. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

Ref: GKC/21-22/A/38

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, 2020 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.

Ref: GKC/21-22/A/38

Ref: GKC/20-21/A/061

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 recognized for all temporary taxable differences.

Deferred Tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

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.

Ref: GKC/21-22/A/38

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, a 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.

Ref: GKC/21-22/A/38

Ref: GKC/20-21/A/061

3.19. Workers Profit Participation Fund (WPPF) and other Post-Retirement Benefits

The company has been providing worker profit participation fund for its employees in accordance with provisions of Bangladesh Labor Act 2006. Section-232(1). The company maintains a defined contribution plan (Provident Fund) for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The Company does not have any defined benefit plans (Gratuity Plan) and therefore does not record any provisions or expenses in this regard. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate

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 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.

3.22. 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.

3.24. Leases (IFRS 16)

The Company applied IFRS 16 Leases for the first time on 1 July 2019. A Lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Previously the Company used to charge the consideration paid in its books as rent expenses. IFRS 16 introduced a single, on balance sheet accounting model for leases. Company has only office rent agreement, which is classified as operating leases, which under IFRS 16 are required to be recognized on the Company's statement of financial position. These rental agreements are less than or equal to 12 (Twelve) months and therefore fall under the definition of a short-term lease. In accordance with paragraph 6 of IFRS 16, the Company recognizes the rental expenses as they are accrued by the Company. The Company did not record any right-of-use assets and lease liabilities related to these rental agreements in the current year.

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.

Ref: GKC/21-22/A/38

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

3.26. Materiality, aggregation and off-setting

Each material item as considered by management significant, has been presented separately in the financial statements. No amount has been set off unless the Group has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the period.

3.27. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Assets and liabilities are classified as current when they are expected to be realized, settled, sold or consumed in a normal accounting cycle or within twelve months after the reporting period. Assets and liabilities that are held primarily for trading are also considered current.

Ref: GKC/21-22/A/38

	June 30, 2021 Taka	June 30, 2020 Taka
4.00 PROPERTY, PLANT AND EQUIPMENT:		
Cost		
Cost at July 01, 2020	5,905,867,320	5,094,848,638
Addition during the period	258,220,805	811,018,682
Disposal during the year	(1,300,000)	-
Cost at June 30, 2021	6,162,788,125	5,905,867,320
Accumulated Depreciation		
Balance at July 01, 2020	3,004,390,208	2,602,231,777
Charged during the year	467,314,182	402,158,431
Adjustment during the year	(1,300,000)	-
At June 30, 2021	3,470,404,390	3,004,390,208
Carrying Value at June 30, 2021	2,692,383,735	2,901,477,112
LEASEHOLD/FREEHOLD STATUS (at carrying value)		
Land, Building, Plant & Machinery, Furniture fixtures & Others	-	-
Leasehold	2,692,383,735	2,901,477,112
Freehold	2,692,383,735	2,901,477,112
For details breakup please refer to Annexure - A		
4a Consolidated Property, Plant and Equipment		
Shahjibazar Power Company Limited	2,692,383,735	2,901,477,112
Petromax Refinery Limited	2,469,866,607	2,656,135,224
	5,162,250,342	5,557,612,336
5.00 Consolidated Intangible Assets		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	187,180	326,832
	187,180	326,832
6.00 INVESTMENT ACCOUNTED FOR USING THE 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	1,261,281,236	772,075,029
	1,310,281,236	821,075,029
6.01 Share of Post Acquisition Changes in Net Asset		
Opening Balance	772,075,029	384,278,892
Share of net profit for the this Period	489,206,207	387,796,137
	1,261,281,236	772,075,029
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	1,261,281,236	772,075,029
	1,310,281,236	821,075,029

6c Nature of Investment in Associate:

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

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

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

Summarised financial information for associate

	June 30, 2021 Taka	June 30, 2020 Taka
Summarised Balance Sheet:		
	June 30, 2021	June 30, 2020
Current:		
Cash & Cash Equivalents	1,259,998,071	420,930,838
Other Current Assets (excluding cash)	3,204,041,177	2,171,988,609
Total Current Assets	4,464,039,248	2,592,919,447
Financial liabilities (excluding trade payables)	5,117,997,094	3,719,860,557
Other current liabilities	525,048,496	433,195,711
Total Current Liabilities	5,643,045,590	4,153,056,268
Non-Current:		
Assets	10,384,790,924	10,926,021,109
Total Non-Current Assets	10,384,790,924	10,926,021,109
Financial Liabilities	3,563,183,615	4,794,583,922
Other Liabilities	-	-
Total Non-Current Liabilities	3,563,183,615	4,794,583,922
Net Assets	5,642,600,968	4,571,300,366
Summarised Statement of Comprehensive Income		
Revenue	6,150,167,041	4,849,345,552
Cost of Revenue	4,338,846,861	3,049,363,459
Other Expenses	676,703,182	890,504,746
Income Tax Expense	20,401,085	22,775,255
Post tax profit from continuing operations.	1,114,215,913	882,954,388
Details of Post tax profit from continuing operations:		
Midland Power Co. Ltd.	129,593,546	94,878,353
Midland East Power Ltd.	868,786,469	696,542,335
Profit Transferred to Midland Power Co. Ltd.(A+B)	998,380,014	791,420,687
A. Midland Power Company Ltd.	129,593,546	94,878,353
B. Midland East Power Ltd.	868,786,469	696,542,335
Net Profit of Midland East Power Ltd.	984,622,367	789,412,804
Less: Non-Controlling Interest	(115,835,898)	(92,870,469)
7.00 INVESTMENT IN SUBSIDIARY:		
Petromax Refinery Limited	900,000,000	900,000,000
	900,000,000	900,000,000
Petromax Refinery Limited is 90% owned subsidiary company of Shahjibazar Power Co. Ltd.		
8.00 OTHER INVESTMENTS:		
Investment In Mudaraba Term Deposit	124,522,330	11,817,732
Investment In Associate over share capital as Share Money Deposit	431,200,000	431,200,000
Midland East Power Ltd.	11,664,500	11,664,500
	567,386,830	454,682,232
Shahjibazar Power Co. Ltd. has invested in Midland East Power Ltd's equity share for 11,64,450 shares @ Tk. 10/- each.		
8.01 Investment in Mudaraba Term Deposit		
Mudaraba Term Deposit Receipt-IBBL	24,522,330	11,817,732
Mudaraba Term Deposit Receipt-IFIL	100,000,000	-
	124,522,330	11,817,732
Lien Status:		
Under Lien (Against Bank Guarantee)	12,522,330	11,817,732
Free from Lien	100,000,000	-
	112,522,330	11,817,732
8a Consolidated Other Investment		
Shahjibazar Power Company Limited	567,386,830	454,682,232
Petromax Refinery Limited	464,355,951	540,638,783
	1,031,742,781	995,321,015
9.00 INVENTORIES		
Oil & Lubricant	8,123,664	11,118,810
Spare parts and others	308,959,079	279,847,755
	317,082,743	290,966,565

Inventories in hand have been valued at lower of cost and net realizable value.

Ref: GKC/21-22/A/38

		June 30, 2021 Taka	June 30, 2020 Taka
Quantity wise disclosure of inventory:			
Items	Measurement Unit	Quantity	Value
Oil & Lubricant	Liter	17,699.00	4,601,740
	Drum	13,382.00	3,439,174
	Kgs	583.00	71,150
	Can	5.00	11,600
Spare parts & Others	Pices	16,750.00	276,049,205
	Packet	960.00	8,690,450
	Set	113.00	2,156,660
	Roll	15.00	30,000
	Rim	3.00	1,050
	Rft	47,960.00	8,290,631
	Pair	355.00	2,360,523
	Book	130.00	12,531
	Box	530.00	10,842,556
	Kg	8.00	23,960
	Lbs	2.00	3,250
	Mtr	590.00	498,263
Total		99,085.00	317,082,743

9a Consolidated Inventories			
Shahjibazar Power Company Limited		317,082,743	290,966,565
Petromax Refinery Limited		829,330,327	1,224,038,719
		1,146,413,070	1,515,005,284
10.00 ACCOUNTS RECEIVABLES			
Bangladesh Power Development Board (BPDB)		529,410,059	609,041,275
Ageing Status of Accounts Receivables			
Less than six months		529,410,059	609,041,275
More than six months		-	-
		529,410,059	609,041,275
10a Consolidated Accounts Receivables:			
Shahjibazar Power Company Limited		529,410,059	609,041,275
Petromax Refinery Limited		579,464,027	1,062,517,054
		1,108,874,086	1,671,558,329
11.00 OTHER RECEIVABLES:			
Interest on Mudaraba Term Deposit-IBBL		73,328	355,974
		73,328	355,974
11a Consolidated Other Receivables:			
Shahjibazar Power Company Limited		73,328	355,974
Petromax Refinery Limited		-	-
		73,328	355,974
12.00 ADVANCE, DEPOSITS AND PREPAYMENTS:			
Advance	12.01	907,024	442,294
Deposits	12.02	16,606,677	27,304,165
Prepayments	12.03	8,175,366	13,820,800
		25,689,067	41,567,259
12.01 Advances:			
Advance Income Tax:			
Opening Balance		-	-
Add: During this period		53,000	296,296
Adjusted with Non-Operating Income Tax Payable		(53,000)	(296,296)
		-	-
Advance to Others :			
Youth Garments Ltd.		-	96,101
United Corporate Advisory Services Ltd.		100,000	-
		100,000	96,101

Ref: GKC/21-22/A/38

	June 30, 2021 Taka	June 30, 2020 Taka
Advance to Staffs:		
Mr. A.F.M Sarwar Jahan	128,903	257,607
Mr. Tarequl Islam	-	6,978
Others	678,121	81,608
	807,024	346,193
Total Advances :	907,024	442,294
12.02 Deposits :		
Central Depository Bangladesh Ltd.(CDBL)	500,000	500,000
Power Development Board (Hobigonj)	72,660	72,660
Bank Guarantee Margin - IBBL	12,178,017	16,678,691
Letter of Credit Margin - IBBL	3,556,000	9,752,814
Trust Filling Station	300,000	300,000
Total Deposits :	16,606,677	27,304,165
12.03 Pre-Payments:		
Pre-paid Insurance	7,613,481	6,723,038
Pre-paid Interest-Bai Murabaha TR Loan	202,191	6,620,998
Pre-paid BG Commission	359,694	476,764
Total Prepayments :	8,175,366	13,820,800
Islamic Bank Bangladesh Limited has issued Bank Guarantee on behalf of SPCL favoring Bangladesh Power Development Board (BPDB) & Jalalabad Gas Transmission and Distribution Company Limited (JGTDCL) 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	25,689,067	41,567,259
More than One Year	-	-
	25,689,067	41,567,259
12a Consolidated Advance, Deposits and Prepayments:		
Shahjibazar Power Company Limited	25,689,067	41,567,259
Petromax Refinery Limited	529,653,267	770,700,734
Less : Loan from Petromax Refinery Limited	-	(77,000,000)
	555,342,334	735,267,993
12b Consolidated Financial Assets at fair value through profit or loss		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	22,585,096	14,133,508
	22,585,096	14,133,508
Financial Assets at fair value through profit or loss		
Listed Equity Securities-Held for Trading		
AB Bank Ltd.	1,787,500	553,520
Appollo Ispat Complex Limited.	313,275	134,827
Asia Insurance Ltd. (ASIANS)	-	85,000
Bay Leasing & Investment Ltd.	-	1,165,500
BBS Cables Ltd.	2,190,412	1,762,160
Bashundhara Paper Mills Ltd. (BPML)	741,200	678,300
Bangladesh Steel Re-Rolling Mills Limited	3,533,926	2,200,990
The City Bank Ltd.	1,333,658	478,706
CVO Petrochemical Refinery Limited	567,416	741,560
Dhaka Electric Supply Company Limited	207,669	211,932
Dhaka Bank Ltd.	1,612,737	1,060,500
Dutch-Bangla Bank Limited	-	78,238
EXIM Bank Limited	1,168,500	645,000
Far Chemicals Industries Ltd.	145,079	130,438
GPH Ispat Ltd.	448,202	294,686
IFIC Bank Limited	-	291,368
Lafarge Holcim Bangladesh Limited	3,498,000	359,000
NCC Bank	727,560	-
Nahee Aluminum Composite Panel Ltd.	-	782,331
Nurani Dyeing & Sweater Ltd. (NURANI)	176,902	143,990
One Bank Limited	1,575,000	759,000

