

Shahjibazar power Company Limited

Independent Auditor's Report
Along with Audited Financial Statements
For the year ended 30 June 2018

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

Report on the Financial Statements

We have audited the accompanying financial statements of Shahjibazar Power Company Limited ("The Company") which comprise the statement of financial position as at 30 June 2018, statement of Profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information and all related consolidated financial statements of Shahjibazar Power Company Limited including its subsidiary (together referred to as "the Group").

Management's Responsibility for the Financial Statements

Management of Shahjibazar Power Company Limited is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud and error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements including the consolidated financial statements give a true and fair view of the financial position as at 30 June 2018, and of the financial performance and cash flows for the year then ended prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB).

Other Matter

The financial statements of the Company's subsidiary, Petromax Refinery Limited (PRL), were not audited by us. The financial statements of Petromax Refinery Limited shows total assets of Taka 6,462,185,684 as on 30 June 2018 and total revenue of Taka 6,037,037,045 for the year then ended. Aziz Halim Khair Choudhury Chartered Accountants has audited the Financial Statements of Petromax Refinery Limited and expressed an unmodified opinion. Our opinion, in so far as it relates to the amounts included in respect of the company's subsidiary, is based on the audited financial statements and reports issued by subsidiary's auditor.

Report on Other Legal and Regulatory Requirements

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

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

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants


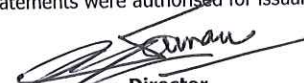
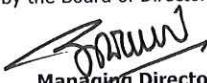

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	Notes	June 30, 2018 Taka	June 30, 2017 Taka
ASSETS:			
Non-Current Assets			
Property, Plant and Equipment	4a	5,517,729,701	5,932,098,205
Intangible Assets	5.00	606,135	745,787
Investment Accounted for using the Equity Method	6a	173,042,602	177,731,076
Other Investments	8a	539,850,471	536,973,109
		6,231,228,910	6,647,548,177
Current Assets			
Inventories	9a	1,128,458,840	785,392,635
Accounts Receivables	10a	1,427,596,071	908,417,838
Other Receivables	11a	2,503,949	512,032
Advance, Deposits and Prepayments	12a	501,009,779	507,083,848
Financial Assets at fair value through profit or loss	12b	20,201,919	24,774,556
Cash and Cash Equivalents	13a	529,762,731	508,991,093
Goods in Transit	14a	128,306,595	60,391,573
		3,737,839,884	2,795,563,575
TOTAL ASSETS		9,969,068,794	9,443,111,751
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	15.00	1,610,204,378	1,412,459,981
Share Premium	16.00	914,920,000	914,920,000
Tax Holiday Reserve	16a	850,711,042	701,982,235
Retained Earnings	17a	1,930,578,727	1,842,601,393
		5,306,414,146	4,871,963,609
Non-controlling interests			
Total equity		5,586,068,168	5,130,304,073
Non-Current Liabilities			
Long Term Loan- Net of Current Maturity	18a	167,217,657	350,426,500
Loan from other than Bank	18b	89,364	12,500,000
Deferred Tax Liabilities	19a	24,808,520	25,746,215
		192,115,541	388,672,715
Current Liabilities			
L/C Liabilities	20a	90,345,074	65,026,521
Short Term Loan	21a	3,628,529,390	3,130,570,723
IPO Application Amount	22a	6,084,318	6,084,318
Long Term Loan - Current Maturity	23a	194,599,119	510,047,371
Sundry Creditors	24a	145,268,525	124,046,922
Liabilities for Expenses	25a	19,884,836	11,495,521
Unclaimed Dividend	25b	9,211,728	10,141,045
Trade Payable	26a	96,962,095	66,722,544
Total liabilities		4,383,000,625	4,312,807,679
TOTAL EQUITY AND LIABILITIES		9,969,068,793	9,443,111,751
Net Asset Value Per Share (NAVPS)		32.95	34.49

CONTINGENT LIABILITIES & COMMITMENTS

37 & 38


The financial statements were authorised for issuance by the Board of Directors on 24 October 2018.

 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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants

SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	Notes	June 30, 2018 Taka	June 30, 2017 Taka
ASSETS:			
Non-Current Assets			
Property, Plant and Equipment	4.00	4,056,630,337	4,321,960,176
Investment Accounted for using the Equity Method	6.00	2,443,737,263	2,707,255,991
Investment in Subsidiary	7.00	173,042,602	177,731,076
Other Investments	8.00	900,000,000	900,000,000
		539,850,471	536,973,109
Current Assets			
Inventories	9.00	568,252,773	450,457,647
Accounts Receivables	10.00	122,610,952	132,208,155
Other Receivables	11.00	290,111,349	222,267,768
Advance, Deposits and Prepayments	12.00	2,503,949	512,032
Cash and Cash Equivalent	13.00	38,492,208	39,610,868
Goods In Transit	14.00	55,120,219	46,319,577
		59,414,096	9,539,247
TOTAL ASSETS		4,624,883,110	4,772,417,823
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	15.00	3,516,788,848	3,274,160,328
Share Premium	16.00	1,610,204,378	1,412,459,981
Retained Earnings	17.00	914,920,000	914,920,000
		991,664,470	946,780,347
Non-Current Liabilities			
Long Term Loan- Net of Current Maturity	18.00	164,014,924	310,016,228
Deferred Tax Liabilities	19.00	139,206,404	284,270,013
		24,808,520	25,746,215
Current Liabilities			
L/C Liabilities	20.00	944,079,337	1,188,241,268
Short Term Loan	21.00	82,677,127	58,040,125
IPO Application Amount	22.00	454,666,390	556,819,339
Long Term Loan - Current Maturity	23.00	6,084,318	6,084,318
Sundry Creditors	24.00	182,096,793	412,976,929
Liabilities for Expenses	25.00	115,778,239	80,648,188
Unclaimed Dividend	25b	5,601,319	3,436,738
Trade Payable	26.00	9,211,728	10,141,045
		87,963,424	60,094,587
Total Liabilities		1,108,094,262	1,498,257,496
TOTAL EQUITY AND LIABILITIES		4,624,883,110	4,772,417,823
Net Asset Value Per Share (NAVPS)		21.84	23.18

