

Howladar Yunus & Co.

**Auditors' Report
on the Financial Statements
of
Shahjibazar Power Company Limited
For the year ended June 30, 2014.**

Chartered Accountants
Correspondent firm of Grant Thornton International Ltd.

Howladar Yunus & Co.

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

We have audited the accompanying consolidated financial statements of Shahjibazar Power Company Limited ("the Company") and its subsidiary, which comprise the consolidated statement of financial position as on June 30, 2014, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) and the Companies Act 1994, and for such internal control as management determines is necessary to enable the preparation of these consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

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Howladar Yunus & Co.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Shahjibazar Power Company Limited and its subsidiary as on June 30, 2014 and of their financial performances and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and the Securities and Exchange Rules 1987.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company and its subsidiary so far as it appeared from our examination of those books; and
- c) the consolidated statement of financial position and consolidated statement of comprehensive income of the Company and the separate statement of financial position and statement of comprehensive income of the Company dealt with by the report are in agreement with the books of account and returns.

Howladar Yunus & Co.
Chartered Accountants

Dated: October 28, 2014
Dhaka

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2014

	Notes	June 30, 2014 Taka	June 30, 2013 Taka Re-stated
ASSETS:			
Non-Current Assets		6,836,447,741	6,320,805,822
Property, Plant and Equipment	4a	6,665,124,158	6,162,517,150
Biological Assets	5a	801,726	629,596
Intangible Assets	5b	107,300	-
Investment - at cost	6a	98,407,526	108,659,076
Investment -Midland Power Co.Ltd (Associate)	7a	72,007,031	49,000,000
Current Assets		4,275,808,552	1,887,815,472
Inventories	8a	1,125,663,025	130,994,934
Accounts Receivables	9a	1,028,886,444	381,246,121
Other Receivables	10a	1,720,365	-
Advance, Deposits and Prepayments	11a	596,837,319	468,228,099
Cash & Cash Equivalents	12a	1,093,426,399	30,525,505
Goods in Transit	13a	429,275,000	876,820,813
TOTAL ASSETS		11,112,256,292	8,208,621,294
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		3,214,152,921	2,914,410,607
Share Capital	14a	1,141,180,000	1,141,180,000
Share Premium	15.00	724,720,000	724,720,000
Share Money Deposit	15a	99,333,400	99,333,400
Tax Holiday Reserve	15b	82,397,956	-
Retained Earnings	16a	1,166,521,565	949,177,207
Minority Interest/Non controlling interest		1,900,319	527,157
Non-Current Liabilities		2,609,313,244	3,268,408,647
Long Term Loan- Net of Current Maturity	17a	1,823,748,941	2,831,374,107
Loan from other than Bank	17b	336,799,384	313,261,912
Deferred L/C Liabilities	18a	448,764,919	123,772,628
Current Liabilities		5,286,889,808	2,025,274,883
Short Term Loan	19a	812,142,594	986,732,508
IPO Application Amount	20a	335,957,637	-
Long Term Loan - Current Maturity	21a	994,495,704	536,950,800
Sundry Creditors	22a	50,352,418	41,389,887
Liabilities for Expenses	23a	12,648,041	144,247,142
Dividend Payable	23b	171,177,000	-
Trade Payable	24a	319,720,362	186,568,081
L/C Liabilities	24b	2,590,396,052	129,386,465
TOTAL EQUITY AND LIABILITIES		11,112,256,292	8,208,621,294


Chairman

The annexed notes form an integral part of these Financial Statements.


Director


Managing Director

Signed as per annexed report on even date.


Chartered Accountants

Dated: October 28, 2014
Dhaka

30, 2014.

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2014

	Notes	June 30, 2014 Taka	June 30, 2013 Taka
ASSETS:			
Non-Current Assets		3,489,616,840	3,232,458,036
Property, Plant and Equipment (WDV)	4.00	3,219,515,518	2,975,112,195
Biological Assets	5.00	353,365	353,365
Investment - at cost	6.00	197,740,926	207,992,476
Investment -Midland Power Co.Ltd (Associate)	7.00	72,007,031	49,000,000
Current Assets		2,347,865,332	1,883,098,408
Inventories	8.00	128,064,872	130,994,934
Accounts Receivables	9.00	393,626,962	381,246,121
Other Receivables	10.00	1,720,365	-
Advance, Deposits and Prepayments	11.00	1,470,485,846	1,287,434,365
Cash & Bank Balance	12.00	353,967,287	9,003,194
Goods In Transit	13.00	-	74,419,794
TOTAL ASSETS		5,837,482,171	5,115,556,444
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		2,930,976,936	2,835,856,350
Share Capital	14.00	1,141,180,000	1,141,180,000
Share Premium	15.00	724,720,000	724,720,000
Retained Earnings	16.00	1,065,076,936	969,956,350
Non-Current Liabilities		1,405,543,397	1,397,566,480
Long Term Loan- Net of Current Maturity	17.00	956,778,478	1,273,793,852
Deferred Liabilities	18.00	448,764,919	123,772,628
Current Liabilities		1,500,961,838	882,133,614
Short Term Loan	19.00	207,130,332	113,402,382
IPO Application Amount	20.00	335,957,637	-
Long Term Loan - Current Maturity	21.00	523,440,000	536,950,800
Sundry Creditors	22.00	50,130,496	41,389,887
Liabilities for Expenses	23.00	3,784,466	3,822,464
Dividend Payable	23b	171,177,000	-
Trade Payable	24.00	209,341,907	186,568,081
TOTAL EQUITY AND LIABILITIES		5,837,482,171	5,115,556,444

The annexed notes form an integral part of these Financial Statements.


Chairman


Director


Managing Director

Signed as per annexed report on even date.


Chartered Accountants

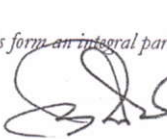
Dated: October 28, 2014
Dhaka

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2014

	Notes	June 30, 2014 Taka	June 30, 2013 Taka Re-stated
Revenue from Sales	25a	5,055,725,129	1,446,883,344
Cost of Sales	26a	3,901,712,993	815,862,827
Gross Profit		1,154,012,136	631,020,517
Operating Expenses:			
General and Administrative Expenses	27a	158,101,913	49,462,964
Financial Expenses	28a	501,075,374	277,391,468
Operating Profit		494,834,849	304,166,086
Non-Operating Income	29a	45,482,381	17,515,350
Net Profit before Tax and WPPF		540,317,230	321,681,436
Less: Workers' Profit Participant Fund	30a	12,164,528	13,639,001
Net Profit before Tax		528,152,702	308,042,435
Income Tax Expenses:	31a	78,867,258	64,876,504
Current Tax		78,867,258	64,876,504
Deferred Tax		-	-
Net profit after Tax		449,285,444	243,165,931
Share of Profit From Associate	31b	23,007,031	-
Other Comprehensive Income		-	-
Total Comprehensive Income		472,292,475	243,165,931
Profit Attributable to:			
Owners of the parent		470,919,313	243,165,931
Minority Interest		1,373,162	(59,820)
		472,292,475	243,106,111
Total Comprehensive Income Attributable to:			
Owners of the parent		470,919,313	243,165,931
Minority Interest		1,373,162	(59,820)
		472,292,475	243,106,111
Earnings Per Share (EPS)	32a	4.13	2.13

The annexed notes form an integral part of these Financial Statements.


Chairman


Director


Managing Director

Signed as per annexed report on even date.


