



**SHAHJIBAZAR POWER CO. LTD.**

**ANNUAL REPORT  
2023-2024**



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## 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



## PLANT VISIT BY BPDP TEAM



A delegation of esteemed officials from the Bangladesh Power Development Board (BPDB) visited the SPCL plant to assess its performance following the successful completion of the initial fifteen-year Power Purchase Agreement. The Managing Director Mr. Faridul Alam along with Engr. Shariful Islam COO, addressed the delegation while Mr. Bhulon Bhowmik - CFO and Mr. Yeasin Ahmed, FCS - Company Secretary was also present.



## COMPANY INFORMATION

Shahjibazar Power Co. Ltd. is a publicly listed entity operating under The Companies Act, 1994 in Bangladesh. Originally incorporated as a private limited company on November 4, 2007, with registration number C-68888(1400)/07, it transitioned to a public limited company on September 28, 2009. The corporate headquarters is situated at Youth Tower, 822/2, Rokeya Sarani, Dhaka-1216, while the operational plant is established in Fatepur, Madhobpur, Hobiganj, Bangladesh. The facility boasts an 86 MW power generation capacity and commenced commercial operations on February 10, 2009.

The company harnesses natural gas to generate electricity, supplying output to the Bangladesh Power Development Board (BPDB) as part of a 15-year Power Purchase Agreement established on February 14, 2008 and renewed for another 5 (five) years under no-electricity no-payment basis effective from July 9, 2024.

After successfully completing its Initial Public Offering (IPO), Shahjibazar Power Co. Ltd. began trading its shares on the Dhaka and Chittagong stock exchanges as of July 15, 2014.

Additionally, the company has a subsidiary, Petromax Refinery Ltd (PRL), which operates a condensate fractionation plant located in Mongla, Bagerhat, Bangladesh. Furthermore, it maintains an associate company, Midland Power Co. Ltd., which operates as a 51 MW Independent Power Producer (IPP) in Ashuganj, Brahmanbaria and the associate has a subsidiary company, Midland East Power Ltd, a 150 MW HFO based power plant located at the same site.

Plant Name	Nature of Business	Capacity Details	Ownership Structure
<b>Shahjibazar Power Co. Ltd.</b>	Power Generation	86 MW (Gas Fired)	100% Controlling Interest
<b>Midland Power Co. Ltd.</b>	Power Generation	51 MW (Gas Fired)	49% Associate
<b>Petromax Refinery Ltd.</b>	Oil Refinery	2500 BPSD	90% Subsidiary
<b>Midland East Power Ltd.</b>	Power Generation	150 MW (HFO Fired)	Subsidiary of Midland Power Co. Ltd.



## CORPORATE DIRECTORY

### Board of Directors:

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. Mohammed Nurul Amin

Independent Director

Mr. Sharif Wadud , FCA

Independent Director

### Company Secretariat:

**Mr. Bhulon Kumar Bhowmik**

Chief Financial Officer

**Mr. Yeasin Ahmed, FCS**

Company Secretary

**Mr. Sazzad Ifekhar, FCA**

Head of Finance & Accounts

### Registered Office:

822/2 Rokeya Sarani, Mirpur

Dhaka-1216

Tel: + 09678221177

Fax- +88-02 48040214

E-Mail: info@youthbd.com

Website: www.youthbd.com

### Auditors :

ACNABIN Chartered Accountants

BDBL Bhaban (Level 13 & 15)

12 Kawran Bazar C/A, Dhaka - 1215,

Tel: (+88-02) 410 20030 to 35

www.acnabin.com

### Main Bankers:

Islami Bank Bangladesh Ltd.

Eastern Bank Ltd.

Bank Asia Ltd.

## 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. 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, FCS

Position  
 Educational Qualification  
 Date of Joining  
 Last Five Years' Experience

Company Secretary  
 BBA, MBA (Finance), FCS, MBA (IBA-DU)  
 02.05.2014  
 Worked as Manager in different Group of companies

### Sazzad Ifekhar, FCA

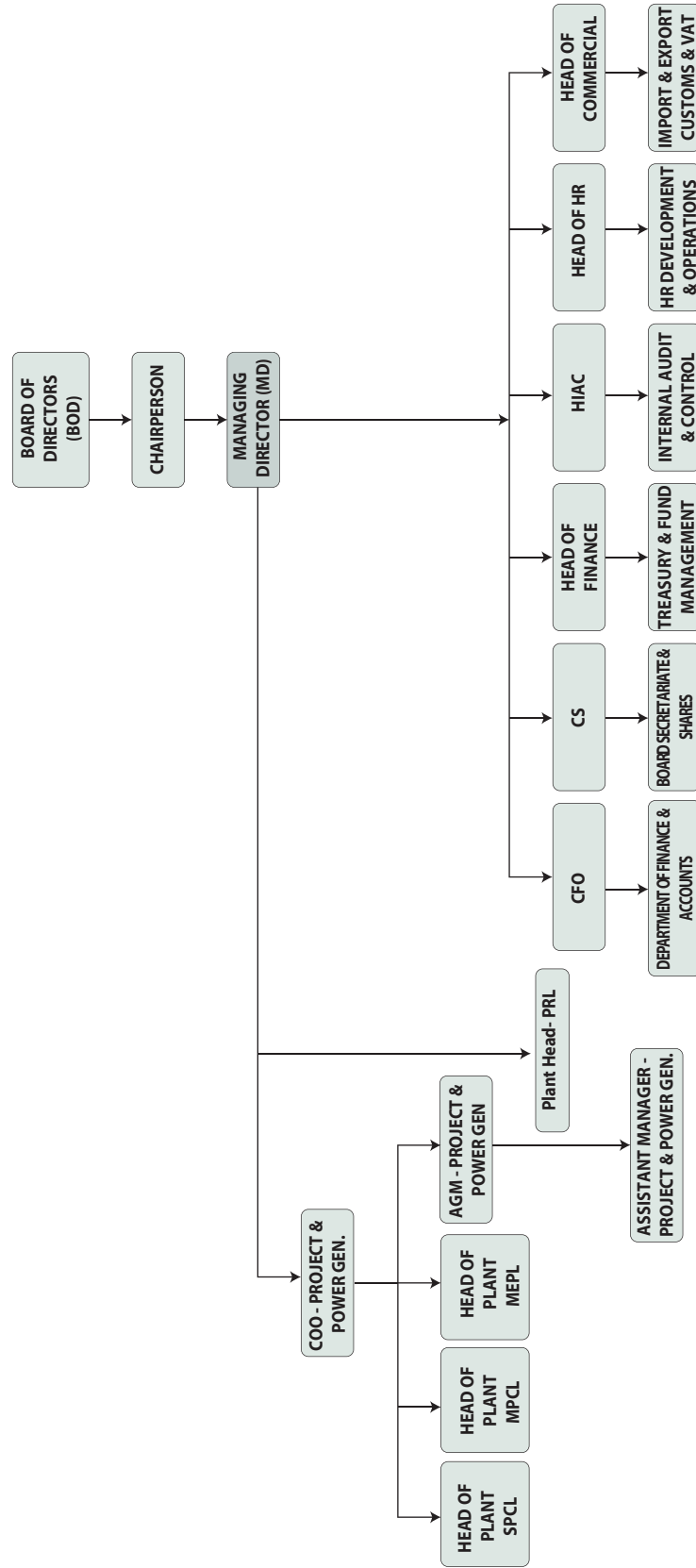
Position  
 Educational Qualification  
 Date of Joining  
 Last Five Years' Experience

Head of Finance & Accounts  
 BBA, MBA (AIS) DU, FCA  
 21.04.2024  
 Worked as Manager in different Group of companies



## CORPORATE MANAGEMENT STRUCTURE

At SPCL, we boast a team of highly skilled technical and business management professionals distributed across various departments. The organization is spearheaded by the Managing Director, who also serves as the Chief Executive Officer. A COO oversees the operations of all four plants, whether under direct or shared control within the SPCL framework. Each department head reports directly to the Managing Director, who, in turn, is accountable to the Board for the comprehensive management of the company's affairs.



# CREDIT RATING REPORT

2024



## CREDIT RATING REPORT (12<sup>TH</sup> SURVEILLANCE) Shahjibazar Power Co. Ltd.

Particular	Rating	Remarks
Shahjibazar Power Co. Ltd.	AA <sub>1</sub>	-
BDT 300.0 million short term funded limit	ST-1	-
BDT 1,410.0 million short term non-funded limit	ST-1	Vide Appendix-1
Rating Outlook	Stable	-

Lr-Loan Rating, ST-Short Term

Date of Rating: 18 December, 2024.

Validity: 31 December, 2025.

Rating based on : Audited financial statements (FYE 30/06/2024, 30/06/2023, 30/06/2022 and 30/06/2021), bank liability position as on 30/09/2024, and other information up to the date of rating declaration.

Auditor: ACNABIN Chartered Accountants.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analyst Contact:

Mohammed Nazrul Islam Bhuiyan  
 nazrul@crab.com.bd

Mohd. Asifur Rahman  
 asif.rahman@crabrating.com

### Financial Highlights (Mil. BDT)

Period	30/06/24	30/06/23
Revenue	2,337.5	2,752.0
EBITDA	943.0	1,084.2
EBITDA Margin	40.3	39.4
Net Profit after Tax	208.4	368.7
Net Profit Margin	8.9	13.4
Return on Average Asset (%)	3.3	5.2
Quick Ratio (x)	1.0	1.3
Cash Conversion Cycle (Days)	133	154
Cash Flow from Operations	1,384.4	1,041.5
Equity	4,955.6	4,952.5
Total Liability	437.4	2,374.3
Borrowed Fund	63.1	785.2
Total Liability to Equity (x)	0.1	0.5
Borrowed Fund to EBITDA (x)	0.1	0.7
EBIT/ Financial Expenses (x)	0.1	0.5

### PROFILE

Name	Shahjibazar Power Co. Ltd. (SPCL)
Company Type	Public Limited Company
Incorporation	04/11/2007
Public Listing	15/07/2014
Business	Generating and Selling Electricity
Managing Director	Mr. Faridul Alam
Office	Youth Tower, 822/2 Rokeya Sarani, Dhaka - 1216
Plant	Fatehpur, Madhobpur, Habiganj
Capacity	86 MW Gas based Power Plant
Group Affiliation	Youth Group

### RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has retained the entity rating of Shahjibazar Power Co. Ltd. at AA<sub>1</sub> (Double A One). CRAB has also assigned ST-1 rating to BDT 300.0 million funded limit and BDT 1,410.0 million non-funded limit of the Company in the short term. CRAB has also assigned Stable outlook to the Company.

Shahjibazar Power Company Limited (SPCL) is engaged in generating and supplying of electricity by setting up 86 MW gas fired power generation plant located at Fatehpur, Madhabpur, Habiganj.

The retention of rating considers the SPCL's tariff structure, operational performance, revenue generation capacity, comfortable capital structure, low leverage and adequate coverage position at present. The ratings also consider the renewal of agreement with creditworthy counter party (a government owned company) for generating and selling electricity which assumes all risk of fluctuation of fuel price resulting low business risks.

### Rating Strengths

- + SPCL's long history of operational performance - revenue generation capacity with sound profitability and prospect of the power sector in Bangladesh.
- + Vast experience of the Promoters and Key Executives as well as strength and exposure of the Sponsor Group (Youth Group).
- + Relatively low technological risk as engines and related parts was supplied by renowned "GE Jenbacher", a veteran in energy sector.
- + Lower counter party risk with predetermined and structured tariff.
- + Pass through of fuel cost reducing risk of fuel (Gas) price volatility.
- + Improvement in equity, leverage and interest coverage position.

Shahjibazar Power Co. Ltd.



## 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 of June 30, 2024, 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, 2024 and notes thereon.

Thanking You

Sincerely Yours,



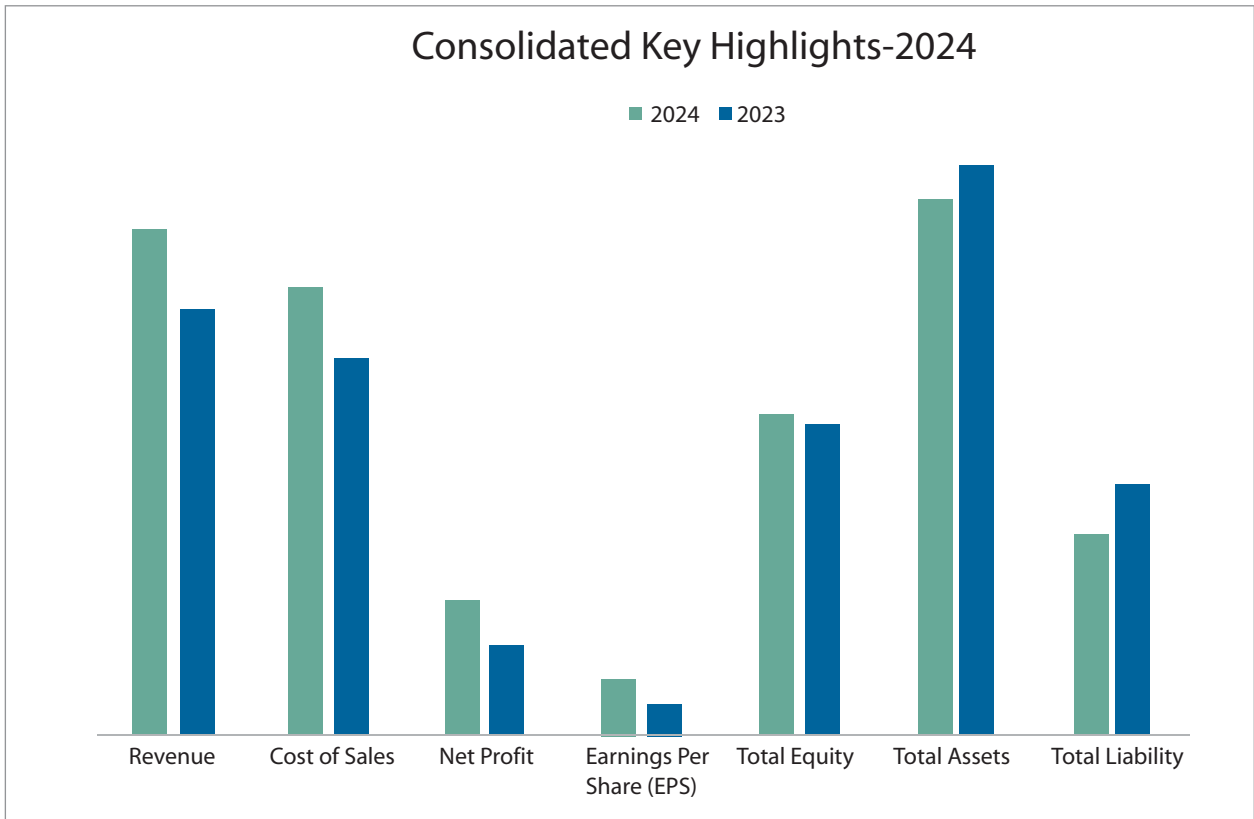
Yeasin Ahmed, FCS  
Company Secretary



## BUSINESS SCORECARD – 2024

(BDT in Million)

Particulars	2024	2023	Change in %
Revenue	11164.46	9385.70	18.95%
Cost of Sales	9883.11	8179.43	20.83%
Net Profit	456.13	284.05	60.58%
Earnings Per Share (EPS)	2.31	1.52	51.97%
Total Equity	7076.55	6850.49	3.30%
Total Assets	11819.98	12629.47	-6.41%
Total Liability	4426.97	5487.29	-19.32%



## CORE VALUES & CODE OF CONDUCTS

### 3.1. ETHICS:

Ethics deals 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 concerned 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, Stockbrokers, 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 employee of SPCL shall devote their whole time and attention and always use their best skills and care in the business and affairs of the Company and 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 themselves without leave then and in any and every such case it shall be lawful for the Company, (notwithstanding any waiver by the Company of antecedent breach or circumstances justifying the termination of their services under this clause) to terminate this employment forthwith without notice whatsoever and/or to dismiss them from the services of the Company without prejudice to the Company's remedial rights in respect of such breach or circumstances. In the event of such termination or dismissal they will be entitled to their salary including all allowances up to the date of termination according to the provisions of labor law.

- 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.
- 3.10.1. 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.

**3.10. 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.

- 3.11.8. 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.

- 3.17.2.1. 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 assumes 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 complying with global and local environmental standards. We took several steps to save 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 it's 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 guidelines enacted by the Bangladesh Securities & Exchange Commission (BSEC) and fully adopted by us to keep the Company's business integrity and performance on the right track. The Board of Directors put their best effort to establish an appropriate internal control system and risk management procedures to make sure accountability and 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 Managing Director 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. A.K.M Badiul Alam and Mr. Anis Salahuddin Ahmad Directors of the Company retire by rotation and also offer themselves for re-appointment at the ensuing AGM.

### Company Secretary

The Company Secretary, Mr. Yeasin Ahmed FCS 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 Senior General Manager and Mr. Sazzad Iftekhar, FCA is the Head of Finance & Accounts of the Company. His certification on the financial statements is disclosed in Annexure A.

#### 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. Mohammed Nurul Amin. 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. Mohammed Nurul Amin	- Chair
Mr. Akbor Haider	- Member
Mr. Md. Shamsuzzaman	- Member
Mr. Yeasin Ahmed FCS	- Member Secretary

#### Management Team

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

#### Risk Management & Internal Control

A detailed framework to review significant risks impacting the performance of the Company has been established. It is the responsibility of Audit Committee to assess the identified risk and to implement the mitigating strategy. Apart from this, the establishment of the effective strong internal control system in all levels of the organization is the sole responsibility of the Audit Committee.

#### Separation of work for the 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:

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

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

#### b) Internal Factors:

- i) Profitability
- ii) Availability and Liquidity of Funds
- iii) Capital Expenditure needs for the existing businesses
- iv) Expansion/Modernization of the business
- v) Additional investments in subsidiaries/associates of the Company
- vi) Cost of raising funds from alternate sources
- vii) Cost of servicing outstanding debts
- viii) Funds for meeting contingent liabilities
- ix) Mergers and Acquisitions
- x) 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](http://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 17th ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of Shahjibazar Power Company Limited will be held on Monday the 27th day of January, 2025, under digital platform <http://spcl.digitalagmbd.net> at 11.00 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, 2024 together with the Auditors' Report thereon
2. To declare dividend for the year 2024 as recommended by the Board of Directors
3. To elect/Re-elect Directors
4. To approve the appointment of Statutory Auditors for the year 2024-2025 and to fix their remuneration
5. To approve Appointment of professional for the Certification on Corporate Governance for the year 2024-25 and fixation of their remuneration.

By order of the Board



(Yeasin Ahmed, FCS)  
Company Secretary

Dhaka, January 12, 2025

#### **Notes:**

1. Shareholders whose names appeared at the record date i.e. December 2, 2024 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. 10:00 A.M. Bangladesh Standard Time (BST) to allow sufficient time for establish connectivity. The webcast shall start at 11:00 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](mailto: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](http://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](mailto:debasish@youthbd.com) on or before February 6, 2025.

**Special Note: No benefit or gift in cash or kind shall be given to the Shareholders for attending the 17th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.**

## CORPORATE ETHOS

### VISION

- PARTNER IN PROGRESS FOR ENERGY SELF-RELIANT BANGLADESH

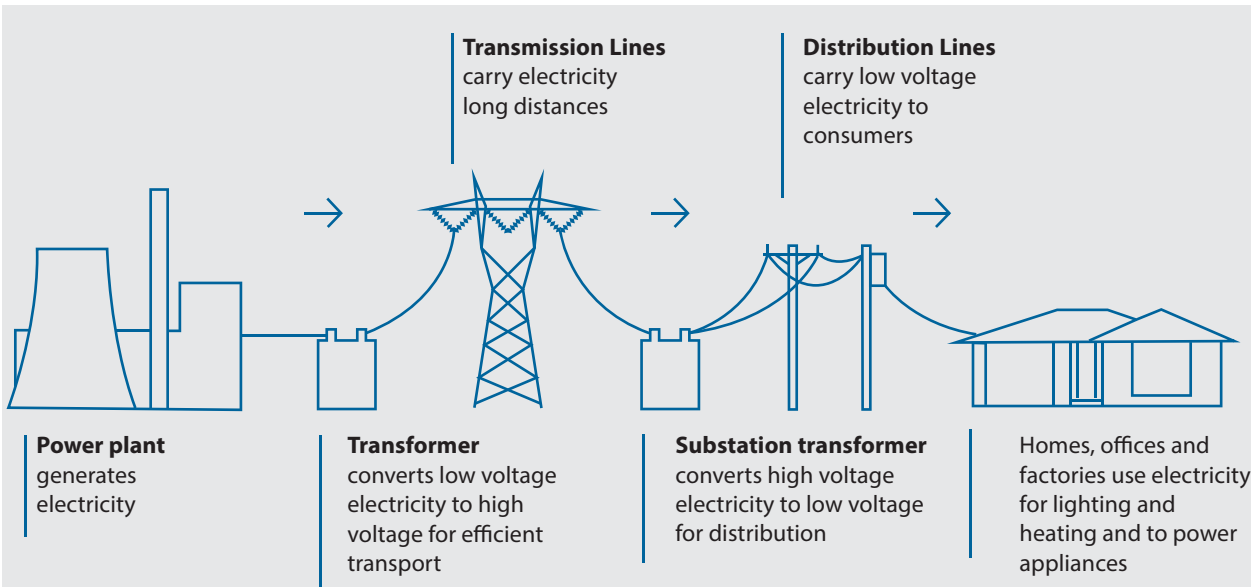
### MISSION

- RELIABLE AND UNINTERRUPTED SUPPLY OF ENERGY TO THE WHOLE COUNTRY PARTNERING WITH THE GOVERNMENT;
- OPTIMUM UTILIZATION OF RESOURCES AND INNOVATIVE TECHNOLOGY TO ACHIEVE HIGHEST GROWTH;
- TRIPLE BOTTOM LINE VIEW OF DOING BUSINESS CARING FOR PEOPLE AND PLANET WHILE GENERATING PROFIT;

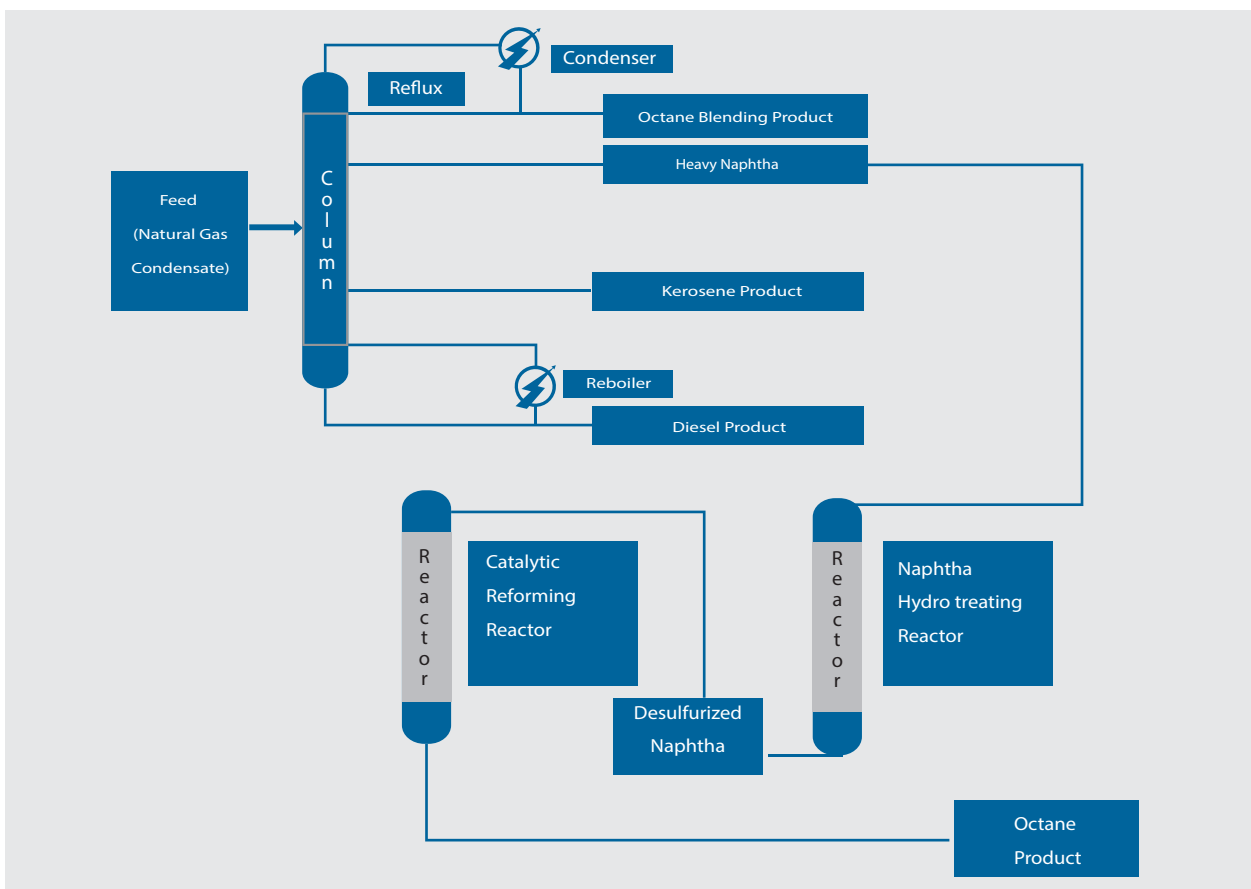
### OUR VALUES

- SUSTAINABILITY
- INNOVATION TO STAY UPDATED
- DIVERSIFICATION
- SAFETY FIRST
- OPERATIONAL EXCELLENCE
- COMMUNITY RESPONSIBILITY
- RELIABILITY

## TYPICAL ELECTRICITY TRANSPORT MODEL



## TYPICAL OIL REFINING MODEL





## LETTER FROM THE CHAIRPERSON

"Energy is Value"

*"Driving Energy,  
Delivering Value"*



Anis Salahuddin Ahmad  
(Chairperson)

### Dear Fellow Owners,

It is with great honor that I convene you to our 17th Annual General Meeting. According to the April 2024 World Economic Outlook (WEO), global growth is projected to stabilize at 3.2 percent in 2024 and 3.3 percent in 2025. However, as we transitioned into the new year, the previously observed discrepancy in output across economies has diminished, influenced by declining cyclical factors, thereby leading to a realignment of economic activity with its potential. Despite these adjustments, persistent inflation within the services sector continues to impede our progress towards disinflation, complicating the normalization of monetary policy. The upward risks associated with inflation have increased, thereby elevating the likelihood of sustained high interest rates, particularly in the context of escalating trade tensions and growing policy uncertainty. To effectively navigate these risks and maintain growth, it is essential to thoughtfully sequence our policy mix, striving for price stability while simultaneously rebuilding depleted fiscal buffers.

The economy of Bangladesh serves as an illustrative example of these complexities, facing multiple challenges: rising inflation, a balance of payments deficit alongside a budget deficit, diminishing foreign exchange reserves, currency depreciation, increasing income inequality, and a significant mismatch in energy supply and demand. Furthermore, the fragility of the banking sector, exacerbated by a rise in loan defaults, remains a critical issue that warrants immediate attention.

The economic framework of Bangladesh largely mirrors the observations made in the preceding year. Key drivers of growth include robust domestic demand, an expanding middle and affluent class, and a youthful workforce. The World Bank has revised its GDP growth forecast for Bangladesh downward by 0.1 percentage points, now projecting a growth rate of 5.7% for the fiscal year 2024-25. The institution has identified numerous challenges impacting this economic trajectory, including ongoing inflation, food and fuel shortages, import restrictions, and vulnerabilities in the financial sector. Currently, inflation is reported at approximately 10%, with food price inflation slightly higher at around 10.5% annually, leading to a marked cost-of-living crisis. Nonetheless, it is widely believed that these figures may underestimate the true state of inflation, as governments often adopt methodologies for estimating inflation that align favorably with their policy objectives.

The core business of power generation has remained non-operational for over a quarter of the reporting year, significantly affecting both segments of the company due to the challenging macroeconomic environment. The strengthening of the USD against the BDT has adversely impacted the HFO-fired power generation segment, while the refinery business has also faced challenges due to its dependence on imported raw materials. On a more positive note, there has been an improvement in the collection timeline from the

Bangladesh Power Development Board (BPDB), which now averages 2-3 months—an enhancement compared to prior commitments made by the government. Additionally, the treasury management team is proactively exploring strategic solutions to secure short-term financing from lenders, albeit at an increased cost to the organization.


The oil refinery segment demonstrated a considerable recovery during the reporting period, recording a notable increase in profitability. The contribution from this segment rose significantly to BDT 247.76 million, in contrast to the BDT 5.40 million reported in the previous year.

Consolidated revenue for FY 2023-24 experienced a substantial year-over-year growth of 18.95%, reaching BDT 11164.46 million, compared to BDT 9385.70 for FY 2022-23. The net profit after tax (NPAT) exhibited an impressive increase of 60.58%, amounting to BDT 456.13 million (including minority interest), compared to BDT 284.05 million in the corresponding period of the previous year. However, the standalone performance of SPCL was significantly affected by the plant's inactivity for over a quarter of the reporting period, attributable to the expiration of the Initial Power Purchase Agreement with the government. Consequently, SPCL's NPAT stood at BDT 208.37 million, reflecting a decline of 43.48% compared to the previous year.

In light of the company's current liquidity constraints, the board has proposed a cash dividend of 12%, equivalent to BDT 1.20 per share, pending approval at the forthcoming 17th Annual General Meeting.

We remain fully committed to our dedicated team, who represent our most valuable asset in driving sustainable growth. Our focus continues to be on fostering a productive work environment that promotes equal opportunities for development and success.

I would like to take this opportunity to extend my sincere appreciation to our customers, shareholders, regulatory authorities, lenders, suppliers, employees, insurers, legal advisors, and all other stakeholders for their steadfast support. We are resolved to contribute to the ongoing economic development of Bangladesh by strengthening our collaborative efforts. We believe that energy is value, and we drive energy to deliver value.



**CHAIRPERSON**  
SHAHJIBAZAR POWER CO. LTD.



THE  
MANAGEMENT  
&  
REPORTING



## DIRECTORS PROFILE



**Anis Salahuddin Ahmad**  
 Chairperson

Anis Salahuddin Ahmad (60) is the Non-Executive 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 serves as the Managing Director of the Company and is recognized as one of the youngest entrepreneurs in the country's corporate landscape. His professional career began in the Ready-Made Garment and textile sector, where he significantly influenced operational efficiencies and supply chain management. Demonstrating agility in adapting to business dynamics, Mr. Alam quickly began generating measurable results.