CONTINGENT LIABILITIES & COMMITMENTS

37 & 38

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



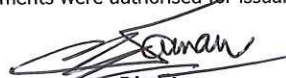
SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	Notes	For the Year Ended	
		June 30, 2018 Taka	June 30, 2017 Taka
Revenue	27a	7,384,769,136	8,642,556,150
Cost of Sales	28a	5,832,546,927	6,889,320,961
Gross Profit		1,552,222,209	1,753,235,189
Operating Expenses:			
General and Administrative Expenses	29a	200,782,071	163,660,120
Financial Expenses	30a	365,281,173	393,221,618
Operating Profit		986,158,965	1,196,353,450
Non-Operating Income	31a	24,253,990	23,418,064
Share of Profit From Associate	32a	(4,688,473)	42,696,087
Net Profit before Tax and WPPF		1,005,724,482	1,262,467,601
Workers' Profit Participation Fund	33a	56,463,071	66,546,076
Net Profit before Tax		949,261,411	1,195,921,525
Income Tax Expenses:	34a	247,503,719	246,026,743
Current Tax		248,441,414	237,487,526
Deferred Tax		(937,695)	8,539,217
Net profit after Tax		701,757,692	949,894,782
Other Comprehensive Income		-	-
Total Comprehensive Income		701,757,692	949,894,782
Profit Attributable to			
Equity holders' of the parent		660,444,134	886,379,275
Non Controlling Interest		41,313,557	63,515,507
		701,757,692	949,894,782
Total Comprehensive Income Attributable to:			
Equity holders' of the parent		660,444,134	886,379,275
Non Controlling Interest		41,313,557	63,515,507
		701,757,692	949,894,782
Earnings Per Share (EPS)	35a	4.10	5.50

The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018



ACNABIN
Chartered Accountants

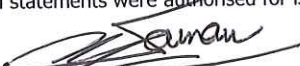


SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	Notes	For the Year Ended	
		June 30, 2018 Taka	June 30, 2017 Taka
Revenue from Sales	27.00	1,347,732,091	1,314,173,261
Cost of Sales	28.00	738,992,074	718,436,382
Gross Profit		608,740,017	595,736,879
Operating Expenses:			
General and Administrative Expenses	29.00	59,507,835	58,737,895
Financial Expenses	30.00	77,197,746	97,892,026
Operating Profit		472,034,435	439,106,958
Non-Operating Income	31.00	176,453,195	135,393,832
Share of Profit of Investment Accounted for using Equity Method	32.00	(4,688,473)	42,696,087
Net Profit before Tax and WPPF		643,799,157	617,196,876
Less: Workers' Profit Participation Fund	33.00	30,657,103	29,390,327
Net Profit before Tax		613,142,055	587,806,548
Income Tax Expenses:	34.00	144,519,937	138,066,832
Current Tax		145,457,632	129,527,615
Deferred Tax		(937,695)	8,539,217
Net profit after Tax		468,622,117	449,739,716
Other Comprehensive Income		-	-
Total Comprehensive Income		468,622,117	449,739,716
Earnings Per Share (EPS)	35.00	2.91	2.79

The accompanying notes form an integral part of the financial statements
The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	JUNE 30, 2018	JUNE 30, 2017
	Taka	Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	6,865,590,903	8,817,829,593
Cash paid to suppliers, employees	(5,705,094,758)	(6,178,576,102)
Cash Paid for operational Expenses	(180,503,086)	(96,335,476)
Cash received from Other Activities	38,723,313	7,104,426
Cash paid for Workers Profit Participation Fund	(29,390,327)	(37,893,509)
Income Tax Paid	(216,376,140)	(218,635,673)
Cash payment for Financial Expenses	(365,281,173)	(371,195,269)
Net Cash flows from operating activities	407,668,732	1,922,297,991
B CASH FLOWS IN INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(131,769,800)	(258,774,374)
Disposal of Fixed Assets	7,782,046	225,000
Investment in Quoted Securities	-	(8,550,890)
Other Investment	(2,877,362)	56,034,724
Net cash used in investing activities	(126,865,116)	(211,065,540)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	497,958,667	386,204,958
IPO Application Amount	-	(20,000)
Payment of L/C Liabilities	-	(1,003,189,074)
Payment of Dividend	(246,922,914)	(436,937,821)
Loan Other Than Bank and Financial Institutes	(12,410,636)	(54,822,967)
Bank Loan (Long Term)	(498,657,095)	(638,914,195)
Net cash used in financing activities	(260,031,978)	(1,747,679,099)
D Net Cash for the year (A+B+C)	20,771,638	(36,446,648)
E Opening cash and bank balance	508,991,093	545,437,741
F Closing cash and cash equivalents (D+E)	529,762,731	508,991,093
G Net Operating Cash Flow per share	2.53	13.61