Ref: GKC/21-22/A/38

	June 30, 2021 Taka	June 30, 2020 Taka
Premier Leasing & Finance Ltd .	175,955	102,640
RAK Ceramics (Bangladesh) Limited	228,932	173,030
Union Capital Ltd.	611,884	396,898
Uttara Bank Ltd.	1,008,291	903,894
Walton Hi-Tech Industries Ltd. (WALTONHIL)	533,000	-
	22,585,096	14,133,508

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

13.00 CASH AND CASH EQUIVALENT:

Cash in Hand	85,104	56,976
Cash at Bank:	73,545,619	55,412,504
CD Account with Bank Asia Limited, IPO-USD	104,339	104,277
CD Account with Bank Asia Limited, IPO-GBP	37,722	32,659
CD Account with Bank Asia Limited, IPO-EURO	927	858
STD Account with Bank Asia Limited, IPO-Taka	16,051,595	15,837,517
CD Account with Islami Bank Bangladesh Ltd# 9396	38,284,826	2,066,736
CD Account with Islami Bank Bangladesh Ltd# 1250	5,646,515	5,531,794
CD Account with Islami Bank Bangladesh Ltd# 12506308	136,824	-
SND Account with Islami Bank Bangladesh Ltd# 49	11,265,033	24,509,440
SND Account with Islami Bank Bangladesh Ltd# 29413	1,885,875	7,219,965
CD A/C with Standard Chartered Bank # 53917701	4,600	4,600
CD A/C with Eastern Bank Ltd. # 1041060274350	127,364	104,657
	73,630,723	55,469,480

13a Consolidated Cash and Cash Equivalent

Shahjibazar Power Company Limited	73,630,723	55,469,480
Petromax Refinery Limited	579,336,694	17,314,351
	652,967,418	72,783,831

14.00 GOODS IN TRANSIT:

Parts of Plant & Machinery	106,095,004	135,787,429
	106,095,004	135,787,429

14a Consolidated Goods in Transit

Shahjibazar Power Company Limited	106,095,004	135,787,429
Petromax Refinery Limited	69,080,307	52,348,231
	175,175,311	188,135,660

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:		
17,25,51,432 shares @ Tk.10.00 each	1,725,514,324	1,691,680,710
Movement of Share Capital:		
Opening Balance	1,691,680,710	1,658,510,500
Add: Bonus Share issued (2%)	33,833,614	33,170,210
	1,725,514,324	1,691,680,710

Shareholding position was as follows:

Name of Shareholders	% of Shareholding 30-Jun-21	% of Shareholding 30-Jun-20
Mr. Rezakul Haider	14,833,699	8.60%

Ref: GKC/21-22/A/38

	June 30, 2021 Taka	June 30, 2020 Taka
Mr. Anis Salahuddin Ahmad	15,375,827	8.91%
Mr. A.K.M.Badiul Alam	10,064,035	5.83%
Md. Samsuzzaman	19,596,054	11.36%
Ms. Shahida Alam	3,532,017	2.05%
Md. Akbor Haider	5,385,392	3.12%
Mr. Faridul Alam	9,849,634	5.71%
Mr. Rezina Alam	7,738,341	4.48%
Mr. Faisal Alam	10,627,095	6.16%
Mr. Asgor Haider	5,171,070	3.00%
Ms. Israt Azim Ahmad	5,385,392	3.12%
General Public	64,992,876	37.67%
	172,551,432	100%

Classification of Shareholders by holding:

Class by number of shares	Number of Shareholders		Percentage of Shareholding	Percentage of Shareholding
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Less than 500 Shares	4,357	4,340	55.18%	52.15%
501 to 5,000 shares	2,581	2,991	32.69%	35.94%
5,001 to 10,000 shares	403	413	5.10%	4.96%
10,001 to 20,000 Shares	233	268	2.95%	3.22%
20,001 to 30,000 Shares	88	83	1.11%	1.00%
30,001 to 40,000 Shares	34	36	0.43%	0.43%
40,001 to 50,000 Shares	33	24	0.42%	0.29%
50,001 to 100,000 Shares	62	73	0.79%	0.88%
100,001 to 1,000,000 Shares	82	73	1.04%	0.88%
Over 1,000,000 Shares	23	21	0.29%	0.25%
	7,896	8,322	100%	100%

Name of the Directors and their Shareholding position:

Name of the Directors	No. of Shareholding	No. of Shareholding
	30-Jun-21	30-Jun-20
Mr. Rezakul Haider (Deceased)	14,833,699	14,542,843
Mr. Anis Salahuddin Ahmad	15,375,827	15,074,341
Mr. A.K.M.Badiul Alam	10,064,035	9,656,504
Md. Samsuzzaman	19,596,054	12,807,878
Mr. Akbor Haider	5,385,392	19,211,818
Mr. Faridul Alam	9,849,634	5,279,797
Mr. Faisal Alam	10,627,095	5,069,677
Mr. Asgar Haider	5,171,070	10,418,721
Total :	90,902,806	92,061,579

Mr. Feroz Alam was deceased on October 5, 2019. Upon application of his legal successors before the office of District Judge, Dhaka under case no.- 1719/2019, the Court has issued succession certificate on August 16, 2020. Now, as per the succession certificate the share transmission process complying the relevant clause of Article of the Association (AoA) of the Company is currently underway for execution.

16.00 SHARE PREMIUM:

Opening Balance	914,920,000	914,920,000
	914,920,000	914,920,000

16a Consolidated Tax Holiday Reserve

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	-	914,937,337
	-	914,937,337

17.00 RETAINED EARNING:

Opening Balance	1,624,271,632	1,319,272,829
Add: Net profit for this year	924,816,286	802,551,953
Less: 28% Cash Dividend	(473,670,598)	(464,382,940)
Less: 2% Stock Dividend	(33,833,614)	(33,170,210)
	2,041,583,706	1,624,271,632

17a Consolidated Retained Earning

Opening Balance	2,389,525,333	2,148,701,619
Net Profit for the period	1,127,364,676	755,593,472
Bonus Share/Stock Dividend	(33,833,614)	(33,170,210)

Ref: GKC/21-22/A/38

Cash Dividend Paid
Transfer to Tax Holiday Reserve

June 30, 2021 Taka	June 30, 2020 Taka
(473,670,598)	(464,382,940)
914,937,337	(17,216,608)
3,924,323,134	2,389,525,333
461,154,225	312,799,664
461,154,225	312,799,664

18.00 LONG TERM LOAN - NET OF CURRENT MATURITY

Islami Bank Bangladesh Limited

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

Name of the Bank	Working Capital Loan	Short Term Facilities Limit	Long Term Loan Limit	Bank Guarantee
Islami Bank Bangladesh Ltd.	350.00	350.00	896.00	936.70
Total	350.00	350.00	896.00	936.70

Islami Bank Bangladesh Limited

Name of the facility: HPSM (Project)
Purpose of Loan: To import equipment/accessories for the existing power plant.
Mode of Repayment: Monthly installment
Security: Proportionate ownership of the proposed machinery of the project to be procured valued Tk. 234.37 million shall be retained in the Bank's name by creating hypothecation till full adjustment of Bank's dues.
Collaterals: Registered Mortgage/further charge with registered irrevocable power of attorney from the mortgagors in Bank's favor including the clause "Bank can sell the property as per section-12 of Artho Rin Adalat Ain-2003 without the intervention of court in case of default to pay bank's dues within due date by the client"
Name of facility: 432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal project land and building (Total area: 24,200 sft) & Machineries and vehicles as per Balance sheet. Working Capital

18a Consolidated Long Term Loan- Net of Current Maturity

Shahjibazar Power Company Limited
Petromax Refinery Limited

461,154,225	312,799,664
-	-
461,154,225	312,799,664

19.00 DEFERRED TAX LIABILITIES:

Investment in associates carrying value
Investment in associates tax base
Taxable temporary Difference
Deferred tax liabilities at 20%

1,310,281,236	821,075,029
49,000,000	49,000,000
1,261,281,236	772,075,029
252,256,247	154,415,006

19a Consolidated Deferred Tax Liabilities

Shahjibazar Power Company Limited
Petromax Refinery Limited

252,256,247	154,415,006
(690)	-
252,255,558	154,415,006

20.00 L/C LIABILITIES:

Liabilities for Letter of Credit

539,623,425	706,602,001
539,623,425	706,602,001

20a Consolidated LC Liabilities

Shahjibazar Power Company Limited
Petromax Refinery Limited

539,623,425	706,602,001
3,635,040	-
543,258,465	706,602,001

21.00 SHORT TERM LOAN:

Bai Murabaha TR-IBBL
Petromax Refinery Ltd.

21,401,096	102,202,760
-	77,000,000
21,401,096	179,202,760

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
Petromax Refinery Limited

21,401,096	179,202,760
2,383,549,072	3,461,086,005

	June 30, 2021 Taka	June 30, 2020 Taka
Less: Intercompany Loan	-	(77,000,000)
	2,404,950,168	3,563,288,765
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	-	-
	6,084,318	6,084,318

According to the instruction of BSEC Shahjibazar Power Co. Ltd. has transferred Tk. 4,910,500.00 from Unclaimed IPO fund to the Capital Market Stabilization Fund subsequent to the year end.

23.00 LONG TERM LOAN - CURRENT MATURITY:

Islami Bank Bangladesh Limited	214,538,232	118,025,748
	214,538,232	118,025,748

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	214,538,232	118,025,748
Petromax Refinery Limited	-	-
	214,538,232	118,025,748

24.00 SUNDRY CREDITORS:

Aamra Networks	5,000	-
Square Pharmaceuticals Ltd.	10,200	10,200
Paramount insurance Company Limited.	22,157	-
CDZ Global Logistics Limited	652,344	2,490,660
Horizon Media and Publication Limited	5,000	-
Smart Printing Solutions Ltd.	10,289	-
Petromax LPG Ltd.	-	500,000
The Daily Jugantor	-	150,000
M/S Jilani Air Cargo Limited	-	8,010
Zenith Islami Life Insurance Limited	-	306,000
Provision for WPPF	34,271,053	68,843,120
Payable for Current Tax	150,779,922	193,806,361
	185,755,965	266,114,351

24.01 Payable for Current Tax

Tax on Operating Income	135,515,995	140,121,815
Previous year Tax Payable	193,806,361	114,287,261
Tax on Non-operating income	(1,546,257)	(16,801)
Tax on Dividend Income	18,000,000	18,000,000
Tax on Cash Dividend Payable	56,673,314	31,029,772
Total Payable	402,449,413	303,422,048
Tax paid during this period	(251,616,491)	(109,319,391)
	150,832,922	194,102,657
TDS adjustment	(53,000)	(296,296)
	150,779,922	193,806,361

24a Consolidated Sundry Creditors

Shahjibazar Power Company Limited	185,755,965	266,114,351
Petromax Refinery Limited	60,127,510	9,914,084

Ref: GKC/21-22/A/38

	June 30, 2021 Taka	June 30, 2020 Taka
25.00 LIABILITIES FOR EXPENSES:	245,883,475	276,028,435
Salary & Allowance	4,228,183	4,028,011
Directors Remuneration	500,000	350,000
Audit Fees	759,000	759,000
Car Allowances	94,125	94,125
Office Rent	393,750	131,250
Electricity Bill	98,219	92,541
	6,073,277	5,454,927
25a Consolidated Liabilities for Expenses		
Shahjibazar Power Company Limited	6,073,277	5,454,927
Petromax Refinery Limited	18,984,828	14,148,407
	25,058,105	19,603,334
25b Dividend Payable		
Dividend Payable	10,004,512	12,012,509
	10,004,512	12,012,509

Subsequent to the year end maximum portion of unclaimed dividend has been claimed and disbursed accordingly. According to the instruction of BSEC Shahjibazar Power Co. Ltd. has transferred Tk. 3,304,003.00 from Unclaimed Dividend to the Capital Market Stabilization Fund subsequent to the year end.