In 2007, he expanded his portfolio into the private power generation sector, becoming a sponsor of Shahjibazar Power Co. Ltd. (SPCL). Subsequently, he took on the role of Director at Petromax Refinery Ltd (PRL), which was the country's only privately-owned condensate fractionation plant at its inception. His tenure has been marked by a deep engagement with the technical complexities of the petrochemical industry, driven by his passion and dedication. Alam's expertise encompasses the meticulous selection of feedstock types optimized for maximum yield ratios, as well as ensuring the precise calibration of all refining equipment throughout the processing stream.

He has been instrumental in analyzing international energy price trends and effectively navigating discussions with government bodies to advocate for sustainable national energy security. Under his strategic leadership, Petromax Refinery Ltd has achieved recognition as the Best Private Sector Organization in Energy, receiving accolades from the Honorable Prime Minister through the Ministry of Power, Energy, and Mineral Resources (MPEMR) for two consecutive terms.

In addition to his corporate achievements, Alam is noted for his philanthropic efforts. He, alongside several colleagues, founded the "Shornadip Foundation," aimed at delivering medical and health services to underserved populations in the remote island of Sandwip. Through this initiative, a general hospital has been established, providing essential emergency medical care and health services to impoverished families, thereby addressing critical health disparities in the region.



**A.K.M Badiul Alam**

Director

A.K.M. Badiul Alam, a seasoned professional at 63 years of age, currently serves as the Director of the Company. He holds a master's degree in management from the prestigious University of Dhaka, which laid the foundation for his successful career.

Mr. Alam embarked on his professional journey as a businessman immediately after completing his education. Over the years, he has accumulated extensive experience in textile trading and various other manufacturing sectors, acquiring a deep understanding of the intricacies involved in these industries. His entrepreneurial spirit led him to establish the Amtranet Group, a prominent full-vertical Ready-Made Garments enterprise, which boasts a solid 24-year legacy in the market. Under his leadership, Amtranet Group has garnered a reputation for quality and innovation.

Beyond his business endeavors, Mr. Alam is committed to giving back to the community. He is actively involved with numerous educational institutions, including schools and colleges, and he generously donates to various social welfare organizations, demonstrating his dedication to social responsibility.

His passion for business has taken him on extensive tours around the globe, where he has engaged in meaningful discussions and exchanges. Mr. Alam has traveled to a host of countries including the United States, Japan, South Korea, China, India, Germany, Spain, the United Kingdom, Australia, Italy, France, Austria, Saudi Arabia, Hong Kong, Singapore, Canada, Taiwan, Holland, and beyond. These journeys have not only enriched his knowledge and expertise but have also broadened his perspective on international markets and practices.

**Md. Shamsuzzaman**

Director

Shamsuzzaman, a seasoned professional aged 63, currently serves as the Director of the Company. He holds a Bachelor's degree in Textile Science and Technology, complemented by a Post Graduate Diploma in Industrial Management (PGDIM). Following the completion of his academic journey, he launched his career as a businessman, diving into various local and international ventures primarily focused on textile chemicals and composite knitwear.



For two decades, he has successfully owned and managed the Micro Fibre Group. This conglomerate comprises several manufacturing units dedicated to producing high-quality knitwear apparel, which has established a solid reputation within the industry. His extensive career spans 30 years, during which he has amassed a wealth of experience that encompasses textile production, chemicals trading, and various manufacturing enterprises.

Beyond his professional commitments, Shamsuzzaman is deeply invested in social responsibility. He is actively associated with numerous schools, colleges, and various social welfare organizations, contributing both as a supporter and a donor. His philanthropic efforts demonstrate his commitment to giving back to the community and fostering education and development.

Shamsuzzaman's career has also been characterized by a commitment to personal and professional growth through travel. He has journeyed to numerous countries across America, Europe, and Asia, seeking to enrich his knowledge and insights into the textile industry and business practices. This global perspective further enhances his ability to navigate the complexities of international trade and manufacturing, making him a valuable asset to the Company and the broader business community.





**Mr. Akbor Haider**

Director

Akbor Haider, 46 years old, has assumed the role of Director of the Company, bringing with him a wealth of experience and a strong educational background. He holds a degree in Business and an MBA, which he completed with distinguished recognition. Mr. Haider embarked on his professional journey in the garment and textile sector, where he quickly established himself as a knowledgeable and resourceful leader.

As the Vice-Chairman and a proud sponsor of the Board of Directors of Comfit Composite Knit Ltd (CCKL), Mr. Haider oversees a state-of-the-art manufacturing facility that boasts an impressive annual export capability of approximately 100 million pieces of garments. His career progression has seen him immerse himself in every functional unit of the company, gaining comprehensive insights into production, commercial operations, finance, marketing, and various other related activities within the industry.

Possessing strong ambitions, Mr. Haider is also actively pursuing ventures in power generation and oil refinery, along with a keen interest in the downstream market dynamics of energy products in Bangladesh. His commitment to exploration and growth often takes him around the globe, where he fosters longstanding relationships with leading retail giants and seeks out new business prospects.

In addition to his professional endeavors, Mr. Haider is renowned for his sportsmanship and deep appreciation for culture. He has taken the initiative to host numerous corporate football leagues within Bangladesh's corporate landscape, promoting teamwork, camaraderie, and a healthy competitive spirit among participants.

Furthermore, he serves as a valued member of the Board of Directors of Shahjibazar Power Co. Ltd., where he contributes his expertise to the organization's strategic goals. Mr. Haider also holds a significant position on both the Audit and Nomination and Remuneration Committee (NRC), ensuring robust governance and oversight within the company. His multifaceted experience and dedication make him an influential figure in both the garment industry and the broader business community.

**Mr. Faisal Alam**

Director

Faisal Alam, a Textile Engineer, is a dynamic leader in the textile industry, recognized for his pivotal role in driving operational excellence at Comfit Composite Knit Ltd. (CCKL). With a strong academic foundation and extensive expertise, he has transformed the composite textile and garment sector through innovative strategies and significant efficiency improvements, helping the company remain competitive in a challenging global market.

Mr. Alam's proficiency extends beyond textiles, encompassing a deep understanding of the commercial, financial, and marketing aspects critical to the industry. This multifaceted expertise enables him to effectively navigate and influence the complex dynamics of the textile business.

Expanding his professional portfolio, Mr. Alam has made remarkable strides in Bangladesh's LP-gas sector, focusing on bottling and distribution. His contributions during the early stages of an LPG plant project were instrumental, from sourcing and installing essential machinery to ensuring seamless operational launch. His hands-on involvement continues to be a driving force behind the success of this venture.



Mr. Alam has been a dedicated sponsor of Shahjibazar Power Co. Ltd. since its inception assumed the position of Director, underscoring his commitment to fostering sustainable growth and innovation across power plant operation models in Bangladesh. His career exemplifies excellence, versatility, and a relentless pursuit of innovation, making him a valuable contributor to both the textile and energy industries.

Beyond the boardroom, Mr. Faisal Alam is a philanthropist with a heart for community development. His initiatives through Shornadip Foundation Hospital have touched countless lives, emphasizing his dedication to creating a positive societal impact.

**Mr. Asgar Haider**  
Director

Asgar Haider is known as an entrepreneur, philanthropist, and sportsman among contemporaries. He sits on 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 the 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. He continuously flourishes his knowledge of energy business prospects in the Country and engaged himself in the 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. 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 is 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. Mohammed Nurul Amin**  
Independent Director

Mohammed Nurul Amin has taken on the role of Independent Director at the Company. He earned his Honors and Master's degrees in Economics from the University of Dhaka in 1973 and 1974, respectively, and has undergone extensive banking education and training both domestically and internationally.

His professional journey began at Janata Bank Limited in 1977, where he served as a Senior Officer. In 1983, Mr. Amin transitioned to National Bank Limited, recognized as the first private bank in Bangladesh. He then joined National Credit Limited (now NCC Bank Ltd) in 1985, where he dedicated 29 years of his career, culminating in his role as Managing Director & CEO from 2005 to 2014. Following that, he took on the position of Managing Director & CEO at Meghna Bank Limited from June 2014 until December 2017.

Mr. Amin has held significant leadership roles within banking associations, having chaired the Association of Bankers Bangladesh (ABB), Primary Dealers' Bangladesh Ltd (PDBL), and the Bangladesh Foreign Exchange Dealers Association (BAFEDA). He is distinguished as the only CEO of a bank to have chaired all three key professional organizations in the Bangladeshi banking sector.

In addition to his banking expertise, he is actively involved in various social initiatives. He was a Senate Member of the University of Dhaka from 2010 to 2013, a Life Member of the Bangladesh Economic Association (BEA) and the Dhaka University Economics Department Alumni Association (DUECAA), and a Member of the Bangladesh-China People's Friendship Association. Mr. Amin is also a Life Member of the Bangladesh Red Crescent Society and a Fellow of the Institute of Bankers, Bangladesh (IBB). Currently, he chairs both the Audit Committee and Nomination & Remuneration Committee of the Company.

## SHAHJIBAZAR POWER COMPANY LIMITED

### **Mr. Sharif Wadud, FCA** Independent Director

Sharif Wadud has joined the Board of Directors of the Company as an Independent Director. To ensure the Board's diversity, the NRC Committee has recommended Mr. Wadud as one of the youngest members, bringing a wealth of knowledge in the latest developments in business and commerce from both academic and professional perspectives.

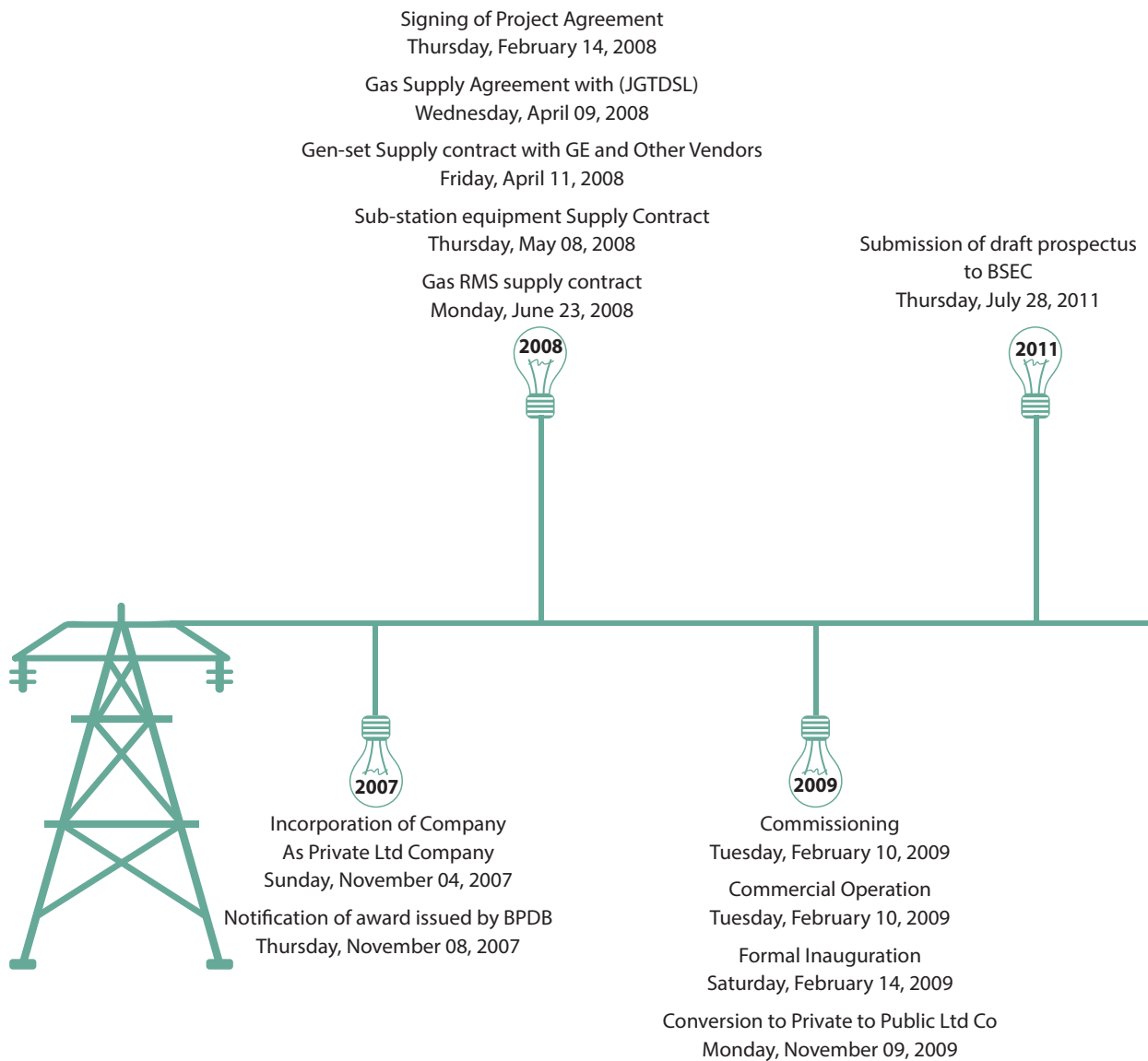
Mr. Wadud previously served as the Group Financial Controller at Teledata UK Limited, a Manchester-based technology company that specializes in data centers, colocation, and cloud hosting services in the United Kingdom. Prior to that role, he worked as an Audit & Tax Manager at Reddy Siddiqui LLP. With over a decade of experience in Tax, Audit, and Advisory services across various global and local companies, he has developed robust expertise in his field.

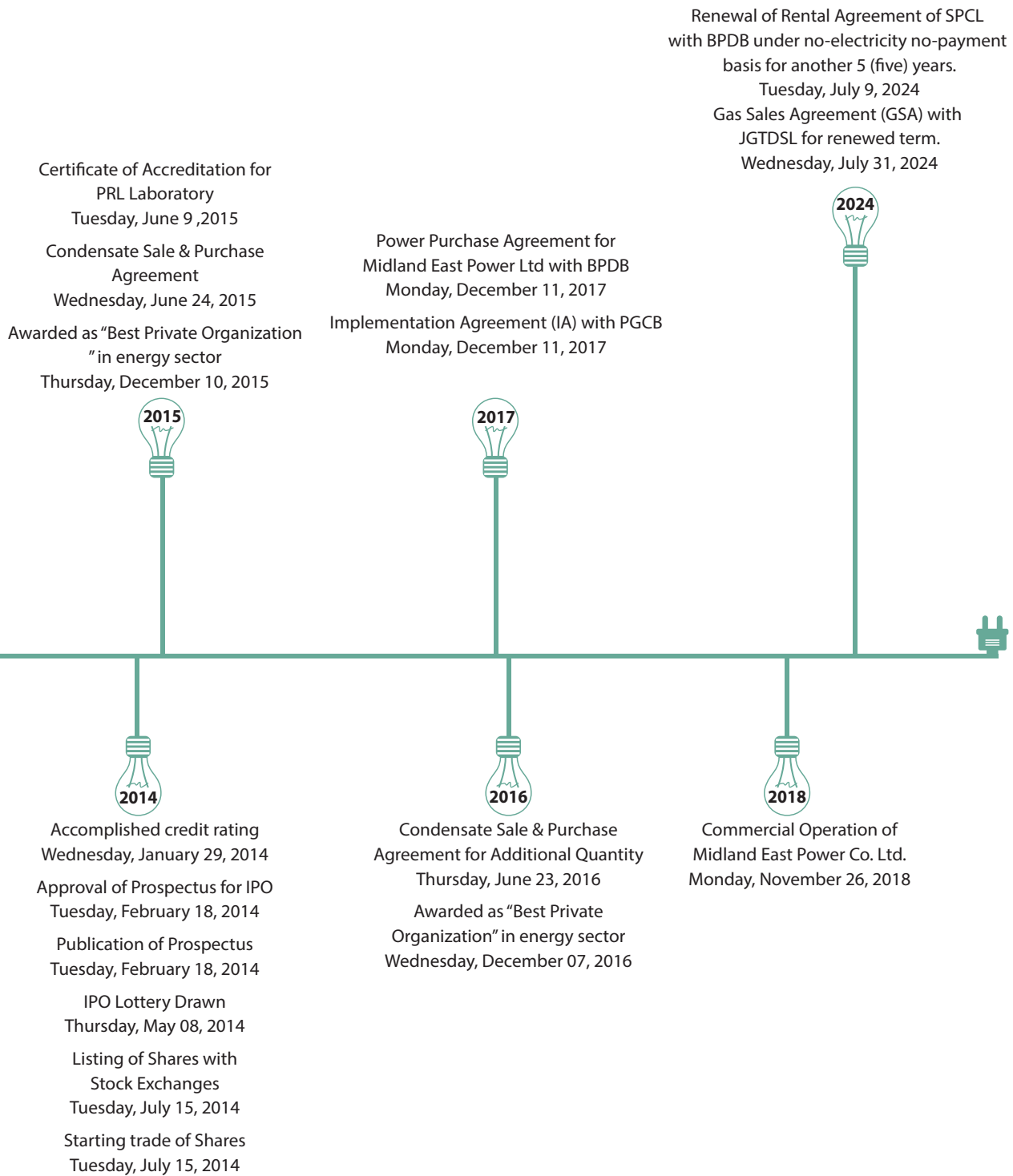
Mr. Wadud is a Fellow Member of the Institute of Chartered Accountants of England & Wales (ICAEW) and the Institute of Chartered Accountants of Bangladesh (ICAB). He received the London Society of Chartered Accountants (LSCA) Small Firm Exam Prize for his outstanding results. Currently, he is a Partner at G. Nabi & Co. Chartered Accountants.





## SUCCESS MILESTONES







## DIRECTORS REPORT TO SHAREHOLDERS

Dear Owners of Shahjibazar Power Co. Ltd.

Assalamualikum,

In the context of another challenging operational year, we have concluded the fiscal period with suboptimal financial outcomes. With the Board's authorization, I would like to extend a warm welcome to all participants at the 17th Annual General Meeting and present the Audited Financial Statements for the year ending June 30, 2024.

The Directors' Report has been meticulously crafted in accordance with Section 184 of the Companies Act of 1994, adhering to the Financial Reporting Standards established by the Institute of Chartered Accountants of Bangladesh (ICAB). Additionally, this report complies with the Dhaka and Chittagong Stock Exchange (Listing) Regulations of 2015, as well as the Bangladesh Securities and Exchange Commission's (BSEC) notification (BSEC/CMRRCD/2006-158/207/Admin/80) issued on June 3, 2018, concerning the Corporate Governance Code. This report also fulfills all directives and regulations issued by the Commission over time.

### 15.14 ECONOMY AT A GLANCE

Global growth is expected to align with the forecast from the April 2024 World Economic Outlook (WEO), standing at 3.2 percent for 2024 and 3.3 percent for 2025. Nevertheless, varying activity momentum at the year's end has slightly reduced the differences in output among economies as cyclical influences diminish and activity begins to better align with its potential. Inflation in service prices is hindering progress toward disinflation, which is making monetary policy normalization more complex. Consequently, the risks of inflation on the upside have risen, raising the likelihood of prolonged higher interest rates amid rising trade tensions and greater policy uncertainty. To address these risks and support growth, the policy mix should be implemented in a careful sequence to ensure price stability and rebuild depleted buffers.

The Bangladeshi economy is currently in a rebound phase post-COVID-19; however, it is facing challenges due to geopolitical tensions and rapid change of regime. The persistent strengthening of the US dollar has exerted considerable pressure on the foreign exchange reserves. The economy remains heavily reliant on the Ready-Made Garments (RMG) sector and foreign remittances, with limited progress in diversifying its export base. Before the pandemic, in FY 2018-19, the economy experienced a robust growth rate of 7.88 percent. This was sharply reduced to 3.45 percent during the COVID-19 fallout in FY 2019-20. The growth rate demonstrated a recovery to 6.94 percent in FY 2020-21; however, preliminary data indicates a further downturn to 6.03 percent in the fourth quarter of 2023. According to provisional estimates from the World Bank, the GDP growth forecast for FY 2024-25 is projected at 5.7 percent, reflecting ongoing economic vulnerabilities and the need for strategic interventions to enhance resilience and diversification.

Per capita GDP stood at US\$ 1,869.16 in FY 2022-23 compared to US\$ 2,687 in the previous fiscal year. The per capita GDP in dollar terms has declined slightly in FY 2023-24 due to the appreciation of US dollar.

Given the moderate expansion in both the public and private sectors, domestic credit growth is anticipated to reach 11.6 percent for FY25. The banking system's net foreign assets (NFA) are expected to experience a positive growth rate of 17.8 percent in FY25. This projected increase in NFA is based on the expectation of a surplus in the overall balance of payments, along with a forecast of moderate growth in both exports and imports, as well as significant increases in remittances. Additionally, the anticipated flow of foreign funds from development partners has been factored into the positive growth projection for NFA. The forecast for Reserve Money (RM) growth is established at a positive rate of 1.0 percent, taking into account economic conditions and the stable behavior of the money multiplier, which is affected by the ratios of currency deposits to reserve deposits.

### 15.15 POWER SECTOR SCENARIO OF BANGLADESH

In the aftermath of Bangladesh's independence, the power sector has experienced a significant transformation, particularly over the last decade, which has accounted for 90% of the sector's cumulative advancements since liberation. As of now, the total generation capacity, incorporating both captive and renewable energy sources, stands at 31,194 MW. The sector predominantly relies on natural gas as the primary fuel, supplemented by HFO. Efforts are currently underway to transition towards renewable energy sources as a more dominant component of the energy mix.

According to the Bangladesh Power Development Board (BPDB), the total installed power generation capacity stands at 27840 MW, excluding captive and renewable sources. The contributions are segmented as follows: 42% from the public sector, 39% from the private sector, 9.54% from power imports, and 8.90% from joint ventures with international partners.

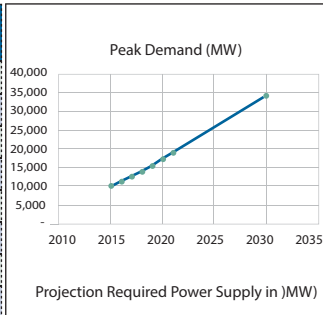
Per capita electricity generation has reached 640 kWh. The expansion of the power distribution network has resulted in an increase to 697,000 km, accommodating approximately 47.5 million consumers. Notably, system losses have significantly decreased to 7.25% as of December FY 2023-24, a marked improvement from 14.73% recorded in FY 2010-11.

In the short term, we can anticipate a steady increase in power demand driven by several key factors. The ongoing digitization of services across multiple sectors will play a significant role, alongside the growing adoption of digital financial services. Additionally, advancements in mechanized agricultural technologies are set to revolutionize farming practices. Shifts in lifestyle patterns within rural communities, coupled with demographic trends including a rising population, will further contribute to this demand.

Moreover, large-scale infrastructural initiatives such as the Padma Bridge, Dhaka Metro rail, Airport Terminal - 3, the development of one hundred economic zones, and the Matarbari Moheshkhali Integrated Development Initiative (MIDI) will also be pivotal. Collectively, these elements suggest a robust trajectory for power demand over the coming years.

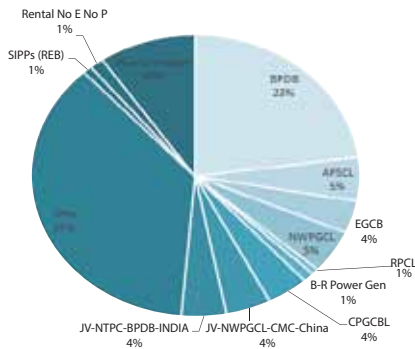
**Power System Master Plan by BPDB Assuming 7% GDP Growth Rate**

Fiscal Year	Peak Demand (MW)
2015	10,283
2016	11,405
2017	12,644
2018	14,014
2019	15,527
2020	17,304
2021	18,838
2030	33,708



**Present Installed Generation Capacity (MW) as on November 30, 2024**

BPDB	6350	22.81%
APSCL	1394	5.01%
EGCB	1032	3.71%
NWPGCL	1401	5.03%
RPCL	182	0.65%
B-R Power Gen	312	1.12%
CPGCBL	1150	4.13%
JV-NWPGCL-CMC-China	1244	4.47%
JV-NTPC-BPDB-INDIA	1234	4.43%
Sub Total	14299	51.36%
IPPs	10253	36.83%
SIPPs (BPDB)	0	0.00%
SIPPs (REB)	251	0.90%
15 YR. Rental	0	0.00%
3/5 YR. Rental	0	0.00%
Rental No E No P	381	1.37%
Power Import	2656	9.54%
Sub Total	13541	48.64%
Total	27840	100.00%



Public and private sector is contributing 42% and 39% respectively followed by Import & JV 18% in the total generation of power as of November 30, 2024. Amongst the public sector generation units BPDB is playing the champion role as usual.

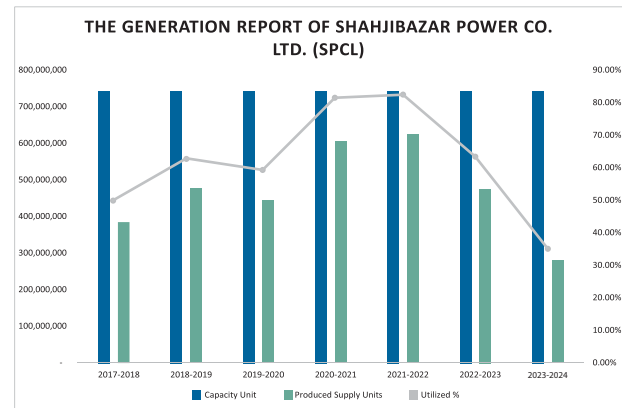
**15.16 BUSINESS ACTIVITIES INCLUDING ITS OPERATING PERFORMANCE**

Shahjibazar Power Company Limited (SPCL) entered the Bangladeshi power sector by securing a competitive tender against multiple bidders from the Bangladesh Power Development Board (BPDB) on February 14, 2008. Following this, SPCL established a Gas Supply Agreement (GSA) with Jalalabad Gas Transmission and Distribution System Limited (JGTDSL) on April 9, 2008. After the expiry of the initial power purchase agreement with BPDB on February 11, 2024, this

year, the company was able to renew the agreement for another 5 (five) years term with no-electricity no-payment basis effective from July 9, 2024. In collaboration with GE International, the company constructed an 86 MW power plant pursuant to a Power Purchase Agreement (PPA) with BPDB, aimed at supplying electricity to the government. As of June 30, 2024, SPCL has been operating at an average capacity factor of 37.65%. The operational metrics reflect the company's performance, showcasing its robustness in power generation.

Fiscal Year	Capacity Unit	Produced Supply Unit	Utilized %
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%
2021-2022	743,040,000	619,934,136	83.43%
2022-2023	743,040,000	477,095,952	64.21%
2023-2024	743,040,000	279,783,240	37.65%

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



In the fiscal year 2023-2024 (FY23-24), the company produced 279,783,240 KWh electricity for the national grid, a decline from the 477,095,952 KWh generated in FY22-23. The Bangladesh Power Development Board (BPDB) remains the sole off-taker. This considerable decrease in generation is primarily due to the plant being non-operational for over a quarter of the year, stemming from the expiration of both the power purchase agreement and the gas supply agreement.

Revenue for FY23-24 is reported at BDT 2,337.47 million, reflecting a year-over-year decline of 15.06% from the previous year's revenue of BDT 2,751.97 million. However, consolidated revenue increased by 18.95% year-over-year, amounting to BDT 11164.46 million in FY23-24 compared to BDT 9385.70 million in FY22-23.

Consolidated Net Profit After Tax (NPAT), incorporating contributions from subsidiary and associate entities, is reported at BDT 456.12 million in FY23-24, a significant increase of 60.58% compared to BDT 284.05 million in FY22-23. In addition, the oil refinery division has achieved delivery of approximately 110.53 million liters of petroleum products, generating revenue of BDT 8,826.98 million.

**15.17 SEGMENT WISE PERFORMANCE**

Segment/Product	Quantity	Sales in Million Tk.
Power	279,783,240 Kwh	2,337.47
Oil & Gas	110,536,681 Ltr	8,826.98
Total		11,164.45

### 15.18 CONTRIBUTION TO THE NATIONAL EXCHEQUER

The backbone of economic growth is a reliable energy supply, and your company plays a pivotal role in this as a key supplier of power and oil nationwide. As of June 30, 2024, your company has contributed Tk. 275.78 million in corporate income tax, while its subsidiary has made a significant contribution of Tk. 1,331.22 million in VAT to the national treasury.

### 15.19 EXTRA-ORDINARY GAIN OR LOSS

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

### 15.20 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 Page No. 105 of the financial statements.

### 15.21 SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

In its standalone performance for the fiscal year 2023-2024, Shahjibazar Power Co. Ltd. reported a decline in Earnings Per Share (EPS) of Tk 0.86 compared to the previous fiscal year. This decrease is primarily attributed to the operational shutdown of the power plant from February 11, 2024, following the expiration of the initial Power Purchase Agreement (PPA). Consequently, the plant was unable to generate revenue from February 11 to June 30, 2024, resulting in a significant drop in its operational factor to 37%, down from 63% in the prior year.

Contrastingly, the consolidated EPS showed an improvement of Tk 0.79 in FY 2023-2024 relative to FY 2022-2023. This positive trend can be largely credited to the robust performance of SPCL's 90% owned subsidiary, Petromax Refinery Limited (PRL), which achieved an EPS of Tk 2.48, a remarkable increase from Tk 0.05 recorded in the previous fiscal year. Furthermore, the reduction in losses from SPCL's associate company, which decreased by BDT 15.67 crore this fiscal year compared to last, further boosted the consolidated EPS for SPCL.

### 15.22 REMUNERATION OF DIRECTORS

Remuneration, performance and other related prerequisites/benefits of managing director is disclosed in **Note 30.01**. Other directors are not entitled to remuneration and other facilities for their directorship except the Board Meeting Fee.

### 15.23 MINORITY SHAREHOLDERS:

As of June 30, 2024 the total minority shareholders represent 40.79% 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.