The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	June 30, 2018 Taka	June 30, 2017 Taka
A CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipt from customers	1,279,888,510	1,386,474,614
Cash paid to suppliers, employees	(447,987,870)	(485,400,852)
Cash Paid for operational Expenses	(50,408,993)	(34,947,049)
Cash received from Other Activities	10,922,518	2,897,537
Cash paid for Workers Profit Participation Fund	(29,390,327)	(37,893,509)
Income Tax Paid	(113,392,358)	(110,675,762)
Cash Paid for Financial Expenses	(77,197,746)	(94,683,021)
Net Cash flows from operating activities	572,433,734	625,771,958
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property plant and equipment	(37,236,122)	(58,440,790)
Disposal of Fixed Assets	1,500,000	225,000
Dividend Received from Subsidiary	180,000,000	135,000,000
Other Investment	(2,877,362)	56,034,724
Net cash flow from investing activities	141,386,516	132,818,934
C CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Loan (Short Term)	(86,234,390)	(15,814,170)
IPO Application Amount	-	(20,000)
Dividend Paid	(226,922,914)	(421,937,821)
Loan & Advance (Subsidiary & Associate)	(15,918,559)	-
Bank Loan (Long Term)	(375,943,745)	(295,019,462)
Net cash used financing activities	(705,019,608)	(732,791,453)
D Net Cash inflow/(outflow) for the year (A+B+C)	8,800,642	25,799,439
E Opening Cash & Cash Equivalent	46,319,577	20,520,138
F Closing Cash & Cash Equivalent	55,120,219	46,319,577
G Net Operating Cash Flow per share	3.56	4.43

The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
Balance as at July 01, 2017	1,412,459,981	701,982,235	914,920,000	1,842,601,393	4,871,963,609	258,340,464	5,130,304,073
Net profit (After Tax) for the period	-	-	-	660,444,134	660,444,134	41,313,557	701,757,692
Bonus Share/Stock Dividend	197,744,397	-	-	(197,744,397)	-	-	-
Cash Dividend Paid	-	-	-	(225,993,597)	(225,993,597)	(20,000,000)	(245,993,597)
Tax Holiday Reserve	-	148,728,807	-	(148,728,807)	-	-	-
Balance as at June 30, 2018	1,610,204,378	850,711,042	914,920,000	1,930,578,727	5,306,414,146	279,654,021	5,586,068,168

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

Particulars	Attributable to share holders' equity					Non Controlling Interests	Total Equity
	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earning	Total		
Balance as at July 01, 2016	1,371,320,370	473,326,411	914,920,000	1,637,413,664	4,396,980,445	209,824,957	4,606,805,402
Net profit (After Tax) for the year	-	-	-	886,379,275	886,379,275	63,515,507	949,894,781
Bonus Share/Stock Dividend	41,139,611	-	-	(41,139,611)	-	-	-
Cash Dividend Paid	-	-	-	(411,396,111)	(411,396,111)	(15,000,000)	(426,396,111)
Tax Holiday Reserve	-	228,655,824	-	(228,655,824)	-	-	-
Balance as at June 30, 2017	1,412,459,981	701,982,235	914,920,000	1,842,601,393	4,871,963,609	258,340,464	5,130,304,072

The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2017	1,412,459,981	914,920,000	946,780,347	3,274,160,328
Net profit for the year	-	-	468,622,117	468,622,117
Bonus Share/Stock Dividend	197,744,397	-	(197,744,397)	-
Cash Dividend	-	-	(225,993,597)	(225,993,597)
Balance as at June 30, 2018	1,610,204,378	914,920,000	991,664,470	3,516,788,848

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

Particulars	Share Capital	Share Premium	Retained Earning	Total Equity
Balance as at July 01, 2016	1,371,320,370	914,920,000	949,576,353	3,235,816,723
Net profit for the year	-	-	449,739,716	449,739,716
Bonus Share/Stock Dividend	41,139,611	-	(41,139,611)	-
Cash Dividend	-	-	(411,396,111)	(411,396,111)
Balance as at June 30, 2017	1,412,459,981	914,920,000	946,780,347	3,274,160,328


The accompanying notes form an integral part of the financial statements

The financial statements were authorised for issuance by the Board of Directors on 24 October 2018


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.

Dhaka,
24 October 2018


ACNABIN
Chartered Accountants



SHAHJIBAZAR POWER COMPANY LIMITED
Notes to the Financial Statements
As on and for the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

1. Status of the Reporting Entity

1.1. Corporate History:

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

1.2. Nature of business

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

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

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

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

1.3. Description of Subsidiary

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

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

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

**1.4. Description of Associate**

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

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

2. Basis of Preparation:**2.1. Statement of Compliance**

The financial statements of Shahjibazar Power Company Limited have been prepared in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2. Application of Standards

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

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 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
IAS 39	Financial Instrument: Recognition and measurement
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 10	Consolidated Financial Statements
IFRS 12	Disclosure of Interests in other Entities
IFRS 13	Fair Value Measurement

2.3. Date of authorization

The consolidated financial statements as well as separate financial statements were authorized by the Board of Directors on 24 October 2018 for publication.