Chartered Accountants


Dated: October 28, 2014
Dhaka

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2014

	Notes	June 30, 2014 Taka	June 30, 2013 Taka
Revenue from Sales	25.00	1,432,197,494	1,446,883,344
Cost of Sales	26.00	810,632,550	815,862,827
Gross Profit		621,564,944	631,020,517
Operating Expenses:			
General and Administrative Expenses	27.00	85,859,081	40,489,052
Financial Expenses	28.00	246,595,591	277,391,468
Operating Profit		289,110,272	313,139,998
Non-Operating Income	29.00	45,066,517	17,515,350
Net Profit before Tax and WPPF		334,176,789	330,655,348
Less: Workers' Profit Participant Fund	30.00	12,164,528	13,639,001
Net Profit before Tax		322,012,261	317,016,347
Income Tax Expenses:	31.00	78,721,706	64,876,504
Current Tax		78,721,706	64,876,504
Deferred Tax		-	-
Net profit after Tax		243,290,555	252,139,843
Share of Profit From Associate	31b	23,007,031	-
Other Comprehensive Income		-	-
Total Comprehensive Income		266,297,586	252,139,843
Profit Attributable to:			
Equity holder of Parent		266,297,586	252,139,843
Non Controlling Interest		-	-
		266,297,586	252,139,843
Total Comprehensive Income Attributable to:			
Equity holder of Parent		266,297,586	252,139,843
Non Controlling Interest		-	-
		266,297,586	252,139,843
Earnings Per Share (EPS)	32.00	2.33	2.21

The annexed notes form an integral part of these Financial Statements.


Chairman


Director


Managing Director

Signed as per annexed report on even date.



Chartered Accountants

Dated: October 28, 2014
Dhaka

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

	June 30, 2014 Taka	June 30, 2013 Taka Re-stated
A CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipt from customers	4,406,364,441	1,318,404,695
Cash paid to suppliers, employees	(1,660,695,572)	(568,240,803)
Cash Paid for operational Expenses	(416,178,586)	(26,380,042)
Cash received from Non-operating Activities	45,482,381	17,515,350
Cash payment for Financial Expenses	(501,075,374)	(277,391,468)
Net Cash from operating activities	1,873,897,290	463,907,732
B CASH USED IN INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(455,793,449)	(892,180,391)
Biological Assets	(172,130)	(276,231)
Intangible Assets	(107,300)	-
Assets in Transit	-	(876,820,813)
Investment in Subsidiary and FDR	10,251,550	(7,986,864)
Net cash flow from investing activities	(445,821,329)	(1,777,264,299)
C CASH FLOW FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(174,589,914)	946,632,508
IPO Application Amount	335,957,637	-
Loan from Subsideries	23,537,472	213,251,912
Bank Loan (Long Term)	(550,080,262)	71,196,201
Net cash flow from financing activities	(365,175,067)	1,231,080,621
D Net Cash inflow/(outflow) for the year (A+B+C)	1,062,900,894	(82,275,946)
E Opening cash and bank balance	30,525,505	112,801,451
F Closing cash and bank balance (D+E)	1,093,426,399	30,525,505


Chairman


Director


Managing Director

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

	June 30, 2014 Taka	June 30, 2013 Taka
A CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipt from customers	1,418,096,288	1,318,404,695
Cash paid to suppliers, employees	(622,156,508)	(507,533,874)
Cash Paid for operational Expenses	(266,816,911)	(403,065,117)
Cash received from Non-operating Activities	45,066,517	17,515,350
Cash payment for Financial Expenses	(246,595,591)	(277,391,468)
Net Cash from operating activities	327,593,795	147,929,586
B CASH USED IN INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(92,040,665)	(50,936,657)
Assets in Transit	-	(1,406,602)
Investment in Subsidiary and FDR	10,251,550	(7,986,864)
Net cash flow from investing activities	(81,789,115)	(60,330,123)
C CASH USED IN FINANCING ACTIVITIES		
Bank Loan (Short Term)	93,727,950	73,302,382
IPO Application Amount	335,957,637	
Bank Loan (Long Term)	(330,526,174)	(207,923,719)
Net cash flow from financing activities	99,159,413	(134,621,337)
D Net Cash inflow/(outflow) for the year (A+B+C)	344,964,093	(47,021,874)
E Opening cash and bank balance	9,003,194	56,025,068
F Closing cash and bank balance (D+E)	353,967,287	9,003,194


Chairman


Director


Managing Director


SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2014

Particulars	Share Capital	Tax Holiday	Share money	Share Premium	Retained Earning	Total
Balance at 1st July, 2013	1,141,180,000		-	724,720,000	949,177,207	2,815,077,207
Net profit (after tax) for the year	-	-	-	-	470,919,313	470,919,313
Bonus share issue	-	-	-	-	-	-
Dividend for Stock	-	-	-	-	-	-
Share money deposit	-	-	99,333,400	-	-	99,333,400
15% Cash Dividend	-	-	-	-	(171,177,000)	(171,177,000)
Tax Holiday Reserve	-	82,397,956	-	-	(82,397,956)	-
Balance as on June 30, 2014	1,141,180,000	82,397,956	99,333,400	724,720,000	1,166,521,564	3,214,152,920

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

Particulars	Share Capital	Tax Holiday	Share money	Share Premium	Retained Earning	Total
Balance at 1st July, 2012	1,050,590,000	-	-	724,720,000	808,406,507	2,583,716,507
Net profit (after tax) for the year	-	-	-	-	231,360,700	231,360,700
Bonus share issue	-	-	-	-	-	-
Dividend for Stock	90,590,000	-	-	-	(90,590,000)	-
Share money deposit	-	-	99,333,400	-	-	99,333,400
Balance as on June 30, 2013	1,141,180,000	-	99,333,400	724,720,000	949,177,207	2,914,410,607


Chairman


Director


Managing Director

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2014

Particulars	Share Capital	Share money deposit	Share Premium	Retained Earning	Total
Balance at 1st July , 2013	1,141,180,000	-	724,720,000	1,060,546,350	2,926,446,350
Net profit (after tax) for the period	-	-	-	266,297,586	266,297,586
Bonus share issue	-	-	-	-	-
Dividend for Stock 15% Cash Dividend	-	-	-	(90,590,000) (171,177,000)	- -
Balance as on June 30, 2014	1,141,180,000	-	724,720,000	1,065,076,936	2,930,976,936

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

Particulars	Share Capital	Share money deposit	Share Premium	Retained Earning	Total
Balance at 1 July, 2012	1,050,590,000	-	-	808,406,507	1,858,996,507
Net profit (after tax) for the period	-	-	-	252,139,843	252,139,843
Bonus share issue	-	-	-	-	-
Dividend For stock	90,590,000	-	-	(90,590,000)	-
Share Premium	-	-	724,720,000	-	724,720,000
Balance as on June 30, 2013	1,141,180,000	-	724,720,000	969,956,350	2,835,856,350


Chairman


Director


Managing Director

SHAHJIBAZAR POWER COMPANY LIMITED

Notes to the Financial Statements

As on and for the year ended June 30, 2014

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

1. Status of the Reporting Entity

1.1. Corporate History:

The Shahjibazar Power Company Limited is a Public Limited Company not listed in the Stock Exchange registered under The Companies Act 1994. The Company was incorporated in Bangladesh on 4th November, 2007 vide registration no C-68888(1400)/07. The registered office of the company is located at Youth Tower, 822/2 Rokeya Sarani, Dhaka – 1216 and the factory office is located at Fatepur, Madhobpur, Hobigonj, Bangladesh.

1.2. Nature of business

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

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

The company also started another Associates Company name- "Midland Power Co. Ltd" (51 MW Gas base power Plant) and holding 49% shares. The main objectives like SPCL. This company started its commercial operation on 7 December, 2013.

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

2. Basis of Preparation:

2.1. Statement of Compliance

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

2.2. 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).

2.3. Use of estimates and judgments

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

2.4. Accounting Convention and Basis

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

2.5. 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.

2.6. Reporting period

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

2.7. Components of the Financial Statements

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

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

The basis of preparation of Financial Statements is the "Historical Cost Convention".

3. Principal Accounting Policies:

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

3.1. 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 BAS-16: Property, Plant and Equipment.

3.1.2. 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.