### 15.24 CORPORATE AND FINANCIAL REPORTING FRAMEWORK

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

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

In compliance with the requirements of the 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:

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

### 15.25 FINANCIAL RESULTS AND PERFORMANCE OF THE COMPANY

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



Particulars	2023		2024		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	9,385.70		11,164.46		18.95%
Cost of Sales	8,179.43	82%	9,883.11	89%	20.83%
Gross Profit	1,206.27	18%	1,281.35	11%	6.22%
General and Administrative Expenses	246.99	2%	165.46	1%	-33.01%
Finance Cost Net	311.29	4%	376.26	3%	20.87%
Operating Profit	647.99	12%	739.63	7%	14.14%
Other Income Net	41.04	1%	74.04	1%	80.41%
Share of Profit from Associate	199.68	2%	43.00	0%	-78.47%
WPPF	37.09	1%	38.74	0%	4.45%
Net Profit Before Income Tax	452.26	14%	731.93	7%	61.84%
Income Tax	168.22	4%	275.78	2%	63.94%
Total Comprehensive Income	284.04	11%	456.15	4%	60.59%
Less: Minority Interest	0.54	0%	24.77	0%	4495.55%
Net Profit (After Tax & Minority Interest)	283.51	11%	431.38	4%	52.16%

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

Particulars	2024		2023		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	2,337.47		2,751.97		-15.06%
Cost of Sales	1,761.79	75%	1,885.90	69%	-6.58%
Gross Profit	575.68	25%	866.07	31%	-33.53%
General and Administrative Expenses	65.88	3%	148.22	5%	-55.55%
Finance Cost Net	65.03	3%	88.13	3%	-26.21%
Operating Profit	444.77	19%	629.72	23%	-29.37%
Other Income Net	22.42	1%	98.49	4%	-77.24%
Share of Profit from Associate	-43.08	-2%	-199.68	-7%	78.43%
WPPF	22.24	1%	34.67	1%	-35.85%
Net Profit Before Income Tax	401.93	17%	493.86	18%	-18.62%
Income Tax	193.56	8%	125.18	5%	54.63%
Total Comprehensive Income	208.37	9%	368.68	13%	-43.48%

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

15.26 SIGNIFICANT VARIANCE OF FINANCIAL STATEMENTS

In its independent financial performance for the fiscal year 2023-2024, Shahjibazar Power Co. Ltd. experienced a decline in Earnings Per Share (EPS) of Tk 0.86 when compared to the previous fiscal year. This reduction is mainly due to the operational halt of the power plant on February 11, 2024, after the initial Power Purchase Agreement (PPA) expired. As a result, the plant was unable to earn revenue from February 11 to June 30, 2024, leading to a notable decrease in its operational factor to 37%, down from 63% in the previous year.

In contrast, the consolidated EPS reflected an increase of Tk 0.79 in FY 2023-2024 compared to FY 2022-2023. This upward trend can be primarily attributed to the strong performance of SPCL's 90% owned subsidiary, Petromax Refinery Limited (PRL), which recorded an EPS of Tk 2.48, a significant rise from Tk 0.05 noted in the last fiscal year. Additionally, the reduction in losses from SPCL's associate company, which fell by BDT 15.67 crore this fiscal year relative to last, also contributed positively to the consolidated EPS for SPCL.

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

Particulars	2023		2024		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	9,385.70		11,164.46		18.95%
Cost of Sales	8,179.43	87%	9,883.11	89%	20.83%
Gross Profit	1,206.27	13%	1,281.35	11%	6.22%
Operating Profit	647.99	7%	739.63	7%	14.14%
Net Profit Before Income Tax	452.26	5%	731.93	7%	61.84%
Total Comprehensive Income	284.04	3%	456.15	4%	60.59%
Net Profit (After Tax & Minority Interest)	283.51	3%	431.38	4%	52.16%

Consolidated

Revenue increased by 18.95% year-over-year, driven by robust sales growth of the subsidiary company. Gross Profit saw a modest rise of 6.22%, while Operating Profit improved by 14.14%. Notably, Net Profit (after accounting for Tax and Minority Interest) surged by an impressive 60.59% compared to the prior year. The Gross Profit Margin contracted to 11% of sales, down from 13% last year, whereas the Net Profit Margin improved, reaching 4%, up from 3% in the previous fiscal year.

Particulars	2024		2023		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	2,337.47		2,751.97		-15.06%
Cost of Sales	1,761.79	75%	1,885.90	69%	-6.58%
Gross Profit	575.68	25%	866.07	31%	-33.53%
Operating Profit	444.77	19%	629.72	23%	-29.37%
Net Profit Before Income Tax	401.93	17%	493.86	18%	-18.62%
Total Comprehensive Income	208.37	9%	368.68	13%	-43.48%

Separate

Revenue experienced a decline of 15.06% year-over-year. The Gross Profit faced a significant reduction of 33.53%, primarily attributable to plant maintenance during the non-operational period that occurred between contract expiry and renewal. Consequently, the Gross Profit Margin fell to 25%, down from 31% in the prior year, reflecting the impact of these maintenance activities. Additionally, the Net Profit Margin decreased to 17% from 18% in the previous year, influenced by the accounting treatment of the performance of associated companies under the equity method.

15.28 PROFIT APPROPRIATION

The Consolidated Net Profit after Tax (NPAT) for the company has been recorded at BDT 431.38 million, compared to BDT 283.51 million from the previous fiscal year. The current liquidity position is notably constrained, primarily attributable to prolonged outstanding payments from BPDB. Additionally, the prevailing cost of capital in the market has reached unprecedented levels, driven by the central bank's free float interest rate policy. Considering these challenges, the Board is preparing to present the Company's financial results for the fiscal year ending June 30, 2024, along with recommendations for the appropriation of profits.

Particulars	Amount in Million Taka
Net Profit for the year 2024	431.35
Profit brought Forward	3,863.95
Profit available for appropriation	4,295.30
Appropriations:	
Proposed Stock and Cash Dividend	223.95
Transferred to Retained Earning	4,071.35
Profit available for appropriation	4,295.30

15.29 DIVIDEND

Your Board recommends a final cash dividend of 12% cash dividend for the year 2024 i.e. Taka 1.20 for each Ordinary shares held of Taka 10 on the record date, subject to approval by the shareholders at the 17th Annual General Meeting.

Dividend Type	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19
Cash Dividend (%)	12%	11%	16%	28%	28%	28%
Stock Dividend (%)	-	-	4%	4%	2%	2%
<b>Total</b>	<b>12%</b>	<b>11%</b>	<b>20%</b>	<b>32%</b>	<b>30%</b>	<b>30%</b>

15.30 DIRECTORS' MEETING & ATTENDANCE

During the year ended June 30, 2024 The Board of Directors has attended 4 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
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. Mohammed Nurul Amin	4
Mr. Sharif Wadud	4



## THE PATTERN OF SHAREHOLDING

Pattern of Shareholding as on June 30, 2024

Annexure -3

Name of Shareholders	Status	Relation	Share Held	Percentage (%)
i) Parent/Subsidiary/Associated Companies and other related parties				
ii) Directors				
A. Mr. Anis Salahuddin Ahmad	Chairperson		16,630,494	8.91%
B. Mr. A.K.M.Badiul Alam	Director		10,885,259	5.83%
C. Mr. Md. Shamsuzzaman	Director		21,195,091	11.36%
D. Mr. Akbor Haider	Director		12,844,144	6.88%
E. Mr. Faridul Alam	Managing Director		10,653,363	5.71%
F. Mr. Faisal Alam	Director		11,494,265	6.16%
G. Mr. Asgar Haider	Director		12,612,333	6.76%
H. Ms. Rezina Alam	Sponsor		8,369,788	4.48%
I. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	5,824,839	3.12%
J. Mr. Mohammed Nurul Amin	Independent Director		Nil	Nil
K. Mr. Sharif Wadud	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. Md. Shakhawat Hossain	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		20,379,896	11.36%

### 15.32 DIRECTORS' ELECTION & RE-APPOINTMENT:

As per the Articles of Association Mr. Anis Salahuddin Ahmad and Mr. A.K.M Badiul Alam shall retire in 16th Annual General Meeting by rotation and being eligible to offer themselves for re-election.

### 15.33 RESUME OF THE DIRECTORS & THEIR EXPERTISE IN SPECIFIC FUNCTIONAL AREA

Described in Directors Profile

### 15.34 INDEPENDENT DIRECTOR TO THE BOARD OF SUBSIDIARY COMPANY

Mr. Mohammed Nurul Amin has been continuing as the nominated director in the subsidiary company.

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

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

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

### 15.36 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. Mohammed Nurul Amin	Chair	4
Mr. Akbor Haider	Member	4
Mr. A.K.M Badiul Alam	Member	4
Mr. Yeasin Ahmed FCS	Secretary	4

### 15.37 AUDITORS

M/S ACNABIN & Co. Chartered Accountants retire at the 17th AGM and is not eligible to carryout Audit Works for the ensuing year as per Corporate Governance Code. M/S G. Kibria & Co. Chartered Accountants expressed their interest formally to carry out the external audit of the company for the year ended June 30, 2025, and they are eligible to perform the audit as per the conditions of Corporate Governance Code, BSEC Panel of Approved Auditors and Companies Act 1994. Therefore, M/S G. Kibria & Co. Chartered Accountants will be appointed as recommended by the board subject to approval of the members at 17th AGM of the Company.

M/S Suraiya Parveen & Associates Chartered Secretaries had provided Corporate Governance Code certificate for FY2022-23. For the FY2023-24 M/S M/S Suraiya Parveen & Associates Chartered Secretaries has expressed their willingness to provide Corporate Governance Code certificate. Being eligible, the appointment of M/S Suraiya Parveen & Associates Chartered Secretaries shall be presented in the 17th AGM for member's approval.



### 15.38 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
<b>Interest Rate Risk</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Prioritize Equity Based Financing</li> <li>Prefer Long Term fund over Short Term due to lower cost</li> <li>Continuously seeking cheap source of fund</li> </ul>
<b>Exchange Rate Risk</b>	<ul style="list-style-type: none"> <li>SPCL imports mostly spare parts (if required) against payment of foreign currency. Unfavorable volatility or currency fluctuation may affect the profitability of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Justified Forward Contract agreements</li> <li>Purchase through L/C which is known to be less exposed method in terms of Forex Risk</li> </ul>
<b>Industry Risk</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Payment is guaranteed by Power Purchase Agreement (PPA) with Bangladesh Power Development Board (BPDB)</li> </ul>

<b>Market And Technology Related Risk</b>	<ul style="list-style-type: none"> <li>Technology is related to generation, transmission, distribution, quantity measuring and maintaining of required electricity generation.</li> </ul>	<ul style="list-style-type: none"> <li>Modernization program after periodic interval</li> </ul>
<b>Potential Or Existing Government Regulations</b>	<ul style="list-style-type: none"> <li>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 &amp; supply and distribution is fully under the control of Government. So, Government policies in this regard may impact business operation of SPCL.</li> </ul>	<ul style="list-style-type: none"> <li>Every possible effect of abrupt policy change by government is communicated with respective authority of the Government time to time</li> <li>Energy sector being one of the priority sector the respective authority</li> </ul>
<b>Potential Changes In The Global or National Policies</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Prudent Rehabilitation Scheme</li> <li>Insurance Coverage to all possible extents</li> </ul>
<b>Pricing</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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 &amp; Maintenance Payment according to supplied MW. Tariff for each month adjusted as per price index by the Bangladesh Bank. So, there is no risk associated with tariff value of electricity supplied to BPDP.</li> <li>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.</li> </ul>
<b>Risk Associated With Payment</b>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Petroleum Segment has been collecting payment from BPC in a regular basis. There is no history of default in payment from BPC till today.</li> </ul>
<b>Environmental Pollution</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The operations and maintenance (O&amp;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.</li> <li>Petromax Has installed state of the art technology of oil refining equipment that ensures zero emission of spill overs.</li> </ul>



### 15.39 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.

### 15.40 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.

### 15.41 CORPORATE SOCIAL RESPONSIBILITY

As a part of our ongoing commitment to the society and environment in which the company conducts its business, your company continues to fulfil 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

### 15.42 HUMAN RESOURCE MANAGEMENT

Our organization acknowledges that human capital is the most critical asset driving organizational success. To enhance our workforce's capabilities, we prioritize employee development by implementing a comprehensive training strategy. This includes regular workshops and training sessions designed to update and refine skills specific to their functional areas, ensuring that our team remains at the forefront of industry advancements and best practices.

### 15.43 STATUS OF COMPLIANCE

In accordance with the requirement stipulated as per condition No. 1(5) (xxvii) of the Securities & Exchange Commission's notification no-SEC/CMRRCD/2006-158/207/Admin/80 dated 07 June 3, 2018 issued under section 2CC of the Ordinance 1969 the Corporate Governance Compliance Report is shown in **Annexure-B**. A certificate from M/S Suraiya Parveen & Associates Chartered Secretaries confirming compliance of conditions of Corporate Governance Codes as stipulated under condition 9 is also annexed to this report as **Annexure-C**.

### 15.44 KEY OPERATING AND FINANCIAL DATA:

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

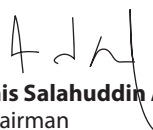
### 15.45 ACKNOWLEDGEMENT:

In anticipating future developments, we express our deep gratitude to our shareholders for their steadfast support during these turbulent times. We are confident in your resilience as we navigate the challenges posed by the ongoing global economic crisis. The pervasive impact of shifting government policies and regulatory frameworks on the economic landscape is undeniable and will influence our operations in various ways.

The board would also like to acknowledge the invaluable partnership we share with key entities such as the Bangladesh Power Development Board (BPDB), the Power Cell of the Power Division, MPEMR, and Jalalabad Gas T&D System Limited. We appreciate the collaboration from banks and financial institutions, insurance companies, service providers, and governmental bodies including the Bangladesh Securities and Exchange Commission (BSEC), the Registrar of Joint Stock Companies & Firms (RJSCF), the Dhaka Stock Exchange Ltd (DSE), the Chittagong Stock Exchange Ltd (CSE), Central Depository Bangladesh Limited (CDBL), as well as other relevant authorities and agencies.

We look forward to fostering a path toward a more resilient future and achieving sustainable growth.

For and On Behalf of the Board

  
**Anis Salahuddin Ahmad**  
Chairman

COMPLIANCES  
AND  
DISCLOSURES

## 16 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 the relevant 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 experienced an impressive year-over-year increase of 18.95%. Correspondingly, the Cost of Sales escalated by 20.83%, driven by similar factors that impacted revenue growth.
- ◆ Net Profit after Tax saw a substantial rise of 60.58%. Meanwhile, Total Liabilities of the Company decreased significantly by 19.32%. Shareholders' Equity experienced a modest uptick of 3.30%.
- ◆ Operating Profit rose by 14.14%, primarily attributed to robust full-year performance bolstered by enhanced contributions from the oil refinery segment and associate power plants. The Earnings Per Share (EPS) increased markedly by 51.97% compared to the previous year's EPS, reflecting a higher profit contribution from Associate Companies and subsidiaries.
- ◆ Furthermore, long-term liabilities saw a dramatic decline of 58.40%, a change largely attributed to the proactive repayment of debts.

**(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		Industry Average	
	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23	FY 23-24	FY 22-23
EPS (Tk.)	2.31	1.52	1.12	0.56	1.81	3.56	1.75	1.88
NAVPS (Tk.)	37.92	36.71	22.61	21.99	49.57	50.47	36.70	36.39
Dividend (%)	12	11	3.5	5	10	11	8.50	9.00
NOCFPS (Tk.)	7.28	3.23	1.95	-0.11	20.03	17.98	9.75	7.03
No of Shares (in Million)	186	186	235	235	181.11	181	200.70	200.67
Net Profit (Tk. In Million)	456.12	284	292.78	131.56	410.46	648	386.45	354.52

Analysis indicates that, with the exception of no. of shares outstanding, the company's performance across all the aforementioned parameters exceeds the industry benchmarks and the lesser number of shares in market essentially means lesser dilution of ownership which is good for existing owners of the company.

**(e) Financial and economic scenario of the country and the world:** As stated in the Directors' Report, Global economic growth is projected to be consistent with the April 2024 World Economic Outlook (WEO), with estimates of 3.2 percent for 2024 and 3.3 percent for 2025. However, varying levels of economic activity toward the end of the year have somewhat reduced the disparities in output among countries, as cyclical factors lessen, and activities start to align more closely with their potential. Rising service prices are obstructing progress towards disinflation, complicating the normalization of monetary policy. As a result, the risks of inflation on the higher side have increased, making prolonged elevated interest rates more probable amidst escalating trade tensions and increasing policy uncertainty. To mitigate these risks and foster growth, the policy mix should be enacted methodically to ensure price stability and restore depleted buffers.

The Bangladeshi economy is currently in a recovery phase following the COVID-19 pandemic; however, it is encountering difficulties due to geopolitical conflicts and swift changes in government in recent past. The continuing strengthening of the US dollar has placed significant strain on foreign exchange reserves. The economy is still heavily dependent on the Ready-Made Garments (RMG) sector and foreign remittances, with minimal advancement in diversifying its export sector. Prior to the pandemic, in FY 2018-19, the economy saw a strong growth rate of 7.88 percent, which sharply fell to 3.45 percent during the COVID-19 crisis in FY 2019-20. There was a recovery to a growth rate of 6.94 percent in FY 2020-21; however, initial data shows a decline to 6.03 percent in the fourth quarter of 2023. Based on provisional estimates from the World Bank, the GDP growth forecast for FY 2024-25 is estimated at 5.7 percent, highlighting persistent economic vulnerabilities and the necessity for strategic interventions to enhance resilience and diversification.

Per capita GDP was recorded at US\$ 1,869.16 in FY 2022-23, compared to US\$ 2,687 in the prior fiscal year. The per capita GDP in dollar terms has experienced a slight decrease in FY 2023-24 due to the strengthening of the US dollar.

With moderate growth expected in both public and private sectors, domestic credit growth is projected to reach 11.6 percent for FY25. The banking system's net foreign assets (NFA) are anticipated to show a positive growth rate of 17.8 percent in FY25.



This expected increase in NFA is based on the anticipation of a surplus in the overall balance of payments, alongside a forecast of moderate growth in exports and imports, as well as significant rises in remittances. Furthermore, the expected inflow of foreign funds from development partners has been considered in the positive growth outlook for NFA. The forecast for Reserve Money (RM) growth is set at a positive rate of 1.0 percent, taking into account prevailing economic conditions and the stable behavior of the money multiplier, influenced by the ratios of currency deposits to reserve deposits.

**(f) Risks and concerns issues related to the financial statements:** Within the context of changes in the 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 issues 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 systems including the Internal Audit team under the guidance of Audit Committee and under the direct consultation with competent external auditors. A talented pool of employees is aware of the risk concerns, and they are nominated for training and workshop programs for skill development in challenging areas so that they can identify, measure, recognize and condition relevantly and reliably.

**(g) Future plan for Company's operation, performance, and financial position:** The Company has continuously been seeking more opportunity to invest in power plants partnering with the government. Aside from 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. Mohammed Nurul Amin (Independent Director)	-Chair
Mr. Akbor Haider	-Member
Mr. Md. Shamsuzzaman	-Member
Mr. Yeasin Ahmed FCS (Company Secretary)	-Secretary

The Independent Director, Mr. Mohammed Nurul Amin acts as Chair of the Committee. As per regulatory guidelines, the Company Secretary, Mr. Yeasin Ahmed, FCS 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 for ensuring that the procedures for appointing new Directors are transparent and rigorous. The Board places great emphasis on ensuring its membership reflects diversity in a 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 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.

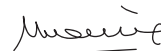
The recruitment process for Top Level Executives shall be transparent, non-discriminatory, diversified and in alignment with the Codes of Conduct. Recruitment standards shall support SPCL's reputation as an attractive employer.

The objective of SPCL's remuneration policy is to ensure that rewards 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 behavior.

### 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. Mohammed Nurul Amin**

Chair  
Nomination and Remuneration Committee  
27 October 2024

## SNAPSHOTS FROM 16<sup>th</sup> AGM



16th Annual General Meeting (AGM) of Shahjibazar Power Co. Ltd. was held through Digital Platform, on (Tuesday) January 09, 2024 at 11:00 A.M. Among others 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. Mohammed Nurul Amin (Independent Director & Chair of Audit and NRC), Mr. Sharif Wadud, FCA (Independent Director) Mr. Yeasin Ahmed, FCS Company Secretary and Mr. Bhulon Bhowmik (CFO) was present on the occasion. Among other Agendas the meeting has approved 11% Cash Dividend for the shareholders of the company for FY 2022-23.

## 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 07 June 3, 2018 is presented in Page No 52-65.

### 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. Mohammed Nurul Amin (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 have been held since the last Annual General Meeting of SPCL. Besides the 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 the 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 with 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, 2023 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, 2025;
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. Mohammed Nurul Amin**  
Chairman of the Audit Committee

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

Operational Result	Jun 30,2024 Consolidated	Jun 30,2023 Consolidated	Jun 30,2022 Consolidated	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated
Turnover	11,164,461,060	9,385,704,986	7,249,018,396	9,152,947,633	6,332,403,614
Cost of Sales	9,883,111,905	8,179,430,280	5,943,690,577	7,569,246,367	5,146,405,025
Gross Profit	1,281,349,155	1,206,274,706	1,305,327,819	1,583,701,265	1,185,998,589
Profit From Operation	739,622,073	648,016,714	871,081,855	1,061,683,399	653,242,578
Net Profit Before Tax	731,915,454	452,280,313	1,050,561,884	1,540,846,418	1,016,320,854
Net Profit After Tax	456,129,436	284,052,990	795,636,927	1,159,870,053	760,375,863
Net Cash Flow From Operation	1,359,023,083	602,283,520	1,228,824,377	2,265,679,564	494,805,146

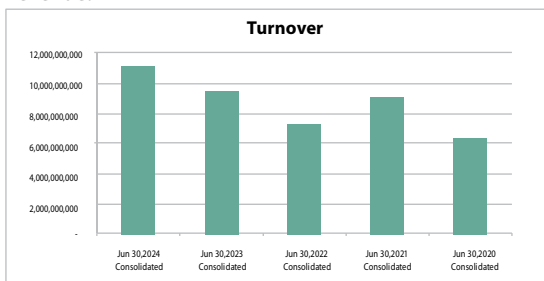
Financial Position	Jun 30,2024 Consolidated	Jun 30,2023 Consolidated	Jun 30,2022 Consolidated	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated
Non-Current Assets	6,934,535,890	6,671,611,273	7,179,588,507	7,504,461,539	7,374,335,212
Current Assets	4,885,444,761	5,957,854,670	4,237,875,711	3,661,430,643	4,197,240,580
Inventories	1,596,117,018	1,528,724,984	997,271,830	1,146,413,070	1,515,005,284
Shareholders' Equity	7,076,547,158	6,850,488,810	6,854,101,039	6,564,757,458	5,911,063,380
Long Term Liability	273,950,744	658,501,622	843,093,653	713,409,783	467,214,670
Current Liabilities	4,153,017,443	4,828,786,503	3,419,120,153	3,597,724,906	4,925,803,084
Total Liabilities	4,426,968,187	5,487,288,125	4,262,213,806	4,311,134,688	5,393,017,754

Key Financial Ratio	Jun 30,2024 Consolidated	Jun 30,2023 Consolidated	Jun 30,2022 Consolidated	Jun 30,2021 Consolidated	Jun 30,2020 Consolidated
Current Ratio	1.18	1.23	1.24	1.02	0.85
Quick Ratio	0.79	0.92	0.95	0.70	0.54
Leverage Ratio	0.63	0.80	0.62	0.66	0.91
Net Profit Margin Ratio (%)	4%	3%	11%	13%	12%
Return on Equity (%)	6%	4%	12%	18%	13%
Earning Per Share	2.31	1.52	4.30	6.28	4.38
Return on Average Asset (ROAA) %	3.73%	2.36%	7.05%	10.20%	6.95%
Return on Average Equity (ROAE) %	6.55%	4.15%	7.85%	12.18%	8.72%
Operating Cash Flow to Sales	12.17%	6.42%	16.95%	24.75%	7.81%



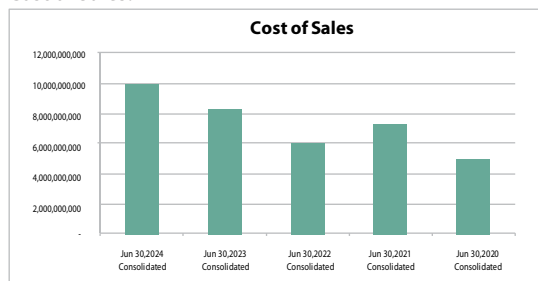
# FINANCIAL REVIEW – 2024

## Revenue:



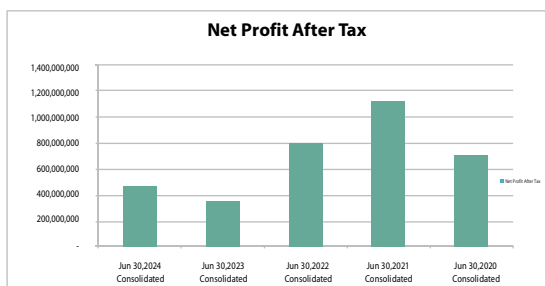
- Consolidated revenue experienced an increase of 18.95% year-over-year, primarily driven by enhanced performance from the Oil Refinery segment.

## Cost of Sales:



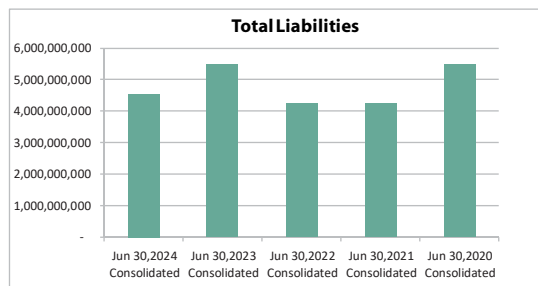
- The Cost of Sales experienced a significant increase of 20.83%, closely aligning with the rise in revenue over the same period.

## Net Profit after Tax:



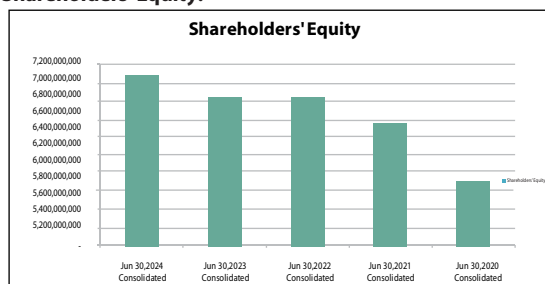
- The Net Profit after Tax experienced a substantial increase of 60.58%.

## Total Liabilities



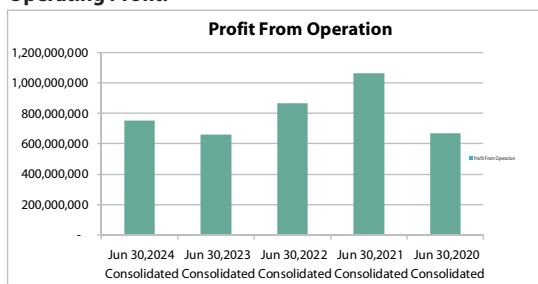
- The Company achieved a substantial reduction in total liabilities, declining by 19.32%, primarily attributed to strategic debt repayment initiatives targeting our bank obligations.

## Shareholders' Equity:



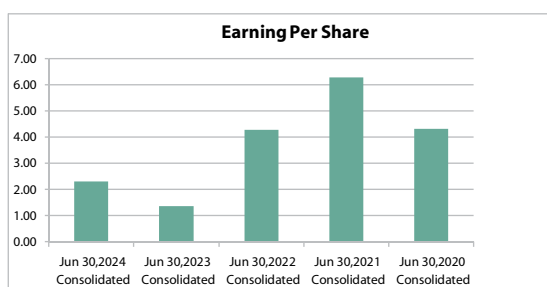
- Shareholders' Equity increased by 3.30%, driven by improved profitability during the reporting period.

## Operating Profit:



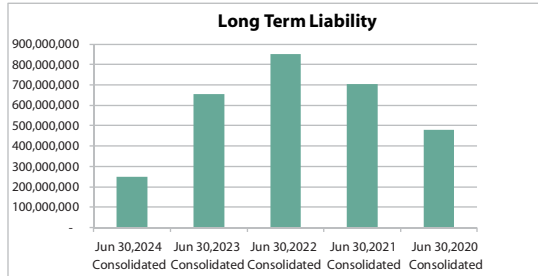
- Operating profit increased by 14.14%, driven by the full year's performance attributed to enhanced margins in the Oil Refinery segment. This improvement reflects efficient cost management and higher sales prices, contributing significantly to overall profitability.

## Earnings per Share (EPS)



- The EPS increased by 51.97% compared to the previous year, primarily driven by enhanced contributions from Subsidiary and Associate Companies.

## Long Term Liabilities:



- This year, long-term liabilities have been reduced by 58.40%, primarily attributed to strategic debt repayments and the absence of significant capital investments in major engine overhauls.

## INVESTOR COMPLAINT REDRESSAL MECHANISM



1. The company has a designated investor grievances E-Mail id [debasish@youthbd.com](mailto: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 January 25, 2024 and till February 28, 2024 several shareholders claimed their dividend. We disbursed Tk. 2,279,437.52 (Taka Twenty-two Lakh Seventy nine Thousand four Hundred thirty seven and paisa fifty-two) only to the nominated bank account of Capital Market Stabilization Fund afterwards.



## CEO AND CFO'S DECLARATION TO THE BOARD

Dated: October 27, 2024

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, 2024

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, 2024 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, 2024 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





# Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

## Report to the Shareholders of Shahjibazar Power Company Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Shahjibazar Power Company Limited for the year ended on 30 June 2024. 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:

- 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:
- 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;
- 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
- The Governance of the company is satisfactory.