**2.4. Measurement bases used in Preparing the Financial Statements**

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

2.5. Use of estimates and judgments

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

2.6. Accounting Convention and basis

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

2.7. Functional and presentational currency and level of precision

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

2.8. Reporting period

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

2.9. Components of the Financial Statements

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

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

3. Principal Accounting Policies:

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

3.1. Basis of consolidation**3.1.1. Subsidiary**

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



Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of Shahjibazar Power Co. Ltd. interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

3.2. Property, Plant and Equipment

3.2.1. Recognition and Measurement

Items of Property, Plant and Equipment (PPE) are initially measured at cost. After initial recognition, an item of PPE is carried at cost less accumulated depreciation and impairment losses in compliance with the requirements of 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 month on which the asset comes into use or being capitalized. Other items of property, plant and equipment continue to be depreciated for a full year of capitalization respective of the date on which the asset comes into use or being capitalized.

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

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

3.2.4. Subsequent Costs

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

**3.2.5. Capitalization of Borrowing Cost**

Borrowing cost relating to acquisition of fixed assets is capitalized as per 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, 2018 have been valued at lower of cost and net realizable value in accordance with IAS -2 "Inventories" after making due allowance for any obsolete or slow moving items.

3.6. Accounts Receivables

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

3.7. Advance, Deposits and Prepayments

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

3.8. Investment in shares of listed companies

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

3.9. Cash and Cash Equivalents

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

3.10. Other Current Assets

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



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

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

3.12. Taxation

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

Current Tax

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

Deferred Tax

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

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

3.13. Provisions

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

3.14. Revenue Recognition

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 IAS 18 "Revenue".

3.15. Foreign Currency

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

3.16. Finance Income and Expenses

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

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

**ACNABIN**

Chartered Accountants

3.17. Earnings Per Share (EPS)

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

Basic earnings

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

Basic earnings per share

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

Weighted average number of ordinary shares outstanding during the year

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

Diluted earnings per share

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

3.18. Cash flows statement

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

3.19. Workers Profit Participation Fund (WPPF)

The company has been providing worker profit participation fund for its employees in accordance with provisions of Bangladesh Labor Act 2006. Section-232(1)

3.20. Responsibility for Preparation and Presentation of Financial Statements:

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

3.21. Risk and uncertainties for the use of estimates

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates.



Estimates are used for accounting of certain items such as depreciation and amortization, taxes, reserves and contingencies.

3.22. Related Party Transactions

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

3.23. Comparative Amounts

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

3.24. Segment Reporting

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

3.25. Measurement of Fair Values

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

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of 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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4.00 PROPERTY, PLANT AND EQUIPMENT:
Cost

Cost at July 01, 2017
Addition during the year
Disposal during the year
Cost at June 30, 2018

June 30, 2018 Taka	June 30, 2017 Taka
4,746,249,524	4,689,082,734
37,236,124	58,440,790
(35,973,924)	(1,274,000)
<u>4,747,511,724</u>	<u>4,746,249,524</u>

Accumulated Depreciation

Balance at July 01, 2017
Charged during the year
Adjustment during the year
At June 30, 2018

2,038,993,534	1,758,147,113
282,793,611	282,120,421
(18,012,684)	(1,274,000)
<u>2,303,774,461</u>	<u>2,038,993,534</u>

Carrying Value at June 30, 2018

<u>2,443,737,263</u>	<u>2,707,255,991</u>
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LEASEHOLD/FREEHOLD STATUS (at carrying value)

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

-	-
2,443,737,263	2,707,255,991
<u>2,443,737,263</u>	<u>2,707,255,991</u>

For details breakup please refer to Annexure - A

4a Consolidated Property, Plant and Equipment

Shahjibazar Power Company Limited
Petromax Refinery Limited

2,443,737,263	2,707,255,991
3,073,992,438	3,224,842,214
<u>5,517,729,701</u>	<u>5,932,098,205</u>

5.00 Consolidated Intangible Assets

Shahjibazar Power Company Limited
Petromax Refinery Limited

-	-
606,135	745,787
<u>606,135</u>	<u>745,787</u>

6.00 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Initial Investment in Midland Power Co. Ltd.
Share of Post Acquisition Change in Net Asset 6.01

49,000,000	49,000,000
124,042,602	128,731,076
<u>173,042,602</u>	<u>177,731,076</u>

6.01 Share of Post Acquisition Changes in Net Asset

Opening Balance
Share of net profit for the this Period
Interim dividend declared and paid

128,731,076	86,034,989
(4,688,473)	42,696,087
-	-
<u>124,042,602</u>	<u>128,731,076</u>

6a Consolidated Investment Accounted for using the Equity Method

Initial Investment
Share of Post Acquisition Changes in Net Asset

49,000,000	49,000,000
124,042,602	128,731,076
<u>173,042,602</u>	<u>177,731,076</u>

June 30, 2018 Taka	June 30, 2017 Taka
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6c Nature of Investment in Associate:

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

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

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

Summarised financial information for associate
Summarised Balance Sheet:

	June 30, 2018	June 30, 2017
Current:		
Cash & Cash Equivalents	10,796,886	48,368,232
Other Current Assets (excluding cash)	320,765,216	210,460,988
Total Current Assets	331,562,102	258,829,220
Financial liabilities (excluding trade payables)	1,304,658,936	191,427,098
Other current liabilities	89,013,727	88,528,579
Total Current Liabilities	1,393,672,663	279,955,677
Non-Current:		
Assets	3,302,667,718	2,406,039,106
Total Non-Current Assets	3,302,667,718	2,406,039,106
Financial Liabilities	1,018,629,805	1,142,196,168
Other Liabilities	-	-
Total Non-Current Liabilities	1,018,629,805	1,142,196,168
Net Assets	1,221,927,348	1,242,716,481