26.00 TRADE PAYABLE:		
A to Z Computer	-	6,200
Assign Engineering Ltd.	-	25,300
Controlware Power & Automation Engineering Ltd.	-	4,787,500
Energy Plus Electric	-	2,000
R & B International	-	48,500
Angelic Accessories	7,300	7,800
Aqua Care Trading	225,000	-
Standard Essential Company Limited	5,144,375	-
Clarke Energy Bangladesh Limited	7,478,592	-
MJL Bangladesh Limited	5,144,375	5,201,300
Dglobal Digital Mart Ltd.	8,750	8,750
Jalalabad Gas Transmission and Distribution Systems Ltd.	124,972,883	208,588,021
Bearing Sales Corporation	10,400	-
Delcot Ltd.	85,500	76,000
New Mizan Electric	44,702	87,360
Others	1,521	-
	143,123,398	218,838,731
26a Consolidated Trade Payable		
Shahjibazar Power Company Limited	143,123,398	218,838,731
Petromax Refinery Limited	4,824,234	5,319,244
	147,947,632	224,157,975
26b Net Asset Value Per Share (Consolidated)		
Net Asset Value	6,564,757,458	5,911,063,380
Number of share	172,551,432	172,551,432
Net Asset Value Per Share	38.05	34.26
26bb Net Asset Value Per Share		
Net Asset Value	4,682,018,030	4,230,872,342
Number of share	172,551,432	172,551,432
Net Asset Value Per Share	27.13	24.52

		2020 - 2021 Taka	2019 - 2020 Taka
27.00 REVENUE			
Sales		2,146,709,561	1,740,166,065
		2,146,709,561	1,740,166,065
27a Consolidated Revenue			
Shahjibazar Power Company Limited		2,146,709,561	1,740,166,065
Petromax Refinery Limited		7,006,238,072	4,592,237,549
		9,152,947,633	6,332,403,614
28.00 COST OF SALES:			
Raw Material Consumed	28.01	825,733,086	543,203,119
Factory Overhead	28.02	528,474,615	455,462,638
		1,354,207,701	998,665,757
28.01 Raw Material Consumed			
Opening Stock		290,966,565	177,156,569
Purchase During the Year		851,849,264	657,013,115
Closing Stock as on 30th June-2021		(317,082,743)	(290,966,565)
		825,733,086	543,203,119
28.02 Factory Overhead			
Salary & Allowance		43,795,440	43,697,465
Overtime		734,904	1,034,673
Festival Bonus		4,387,199	3,908,686
Plant & Machinery maintenance		15,541,970	9,570,775
Fuel & Lubricants for car		1,204,241	1,039,937
Diesel for Generator		104,000	139,750
Depreciation		462,706,860	396,071,352
		528,474,615	455,462,638
28a Consolidated Cost of Sales			
Shahjibazar Power Company Limited		1,354,207,701	998,665,757
Petromax Refinery Limited		6,215,038,667	4,147,739,268
		7,569,246,367	5,146,405,025
29.00 GENERAL & ADMINISTRATIVE EXPENSES:			
Salary & Allowance		18,907,185	17,764,816
Audit Fee		759,000	759,000
Advertisement & Publicity		2,300,685	1,349,200
Secretarial Expenses		2,760,188	2,824,457
BG Commission		7,201,624	4,757,102
Credit Rating Expenses		120,551	111,194
Carrying Inwards/C&F Charges		1,591,188	3,127,700
Gift, Donation & Subscription		4,319,715	3,699,600
Utility Bill		1,261,569	1,175,362
Entertainment		1,748,196	1,726,137
Insurance Premium		9,265,306	9,113,414
Legal & Professional Fees		107,200	60,000
Directors Remuneration	29.01	6,000,000	5,550,000
Office Maintenance		3,394,537	3,090,202
Printing, Stationary & Supplies		835,891	804,643
Registration & Renewals		580,743	937,932
Traveling & Conveyances		1,641,085	1,651,079
Training & Workshop		12,500	10,000
Civil Works Maintenance		1,987,319	1,086,719
Depreciation Expenses		4,607,322	6,087,079
		69,401,804	65,685,636

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

Name	Designation	June-2021	June-2020
Faridul Alam	Managing Director	6,000,000	6,000,000
Total		6,000,000	6,000,000

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

Ref: GKC/21-22/A/38

	2020 - 2021 Taka	2019 - 2020 Taka
29a Consolidated General & Administrative Expenses		
Shahjibazar Power Company Limited	69,401,804	65,685,636
Petromax Refinery Limited	94,478,944	81,072,787
	163,880,748	146,758,423
30.00 FINANCIAL EXPENSES		
Interest on Loan - Islami Bank Bangladesh Ltd.	74,813,057	42,818,489
Interest on Loan - Eastern Bank Ltd.	(38,052)	9,094,004
Bank Charges & Commission	7,556,553	5,168,318
Charge for Delay Payment	4,204,135	6,335,791
	86,535,693	63,416,601
30a Consolidated Financial Expenses		
Shahjibazar Power Company Limited	86,535,693	63,416,601
Petromax Refinery Limited	271,601,425	322,580,987
	358,137,119	385,997,588
31.00 NON-OPERATING INCOME:		
Income from Bank Interest	1,284,492	884,641
Wastage Sale	367,330	2,236,993
Foreign Exchange Gain	5,194	-
Interest on Mudaraba Term Deposit	3,536,840	3,174,382
Foreign Exchange Loss	(12,471,107)	(6,363,220)
Gain on sale of vehicle	405,000	-
Income from Dividend- Subsidiaries	90,000,000	90,000,000
	83,127,749	89,932,796
Non-Operating income increased due to receiving of Dividend from Subsidiary Company.		
31a Consolidated Non-operating Income		
Shahjibazar Power Company Limited	83,127,749	89,932,796
Petromax Refinery Limited	53,911,075	30,665,386
Less: Inter-company Dividend	(90,000,000)	(90,000,000)
	47,038,823	30,598,181
32.00 SHARE OF PROFIT FROM ASSOCIATE:		
Net Profit of Associate company	998,380,014	791,420,687
Percentage of share holding	49%	49%
Share of profit from Associate	489,206,207	387,796,137
Profit of Midland East Power Limited	984,622,367	789,412,804
SHAREHOLDING PERCENTAGE OF MEPL:		
Midland Power Co. Limited	88.24%	88.24%
Shahjibazar Power Co. Limited	11.66%	11.66%
Faridul Alam	0.10%	0.10%
	100.00%	100.00%
MPCL's profit from MEPL	868,786,469	696,542,335
Profit of Midland Power Co. Limited	129,593,546	94,878,353
	998,380,014	791,420,687
32a Consolidated Share of Profit from Associate:		
Shahjibazar Power Company Limited	489,206,207	387,796,137
Petromax Refinery Limited	-	-
	489,206,207	387,796,137
33.00 WPPF IS BASED ON NET PROFIT BEFORE TAX @ 5%		
	34,271,053	51,910,810
	34,271,053	51,910,810
33a Consolidated Workers' Profit Participant Fund:		
Shahjibazar Power Company Limited	34,271,053	51,910,810
Petromax Refinery Limited	22,810,958	3,405,233
	57,082,011	55,316,043

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.

Ref: GKC/21-22/A/38

34.00 INCOME TAX EXPENSES:

Current Tax

Tax on Operating Income @ 22.5%
Tax on Non-Operating Income @ 22.5%
Tax on Dividend Received @ 20%

2020 - 2021 Taka	2019 - 2020 Taka
135,515,995	140,121,815
(1,546,257)	(16,801)
18,000,000	18,000,000
151,969,738	158,105,014

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

97,841,241	77,559,227
97,841,241	77,559,227

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

34a Consolidated Income Tax Expense

Shahjibazar Power Company Limited
Petromax Refinery Limited

151,969,738	158,105,014
131,165,386	20,280,749
283,135,124	178,385,763

35.00 EARNING PER SHARE (EPS)

Net Profit After Tax
Number of share
Earnings Per Share

924,816,286	802,551,953
172,551,432	172,551,432
5.36	4.65

35a Consolidated Basic Earning Per Share (EPS)

Profit/(Loss) attributable to equity holder of the parent
Number of share
Earnings Per Share

1,127,364,676	755,593,472
172,551,432	172,551,432
6.53	4.38

36.00 CAPACITY AND UTILIZATION:

Disclosure as per Schedule XI, Part II, Para 7 of the Companies Act 1994.

License Capacity (Unit - Kw)
Actual Utilized (Unit - Kw)
Capacity Utilize (Unit - Kw)

30-Jun-21	30-Jun-20
753,360,000	753,360,000
605,484,672	440,517,096
80%	58%

During the period license capacity and Actual capacity considered for 365 days / 12 (Twelve) months.

37.00 CONTINGENT LIABILITIES:

The Company has also Contingent Liabilities of an amount Tk. 41,77,59,382/- which was issued by Shahjibazar Power Company Limited in favour 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:

BG Issued	Beneficiary Name	B.G No	Guarantee Value
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/51	1,897,479
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/57	839,273
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/60	127,431
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/58	648,848
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/61	509,724
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/71	4,247,697
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/75	118,935
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/80	1,136,259
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/81	4,247,696
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/82	4,183,981
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/85	95,572
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/86	1,018,152
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/87	4,183,981
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	BG/08/91	139,816,591
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/94	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/97	4,041,046

		2020 - 2021 Taka	2019 - 2020 Taka
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	3,404,350
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	3,407,400
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	1,530,000
Islami Bank Bangladesh Ltd.	Rupali Insurance Co. Ltd.	Insurance Payment	1,500,000
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Exports	Export-Cum-Import Permission	1,530,000
Islami Bank Bangladesh Ltd.	Asua Pacific General Insurance Co. Ltd.	Insurance Payment	300,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	Gas Purchase	69,104,752
Grand Total			417,759,382

38.00 CAPITAL EXPENDITURE COMMITMENT:

No capital expenditure contracted or incurred provided for as at 30th June, 2021.

There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2021.

39.00 CLAIM ACKNOWLEDGEMENT:

There was no claim against the Company not acknowledged as debt as on June 30, 2021.

40.00 EVENTS AFTER THE REPORTING PERIOD:

The Board of Directors at the Board Meeting held on 27th October 2021, has recommended to the shareholders a cash dividend @ 28% Cash i.e. Tk. 2.80 per share (amounting to Tk. 483,144,009.60) and stock dividend @ 4%. This will be considered for approval by the shareholders at the 14th Annual General Meeting (AGM) to be held on 30 January 2022.

"The financial statements for the year ended 30 June 2021 do not include the effect of these dividends which will be counted for the period when shareholder's right to received payment is established. These are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements."

According to the instruction of BSEC Shahjibazar Power Co. Ltd. has transferred Tk. 3,304,003.00 from Unclaimed Dividend and Tk. 4,910,500.00 from Unclaimed IPO fund to the Capital Market Stabilization Fund.