Dhaka, Dated  
December 12, 2024



For Suraiya Parveen & Associates  
Chartered Secretaries

Suraiya Parveen, FCS  
Chief Executive Officer

Alim Sky Castle (2nd floor), Flat-B3, 3/8 Asad Avenue, Block-A, Mohammadpur, Dhaka-1207.  
Phone : 02 41023157 (Off), Mob : 01911 421998, 01713 110408  
Email : suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

# 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/2006-158/207/Admin/80, dated 3 June 2018 and subsequent amendment on dated: November 20, 2023 under notification no BSEC/CMRRCD/2009-193/66/PRD/148 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
<b>1.</b>	<b>Board of Directors:-</b>			
<b>1 (1)</b>	<b>Size of the Board of Directors</b> 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.
<b>1 (2)</b>	<b>Independent Directors</b>			
1 (2) (a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are two Independent Directors in the SPCL Board
1 (2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		The Independent Director has declared his Compliance.
1 (2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		Do
1 (2) (b) (iii)	who has not been an executive of the company in immediately preceding 2(two) financial years;	✓		Do
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1 (2) (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
1 (2) (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC	✓		Do

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	holder of stock exchange or an intermediary of the capital market			
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 reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; 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): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		Do
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;	✓		
1 (3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		The qualification and background of IDs justify their abilities
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered 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;	✓		Do
1 (3) (b) (iii)	Former or existing official of government or statutory or			

Condition No.	Title	Compliance Status (put √ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or			
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;	√		Do
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
<b>1 (4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
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
<b>1 (5)</b>	<b>The Directors' Report to Shareholders</b>			
1 (5) (i)	An industry outlook and possible future developments in the industry;	√		The Director's Report compliance with the guidelines
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	√		Do



Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	environment, if any;			
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		-	No such event occurred during the period
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	✓		The Director's Report compliance

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	concern, the fact along with reasons there of shall be disclosed;			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
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	-	-	N/A

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	absolute figure for such changes;			
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 <b>Annexure-A</b> ;	✓		Do
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per <b>Annexure-B</b> and <b>Annexure-C</b> ;	✓		Do
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		Do
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
	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
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
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
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company.</b>			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the	✓		

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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.	✓		
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).</b>			
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: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	✓		
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)	<b>Requirement to attend Board of Directors' Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		In Practice
3 (3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that	✓		



Condition No.	Title	Compliance Status (put √ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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	<b>Board of Directors' Committee. For ensuring good governance in the company, the Board shall have at least following sub committees:</b>			
4 (i)	Audit Committee;	√		In Practice
4 (ii)	Nomination and Remuneration Committee.	√		In Practice
5	<b>Audit Committee</b>			
5 (1)	<b>Responsibility to the Board of Directors.</b>			
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			No Such incident arose

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			
5 (2) (e)	The company secretary shall act as the secretary of the Committee;	✓		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;	✓		
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

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
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)	<b>Reporting of the Audit Committee</b>			
5 (6) (a)	<b>Reporting to the Board of Directors</b>			
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)	<b>The Audit Committee shall immediately report to the Board on the following findings, if any:-</b>			
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)	<b>Reporting to the Authorities</b> 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)	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee,	✓		

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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	<b>Nomination and Remuneration Committee (NRC).-</b>			
6 (1)	<b>Responsibility to the Board of Directors</b>			
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)	<b>Constitution of the NRC</b>			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	√		
6 (2) (b)	At least 02 (two) 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;	√		
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)	<b>Chairperson of the NRC</b>			
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;	√		



Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
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 incident arose
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6 (4)	<b>Meeting of the NRC</b>			
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)	<b>Role of the NRC</b>			
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	✓		
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	✓		

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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	<b>External or Statutory Auditors.-</b>			
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	<b>Maintaining a website by the Company.-</b>			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8 (2)	The company shall keep the website functional from the date of listing.	✓		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	<b>Reporting and Compliance of Corporate Governance.-</b>			
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	✓		

Condition No.	Title	Compliance Status (put ✓ in the appropriate column)		Remarks (If any)
		Complied	Complied	
	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 <b>Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	✓		



**Faridul Alam**  
**Managing Director**

## VARIOUS COMMITTEES

### Audit Committee

Mr. Mohammed Nurul Amin (Independent Director)	Chair
Mr. A.K.M Badiul Alam (Director)	Member
Mr. Akbor Haider (Director)	Member
Mr. Yeasin Ahmed, FCS (Company Secretary)	Secretary

### Nomination and Remuneration Committee (NRC)

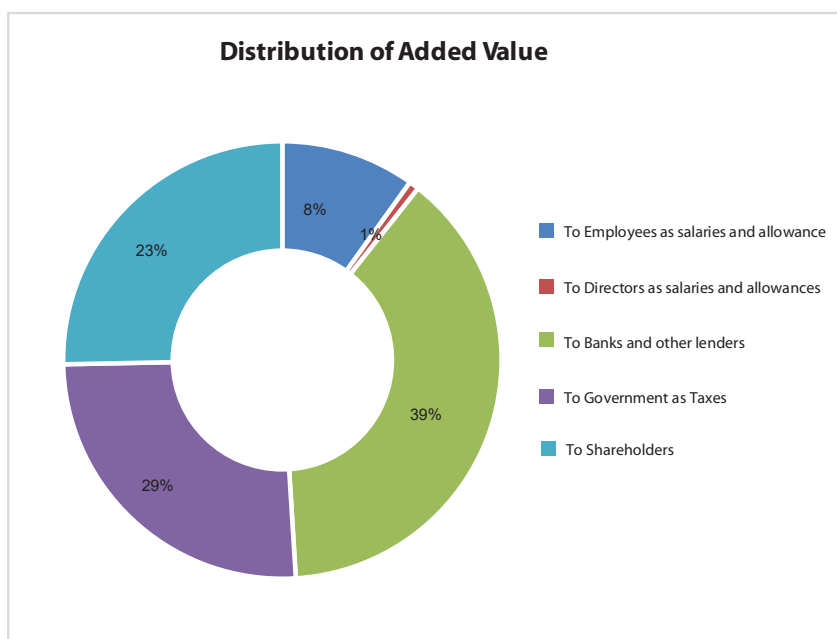
Mr. Mohammed Nurul Amin (Independent Director)	-Chair
Mr. Akbor Haider (Director)	-Member
Mr. Md. Shamsuzzaman (Director)	-Member
Mr. Yeasin Ahmed FCS (Company Secretary)	-Secretary



## VALUE ADDED STATEMENT

### SHAHJIBAZAR POWER CO. LTD. Consolidated Value Added Statement For the year ended June 30, 2024

Particulars	2024	2023
	Taka	Taka
Revenue	11,164,461,060	9,385,704,986
Other Income including interest income	74,048,318	41,045,933
Profit Sharing from Associate	(43,008,728)	(199,684,112)
Cost of Sales, Excluding Depreciation	(9,346,119,017)	(7,615,485,470)
Other Operating Expenses	(163,459,351)	(244,268,577)
<b>Total Value Added</b>	<b>1,685,922,282</b>	<b>1,367,312,760</b>
<b>Distribution of Added Value</b>		
To Employees as salaries and allowance	78,478,482	80,280,177
To Directors as salaries and allowances	6,000,000	6,000,000
To Banks and other lenders	376,265,171	311,294,179
To Government as Taxes	284,387,764	208,164,146
To Shareholders	223,957,955	205,294,792
	<b>969,089,372</b>	<b>811,033,294</b>
<b>Retained for Re-investment and Future Growth</b>		
Depreciation and amortization	475,994,097	502,249,138
Retained Profit	240,838,814	54,030,327
	716,832,911	556,279,466
<b>Total Value Distributed</b>	<b>1,685,922,282</b>	<b>1,367,312,760</b>





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**Independent Auditor's Report  
 To the Shareholders of Shahjibazar Power Co. Ltd.  
 Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of Shahjibazar Power Co. Ltd. and its subsidiary ("the Group"), as well as the separate financial statements of Shahjibazar Power Co. Ltd. ("the Company"), which comprise the consolidated and separate statement of financial position as at 30 June 2024 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 and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and separate financial position of the Company as at 30 June 2024, and of its consolidated and separate financial performance and its consolidated and separate 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 the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. 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 judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year and include the most significant assessed risk of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the significant effect on the overall audit strategy, allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the Key Audit Matters
<p><b>Revenue recognition</b></p> <p>Referto notes no. 3.14, 28.00 and 28a to the financial statements</p> <p>During the year 2023-24, the Group has earned revenue of BDT 11,164.46 million (9,385.70 million during the year 202-23). The revenue of the Group mainly comes from production and supply of electricity, which contributes 21%, and production &amp; supply of petroleum products, which contributes 79% of total revenue. Shahjibazar Power Co. Ltd., the parent, earns revenue by supplying electricity to BPDB as per Power Purchase Agreement (PPA) amounting to BDT 2,337.47 million and supply of petroleum products to various customers amounting to BDT 8,826.99 million through its subsidiary (Petromax Refinery Limited).</p> <p>The initial Power Purchase Agreement (PPA) of 15 years expired on 9th February 2024. Pursuant to the approval of the Power Division, Ministry of Power, Energy and Mineral Resources, the PPA is extended by 5 years till 9th July 2029.</p> <p>The Company recognizes revenue at the end of every month for electricity supply over the month and Petromax Refinery Limited recognizes revenue for petroleum products when the goods are handed over to customers at a point in time.</p>	<p>Our audit procedures for revenue recognition included the following:</p> <ul style="list-style-type: none"> <li>• understanding the policy of revenue and the contracts with the customer;</li> <li>• reviewing the segregations of duties in relation to creation, review and approval of invoices;</li> <li>• cut off testing, which involves testing of the revenue recognized shortly before and after the date of the statement of financial position.</li> <li>• assessing whether revenue recognition policies are applied following terms of relevant accounting standards and industry practice;</li> <li>• evaluating the calculations of revenue recognized as per PPA.</li> <li>• reviewing collectability of the credit sales to customers, including subsequent period collections;</li> <li>• assessing the disclosure of revenue recognition and receivable provisioning policies.</li> </ul>

<b>Valuation and recognition of Property, plant and equipment (PPE)</b>	
Refer to notes no. 3.2, 4 & 4a to the financial statements	
<p>The Group has made significant investment in property, plant, and equipment to operate the business and for the initial setup of plants. The PPE mainly consists of land, building, plant &amp; machinery, vehicles and other equipment. Most of the assets are used for production of electricity and manufacturing/refining of oil for sales.</p> <p>The net book value of the PPE is BDT 3,674.12 million among which Plant and machinery consist of 81%. The plant and equipment are subject to regular assessment for indicators of impairment due to risk of technological obsolescence inherent in the nature of industry.</p>	<p>Our audit procedures for PPE include the following:</p> <ul style="list-style-type: none"> <li>• Review of the processes and controls used to ensure that the assets are properly recorded, managed, and valued.</li> <li>• Physical verification of assets to confirm the existence and operating effectiveness of assets.</li> <li>• Perform substantive tests to evaluate the accuracy and completeness of the measurement of assets at initial and subsequent stages.</li> <li>• Evaluation of useful life estimation base and judgement applied.</li> <li>• Review of appropriateness of calculation and charging of depreciation on the assets.</li> <li>• Read and analyzed the disclosures made in the Consolidated and Separate financial statements.</li> </ul>

#### **Other Matter**

Financial Statements of the subsidiary company, Petromax Refinery Limited, were not audited by us. The financial statements of Petromax Refinery Limited show total assets of BDT 7,327.03 million as at 30 June 2024 and total revenue of BDT 8,826.99 million for the year then ended.

The financial year of the subsidiary is 01 July to 30 June. Financial statements of the subsidiary are audited by Aziz Halim Khair Choudhury Chartered Accountants who expressed unmodified opinion on those financial statements. Date of auditor's report of the subsidiary is 21 October 2024. Our opinion, in so far as it relates to the amounts included in respect of the subsidiary, is based on the audited financial statements and auditor's report of the subsidiary.

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's 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 consolidated and separate financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with ISAs.

#### **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 consolidated and separate financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bangladesh Securities and Exchange Commission rules and regulations together with other applicable regulations require the Management to ensure effective internal audit, internal control, and risk management functions of the Group.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 consolidated and separate 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 Group'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the Key Audit Matters as reported in the respective section of the report above. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made required verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Group so far as it appeared from our examination of these books;
- c) the statement of consolidated and separate financial position and statement of consolidated and separate profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Group's business.

Dhaka, Bangladesh  
Date: 27 October 2024

**ACNABIN Chartered Accountants**  
Enlistment No. CAF-001-012



**Md. Rokonzaman FCA**  
Partner  
Enrollment No.: 0739  
DVC: 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 AS AT JUNE 30, 2024

	Notes	June 30, 2024 Taka	June 30, 2023 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>		<b>6,934,535,890</b>	<b>6,671,611,273</b>
Property, Plant and Equipment	4a	3,674,117,005	4,306,530,577
Investment Accounted for using the Equity Method	5a	1,677,068,553	1,720,077,281
Right-Of-Use Assets	7a	197,085,010	4,916,918
Other Investments	8a	1,359,269,738	640,086,498
Capital Work-In-Progress	8b	26,995,585	-
<b>Current Assets</b>		<b>4,885,444,761</b>	<b>5,957,854,670</b>
Inventories	9a	1,596,117,018	1,528,724,984
Accounts Receivables	10a	1,705,958,090	3,196,727,746
Other Receivables	11a	15,043,943	1,507,906
Advance, Deposits and Prepayments	12a	868,877,065	790,799,672
Financial Assets at fair value through profit or loss	12b	15,163,788	20,407,183
Cash and Cash Equivalents	13a	143,267,875	344,090,397
Goods in Transit	14a	541,016,980	75,596,783
<b>TOTAL ASSETS</b>		<b>11,819,980,651</b>	<b>12,629,465,943</b>
<b>SHARE HOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>7,076,547,158</b>	<b>6,850,488,810</b>
Share Capital	15.00	1,866,316,290	1,866,316,290
Share Premium	16.00	914,920,000	914,920,000
Retained Earnings	17a	4,295,310,868	4,069,252,520
<b>Non-controlling interests</b>	17b	<b>316,465,306</b>	<b>291,689,009</b>
<b>Total equity</b>		<b>7,393,012,464</b>	<b>7,142,177,819</b>
<b>Non-Current Liabilities</b>		<b>273,950,744</b>	<b>658,501,622</b>
Long Term Loan- Net of Current Maturity	18a	-	406,456,383
Lease Liabilities	21	34,573,941	4,067,924
Deferred Tax Liabilities	19a	239,376,803	247,977,315
<b>Current Liabilities</b>		<b>4,153,017,443</b>	<b>4,828,786,502</b>
L/C Liabilities	20a	1,258,704,662	804,204,936
Lease Liabilities	21a	5,169,024	1,093,892
Short Term Loan	22a	2,693,863,668	2,470,400,354
IPO Application Amount	23a	1,173,818	1,173,818
Long Term Loan - Current Maturity	24a	-	164,822,840
Sundry Creditors	25a	128,547,440	260,421,943
Liabilities for Expenses	26a	22,694,791	6,521,480
Unclaimed Dividend	26b	9,796,986	10,461,391
Trade Payable	27a	33,067,055	1,109,685,849
<b>Total Liabilities</b>		<b>4,426,968,187</b>	<b>5,487,288,124</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,819,980,651</b>	<b>12,629,465,943</b>
Net Asset Value Per Share (NAVPS)	27b	<b>37.92</b>	<b>36.71</b>

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**

Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

	Notes	June 30, 2024 Taka	June 30, 2023 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>		<b>4,758,675,072</b>	<b>4,808,129,110</b>
Property, Plant and Equipment	4.00	1,643,487,373	2,141,187,647
Investment Accounted for using the Equity Method	5.00	1,677,068,553	1,720,077,281
Investment in Subsidiary	6.00	900,000,000	900,000,000
Right-Of-Use Assets	7.00	3,687,688	4,916,918
Other Investments	8.00	534,431,459	41,947,264
<b>Current Assets</b>		<b>634,303,141</b>	<b>2,518,685,776</b>
Inventories	9.00	434,492,617	367,839,060
Accounts Receivables	10.00	94,432,847	2,017,621,039
Other Receivables	11.00	2,850,178	1,507,906
Advance, Deposits and Prepayments	12.00	33,361,963	29,811,668
Cash and Cash Equivalent	13.00	56,898,556	101,906,103
Goods In Transit	14.00	12,266,980	-
<b>TOTAL ASSETS</b>		<b>5,392,978,214</b>	<b>7,326,814,886</b>
<b>SHARE HOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>4,955,620,303</b>	<b>4,952,548,626</b>
Share Capital	15.00	1,866,316,290	1,866,316,290
Share Premium	16.00	914,920,000	914,920,000
Retained Earnings	17.00	2,174,384,013	2,171,312,336
<b>Non-Current Liabilities</b>		<b>242,225,988</b>	<b>658,499,763</b>
Long Term Loan- Net of Current Maturity	18.00	-	406,456,383
Lease Liabilities	21.00	2,852,277	4,067,924
Deferred Tax Liabilities	19.00	239,373,711	247,975,456
<b>Current Liabilities</b>		<b>195,131,923</b>	<b>1,715,766,496</b>
L/C Liabilities	20.00	58,989,850	208,794,248
Lease Liabilities	21.00	1,215,648	1,093,892
Short Term Loan	22.00	-	-
IPO Application Amount	23.00	1,173,818	1,173,818
Long Term Loan - Current Maturity	24.00	-	164,822,840
Sundry Creditors	25.00	93,287,358	226,081,202
Liabilities for Expenses	26.00	8,375,646	1,273,937
Unclaimed Dividend	26b	9,796,986	10,461,391
Trade Payable	27.00	22,292,617	1,102,065,170
<b>Total Liabilities</b>		<b>437,357,910</b>	<b>2,374,266,260</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,392,978,214</b>	<b>7,326,814,886</b>
Net Asset Value Per Share (NAVPS)	27bb	26.55	26.54

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**  
 Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Notes	For the Year Ended	
		June 30, 2024	June 30, 2023
		Taka	Taka
<b>Revenue</b>	<b>28a</b>	11,164,461,060	9,385,704,986
Cost of Sales	<b>29a</b>	9,883,111,905	8,179,430,280
<b>Gross Profit</b>		<b>1,281,349,155</b>	<b>1,206,274,706</b>
<b>Operating Expenses:</b>			
General and Administrative Expenses	<b>30a</b>	165,461,910	246,963,813
Financial Expenses	<b>31a</b>	376,265,171	311,294,179
<b>Operating Profit</b>		<b>739,622,073</b>	<b>648,016,714</b>
Non-Operating Income	<b>32a</b>	74,048,318	41,045,933
Share of Profit From Associate	<b>33a</b>	(43,008,728)	(199,684,112)
<b>Net Profit before Tax and WPPF</b>		<b>770,661,663</b>	<b>489,378,535</b>
Workers' Profit Participation Fund	<b>34a</b>	38,746,209	37,098,222
<b>Net Profit before Tax</b>		<b>731,915,454</b>	<b>452,280,313</b>
<b>Income Tax Expenses:</b>		<b>275,786,019</b>	<b>168,227,323</b>
Current Tax	<b>35a</b>	284,387,764	208,164,146
Deferred Tax	<b>35.00</b>	(8,601,745)	(39,936,823)
<b>Net profit after Tax</b>		<b>456,129,436</b>	<b>284,052,990</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>456,129,436</b>	<b>284,052,990</b>
<b>Profit Attributable to</b>			
Equity holders' of the parent		431,353,139	283,513,356
Non Controlling Interest		24,776,297	539,634
		<b>456,129,436</b>	<b>284,052,990</b>
<b>Total Comprehensive Income Attributable to:</b>			
Equity holders' of the parent		431,353,139	283,513,356
Non Controlling Interest		24,776,297	539,634
		<b>456,129,436</b>	<b>284,052,990</b>
<b>Earnings Per Share (EPS)</b>	<b>36a</b>	<b>2.31</b>	<b>1.52</b>

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**  
 Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.  
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED JUNE 30, 2024**

	Notes	For the Year Ended	
		June 30, 2024 Taka	June 30, 2023 Taka
<b>Revenue</b>	<b>28.00</b>	<b>2,337,474,773</b>	<b>2,751,972,582</b>
Cost of Sales	29.00	1,761,792,054	1,885,906,444
<b>Gross Profit</b>		<b>575,682,719</b>	<b>866,066,138</b>
<b>Operating Expenses:</b>			
General and Administrative Expenses	30.00	65,884,322	148,225,996
Financial Expenses	31.00	65,031,963	88,132,029
<b>Operating Profit</b>		<b>444,766,434</b>	<b>629,708,114</b>
Non-Operating Income	32.00	22,423,964	98,490,292
Share of Profit of Investment Accounted for using Equity Method	33.00	(43,008,728)	(199,684,112)
<b>Net Profit before Tax and WPPF</b>		<b>424,181,670</b>	<b>528,514,294</b>
Workers' Profit Participation Fund	34.00	22,247,162	34,676,115
<b>Net Profit before Tax</b>		<b>401,934,508</b>	<b>493,838,179</b>
<b>Income Tax Expenses:</b>	<b>35.00</b>	<b>193,568,040</b>	<b>125,181,532</b>
Current Tax		202,169,785	165,118,355
Deferred Tax		(8,601,745)	(39,936,823)
<b>Net profit after Tax</b>		<b>208,366,468</b>	<b>368,656,646</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>208,366,468</b>	<b>368,656,646</b>
<b>Earnings Per Share (EPS)</b>	<b>36.00</b>	<b>1.12</b>	<b>1.98</b>

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**  
 Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333



**SHAHJIBAZAR POWER CO. LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	JUNE 30, 2024	JUNE 30, 2023
	Taka	Taka
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipt from customers	12,655,230,715	7,477,301,837
Cash paid to suppliers, employees	(10,310,586,625)	(6,010,350,314)
Cash Paid for operational Expenses	(243,042,586)	(324,701,918)
Cash received from Other Activities	48,005,776	38,722,883
Cash paid for Workers Profit Participation Fund	(37,098,222)	(49,014,087)
Income Tax Paid	(401,475,945)	(218,380,702)
Cash payment for Financial Expenses	(352,010,030)	(311,294,179)
<b>Net Cash flows from operating activities</b>	<b>1,359,023,083</b>	<b>602,283,520</b>
<b>B CASH FLOWS IN INVESTING ACTIVITIES</b>		
Acquisition of property plant and equipment	(173,545,357)	(209,883,705)
Disposal of Fixed Assets	3,670,000	1,400,000
Other Investment	(719,183,240)	(120,993,320)
Financial Assets at Fair Value	-	(5,044,099)
<b>Net cash used in investing activities</b>	<b>(889,058,597)</b>	<b>(334,521,124)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank Loan (Short Term )	223,463,314	879,974,969
Payment of Dividend	(205,294,791)	(297,125,582)
Unclaimed Dividend	(664,405)	1,287,945
Payment of Liabilities(Letter of Credit)	(118,509,953)	(474,503,137)
Payment of Lease Liabilities	(5,501,950)	(984,331)
Advance Income Tax	7,000,000	(168,089,663)
Bank Loan (Long Term)	(571,279,223)	(148,724,531)
<b>Net cash used in financing activities</b>	<b>(670,787,008)</b>	<b>(208,164,329)</b>
<b>D Net Cash for the year (A+B+C)</b>	<b>(200,822,522)</b>	<b>59,598,067</b>
<b>E Opening cash and bank balance</b>	<b>344,090,397</b>	<b>284,492,330</b>
<b>F Closing cash and cash equivalents (D+E)</b>	<b>143,267,875</b>	<b>344,090,397</b>
<b>G Net Operating Cash Flow per share [Note-49]</b>	<b>7.28</b>	<b>3.23</b>
<b>Effect of Exchange Rate:</b>	<b>15,542</b>	<b>27,477</b>

Consolidated Net Operating Cash Flow per Share has increased due to increase in cash receipt from BPDB.

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**

Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	<b>June 30, 2024</b> <b>Taka</b>	<b>June 30, 2023</b> <b>Taka</b>
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipt from customers	4,260,662,965	1,718,975,953
Cash paid to suppliers, employees	(2,436,669,252)	(332,872,529)
Cash Paid for operational Expenses	(67,330,348)	(145,072,921)
Cash received from Other Activities	11,079,216	97,032,718
Cash paid for Workers Profit Participation Fund	(34,676,115)	(33,094,964)
Income Tax Paid	(341,012,362)	(175,336,310)
Cash Paid for Financial Expenses	(43,630,543)	(88,132,029)
<b>Net Cash flows from operating activities</b>	<b>1,348,423,561</b>	<b>1,041,499,918</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property plant and equipment	(10,623,542)	(200,539,405)
Other Investment	(492,484,195)	(4,894,007)
<b>Net cash flow from investing activities</b>	<b>(503,107,737)</b>	<b>(205,433,412)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank Loan (Short Term)	-	(203,330,450)
Dividend Paid	(205,294,791)	(287,125,582)
Payment of Liabilities(Letter of Credit)	(118,509,953)	(153,798,112)
Payment of Lease Liabilities	(1,575,000)	(984,331)
Unclaimed Dividend	(664,405)	1,287,945
Payment for Advance Income Tax	7,000,000	-
Bank Loan (Long Term)	(571,279,223)	(148,724,531)
<b>Net cash used financing activities</b>	<b>(890,323,371)</b>	<b>(792,675,061)</b>
<b>D Net Cash inflow/(outflow) for the year (A+B+C)</b>	<b>(45,007,547)</b>	<b>43,391,445</b>
<b>E Opening Cash &amp; Cash Equivalent</b>	<b>101,906,103</b>	<b>58,514,658</b>
<b>F Closing Cash &amp; Cash Equivalent</b>	<b>56,898,556</b>	<b>101,906,103</b>
<b>G Net Operating Cash Flow per share [Note-48]</b>	<b>7.23</b>	<b>5.58</b>
<b>Effect of Exchange Rate:</b>	<b>15,542</b>	<b>27,477</b>

The increase in Net Operating Cash Flow per Share (NOCFPS) has occurred due to increase in sales bill collection from BPDB.

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**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 50 form an integral part of these financial statements

Dhaka,  
 October 27, 2024

**ACNABIN Chartered Accountants**  
 Enlistment No. CAF-001-012

  
**Md. Rokonuzzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
<b>Balance as at July 01, 2023</b>	1,866,316,290	-	914,920,000	4,069,252,520	6,850,488,810	291,689,009	7,142,177,819
Net profit (After Tax) for the period	-	-	-	431,353,139	431,353,139	24,776,297	456,129,436
Bonus Share/Stock Dividend	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	(205,294,791)	(205,294,791)	-	(205,294,791)
<b>Balance as at June 30, 2024</b>	<b>1,866,316,290</b>	<b>-</b>	<b>914,920,000</b>	<b>4,295,310,868</b>	<b>7,076,547,158</b>	<b>316,465,306</b>	<b>7,393,012,464</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
<b>Balance as at July 01, 2022</b>	1,794,534,897	-	914,920,000	4,144,646,140	6,854,101,037	301,149,374	7,155,250,411
Net profit (After Tax) for the year	-	-	-	283,513,356	283,513,356	539,634	284,052,990
Bonus Share/Stock Dividend	71,781,393	-	-	(71,781,393)	-	-	-
Cash Dividend Paid	-	-	-	(287,125,582)	(287,125,582)	(10,000,000)	(297,125,582)
<b>Balance as at June 30, 2023</b>	<b>1,866,316,290</b>	<b>-</b>	<b>914,920,000</b>	<b>4,069,252,520</b>	<b>6,850,488,811</b>	<b>291,689,008</b>	<b>7,142,177,819</b>

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**Chairman**

  
**Director**

  
**Managing Director**

  
**Company Secretary**

**Report of the Auditors to the Shareholders:**

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

The annexed notes 1 to 50 form an integral part of these financial statements

Dhaka,  
October 27, 2024

**ACNABIN Chartered Accountants**  
Enlistment No. CAF-001-012



**Md. Rokuzzaman FCA**  
Partner

Enrollment No.: 0739  
DVC : 2410270739AS390333

**SHAHJIBAZAR POWER CO. LTD.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
<b>Balance as at July 01, 2023</b>				
Net profit for the year	1,866,316,290	914,920,000	2,171,312,336	4,952,548,626
Bonus Share/Stock Dividend	-	-	208,366,468	208,366,468
Cash Dividend	-	-	-	-
	-	-	(205,294,791)	(205,294,791)
<b>Balance as at June 30, 2024</b>	<b>1,866,316,290</b>	<b>914,920,000</b>	<b>2,174,384,013</b>	<b>4,955,620,303</b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
<b>Balance as at July 01, 2022</b>				
Net profit for the year	1,794,534,894	914,920,000	2,161,562,669	4,871,017,563
Bonus Share/Stock Dividend	-	-	368,656,646	368,656,646
Cash Dividend	71,781,396	-	(71,781,396)	-
	-	-	(287,125,583)	(287,125,583)
<b>Balance as at June 30, 2023</b>	<b>1,866,316,290</b>	<b>914,920,000</b>	<b>2,171,312,336</b>	<b>4,952,548,626</b>

The financial statements were authorised for issuance by the Board of Directors on October 27, 2024

  
**Chairman**

  
**Director**


  
**Managing Director**

  
**Company Secretary**

**Report of the Auditors to the Shareholders:**

This is the statement of Changes in Equity referred to in our report of even date. The annexed notes 1 to 50 form an integral part of these financial statements

**ACNABIN Chartered Accountants**  
 Enlistment No. CAF-001-012

  
**Md. Rokonzaman FCA**  
 Partner  
 Enrollment No.: 0739  
 DVC : 2410270739AS390333

Dhaka,  
 October 27, 2024

## SHAHJIBAZAR POWER CO. LTD.

### Notes to the Financial Statements

As on and for the year ended June 30, 2024

#### Significant Accounting Policies And Other Material Information

##### 1. Status of the Reporting Entity

###### 1.1. Corporate History:

The Shahjibazar Power Co. Ltd. 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 Power Purchase Agreement for supply of power was signed with Bangladesh Power Development Board (BPDB) on 14th February, 2008. The company has set up a 86 MW power plant and started its commercial operation on 10th February, 2009. The company supplies its generated electricity to sole offtaker Bangladesh Power Development Board (BPDB).

The company has a 90% owned subsidiary company namely Petromax Refinery Limited (PRL). 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 (BPC). PRL has started its commercial operation on 25 October, 2013.

The company also has an Associate Company namely Midland Power Co. Ltd (MPCL) which is also a 51 MW Gas based power Plant and holding 49% shares of MPCL. MPCL 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 from its bankers, equipment vendors, other contractors and 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. was incorporated on 27 November 2011 as a private company limited by shares under the Companies Act, 1994. The registered office of the Company is located in Dhaka and the plant is located at Ashuganj, Brahmanbaria.

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

##### 2. Basis of Preparation:

###### 2.1. Statement of Compliance

The financial statements of Shahjibazar Power Co. Ltd. (SPCL) have been prepared in accordance with the International Financial Reporting Standards (IFRS) and in compliance with the requirements of 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 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 27	Separate Financial Statements
IAS 28	Investment in Associates and Joint Ventures
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 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
IFRS 16	Leases

## 2.3. Date of authorization

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 27 October 2024 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 and 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 current year on any difference between book value and net realizable value.

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

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 26.01 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

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

The initial Power Purchase Agreement (PPA) signed between SPCL and BPDB has been amended on July 09, 2024 vide the contract No. 10711 to extend the agreement for another five (05) years. This amendment has been effective from July 09, 2024 and will be valid for next five (05) years from the effective date pursuant to the approval of the Power Division, Ministry of Power, Energy and Mineral Resources, GOB, vide memo no. 27.00.0000.071.14.014.60.2006.262, dated: 20.6.2024. As part of the normal extension of PPA like similar other power plants in Bangladesh, this contract has been amended to ensure the continuous operation of the plant and to serve the national interest by producing and supplying electricity to the national grid. In order to ensure the intermittent supply of Gas to power plant, a Gas Sales Agreement has been signed between SPCL and Jalalabad Gas Transmission and Distribution System Ltd on 31 July 2024.