Summarised Statement of Comprehensive Income

Revenue	599,856,084	633,647,718
Cost of Revenue	438,622,472	421,746,993
Other Expenses	170,479,347	76,819,240
Income Tax Expense	322,578	-
Post tax profit from continuing operations	(9,568,313)	87,134,871
Other Comprehensive Income	-	-
Total Comprehensive Income	(9,568,313)	87,134,871

7.00 INVESTMENT IN SUBSIDIARY:

Petromax Refinery Limited

900,000,000	900,000,000
900,000,000	900,000,000

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

8.00 OTHER INVESTMENTS:

Investment In Mudaraba Term Deposit
Investment In Associate over share capital as advance

8.01 Investment in Mudaraba Term Deposit

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

Lien Status:

Under Lien (Against Short Term Loan)
Free from Lien

8a Consolidated Other Investment

Shahjibazar Power Company Limited
Petromax Refinery Limited

9.00 INVENTORIES

Oil & Lubricant
Spare parts and others

	June 30, 2018 Taka	June 30, 2017 Taka
8.01	108,650,471	105,773,109
	431,200,000	431,200,000
	539,850,471	536,973,109
	100,226,335	97,919,107
	8,424,136	7,854,003
	108,650,471	105,773,109
	59,892,230	59,892,230
	48,758,241	45,880,879
	108,650,471	105,773,109
	539,850,471	536,973,109
	539,850,471	536,973,109
	7,824,380	2,324,696
	114,786,572	129,883,459
	122,610,952	132,208,155

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

Items	Measurement Unit	Quantity	Value
Oil & Lubricant	Drum	144	7,796,380
	Liter	22	21,200
	Can	6	6,800
Spare Parts & Others	Pieces	60,540	83,665,668
	Packet	145	697,450
	Set	44	475,250
	Roll	2	1,800
	Rim	5	1,250
	Rft	19,541	22,954,500
	Pairs	125	345,221
	Book	168	17,460
	Box	75	6,246,530
	Kgs	28	82,758
	Lbs	1	1,650
	Mtr	265	297,035
Total			122,610,952

9a Consolidated Inventories

Shahjibazar Power Company Limited
Petromax Refinery Limited

122,610,952	132,208,155
1,005,847,888	653,184,480
1,128,458,840	785,392,635

10.00 ACCOUNTS RECEIVABLES

Bangladesh Power Development Board (BPDB)

Ageing Status of Accounts Receivables

Less than six months
More than six months

290,111,349	222,267,768
290,111,349	222,267,768
290,111,349	222,267,768

10a Consolidated Accounts Receivables:

Shahjibazar Power Company Limited
Petromax Refinery Limited

June 30, 2018 Taka	June 30, 2017 Taka
290,111,349	222,267,768
1,137,484,722	686,150,070
1,427,596,071	908,417,838

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

11.00 OTHER RECEIVABLES:

Interest on Mudaraba Term Deposit-IFIL
Interest on Mudaraba Term Deposit-IBBL
Md. Shariful Islam

319,122	304,184
1,184,827	207,848
1,000,000	-
2,503,949	512,032

11a Consolidated Other Receivables:

Shahjibazar Power Company Limited
Petromax Refinery Limited

2,503,949	512,032
2,503,949	512,032

12.00 ADVANCE, DEPOSITS AND PREPAYMENTS:

Advance 12.01
Deposits 12.02
Prepayments 12.03

754,741	785,991
17,521,116	14,673,190
20,216,351	24,151,687
38,492,208	39,610,868

12.01 Advances:
Advance Income Tax:

Opening Balance
Add: During this period
Adjusted with Non-Operating Income Tax Payable

-	3,682,623
9,398	75,000
(9,398)	(3,757,623)
-	-

Advance to Others :

Linde Bangladesh Ltd.
Assign Engineering Ltd.
Energypac Engineering Ltd.
M/S Chunnu Enterprise
Olympia Machinery Store
Youth Garments Ltd (C&F).
UMS Centre

408,250	-
-	30,000
-	105,000
-	53,625
-	14,100
-	31,000
-	20,000
408,250	253,725

Advance to Staffs:

Mr. A.F.M Sarwar Jahan/Tamiz Uddin
Mr. Tarekul Islam
Mr. Faridur Rahman
Mr. Kazi Mamunur Rashid
Others

132,048	327,879
142,388	102,854
5,802	49,384
62,145	-
4,108	52,149
346,491	532,266
754,741	785,991

Total Advances :

12.02 Deposits :

Central Depository Bangladesh Ltd.(CDBL)
Power Development Board (Hobigonj)
Bank Guarantee margin - IBBL
Letter of credit margin - IBBL

Total Deposits :

June 30, 2018 Taka	June 30, 2017 Taka
500,000	500,000
72,660	72,660
12,243,456	11,530,530
4,705,000	2,570,000
17,521,116	14,673,190

12.03 Pre-Payments:

Pre-paid Insurance
Pre-paid Security Guard Bill
Pre-paid Interest on MPI Loan
Pre-paid Interest-Bai Murabaha TR Loan
Pre-paid BG Commission

Total Prepayments :

4,679,139	4,976,594
-	679,574
2,853,660	-
10,570,233	17,249,718
2,113,319	1,245,801
20,216,351	24,151,687

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

Ageing Status of Advance, Deposits & Prepayments

Less than One Year
More than One Year

38,492,208	39,610,868
-	-
38,492,208	39,610,868

12a Consolidated Advance, Deposits and Prepayments:

Shahjibazar Power Company Limited
Petromax Refinery Limited
Less : Loan from Petromax Refinery Limited