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	Aziz Halim Khair Choudhury
3	Midland East Power Limited	Equity Investment	ACNABIN

42.00 NUMBER OF EMPLOYEES:

	30-Jun-21	30-Jun-20
Head Office Staff	23	24
Plant Staff/Employees	98	101
Total	121	125

SHAHJIBAZAR POWER COMPANY LIMITED
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2021

Note-43

SL No.	Particulars	Cost			Depreciation					Written Down Value as on 30.06.2021
		Balance as on 01.07.2020	Addition during this year	Disposal/ Impairment during the year	Balance as on 30.06.21	Rate %	Balance as on 01.07.2020	Adjustment during the year	Charged During the year	Balance as on 30.06.2021
01	Land & Land Development	149,587,065	-	-	149,587,065	0.0%	-	-	-	149,587,065
02	Building & Construction	374,855,803	-	-	374,855,803	7.0%	289,821,504	-	26,239,906	316,061,410
03	Plant & Machineries	5,333,781,893	257,503,469	-	5,591,285,361	6.0%	2,676,239,829	-	435,765,570	3,112,005,399
04	Mechanical & Electrical Goods	4,231,563	90,700	-	4,322,263	10.0%	1,582,000	-	428,447	2,010,447
05	Office Equipment	4,501,114	129,136	-	4,630,250	15.0%	4,501,114	-	129,136	4,630,250
06	Computer & Computer Equipment	2,842,070	197,500	-	3,039,570	20.0%	2,842,070	-	197,500	3,039,570.00
07	Water Treatment Plant	4,264,500	-	-	4,264,500	15.0%	3,991,563	-	272,937	4,264,500
08	Furniture & Fixture	8,125,062	300,000	-	8,425,062	10.0%	5,177,058	-	837,506	6,014,564
09	Vehicles	23,678,250	-	1,300,000	22,378,250	20.0%	20,235,071	1,300,000	3,443,179	22,378,250
	June-2021	5,905,867,320	258,220,805	1,300,000	6,162,788,125		3,004,390,208	1,300,000	467,314,182	3,470,404,390
	June-2020	5,094,848,638	811,018,682	-	5,905,867,320		2,602,231,777	-	402,158,431	3,004,390,208
										2,901,477,112

Allocation Current Year Depreciation:

		Taka
Cost of Goods Sold Portion:		
Building & Construction		26,239,906
Plant & Machineries		435,765,570
Mechanical & Electrical Goods		428,447
Water Treatment Plant		272,937
Total	Note: 28	462,706,860
General & Admin. Portion:		
Office Equipment		129,136
Computer & Computer Equipment		197,500
Furniture & Fixture		837,506
Vehicles		3,443,179
Total	Note: 29	4,607,322
Grand Total :		467,314,182

Note: 44

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2021

SL	Particulars	Cost			Depreciation					Written Down Value as on 30.06.2021	
		Balance as on 01.07.2020	Addition during the year	Disposal during the year	Balance as on 30.06.21	Rate %	Balance as on 01.07.2020	Adjustment during the year	Charged During the year		Balance as on 30.06.2021
1	Land & Land Development	213,954,497	-	-	213,954,497	0.0%	-	-	-	-	213,954,497
2	Building & Construction	907,016,401	-	-	907,016,401	7.0%	470,303,991	-	50,218,672	520,522,663	386,493,738
3	Plant & Machineries	8,156,442,312	257,503,469	-	8,413,945,781	6.0%	3,591,399,700	-	547,641,398	4,139,041,097	4,274,904,683
4	Mechanical & Electrical Goods	4,231,563	90,700	-	4,322,263	10.0%	1,581,999	-	428,447	2,010,446	2,311,817
5	Office/factory Equipment	24,151,034	1,096,816	-	25,247,850	15.0%	9,995,441	-	964,413	10,959,854	14,287,996
6	Computer & Computer Equipments	5,037,683	523,500	-	5,561,183	20.0%	3,905,624	-	374,837	4,280,461	1,280,722
7	Water Treatment Plant	8,647,145	-	-	8,647,145	15.0%	6,665,819	-	515,138	7,180,957	1,466,188
8	Furniture & Fixture	15,744,110	406,300	-	16,150,410	10.0%	9,594,669	-	2,224,705	11,819,374	4,331,036
9	Vehicles	59,962,165	-	-	59,962,165	20.0%	35,116,026	-	7,698,545	42,814,571	17,147,594
10	Electric Installation	35,794,236	-	-	35,794,236	15.0%	22,078,828	-	1,944,453	24,023,281	11,770,955
11	Fire Extinguisher/Equipments	2,405,810	-	-	2,405,810	15.0%	700,413	-	241,776	942,189	1,463,621
12	Lab Equipments	2,791,179	-	-	2,791,179	15.0%	1,623,797	-	165,501	1,789,298	1,001,881
13	Refrigerator	28,298	69,410	-	97,708	15.0%	17,840	-	8,041	25,881	71,827
14	Air Conditioner	6,531,490	95,000	-	6,626,490	15.0%	3,523,243	-	433,475	3,956,718	2,669,772
15	Jetty	9,047,777	-	-	9,047,777	15.0%	5,530,731	-	498,616	6,029,347	3,018,430
16	Cylindrical Vertical Steel Tank	111,594,038	-	-	111,594,038	15.0%	68,841,520	-	6,061,086	74,902,606	36,691,432
17	Generator	20,300,278	-	-	20,300,278	15.0%	12,763,147	-	1,068,550	13,831,697	6,468,581
18	Ship	355,753,863	-	-	355,753,863	20.0%	202,671,421	-	28,395,836	231,067,257	124,686,606
19	Helicopter	90,285,623	-	-	90,285,623	10.0%	26,942,826	-	6,100,679	33,043,505	57,242,118
20	Solar Power System	560,000	-	-	560,000	15.0%	353,013	-	29,345	382,358	177,642
21	Telephone Installation	1,801,788	-	-	1,801,788	15.0%	979,551	-	116,571	1,096,122	705,666
22	Water Line Installation	326,395	-	-	326,395	15.0%	205,752	-	17,103	222,855	103,540
	June 30, 2021	10,032,407,685	259,785,195	-	10,292,192,880		4,474,795,350	-	655,147,189	5,129,942,539	5,162,250,341
	June 30, 2020	9,211,016,817	821,390,869	-	10,032,407,685		3,867,154,155	-	607,641,195	4,474,795,350	5,557,612,336

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 BAS 24 "Related Party Disclosure".

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2020	Addition during the period	Adjustment during the period	Balance as at June 30, 2021	Nature of Balance
Comfit Composite Knit Ltd.	Common Directorship	Intercompany Transaction	-	89,853	89,853	-	
Petromax Refinery Limited	Parent - Subsidiary	Intercompany Transaction	77,000,000	-	77,000,000	-	-
Youth Fashion Limited	Common Directorship	Intercompany Transaction	-	27,741	27,741	-	-
Youth Garments Limited	Common Directorship	Intercompany Transaction	96,101	247,189	343,290	-	-
Midland Power Co. Ltd.	Associate Company	Investment	431,200,000	-	-	431,200,000	Debit
Midland East Power Limited	Common Directorship	Investment	11,664,500	70,000,000	81,664,500	-	-
Islamic Finance & Inv. Ltd.	Common Directorship	MTDR	(0)	136,166,741	36,166,741	100,000,000	Debit
Faridul Alam	Managing Director	Remuneration	-	6,000,000	5,500,000	500,000	Credit
Anis Salahuddin Ahmad	Managing Director	Remuneration	350,000	-	350,000	-	-
Yasin Ahmed	Company Secretary	Salaries and other benefit	56,925	956,340	933,570	79,695	Credit
Saiful Islam	Head of Internal Audit	Salaries and other benefit	27,260	351,060	349,065	29,255	Credit

Key Management Personnel Compensation:

	Transaction During the period ended	
	30 June, 2021	30 June, 2020
Particulars		
Salary & Allowances	23,704,584	21,304,584
Total =	23,704,584	21,304,584

The company's key management personnel includes the company's Managing Director, Executive Director, Chief Operating Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit etc.

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).

Exposure to credit risk

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

	30-Jun-21	30-Jun-20
	Taka	Taka
Accounts Receivable	1,108,874,086	1,671,558,329
Advance, Deposit & Prepayments	555,342,334	735,267,993
Other Receivable	53,000	355,974
	1,664,269,420	2,407,182,296

Ageing of Receivables

Accounts receivable were aged as below:

Less than six months	529,410,059	1,062,517,054
More than six months	-	609,041,275
	529,410,059	1,671,558,329

Impairment losses

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

Liquidity risk

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

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

Particulars	Carrying amount	Cash flows	Up to 1 year	Above 1 Year
As at 30 June 2021	Taka	Taka	Taka	Taka
Short Term interest bearing loans	2,404,950,168	2,404,950,168	2,404,950,168	-
Long Term interest bearing loans	675,692,457	675,692,457	47,584,863	628,107,594
Trade creditors/Payable	147,947,632	147,947,632	147,947,632	-
Sundry creditors	245,883,475	245,883,475	245,883,475	-
L/C Liabilities	543,258,465	543,258,465	543,258,465	-
Other liabilities	25,058,105	25,058,105	25,058,105	-
	4,042,790,301	4,042,790,301	3,414,682,707	628,107,594

As at 30 June 2020				
Short Term interest bearing loans	3,563,288,765	3,563,288,765	3,563,288,765	-
Short Term Non-interest bearing loans	(124,767,099)	(124,767,099)	(124,767,099)	-
Long Term Interest bearing loans	430,825,412	430,825,412	182,096,793	248,728,619
Trade creditors/Payable	224,157,975	224,157,975	224,157,975	-
Sundry creditors	276,028,436	276,028,436	276,028,436	-
L/C Liabilities	706,602,001	706,602,001	706,602,001	-
Other liabilities	37,700,160	37,700,160	37,700,160	-
	5,113,835,649	5,113,835,649	4,865,107,029	248,728,619

Currency risk/foreign exchange rate risk

The Company's exposure to foreign currency risk at June 30, 2021 are as follows:

	30-Jun-21	30-Jun-20
	Taka	Taka
Deferred L/C for Import of Spare Parts (USD)	-	5,980
Deferred L/C for Import of Spare Parts (EURO)	5,270,771.95	8,028,782.00
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

Interest rate risk

		30-Jun-21	30-Jun-20
		Taka	Taka
Fixed Rate instruments	Rate of Interest		
Financial Assets	5%-9.50%	430,825,412	552,456,515
Financial Liabilities	9.00%-11.50%	3,563,288,765	3,994,114,177

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, 2021

	JUNE 30, 2021	JUNE 30, 2020
	Taka	Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	924,816,286	802,551,953
Adjustments to reconcile net income to net cash provided by		
(+) Depreciation	467,314,182	402,158,431
(-) Gain from Disposal of FA	(405,000)	-
(-) Increase in Inventory	(26,116,187)	(113,809,996)
(+) Decrease in Accounts Receivable	79,631,216	(315,933,637)
(+) Decrease in Other Receivable	282,646	(90,981)
(+) Decrease in Prepaid Expenses	15,878,192	(12,567,888)
(-) Increase in Goods In Transit	29,692,425	-
(-) Decrease in Sundry Creditors	(80,358,386)	81,431,316
(-) Decrease in Trade Payable	(75,715,333)	123,356,847
(+) Increase in Liabilities for Expenses	618,350	(404,030)
(-) Increase in Investment in equity Methods	(489,206,207)	(387,796,137)
(+) Exchange Gain or Loss		6,363,220
(+) Provision for Deferred Tax	97,841,241	77,559,227
Net Cash flows from operating activities	944,273,425	662,818,325
B		
Number of Share for Calculation of NOCFPS	172,551,432	172,551,432
Net Operating Cash Flow Per Share (NOCFPS) [A/B]	5.47	3.84