## 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 is followed consistently. The plant was operational for the period from 01 July 2023 to 10 February 2024 due to the expiry of the PPA. Subsequently, the PPA was amended for the next five (05) years.

## 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

### **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 either using equity method or at fair value when control is lost depending on the remaining shareholding percentage in the former subsidiary.

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.

#### **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%
Right of Use of Assets	20%

### 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 International 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, 2024 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 if applicable.

### 3.6. Accounts Receivables

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

### 3.7. Advance, Deposits and Prepayments

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

### 3.8. Investment in shares of listed companies

Investment in shares of listed companies is classified as financial assets at 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 20%.

#### 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 present 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 based on 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 obligations; and
- Recognizing revenue when/as performance obligation(s) is satisfied.

If the Company satisfies a performance obligation before it receives the consideration, the Group recognizes 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, 2023, 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 construction 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, and the computation of EPS is stated in Note 37 & 37a

#### 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 nonoperation items and for the net changes in operating accruals. A reconciliation of Cash flow related to operating activities is also provided in Note 49 and 50.

### 3.19. Workers Profit Participation Fund (WPPF)

The company has been providing worker profit participation fund for its employees in accordance with provisions of Bangladesh Labor Act 2006. Section-232(1). The Company has termination benefits plan (gratuity plan) against which it has made provision.

**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 Co. Ltd. generates revenue from only power generation. There is 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. IFRS 16 introduced a single, on balance sheet accounting model for leases. Company has only office rent agreement which it has recognized as Right-Of-Uses (ROU) assets on the Company's statement of financial position under IFRS 16. The Company has recorded right-of-use assets and corresponding lease liabilities related to these rental agreements in the current year as per lease schedule.

**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 IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

The Company 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.

### 3.28. IFRS 9 Financial Instruments

IFRS 9 Financial Instruments sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items including a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

#### i. Classification – financial assets

IFRS 9 contains a classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

#### ii. Impairment

IFRS 9 introduces a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability weighted basis. The new impairment model will apply to financial assets measured at amortized cost or FVOCI, except for investments in equity instruments, and to contract assets.

Under IFRS 9, loss allowances will be measured on either of the following bases:

12-months ECLs: these are ECLs which result from possible default events within the 12 months after the reporting date; and

12-Lifetime ECLs: these are ECLs which result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component; the group has a choice to also apply this policy for trade receivables and contract assets with a significant financing component.

The estimated ECL will be calculated based on actual credit loss experience. The group will perform the calculation of ECL rates separately for different types of customers including related parties.

Actual credit losses will be adjusted to reflect differences between economic conditions during the period over which the historical data will be collected, prevalent conditions and the Group's view of economic conditions over the expected lives of the receivables and related party balances.

#### ii. Hedging

IFRS 9 incorporates hedge accounting rules which intend to align hedge accounting with a group's risk management objectives and strategy and to apply a more qualitative and forward looking approach to assessing hedge effectiveness.

**4.00 PROPERTY, PLANT AND EQUIPMENT:**

**Cost**

Cost at July 01, 2023

Addition during the year

Disposal during the year

Cost at June 30, 2024

**Accumulated Depreciation**

Balance at July 01, 2023

Charged during the year

Adjustment during the year

At June 30, 2024

**Carrying Value at June 30, 2024**

**LEASEHOLD/FREEHOLD STATUS (at carrying value)**

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

Leasehold

Freehold

**For details breakup please refer to Annexure - A**

**4a Consolidated Property, Plant and Equipment**

Shahjibazar Power Company Limited

Petromax Refinery Limited

**5.00 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD**

Investment in Midland Power Co. Ltd.

Share of Post Acquisition Change in Net Asset 5.01

**5.01 Share of Post Acquisition Changes in Net Asset**

Opening Balance

Share of Net Profit/(Loss) for this Period

**5a Consolidated Investment Accounted for using the Equity Method**

Investment in Midland Power Co. Ltd.

Share of Post Acquisition Changes in Net Asset

**5b Nature of Investment in Associate:**

Name of the Entity	Place of Business/Country of Incorporation	% of ownership	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%	<b>Associate</b>	<b>Equity</b>

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.

	June 30, 2024 Taka	June 30, 2023 Taka
<b>4.00 PROPERTY, PLANT AND EQUIPMENT:</b>		
<b>Cost</b>		
Cost at July 01, 2023	6,601,056,984	6,400,517,580
Addition during the year	39,950,857	200,539,404
Disposal during the year	(62,886,264)	-
Cost at June 30, 2024	6,578,121,577	6,601,056,984
<b>Accumulated Depreciation</b>		
Balance at July 01, 2023	4,459,869,337	3,958,849,429
Charged during the year	474,764,867	501,019,908
Adjustment during the year	-	-
At June 30, 2024	4,934,634,204	4,459,869,337
<b>Carrying Value at June 30, 2024</b>	<b>1,643,487,373</b>	<b>2,141,187,647</b>
<b>LEASEHOLD/FREEHOLD STATUS (at carrying value)</b>		
Land, Building, Plant & Machinery, Furniture fixtures & Others		
Leasehold	3,687,688	4,916,918
Freehold	1,639,799,685	2,141,187,647
	<b>1,643,487,373</b>	<b>2,146,104,565</b>
<b>For details breakup please refer to Annexure - A</b>		
<b>4a Consolidated Property, Plant and Equipment</b>		
Shahjibazar Power Company Limited	1,643,487,373	2,141,187,647
Petromax Refinery Limited	2,030,629,632	2,165,342,930
	<b>3,674,117,005</b>	<b>4,306,530,577</b>
<b>5.00 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD</b>		
Investment in Midland Power Co. Ltd.	480,200,000	480,200,000
Share of Post Acquisition Change in Net Asset 5.01	1,196,868,553	1,239,877,281
	<b>1,677,068,553</b>	<b>1,720,077,281</b>
<b>5.01 Share of Post Acquisition Changes in Net Asset</b>		
Opening Balance	1,239,877,281	1,439,561,393
Share of Net Profit/(Loss) for this Period	(43,008,728)	(199,684,112)
	<b>1,196,868,553</b>	<b>1,239,877,281</b>
<b>5a Consolidated Investment Accounted for using the Equity Method</b>		
Investment in Midland Power Co. Ltd.	480,200,000	480,200,000
Share of Post Acquisition Changes in Net Asset	1,196,868,553	1,239,877,281
	<b>1,677,068,553</b>	<b>1,720,077,281</b>

**Summarised financial information for Associate**

**Summarised Balance Sheet:**

Current:  
 Cash & Cash Equivalents  
 Other Current Assets (excluding cash)  
**Total Current Assets**  
 Financial liabilities (excluding trade payables)  
 Other current liabilities  
**Total Current Liabilities**

Non-Current:  
 Assets  
**Total Non-Current Assets**  
 Financial Liabilities  
 Other Liabilities  
**Total Non-Current Liabilities**  
**Net Assets**

**Summarised Statement of Comprehensive Income**

Revenue  
 Cost of Revenue  
 Other Expenses  
 Income Tax Expense  
 Post tax profit from continuing operations.  
**Details of Post tax profit from continuing operations:**  
 Midland Power Co. Ltd.  
 Midland East Power Ltd.  
**Profit Transferred to Midland Power Co. Ltd.(A+B)**  
 A. Midland Power Co. Ltd.  
 B. Midland East Power Ltd.  
 Net Profit of Midland East Power Ltd.  
 Less: Non-Controlling Interest

**6.00 INVESTMENT IN SUBSIDIARY:**

Petromax Refinery Limited

Petromax Refinery Limited is 90% owned subsidiary company of SHAHJIBAZAR POWER CO. LTD.

**7.00 Right-Of-Use Assets**

For details please refer to Annexure-B

**7a Consolidated Right-Of-Use Assets**

Shahjibazar Power Company Limited  
 Petromax Refinery Limited

**8.00 OTHER INVESTMENTS:**

Investment In Mudaraba Term Deposit **8.01**  
 Investment in T-Bills **8.02**  
 Midland East Power Ltd.

SHAHJIBAZAR POWER CO. LTD. 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-Islami Bank PLC  
 Mudaraba Term Deposit Receipt-Exim Bank PLC

	June 30, 2024 Taka	June 30, 2023 Taka
	655,217,145	1,422,103,979
	6,387,221,191	13,423,160,832
<b>Total Current Assets</b>	<b>7,042,438,336</b>	<b>14,845,264,812</b>
	5,736,524,019	8,903,328,203
	2,005,553,563	673,427,151
<b>Total Current Liabilities</b>	<b>7,742,077,582</b>	<b>9,576,755,354</b>
	7,576,364,996	8,164,829,112
<b>Total Non-Current Assets</b>	<b>7,576,364,996</b>	<b>8,164,829,112</b>
	1,435,055,668	1,144,859,989
	-	-
<b>Total Non-Current Liabilities</b>	<b>1,435,055,668</b>	<b>1,144,859,989</b>
<b>Net Assets</b>	<b>5,441,670,082</b>	<b>12,288,478,581</b>
	7,851,621,986	12,511,328,960
	5,906,595,612	10,463,757,108
	2,057,621,336	2,505,292,183
	8,403,253	12,703,865
	<b>(120,998,215)</b>	<b>(470,424,197)</b>
	161,421,794	64,739,189
	(282,420,009)	(534,706,952)
<b>Profit Transferred to Midland Power Co. Ltd.(A+B)</b>	<b>(87,772,913)</b>	<b>(407,518,597)</b>
	161,421,794	64,282,756
	(249,194,707)	(471,801,352)
	(282,420,009)	(534,706,952)
	(33,225,302)	62,905,599
	900,000,000	900,000,000
	<b>900,000,000</b>	<b>900,000,000</b>
	3,687,688	4,916,918
	<b>3,687,688</b>	<b>4,916,918</b>
	3,687,688	4,916,918
	193,397,322	-
	<b>197,085,010</b>	<b>4,916,918</b>
	72,766,959	30,282,764
	450,000,000	-
	11,664,500	11,664,500
	<b>534,431,459</b>	<b>41,947,264</b>
	22,766,959	30,282,764
	50,000,000	-
	<b>72,766,959</b>	<b>30,282,764</b>



**Lien Status:**

Under Lien (Against Bank Guarantee)  
 Free from Lien

**8.02 Investment in Treasury Bills**

**8a Consolidated Other Investment**

Shahjibazar Power Company Limited  
 Petromax Refinery Limited

**8b Capital Work-In-Progress (Solar Power)**

**9.00 INVENTORIES**

Oil & Lubricant  
 Spare parts and others

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

**Quantity wise disclosure of inventory:**

Items	Measurement Unit	Quantity	Value (BDT)
Oil & Lubricant	Litre	45,464	13,080,751
	Kg	516	68,280
	Can	13	29,630
Spare Parts & Others	Pieces	129,988	368,744,346
	Packet	169	1,188,257
	Set	287	6,355,917
	Roll	26	50,411
	Rim	1	440
	Rft	13,586	28,129,544
	Pair	208	15,965,114
	Book	167	17,659
	Box	14	41,191
	Kg	678	145,483
	Litre	1,558	406,490
	Mtr	132	124,974
	Cyl	3	33,900
	Can	112	110,232
<b>Total</b>			<b>434,492,617</b>

**9a Consolidated Inventories**

Shahjibazar Power Company Limited  
 Petromax Refinery Limited

**10.00 ACCOUNTS RECEIVABLES**

Bangladesh Power Development Board (BPDB)

**Ageing Status of Accounts Receivables**

Less than six months  
 More than six months

**10a Consolidated Accounts Receivables:**

Shahjibazar Power Company Limited  
 Petromax Refinery Limited

**11.00 OTHER RECEIVABLES:**

Interest on Mudaraba Term Deposit-IBBL

**11a Consolidated Other Receivables:**

Shahjibazar Power Company Limited  
 Petromax Refinery Limited

	June 30, 2024 Taka	June 30, 2023 Taka
	72,766,959	16,843,052
	-	13,439,712
	<b>72,766,959</b>	<b>30,282,764</b>
	450,000,000	-
	<b>450,000,000</b>	-
	534,431,459	41,947,264
	824,838,279	598,139,234
	<b>1,359,269,738</b>	<b>640,086,498</b>
	<b>26,995,585</b>	-
	13,178,661	11,667,138
	421,313,956	356,171,922
	<b>434,492,617</b>	<b>367,839,060</b>
	434,492,617	367,839,060
	1,161,624,401	1,160,885,924
	<b>1,596,117,018</b>	<b>1,528,724,984</b>
	<b>94,432,847</b>	<b>2,017,621,039</b>
	94,432,847	2,017,621,039
	-	-
	<b>94,432,847</b>	<b>2,017,621,039</b>
	94,432,847	2,017,621,039
	1,611,525,243	1,179,106,707
	<b>1,705,958,090</b>	<b>3,196,727,746</b>
	2,850,178	1,507,906
	<b>2,850,178</b>	<b>1,507,906</b>
	2,850,178	1,507,906
	12,193,765	-
	<b>15,043,943</b>	<b>1,507,906</b>

	June 30, 2024 Taka	June 30, 2023 Taka
<b>12.00 ADVANCE, DEPOSITS AND PREPAYMENTS:</b>		
Advance	12.01 7,180,163	260,458
Deposits	12.02 22,133,977	23,260,262
Prepayments	12.03 4,047,823	6,290,948
	<b>33,361,963</b>	<b>29,811,668</b>
<b>12.01 Advances:</b>		
<b>Advance Income Tax:</b>		
Opening Balance	-	-
Add: Advance tax during this period	8,264,943	4,551,617
Adjusted with Current Tax Payable	(1,264,943)	(4,551,617)
	7,000,000	-
<b>Advance to Others :</b>		
Ahmad Enterprise	8,000	-
UMS Centre	900	-
Brisk Systems	7,000	-
Sultan Mohiuddin	100,000	-
Cool N Fresh International		1,300
CSL Software Resources Ltd.		140,000
	115,900	141,300
<b>Advance to Staffs:</b>		
Mr. A.F.M Sarwar Jahan	27,505	19,451
Mr. Tarequl Islam	-	23,243
Others	36,758	76,464
	64,263	119,158
<b>Total Advances :</b>	<b>7,180,163</b>	<b>260,458</b>
<b>12.02 Deposits :</b>		
Central Depository Bangladesh Ltd.(CDBL)	500,000	500,000
Rural Electrification Board (Hobigonj)	72,660	72,660
Bank Guarantee Margin - IBBL	10,916,144	11,372,644
Letter of Credit Margin - IBBL	10,308,323	10,978,108
Trust Filling Station	300,000	300,000
G4S Secure Solutions Bangladesh (P) Ltd.	36,850	36,850
<b>Total Deposits :</b>	<b>22,133,977</b>	<b>23,260,262</b>
<b>12.03 Pre-Payments:</b>		
Pre-paid Insurance	246,686	4,924,318
Pre-paid BG Commission	3,801,137	1,366,630
<b>Total Prepayments :</b>	<b>4,047,823</b>	<b>6,290,948</b>
Islami Bank Bangladesh Limited has issued Bank Guarantee on behalf of SPCL in favor of Bangladesh Power Development Board (BPDB) & Jalalabad Gas Transmission and Distribution Company Limited (JGTDC) with regard to Plant Operational commitment & as a way of gas bill payment guarantee respectively. The Bank has kept a Margin for the said Guarantee which will be continued up to 2024.		
<b>Ageing Status of Advance, Deposits &amp; Prepayments</b>		
Less than One Year	33,361,963	29,811,668
More than One Year	-	-
	<b>33,361,963</b>	<b>29,811,668</b>
<b>12a Consolidated Advance, Deposits and Prepayments:</b>		
Shahjibazar Power Company Limited	33,361,963	29,811,668
Petromax Refinery Limited	835,546,910	761,118,904
Less : Loan from Petromax Refinery Limited	(31,808)	(130,900)
	<b>868,877,065</b>	<b>790,799,672</b>
<b>12b Consolidated Financial Assets at fair value through profit or loss</b>		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	15,163,788	20,407,183
	<b>15,163,788</b>	<b>20,407,183</b>

June 30, 2024 Taka	June 30, 2023 Taka
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**Financial Assets at fair value through profit or loss  
 Listed Equity Securities-Held for Trading**

AB Bank Ltd.	897,472	1,273,853
Appollo Ispat Complex Limited.	150,689	325,171
BBS Cables Ltd.	968,516	1,895,252
The City Bank Ltd.	1,193,195	1,254,768
CVO Petrochemical Refinery Limited	1,010,017	1,340,093
Dhaka Electric Supply Company Limited	149,205	222,894
Dhaka Bank Ltd.	1,226,372	1,548,450
Eastland Insurance Company Ltd. (EASTLAND)	136,960	164,480
Eastern Housing Ltd. (EHL)	1,482,000	2,064,000
EXIM Bank Limited	850,750	1,066,000
NCC Bank Ltd.	267,540	357,630
Far Chemicals Industries Ltd.	81,179	145,079
JMI Hospital Requisite Manufacturing Ltd. (JHRML)	3,535,000	4,105,000
Lafarge Holcim Bangladesh Limited (LHBL)	934,500	1,033,500
Lankabangla Finance Ltd. (LANKABAFIN)	1,048,800	1,794,000
Nurani Dyeing & Sweater Ltd. (NURANI)	92,565	143,990
Premier Leasing & Finance Ltd .	71,220	144,534
Ratanpur Steel Re-Rolling Mills Ltd. (RSRMSTEEL)	337,500	522,500
Union Capital Ltd.	578,809	768,989
United Finance Ltd. (UNITEDFIN)	151,500	237,000
	<b>15,163,788</b>	<b>20,407,183</b>

Changes in fair value of financial assets at fair value through profit or loss are recorded as Non-operating income or under General and Administrative Expense depending on the movement of market price.

**13.00 CASH AND CASH EQUIVALENT:**

**Cash in Hand**

**Cash at Bank:**

CD Account with Bank Asia Limited, IPO-USD	144,958	134,179
CD Account with Bank Asia Limited, IPO-GBP	49,028	44,367
CD Account with Bank Asia Limited, IPO-EURO	1,195	1,093
STD Account with Bank Asia Limited, IPO-Taka	11,734,410	11,482,336
CD Account with Islami Bank Bangladesh Ltd# 9396	20,221,489	12,454,358
CD Account with Islami Bank Bangladesh Ltd# 1250	3,322,940	1,539,027
CD Account with Islami Bank Bangladesh Ltd# 216308	15,223	274,466
CD Account with Islami Bank Bangladesh Ltd# 184008	4,270,000	-
SND Account with Islami Bank Bangladesh Ltd# 49	2,041,954	69,818,732
SND Account with Islami Bank Bangladesh Ltd# 29413	914,173	5,975,489
MDA Normal-56512	1,352,426	-
CD A/C with Standard Chartered Bank # 53917701	4,600	4,600
CD A/C with Eastern Bank Ltd. # 1041060274350	12,786,924	125,339

<b>39,237</b>	<b>52,118</b>
<b>56,859,318</b>	<b>101,853,985</b>
<b>56,898,556</b>	<b>101,906,103</b>

**13a Consolidated Cash and Cash Equivalent**

Shahjibazar Power Company Limited	56,898,556	101,906,103
Petromax Refinery Limited	86,369,320	242,184,294
	<b>143,267,875</b>	<b>344,090,397</b>

**14.00 GOODS IN TRANSIT:**

Parts of Plant & Machinery

	12,266,980	-
	<b>12,266,980</b>	<b>-</b>

**14a Consolidated Goods in Transit**

Shahjibazar Power Company Limited	12,266,980	-
Petromax Refinery Limited	528,750,000	75,596,783
	<b>541,016,980</b>	<b>75,596,783</b>

**15.00 SHARE CAPITAL:**

**Authorized :**

500,000,000 shares @ Tk.10.00 each

**Issued, Subscribed and paid -up:**

18,66,31,629 shares @ Tk.10.00 each

**Movement of Share Capital:**

Opening Balance

Add: Bonus Share issued (4%)

	<b>5,000,000,000</b>	<b>5,000,000,000</b>
	<b>1,866,316,290</b>	<b>1,866,316,290</b>
	1,866,316,290	1,794,534,894
	-	71,781,396
	<b>1,866,316,290</b>	<b>1,866,316,290</b>

June 30, 2024 Taka	June 30, 2023 Taka
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**Shareholding position was as follows:**

Name of Shareholders	% of Shareholding 30-Jun-24	% of Shareholding 30-Jun-24
	Mr. Anis Salahuddin Ahmad	16,630,494
Mr. A.K.M.Badiul Alam	10,885,259	5.83%
Md. Samsuzzaman	21,195,091	11.36%
Ms. Shahida Alam	3,820,228	2.05%
Md. Akbor Haider	12,844,144	6.88%
Mr. Faridul Alam	10,653,363	5.71%
Mr. Rezina Alam	8,369,788	4.48%
Mr. Faisal Alam	11,494,265	6.16%
Mr. Asgar Haider	12,612,333	6.76%
Ms. Israt Azim Ahmad	5,824,839	3.12%
General Public	72,301,824	38.74%
	<b>186,631,629</b>	<b>100%</b>

**Classification of Shareholders by holding:**

Class by number of shares	Number of Shareholders		Percentage of Shareholding	Percentage of Shareholding
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Less than 500 Shares	5846	5796	46.63%	52.88%
501 to 5,000 shares	5086	5087	40.57%	35.54%
5,001 to 10,000 shares	745	734	5.94%	5.42%
10,001 to 20,000 Shares	423	432	3.37%	2.73%
20,001 to 30,000 Shares	156	159	1.24%	1.06%
30,001 to 40,000 Shares	66	67	0.53%	0.46%
40,001 to 50,000 Shares	33	35	0.26%	0.27%
50,001 to 100,000 Shares	82	85	0.65%	0.70%
100,001 to 1,000,000 Shares	81	82	0.65%	0.80%
Over 1,000,000 Shares	19	19	0.15%	0.15%
	<b>12,537</b>	<b>12,496</b>	<b>100%</b>	<b>100%</b>

**Name of the Directors and their Shareholding position:**

Name of the Directors	No. of Shareholding 30-Jun-24	No. of Shareholding 30-Jun-23
Mr. Anis Salahuddin Ahmad	16,630,494	16,630,494
Mr. A.K.M.Badiul Alam	10,885,259	10,885,259
Md. Samsuzzaman	21,195,091	21,195,091
Mr. Akbor Haider	12,844,144	12,844,144
Mr. Faridul Alam	10,653,363	10,653,363
Mr. Faisal Alam	11,494,265	11,494,265
Mr. Asgar Haider	12,612,333	12,612,333
<b>Total :</b>	<b>96,314,949</b>	<b>96,314,949</b>

**16.00 SHARE PREMIUM:**

Opening Balance

914,920,000	914,920,000
<b>914,920,000</b>	<b>914,920,000</b>

**17.00 RETAINED EARNING:**

Opening Balance

Add: Net profit for this year

Less: 11% Cash Dividend

Less: 0% Stock Dividend

2,171,312,336	2,161,562,668
208,366,468	368,656,646
(205,294,791)	(287,125,582)
-	(71,781,396)
<b>2,174,384,013</b>	<b>2,171,312,336</b>

	June 30, 2024 Taka	June 30, 2023 Taka
<b>17a Consolidated Retained Earning</b>		
Opening Balance	4,069,252,520	4,144,646,143
Net Profit for the year	431,353,139	283,513,356
Bonus Share/Stock Dividend	-	(71,781,396)
Cash Dividend Paid	(205,294,791)	(287,125,582)
	<b>4,295,310,868</b>	<b>4,069,252,520</b>
<b>17b Non-controlling interests</b>		
Opening Balance	291,689,009	301,149,374
NCI share of total comprehensive income	24,776,297	539,634
Dividend received		(10,000,000)
	<b>316,465,306</b>	<b>291,689,009</b>
<b>18.00 LONG TERM LOAN - NET OF CURRENT MATURITY</b>		
Islami Bank Bangladesh Limited	-	406,456,383
	<b>-</b>	<b>406,456,383</b>

**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	402.49	912.00	936.70
<b>Total</b>	<b>350.00</b>	<b>402.49</b>	<b>912.00</b>	<b>936.70</b>

**Islami Bank Bangladesh Limited**

**Name of the facility:** HPSM/Working Capital

**Purpose of Loan:** To import equipment/spare parts for the existing power plant.

**Mode of Repayment:** Monthly installment/revolving basis

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

**Collaterals:** Registered Mortgage/further charge with registered irrevocable power of attorney from the mortgagors in Bank's favor including the clause "Bank can sell the property as per section-12 of Artho Rin Adalat Ain-2003 without the intervention of court in case of default to pay bank's dues within due date by the client"  
 432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal project land and building (Total area: 24,200 sft) & Machineries and vehicles as per Balance sheet.

<b>18a Consolidated Long Term Loan- Net of Current Maturity</b>		
Shahjibazar Power Company Limited	-	406,456,383
Petromax Refinery Limited	-	-
	<b>-</b>	<b>406,456,383</b>
<b>19.00 DEFERRED TAX LIABILITIES:</b>		
Investment in associates carrying value	1,677,068,553	1,720,077,281
Investment in associates tax base	480,200,000	480,200,000
<b>Taxable temporary Difference</b>	<b>1,196,868,553</b>	<b>1,239,877,281</b>
<b>Deferred tax liabilities at 20%</b>	<b>239,373,711</b>	<b>247,975,456</b>
<b>19a Consolidated Deferred Tax Liabilities</b>		
Shahjibazar Power Company Limited	239,373,710	247,975,456
Petromax Refinery Limited	3,093	1,859
	<b>239,376,803</b>	<b>247,977,315</b>
<b>20.00 L/C LIABILITIES:</b>		
Liabilities for Letter of Credit	58,989,850	208,794,248
	<b>58,989,850</b>	<b>208,794,248</b>
<b>20a Consolidated LC Liabilities</b>		
Shahjibazar Power Company Limited	58,989,850	208,794,248
Petromax Refinery Limited	1,199,714,814	595,410,689
	<b>1,258,704,663</b>	<b>804,204,936</b>
<b>21.00 Lease Liabilities</b>		
Current Lease Liability	1,215,648	1,093,892
Non-current Lease Liability	2,852,277	4,067,924
	<b>4,067,925</b>	<b>5,161,817</b>

Year	Opening Balance	Payment	Interest	Decrease in lease liabilities	Closing Balance
2022-23	6,146,148	(1,575,000)	590,668	(984,332)	5,161,817
2023-24	5,161,817	(1,575,000)	481,108	(1,093,892)	4,067,924
2024-25	4,067,924	(1,575,000)	359,352	(1,215,648)	2,852,277
2025-26	2,852,277	(1,575,000)	224,045	(1,350,955)	1,501,322
2026-27	1,501,322	(1,575,000)	73,678	(1,501,322)	0.00



	June 30, 2024 Taka	June 30, 2023 Taka
<b>21a Consolidated Lease Liabilities</b>		
<b>Shahjibazar Power Company Limited</b>		
Current Lease Liability	1,215,648	1,093,892
Non-current Lease Liability	2,852,277	4,067,924
	<b>4,067,925</b>	<b>5,161,817</b>
<b>Petromax Refinery Limited</b>		
Current Lease Liability	3,953,376	-
Non-current Lease Liability	31,721,664	-
	<b>35,675,040</b>	-
<b>22.00 SHORT TERM LOAN:</b>	<b>39,742,965</b>	<b>5,161,817</b>
Bai Murabaha TR- IBBL	-	-
Bai Murabaha MPI- IBBL	-	-
	-	-
<b>22a Consolidated Short Term Loan</b>		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	2,693,863,668	2,470,400,354
Less: Intercompany Loan	-	-
	<b>2,693,863,668</b>	<b>2,470,400,354</b>
<b>23.00 IPO APPLICATION AMOUNT:</b>	<b>1,173,818</b>	<b>1,173,818</b>
This amount contains the interest accrued on IPO proceeds balance collected through applications from general public. The IPO proceeds balance were transferred to Capital Market Stabilization Fund as per instruction of BSEC.		
<b>23a Consolidated IPO Application Amount</b>		
Shahjibazar Power Company Limited	1,173,818	1,173,818
Petromax Refinery Limited	-	-
	<b>1,173,818</b>	<b>1,173,818</b>
<b>24.00 LONG TERM LOAN - CURRENT MATURITY:</b>		
Islami Bank Bangladesh PLC	-	164,822,840
	-	<b>164,822,840</b>
This represents the current portion of Long Term Loan payable within one year from the Financial Position date.		
<b>24a Consolidated Long Term Loan- Current Maturity</b>		
Shahjibazar Power Company Limited	-	164,822,840
Petromax Refinery Limited	-	-
	-	<b>164,822,840</b>
<b>25.00 SUNDRY CREDITORS:</b>		
Provision for Termination Benefits	48,965,564	41,638,761
Aamra Networks Limited	9,000	9,000
Amber IT Limited	10,812	10,812
Farooq & Associates	108,612	-
Link3 Technologies Limited	1,263	-
Business Eye Bangladesh		5,000
G4S Secure Solutions Bangladesh (P) Ltd.		13,561
Sharebazarnews Dot Com		5,000
Smart Printing Solutions Ltd.	19,030	7,160
SS IT Dwip		8,750
Stock Market BD		5,000
Youth Garments Ltd.		58,693
Zenith Islami Life Insurance Limited		272,850
Provision for WPPF	22,247,162	34,676,115
Payable for Current Tax	10,527,923	149,370,500
Unearned Interest- Treasury Bills	11,397,992	-
	<b>93,287,358</b>	<b>226,081,202</b>

	June 30, 2024 Taka	June 30, 2023 Taka
<b>25.01 Payable for Current Tax</b>		
<b>Tax on Operating Income</b>		
Opening Tax Payable	149,370,500	129,565,812
Tax Provision during the year	202,169,785	165,118,355
Tax on Cash Dividend Payable	-	34,574,260
<b>Total Payable</b>	<b>351,540,285</b>	<b>329,258,427</b>
Tax paid during the year	(339,747,419)	(175,336,310)
	11,792,866	153,922,117
TDS (vehicle & Others) adjustment	(1,264,943)	(4,551,617)
	<b>10,527,923</b>	<b>149,370,500</b>
<b>25a Consolidated Sundry Creditors</b>		
Shahjibazar Power Company Limited	93,287,358	226,081,202
Petromax Refinery Limited	35,260,082	34,340,742
	<b>128,547,440</b>	<b>260,421,944</b>
<b>26.00 LIABILITIES FOR EXPENSES:</b>		
Salary & Allowance	5,412,887	-
Car Allowances	340,500	-
Directors Remuneration	500,000	-
Audit Fees	759,000	759,000
Office Rent	1,260,035	438,834
Electricity Bill	103,224	76,103
	<b>8,375,646</b>	<b>1,273,937</b>
<b>26a Consolidated Liabilities for Expenses</b>		
Shahjibazar Power Company Limited	8,375,646	1,273,937
Petromax Refinery Limited	14,319,145	5,247,543
	<b>22,694,791</b>	<b>6,521,480</b>
<b>26b Dividend Payable</b>		
Dividend Payable	9,796,986	10,461,391
	<b>9,796,986</b>	<b>10,461,391</b>

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. 2,279,437.52 from Unclaimed Dividend account to the Capital Market Stabilization Fund during the year 2023-2024.