3.1.3. Depreciation on Fixed Assets

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

Plant and machinery are depreciated from the month on which the asset comes into use or being capitalized. According to the Power Purchase Agreement (PPA) independent acquirer's report confirms the availability of plants for use. Other items of property, plant and equipment continue to be depreciated for a full year of

capitalization respective of the date on which the asset comes into use or being capitalized. In case of disposal, no depreciation is charged in the year of disposal. Rate of depreciation on other property, plant and equipment considering the useful life of assets are as follows:

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

3.1.4. Depreciation on Fixed Assets

Depreciation is recognized in the profit and loss account on a written down value basis over the estimated useful life of each property, plant and equipment.

3.1.5. 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.

3.1.6. Impairment of Assets

No fact and circumstances indicate that company's assets including property, plant and equipment may be impaired. Hence, no evaluation of recoverability of assets was performed.

3.2. Inventories

Inventories in hand as at 30th June, 2014 have been valued at lower of cost and net realizable value in accordance with BAS -2 "Inventories" after making due allowance for any obsolete or slow moving items.

3.3. Accounts Receivables

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

3.4. 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.

3.5. 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. There is insignificant risk of change in value of the same.

3.6. 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.

3.7. 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.

3.8. Taxation

No provision is required for current income tax on the company's profits as the company has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy of Bangladesh (SRO No. 188 of ITO 1984 dated 1 July, 2009) for a period of 15 years from the date of start of its commercial operation.

3.9. Deferred Tax

As the Tax Deducted at Sources (TDS) from the revenue is full and final discharge of tax liability under section 52N of the Income Tax Ordinance 1984 applicable for rental Power Company, there is no effect regarding deferred taxation to increase or decrease the current tax liability.

3.10. Provisions

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

3.11. Revenue Recognition

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

3.12. Foreign Exchange:

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."

3.13. Finance Income and Expenses

Finance income comprises interest income on funds invested. Interest income is recognized on maturity.

Finance expenses comprise interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest method except to the extent that they are capitalized during constructions period of the plants in accordance with BAS-23 Borrowing cost.

3.14. Earnings Per Share (EPS)

The Company calculates Earning per Share (EPS) in accordance with BAS 33: Earning per Share, which has been shown on the face of Statement of Comprehensive Income account, and the computation of EPS is stated in Note 32.

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.

3.15. Cash flows statement

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

3.16. Workers Profit Participation Fund (WPPF)

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

3.17. 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).

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

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization, taxes, reserves and contingencies.

3.19. Comparative Amounts

Certain comparative amounts have been re-classified & rearranged to confirm with the current year's presentation.

4.00 Property, Plant and Equipment:

Non - Current Assets At Cost:

	June 30, 2014 Taka	June 30, 2013 Taka
Cost at 30 June, 2013	3,957,268,968	3,906,332,312
Addition during the year	503,652,750	50,936,657
Disposal during the year	(18,813,295)	-
Cost at 30 June, 2014	4,442,108,423	3,957,268,969

Accumulated Depreciation:

At 30 June, 2013	982,156,774	743,475,852
Charged during the year	247,049,427	238,680,922
Adjustment during the year	(6,613,295)	-
At 30 June, 2014	1,222,592,906	982,156,774

Carrying Value at 30 June, 2014

3,219,515,518	2,975,112,195
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LEASEHOLD/FREEHOLD STATUS (at carrying value)

Land, Building, Plant & Machinery, Furniture fixtures & Others		
Leasehold	-	-
Freehold	3,219,515,518	2,975,112,195
	3,219,515,518	2,975,112,195

For details breakup please refer to Annexure - A

4a Consolidated Property, Plant and Equipment:

Shahjibazar Power Company Limited	3,219,515,518	2,975,112,195
Petromax Refinery Limited	3,445,608,640	3,187,404,955
	6,665,124,158	6,162,517,150

5.00 Biological Assets:

Tree Plantation	353,365	353,365
	353,365	353,365

An impairment test has been carried out and found that fair value of biological assets is not less than its carrying amount.

5a Consolidated Biological Assets:

Shahjibazar Power Company Limited	353,365	353,365
Petromax Refinery Limited	448,361	276,231
	801,726	629,596

5b Consolidated Intangible Assets:

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	107,300	-
	107,300	-

Consolidated Preliminary & Deffred Revenue Expenses:

Consolidated Deffred Revenue Expenditure and Preliminary Expenses had been recognised under the Non-Current assets previously. Now it is presented under property, plant & Equipment, General & Administrative Expenses and Financial Expenses to reflect the fair substance of the transactions as per BAS-16, and 23.

6.00 Investment at Cost

Shahjibazar Power Company Limited

June 30, 2014	June 30, 2013
Taka	Taka

197,740,926	207,992,476
<u>197,740,926</u>	<u>207,992,476</u>
Investment in Subsidiaries:	
Petromax Refinery Limited	
99,333,400	99,333,400
<u>99,333,400</u>	<u>99,333,400</u>

SPCL invested in its Subsidiary company Petromax Refinery Limited and holding 99.33% shares the company.

Investment as MTDR/FDR:

MTDR to Islami Bank Bangladesh Limited

MTDR to Islamic Finance & Investments Limited

92,476,096	103,355,326
5,931,430	5,303,750
<u>98,407,526</u>	<u>108,659,076</u>
<u>197,740,926</u>	<u>207,992,476</u>

MTDR with IBBL is the long term Investment. The rate of Return of the said investments is 7% to 10%. Investments are under lien with up to the Short Term loan limit with IBBL at Local office. MTDR with Islamic Finance & Investment Limited is also long term Investment the rate of return is 12-13 % and its free from lien.

Lien Status:

Under Lien (against Short Term Loan)

Free from Lien

92,476,096	94,590,094
105,264,830	113,402,382
<u>197,740,926</u>	<u>207,992,476</u>

6a Consolidated Investment at Cost:

Shahjibazar Power Company Limited

Less :Petromax Refinery Limited

197,740,926	207,992,476
(99,333,400)	(99,333,400)
<u>98,407,526</u>	<u>108,659,076</u>

7.00 Investment -Midland Power Co.Ltd (Associate)

Investment in Associates:

Midland Power Company Limited

Share of Profit for the year

49,000,000	49,000,000
23,007,031	
<u>72,007,031</u>	<u>49,000,000</u>

Investment in its Associate company Midland Power Company Limited is 49,00,000 ordinary shares at Tk. 10/- each.

7a Consolidated Investment -Midland Power Co.Ltd (Associate)

Investment in Associates:

Midland Power Company Limited

49,000,000	49,000,000
<u>49,000,000</u>	<u>49,000,000</u>

8.00 Inventories:

Items	Balance as at 1st July,2013	Purchase during the year	Consumption during the year	Balance as at 30th June, 2014
Oil & Lubricant	4,317,150	41,724,945	39,540,170	2,132,375
Spare parts and others	126,677,784	30,353,988	29,608,701	125,932,497
	<u>130,994,934</u>	<u>72,078,933</u>	<u>69,148,871</u>	<u>128,064,872</u>

June 30, 2014
Taka

June 30, 2013
Taka

a) The above Inventories are as per physical checking made, valued and certified by inventory team consists of Management staff.

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

8a Consolidated Inventories:

Shahjibazar Power Company Limited	128,064,872	130,994,934
Petromax Refinery Limited	997,598,153	-
	<u>1,125,663,025</u>	<u>130,994,934</u>

9.00 Accounts Receivables

BPDB for the Month of June-2013	-	13,076,504
BPDB Bills for Supplementary April-2013	-	368,169,617
BPDB for the Month of April-2014	110,600,641	-
BPDB for the Month of May-2014	132,034,013	-
BPDB Bills for June-2014	134,359,242	-
BPDB Bills for Supplementary April-2014	16,633,066	-
	<u>393,626,962</u>	<u>381,246,121</u>

9a Consolidated Accounts Receivables:

Shahjibazar Power Company Limited	393,626,962	381,246,121
Petromax Refinery Limited	635,259,482	-
	<u>1,028,886,444</u>	<u>381,246,121</u>

10.00 Other Receivables (Interest Receivables)

	<u>1,720,365</u>	<u>-</u>
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10a Consolidated Other Receivables:

Shahjibazar Power Company Limited	1,720,365	-
Petromax Refinery Limited	-	-
	<u>1,720,365</u>	<u>-</u>

11.00 Advance, Deposits and Prepayments:

Advances:

Advance to Subsidiary:

Petromax Refinery Limited	<u>946,838,041</u>	<u>829,826,792</u>
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The company was invested to its subsidiary Company for capital expenditure requirement. On July 24, 2014 80,066,660 shares of Tk. 10 per share totalling Tk. 800,666,600 have been allotted by Petromax Refinery Limited against the said investments on July 24, 2014.