38,492,208	39,610,868
680,517,571	701,391,539
(218,000,000)	(233,918,559)
501,009,779	507,083,848

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

Shahjibazar Power Company Limited
Petromax Refinery Limited

-	-
20,201,919	24,774,556
20,201,919	24,774,556

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

ACI Limited	-	684,363
AB Bank Ltd.	967,200	233,888
Active Fine Chemicals Limited	252,000	354,900
Aman Feed Ltd.	1,108,800	370,000
Appollo Ispat Complex Limited.	462,000	721,000
Bay Leasing & Investment Ltd.	2,152,500	2,490,000
Bangladesh Thai Aluminium Ltd	-	697,500
BBS Cables Ltd.	1,386,240	-
Bangladesh Steel Re-Rolling Mills Limited	1,401,400	1,749,800
CVO Petrochemical Refinery Limited	1,332,752	1,662,570
The City Bank Ltd.	917,280	935,000
City General Insurance Company Ltd.	-	360,800
Dhaka Electric Supply Company Limited	256,389	303,891
Dutch-Bangla Bank Limited	607,000	-
Evince Textiles Ltd.	-	345,780
EXIM Bank Limited	696,150	-
Far Chemicals Industries Ltd.	173,800	257,000
GPH Ispat Ltd.	385,350	443,000
Ifad Autos Ltd.	-	2,023,500
Islamic Finance & Investment Ltd.	-	159,250
IFIC Bank Limited	391,160	-

	June 30, 2018 Taka	June 30, 2017 Taka
KDS Accessories Ltd.	-	190,250
Jamuna Bank Limited	1,472,979	-
Lafarge Surma Cement Limited	-	629,000
Lafarge Holcim Bangladesh Limited	564,000	-
Lankabangla Finance Ltd.	-	557,000
MJL Bangladesh Ltd.	-	607,500
Nahee Aluminum Composite Panel Ltd.	604,500	-
National Polymar Industries Ltd.	1,955,923	1,924,930
One Bank Limited	866,250	-
Premier Leasing & Finance Ltd.	213,465	477,500
RAK Ceramics (Bangladesh) Limited	260,150	316,800
Saiham Cotton Mills Ltd.	-	352,000
Shahjalal Islami Bank Ltd.	-	422,625
Shepherd Industries Ltd.	-	710,630
Union Capital Ltd.	1,023,750	894,080
Uttara Bank Ltd.	750,880	-
Western Marine Shipyard Ltd.	-	3,900,000
	20,201,919	24,774,556

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

13.00 CASH AND CASH EQUIVALENT:

Cash in Hand

Cash at Bank:

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

	50,288	30,486
	55,069,931	46,289,091
	96,351	96,351
	31,778	31,778
	780	780
	14,815,117	14,411,411
	4,747,792	27,120,153
	3,540,297	630,779
	17,833,216	3,992,089
	4,600	5,750
	14,000,000	-
	55,120,219	46,319,577

13a Consolidated Cash and Cash Equivalent

Shahjibazar Power Company Limited
Petromax Refinery Limited

55,120,219	46,319,577
474,642,512	462,671,516
529,762,731	508,991,093

14.00 GOODS IN TRANSIT:

Parts of Plant & Machinery

59,414,096	9,539,247
59,414,096	9,539,247

14a Consolidated Goods in Transit

Shahjibazar Power Company Limited
Petromax Refinery Limited

59,414,096	9,539,247
68,892,499	50,852,326
128,306,595	60,391,573

15.00 SHARE CAPITAL:

Authorized :

500,000,000 shares @ Tk.10.00 each

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

16,10,20,438 shares @ Tk.10.00 each

1,610,204,378	1,412,459,981
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June 30, 2018 Taka	June 30, 2017 Taka
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Movement of Share Capital:

Opening Balance	1,412,459,981	1,371,320,370
Add: Bonus Share issued (14%)	197,744,397	41,139,611
	1,610,204,378	1,412,459,981

Shareholding position was as follows:

Name of Shareholders	% of Shareholding 30-Jun-18	% of Shareholding 30-Jun-17
Mr. Rezakul Haider	8.60%	9.71%
Mr. Feroz Alam	8.03%	8.96%
Mr. Anis Salahuddin Ahmad	8.91%	9.84%
Mr. A.K.M.Badiul Alam	7.57%	7.57%
Md. Samsuzzaman	11.36%	11.36%
Ms. Shahida Alam	3.79%	3.79%
Md. Akbor Haider	3.12%	3.43%
Mr. Faridul Alam	2.98%	3.43%
Mr. Rezina Alam	3.12%	3.43%
Mr. Faisal Alam	3.43%	3.43%
Mr. Asgor Haider	3.00%	3.43%
Ms. Israt Azim Ahmad	3.12%	3.43%
General Public	32.98%	28.18%
	100%	100%

Classification of Shareholders by holding:

Class by number of shares	Number of Shareholders		Percentage of Shareholding	Percentage of Shareholding
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
Less than 500 Shares	4,648	4,799	48.82%	55.63%
501 to 5,000 shares	3793	3376	39.84%	35.29%
5,001 to 10,000 shares	463	433	4.86%	3.59%
10,001 to 20,000 Shares	267	245	2.80%	2.40%
20,001 to 30,000 Shares	110	92	1.16%	1.17%
30,001 to 40,000 Shares	38	38	0.40%	0.43%
40,001 to 50,000 Shares	34	35	0.36%	0.30%
50,001 to 100,000 Shares	85	63	0.89%	0.48%
100,001 to 1,000,000 Shares	65	53	0.68%	0.55%
Over 1,000,000 Shares	18	14	0.19%	0.16%
	9,521	9,148	100%	100%