**27.00 TRADE PAYABLE:**

MJL Bangladesh Limited		15,104,735
Jalalabad Gas Transmission and Distribution Systems Ltd.	21,949,911	1,082,142,729
Petromax Refinery Limited	31,808	130,900
Alanoor Electric Store	219,426	132,946
Aqua Care Trading		122,250
Assign Trade & Engineering Co. Ltd.		43,000
Clarke Energy Bangladesh Ltd.		4,200,000
Delcot Ltd.		147,750
Lubricants Asia Ltd.		6,000
Raha Harware & Tools		34,860
New Osmani Mill Store	42,810	-
Blue Star Communications	19,000	-
Comfit Composite Knit Ltd.	28,575	-
Others	1,087	-
	<b>22,292,617</b>	<b>1,102,065,170</b>

	June 30, 2024 Taka	June 30, 2023 Taka
<b>27a Consolidated Trade Payable</b>		
Shahjibazar Power Company Limited	22,292,617	1,102,065,170
Petromax Refinery Limited	10,806,246	7,751,579
Less: Inter-Company	(31,808)	(130,900)
	<b>33,067,055</b>	<b>1,109,685,849</b>
<b>27b Net Asset Value Per Share (Consolidated)</b>		
Net Asset Value	7,076,547,158	6,850,488,810
Number of share	186,631,629	186,631,629
Net Asset Value Per Share	<b>37.92</b>	<b>36.71</b>
<b>27bb Net Asset Value Per Share</b>		
Net Asset Value	4,955,620,303	4,952,548,626
Number of share	186,631,629	186,631,629
Net Asset Value Per Share	<b>26.55</b>	<b>26.54</b>

		June 30, 2024	June 30, 2023
		Taka	Taka
<b>28.00 REVENUE</b>		<b>2,337,474,773</b>	<b>2,751,972,582</b>
Sales - Rental		571,562,234	733,440,431
Sales - Fuel		1,478,144,082	1,755,161,161
Sales - O&M		287,768,457	263,370,990
		<b>2,337,474,773</b>	<b>2,751,972,582</b>
<b>28a Consolidated Revenue</b>			
Shahjibazar Power Company Limited		2,337,474,773	2,751,972,582
Petromax Refinery Limited		8,826,986,286	6,633,732,404
		<b>11,164,461,060</b>	<b>9,385,704,986</b>
<b>29.00 COST OF SALES:</b>			
Raw Material Consumed	29.01	1,097,295,611	1,304,426,311
Factory Overhead	29.02	664,496,443	581,480,133
		<b>1,761,792,054</b>	<b>1,885,906,444</b>
<b>29.01 Raw Material Consumed</b>			
Opening Stock		367,839,060	289,005,540
Purchase During the Year		1,163,949,168	1,383,259,831
Closing Stock		(434,492,617)	(367,839,060)
		<b>1,097,295,611</b>	<b>1,304,426,311</b>
<b>Purchase during the Year:</b>			
Gas Consumption		1,140,347,637	1,352,715,961
Grease, Spare Parts		675,750	1,316,315
Chemical Purchase		-	572,875
Lube & Other Oil Purchase		22,925,781	28,654,680
		<b>1,163,949,168</b>	<b>1,383,259,831</b>
<b>29.02 Factory Overhead</b>			
Salary & Allowance		56,736,184	56,281,050
Overtime		1,092,829	833,832
Festival Bonus		5,172,338	7,276,026
Plant & Machinery maintenance		125,342,929	15,896,762
Fuel & Lubricants for car		1,586,713	1,260,298
Diesel for Generator		573,913	378,263
Depreciation		473,991,537	499,553,902
		<b>664,496,443</b>	<b>581,480,133</b>
<b>29a Consolidated Cost of Sales</b>			
Shahjibazar Power Company Limited		1,761,792,054	1,885,906,444
Petromax Refinery Limited		8,121,319,851	6,293,523,836
		<b>9,883,111,905</b>	<b>8,179,430,280</b>
<b>30.00 GENERAL &amp; ADMINISTRATIVE EXPENSES:</b>			
Salary & Allowance		15,477,131	15,889,269
Audit Fee		805,000	950,667
Advertisement & Publicity		1,284,025	1,582,392
Secretarial Expenses		2,647,394	3,931,133
BG Commission		3,117,223	3,638,597
Credit Rating Expenses		123,634	136,501
Utility Bill		1,342,236	1,187,349
Entertainment		1,808,307	2,364,483
Insurance Premium		5,138,961	9,189,595
Directors Remuneration	30.01	6,000,000	6,000,000
Termination Benefits		15,398,159	31,638,761
Office Maintenance		2,382,681	1,708,132
Printing, Stationary & Supplies		850,658	724,734
Registration & Renewals		971,418	656,950
Traveling & Conveyances		2,766,005	2,835,622
Civil Works Maintenance		339,246	181,745
Realized Exchange Loss		3,429,685	31,072,908
Un-realized Exchange Loss		-	31,841,922
Depreciation Expenses		2,002,560	2,695,236
		<b>65,884,322</b>	<b>148,225,996</b>

		June 30, 2024 Taka	June 30, 2023 Taka	
<b>30.01 Disclosure as per requirement of Schedule XI, Part II, Para 4</b>				
	<b>Name</b>	<b>Designation</b>	<b>June-2024</b>	<b>June-2023</b>
	Faridul Alam	Managing Director	6,000,000	6,000,000
	<b>Total</b>		<b>6,000,000</b>	<b>6,000,000</b>
Note: Other directors are not entitled to receive remuneration and other facilities for their directorship.				
<b>30a Consolidated General &amp; Administrative Expenses</b>				
	Shahjibazar Power Company Limited	65,884,322	148,225,996	
	Petromax Refinery Limited	99,577,588	98,737,818	
		<b>165,461,910</b>	<b>246,963,813</b>	
<b>31.00 FINANCIAL EXPENSES</b>				
	Interest on Loan - Islami Bank Bangladesh Ltd.	41,535,547	73,244,230	
	Bank Charges & Commission	2,094,996	5,971,428	
	Charge for Delay Payment	20,920,312	8,325,703	
	Finance Expense (Lease)	481,108	590,668	
		<b>65,031,963</b>	<b>88,132,029</b>	
<b>31a Consolidated Financial Expenses</b>				
	Shahjibazar Power Company Limited	65,031,963	88,132,029	
	Petromax Refinery Limited	311,233,208	223,162,150	
		<b>376,265,171</b>	<b>311,294,179</b>	
<b>32.00 NON-OPERATING INCOME:</b>				
	Income from Bank Interest	1,590,079	3,170,492	
	Income from Wastage Sale	1,802,143	2,255,948	
	Foreign Exchange Gain	15,542	27,477	
	Income from T-Bills	1,265,008	-	
	Income from FDR	7,748,716	3,036,376	
	Gain on settlement of LC liabilities	10,002,476	-	
	Income from Dividend- Subsidiaries	-	90,000,000	
		<b>22,423,964</b>	<b>98,490,292</b>	
<b>32a Consolidated Non-operating Income</b>				
	Shahjibazar Power Company Limited	22,423,964	98,490,292	
	Petromax Refinery Limited	51,624,354	32,555,641	
	Less: Inter-company Dividend	-	(90,000,000)	
		<b>74,048,318</b>	<b>41,045,933</b>	
<b>33.00 SHARE OF PROFIT FROM ASSOCIATE:</b>				
	Net Profit of Associate company	<b>(87,772,914)</b>	<b>(407,518,597)</b>	
	Percentage of share holding	49%	49%	
	<b>Share of profit from Associate</b>	<b>(43,008,728)</b>	<b>(199,684,112)</b>	
	<b>SHAREHOLDING PERCENTAGE OF MEPL:</b>			
	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%	
	Profit of Midland East Power Limited	(282,420,010)	(534,706,952)	
	MPCL's profit from MEPL	(249,194,708)	(471,801,352)	
	Profit of Midland Power Co. Limited	161,421,794	64,282,756	
		<b>(87,772,914)</b>	<b>(407,518,597)</b>	
<b>33a Consolidated Share of Profit from Associate:</b>				
	Shahjibazar Power Company Limited	(43,008,728)	(199,684,112)	
	Petromax Refinery Limited	-	-	
		<b>(43,008,728)</b>	<b>(199,684,112)</b>	
<b>34.00 WPPF IS BASED ON NET PROFIT BEFORE TAX @ 5%</b>		22,247,162	34,676,115	
		<b>22,247,162</b>	<b>34,676,115</b>	
<b>34a Consolidated Workers' Profit Participant Fund:</b>				
	Shahjibazar Power Company Limited	22,247,162	34,676,115	
	Petromax Refinery Limited	16,499,047	2,422,107	
		<b>38,746,209</b>	<b>37,098,222</b>	

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.



	June 30, 2024 Taka	June 30, 2023 Taka
<b>35.00 INCOME TAX EXPENSES:</b>		
<b>Current Tax</b>		
Tax on Operating Income @ 20%	114,061,894	84,503,854
Tax on Non-Operating Income @ 20%	4,484,793	4,484,793
Tax on Dividend Received @ 20%	-	-
(A) Regular Tax	118,546,687	88,988,647
(B) Minimum Tax under section 163(2)(Kha) of ITA 2023	119,397,071	165,118,355
Tax provision for the current year (higher of A and B)	119,397,071	165,118,355
Provision for earlier year's final tax settlement	82,772,714	-
<b>Current Tax Expenses</b>	<b>202,169,785</b>	<b>165,118,355</b>
<b>Deferred Tax</b>		
Deferred Tax on the share of Associate's profit accounted for using Equity Method	(8,601,745)	(39,936,823)
	<b>(8,601,745)</b>	<b>(39,936,823)</b>
Deferred tax has been recognized on Share of Profit of Associate accounted for using Equity Method for the earlier period for better presentation.		
<b>35a Consolidated Income Tax Expenses</b>		
Shahjibazar Power Company Limited	202,169,785	165,118,355
Petromax Refinery Limited	82,217,979	43,045,791
	<b>284,387,764</b>	<b>208,164,146</b>
<b>36.00 EARNING PER SHARE (EPS)</b>		
Net Profit After Tax	208,366,468	368,656,646
Number of share	186,631,629	186,631,629
Earnings Per Share	<b>1.12</b>	<b>1.98</b>
<b>36a Consolidated Basic Earning Per Share (EPS)</b>		
Profit/(Loss) attributable to equity holder of the parent	431,353,139	283,513,356
Number of share	186,631,629	186,631,629
Earnings Per Share	<b>2.31</b>	<b>1.52</b>

SHAHJIBAZAR POWER CO. LTD. has seen a decrease in EPS by Tk 0.86 during the FY 2023-2024 compared to that of FY 2022-2023. Since the plant was shutdown from 11 February 2024 due to expiry of initial Power Purchase Agreement (PPA), it could not generate any revenue from the month of 11 February to 30 June 2024. Hence, plant factor has been only 37% compared to 63% in previous year. Conversely, consolidated EPS has increased by Tk 0.79 during the FY 2023-2024 compared to FY 2022-2023 because of good operating performance of SPCL's 90% owned subsidiary company Petromax Refinery Limited (PRL). PRL has earned EPS of Tk 2.48 during this year against the EPS of Tk 0.05 only during the FY 2022-2023. Moreover, loss from SPCL's associate company has reduced by BDT 15.67 core during this FY compared to previous FY, which has also an impact in increasing the consolidated EPS of SPCL.

**37.00 CAPACITY AND UTILIZATION:**

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

	30-Jun-24	30-Jun-23
License Capacity (Unit - Kw)	753,360,000	753,360,000
Actual Utilized (Unit - Kw)	279,783,240	477,095,952
Capacity Utilize (Unit - Kw)	<b>37%</b>	<b>63%</b>

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

**38.00 CONTINGENT LIABILITIES:**

The Company has also Contingent Liabilities of an amount Tk. 45,07,24,040/- 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, Ctq.	BG/08/51	1,897,479
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/57	839,273
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/60	127,431
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/58	648,848
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/61	509,724
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/71	4,247,697
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/75	118,935
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/80	1,136,259
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/81	4,247,696
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctq.	BG/08/82	4,183,981

		June 30, 2024 Taka	June 30, 2023 Taka
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 T&D Systems Ltd.	BG/08/91	139,816,591
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/94	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/97	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/98	826,644
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/100	8,082,049
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/101	9,135,058
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/105	8,750,934
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/107	45,875
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/109	8,664,228
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/110	420,564
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/02	35,043
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/03	8,407,253
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/10	10,619
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/13	467,247
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/16	20,389
Islami Bank Bangladesh Ltd.	Bangladesh Power Development Board	BG/09/25	91,500,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas T&D Systems Ltd.	Gas Purchase	11,249,611
Islami Bank Bangladesh Ltd.	Jalalabad Gas T&D Systems 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.	Rupali Insurance Co. Ltd.	Insurance Payment	1,500,000
Islami Bank Bangladesh Ltd.	Asua Pacific General Insurance Co. Ltd.	Insurance Payment	300,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas T&D Systems Ltd.	Gas Purchase	69,104,752
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG for Repairing Works	5,170,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas T&D Systems Ltd.	Gas Purchase	30,534,658
<b>Grand Total</b>			<b>450,404,040</b>

**39.00 CAPITAL EXPENDITURE COMMITMENT:**

No capital expenditure contracted or incurred provided for as at 30th June, 2024.

There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2024.

**40.00 CLAIM ACKNOWLEDGEMENT:**

There was no claim against the Company not acknowledged as debt as on June 30, 2024.

**41.00 EVENTS AFTER THE REPORTING PERIOD:**

The Board of Directors at the Board Meeting held on 27th October 2024, has recommended to the shareholders a cash dividend @ 12% Cash i.e. Tk. 1.20 per share (amounting to Tk. 223,957,954). This will be considered for approval by the shareholders at the 17th Annual General Meeting (AGM) to be held on 27 January 2025.

"The financial statements for the year ended 30 June 2024 do not include the effect of these dividends which will be counted for the period when shareholder's right to received payment is established. There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements."

**42.00 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	Aziz Halim Khair Choudhury

**43.00 NUMBER OF EMPLOYEES:**

	30-Jun-24	30-Jun-23
Head Office Staff	39	30
Plant Staff/Employees	80	90
<b>Total</b>	<b>119</b>	<b>120</b>

SHAHJIBAZAR POWER CO. LTD.  
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT  
FOR THE YEAR ENDED JUNE 30, 2024

Annexure - A

SL No.	Particulars	Cost			Balance as on 30.06.2024	Rate %	Depreciation			Written Down Value as on 30.06.2024
		Balance as on 01.07.2023	Addition during this year	Disposal/ Derecognition during the year			Balance as on 01.07.2023	Adjustment during the year	Charged During the year	
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%	368,541,223	6,314,580	374,855,803	0
03	Plant & Machineries	6,028,749,721	39,614,157	62,886,264	6,005,477,614	6.0%	4,045,657,402	467,244,730	4,512,902,132	1,492,575,481
04	Mechanical & Electrical Goods	4,322,263	-	-	4,322,263	10.0%	2,874,899	432,226	3,307,125	1,015,138
05	Office Equipment	4,630,250	-	-	4,630,250	15.0%	4,630,250	-	4,630,250	-
06	Computer & Computer Equipment	3,819,070	336,700	-	4,155,770	20.0%	3,819,070	27,012	3,846,082	309,688
07	Water Treatment Plant	4,264,500	-	-	4,264,500	15.0%	4,264,500	-	4,264,500	-
08	Furniture & Fixture	8,450,062	-	-	8,450,062	10.0%	7,703,744	746,318	8,450,062	0
09	Vehicles	22,378,250	-	-	22,378,250	20.0%	22,378,250	-	22,378,250	-
	<b>June-2024</b>	<b>6,601,056,984</b>	<b>39,950,857</b>	<b>62,886,264</b>	<b>6,578,121,577</b>		<b>4,459,869,337</b>	<b>474,764,867</b>	<b>4,934,634,204</b>	<b>1,643,487,373</b>
	<b>June-2023</b>	<b>6,400,517,580</b>	<b>206,685,553</b>	<b>-</b>	<b>6,607,203,132</b>		<b>3,958,849,429</b>	<b>502,249,138</b>	<b>4,461,098,567</b>	<b>2,146,104,565</b>

Note-44

SCHEDULE OF RIGHT-OF-USE ASSETS

Annexure - B

SL No.	Particulars	Cost			Balance as on 30.06.2024	Rate %	Depreciation			Written Down Value as on 30.06.2024
		Balance as on 01.07.2023	Addition during this year	Disposal/ Impairment during the year			Balance as on 01.07.2023	Adjustment during the year	Charged During the year	
01	Office space	6,146,148	-	-	6,146,148	20.0%	1,229,230	-	1,229,230	3,687,688
	<b>June-2024</b>	<b>6,146,148</b>	<b>-</b>	<b>-</b>	<b>6,146,148</b>		<b>1,229,230</b>	<b>-</b>	<b>1,229,230</b>	<b>3,687,688</b>

Allocation of Current Year Depreciation:

Cost of Goods Sold Portion:

Building & Construction	Taka
Plant & Machineries	6,314,580
Mechanical & Electrical Goods	467,244,730
Water Treatment Plant	432,226
<b>Total</b>	<b>473,991,537</b>

Note: 28

General & Amin. Portion:

Office Equipment	-
Computer & Computer Equipment	27,012
Furniture & Fixture	746,318
Vehicles	-
Office space	1,229,230
<b>Total</b>	<b>2,002,560</b>
<b>Grand Total :</b>	<b>475,994,097</b>

Note: 29

SHAHJIBAZAR POWER COMPANY LIMITED  
CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT  
FOR THE YEAR ENDED JUNE 30, 2024

Note-45

SL	Particulars	Cost			Depreciation				Written Down Value as on 30.06.2024		
		Balance as on 01.07.2023	Addition during the year	Disposal during the year	Balance as on 30.06.24	Rate %	Balance as on 01.07.2023	Adjustment during the year		Charged During the year	Balance as on 30.06.2024
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%	616,166,591	-	25,715,286	641,881,877	265,134,524
3	Plant & Machineries	8,851,410,141	39,614,157	62,886,264	8,828,138,034	6.0%	5,277,562,336	-	560,563,934	5,838,126,270	2,990,011,764
4	Mechanical & Electrical Goods	4,322,263	-	-	4,322,263	10.0%	2,874,898	-	432,226	3,307,124	1,015,139
5	Office/factory Equipment	25,247,850	25,000	-	25,272,850	15.0%	14,711,010	-	1,195,808	15,906,818	9,366,032
6	Computer & Computer Equipments	6,595,983	488,100	-	7,084,083	20.0%	5,440,597	-	210,157	5,650,754	1,433,329
7	Water Treatment Plant	8,647,145	-	-	8,647,145	15.0%	7,567,215	-	153,103	7,720,318	926,827
8	Furniture & Fixture	16,597,047	-	-	16,597,047	10.0%	13,489,706	-	1,081,044	14,570,750	2,026,297
9	Vehicles	64,351,866	-	6,475,000	57,876,866	20.0%	44,618,810	5,309,029	3,216,487	42,526,268	15,350,598
10	Electric Installation	35,794,236	-	-	35,794,236	15.0%	27,124,265	-	1,229,154	28,353,419	7,440,817
11	Fire Extinguisher/Equipments	2,405,810	-	-	2,405,810	15.0%	1,327,771	-	152,835	1,480,606	925,204
12	Lab Equipments	2,791,179	-	-	2,791,179	15.0%	2,053,237	-	104,619	2,157,856	633,323
13	Refrigerator	122,208	34,300	-	156,508	15.0%	48,278	-	11,768	60,046	96,462
14	Air Conditioner	6,626,490	-	-	6,626,490	15.0%	4,660,053	-	278,785	4,938,838	1,687,652
15	Jetty	9,047,777	-	-	9,047,777	15.0%	6,824,533	-	315,192	7,139,725	1,908,052
16	Cylindrical Vertical Steel Tank	111,594,038	-	-	111,594,038	15.0%	84,568,735	-	3,831,417	88,400,152	23,193,886
17	Generator	20,300,278	-	-	20,300,278	15.0%	15,535,805	-	675,467	16,211,272	4,089,006
18	Ship	355,753,863	-	-	355,753,863	20.0%	258,948,401	-	4,750,272	263,698,673	92,055,190
19	Helicopter	90,285,623	-	-	90,285,623	10.0%	43,538,744	-	4,502,291	48,041,035	42,244,588
20	Solar Power System	560,000	-	-	560,000	15.0%	429,157	-	18,550	447,707	112,293
21	Telephone Installation	1,801,788	-	-	1,801,788	15.0%	1,282,025	-	73,687	1,355,712	446,076
22	Water Line Installation	326,395	-	-	326,395	15.0%	250,132	-	10,812	260,944	65,451
	<b>June 30, 2024</b>	<b>10,735,552,878</b>	<b>40,161,557</b>	<b>69,361,264</b>	<b>10,706,353,171</b>		<b>6,429,022,299</b>	<b>5,309,029</b>	<b>608,522,894</b>	<b>7,032,236,164</b>	<b>3,674,117,005</b>
	<b>June 30, 2023</b>	<b>10,535,301,621</b>	<b>209,883,705</b>	<b>3,486,299</b>	<b>10,741,699,026</b>		<b>5,788,469,065</b>	<b>2,951,775</b>	<b>644,734,238</b>	<b>6,430,251,529</b>	<b>4,311,447,495</b>

CONSOLIDATED SCHEDULE OF RIGHT-OF-USE ASSETS

SL	Particulars	Cost			Depreciation				Written Down Value as on 30.06.2024		
		Balance as on 01.07.2023	Addition during the year	Disposal during the year	Balance as on 30.06.24	Rate %	Balance as on 01.07.2023	Adjustment during the year		Charged During the year	Balance as on 30.06.2024
1	Office space	6,146,148	199,459,382	-	205,605,530	20.0%	1,229,230	-	7,291,291	8,520,521	197,085,009
	<b>June 30, 2024</b>	<b>6,146,148</b>	<b>199,459,382</b>	<b>-</b>	<b>205,605,530</b>		<b>1,229,230</b>	<b>-</b>	<b>7,291,291</b>	<b>8,520,521</b>	<b>197,085,009</b>

**SHAHJIBAZAR POWER CO. LTD.**

**Note-46: Related Party Disclosure**

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, 2023	Addition during the period	Adjustment during the period	Balance as at June 30, 2024	Nature of Balance
Comfit Composite Knit Ltd.	Common Directorship	Intercompany Transaction	-	560,818	532,243	28,575	-
Petromax Refinery Limited	Parent - Subsidiary	Intercompany Transaction	130,900	5,031,808	5,130,900	31,808	Credit
Youth Garments Limited	Common Directorship	Intercompany Transaction	58,693	-	58,693		Credit
Midland Power Co. Ltd.	Associate Company	Investment	480,200,000	-	-	480,200,000	Debit
Midland East Power Limited	Common Directorship	Investment	11,664,500	-	-	11,664,500	Debit
Faridul Alam	Managing Director	Remuneration	-	6,000,000	5,500,000	500,000	Credit
Yeasin Ahmed	Company Secretary	Salaries and other benefit	-	1,171,344	1,073,732	97,612	Credit
Md. Shakhawat Hossain	Head of Internal Audit	Salaries and other benefit	-	900,000	825,000	75,000	Credit

**Key Management Personnel Compensation:**

Particulars	Transaction During the period ended	
	30 June, 2024	30 June, 2023
Particulars		
Salary & Allowances	26,510,194	25,564,860
<b>Total =</b>	<b>26,510,194</b>	<b>25,564,860</b>

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.



SHAHJIBAZAR POWER CO. LTD.

**Note - 47****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 reporting date was:

	<b>30-Jun-24</b>	<b>30-Jun-23</b>
	<b>Taka</b>	<b>Taka</b>
Accounts Receivable	1,705,958,090	3,196,727,746
Advance, Deposit & Prepayments	868,877,065	790,799,672
Other Receivable	15,043,943	1,507,906
	<b>2,589,879,099</b>	<b>3,989,035,324</b>
	<b>1,705,958,090</b>	<b>3,196,727,746</b>

**Ageing of Receivables**

Accounts receivable were aged as below:

Less than six months	1,705,958,090	3,196,727,746
More than six months	-	-

**1,705,958,090**      **3,196,727,746**

**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
<b>As at 30 June 2024</b>	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>	<b>Taka</b>
Short Term interest bearing loans	2,693,863,668	2,693,863,668	2,693,863,668	-
Long Term interest bearing loans	-	-	-	-
Trade creditors/Payable	33,067,055	33,067,055	33,067,055	-
Sundry creditors	128,547,440	128,547,440	128,547,440	-
L/C Liabilities	1,258,704,662	1,258,704,662	1,258,704,662	-
Other liabilities	22,694,791	22,694,791	22,694,791	-
	<b>4,136,877,615</b>	<b>4,136,877,615</b>	<b>4,136,877,615</b>	<b>-</b>
<b>As at 30 June 2023</b>				
Short Term interest bearing loans	2,470,400,354	2,470,400,354	2,470,400,354	-
Long Term interest bearing loans	571,279,223	571,279,223	164,822,840	406,456,383
Trade creditors/Payable	1,109,685,849	1,109,685,849	1,109,685,849	-
Sundry creditors	280,226,632	280,226,632	280,226,632	-
L/C Liabilities	804,204,936	804,204,936	804,204,936	-
Other liabilities	6,521,480	6,521,480	6,521,480	-
	<b>5,242,318,473</b>	<b>5,242,318,473</b>	<b>4,835,862,090</b>	<b>406,456,383</b>

#### Currency risk/foreign exchange rate risk

The Company's exposure to foreign currency risk at June 30, 2024 are as follows:

	30-Jun-24	30-Jun-23
	Taka	Taka
Deferred L/C for Import of Spare Parts (USD)	-	-
Deferred L/C for Import of Spare Parts (EURO)	444,255.54	1,718,819.18
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-24	30-Jun-23
	Rate of Interest	Taka	Taka
<b>Fixed Rate instruments</b>			
Financial Assets	5%-9.50%	1,849,225,965	3,540,818,143
Financial Liabilities	9.00%-11.50%	2,693,863,668	3,041,679,577
<b>Variable Rate instruments</b>			
Financial Assets		-	-
Financial Liabilities		-	-
		-	-

SHAHJIBAZAR POWER CO. LTD.

**Note-48:** 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 30,2024**

	<b>June 30, 2024</b> <b>Taka</b>	<b>June 30, 2023</b> <b>Taka</b>
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	208,366,469	368,656,646
Adjustments to reconcile net income to net cash provided by operating activities		
(+) Depreciation	475,994,097	502,249,138
(-) Increased in Inventory	(66,653,557)	(78,833,520)
(+) Decreased in Accounts Receivable	1,923,188,192	(1,032,996,629)
(-) Increased in Other Receivable	(1,342,272)	(1,457,574)
(+) Decreased in Prepaid Expenses	(10,550,295)	6,663,295
(+) Decreased in Goods In Transit	-	110,158,175
(-) Decreased in Sundry Creditors	(132,793,843)	53,398,270
(-) Decreased in Trade Payable	(1,079,772,553)	960,120,284
(+) Increased in Liabilities for Expenses	7,101,709	(6,205,456)
(-) Gain on settlement of LC liabilities	(10,002,476)	-
(+) Finance Expense (Lease)	481,108	-
(+) Decreased in Investment in equity Methods	43,008,727	199,684,112
(-) Provision for Deferred Tax	(8,601,745)	(39,936,823)
<b>Net Cash flows from operating activities</b>	<b>1,348,423,561</b>	<b>1,041,499,918</b>
	-	
<b>B</b> Number of Share for Calculation of NOCFPS	186,631,629	186,631,629
Net Operating Cash Flow Per Share (NOCFPS) [A/B]	<b>7.23</b>	<b>5.58</b>

SHAHJIBAZAR POWER CO. LTD.

**Note-49:** 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 30,2024

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	<b>Taka</b>	<b>Taka</b>
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	456,129,436	284,052,989
Adjustments to reconcile net income to net cash provided by operating activities		
(+) Depreciation	615,814,185	644,734,238
(+) Amortization of Intangible Assets	-	47,529
(-) Increased in Inventory	(67,392,034)	(531,453,154)
(+) Decreased in Accounts Receivable	1,490,769,656	(1,908,403,149)
(-) Increased in Other Receivable	(13,536,037)	(1,457,574)
(-) Increased in Prepaid Expenses	(84,978,301)	(66,579,128)
(-) Increased in Goods In Transit	-	1,020,531,962
(-) Decreased in Sundry Creditors	(132,793,843)	54,962,396
(-) Decreased in Trade Payable	(1,076,717,887)	965,800,541
(+) Provision for Unrealised loss on holding shares	5,243,395	-
(-) Gain on settlement of LC liabilities	(10,002,476)	(865,476)
(-) Capital Gain -Vehicles	(2,504,029)	-
(+) Increase in other payable	919,340	-
(+) Increase in L/C Liabilities	124,155,322	-
(+) Finance Expense (Lease)	3,334,829	-
(+) Increased in Liabilities for Expenses	16,173,311	(18,836,342)
(+) Decreased in Investment in equity Methods	43,008,727	199,684,112
(-) Provision for Deferred Tax	(8,600,511)	(39,935,424)
<b>Net Cash flows from operating activities</b>	<b>1,359,023,083</b>	<b>602,283,520</b>
<b>B</b>		
Number of Share for Calculation of NOCFPS	186,631,629	186,631,629
Net Operating Cash Flow per Share (NOCFPS) [A/B]	<b>7.28</b>	<b>3.23</b>

## Reporting under Company Act 1994, section 186(6)

## Note: 50

Investment in Subsidiary	Amount in BDT													
	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities	Net Assets	Reporting Date	Nature of Investment Controlling Power	Income	Expenses	Tax Expenses	Profit After tax	Share of Profit
<u>30 June 2024</u>														
Petromax Refinery Limited	4,251,173,428	3,075,860,818	7,327,034,245	3,957,917,331	31,724,757	3,989,642,088	3,337,392,157							
<u>30 June 2023</u>														
Petromax Refinery Limited	3,439,299,796	2,763,482,164	6,202,781,959	3,113,150,909	1,859	3,113,152,768	3,089,629,192							
<b>Share of Net Profit &amp; Loss</b>														
<u>30 June 2024</u>														
Petromax Refinery Limited	21-October-2024	Subsidiary	8,878,610,640	8,548,629,694	82,217,979	247,762,967	222,986,670							
<u>30 June 2023</u>														
Petromax Refinery Limited	26-October-2023	Subsidiary	6,666,288,045	6,617,845,911	43,045,791	5,396,343	4,856,709							



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 operation since October, 2013.