Advance to Associate:

Midland Power Co. Ltd.	<u>459,360,411</u>	<u>376,668,434</u>
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SPCL has paid its associates company (MPCL) an amounting Taka 45,93,60,411/- as investment to meetup Capital Expenditure and the above amount will be converted into paid up capital at face value.

	June 30, 2014 Taka	June 30, 2013 Taka
Advance Income Tax:		
Share Premium	48,000,000	48,000,000
Actual Expenses Incurred against share premium	(21,741,600)	-
Adjusted with Non-Operating Income Tax Payable	(18,197,570)	-
	<u>8,060,830</u>	<u>48,000,000</u>
Advance to Others :		
AAA Consultant & Financial Advisors Ltd.	1,000,000	-
Saudia Electric Co.	31,792	-
United Corporate Advisory Services Ltd.	2,000,000	-
Jackson International Ltd.	156,000	380,000
Orient Energy Systems Ltd, Bangladesh	-	943,000
Cindifence Design and Construction	-	665,153
	<u>3,187,792</u>	<u>1,988,153</u>
Advance to Staffs:		
Mr. Shariful Islam / Mr. Tamiz	145,750	348,930
Mr. Bhulon Bhowmik	142,663	291,679
Mr. Zakir Hossain	-	68,322
Mr. Yasin	1,601,323	-
Mr. Nizam Uddin	1,350,000	-
Mr. Iqbal	369,183	-
Mr. Redwanul Bari	21,540	41,540
Others	129,366	-
	<u>3,759,825</u>	<u>750,471</u>
Total Advances :	<u>1,421,206,899</u>	<u>1,257,233,850</u>
Deposits :		
Central Depository Bangladesh Ltd.(CDBL)	500,000	-
Power Development Board (Hobigonj)	72,660	72,660
Bank Guarantee margin - IBBL	23,642,499	23,642,499
Letter of credit margin - IBBL	21,740,316	6,485,356
Total Deposits :	<u>45,955,475</u>	<u>30,200,515</u>
Pre-Payments:		
Pre-paid Insurance	3,323,472	-
Total Prepayments :	<u>3,323,472</u>	<u>-</u>
	<u>1,470,485,846</u>	<u>1,287,434,365</u>

SPCL has paid its subsidiaries an amounting of Tk. 94,68,38,041/- as investment to meet up Capital Expenditure and the above amount will be converted into Paid Up Capital at face value of the both subsidiary company.

Islami Bank Bangladesh Limited has issued Bank Guarantee infavour of SPCL to BPDB & JGTDCL regarding Plant Operation & ensuring the bill payment. The Bank has kept a Margin of said Guarantee which will be continue up to 2023.

11a Consolidated Advance, Deposits and Prepayments:

Shahjibazar Power Company Limited	1,470,485,846	1,287,434,365
Petromax Refinery Limited	73,189,514	10,620,526
Less :Advance to Petromax Refinery Limited	(946,838,041)	(829,826,792)
	<u>596,837,319</u>	<u>468,228,099</u>

	June 30, 2014 Taka	June 30, 2013 Taka
12.00 Cash and Cash Equivalent		
Cash in Hand	2,087	50,957
Cash at Bank:	353,965,200	8,952,237
CD Account with Bank Asia Limited # 6128	537	1,687
CD Account with Bank Asia Limited, IPO-USD	25,536,488	-
CD Account with Bank Asia Limited, IPO-GBP	757,561	-
CD Account with Bank Asia Limited, IPO-EURO	317,758	-
STD Account with Bank Asia Limited, IPO-Taka	326,092,873	3,184
CD Accounts with Exim Bank Limited # 14088	183	183
CD Account with Islami Bank Bangladesh Ltd# 9396	373,050	70,674
CD Account with Islami Bank Bangladesh Ltd# 1250	821,770	8,811,235
CD A/C with Standard Chartered Bank # 53917701	9,200	9,200
STD A/C with Exim Bank Limited # 85345	294	1,413
STD A/C with Bank Asia Limited# 000004-Islami Br.	55,486	54,661
	<u>353,967,287</u>	<u>9,003,194</u>
12a Consolidated Cash and Bank Balance		
Shahjibazar Power Company Limited	353,967,287	9,003,194
Petromax Refinery Limited	739,459,112	21,522,311
	<u>1,093,426,399</u>	<u>30,525,505</u>
13.00 Goods In Transit :		
Plant & Machinery	-	74,419,794
	<u>-</u>	<u>74,419,794</u>
13a Consolidated Goods in Transit		
Shahjibazar Power Company Limited	-	74,419,794
Petromax Refinery Limited	429,275,000	802,401,019
	<u>429,275,000</u>	<u>876,820,813</u>
14.00 Share Capital:		
Authorized :		
500,000,000 shares @ Tk.10.00 each	<u>5,000,000,000</u>	<u>5,000,000,000</u>
Issued, Subscribed and paid -up:		
11,41,18,000 shares @ Tk.10.00 each fully paid in Cash	<u>1,141,180,000</u>	<u>1,141,180,000</u>

The Company submitted the Return of Allotment to the Registrar of Joint Stock Companies on July 06, 2014 for allotment of 12,680,000 shares of Tk. 10 each amounting to Tk. 126,800,000 which was approved by RJSC on September 22, 2014.

June 30, 2014 Taka	June 30, 2013 Taka
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Movement of Share Capital:

Opening Balance	1,141,180,000	1,050,590,000
Add: Bonus Share issued on 04.02.2013	-	90,590,000
	1,141,180,000	1,141,180,000

Shareholding position was as follows:

Name of Shareholders	% of Shareholding	
	30-Jun-14	30-Jun-13
Mr. Feroz Alam	10.94%	10.94%
Mr. Rezakul Haider	11.78%	11.78%
Mr. Anis Salahuddin Ahmad	10.94%	10.94%
Mr. A.K.M.Badiul Alam	8.41%	8.41%
Md. Samsuzzaman	12.62%	12.62%
Ms. Shahida Alam	4.21%	4.21%
Md. Akbor Haider	4.21%	4.21%
Mr. Faridul Alam	4.21%	4.21%
Mr. Rezina Alam	4.21%	4.21%
Mr. Faisal Alam	4.21%	4.21%
Mr. Asgor Haider	4.21%	4.21%
Ms. Israt Azim Ahmad	4.21%	4.21%
Fresh Allotment to New Share Holders (209 Persons)	7.94%	7.94%
Bonus Share issued (Dated:04.02.2013, 209 persons)	7.94%	7.94%
	100%	100%

Classification of Shareholders by holding:

Class by number of shares	Number of Shareholders		Percentage of Shareholding	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
Less than 500 Shares	-	-	0%	0%
501 to 5,000 shares	5	5	2%	2%
5,001 to 10,000 shares	24	24	11%	11%
10,001 to 20,000 Shares	85	85	38%	38%
20,001 to 30,000 Shares	9	9	4%	4%
30,001 to 40,000 Shares	20	20	9%	9%
40,001 to 50,000 Shares	12	12	5%	5%
50,001 to 100,000 Shares	20	20	9%	9%
100,001 to 1,000,000 Shares	32	32	14%	14%
Over 1,000,000 Shares	14	14	6%	6%
	221	221	100%	100%

Name of the Directors and their Shareholding position:

Name of the Directors	Number of Shareholding	
	As at June 30, 2014	% of Shareholdings
Mr. Feroz Alam	12,480,000	10.94%
Mr. Rezakul Haider	13,440,000	11.78%
Mr. Anis Salahuddin Ahmad	12,480,000	10.94%
Mr. A.K.M.Badiul Alam	9,600,000	8.41%
Md. Samsuzzaman	14,400,000	12.62%
Total :	62,400,000	54.69%

	June 30, 2014 Taka	June 30, 2013 Taka
15.00 Share Premium		
Opening Balance	724,720,000	724,720,000
	<u>724,720,000</u>	<u>724,720,000</u>
The Company submitted the Return of Allotment to the Registrar of Joint Stock Companies on July 06, 2014 for allotment of 12,680,000 shares of Tk. 10 each at a premium of Tk. 15 each amounting to Tk. 190,200,000 which was approved by RJSC on September 22, 2014.		
15a Consolidated Share Money Deposit		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	99,333,400	99,333,400
	<u>99,333,400</u>	<u>99,333,400</u>
15b Consolidated Tax Holiday Reserve		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	82,397,956	-
	<u>82,397,956</u>	<u>-</u>
16.00 Retained Earning		
Opening Balance of Retained Earning	969,956,350	808,406,507
Add: Net profit for this year	266,297,586	252,139,843
Less: Bonus Share issue	-	(90,590,000)
Less: 15% Cash Dividend	(171,177,000)	-
	<u>1,065,076,936</u>	<u>969,956,350</u>
16a Consolidated Retained Earning		
Shahjibazar Power Company Limited	1,065,076,936	969,956,350
Petromax Refinery Limited	101,444,629	(8,914,092)
Prior Year Adjustment	-	(11,865,051)
	<u>1,166,521,565</u>	<u>949,177,207</u>
17.00 Long Term Loan - Net of Current Maturity:		
Islami Bank Bangladesh Limited	956,778,478	1,263,260,331
Islamic Finance & Investments Limited	-	10,533,521
	<u>956,778,478</u>	<u>1,273,793,852</u>
Payment and security details:		
• The Company is paying installments against Term Loan as per schedule.		
• The Term Loan are fully secured to IBBL, Local Office, against registered mortgage on the following assets:		
A) 631 Decimal project Land at Shahjibazar, Hobigonj.		
B) Project Building		
C) Machineries of the project.		
• Personal Guarantee of all Directors of the company.		
• Long term loan which was taken from Islamic Finance & Investment Ltd. fully paid in this financial year.		
Total amount paid in this year 2,76,67,814/- due to loan payment time by the IFIL.		
17a Consolidated Long Term Loan- Net of Current Maturity		
Shahjibazar Power Company Limited	956,778,478	1,273,793,852
Petromax Refinery Limited	866,970,463	1,557,580,255
	<u>1,823,748,941</u>	<u>2,831,374,107</u>

	June 30, 2014 Taka	June 30, 2013 Taka
17b Consolidated Loan from other than Bank		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	336,799,384	313,261,912
	<u>336,799,384</u>	<u>313,261,912</u>
18.00 Deferred Liabilities		
Liabilities for Deferred LC (details in annexure-B)	448,764,919	123,772,628
	<u>448,764,919</u>	<u>123,772,628</u>
Annex-B (Details of Deffered LC Liabilities):		
LC Number	Name of Bank	Taka
1008621302007012	Islami Bank (BD) Ltd.	10,323,676
1008621202018812	Islami Bank (BD) Ltd.	58,943,349
1008621302011100	Islami Bank (BD) Ltd.	55,101,930
1008621302013200	Islami Bank (BD) Ltd.	56,879,199
1008621301082300	Islami Bank (BD) Ltd.	15,161,100
1008621302018200	Islami Bank (BD) Ltd.	57,760,840
1008621302019100	Islami Bank (BD) Ltd.	50,244,469
1008621302019200	Islami Bank (BD) Ltd.	75,221,715
1008621302019300	Islami Bank (BD) Ltd.	64,807,605
1008621302013200	Islami Bank (BD) Ltd.	4,321,036
Total :	<u>448,764,919</u>	
18a Consolidated Deferred/LC Liabilities		
Shahjibazar Power Company Limited	448,764,919	123,772,628
Petromax Refinery Limited	-	-
	<u>448,764,919</u>	<u>123,772,628</u>
19.00 Short Term Loan:		
QTDR - Islami Bank Bangladesh Ltd.	75,868,150	50,010,000
Comfit Composite Knite Ltd.	56,211,866	56,152,866
Bai Murabaha FC Bills-7008-IBBL	-	7,239,516
MPI Loan	62,550,316	-
Youth Fashion Ltd.	12,500,000	-
	<u>207,130,332</u>	<u>113,402,382</u>
a. The above Short term Loan of QTDR taken from Islami Bank Bangladesh Limited, Local Office and has no profit bearing. This loans are fully secured to IBBL against lien of MTDR.		
b. Short term loan from Comfit Composite Knit Ltd & Youth Fashion Limited are taken also zero profit margin basis. This loan taken due to overcome the short time deficiency of cash and loan from Youth Fashion Limited already paid subsequently.		
19a Consolidated Short Term Loan		
Shahjibazar Power Company Limited	207,130,332	113,402,382
Petromax Refinery Limited	605,012,262	873,330,126
	<u>812,142,594</u>	<u>986,732,508</u>

	June 30, 2014 Taka	June 30, 2013 Taka
20.00 IPO Application Amount:	<u>335,957,637</u>	<u>-</u>
This amount represents the balance amount of IPO proceeds collected through applications from general public. The company submitted the Return of Allotment to the Registrar of Joint Stock Companies on July 06, 2014 for allotment of 126,80,000 shares of Tk. 10 per share which was approved by RJSC on September 22, 2014. On that day an amount of Tk. 19,02,00,000 was also credited to Share Premium Account. The balance amount are the refund amount of the un-successful applicant of IPO.		
20a Consolidated IPO Application Amount		
Shahjibazar Power Company Limited	335,957,637	-
Petromax Refinery Limited	-	-
	<u>335,957,637</u>	<u>-</u>
21.00 Long Term Loan- Current Maturity:		
Islami Bank Bangladesh Limited	523,440,000	523,440,000
Islamic Finance & Investments Limited	-	13,510,800
	<u>523,440,000</u>	<u>536,950,800</u>
This represents the current portion of Long Term Loan payable with in one year from the Financial Position date. Long term loan from Islamic Finance & Investment Ltd. fully paid by this this year.		
21a Consolidated Long Term Loan- Current Maturity		
Shahjibazar Power Company Limited	523,440,000	536,950,800
Petromax Refinery Limited	471,055,704	-
	<u>994,495,704</u>	<u>536,950,800</u>
22.00 Sundry Creditors:		
ABB Limited	-	300,000
Adroit Environment Consultants Ltd.	40,000	40,000
Square Pharma	10,200	10,200
Dhaka Insurance Ltd.	72,113	72,113
Global Insurance Ltd.	18,377	18,377
Aamra Networks Ltd	84,000	84,000
Dhaka com	14,668	7,333
Watashi Security Ltd.	9,000	6,300
Youth Garments Ltd. C&F	-	300,032
A.R Automobile	245,100	-
Alpana Tyre Corporation	236,954	-
Tofazzal Book House	34,000	-
Mahir Enterprise	-	79,000
BITS Ltd.	96,150	-
Galaxy Corporation	202,000	-
Patuakhali Nursery	43,000	-
Perfect Auto Care Ltd.	60,348	-
Star Advertisers Ltd.	750	-
Amicus Curiae	15,000	-
Federal Insurance Co. Ltd.	69,684	-