Name of the Directors and their Shareholding position:

Name of the Directors	No. of Shareholding 30-Jun-18	No. of Shareholding 30-Jun-17
Mr. Rezakul Haider	13,842,418	13,721,420
Mr. Feroz Alam	12,923,317	12,652,033
Mr. Anis Salahuddin Ahmad	14,348,317	13,902,033
Mr. A.K.M.Badiul Alam	12,191,014	10,693,872
Md. Samsuzzaman	18,286,521	16,040,808
Total :	71,591,587	67,010,166

16.00 SHARE PREMIUM:

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

16a Consolidated Tax Holiday Reserve

Shahjibazar Power Company Limited
Petromax Refinery Limited

June 30, 2018	June 30, 2017
Taka	Taka

-	-
850,711,042	701,982,235
850,711,042	701,982,235

17.00 RETAINED EARNING:

Opening Balance
Add: Net profit for this year
Less: 16% Cash Dividend
Less: 14% Stock Dividend

946,780,347	949,576,353
468,622,117	449,739,716
(225,993,597)	(411,396,111)
(197,744,397)	(41,139,611)
991,664,470	946,780,347

17a Consolidated Retained Earning

Opening Balance
Net Profit for the period
Bonus Share/Stock Dividend
Cash Dividend Paid
Transfer to Tax Holiday Reserve

1,842,601,393	1,637,413,664
660,444,134	886,379,275
(197,744,397)	(41,139,611)
(225,993,597)	(411,396,111)
(148,728,807)	(228,655,824)
1,930,578,727	1,842,601,393

18.00 LONG TERM LOAN - NET OF CURRENT MATURITY

Islami Bank Bangladesh Limited
Eastern Bank Limited

-	17,261,131
139,206,404	267,008,882
139,206,404	284,270,013

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

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

Islami Bank Bangladesh Limited
Name of the facility: HPSM (Project)

Purpose of Loan: To import equipment/accessories for the existing power plant.

Mode of Repayment: Monthly installment

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

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

Name of facility 432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal Working Capital

Purpose of Loan: To procure spare parts, lube oil etc. for the existing power plant

Mode of Repayment: Deal to deal basis as per bank's standard norms

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

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

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

June 30, 2018 Taka	June 30, 2017 Taka
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Eastern Bank Limited

Name of the facility: Term Loan
Purpose of Loan: To takeover the loan from Islami Bank Bangladesh Limited
Mode of Repayment: Monthly installment
Tonor: 4 (Four) Years

18a Consolidated Long Term Loan- Net of Current Maturity

Shahjibazar Power Company Limited	139,206,404	284,270,013
Petromax Refinery Limited	28,011,253	66,156,487
	167,217,657	350,426,500

18b Consolidated Loan from other than Bank

Shahjibazar Power Company Limited	-	-
Petromax Refinery Limited	89,364	12,500,000
	89,364	12,500,000

19.00 DEFERRED TAX LIABILITIES:

Investment in associates carrying value	173,042,602	177,731,076
Investment in associates tax base	49,000,000	49,000,000
Taxable temporary Difference	124,042,602	128,731,076
Deferred tax liabilities at 20%	24,808,520	25,746,215

19a Consolidated Deferred Tax Liabilities

Shahjibazar Power Company Limited	24,808,520	25,746,215
Petromax Refinery Limited	-	-
	24,808,520	25,746,215

20.00 L/C LIABILITIES:

Liabilities for Letter of Credit	82,677,127	58,040,125
	82,677,127	58,040,125

20a Consolidated LC Liabilities

Shahjibazar Power Company Limited	82,677,127	58,040,125
Petromax Refinery Limited	7,667,947	6,986,396
	90,345,074	65,026,521

21.00 SHORT TERM LOAN:

QTDR - Islami Bank Bangladesh Ltd.	59,917,690	59,892,230
Bai Murabaha TR-IBBL	132,505,255	-
MPI Loan-IBBL	44,201,344	209,320,789
Comfit Composite Knit Ltd.	-	53,649,500
Youth Fashion Ltd.	32,101	38,261
Youth Garments Ltd.	10,000	-
Petromax Refinery Ltd.	218,000,000	233,918,559
	454,666,390	556,819,339

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

21a Consolidated Short Term Loan

Shahjibazar Power Company Limited	454,666,390	556,819,339
Petromax Refinery Limited	3,391,863,000	2,807,669,943
Less: Intercompany Loan	(218,000,000)	(233,918,559)
	3,628,529,390	3,130,570,723

22.00 IPO APPLICATION AMOUNT:

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

22a Consolidated IPO Application Amount

Shahjibazar Power Company Limited
Petromax Refinery Limited

June 30, 2018	June 30, 2017
Taka	Taka
6,084,318	6,084,318

6,084,318	6,084,318
-	-
6,084,318	6,084,318

23.00 LONG TERM LOAN - CURRENT MATURITY:

Islami Bank Bangladesh Limited
Eastern Bank Limited

17,425,640	248,305,776
164,671,153	164,671,153
182,096,793	412,976,929

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

23a Consolidated Long Term Loan- Current Maturity

Shahjibazar Power Company Limited
Petromax Refinery Limited

182,096,793	412,976,929
12,502,326	97,070,442
194,599,119	510,047,371

24.00 SUNDRY CREDITORS:

Al-Amin Trading Organization
Aamra Networks Ltd
Amicus Curiae
Arthosuchak
Amber IT Ltd.
Clarke Enery Bangladesh Ltd.
Square Pharmaceuticals Ltd.
Smart Printing Solutions Ltd.
Inspace Atelier
Orient Energy Systems Ltd. Bangladesh
Global Digital mart Ltd.
Provision for WPPF
Payable for Current Tax