Note-47: 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, 2021

	JUNE 30, 2021	JUNE 30, 2020
	Taka	Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	1,159,870,053	760,375,863
Adjustments to reconcile net income to net cash provided by operating activities		
(+) Depreciation	655,147,189	607,641,194
(-) Gain from Disposal of FA	(405,000)	-
(+) Amortization of Intangible Assets	139,652	139,652
(+) Decrease in Inventory	368,592,205	(402,845,749)
(+) Decrease in Accounts Receivable	562,684,243	(381,118,480)
(+) Decrease in Other Receivable	282,646	(90,981)
(-) Increase in Prepaid Expenses	(4,960,625)	20,966,187
(+) Decrease in Financial Assets		6,233,822
(+) Decrease in Goods In Transit	12,960,349	(2,910,858)
(-) Decrease in Sundry Creditors	(80,853,395)	81,431,316
(+) Increase in other payable	50,213,426	122,760,381
(-) Decrease in Trade Payable	(75,715,333)	(8,495,341)
(+) Increase in L/C Liabilities	3,635,040	(3,531,642)
(+) Increase in Liabilities for Expenses	5,454,771	(1,876,527)
(-) Increase in Investment in equity Methods	(489,206,208)	(387,796,137)
(+) Exchange Gain or Loss	-	6,363,219
(+) Provision for Deferred Tax	97,840,551	77,559,227
Net Cash flows from operating activities	2,265,679,564	494,805,146
B		
Number of Share for Calculation of NOCFPS	172,551,432	172,551,432
Net Operating Cash Flow Per Share (NOCFPS) [A/B]	13.13	2.87

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
<u>30 June 2021</u>								
Petromax Refinery Limited	2,609,449,719		2,934,410,428	5,543,860,147	2,471,120,683	-	2,471,120,683	2,847,685,697
<u>30 June 2020</u>								
Petromax Refinery Limited	3,141,052,598		3,197,100,838	6,128,854,028	3,490,467,739	-	3,228,992,242	2,899,861,786
Share of Net Profit & Loss	Reporting Date		Nature of Investment Controlling Power	Income	Expenses	Tax Expenses	Profit After tax	Share of Profit
<u>30 June 2021</u>								
Petromax Refinery Limited	27-Oct-2020		Subsidiary	7,006,238,072	6,550,018,919	131,166,765	325,053,767	292,548,390
<u>30 June 2020</u>								
Petromax Refinery Limited	28-Oct-2019		Subsidiary	4,592,237,549	4,524,132,890	20,280,749	47,823,911	117,524,219

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

Dear Fellow Shareholders,

Being authorized I would like to welcome you all to the 16th Annual General Meeting of the Company. I am pleased to present herewith the Audited Financial Statements for the year then ended June 30, 2021 for all members review and perusal.

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

2.1 Economy at a Glance

The Bangladesh Economy has been attracting massive global attention and has been identified as one of the top players under resilient economies around the world, with an impressive growth of 6% YoY. Bangladesh's economy experienced a plummet of 3.51% as an impact of COVID-19 in FY2019-20, however this has been marked by a sharp take off of 5.47% growth rate in FY 2020-21, and a further projection of 6.8% in FY2021-22 per capita. This level of growth has put Bangladesh's economy at a record high per capita GDP of US \$2,227 surpassing both India and Pakistan. Government incentives that have been rolled out to continue to keep our economy aligned with the current growth levels include, special funds for export-oriented industries, working capital for the affected industries and service sector institutions, SMEs and several credit guarantee schemes and so forth.

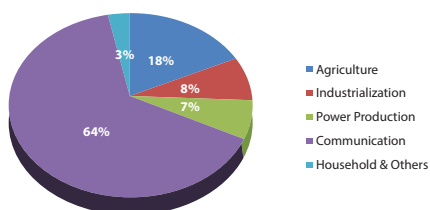
2.2 Petrochemical Sector Scenario of Bangladesh

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.

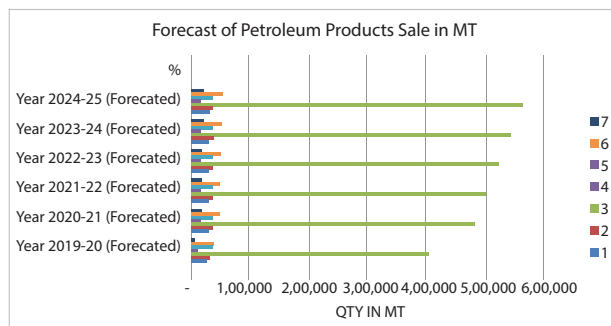
Energy is the driving force of economic development. Each dollar investment in energy will return in manifolds to all branches of economy which includes Agriculture, Industrialization, Power Production, Communication, Households and so forth.

For the period of 2019-20 total consumption of petroleum product was 55.03 Lac MT out of which around 73.11% was consumed by communication and power production sector.

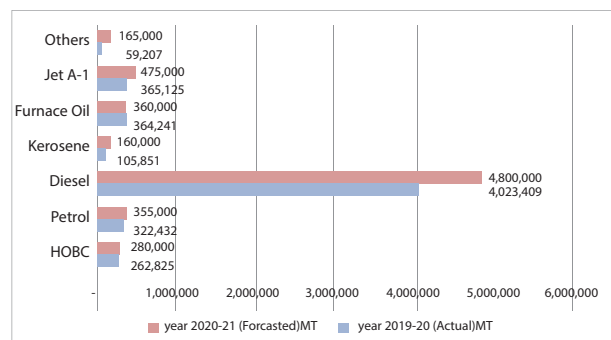
Sector wise use of fuel oil 2019-20



Around 40.02 Lac MT refined oil are imported from abroad and the rest around 15.78 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 2021-22 the total size of the market will be around 68.15 Lac MT.



Current oil consumption portfolio shows the dominant use of Diesel. Almost 73.11% 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 rise of price in petroleum products throughout the world market compelled the government to adjust the price causing an adjustment of 23% increase in the price of HSD.

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.

2.3 Business Activities Including Its Operating Performance

During the year under report, your company has managed to generate a revenue of Tk. 7,006.24 Million as compared to Tk. 4,592.24 Million in FY 2019-20 which is 52.57% higher.

Particulars	FY 2020-21	FY 2019-20
Capacity (In liter Per day)	397500	397500
Capacity Utilization (%)	89.01%	56.98%
Revenue (In Million Taka)	7,006.24	4,592.24
Gross Profit (In Million Taka)	791.20	444.50
Profit from Operation (In Million Taka)	696.72	363.43
Profit Before Tax (In Million Taka)	456.22	68.10
Profit After Tax (In Million Taka)	325.05	47.82
Gross Profit Margin (%)	11.29%	9.68%
Operating Profit Margin (%)	9.94%	7.91%
Net Profit Margin (%)	4.64%	1.04%

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).

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.

2.4 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.

Taka in Million				
Product	Year 2020-21	%	Year 2019-20	%
HOBC	4,155.83	59%	3,681.92	80%
Petrol	1,453.02	21%	353.82	8%
Diesel	664.99	9%	349.21	8%
Kerosene	732.39	10%	207.29	5%
Others	-	0%	-	0%
Total	7,006.24	100%	4,592.24	100%

2.5 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 FY2020-21 your company has added a total of Tk. 131.17 Million as Income Tax and Tk. 1050.93 Million in the form of VAT. Your company was awarded by National Board Revenue (NBR) as highest taxpayer for year 2020-21 under the category of energy companies.

2.6 Extra-Ordinary Gain or Loss

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

2.7 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.

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

There was no such issues.

2.9 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.

2.10 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 Bangladesh Financial Reporting Standards (BFRS). 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 Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS),
- 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.

2.11 Financial Results and Performance of the Company

Taka in Million				
Particulars	2020		2021	
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales
Revenue	4,592.24		7,006.24	52.57%
Cost of Sales	4,147.74	90.32%	6,215.04	88.71%
Gross Profit	444.50	9.68%	791.20	11.29%
Other Income Net	30.67	0.67%	53.91	0.77%
General and Administrative Expenses	81.07	1.77%	94.48	1.35%
Operating Profit	363.43	7.91%	696.72	9.94%
Finance Costs Net	322.58	7.02%	271.60	3.88%
WPPF	3.41	0.07%	22.81	0.33%
Net Profit Before Income Tax	68.10	1.48%	456.22	6.51%
Income Tax	20.28	0.44%	131.17	1.87%
Net Profit After Income Tax	47.82	1.04%	325.05	4.64%

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

Net revenue was ramped up by around 52.57 % due to standard capacity production and Cost of Sales was also increased in the same ratio and the company gains 78% on Gross Margin. General and Administrative expenses has also increased 16.54%, due to increase in sales and distribution expenses. (15.80%) fall in Net Finance Cost can be attributed to lower interest rate and decrease of debt principal.

2.13 Profit Appropriation

During the year under report the net profit of your company stands at Tk. 325.05 Million as compared to Tk. 47.82 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, 2021 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2021	325.05
Profit brought Forward	1747.68
Profit available for appropriation	2072.73
Appropriations:	
Proposed Stock and Cash Dividend	120.00
Transferred to Retained Earning	1952.73
Profit available for appropriation	2072.73

2.14 Dividend

Your company has just started commercial operation from October 2013. Due to uneven allocation of raw material by the government, the Company is passing through a toughest phase of operation since its commercial operation. Therefore the management has recommended for 12% cash dividend for the year under report and keep strict observation on the operation of the project subject to the approval of members in 16th Annual General Meeting.

Dividend Type	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Cash Dividend (%)	12%	10%	10%	25%	20%
Stock Dividend (%)	0%	0%	0%	0%	0%
Total	12%	10%	10%	25%	20%

2.15 Directors' Meeting & Attendance

During the year ended June 30, 2021 The Board of Directors held 4 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
Mr. Rezakul Haider (Deceased on April 2021)	2
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.

2.16 The Pattern of Shareholding

Pattern of Shareholding as on June 30, 2021				
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	Deceased		1,700,000	1.70%
B. Mr. Anis Salahuddin Ahmad	Chairperson		1,000,000	1.00%
C. Mr. A.K.M.Badiul Alam	Director		1,000,000	1.00%
D. Mr. Md. Shamsuzzaman	Director		1,500,000	1.50%
E. Ms. Shahida Alam	Sponsor	Spouse of Mr. A.K.M.Badiul Alam	500,000	0.50%
F. Mr. Akbor Haider	Sponsor	Son of Mr. Rezakul Haider	500,000	0.50%
G. Mr. Faridul Alam	Managing Director		1,130,000	1.13%
H. Mr. Faisal Alam	Sponsor		1,130,000	1.13%
I. Mr. Asgar Haider	Sponsor	Son of Mr. Rezakul Haider	500,000	0.50%
J. Ms. IsratAzim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	500,000	0.50%
K. Ms. Rezina Alam	Shareholder		225,000	0.23%
L. Ms. Farida Akter	Shareholder		315,000	0.32%
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%

2.17 Directors' election & re-appointment

As per Articles of Association Mr. Anis Salahuddin Ahmad and Mr. Md. Shamsuzzaman shall retire in 16th Annual General Meeting by rotation and being eligible to offer themselves for re-election.

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

Companies >>	Petromax Refinery Ltd.	Midland Power Company Ltd.	Midland East Power Ltd.	Petromax LPG LTD	Petromax Cylinders LTD	Confit Composite Knt Ltd.	Youth Fashion Ltd.	Youth Garments Ltd.	Zenith Islami Life Insurance Ltd.	Islamic Finance & Investment Ltd.	Garments Export Village Ltd.	Grey 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.
Name of Directors																						
Mr. Rezakul Haider	√	√	√	√	√	√	√	√	√	√												
Mr. Anis Salahuddin Ahmad	√			√	√	√			√													
Mr. A.K.M Badiul Alam	√								√	√	√	√	√	√	√	√					√	
Mr. Shamsuzzaman	√																√	√	√	√	√	√
Mr. Faridul Alam	√	√	√	√	√	√	√	√														

2.19 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 15th AGM for member's approval.

2.20 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.

2.21 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.

2.22 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,

2.23 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.