	June 30, 2014 Taka	June 30, 2013 Taka
H.K. International	108,000	-
Orient Energy Systems Ltd. Bangladesh	1,319,382	-
Rainbow Software Ltd.	5,000	-
Rupali Insurance Co. Ltd.	219,836	-
Somoy Express Limited	17,800	-
Provision for WPPF	25,803,529	13,639,001
Payable for Current Tax & VAT (N-22.01)	21,405,605	26,833,531
	<u>50,130,496</u>	<u>41,389,887</u>
22.01 Payable for Current Tax & VAT:		
Sales Tax Payable	21,405,605	15,249,846
Previous year Non-operating Income Tax Payable	5,536,432	11,583,685
Current year Non-operating Income Tax Payable	78,721,706	-
	<u>105,663,743</u>	<u>26,833,531</u>
Tax paid during the year	(3,112,143)	-
	<u>102,551,600</u>	<u>26,833,531</u>
Adjustment of Non-Opr. tax with AIT on Share premium	(81,145,995)	-
	<u>21,405,605</u>	<u>26,833,531</u>
22a Consolidated Sundry Creditors		
Shahjibazar Power Company Limited	50,130,496	41,389,887
Petromax Refinery Limited	221,922	-
	<u>50,352,418</u>	<u>41,389,887</u>
23.00 Liabilities for Expenses:		
Salary & Allowance	2,824,466	2,427,681
Audit Fees	660,000	1,094,783
Directors Remuneration	300,000	300,000
	<u>3,784,466</u>	<u>3,822,464</u>
23a Consolidated Liabilities for Expenses		
Shahjibazar Power Company Limited	3,784,466	3,822,464
Petromax Refinery Limited	8,863,575	140,424,678
	<u>12,648,041</u>	<u>144,247,142</u>
23b Dividend Payable		
15 % Cash Divided	171,177,000	-
	<u>171,177,000</u>	<u>-</u>
15% Cash Dividend has been approved in the Annual General Meeting held on April 02, 2014.		
24.00 Trade Payable:		
Jalalabad Gas Transmission and Distribution Systems Ltd. (Note:24.01)	200,432,154	184,598,108
Clarke Energy Bangladesh Ltd.	5,617,750	-
SYS Computers	102,100	23,650
Orient Energy Systems Ltd.	193,000	65,200
Nahar Enterprise	65,200	-
Anika Colour Process	-	6,000
Delcot Ltd.	-	51,141
DETA Computers	7,500	4,900

	June 30, 2014 Taka	June 30, 2013 Taka
General Automation Ltd.	-	41,000
Global Automation Ltd.	-	12,500
Guraba Engineering Ltd.	-	312,441
Mahir Enterprise	27,408	37,016
Manik Electric	33,593	6,609
Mamun Light House	26,700	46,965
Noorjahan Bearing House	-	10,920
Pacific Chemitrade Co.	60,000	20,000
M.S.International	300,000	500,000
A.R Automobile	-	349,500
Orient Energy Systems Ltd. Bangladesh	-	463,190
Tofazzal Book House	-	15,000
Aqua Care Trading	365,000	-
ABB Limited	2,093,760	-
Others Parties	17,742	3,941
	<u>209,341,907</u>	<u>186,568,081</u>
24.01 Jalalabad Gas Transmission and Distribution Systems Ltd.		
Gas bill for the Month of February-2013	-	-
Gas bill for the Month of March-2013	-	48,074,082
Gas bill for the Month of April-2013	-	47,753,262
Gas bill for the Month of May-2013	-	41,653,420
Gas bill for the Month of June-2013	-	47,117,344
Gas bill for the Month of February-2014	26,413,386	-
Gas bill for the Month of March-2014	40,435,326	-
Gas bill for the Month of April-2014	43,089,041	-
Gas bill for the Month of May-2014	43,497,504	-
Gas bill for the Month of June-2014	46,996,897	-
	<u>200,432,154</u>	<u>184,598,108</u>
24a Consolidated Trade Payable		
Shahjibazar Power Company Limited	209,341,907	186,568,081
Petromax Refinery Limited	110,378,455	-
	<u>319,720,362</u>	<u>186,568,081</u>
24b Consolidated L/C Liabilities		
Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	2,590,396,052	129,386,465
	<u>2,590,396,052</u>	<u>129,386,465</u>
25.00 Revenue :		
Sales	1,432,197,494	1,446,883,344
	<u>1,432,197,494</u>	<u>1,446,883,344</u>
25a Consolidated Revenue		
Shahjibazar Power Company Limited	1,432,197,494	1,446,883,344
Petromax Refinery Limited	3,623,527,635	-
	<u>5,055,725,129</u>	<u>1,446,883,344</u>

	June 30, 2014 Taka	June 30, 2013 Taka
26.00 Cost of Sales:		
Opening Stock	130,994,934	133,633,550
Gas Consumption	465,765,470	493,727,545
Lube & Other Oil Expenses	39,540,170	39,578,640
Salary & Allowance	22,781,972	22,323,699
Overtime	359,090	59,551
Festival Bonus	2,996,760	3,101,511
Chemical Purchase	715,000	593,000
Grease/Spare Parts/Helium Gas	1,521,188	3,523,577
Plant & Machinery maintenance	29,287,513	10,612,178
Fuel for Car & Maintenance	1,693,747	840,980
Diesel for Generator	187,040	182,608
Depreciation	242,854,538	238,680,922
Closing stock	(128,064,872)	(130,994,934)
	<u>810,632,550</u>	<u>815,862,827</u>

Plant and Machineries maintenance increased due to maintaining our major overhauling activities after 60,000 hours machine running.

26a Consolidated Cost of Sales

Shahjibazar Power Company Limited	810,632,550	815,862,827
Petromax Refinery Limited	3,091,080,443	-
	<u>3,901,712,993</u>	<u>815,862,827</u>

27.00 General & Administrative Expenses

AGM related expenses	319,342	905,553
Audit Fee	690,000	1,094,783
Accidental Loss of Machineries Note-27.01	2,200,000	-
BG Commission	3,439,640	3,493,035
Compliance Expenses	107,607	155,387
Computer Cartize & Accessories	792,820	807,550
Credit Rating Fees	20,686	230,000
Cleaning Charges	52,933	38,153
Carrying/C&F Charges	765,475	1,658,503
Capital Raising Expenses/TPO Expenses	9,481,222	63,120
Donation & Subscription	1,555,500	884,500
Electricity bill	573,643	381,231
Entertainment	921,489	1,019,731
Fuel for Car	786,576	1,014,922
Gardening	135,443	87,909
Gift & Compliments	53,812	10,000
Insurance Premium	1,872,806	4,390,270
Internet Services	569,422	611,154
Joint Stock Related Expenses	-	310,000
Legal & Professional Fees	4,255,990	242,075
LP Gas Purchase	337,890	361,490
Land Tax	-	89,968
Labor Charges	85,400	105,450
Directors Remuneration Note-27.02	3,600,000	3,600,000
Business Development Expenses	10,186,660	4,777,766

	June 30, 2014 Taka	June 30, 2013 Taka
Tax & VAT Expenses	21,788,950	-
Office Maintenance	105,457	187,609
Office Rent	300,000	325,000
Postage & Courier	42,295	85,809
Printing & Stationary	288,986	396,720
Registration & Renewals	897,039	857,575
Salary & Allowance	10,960,185	7,441,233
Security & Protection	2,275,492	2,108,095
Telephone bill	226,865	224,294
Tiffin & Flooding	655,692	620,558
Tool Tax	48,263	11,620
Traveling & Conveyances	245,249	269,601
Tour Expenses (abroad)	666,771	-
Vehicle's Rent & Maintenance	358,592	1,628,388
Depreciation Expenses	4,194,889	-
	85,859,081	40,489,052

Legal and professional fees increased due to payment of Legal fees to settle our claim from GE Jenbacher, Austria. Major portion of this fess paid to GSK Stockmann and Kollegen German.

- 27.01 An asset which carrying amount was Tk. 12,200,000 has been destroyed by natural calamity, of which Tk. 10,000,000 has been recovered from insurance company and rest of the Tk. 2,200,000 has been charged as accidental loss.