## DIRECTORS REPORT TO SHAREHOLDERS

### Dear Fellow Shareholders,

Greetings, esteemed members and stakeholders, On behalf of the Board, I would like to welcome you all to the 19th Annual General Meeting of the Company. I would like to take this privilege to present you all the Audited Financial Statements for the year then ended June 30, 2024.

This Directors' Report has been carefully prepared in accordance with Section 184 of the Companies Act 1994, ensuring full compliance with regulatory standards and enhancing transparency regarding our financial performance and governance practices.

### 2.1 Economy at a Glance

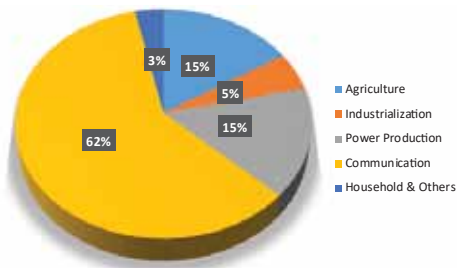
The economic framework of Bangladesh largely mirrors the observations made in the preceding year. Key drivers of growth include robust domestic demand, an expanding middle and affluent class, and a youthful workforce. The World Bank has revised its GDP growth forecast for Bangladesh downward by 0.1 percentage points, now projecting a growth rate of 5.7% for the fiscal year 2024-25. The institution has identified numerous challenges impacting this economic trajectory, including ongoing inflation, food and fuel shortages, import restrictions, and vulnerabilities in the financial sector. Currently, inflation is reported at approximately 10%, with food price inflation slightly higher at around 10.5% annually, leading to a marked cost-of-living crisis. Nonetheless, it is widely believed that these figures may underestimate the true state of inflation, as governments often adopt methodologies for estimating inflation that align favorably with their policy objectives.

### Petrochemical Sector Scenario of Bangladesh

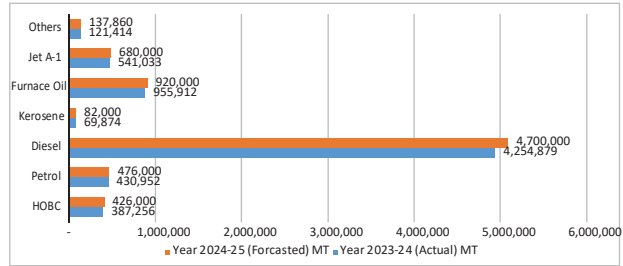
Since the establishment of Bangladesh, the government has maintained exclusive control over the petrochemical sector. The Bangladesh Petroleum Corporation (BPC), established under a statutory ordinance in 1977, holds the sole authority for petroleum importation, collection, production, and distribution. Recognizing the need for sustainable development, the government is increasingly understanding that effective collaboration between the private and public sectors is essential.

Energy serves as a critical catalyst for economic advancement. Investment in energy infrastructure yields significant returns across various economic sectors, including agriculture, industrial growth, power generation, and communication, as well as directly benefiting households. In the fiscal year 2023-24, the total consumption of petroleum products reached 67.61 lakh metric tons, with approximately 61.87% attributed to the communication and power generation sectors. This data underscores the vital role that energy plays in fueling economic activity and highlights the importance of strategic investment and development within industry.

Sector wise use of Fuel Oil 2023-24



Around 92% of total fuel demand is imported from abroad and the rest 8% 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 27 Countrywide Depots. Around 67.11% of the total petroleum product are distributed through riverine channels using 191 Tanker vessels, rest 32.89% are being distributed through Railway and Road.



According to projections from the Bangladesh Petroleum Corporation (BPC), the national petroleum market is anticipated to reach approximately 74.21 Lac MT by the fiscal year 2024-25. Currently, diesel dominates the oil consumption portfolio, accounting for nearly 62.93% of total oil usage, predominantly sourced from international markets. The aggregate storage capacity for petroleum products is currently estimated to be around 13.25 Lac MT, inclusive of both floating and fixed storage facilities.

The sector has historically benefitted from government subsidies; however, the recent fluctuations in global petroleum prices have necessitated monthly price adjustments to align with market trends.

A significant challenge facing the industry pertains to pilferages occurring at various stages, including refining, collection, and distribution. Additionally, the limited storage capacity hampers optimal distribution channel utilization and constrains the expansion of refining capabilities.

In response to these challenges, several public and private sector projects are in development to revolutionize Bangladesh's energy market. BPC is advancing the establishment of a new unit within the existing refinery, designated as ERL Unit-2, which will bring the total crude oil processing capacity to 45 lakh metric tonnes across both units. Furthermore, construction is underway for a Single Point Mooring (SPM) system featuring dual pipelines, enabling an operational capacity of 90 lakh metric tonnes of crude and refined petroleum to be discharged annually from mother tankers.

Plans are also in motion to install a dedicated pipeline for diesel transport from Chattogram to Dhaka, along with a separate infrastructure project aimed at transporting aviation fuel from Pitolganj to the Kurmitola Aviation Depot in Dhaka. Additionally, a strategic pipeline measuring approximately 131.50 km is set to be constructed, linking Shiliguri in India to the Parbotipur depot in Bangladesh, to facilitate a reliable and efficient diesel supply to the northern regions of the country.

## 2.2 Business Activities Including Its Operating Performance

During the year under report, your company has managed to generate a revenue of Tk. 8,826.98 Million as compared to Tk. 6,633.73 Million in FY 2022-23 which is 33.06% higher.

Particulars	FY 2022-23	FY 2023-24
Capacity (In liter Per day)	397500	397500
Capacity Utilization (%)	61.85%	77.24%
Revenue (In Million Taka)	6,633.73	8,826.98
Gross Profit (In Million Taka)	340.21	705.67
Profit from Operation (In Million Taka)	241.48	606.08
Profit Before Tax (In Million Taka)	48.44	329.98
Profit After Tax (In Million Taka)	5.40	247.76
Gross Profit Margin (%)	5.13%	7.99%
Operating Profit Margin (%)	3.64%	6.87%
Net Profit Margin (%)	0.08%	2.81%

To ensure the availability of NGC (Natural Gas Condensate) which is the only feedstock of the plant; there is an agreement between Rupantarita Prakritik Gas Company Ltd (RPGCL) and the window to import from global oil market has also opened by BPC.

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.

## 2.3 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 FY2023-24 your company has added a total of Tk. 82.21 Million as Income Tax and Tk. 1,331.22 million in the form of VAT. Your company was awarded by the National Board Revenue (NBR) as highest taxpayer for year 2023-24 under the category of energy companies.

## 2.4 Extra-Ordinary Gain or Loss

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

## 2.5 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.

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

There was no such issues.

## 2.7 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.

## 2.8 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 –

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

## 2.9 Financial Results and Performance of the Company

Particulars	2023		2024		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	6,633.73		8,826.98		33.06%
Cost of Sales	6,293.52	94.87%	8,121.31	92.01%	29.04%
Gross Profit	340.21	5.13%	705.67	7.99%	107.42%
Other Income Net	32.55	0.49%	51.62	0.58%	58.59%
General and Administrative Expenses	98.73	1.49%	99.57	1.13%	0.85%
Operating Profit	241.48	3.64%	606.08	6.87%	150.99%
Finance Costs Net	223.16	3.36%	311.23	3.53%	39.46%
WPPF	2.42	0.04%	16.49	0.19%	581.40%
Net Profit Before Income Tax	48.44	0.73%	329.98	3.74%	581.21%
Income Tax	43.04	0.65%	82.21	0.93%	91.01%
Net Profit After Income Tax	5.40	0.08%	247.76	2.81%	4488.15%

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

Gross revenue experienced an impressive increase of approximately 33.06%, driven by enhanced utilization of production capacity. Correspondingly, the Cost of Sales escalated by 29.04%, resulting in a substantial surge in Gross Profit of 107%. General and Administrative expenses rose modestly by 0.85%, primarily attributed to higher sales and distribution costs. Additionally, the Net Finance Cost witnessed a significant uptick of 39.46%, largely due to rising interest rates and an expansion in debt levels influenced by more imported raw materials and interest rate shifts in the money market.



### 2.11 Profit Appropriation

During the year under report the net profit of your company stands at Tk. 247.76 Million as compared to Tk. 5.40 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 recommended no dividend for the year that ended on June 30, 2024 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2024	247.76
Profit brought Forward	2089.62
Profit available for appropriation	2337.39
Appropriations:	
Proposed Dividend	100.00
Transferred to Retained Earning	2237.39
Profit available for appropriation	2337.39

### 2.12 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 10% cash dividend for the year under report and keep strict observation on the operation of the project subject to the approval of members in 19th Annual General Meeting.

Dividend Type	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21	30-Jun-20
Cash Dividend (%)	10%	-	10%	12%	10%
Stock Dividend (%)	-	-	0%	0%	0%
Total	10%	-	10%	12%	10%

### 2.13 Directors' Meeting & Attendance

During the year ended June 30, 2024 The Board of Directors held 4 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
Mr. Anis Salahuddin Ahmad	4
Mr. A.K.M.Badiul Alam	4
Mr. Shamsuzzaman	4
Mr. Faridul Alam	4
Mr. Mohammed Nurul Amin	4
Mr. Akbor Haider	4
Mr. Asgar Haider	4
Mr. Faisal Alam	4

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

### 2.14 The Pattern of Shareholding

Pattern of Shareholding as on June 30, 2024				
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. Anis Salahuddin Ahmad	Chairman		1,000,000	1.00%
B. Mr. A.K.M.Badiul Alam	Director		1,000,000	1.00%
C. Mr. Md. Shamsuzzaman	Director		1,500,000	1.50%
D. Ms. Shahida Alam	Sponsor	Spouse of Mr. A.K.M.Badiul Alam	500,000	0.50%
E. Mr. Akbor Haider	Sponsor		1,243,750	1.24%
F. Mr. Faridul Alam	Managing Director		1,130,000	1.13%
G. Mr. Faisal Alam	Director		1,130,000	1.13%
H. Mr. Asgar Haider	Director		1,243,750	1.24%
I. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	500,000	0.50%
J. Ms. Rezina Alam	Shareholder		315,000	0.32%
K. Ms. Farida Akter	Shareholder		225,000	0.23%
L. Mr. Mohammed Nurul Amin	Nominee Director		Nil	Nil
M. Sofura Haider	Shareholder		212,500	0.21%
v. Shareholders Holding 10% or more voting interest in the company:				
Shahjibazar Power Co. Ltd.	Public Listed Company	Parent	90,000,000	90%

### 2.15 Directors' election & re-appointment

As per Articles of Association Mr. Asgar Haider and Mr. Faisal Alam shall retire in 19th Annual General Meeting by rotation and being eligible to offer themselves for re-election.

### 2.16 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.	Comit Composite Knit Ltd.	Youth Fashion Ltd.	Youth Garments Ltd.	Zenth 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	
Name of Directors																						
Mr. Anis Salahuddin Ahmad	√		√				√															
Mr. A.K.M Badiul Alam	√					√		√	√	√	√	√	√	√								√
Mr. Shamsuzzaman	√																√	√	√	√	√	
Mr. Faridul Alam	√	√	√	√	√	√																
Mr. Akbor Haider	√		√	√	√	√	√															
Mr. Asgar Haider	√		√	√	√	√	√	√														
Mr. Faisal Alam	√		√	√	√	√																

### 2.17 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 19th AGM for member's approval.

### 2.18 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.

### 2.19 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.

### 2.20 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.

### 2.21 Human Resource Management

The organization acknowledges that its workforce represents the most critical asset and a fundamental driver of success. To enhance employee competence and equip them with essential skills, the company prioritizes human capital development. Consequently, it implements a structured schedule of regular training programs and workshops aimed at advancing knowledge and honing expertise in specific functional domains. These initiatives are designed to ensure that employees remain at the forefront of industry standards and best practices.

### 2.22 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, Rupantarita Prakritic 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 have helped to stand the company where it is today.

For and On Behalf of the Board



**Anis Salahuddin Ahmad**  
Chairperson



## 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 2024, 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 2024, 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 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.

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.

**Report on Other Legal and Regulatory Requirements**

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

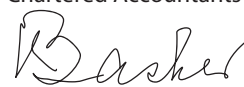
- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from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

Place: Dhaka

Dated: 21 October, 2024

**Aziz Halim Khair Choudhury**

Chartered Accountants



**Khairul Basher FCA**

Senior Partner

ICAB Enrollment # 617

DVC No.: 2410210617AS179275

**Petromax Refinery Limited**  
**Statement of Financial Position**  
 As at June 30, 2024

	Notes	June 30, 2024	June 30, 2023
<b>Assets</b>			
<b>Non-Current Assets</b>		<b>3,075,860,818</b>	<b>2,763,482,164</b>
Property, Plant and Equipment	4.00	2,030,629,632	2,165,342,930
Right of Use Assets	5.00	193,397,322	-
Capital Work-In-Progress	6.00	26,995,585	-
Other Investments	7.00	824,838,279	598,139,234
<b>Current Assets</b>		<b>4,251,173,428</b>	<b>3,439,299,796</b>
Inventories	9.00	1,161,624,401	1,160,885,924
Accounts Receivable	10.00	1,611,525,243	1,179,106,707
Other Receivables	11.00	12,193,765	-
Advance, Deposits and Prepayments	12.00	835,546,910	761,118,904
Financial Assets at fair value through profit or loss	13.00	15,163,788	20,407,183
Goods In-transit	14.00	528,750,000	75,596,783
Cash & Bank Balance	15.00	86,369,320	242,184,294
<b>Total Assets</b>		<b>7,327,034,245</b>	<b>6,202,781,959</b>
<b>Shareholders Equity and Liabilities</b>			
<b>Shareholder's Equity</b>		<b>3,337,392,158</b>	<b>3,089,629,191</b>
Share Capital	16.00	1,000,000,000	1,000,000,000
Retained Earnings	17.00	2,337,392,158	2,089,629,191
<b>Non-Current Liabilities</b>		<b>31,724,757</b>	<b>1,859</b>
Deferred Tax Liability	8.00	3,093	1,859
Lease Liabilities	18.00	31,721,664	-
<b>Current Liabilities</b>		<b>3,957,917,331</b>	<b>3,113,150,909</b>
Accounts Payable	19.00	10,806,246	7,751,580
Other Payables	20.00	35,260,082	34,340,742
L/C Liabilities	21.00	1,199,714,814	595,410,689
Lease Liabilities	18.00	3,953,376	-
Short Term Loan	22.00	2,693,863,668	2,470,400,354
Liabilities for Expenses	23.00	14,319,145	5,247,543
<b>Total Liabilities</b>		<b>3,957,917,331</b>	<b>3,113,150,909</b>
<b>Total Shareholders Equity and Liabilities</b>		<b>7,327,034,245</b>	<b>6,202,781,959</b>
<b>Net Assets Value Per Share (NAV)</b>		<b>33.37</b>	<b>30.90</b>
Number of Shares used to compute NAV		100,000,000	100,000,000

The accompanying notes 1 to 35 form an integral part of these financial statements.



Managing Director



Director

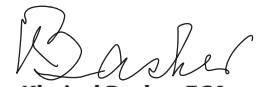


Chairman

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

Place of Issue : Dhaka  
 Dated: 21 October, 2024

**Aziz Halim Khair Choudhury**  
 Chartered Accountants



**Khairul Basher FCA**

Senior Partner

ICAB Enrollment # 617

DVC No.: 2410210617AS179275

**Petromax Refinery Limited**  
**Statement of Profit or Loss and other Comprehensive Income**  
 For the Year Ended June 30, 2024

Particulars	Notes	July 2023 to June'2024	July 2022 to June'2023
Revenue	24.00	8,826,986,286	6,633,732,404
Cost of Sales	25.00	8,121,319,851	6,293,523,836
<b>Gross Profit</b>		<b>705,666,435</b>	<b>340,208,568</b>
General and Admin. Expenses	26.00	99,577,588	98,737,818
<b>Profit/(Loss) from Operation</b>		<b>606,088,847</b>	<b>241,470,751</b>
Non-Operating Income	28.00	51,624,354	32,555,641
Financial Expenses	27.00	311,233,208	223,162,150
Worker's Profit Participation Fund (WPPF)	29.00	16,499,047	2,422,107
<b>Net Profit/(Loss) Before Tax</b>		<b>329,980,946</b>	<b>48,442,135</b>
Current Tax	30.00	82,216,745	43,044,392
Deferred Tax	30.00	1,234	1,399
<b>Net Profit/(Loss) After Tax</b>		<b>247,762,967</b>	<b>5,396,344</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>247,762,967</b>	<b>5,396,344</b>
<b>Earnings Per Share (EPS)</b>	31.00	<b>2.48</b>	<b>0.05</b>
Number of Shares used to compute EPS		100,000,000	100,000,000

The accompanying notes 1 to 35 form an integral part of these financial statements.



**Managing Director**



**Director**



**Chairman**

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

Place of Issue : Dhaka  
 Dated: 21 October, 2024

**Aziz Halim Khair Choudhury**  
 Chartered Accountants



**Khairul Basher FCA**

Senior Partner

ICAB Enrollment # 617

DVC No.:2410210617AS179275



**Petromax Refinery Limited**  
**Statement of Changes in Equity**  
 For the Year Ended June 30, 2024

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
<b>Balance as at July 01, 2023</b>	1,000,000,000	-	2,089,629,191	<b>3,089,629,191</b>
Dividend Payment	-	-	-	-
Net profit for the period	-	-	247,762,967	<b>247,762,967</b>
<b>Balance as at June 30, 2024</b>	<b>1,000,000,000</b>	<b>-</b>	<b>2,337,392,158</b>	<b>3,337,392,158</b>

**Statement of Changes in Equity**  
 For the Year Ended June 30, 2023

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
<b>Balance as at July 01, 2022</b>	1,000,000,000	-	2,184,232,847	<b>3,184,232,847</b>
Dividend Payment	-	-	(100,000,000)	<b>(100,000,000)</b>
Net profit for the period	-	-	5,396,344	<b>5,396,344</b>
<b>Balance as at June 30, 2023</b>	<b>1,000,000,000</b>	<b>-</b>	<b>2,089,629,191</b>	<b>3,089,629,191</b>

The accompanying notes 1 to 35 form an integral part of these financial statements.



**Managing Director**

Place of Issue : Dhaka  
 Dated: 21 October, 2024



**Director**



**Chairman**

**Petromax Refinery Limited**  
**Statement of Cash Flows**  
 For the year ended June 30, 2024

	June 30, 2024	June 30, 2023
<b>Cash Flows from Operating Activities</b>		
Cash receipt from customers	8,394,567,750	5,758,325,884
Cash paid to suppliers, service providers and employees	(7,873,917,373)	(5,677,477,785)
Cash (used)/Generated from operations	(175,712,238)	(179,628,997)
Tax (Paid)/Deducted	(60,463,583)	(43,044,392)
Cash paid Worker's Profit Participation Fund (WPPF)	(2,422,107)	(15,919,123)
Cash received from Non-Operating Activities	36,926,560	31,690,165
Financial Charges	(308,379,487)	(223,162,150)
<b>Net Cash Provided/(Used) from Operating Activities</b>	<b>10,599,522</b>	<b>(349,216,398)</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(162,921,815)	(9,344,300)
Sales of Vehicle	3,670,000	1,400,000
Financial Assets at Fair Value	-	(5,044,099)
Other Investment	(226,699,045)	(116,099,313)
<b>Net Cash Provided/(Used) in Investing Activities</b>	<b>(385,950,860)</b>	<b>(129,087,711)</b>
<b>Cash Flows from Financing Activities</b>		
Short term Loan	223,463,314	1,083,305,419
Dividend Paid	-	(100,000,000)
Lease Payment	(3,926,950)	(320,705,025)
Advance Income Tax	-	(168,089,664)
<b>Net Cash Provided/(Used) in Financing Activities</b>	<b>219,536,364</b>	<b>494,510,730</b>
Net cash increased/(decreased) during the period	(155,814,974)	16,206,621
Cash and Cash Equivalent as at July 01, 2023	242,184,294	225,977,672
<b>Cash and Cash Equivalent as at June 30, 2024</b>	<b>86,369,320</b>	<b>242,184,294</b>

The accompanying notes 1 to 35 form an integral part of these financial statements.



Managing Director



Director



Chairman

Place of Issue : Dhaka  
 Dated: 21 October, 2024

## **Petromax Refinery Limited** **Notes to the Accounts** As at and for the year ended 30 June 2024

### **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 High-Speed Diesel, High Octane Blending Component, Superior Kerosene Oil, and Motor Spirit to Bangladesh Petroleum Corporation.

The facility consists of Condensate Fractionation Unit (CFU) where the natural gas condensate, the raw material hydrocarbon is fractionated into different groups of hydrocarbons ranging from High Speed Diesel (Diesel), Superior Kerosene Oil (Kerosene) and Petrochemical Naphtha. Then the Petrochemical Naphtha is treated in the Naphtha Hydro-treating Unit (NHU) where cobalt-molybdenum catalyst is used to remove sulfur and Hydrotreated Naphtha is then run through the Catalytic Reforming Unit (CRU) which then reforms the Hydrotreated Naphtha into Motor Spirit (Petrol) and High Octane Blending Component (Octane).

#### **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 Standards (IASs) and International Financial Reporting Standards (IFRSs) as much as practicable. The Statement of Financial Position and Statement of Profit or Loss and Other 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 Act 2023  
The Income Tax Rules 1984  
The Value Added Tax and Supplementary Duty Act 2012  
The Value Added Tax and Supplementary Duty Rules 2016  
The Customs Act 2023  
Bangladesh Labor Law 2006  
Bangladesh Labor Rules 2015  
Securities and Exchange Rules 1987  
Other applicable rules and regulations

##### **2.03 Application of Standards**

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

IAS	01	Presentation of Financial Statements
IAS	02	Inventories
IAS	07	Statement of Cash Flows
IAS	08	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	27	Separate Financial Statements
IAS	32	Financial Instruments: Presentation
IAS	33	Earnings Per Share
IAS	36	Impairment of Assets
IAS	37	Provisions, Contingent Liabilities and Contingent Assets
IAS	38	Intangible Assets
IFRS	07	Financial Instruments: Disclosures
IFRS	08	Operating Segments
IFRS	09	Financial Instruments
IFRS	13	Fair Value Measurement
IFRS	15	Revenue from contracts with customers
IFRS	16	Leases

#### 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 Financial Assets at fair value through profit or loss which is measured under fair value which is one of the most commonly adopted bases provided in The Conceptual Framework for Financial Reporting.

#### 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 2023 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 2023 have been rearranged wherever considered necessary, to ensure better comparability with the current year's financial and to comply with relevant IASs and IFRSs.

#### 2.09 Accounting Convention and Basis

The Financial Statements have been prepared under the historical cost convention, as modified by the financial assets and financial liabilities (including derivative financial instruments at fair value through profit or loss). The Financial Statement also followed by Going Concern basis in accordance with IASs and IFRSs 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 20 October 2024.

## 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, 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

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%.

#### 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 recognized 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 Reporting Date.

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; or
- 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.

The provisions in the Statement of Financial Position have been disclosed 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 Reporting Date.

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 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.

When a performance obligation is satisfied before it receiving the consideration, the Revenue and Accounts Receivable is recognized in its Statement of Financial Position. Similarly, if the consideration is received before the performance obligation is satisfied, a Deferred Revenue is recognized instead of Revenue and subsequently Revenue is recognized when the Performance Obligation is satisfied. As at June 30, 2024, no consideration has been received before performance obligation had been satisfied and no Deferred Revenue has been recognized on the Statement of Financial position as of the Reporting Date.

### 3.14 Cash flows statement

Cash Flow Statement is prepared in accordance with IAS 7 Statement of Cash Flows. 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 Conceptual Framework for Financial Reporting issued by the International Accounting Standard Board (IASB)

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

Preparation of Financial Statements in conformity with the IASs and IFRSs 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 Reporting Date 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 Profit or Loss and Other Comprehensive Income and computation of EPS is stated in related Note to the Financial Statements.

#### 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.

### 3.20 Lease (IFRS 16)

Leases are recognized as right-of-use assets and corresponding liabilities at the inception of a contract and measured in accordance with IFRS 16. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognized as an expense in the Statement of Profit or Loss and Other Comprehensive Income directly.

### 3.21 Equity Instruments

Ordinary shares are classified as equity. In line with IAS 32 requirement, incremental costs directly attributable to the issue of ordinary shares are recognized as reduction in equity through charging directly to retained earnings instead of through the Statement of Profit or Loss and Other Comprehensive Income. Paid-up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company.

### 3.22 Impairment of financial and non-financial assets

#### i) Financial assets

IFRS 9 requires an assessment of expected credit losses (ECL) for evaluating whether assets carried at amortized cost are impaired. The first stage of the evaluation requires an assessment of ECL, which represent the possibility of default over the next 12 months. When a significant increase in credit risk has occurred, the financial asset is transferred to stage 2 and the ECL will be calculated using the possibility of default over the expected life of the financial instrument. When there is objective evidence that a financial asset is impaired, the financial asset will be transferred to stage 3 and lifetime ECL will be calculated. The Company measures ECL for the following category of financial assets that are not measured at fair value through profit and loss. ECL are estimated using the simplified approach of lifetime ECL based on a combination of write-off history, aging analysis and ability to make immediate repayment. These simplifications eliminate the need to calculate the 12-month ECL and to assess when a significant increase in credit risk has occurred, as required under a three-stage approach.

## ii) Non-financial assets

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss and other comprehensive income.

### 3.23 Measurement of Fair Values

A control framework has been established with respect to the measurement of fair values. The Management has 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 evidence obtained from the third parties is being assessed to support the conclusion that such valuations meet the requirements of IFRSs and IASs, including the level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

Transfers between levels of the fair value hierarchy has been recognized at the end of the Reporting Period during which the change has occurred.

#### Financial Assets at Fair Value Through Profit or Loss

Fair values of Financial Assets at fair value through profit or loss are determined by reference to their quoted closing price in active market at the reporting date which are categorized under "Level 1" of the fair value hierarchy.

### 3.24 Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

Receivables are recognized on the date that they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument. A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. The classification and measurement of financial assets is based on the basis of both:

- a. the entity's business model for managing the financial assets; and
- b. the contractual cash flow characteristics of the financial assets.

Three measurement classifications for financial assets have been established: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9:

- Hold to Collect – Financial assets held with the objective to collect contractual cash flows
- Hold to Collect and Sell – Financial assets held with the objective to collect and sell contractual cash flows
- Other – Financial assets held for trading or assets that do not meet the criteria for either 'Hold to collect' or 'Hold to collect and sell'. Financial assets designated as trading are held with an objective to sell the assets in the short term.

For purposes of determining the measurement classification, financial assets under the 'Hold to Collect' and 'Hold to Collect and Sell' business model require an assessment to determine whether the cash flows are solely payments of principal and interest (SPPI). Basic lending arrangements with limited volatility in cash flows typically have contractual cash flows that are SPPI; however, other factors should be considered in making this determination, such as whether interest payments provide only a consideration for the passage of time associated with time value of money. Financial assets under a Hold to collect business model, with contractual cash flows that are SPPI, are classified and measured at amortized cost. Financial assets under a Hold to Collect and Sell business model, with contractual cash flows that are SPPI, are classified and measured at fair value through other comprehensive income (FVOCI). Financial assets that have contractual cash flows that are not SPPI, are designated as trading or do not fit the business model criteria for hold to collect and old to collect and sell are measured at fair value through profit and loss (FVTPL). Equity instruments are always measured at FVTPL unless an irrevocable option is elected at initial recognition to present fair value changes in OCI. Fair value changes recorded in OCI for equity instruments are not recycled to profit and loss. The Company did not elect the option to present fair value changes through OCI for equity instruments. Based on the above the basis of recognition and measurement are as follows:

#### **I. Amortized cost**

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

#### **II. At fair value through profit or loss:**

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

#### **III. At fair value through other comprehensive income**

The asset is measured at fair value and changes in value are transferred through other comprehensive income.

#### **Financial liabilities**

Financial liabilities are recognized on the date that is originated. A financial liability is derecognized when its contractual obligations are discharged, cancelled or expired. The non-derivative financial liabilities are classified into the liabilities for expenses category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.