2.24 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), PetroBangla, Rupantari-Prakriti Gas Company 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



Anis Salahuddin Ahmad
Chairperson



AHKC
AZIZ HALIM KHAIR CHOUDHURY
CHARTERED ACCOUNTANTS
EXCLUSIVE CORRESPONDENT FIRM OF PKF INTERNATIONAL

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 2021, 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 2021, 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.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors report thereon. 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 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. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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
27 October, 2021

Aziz Halim Khair Choudhury
Chartered Accountants

Basher

Khairul Basher FCA
Senior Partner

ICAB Enrollment # 617
DVC No.: 2111040617AS549432

Petromax Refinery Limited

Statement of Financial Position

As at June 30, 2021

	Notes	June 30, 2021	June 30, 2020
Assets			
Non-Current Assets		2,934,410,428	3,197,100,838
Property, Plant and Equipment	4.00	2,469,866,607	2,656,135,224
Intangible Assets	5.00	187,180	326,832
Other Investment	6.00	464,355,951	540,638,783
Deferred Tax Assets	7.00	690	-
Current Assets		2,609,449,719	3,141,052,598
Inventories	8.00	829,330,327	1,224,038,719
Accounts Receivable	9.00	579,464,027	1,062,517,054
Advance, Deposits and Prepayments	10.00	529,653,267	770,700,734
Financial Assets at fair value through profit or loss	11.00	22,585,096	14,133,508
Goods In-transit	12.00	69,080,307	52,348,231
Cash and Cash Equivalents	13.00	579,336,694	17,314,351
Total Assets		5,543,860,147	6,338,153,436
Shareholders Equity and Liabilities			
Shareholder's Equity		3,072,739,463	2,847,685,697
Share Capital	14.00	1,000,000,000	1,000,000,000
Tax Holiday Reserve	15.00	-	1,007,441,713
Retained Earnings	16.00	2,072,739,463	840,243,983
Current Liabilities		2,471,120,684	3,490,467,740
Accounts Payable	17.00	4,824,234	5,319,244
Other Payables	18.00	60,127,510	9,914,084
L/C Liabilities	19.00	3,635,040	-
Short Term Loan	20.00	2,383,549,072	3,461,086,005
Liabilities for Expenses	21.00	18,984,828	14,148,407
Total Liabilities		2,471,120,684	3,490,467,740
Total Shareholders Equity and Liabilities		5,543,860,147	6,338,153,436
Net Assets Value Per Share (NAV)		30.73	28.48
Number of Shares used to compute NAV		100,000,000	100,000,000

The accompanying notes 1 to 33 form an integral part of these financial statements.


Managing Director


Director


Chairman

Dhaka
Date: 27 October 2021

Aziz Halim Khair Choudhury
Chartered Accountants


Khairul Basher FCA
Senior Partner
ICAB Enrollment # 617
DVC No.:2111040617AS549432

Petromax Refinery Limited
Statement of Profit or Loss and other Comprehensive Income
 For the Year Ended June 30, 2021

	Notes	For the Year Ended	
		July' 2020 to June'2021	July' 2019 to June'2020
Revenue	22.00	7,006,238,072	4,592,237,549
Cost of Sales	23.00	6,215,038,667	4,147,739,269
Gross Profit		791,199,405	444,498,281
General and Admin. Expenses	24.00	94,478,944	81,072,787
Profit/(Loss) from Operation		696,720,460	363,425,494
Non-Operating Income	26.00	53,911,075	30,665,386
Financial Expenses	25.00	271,601,425	322,580,987
Worker's Profit Participation Fund (WPPF)	27.00	22,810,958	3,405,233
Net Profit/(Loss) Before Tax		456,219,152	68,104,660
Current Tax	28.00	131,166,075	20,280,749
Deferred Tax	28.00	690	-
Net Profit/(Loss) After Tax		325,053,766	47,823,911
Other Comprehensive Income		-	-
Total Comprehensive Income		325,053,766	47,823,911
Earnings Per Share (EPS)	29.00	3.25	0.48
Number of Shares used to compute EPS		100,000,000	100,000,000

The accompanying notes 1 to 33 form an integral part of these financial statements.



Managing Director



Director



Chairman

Aziz Halim Khair Choudhury
 Chartered Accountants



Khairul Basher FCA
 Senior Partner
 ICAB Enrollment # 617
 DVC No.:2111040617AS549432

Date: 27 October 2021
Dhaka

Petromax Refinery Limited
Statement of Changes in Equity
 For the Year Ended June 30, 2021

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as at July 01, 2020	1,000,000,000	1,007,441,713	840,243,983	2,847,685,696
Dividend Payment	-	-	(100,000,000)	(100,000,000)
Net profit for the period	-	-	325,053,766	325,053,766
Tax Holiday Reserve to Retained Earnings	-	(1,007,441,713)	1,007,441,713	-
Balance as at June 30, 2021	1,000,000,000	-	2,072,739,463	3,072,739,463

Statement of Changes in Equity
 For the Year ended June 30, 2020

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as at July 01, 2019	1,000,000,000	988,312,149	911,549,637	2,899,861,786
Net profit for the period	-	-	47,823,911	47,823,911
Transfer for the period	-	19,129,564	(19,129,564)	-
Dividend Payment	-	-	(100,000,000)	(100,000,000)
Balance as at June 30, 2020	1,000,000,000	1,007,441,713	840,243,984	2,847,685,697

The accompanying notes 1 to 33 form an integral part of these financial statements.



Managing Director



Director



Chairman

Dhaka

Date: 27 October 2021

Petromax Refinery Limited
Statement of Cash Flows
For the year ended June 30, 2021

	June 30, 2021	June 30, 2020
Cash Flows from Operating Activities		
Cash receipt from customers	7,489,291,099	4,527,052,706
Cash paid to suppliers, service providers and employees	(5,621,242,641)	(4,233,108,638)
Cash (used)/Generated from operations	(104,380,661)	(50,260,340)
Tax (Paid)/Deducted	(131,166,075)	(20,280,749)
Cash paid Worker's Profit Participation Fund (WPPF)	(3,405,233)	(17,500,559)
Cash received from Non-Operating Activities	53,911,075	30,665,386
Financial Charges	(271,601,425)	(322,580,987)
Net Cash Provided/(Used) from Operating Activities	1,411,406,139	(86,013,180)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(1,564,390)	(10,372,187)
Financial Assets at Fair Value	(8,451,588)	-
Other Investment	76,282,832	(113,664,954)
Net Cash Provided/(Used) in Investing Activities	66,266,854	(124,037,141)
Cash Flows from Financing Activities		
Short term Loan	(892,650,649)	275,571,447
Dividend Paid	(100,000,000)	(100,000,000)
Loan and Advance (Shahjibazar Power Co. Ltd. (Parent Co.))	77,000,000	8,000,000
Net Cash Provided/(Used) in Financing Activities	(915,650,649)	183,571,447
Net cash increased/(decreased) during the period	562,022,344	(26,478,874)
Cash and Cash Equivalent as at July 01, 2020	17,314,351	43,793,225
Cash and Cash Equivalent as at June 30, 2021	579,336,694	17,314,351

The accompanying notes 1 to 33 form an integral part of these financial statements.



Managing Director



Director



Chairman

Date: 27 October 2021
Dhaka

Petromax Refinery Limited Notes to the Financial Statements As at and for the year ended 30 June 2021

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 2012
 The Value Added Tax Rules 2012
 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	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	08	Operating Segments
IFRS	9	Financial Instruments
IFRS	13	Fair Value Measurement
IFRS	15	Revenue from contracts with customers

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 2020 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 2021 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 2021.

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 therewith 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

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.

3.10.1 Current Tax

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 30%. During the period, Petromax Refinery Limited has been relinquished from tax holiday of 7 years which was start from the date of October 25, 2013 to October 24, 2020 and the rate of tax holiday up to 24 October 2020 is 10%. Moreover, 90% of income had duly been calculated and adjusted with the Tax deducted at source.

3.10.2 Deferred Tax

Deferred income Tax is provided in full, using the liability method, on deductible 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.

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 statements 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.

		Amount in BDT	
		June 30, 2021	June 30, 2020
4.00 Property, Plant & Equipment			
Cost			
Opening Balance	4,126,962,003	4,116,589,816	
Addition During The Year	1,564,390	10,372,187	
Cost at June 30, 2021	4,128,526,393	4,126,962,003	
Accumulated Depreciation			
As at July 01, 2020	1,470,826,779	1,265,344,016	
Charged during the Year	187,833,007	205,482,763	
At June 30, 2021	1,658,659,786	1,470,826,779	
Written Down Value at June 30, 2021	2,469,866,607	2,656,135,224	

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	931,000	931,000	
Addition During the Period	-	-	
Closing Balance	931,000	931,000	
Amortization			
Opening Balance	604,169	464,517	
Amortization During the Period	139,652	139,652	
Closing Balance	743,820	604,169	
Written Down Value	187,180	326,832	

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)	285,095,024	279,976,099
Islami Bank Bangladesh Limited (A/C No. 3142812)	142,508,758	135,562,211
Islami Bank Bangladesh Limited (A/C No. 3217512)	28,490,935	27,294,953
Islami Bank Bangladesh Limited (A/C No. 333674)	5,726,808	5,477,700
Exim Bank Limited (MTDR A/C No:272671)	2,534,426	2,354,321
Islami Bank Bangladesh Limited (A/C No. 35985)	-	49,988,000
Islami Bank Bangladesh Limited (A/C No. 35998)	-	29,988,000
Islami Bank Bangladesh Limited (A/C No. 36328)	-	9,997,500
	464,355,951	540,638,783

7.00 Deferred Tax Assets

Opening Balance	-	-
Addition During the Period	690	-
	690	-

Since our Tax Holiday Period is over, we are hereby complying IAS 12 and keeping Deferred Tax Assets/Liabilities arising out of Taxable/Deductible temporary difference on accounting depreciation and tax depreciation on fixed asset addition now onwards.

		Amount in BDT	
		June 30, 2021	June 30, 2020
8.00 Inventories			
Raw materials(Condensate)		503,060,774	854,079,448
Work-in-progress		4,052,735	4,098,020
Finished Goods		284,286,507	325,484,391
General Stores		37,930,311	40,376,859
		829,330,327	1,224,038,719
9.00 Accounts Receivables			
Bangladesh Petroleum Corporation		570,590,214	1,054,767,562
Jamuna Spacotech Joint Venture Ltd.		-	63,389
Interest Receivable		8,873,813	7,686,103
		579,464,027	1,062,517,054
Age Analysis of Accounts Receivables			
Less than One Year		579,464,027	787,459,238
More than One Year		-	275,057,816
		579,464,027	1,062,517,054
10.00 Advance, Deposits and Prepayments			
Advances		465,601,810	706,649,277
Deposits	10.04	64,051,457	64,051,457
Prepayments		-	-
		529,653,267	770,700,734
Advance			
Advance to Different Suppliers	10.01	172,570,688	221,580,431
Advance for Operational Activities	10.02	4,130,948	2,700,750
AIT (Advance Income Tax)	10.03	288,900,175	212,819,429
VAT Current A/C		-	7,662,383
Interest Charges in Advance by IBBL for MTR Loan		-	184,886,284
Advance to Shahjibazar Power Co. Ltd. (Parent Co.)		-	77,000,000
		465,601,810	706,649,277
10.01 Advance to Different Suppliers			
Alam Tyre's & Battery		-	44,000
Fishers Shipyard Ltd.		-	100,000
Mirzapur Green City		27,000	27,000
Nadia Electronic		25,200	25,200
MJL Bangladesh Ltd.		131,355	53,670
M/s. MDM Traders		-	168,600
Ifad Motors Limited		117,400	-
Petromax LPG Ltd.		13,591	-
Petromax Cylinders Ltd.		13,591	1,702,378