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

Name	Designation	Remuneration	Total
Feroz Alam	Managing Director	3,600,000	3,600,000
Total		3,600,000	3,600,000

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

27a Consolidated General & Administrative Expenses

Shahjibazar Power Company Limited	85,859,081	40,489,052
Petromax Refinery Limited	72,242,832	8,973,912
	158,101,913	49,462,964

28.00 Financial Expenses

Interest on Loan - Islami Bank Bangladesh Limited	233,483,298	271,279,190
Interest on Loan - Islamic Finance & Investments Limited	3,623,503	5,126,245
Bank Charges & Commission	3,096,470	986,033
Bank commission for IPO fund collection	6,392,320	-
	246,595,591	277,391,468

28a Consolidated Financial Expenses

Shahjibazar Power Company Limited	246,595,591	277,391,468
Petromax Refinery Limited	254,479,783	-
	501,075,374	277,391,468

	June 30, 2014 Taka	June 30, 2013 Taka
29.00 Non-operating Income		
Income from Interest - Bank Asia Ltd.	25,710,053	71,462
Income from Interest - Exim Bank Ltd.	34	2,208
Interest from FDR - Islami Bank BD Ltd.	6,418,571	5,815,681
Interest from FDR - Islami Finance & Investment Ltd.	711,899	337,500
Wastage Sale	12,225,960	11,288,499
	45,066,517	17,515,350
29a Consolidated Non-operating Income		
Shahjibazar Power Company Limited	45,066,517	17,515,350
Petromax Refinery Limited	415,864	-
	45,482,381	17,515,350
30.00 Workers' Profit Participant Funds:		
WPPF is based on net profit after tax @ 5%	12,164,528	13,639,001
	12,164,528	13,639,001
30a Workers' Profit Participant Funds:		
Shahjibazar Power Company Limited	12,164,528	13,639,001
Petromax Refinery Limited	-	-
	12,164,528	13,639,001
The Government of Bangladesh has made an amendment to the Labour Law 2006 making it mandatory for the Company to contribute 5% of net profit towards Worker's Profit Participation Fund (WPPF). Power sector companies require very few highly skilled employees to run highly capital-intensive project. In view of this, SPCL commenced WPPF based on net profit before tax @ 5% per annum.		
31.00 Current Tax		
Sales Tax (Deducted At Source)	62,948,425	57,875,336
Tax on Non-Operating Income @ 35%	15,773,281	5,307,893
Capital Gain Tax @ 15%	-	1,693,275
	78,721,706	64,876,504
31a Consolidated Current Tax		
Shahjibazar Power Company Limited	78,721,706	64,876,504
Petromax Refinery Limited	145,552	-
	78,867,258	64,876,504
31b Share of Profit from Associate:		
Net Profit of Associate company	46,953,125	-
Percentage of share holding	49%	49%
Share of profit from Associate	23,007,031	-
32.00 Basic Earning Per Share (EPS)		
Opening Balance as on 01.07.2012	114,118,000	105,059,000
Bonus Share Issue as on 04.02.2013	-	9,059,000
Total number of share	114,118,000	114,118,000
Net Profit after tax	266,297,586	252,139,842
Number of share	114,118,000	114,118,000
Earnings Per Share	2.33	2.21

June 30, 2014
Taka

June 30, 2013
Taka

32a Consolidated Basic Earning Per Share (EPS)

Net Profit after tax	470,919,313	243,165,931
Number of share	114,118,000	114,118,000
Earnings Per Share	4.13	2.13

33.00 Capacity and Utilization:

License Capacity (Unit - Kw)	743,040,000	743,040,000
Actual Utilized (Unit - Kw)	543,261,043	584,089,560
Capacity Utilize (Unit - Kw)	73%	78.6%

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

34.00 Contingent Assets & Liabilities:

Contingent Assets:

The Company has a Contingent Assets of an amount Tk. 91,498,840/- which was issued by BPDB in favor of Shahjibazar Power Company Limited, advising Bank Islami Bank Bangladesh Limited, Local office, Motijheel, Dhaka-1000.

Contingent Liabilities:

The Company has also Contingent Liabilities of an amount Tk. 30,75,19,614/- which was issued by Shahjibazar Power Company Limited in favour of BPDB, Commissioner of Customs, Chittagong and Jalalabad Gas Transmission & Distribution Systems Ltd.. These contingent liabilities created due to release of capital goods from customs authority, guarantee of power seal and gas bill. List of contingent liabilities are as follows:

Sl.	Stackholders	L/C No.	Date	B.G No	B.G Amount
01	EMI Engrg	086208020364	12/6/2008	BG/08/51	1,897,479
02	EMI Engrg	086208020364	12/6/2008	BG/08/57	839,273
03	EMI Engrg	086208020364	12/6/2008	BG/08/60	648,848
04	GE-Energy	086208010231	15/04/08	BG/08/58	127,431
05	GE-Energy	086208020037	15/04/08	BG/08/61	509,724
06	GE-Energy	086208010231	15/04/08	BG/08/71	4,247,696
07	EAE	086208010482	10/8/2008	BG/08/75	118,935
08	GE-Energy	086208020037	15/04/08	BG/08/86	1,018,152
09	GE-Energy	086208010231	15/04/08	BG/08/81	4,247,696
10	GE-Energy	086208010231	15/04/08	BG/08/82	4,183,981
11	GE-Energy	086208010231	15/04/08	BG/08/87	4,183,981
12	Zicom Equip	086208010443	16/07/08	BG/08/80	1,136,259
13	GE-Energy	086208010231	15/04/08	BG/08/94	4,041,046
14	GE-Energy	086208010231	15/04/08	BG/08/97	4,041,046
15	GE-Energy	086208010231	15/04/08	BG/08/98	826,644
16	GE-Energy	086208020037	15/04/08	BG/08/105	8,750,934
17	Zicom Equip	086208010443	16/07/08	BG/08/85	95,572
18	GE-Energy	086208020037	15/04/08	BG/08/101	9,135,058
19	GE-Energy	086208020037	15/04/08	BG/08/109	8,664,228
20	GE-Energy	086208020037	15/04/08	BG/09/003	8,407,253
21	GE-Energy	086208010231	15/04/08	BG/08/100	8,082,049
22	GE-Energy	086208020037	15/04/08	BG/08/107	45,875
23	GE-Energy	086208020037	15/04/08	BG/08/110	420,564
24	GE-Energy	086208020037	15/04/08	BG/08/	35,043

June 30, 2014
Taka

June 30, 2013
Taka

25	Zicom	086208010443	16/07/08	BG/09/010	10,619
26	GE-Energy	086208010231	15/04/08	BG/09/016	20,389
27	Zicom	086208010443	16/07/08	BG/09/13	467,247
28	BPDB	-	-	IBBL/LO/OBG/2009/25	91,500,000
29	JGTDSL	-	-	IBBL/LO/BG/2008/91	139,816,591
Grand Total :					307,519,614

35 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 and arms' length basis. 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	Transaction during the period		Balance as on June 30, 2014
			Debit	Credit	
Petromax Refinery Limited	Subsidiary	Advance	1,024,952,165	78,114,124	946,838,041
Midland Power Co. Ltd	Associate	Advance	459,360,411	-	459,360,411
Youth Fashion Ltd.	Common Directorship	Short Term Loan	6,434,000	18,934,000	12,500,000
Youth Garments Ltd.	Common Directorship	C & F Function	6,153,677	6,153,677	-
Comfit Comosite Knit Ltd.	Common Directorship	Short Term Loan	-	56,211,866	56,211,866
Islamic Finance & Investment Co. Ltd.	Common Directorship	Term Loan	27,667,824	27,667,824	-
Feroz Alam	Managing Director	Remuneration	3,300,000	3,600,000	300,000
Chowdhury Apparles Ltd.	Common Directorship	Office Rent	300,000	-	300,000

36.00 Credit Facility:

No credit facility availed by the company under any contract other than bank credit facility and trade credit which are in the ordinary course of the business.