	Amount in BDT	
	June 30, 2024	June 30, 2023
<b>4.00 Property, Plant &amp; Equipment Cost</b>		
Opening Balance	4,134,495,894	4,128,637,893
Addition During The Year	210,700	9,344,300
Less: Disposal During The Year	(6,475,000)	(3,486,299)
<b>Cost at June 30, 2024</b>	<b>4,128,231,594</b>	<b>4,134,495,894</b>
<b>Accumulated Depreciation</b>		
As at July 01, 2023	1,969,152,964	1,829,619,639
Charged during the Year	133,758,027	142,485,100
Less: Disposal During The Year	(5,309,029)	(2,951,775)
At June 30, 2024	2,097,601,962	1,969,152,964
<b>Written Down Value at June 30, 2024</b>	<b>2,030,629,632</b>	<b>2,165,342,930</b>

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

For details please refer to Annexure A

**5.00 Right of Use Assets (Lease Assets)**

**Cost**

Opening Balance	-	-
Addition During the Period	199,459,382	-
<b>Closing Balance</b>	<b>199,459,382</b>	<b>-</b>

**Amortization**

Opening Balance	-	-
Amortization During the Period	6,062,061	-
<b>Closing Balance</b>	<b>6,062,061</b>	<b>-</b>
<b>Written Down Value</b>	<b>193,397,322</b>	<b>-</b>

MPA Land-13 Acre

For details please refer to Annexure B

**6.00 Capital Work-In-Progress (Solar Power)**

**Cost**

Opening Balance	-	-
Addition During the Period	26,995,585	-
<b>Closing Balance</b>	<b>26,995,585</b>	<b>-</b>

Solar Power System Import

**7.00 Other Investment**

**Fixed Deposit Receipt**

Islami Bank Bangladesh Limited (A/C No. 30748)	-	304,281,349
Islami Bank Bangladesh Limited (A/C No. 31428)	166,055,836	156,734,117
Islami Bank Bangladesh Limited (A/C No. 32175)	33,579,867	31,517,549
Islami Bank Bangladesh Limited (A/C No. 33674)	6,674,147	6,296,053
Islami Bank Bangladesh Limited (A/C No. 38876)	38,529,531	36,222,142
Islami Bank Bangladesh Limited (A/C No. 38877)	64,123,557	60,307,544
Islami Bank Bangladesh Limited (A/C No. 39811)	319,579,194	-
Mutual Trust Bank (MTDR A/C No:712425)	51,312,500	-
United Commercial Bank (MTDR A/C No:00564)	70,918,750	-
Exim Bank Limited (MTDR A/C No:272671)	3,060,223	2,780,479
<b>753,833,604</b>	<b>598,139,234</b>	

		Amount in BDT	
		June 30, 2024	June 30, 2023
<b>Treasury Bill / Bond</b>			
PBL-Treasury Bill / Bond		71,004,675	-
		<b>71,004,675</b>	-
		<b>824,838,279</b>	<b>598,139,234</b>
<b>8.00 Deferred Tax Assets / (Liabilities)</b>			
Opening Balance		(1,859)	(460)
Addition During the Period		(1,234)	(1,399)
		<b>(3,093)</b>	<b>(1,859)</b>
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.			
<b>9.00 Inventories</b>			
Raw materials(Condensate)		695,494,341	781,784,732
Work-in-progress		4,052,735	4,052,735
Finished Goods		382,634,008	327,487,391
General Stores		79,443,317	47,561,066
		<b>1,161,624,401</b>	<b>1,160,885,924</b>
<b>10.00 Accounts Receivables</b>			
Bangladesh Petroleum Corporation		1,611,525,243	1,173,068,498
Interest Receivable		-	6,038,209
		<b>1,611,525,243</b>	<b>1,179,106,707</b>
<b>Age Analysis of Accounts Receivables</b>			
Less than One Year		1,611,525,243	1,179,106,707
More than One Year		-	-
		<b>1,611,525,243</b>	<b>1,179,106,707</b>
<b>11.00 Other Receivables</b>			
Interest Receivable		12,193,765	-
		<b>12,193,765</b>	-
<b>Age Analysis of Accounts Receivables</b>			
Less than One Year		12,193,765	-
More than One Year		-	-
		<b>12,193,765</b>	-
<b>12.00 Advance, Deposits and Prepayments</b>			
Advances		772,471,832	698,043,826
Deposits		63,075,078	63,075,078
Prepayments		-	-
		<b>835,546,910</b>	<b>761,118,904</b>
<b>Advance</b>			
Advance to Different Suppliers		184,829,867	151,234,282
Advance for Operational Activities		1,275,337	1,670,729
Advance for MPA Land (13 Acre)		13,213,200	-
VAT Current Account		49,767,775	-
AIT (Advance Income Tax)		523,385,653	545,138,815
		<b>772,471,832</b>	<b>698,043,826</b>

	Amount in BDT	
	June 30, 2024	June 30, 2023
<b>12.01 Advance to Different Suppliers</b>		
CSL Software Resources Ltd.	-	87,500
Shahjibazar Power Company Ltd.	31,808	130,900
Midland East Power Ltd.	100,365,720	88,661
PIC CORPORATION	123,625	162,000
Rupantarita Prakritik Gas Company Ltd.	79,854,624	148,779,729
G4S Secure Splutions Bangladesh (P) Ltd.	36,850	36,850
EBL Investments Limited	-	500,000
South Asian Airlines Limited	2,853,780	354,112
Advance Insurance Premium	1,563,460	1,094,530
	<b>184,829,867</b>	<b>151,234,282</b>
<b>12.02 Advance for Operational Activities</b>		
Md. Sha Enamul Haque (Jewel)	25,000	325,000
Advance to Different Individual for Official Work	923,577	1,311,679
Comfit Composite Knit Ltd.	326,760	34,050
	<b>1,275,337</b>	<b>1,670,729</b>
<b>12.03 AIT (Advance Income Tax)</b>		
Opening Balance	545,138,815	377,049,152
Addition During The Year	291,202,966	211,134,055
Less: Refund Advance Income Tax(AIT)	230,739,383	-
Adjusted with current year income tax expenses	82,216,745	43,044,392
	<b>523,385,653</b>	<b>545,138,815</b>
<b>12.04 Deposits</b>		
Security Deposit with Pally Biddut Samitee	35,616	35,616
Security Deposit against Bank Guarantee	63,039,462	63,039,462
	<b>63,075,078</b>	<b>63,075,078</b>
<b>Ageing Status of Advance, Deposit and Prepayments</b>		
Less than one year	521,085,628	383,680,024
More than one year	314,461,282	377,438,880
	<b>835,546,910</b>	<b>761,118,904</b>
<b>13.00 Financial Assets at Fair Value through Profit or Loss</b>		
AB Bank Ltd.	897,472	1,273,853
Appollo Ispat Complex Limited.	150,689	325,171
BBS Cables Ltd.	968,516	1,895,252
The City Bank Ltd.	1,193,195	1,254,768
CVO Petrochemical Refinery Limited	1,010,017	1,340,093
Dhaka Electric Supply Company Limited	149,205	222,894
Dhaka Bank Ltd.	1,226,372	1,548,450
Eastland Insurance Company Ltd. (EASTLAND)	136,960	164,480
Eastern Housing Limited (EHL)	1,482,000	2,064,000
EXIM Bank Limited	850,750	1,066,000
NCC Bank Limited	267,540	357,630
Far Chemicals Industries Ltd.	81,179	145,079
JMI Hospital Requisite Manufacturing Ltd. (JHRML)	3,535,000	4,105,000
Lafarge Holcim Bangladesh Limited	934,500	1,033,500
Lankabangla Finance Ltd. (LANKABAFIN)	1,048,800	1,794,000
Nurani Dyeing & Sweater Ltd. (NURANI)	92,565	143,990
Premier Leasing & Finance Ltd .	71,220	144,534
Ratanpur Steel Re-Rolling Mills Ltd. (RSRMSTEEL)	337,500	522,500
Union Capital Ltd.	578,809	768,989
United Finance Ltd. (UNITEDFIN)	151,500	237,000
	<b>15,163,788</b>	<b>20,407,183</b>

	Amount in BDT	
	June 30, 2024	June 30, 2023
<b>14.00 Goods In Transit</b>		
Goods In Transit- Condensate (Local)	-	75,596,783
Goods In Transit- Condensate (Import)	528,750,000	-
	<b>528,750,000</b>	<b>75,596,783</b>
<b>15.00 Cash and Cash Equivalents</b>		
Cash in Hand	41,686	129,467
Islami Bank Bangladesh Limited (A/C No:9766)	885,939	1,986,411
Exim Bank Limited (A/C No:125161)	5,082	4,818
Prime Bank Ltd. (A/C No:2118117019682)	31,036,212	12,105,487
Prime Bank Ltd. (A/C No:2118754019795)	-	4,295
Standard Chartered Bank (A/C No.-01-1308664-01)	261,383	2,995,040
Standard Chartered Bank (A/C No.-01-8423425-01)	13,245,415	105,089,107
Islami Bank Bangladesh Limited (A/C No:46-IDB Br.)	5,755,976	2,864,991
Islami Bank Bangladesh Limited (L/C Margin)	9,276	148,873
Prime Bank PLC (L/C Margin)	26,936,000	-
Al-Arafah Islami Bank Limited (A/c No.-9237)	3,103	4,080
Mutul Trust Bank Ltd. (A/c No.-1301010132904)	3,800,315	112,464,740
UCB-A/c No.-0841101000002134	2,535	-
Islami Bank Bangladesh Limited (A/C No.-MDA-689)	139,751	554
Islami Bank Bangladesh Limited (A/C No:560)	9,528	924,520
Al-Arafah Islami Bank Limited (A/c No.-7306)	775,758	-
Ledger Balance of BO Account	3,461,361	3,461,911
	<b>86,369,320</b>	<b>242,184,294</b>
<b>16.00 Share Capital</b>		
<b>Authorized Capital :</b>		
300,000,000 shares @ Tk.10.00 each	3,000,000,000	3,000,000,000
<b>Issued, Subscribed and Paid-up Capital</b>		
10,00,00,000 shares @ Tk.10.00 each	1,000,000,000	1,000,000,000
<b>Movement of Share Capital:</b>		
Opening Balance	1,000,000,000	1,000,000,000
Allotment During the Period	-	-
	<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>SHARE HOLDING POSITION:</b>		
<b>Name of the Share Holder</b>	<b>No. of shares held</b>	<b>Percentage</b>
Anis Salahuddin Ahmad	1,000,000	1.00%
Akbor Haider	1,243,750	1.24%
Asgar Haider	1,243,750	1.24%
Faridul Alam	1,130,000	1.13%
Faisal Alam	1,130,000	1.13%
Rezina Alam	315,000	0.32%
Farida Akther	225,000	0.23%
Sofura Haider	212,500	0.21%
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%
	<b>100,000,000</b>	<b>100%</b>

	Amount in BDT	
	June 30, 2024	June 30, 2023
<b>17.00 Retained Earnings</b>		
Balance as at July 01, 2023	2,089,629,191	2,184,232,847
Less: Dividend	-	(100,000,000)
Add: Net profit/(Loss) for the Period	247,762,967	5,396,344
Balance as at June 30, 2024	<b>2,337,392,158</b>	<b>2,089,629,191</b>
<b>18.00 Lease Liabilities</b>		
Current Leas Liabilities	3,953,376	-
Non-Current Leas Liabilities	31,721,664	-
	<b>35,675,040</b>	<b>-</b>
<b>19.00 Accounts Payable</b>		
AKH Fashion Ltd.	22,170	5,179
Amber IT Limited	6,087	6,087
Anower Scientific & Glass Ware	-	29,100
Delcot Limited	281,224	-
Clearing and forwarding agency	9,915	7,915
Comfit Composite Knit Ltd. (C & F Division)	304,691	51,015
CDZ Global Logistics Ltd.	49,110	49,110
Euro-Tex International	26,913	26,913
Integrated Design	-	240,000
JTZ Engineering & Trading Inn.	118,250	34,677
Jamuna Spacetech Joint Venture Ltd.	6,892,270	2,751,497
KNACK Enterprise	321,437	-
Linde Bangladesh Ltd.	-	433,047
MJL Bangladesh Ltd.	215	215
M2M Communications Ltd.	1,680	3,360
H.R.S Trading Corporation	-	14,000
Metro Safety Corner	39,600	-
Navana Limited	10,285	-
Pioneer Scientific Stores	38,100	-
New Mizan Electric	13,905	-
S.A. Safety Solution	2,700	-
S.S. Computer Center-2	-	6,000
Raha Hardware & Tools	-	11,700
Runner Motors Ltd.	-	5,534
Runner Lube & Energy Ltd.	-	18,454
SAS Corporation	989,307	-
Science Museum	106,100	-
Shahjahan Chemical Industries	19,920	-
Maisha Enterprise Limited	-	2,500,000
Swan International Pvt. Ltd.	-	19,600
Smart Printing Solutions Ltd.	24,431	16,877
UY Systems Ltd.	18,900	16,800
ZM World Marine Service	1,350,000	1,350,000
Trust Filling Station	159,038	154,500
	<b>10,806,246</b>	<b>7,751,580</b>



	Amount in BDT	
	June 30, 2024	June 30, 2023
<b>Age Analysis of Accounts Payable</b>		
Less Than One Year	10,806,246	7,751,580
More Than One Year	-	-
	<b>10,806,246</b>	<b>7,751,580</b>
<b>20.00 Other Payable</b>		
Sahara Trading	54,011	54,011
Audit Fee	500,000	460,000
Raaj Fuel Agency	143	143
Worker's Profit Participation Fund	16,499,047	2,422,107
VAT Payable Account	-	3,901,852
Danlop Enterprise	17,000	17,000
Outstanding of Bank Interest-SCB & PBL	18,120,180	26,865,876
Office Rent Payable	-	597,038
TDS & VDS Payable	-	2,715
Mr. Khair Ahmed	30,000	-
Md. Saydure Rahman	201	-
Asif Ahmed Chowdhury	39,500	20,000
	<b>35,260,082</b>	<b>34,340,742</b>
<b>21.00 L/C Liabilities</b>		
Standard Chartered Bank	644,061,985	171,037,158
Prime Bank Ltd.	555,652,828	424,373,531
	<b>1,199,714,814</b>	<b>595,410,689</b>
<b>22.00 Short Term Loan</b>		
OD Loan (PBL A/c No.-2118755026666)	1,998,579,387	1,353,728,354
OD Loan (PBL-A/c No.-2118754019795)	454,281	-
TR Loan (Fixed Loan-MTB)	301,530,000	497,268,000
TR Loan (Fixed Loan-SCB)	393,300,000	619,404,000
	<b>2,693,863,668</b>	<b>2,470,400,354</b>
<b>23.00 Liabilities for Expenses</b>		
Remuneration	870,000	-
Salary & Allowance - H/O	1,316,317	69,500
Salary & Wages - Factory and Gratuty & Earn Leave	11,994,940	455,588
Electricity Bill- Factory	63,205	4,674,724
Electricity Bill- H/O	28,662	21,085
Telephone Bill	1,435	1,116
Internet Bill	11,350	11,500
Water Bill & Gas Bill	12,175	469
Security Service Charge-H/O	21,062	13,561
	<b>14,319,145</b>	<b>5,247,543</b>

		<b>Amount in BDT</b>	
		<b>July 2023 - June'2024</b>	<b>July 2022 - June'2023</b>
<b>24.00</b>	<b>Revenue</b>		
	High Speed Diesel (HSD)	670,492,883	850,539,022
	Superior Kerosene Oil (SKO)	182,899,742	195,330,475
	Motor Spirit (MS)	114,259,378	891,021,353
	High Octane Blending Component (HOBC)	7,859,334,284	4,696,841,554
		<b>8,826,986,286</b>	<b>6,633,732,404</b>
<b>25.00</b>	<b>Cost of Sales</b>		
	Raw Materials Consumed <b>25.01</b>	7,623,382,472	5,774,058,536
	Factory Overhead <b>25.02</b>	497,937,379	519,465,300
		<b>8,121,319,851</b>	<b>6,293,523,836</b>
<b>25.01</b>	<b>Raw Materials Consumed</b>		
	Opening Stock	1,160,885,924	708,266,290
	Purchased & Manufactured During the Period	7,624,120,949	6,226,678,170
	Less: Closing Stock	(1,161,624,401)	(1,160,885,924)
		<b>7,623,382,472</b>	<b>5,774,058,536</b>
<b>25.02</b>	<b>Factory Overhead</b>		
	Insurance Premium	3,049,288	4,031,176
	Rent & Rates	46,627,777	55,749,062
	Electricity, Gas & Water	54,504,663	46,323,775
	Wages, Salary & Allowance - Factory	147,933,128	137,106,544
	Repair & Maintenance - Factory	57,587,242	57,538,119
	Entertainment	1,428,561	1,064,278
	Medical Expenses	29,793	11,392
	Government Taxes & License Fee	2,616,407	2,715,822
	Office Expenses-Factory	623,039	597,584
	Uniform & Liveries	63,360	30,865
	LPG for Operation	2,536,042	4,181,996
	Labour Bill	192,340	113,025
	Safety Items Expenses	725,651	581,102
	Exchange (Gain)/Loss	45,931,521	71,917,590
	Amortization of Lease Assets	4,832,831	-
	Depreciation	129,255,736	137,502,970
		<b>497,937,379</b>	<b>519,465,300</b>
<b>26.00</b>	<b>General and Administrative Expenses</b>		
	Rent & Rates	618,271	2,062,422
	Carriage Outward	1,578,965	1,004,459
	Sample Expenses	775,871	513,090
	Vehicles Running & Maintenance	3,827,786	4,381,309
	Entertainment	3,392,285	3,677,213
	Fees & Subscription	2,789,020	2,416,723
	Postage, Telephone, Fax & Telex	401,608	452,914
	Govt. Taxes, Stamp Duty & License Fee	104,518	67,678
	Advertisement Expenses	-	11,550
	Audit Fees	500,000	460,000
	Insurance Premium of Helicopter	2,344,665	2,626,862
	BO Account Charge	550	550

	Amount in BDT	
	July 2023 - June'2024	July 2022 - June'2023
ADR Expenses	-	25,000
Electricity Bill- Office	264,784	229,130
Internet Bill	69,404	70,474
Survey Bill	378,490	291,112
Traning & Development	41,170	8,500
Stationary	570,908	452,382
Remuneration	9,240,000	10,710,000
Papers, Books & Periodicals	-	350
Selling & Distribution Expenses	37,893,350	37,308,588
Salary & Allowance	14,080,244	12,262,506
Security Charge	281,895	452,954
Amortization of Intangible Assets	-	47,529
Provision for Unrealised loss on holding shares	5,243,394	2,599,593
Operational, Maintenance & Other Charges (Helicopter)	5,421,916	9,574,157
Tree Plantation	184,176	157,023
Write off of Receivables	2,984,708	1,003,105
Amortization of Lease Assets	1,229,230	-
Depreciation of Helicopter	4,502,291	4,982,130
Travelling & Conveyance bill	858,090	888,515
	<b>99,577,588</b>	<b>98,737,818</b>
<b>27.00 Financial Expenses</b>		
Interest / Profit Charge	304,091,706	216,288,506
Finance Expenses (Lease)	2,853,721	-
Bank Charge	4,287,781	6,873,644
	<b>311,233,208</b>	<b>223,162,150</b>
<b>28.00 Non-Operating Income</b>		
Wastage Sales	490,120	1,059,777
Dividend Income	561,772	436,813
Lab Test Income	-	9,600
Interest / Profit Income	48,068,433	29,957,179
Capital Gain/(Loss)	2,504,029	865,476
Realised Gain on Sale of Share	-	226,796
	<b>51,624,354</b>	<b>32,555,641</b>
<b>29.00 Worker's Profit Participation Fund (WPPF)</b>		
Net Profit Before Tax	329,980,946	48,442,135
WPPF @ 5% of Net Profit Before Tax	16,499,047	2,422,107
	<b>16,499,047</b>	<b>2,422,107</b>
<b>30.00 Income Tax Expenses</b>		
Current Tax	82,216,745	43,044,392
Deferred Tax	1,234	1,399
	<b>82,217,979</b>	<b>43,045,791</b>
<b>31.00 Earning Per Share</b>		
Net Profit after Tax	247,762,967	5,396,344
Number of Shares Outstanding	100,000,000	100,000,000
<b>Earning Per Share (EPS)</b>	<b>2.48</b>	<b>0.05</b>

### 32.00 Financial risk management

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

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

#### a) Credit risk

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

#### b) Market risk

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

#### i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign 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-2024	30-Jun-2023
OD Loan (PBL A/c No.-2118755026666)	1,998,579,387	1,353,728,354
OD Loan (PBL-A/c No.-2118754019795)	454,281	-
TR Loan (Fixed Loan-MTB)	301,530,000	497,268,000
TR Loan (Fixed Loan-SCB)	393,300,000	619,404,000
	<b>2,693,863,668</b>	<b>2,470,400,354</b>

#### c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

### 33. Related Party Transaction

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

Particulars	30.06.2024		30.06.2023	
	Directors	All Managers	Directors	All Managers
Board Meeting Fee	-	-	-	-
Remuneration & Allowances	9,240,000	22,513,041	8,700,000	23,513,886
Bonus	1,340,000	1,838,219	2,010,000	1,490,687
<b>Total</b>	<b>10,580,000</b>	<b>24,351,260</b>	<b>10,710,000</b>	<b>25,004,573</b>

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 BAS 24 "Related Party Disclosure".

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2023	Addition during the period	Adjustment during the period	Balance as at June 30, 2024
Shahjibazar Power Co. Ltd.	Parent-Subsidiary	Advance	130,900	7,712,407	7,811,499	31,808
Comfit Composite Knit Ltd.	Common Directorship	Advance	34,050	163,268,610	162,975,900	326,760
Midland East Power Ltd.	Common Directorship	Advance	88,661	145,377,073	45,100,014	100,365,720



## 34.00 Commitments and Contingencies

A) Capital expenditure commitments

B) Bank guarantees

In favor of	30 June 24	30 June 23
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		
	<b>538,172,498</b>	<b>538,172,498</b>

**35.00 Other disclosures****35.01 Number of employces**

As at 30 June 2024, number of regular employees receiving salary & allowance above Tk. 30,000.00 per month were 160 persons.

**35.02 Events after the reporting period**

There is no event after the reporting period that requires adjustment or disclosure.

**Petromax Refinery Limited**  
**Fixed Assets Schedule**  
 As at June 30, 2024

SL	Name of Assets	Cost				Depreciation				Written down Value at June 30, 2024	
		Balance at July 01, 2023	Addition during the period	Disposal During the Period	Balance at June 30, 2024	Rate %	Balance at July 01, 2023	Charged During the Period	Adjustment During the Period		Balance at June 30, 2024
01	Land & Land Development	64,367,432	-	-	64,367,432	-	-	-	-	-	64,367,432
02	Building & Construction	532,160,599	-	-	532,160,599	7%	247,625,370	19,400,706	-	267,026,075	265,134,523
03	Electric Installation	35,794,236	-	-	35,794,236	15%	27,124,267	1,229,154	-	28,353,421	7,440,815
04	Computer	2,776,913	151,400	-	2,928,313	15%	1,621,525	183,145	-	1,804,670	1,123,643
05	Jetty	9,047,777	-	-	9,047,777	15%	6,824,534	315,192	-	7,139,726	1,908,051
06	Factory Equipments	10,272,211	-	-	10,272,211	15%	6,644,850	514,256	-	7,159,106	3,113,105
07	Lab Equipment	2,791,179	-	-	2,791,179	15%	2,053,238	104,619	-	2,157,857	633,322
08	Fire Fighting Equipments	2,405,810	-	-	2,405,810	15%	1,327,771	152,835	-	1,480,606	925,204
09	Plant & Machineries	2,822,660,419	-	-	2,822,660,419	6%	1,231,904,937	93,319,204	-	1,325,224,141	1,497,436,279
10	Cylindrical Vertical Steel Tank	111,594,037	-	-	111,594,037	15%	84,568,735	3,831,417	-	88,400,151	23,193,886
11	Generator	20,300,278	-	-	20,300,278	15%	15,535,803	675,467	-	16,211,270	4,089,008
12	Office Equipment	1,151,841	25,000	-	1,176,841	15%	857,565	44,428	-	901,993	274,848
13	Office Renovation	9,193,548	-	-	9,193,548	10%	2,578,344	637,124	-	3,215,469	5,978,079
14	Refrigerator	122,210	34,300	-	156,510	15%	48,278	11,768	-	60,046	96,464
15	Solar Power System	560,000	-	-	560,000	15%	429,156	18,550	-	447,706	112,294
16	Telephone Installation	1,801,789	-	-	1,801,789	15%	1,282,026	73,687	-	1,355,714	446,075
17	Ship	355,753,862	-	-	355,753,862	20%	258,948,400	4,750,272	-	263,698,672	92,055,190
18	Helicopter	90,285,623	-	-	90,285,623	10%	43,538,743	4,502,291	-	48,041,034	42,244,589
19	Vehicle	41,973,616	-	6,475,000	35,498,616	20%	22,240,560	3,216,487	5,309,029	20,148,018	15,350,598
20	Air Condition	6,626,490	-	-	6,626,490	15%	4,660,053	278,785	-	4,938,837	1,687,653
21	Water Line Installation	326,395	-	-	326,395	15%	250,132	10,812	-	260,944	65,451
22	Water Treatment Plant	4,382,645	-	-	4,382,645	15%	3,302,715	153,103	-	3,455,819	926,826
23	Furniture & Fixture	8,146,985	-	-	8,146,985	15%	5,785,963	334,726	-	6,120,689	2,026,296
	<b>June 30, 2024</b>	<b>4,134,495,894</b>	<b>210,700</b>	<b>6,475,000</b>	<b>4,128,231,594</b>		<b>1,969,152,964</b>	<b>133,758,027</b>	<b>5,309,029</b>	<b>2,097,601,962</b>	<b>2,030,629,632</b>
	<b>June 30, 2023</b>	<b>4,128,637,893</b>	<b>9,344,300</b>	<b>3,486,299</b>	<b>4,134,495,894</b>		<b>1,829,619,639</b>	<b>142,485,100</b>	<b>2,951,775</b>	<b>1,969,152,964</b>	<b>2,165,342,930</b>

Annexure-A

Annexure-B

SL	Name of Right of Use of Assets	Cost				Depreciation				Written down Value at June 30, 2024	
		Balance at July 01, 2023	Addition during the period	Disposal During the Period	Balance at June 30, 2024	Rate %	Balance at July 01, 2023	Charged During the Period	Adjustment During the Period		Balance at June 30, 2024
01	MPA Land- 13 Acre (Development Charge)	-	162,711,115	-	162,711,115	-	-	4,067,778	-	4,067,778	158,643,337
02	MPA Land- 13 Acre (Lease)	-	30,602,119	-	30,602,119	-	-	765,053	-	765,053	29,837,066
03	H/O-Rent	-	6,146,148	-	6,146,148	-	-	1,229,230	-	1,229,230	4,916,919
	<b>June 30, 2024</b>	-	<b>199,459,382</b>	-	<b>199,459,382</b>		-	<b>6,062,061</b>	-	<b>6,062,061</b>	<b>193,397,322</b>

<b>Depreciation Expenses:</b>	<b>Fixed Assets</b>	<b>Lease Assets</b>
Factory Overhead	129,255,736	4,832,831
General and Administrative	4,502,291	1,229,230
<b>Total</b>	<b>133,758,027</b>	<b>6,062,061</b>

**Petromax Refinery Limited**  
**Schedule of Tax Calculation**  
 For the Year Ended June 30, 2024

Particulars	Total
<b>Net profit before tax</b>	<b>329,980,946</b>
<b>Non operating income</b>	<b>51,624,354</b>
Capital Gain	2,504,029
Dividend	561,772
Wastage Sales	490,120
Exchange Gain or Loss	-
Unrealised Gain/Loss on Sale of Share	-
Realized gain on sale of share	-
Lab Test Income	-
Income from MTDR	48,068,433
<b>Operating Income</b>	<b>278,356,592</b>
<b>Tax on Operating Income @ 25%</b>	<b>69,589,148</b>
<b>Tax on Non-Operating Income:</b>	<b>12,627,597</b>
Dividend @ 20%	112,354
Capital Gain @ 15%	375,604
Tax on gain on sale of share @ 10% (Un-Realised)	-
Tax on gain on sale of share @ 10% (Realized)	-
Wastage Sales @ 25%	122,530
Exchange Gain or Loss @ 25%	-
Lab Test Income @ 25%	-
Tax on income from MTDR@25%	12,017,108
<b>Income Tax Expense</b>	<b>82,216,745</b>

**Petromax Refinery Limited**  
**Fixed Assets Schedule**  
 As at June 30, 2024

SL	Name of Assets	Depreciation		Depreciation		
		Addition during the period	Accounting Depreciation Rate	Tax Depreciation Rate	Accounting Depreciation	Tax Depreciation
01	Land & Land Development	-	-	-		
02	Building & Construction	-	7%	20%	-	-
03	Electric Installation	-	15%	20%	-	-
04	Computer	151,400	15%	30%	5,678	11,355
05	Jetty	-	15%	20%	-	-
06	Factory Equipments	-	15%	10%	-	-
07	Lab Equipment	-	15%	10%	-	-
08	Fire Fighting Equipments	-	15%	10%	-	-
09	Plant & Machineries	-	6%	20%	-	-
10	Cylindrical Vertical Steel Tank	-	15%	20%	-	-
11	Generator	-	15%	20%	-	-
12	Office Equipment	25,000	15%	10%	938	625
13	Office Renovation	-	10%	10%	-	-
14	Refrigerator	34,300	15%	10%	1,286	858
15	Solar Power System	-	15%	20%	-	-
16	Telephone Installation	-	15%	20%	-	-
17	Ship	-	20%	24%	-	-
18	Helicopter	-	10%	30%	-	-
19	Vehicle	-	20%	20%	-	-
20	Air Condition	-	15%	10%	-	-
21	Water Line Installation	-	15%	20%	-	-
22	Water Treatment Plant	-	15%	20%	-	-
23	Furniture & Fixture	-	15%	10%	-	-
<b>June 30, 2024</b>		<b>210,700</b>			<b>7,901</b>	<b>12,838</b>

Deductible Temporary Difference  
 Applicable Tax Rate  
 Deferred Tax assets / (Liabilities)

(4,936)

25%

**(1,234)**



### CONTINGENT LIABILITIES:

The Company has also Contingent Liabilities of an amount Tk. 54,03,90,246.94 which was issued by Petromax Refinery Limited infavour of The Commissioner of Customs, Mongla Custom House, Khulna; The Commissioner of Customs, Custom House Khalishpur, Khulna, Custom House Chittagong; Ruptarita Praktik Gas Company Ltd. and South Asian Airlines Limited. These contingent liabilities created due to released of NGC from customs authority, guarantee of LNGC purchase from RPGCL, guarantee of Ship (MT Petromax-3) and Helicopter. List of contingent liabilities are as follows:

Sl. No.	B. G. Issued	Beneficiary Name	Purpose	Opening Date	B. G. No	Cash Security	Guarantee Value
01	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	20/Mar/2014	BG/2014/830	6,766,724	67,667,221
02	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	8/Apr/2014	BG/2014/832	6,738,500	67,384,004
03	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	27/Apr/2014	BG/2014/835	6,655,000	66,543,118
04	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	12/May/2014	BG/2014/839	6,655,000	66,544,553
05	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	19/Jun/2014	BG/2014/848	6,715,000	67,149,569
06	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	2/Jul/2014	BG/2014/849	6,200,000	61,659,859
07	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Mongla Custom House, Khulna.	Customs Duty, Taxes & VAT of import NGC	17/Jul/2014	BG/2014/850	12,500,000	63,573,623
08	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Custom House Khalishpur, Khulna.	Customs Duty, Taxes & VAT of import NGC	16/Aug/2014	BG/2014/854	10,000,000	67,562,313
09	Islami Bank Bangladesh Ltd.	Ruptarita Praktik Gas Company Limited.	LNGC Purchase	25/Jun/2015	BG/2015/892	300,000	3,000,000
10	Islami Bank Bangladesh Ltd.	The Commissioner of Customs, Custom House, Chittagong..	Ship (MT Petromax-3) Purchase	3/Oct/2016	BG/2016/995	509,238	5,088,238
12	EXIM Bank of Bangladesh Ltd.	Civil Aviation Authority of Bangladesh, Kurmitola, Dhaka.	Helicopter Purchase	1/Sep/2016	BG/12/2016	-	4,217,749.23
<b>Grand Total</b>						<b>63,039,462</b>	<b>540,390,247</b>





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