		Amount in BDT	
		June 30, 2021	June 30, 2020
Shahjibazar Power Company Ltd.	13,591	-	
Midland East Power Ltd.	1,445,621	3,560	
Rupantarita Prakritik Gas Company Ltd.	167,605,911	216,003,572	
Nabil Trading	180,000	-	
EBL Investments Limited	500,000	500,000	
South Asian Airlines Limited	500,000	500,000	
Talukder Trade International	-	21,250	
UCC	67,500	-	
Unicol Bangladesh	17,500	-	
UMS Centre	-	8,000	
Advance Insurance Premium	1,912,428	2,423,201	
	172,570,688	221,580,431	
10.02 Advance for Operational Activities			
Hasan Imam Siddiki	840,000	1,200,000	
Lutfun Nahar	66,000	146,000	
Redwanul Bari	-	80,000	
Jashim Uddin Bhuiyan	287,500	-	
Md. Sha Enamul Haque (Jewel)	950,000	-	
Advance to Different Individual for Official Work	1,865,581	1,258,659	
Comfit Composite Knit Ltd.	121,867	16,091	
	4,130,948	2,700,750	
10.03 AIT (Advance Income Tax)			
AIT (Advance Income Tax)	420,066,250	233,100,178	
Adjusted with current year income tax expenses	131,166,075	20,280,749	
	288,900,175	212,819,429	
10.04 Deposits			
Security Deposit with Pally Biddut Samitee	35,616	35,616	
Security Deposit To MPA for Pipeline	938,979	938,979	
Security Deposit against Bank Guarantee	63,039,462	63,039,462	
Electricity Connection	20,840	20,840	
BTRC Demand Note	16,560	16,560	
	64,051,457	64,051,457	
Ageing Status of Advance, Deposit and Prepayments			
Less than one year	316,235,623	653,737,568	
More than one year	213,417,645	116,963,166	
	529,653,267	770,700,734	

11.00 Financial Assets at Fair Value through Profit or Loss

AB Bank 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
Dhaka Electric Supply Company Limited
Dhaka Bank Ltd.
Dutch-Bangla Bank Limited
EXIM Bank Limited
NCC Bank Limited
One Bank Limited
Uttara Bank Ltd.
Far Chemicals Industries Ltd.
GPH Ispat Ltd.
IFIC Bank Limited
Lafarge Holcim Bangladesh Limited
Nahee Aluminum Composite Panel Ltd.
Nurani Dyeing & Sweater Ltd. (NURANI)
Premier Leasing & Finance Ltd .
RAK Ceramics (Bangladesh) Limited
Union Capital Ltd.
Walton Hi-Tech Industries Ltd. (WALTONHIL)

Amount in BDT	
June 30, 2021	June 30, 2020
1,787,500	553,520
313,275	134,827
-	85,000
-	1,165,500
2,190,412	1,762,160
741,200	678,300
3,533,926	2,200,990
1,333,658	478,706
567,416	741,560
207,669	211,932
1,612,737	1,060,500
-	78,238
1,168,500	645,000
727,560	-
1,575,000	759,000
1,008,291	903,894
145,079	130,438
448,202	294,686
-	291,368
3,498,000	359,000
-	782,331
176,902	143,990
175,955	102,640
228,932	173,030
611,884	396,898
533,000	-
22,585,096	14,133,508

12.00 Goods In Transit

Goods In Transit- Condensate
Goods In Transit- Machinery/Parts

65,445,267	52,348,231
3,635,040	-
69,080,307	52,348,231

13.00 Cash and Cash Equivalents

Cash in Hand
Islami Bank Bangladesh Limited (A/C No:9766)
Bank Asia Limited (A/C No:333006320)
Exim Bank Limited (A/C No:125161)
Bank Asia Ltd. (A/C No:60533000478)
Prime Bank Ltd. (A/C No:2118117019682)
Prime Bank Ltd. (A/C No:2118754019795)
Standard Chartered Bank (A/C No.-01-1308664-01)

229,846	75,675
45,201,486	575,866
2	2
5,982	7,057
170	860
3,879,057	206,158
16,049	55
30,544	202,351

Amount in BDT		
	June 30, 2021	June 30, 2020
Standard Chartered Bank (A/C No.-01-8423425-01)	135,040,913	
Islami Bank Bangladesh Limited (A/C No:46-IDB Br.)	1,585,803	15,764,681
Islami Bank Bangladesh Limited (L/C Margin)	223,473	151,551
Islami Bank Bangladesh Limited (A/C No.-MDA-689)	5,770	-
Islami Bank Bangladesh Limited (A/C No:560)	826,222	318,801
Islami Bank Bangladesh Limited (A/C No. 35985)	52,770,113	-
Islami Bank Bangladesh Limited (A/C No. 35998)	31,660,239	-
Islami Bank Bangladesh Limited (A/C No. 36328)	10,519,857	-
Islami Bank Bangladesh Limited (A/C No. 36897)	62,080,352	-
Islami Bank Bangladesh Limited (A/C No. 36910)	25,874,354	-
Islami Bank Bangladesh Limited (A/C No. 36935)	31,042,253	-
Islami Bank Bangladesh Limited (A/C No. 36981)	10,332,378	-
Islami Bank Bangladesh Limited (A/C No. 37120)	10,234,795	-
Islami Bank Bangladesh Limited (A/C No. 11411)	25,858,429	-
Islami Bank Bangladesh Limited (A/C No. 6256)	10,328,419	-
Islami Finance & Investment Ltd. (A/C No. 4768)	52,815,609	-
Islami Finance & Investment Ltd. (A/C No. 4825)	31,698,669	-
Islami Finance & Investment Ltd. (A/C No. 4847)	26,470,334	-
Islami Finance & Investment Ltd. (A/C No. 4915)	10,578,808	-
Revolving A/C (Mongla Port Authority)	10,000	10,000
Ledger Balance of BO Account	16,767	1,295
	579,336,694	17,314,351
14.00 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	No. of shares held	Percentage
Feroz Alam	1,800,000	1.80%
Rezakul Haider	1,700,000	1.70%
Anis Salahuddin Ahmad	1,000,000	1.00%
Akbor Haider	500,000	0.50%
Asgar Haider	500,000	0.50%
Faridul Alam	500,000	0.50%
Faisal Alam	500,000	0.50%
Shahida Alam	500,000	0.50%
Israt Azim Ahmad	500,000	0.50%
A.K.M.Badiul Alam	1,000,000	1.00%
Shamsuzzaman	1,500,000	1.50%
Shahjibazar Power Co. Ltd.	90,000,000	90.00%
	100,000,000	100%

Note-1: Mr. Feroz Alam was deceased on October 5, 2019. Upon application of his legal successors before the office of District Judge, Dhaka under case no.- 1719/2019, the Court has issued succession certificate on August 16, 2020. Now, as per the succession certificate the share transmission process complying the relevant clause of Article of the Association (AoA) of the Company is currently underway for execution.

Note-2: Mr. Rezakul Haider was deceased on April 23, 2021. There is no legal initiative has yet been taken for his succession and transfer of share.

15.00 Tax Holiday Reserve

Balance as at July 01, 2020
 Transfer to Retained Earnings
 Balance as at June 30, 2021

Amount in BDT	
June 30, 2021	June 30, 2020
1,007,441,713	988,312,149
(1,007,441,713)	19,129,564
-	1,007,441,713

16.00 Retained Earnings

Balance as at July 01, 2020
 Less: Dividend
 Add: Net profit/(Loss) for the Period
 Add: Transferred to Tax Holiday Reserve
 Balance as at June 30, 2021

840,243,983	911,549,637
(100,000,000)	(100,000,000)
325,053,766	47,823,911
1,007,441,713	(19,129,564)
2,072,739,463	840,243,983

17.00 Accounts Payable

AKH Fashion Ltd.
 Amber IT Limited
 Ali Tyre Corporation
 Angelic Trims Printing
 Angira Electronics
 A to Z Computer
 Berger Paints Bangladesh Ptv. Ltd.
 Bata Shoe Company Bangladesh Ltd.
 Blue Star Communications
 Delcot Limited
 Impexsol Pte. Ltd.
 Clearing and forwarding agency
 EMI Engineering Ltd.
 F T Mill Store
 Fine Print
 Euro-Tex International
 Integrated Design
 Islami Insurance Bangladesh Ltd.
 JR Automation
 JTZ Engineering & Trading Inn.
 Jamuna Spacetech Joint Venture Ltd.
 Jotun Bangladesh Ltd.
 Linde Bangladesh Ltd.
 Monico Ltd.
 Mayer Doa Tripal House
 M2M Communications Ltd.
 M.S Mintu Enterprise
 Omera Petroleum Ltd.
 Omni Solutions Ltd.
 Rupali Insurance Co. Ltd.
 Metro Police Store
 Micro Tools & Machineries
 Powerbreeze Electromech Services Ltd.
 NEO Technologies
 New Multitech International

10,107	17,128
6,087	-
-	24,600
14,000	3,700
-	80,000
-	5,600
-	151,700
-	621
14,300	12,000
32,978	-
-	38,500
176,721	72,876
896,706	896,706
-	841
3,900	-
112,320	50,254
240,000	240,000
335,044	335,044
-	11,000
14,875	57,800
28,971	-
877,147	-
454,454	445,103
-	178,645
-	360
3,360	-
408,031	-
-	2,250
65,000	65,000
908,912	908,912
-	75,600
-	16,200
-	280,600
9,000	-
25,000	-

		Amount in BDT	
		June 30, 2021	June 30, 2020
	MSI Corporation	-	100,000
	M.M. Rubber & Plastic	-	3,000
	Navana Toyota 3S Center	-	105,000
	R & B International	-	80
	S.A Safety Solution	66,700	-
	Science Museum	-	11,260
	Smart Printing Solutions Ltd.	21,617	-
	S.M. Nurul Haque	-	360,000
	UY Systems Ltd.	8,400	-
	Zenith Islami Life Insurance Ltd.	-	721,650
	Trust Filling Station	90,605	47,215
		4,824,234	5,319,244
Age Analysis of Accounts Payable			
	Less Than One Year	2,378,573	3,668,849
	More Than One Year	2,445,662	1,650,394
		4,824,234	5,319,244
18.00 Other Payable			
	Sahara Trading	54,011	54,011
	Petromax LPG Ltd.	-	4,998,660
	Audit Fee	402,500	402,500
	Raaj Fuel Agency	143	143
	Worker's Profit Participation Fund	22,810,958	3,405,233
	VAT Payable Account	35,742,280	-
	Danlop Enterprise	17,000	17,000
	Office Rent Payable	365,749	826,875
	Md. Hafizur Rahman	500,000	-
	Md. Saydure Rahman	-	4,381
	Md. Asadullah	90,125	62,329
	Md. Shoful Islam	80,345	85,952
	Asif Ahmed Chowdhury	64,400	57,000
		60,127,510	9,914,084
19.00 L/C Liabilities			
	Islami Bank Bangladesh Ltd.	3,635,040	-
		3,635,040	-
20.00 Short Term Loan			
	MTR Loan (Murabaha Term Loan-IBBL)	-	3,310,881,477
	QTDR Loan (Term Loan-IBBL)	-	150,204,528
	OD Loan (PBL A/c No.-2118755026666)	791,419,072	-
	TR Loan (Time Loan-PBL)	610,680,000	-
	TR Loan (Fixed Loan-SCB)	981,450,000	-
		2,383,549,072	3,461,086,005
21.00 Liabilities for Expenses			
	Remuneration	520,000	420,000
	Salary & Allowance - H/O	840,461	640,568
	Salary & Wages - Factory	13,374,676	9,966,679
	Electricity Bill- Factory	4,162,072	3,053,351
	Electricity Bill- H/O	28,427	15,534
	Telephone Bill	1,964	2,414
	Internet Bill	10,500	10,500
	Water Bill	1,019	-
	Security Service Charge-H/O	45,709	39,361
		18,984,828	14,148,407