June 30, 2014
Taka

June 30, 2013
Taka

37.00 Capital Expenditure commitment:

- No capital expenditure contracted or incurred provided for as at 30th June, 2014.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2014.

38.00 Claim Acknowledgement:

There was no claim against the Company not acknowledged as debt as on June 30, 2014.

39.00 Restatement

The group has labeled the restated comparative information with the previous year. In our view, this is necessary to highlight the fact that the comparative information is not same as the informative previously presented in the prior year's financial statement.

Petromax Refinery Limited is 99.33% owned company of Shahjibazar Power Company Limited. Due to restatement of the financial statement of PRL in accordance with the instruction of BSEC, Consolidated Statement of Financial Position, Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flow has been restated in accordance with BAS-8.

40.00 Events After the Reporting Period :

- The company was invested to its subsidiary Company for capital expenditure requirement. On July 24, 2014 Petromax Refinery Limited has allotted 80,066,660 shares of Tk. 10 per share totaling Tk. 800,666,600 in favour of Shahjibazar Power Company Limited.
- The company submitted the Return of Allotment to the Registrar of Joint Stock Companies on July 06, 2014 for allotment of 126,80,000 shares of Tk. 10 per share which was approved by RJSC on September 22, 2014. On that day an amount of Tk. 19,02,00,000 was also credited to Share Premium Account. The balance amount are the refund amount of the un-successful applicant of IPO.

41.00 Number of Employees:

- The number of employees engaged for the whole of the year and drawing remuneration of Tk. 36,000 and above per annum were 114 as against 121 of the previous year.
- The number of employees engaged for the part of the year and drawing remuneration of Tk. 36,000 and above per month was nil.


Chairman


Director


Managing Director

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED SCHEDULE OF FIXED ASSETS
FOR THE YEAR ENDED JUNE 30, 2014

SL #	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2014
		Balance as on 01.07.2013	Addition during this period	Disposal during the period	Balance as on 31.06.14	Rate %	Balance as on 01.07.2013		Charged During the period	Balance as on 30.06.2014	
1	Land & Land Developme	181,361,965	10,675,432	-	192,037,397	0.0%	-	-	-	-	192,037,397
2	Building & Construction	750,892,802	32,147,281	-	783,040,083	7.0%	106,142,161	-	39,484,804	145,626,965	637,413,118
3	Plant & Machineries	6,010,505,070	711,652,120	18,813,295	6,703,343,895	6.0%	861,522,194	6,613,295	294,889,718	1,149,798,617	5,553,545,278
4	Mechanical & Electrical C	483,663	588,600	-	1,072,263	10.0%	265,403	-	107,226	372,629	699,634
5	Office/factory Equipmen	6,701,896	1,470,157	-	8,172,053	15.0%	918,956	-	733,249	1,652,205	6,519,848
6	Computer & Computer E	2,371,090	454,400	-	2,825,490	20.0%	1,065,103	-	426,891	1,491,994	1,333,496
7	Water Treatment Plant	4,431,000	73,205	-	4,504,205	15.0%	726,250	-	420,075	1,146,325	3,357,880
8	Furniture & Fixture	6,997,006	1,127,161	-	8,124,167	10.0%	1,574,910	-	633,773	2,208,683	5,915,484
9	Vehicles	20,441,717	4,485,000	-	24,926,717	20.0%	9,941,797	-	3,814,964	13,756,760	11,169,957
10	Electric Installation	29,047,146	4,672,374	-	33,719,520	15.0%	-	-	2,181,547	2,181,546	31,537,974
11	Fire Extinguisher/Equipn	408,710	152,200	-	560,910	15.0%	-	-	31,373	31,373	529,537
12	Lab Equipments	-	1,164,431	-	1,164,431	15.0%	-	-	39,389	39,389	1,125,042
13	Safty Shoes	-	198,825	-	198,825	15.0%	-	-	4,378	4,378	194,447
14	Refrezarator	28,300	-	-	28,300	15.0%	-	-	2,123	2,123	26,177
15	Air Conditioner	993,240	1,524,900	-	2,518,140	15.0%	-	-	74,493	74,493	2,443,647
16	Fork LIFT	1,750,000	-	-	1,750,000	15.0%	-	-	131,250	131,250	1,618,750
17	Jetty	3,232,721	5,815,056	-	9,047,777	15.0%	-	-	246,204	246,204	8,801,573
18	Crockerries	155,686	63,214	-	218,900	15.0%	-	-	11,676	11,676	207,224
19	Cylindrical Vertical Steel T	104,449,671	119,934	-	104,569,605	15.0%	-	-	7,833,725	7,833,725	96,735,880
20	Generator	19,503,878	166,400	-	19,670,278	15.0%	-	-	1,462,791	1,462,791	18,207,487
21	Ship	-	90,000,000	-	90,000,000	20.0%	-	-	-	-	90,000,000
22	Solar Power System	560,000	-	-	560,000	15.0%	-	-	42,000	42,000	518,000
23	Telephone Installation	31,968	854,844	-	886,812	15.0%	-	-	2,398	2,398	884,414
24	Water Line Installation	326,395	-	-	326,395	15.0%	-	-	24,480	24,480	301,915
	June-2014	7,144,673,923	867,405,534	18,813,295	7,993,266,162		982,156,774		352,598,526	1,328,142,005	6,665,124,158
	June-2013	6,307,323,875	837,349,048		7,144,673,924		743,475,852		238,680,922	982,156,774	6,162,517,150

SHAHJIBAZAR POWER COMPANY LIMITED
SCHEDULE OF NON-CURRENT ASSETS
FOR THE YEAR ENDED JUNE 30, 2014

Annexure - A

SL No.	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2014
		Balance as on 01.07.13	Addition during this period	Disposal/ Impairment during the period	Balance as on 30.06.14	Rate %	Balance as on 01.07.13	Adjustment during the year	Charged During the preiod	Balance as on 30.06.2014	
01	Land & Land Development	149,587,065	-	-	149,587,065	0.0%	-	-	-	-	149,587,065
02	Building & Construction	372,601,966	2,253,837	-	374,855,803	7.0%	106,142,161	-	26,239,906	132,382,067	242,473,736
03	Plant & Machineries	3,412,907,460	497,629,062	18,813,295	3,891,723,227	6.0%	861,522,194	6,613,295	216,331,905	1,071,240,804	2,820,482,423
04	Mechanical & Electrical Goods	483,663	588,600	-	1,072,263	10.0%	265,403	-	107,226	372,629	699,634
05	Office Equipments	2,932,985	70,890	-	3,003,875	15.0%	918,956	-	450,581	1,369,537	1,634,338
06	Computer & Computer Equipments	1,653,970	211,000	-	1,864,970	20.0%	1,065,103	-	372,994	1,438,097	426,873
07	Water Treatment Plant	1,170,000	-	-	1,170,000	15.0%	726,250	-	175,500	901,750	268,250
08	Furniture & Fixture	3,875,939	73,361	-	3,949,300	10.0%	1,574,910	-	394,930	1,969,840	1,979,460
09	Vehcles	12,055,920	2,826,000	-	14,881,920	20.0%	9,941,797	-	2,976,384	12,918,181	1,963,739
	June-2014	3,957,268,968	503,652,750	18,813,295	4,442,108,423		982,156,774	6,613,295	247,049,427	1,222,592,906	3,219,515,518
	June-2013	3,906,332,311	50,936,657	-	3,957,268,968		743,475,852	-	238,680,922	982,156,774	2,975,112,194

Allocation Current Year Depreciation:

Cost of Goods Sold Portion:

	Taka
Building & Construction	26,239,906
Plant & Machineries	216,331,905
Mechanical & Electrical Goods	107,226
Water Treatment Plant	175,500
Total	242,854,538

General & Amin. Portion:

Office Equipments	450,581
Computer & Computer Equipments	372,994
Furniture & Fixture	394,930
Vehcles	2,976,384
Total	4,194,889
Grand Total :	247,049,427