		Amount in BDT	
		July 2020 - June'2021	July 2019 - June'2020
22.00 Revenue			
High Speed Diesel (HSD)		578,166,924	349,207,457
Superior Kerosene Oil (SKO)		648,345,668	207,294,752
Motor Spirit (MS)		1,378,158,233	353,817,371
High Octane Blending Component (HOBC)		4,401,567,247	3,681,917,969
		7,006,238,072	4,592,237,549
23.00 Cost of Sales			
Raw Materials Consumed	23.01	5,773,814,079	3,736,674,528
Factory Overhead	23.02	441,224,588	411,064,741
		6,215,038,667	4,147,739,269
23.01 Raw Materials Consumed			
Opening Stock		1,224,038,719	935,002,967
Purchased & Manufactured During the Period		5,379,105,688	4,025,710,280
Less: Closing Stock		(829,330,327)	(1,224,038,719)
		5,773,814,079	3,736,674,528
23.02 Factory Overhead			
Insurance Premium		4,579,359	9,148,821
Rent & Rates		26,631,365	4,786,959
Electricity, Gas & Water		48,504,362	39,968,343
Wages, Salary & Allowance - Factory		128,354,534	123,995,384
Repair & Maintenance - Factory		42,882,086	24,243,217
Tiffin & Refreshment - Factory		1,176,565	1,091,449
Medical Expenses		121,011	2,543,820
Government Taxes & License Fee		2,159,296	1,411,588
Office Expenses-Factory		725,382	544,493
Uniform & Liveries		188,548	354,818
Lab Test Fees		195,681	151,767
LPG for Operation		3,106,004	3,028,113
Labour Bill		106,990	612,618
Safety Items Expenses		582,368	200,065
Exchange (Gain)/Loss		178,709	251,390
Depreciation		181,732,328	198,731,895
		441,224,588	411,064,741
24.00 General and Administrative Expenses			
Rent & Rates		2,200,161	2,018,897
Carriage Outward		1,996,188	1,414,911
Repair & Maintenance		493,244	277,014
Vehicles Running & Maintenance		3,271,260	2,797,815
Tiffin & Refreshment		3,153,236	2,660,763
Fees & Subscription		4,769,556	2,676,094

	Amount in BDT	
	July 2020 - June'2021	July 2019 - June'2020
Postage, Telephone, Fax & Telex	576,499	422,627
Govt. Taxes, Stamp Duty & License Fee	473,692	177,308
Advertisement Expenses	127,686	200,000
Audit Fees	402,500	402,500
Insurance Premium of Helicopter	2,680,471	2,004,283
BO Account Charge	550	550
Electricity Bill- Office	279,494	195,211
Internet Bill	69,564	69,892
Survey Bill	223,070	322,517
Traning & Development	31,452	28,750
Stationary	480,556	448,509
Overseas Travelling	-	163,058
Remuneration	5,970,000	6,210,000
Papers, Books & Periodicals	-	2,177
Selling & Distribution Expenses	33,267,887	22,226,109
Salary & Allowance	12,744,188	15,519,425
Security Charge	399,192	334,980
Amortization of Intangible Assets	139,652	139,652
Provision for Unrealised loss on holding shares	583,737	6,233,828
Operational, Maintenance & Other Charges (Helicopter)	5,522,907	1,090,220
Tree Plantation	110,617	105,719
Calibration Fees	-	360,000
Write off of Receivables	6,839,866	3,758,243
Depreciation of Helicopter	6,100,679	6,750,869
Fuel & Lubricant- Helicopter	621,115	1,068,000
Travelling & Conveyance bill	949,925	992,867
	94,478,944	81,072,787
25.00 Financial Expenses		
Interest / Profit Charge	263,646,050	319,409,755
Bank Charge	7,955,375	3,171,232
	271,601,425	322,580,987
26.00 Non-Operating Income		
Wastage Sales	2,624,487	523,055
Dividend Income	536,966	224,797
Lab Test Income	88,000	-
Interest / Profit Income	41,610,275	29,917,528
Unrealised Gain/Loss on Sale of Share	7,990,912	-
Realised Gain on Sale of Share	1,060,435	6
	53,911,075	30,665,386

Amount in BDT	
July 2020 - June'2021	July 2019 - June'2020

27.00 Worker's Profit Participation Fund (WPPF)

Net Profit Before Tax

WPPF @ 5% of Net Profit Before Tax

456,219,152	68,104,660
22,810,958	3,405,233
22,810,958	3,405,233

28.00 Income Tax Expenses

Current Tax

Deferred Tax

131,166,075	20,280,749
(690)	-
131,165,386	20,280,749

The applicable tax rate for the Company is currently 30%. During the period, Petromax Refinery Limited has been relinquished from tax holiday of 7 years which was start from the date of October 25, 2013 to October 24, 2020 and the rate of tax holiday up to 24 October 2020 is 10%. Moreover, 90% of income had duly been calculated and adjusted with the Tax deducted at source. The details of Tax Calculation has given in **Annexure-T**

29.00 Earning Per Share

Net Profit after Tax

Number of Shares Outstanding

Earning Per Share (EPS)

325,053,766	47,823,911
100,000,000	100,000,000
3.25	0.48

30.00 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 exchange 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-21	30-Jun-20
Short term loan- MTR	-	3,310,881,477
Short term loan- QTDR	-	150,204,528
OD Loan (PBL A/c No.-2118755026666)	791,419,072	-
TR Loan (Time Loan-PBL)	610,680,000	-
TR Loan (Fixed Loan-SCB)	981,450,000	-
	2,383,549,072	3,461,086,005

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.

31. Related Party Transaction

a) Key management Personnel Compensation:

Short Term Employee Benefits (Salary & Allowances etc.)

Particulars	30.06.2021		30.06.2020	
	Directors	All Managers	Directors	All Managers
Board Meeting Fee	-	-	-	-
Remuneration & Allowances	5,970,000	29,326,629	6,210,000	25,605,192
Bonus	1,070,000	1,846,227	850,000	1,231,668
Total	7,040,000	31,172,856	7,060,000	26,836,860

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, 2020	Addition during the period	Adjustment during the period	Balance as at June 30, 2021
Shahjibazar Power Co. Ltd.	Parent-Subsidiary	Advance	77,000,000	1,385,778	78,372,187	13,591
Comfit Composite Knit Ltd.	Common Directorship	Short Term Loan	16,091	247,699	141,923	121,867
Midland East Power Ltd.	Common Directorship	Short Term Loan	3,560	15,091,187	13,649,126	1,445,621
Petromax LPG Ltd.	Common Directorship	Short Term Loan	(4,998,660)	78,944,292	73,932,041	13,591
Petromax Cylinders Ltd.	Common Directorship	Short Term Loan	1,702,378	185,778	1,874,565	13,591

32.00 Commitments and Contingencies

A) Capital expenditure commitments

B) Bank guarantees

In favor of:	30 June 21	30 June 20
The Commissioner of Customs, Mongla Custom House, Khulna	528,084,260	528,084,260
Rupantarita Prakritik Gas Company Limited	3,000,000	3,000,000
Civil Aviation Authority of Bangladesh	2,000,000	2,000,000
The Commissioner of Customs, Custom House, Chittagong	5,088,238	5,088,238
	538,172,498	538,172,498

33.00 Other disclosures

33.01 Number of employees

As at 30 June 2021, number of regular employees receiving salary & allowance above Tk. 30,000.00 per month were 104 persons.

33.02 Comparatives

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

33.03 Events after the reporting period

There is no event occur to disclose after the reporting period.

Petromax Refinery Limited
Fixed Assets Schedule
As at June 30, 2021

SL	Name of Assets	Cost			Rate %	Depreciation			Annexure A Written down Value at June 30, 2021
		Balance at July 01, 2020	Addition during the period	Disposal During the Period		Balance at July 01, 2020	Charged During the Period	Adjustment During the Period	
01	Land & Land Development	64,367,432	-	-	-	-	-	-	64,367,432
02	Building & Construction	532,160,599	-	-	7%	180,482,488	23,978,766	-	327,699,345
03	Electric Installation	35,794,236	-	-	15%	22,078,829	1,944,453	-	11,770,954
04	Computer	2,195,613	326,000	-	15%	1,063,553	177,337	-	1,280,723
05	Jetty	9,047,777	-	-	15%	5,530,731	498,616	-	3,018,430
06	Factory Equipments	9,304,531	967,680	-	15%	4,578,176	769,277	-	4,924,758
07	Lab Equipment	2,791,179	-	-	15%	1,623,798	165,501	-	1,001,880
08	Fire Fighting Equipments	2,405,810	-	-	15%	700,413	241,776	-	1,463,620
09	Plant & Machines	2,822,660,419	-	-	6%	915,581,511	111,875,828	-	1,795,203,080
10	Cylindrical Vertical Steel Tank	111,594,037	-	-	15%	68,841,519	6,061,086	-	36,691,431
11	Generator	20,300,278	-	-	15%	12,763,145	1,068,550	-	6,468,582
12	Office Equipment	1,151,841	-	-	15%	686,313	65,999	-	399,529
13	Office Renovation	9,193,548	-	-	10%	229,839	863,313	-	8,100,397
14	Refrigerator	28,300	69,410	-	15%	17,841	8,041	-	71,828
15	Solar Power System	560,000	-	-	15%	353,012	29,345	-	177,643
16	Telephone Installation	1,801,789	-	-	15%	979,552	116,571	-	705,666
17	Ship	355,753,862	-	-	20%	202,671,419	28,395,836	-	124,686,606
18	Helicopter	90,285,623	-	-	10%	26,942,825	6,100,679	-	57,242,119
19	Vehicle	36,283,915	-	-	20%	14,880,954	4,255,366	-	17,147,595
20	Air Condition	6,531,490	95,000	-	15%	3,523,242	433,475	-	2,669,772
21	Water Line Installation	326,395	-	-	15%	205,752	17,103	-	103,540
22	Water Treatment Plant	4,382,645	-	-	15%	2,674,256	242,201	-	1,466,188
23	Furniture & Fixture	8,040,685	106,300	-	15%	4,417,611	523,886	-	3,205,488
	June 30, 2021	4,126,962,003	1,564,390	-		1,470,826,779	187,833,007	-	2,469,866,607
	June 30, 2020	4,116,589,816	10,372,187	-		1,265,344,016	205,482,763	-	2,656,135,224

Depreciation Expenses:

Factory Overhead	181,732,328
General and Administrative	6,100,679
Total	187,833,007

Annexure-T

Petromax Refinery Limited
Schedule of Tax Calculation
 For the year ended June 30, 2021

Particulars	Total
Net profit before tax	456,219,152
Non operating income	53,911,075
Capital Gain	-
Dividend	536,966
Wastage Sales	2,624,487
Exchange Gain or Loss	-
Unrealised Gain/Loss on Sale of Share	7,990,912
Realized gain on sale of share	1,060,435
Lab Test Income	88,000
Income from MTDR	41,610,275
Operating Income	402,308,078
Operating Income of 1st 116 days	127,856,814
Operating Income of 2nd 249 days	274,451,264
Tax on 1st 116 days income @ (30-3)%	34,521,340
Tax on last 249 days income @ 30%	82,335,379
A) Tax on Operating Income	116,856,719
B) Tax on non operating income:	
Dividend @ 20%	107,393
Capital Gain @ 10%	-
Tax on gain on sale of share @ 10% (Un-Realised)	799,091
Tax on gain on sale of share @ 10% (Realized)	106,043
Wastage Sales @ 30%	787,346
Exchange Gain or Loss @ 30%	-
Lab Test Income @ 30%	26,400
Tax on income from MTDR @ 30%	12,483,082
	14,309,356
Income Tax Expense (A+B)	131,166,075

SHAHJIBAZAR POWER CO. LTD.

Head Office: 822/2, Rokeya Sarani, Dhaka-1216, Bangladesh, Tel: +8809678111000

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 14th Annual
General Meeting of the Company to be held on Sunday the 30th day of January, 2022, at under digital platform
<http://spcl.digitalagmbd.net> at 10.30 A.M. As witness my/our hand this
day of.....2022.

.....
Signature Shareholder

.....
Signature of Proxy

BO ID No.

[illegible]

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: +8809678111000

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

Plant: Fatepur, Shahjibazar, Madhobpur, Hobigonj, Bangladesh

ATTENDANCE SLIP

I/we hereby record my/our attendance at the 14th Annual General Meeting of the Company being held on Sunday the 30th day of January, 2022, at under digital platform <http://spcl.digitalagmbd.net> at 10.30 A.M.

Name of Member / Proxy :

BO ID No.

[illegible]

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 : +8809678111000, Fax : 88-02-48040214

Plant : Fatepur, Shahjibazar, Madhabpur, Hobigonj, Bangladesh
E-mail : info@youthbd.com, Web : www.youthbd.com