24.01

600	-
5,000	20,000
15,000	15,000
-	80,000
11,841	11,841
-	92,000
10,200	10,200
2,549	-
2,000,000	-
1,319,382	1,319,382
-	8,750
47,589,413	46,322,638
64,824,254	32,768,378
115,778,239	80,648,188

24.01 Payable for Current Tax

Sales Tax at Source
Previous year Income Tax Payable
Tax on non-operating income
Tax on Dividend
Total Payable
Tax paid during this period

TDS adjustment

107,295,209	102,987,976
32,768,378	17,674,147
2,162,423	(460,360)
36,000,000	27,000,000
178,226,010	147,201,763
(113,392,358)	(110,675,762)
64,833,652	36,526,001
(9,398)	(3,757,623)
64,824,254	32,768,378

	June 30, 2018 Taka	June 30, 2017 Taka
24a Consolidated Sundry Creditors		
Shahjibazar Power Company Limited	115,778,239	80,648,188
Petromax Refinery Limited	29,490,286	43,398,733
	145,268,525	124,046,922
25.00 LIABILITIES FOR EXPENSES:		
Salary & Allowance	4,114,819	2,043,363
Directors Remuneration	500,000	500,000
Audit Fees	759,000	759,000
Office Rent	-	134,375
Credit Rating Fee	172,500	-
Car Maintenance	55,000	-
	5,601,319	3,436,738
25a Consolidated Liabilities for Expenses		
Shahjibazar Power Company Limited	5,601,319	3,436,738
Petromax Refinery Limited	14,283,517	8,058,783
	19,884,836	11,495,521
25b Unclaimed Dividend		
Dividend Payable	9,211,728	10,141,045
	9,211,728	10,141,045
Subsequent to the year end maximum portion of unclaimed dividend has been claimed and disbursed accordingly.		
26.00 TRADE PAYABLE:		
Orient Energy Systems Ltd.	65,200	65,200
Clarke Energy Bangladesh Ltd.	115,000	-
MJL Bangladesh Limited	5,187,260	11,627,460
Bluse Star Communications	5,000	-
Jalalabad Gas Transmission and Distribution Systems Ltd.	82,567,160	47,906,281
Aqua Care Trading	-	172,500
Alpana Tyre Corporation	-	36,400
A to Z Computer	-	4,600
Energy Plus Electric	2,000	2,000
Metro Police Store	-	130,000
HAMKO Corporation Ltd.	-	121,824
Others	21,804	28,322
	87,963,424	60,094,587
26a Consolidated Trade Payable		
Shahjibazar Power Company Limited	87,963,424	60,094,587
Petromax Refinery Limited	8,998,671	6,627,957
	96,962,095	66,722,544

27.00 REVENUE

Sales

27a Consolidated Revenue

Shahjibazar Power Company Limited
Petromax Refinery Limited

28.00 COST OF SALES:

Raw Material Consumed 28.01
Factory Overhead 28.02

28.01 Raw Material Consumed

Opening Stock
Purchase During the Year
Closing Stock

Consumption of Raw Materials:

Natural Gas Consumption (Cubic Meter)
Lube & Other Oil (Ltrs)

28.02 Factory Overhead

Salary & Allowance
Overtime
Festival Bonus
Plant & Machinery maintenance
Fuel & Lubricants for car
Diesel for Generator
Depreciation

28a Consolidated Cost of Sales

Shahjibazar Power Company Limited
Petromax Refinery Limited

29.00 GENERAL & ADMINISTRATIVE EXPENSES:

Salary & Allowance
Audit Fee
Advertisement & Publicity
Secretarial Expenses
BG Commission
Credit Rating Expenses
Carrying Inwards/C&F Charges
Gift, Donation & Subscription
Utility Bill
Entertainment
Insurance Premium
Legal & Professional Fees
Directors Remuneration 29.01
Office Maintenance
Printing, Stationary & Supplies
Registration & Renewals
Traveling & Conveyances
Training & Workshop
Civil Works Maintenance
Lease Rental
Depreciation Expenses

2017 - 2018 Taka	2016 - 2017 Taka
1,347,732,091	1,314,173,261
1,347,732,091	1,314,173,261
1,347,732,091	1,314,173,261
6,037,037,045	7,328,382,889
7,384,769,136	8,642,556,150
403,087,777	359,285,859
335,904,297	359,150,523
738,992,074	718,436,382
132,208,155	107,136,484
393,490,574	384,357,530
(122,610,952)	(132,208,155)
403,087,777	359,285,859
2018	2017
104,928,612	109,731,541
29,986	106,545
42,826,261	39,255,593
416,003	888,097
3,476,221	4,084,317
10,064,810	36,791,987
2,006,543	1,451,149
136,450	175,325
276,978,010	276,504,056
335,904,297	359,150,523
738,992,074	718,436,382
5,093,554,853	6,170,884,579
5,832,546,927	6,889,320,961
12,657,752	11,581,335
759,000	858,000
1,156,460	1,550,150
3,987,161	3,014,471
2,050,269	9,167,062
172,500	172,500
2,168,402	1,758,600
2,763,274	1,058,000
885,924	806,936
3,680,350	3,450,059
6,943,907	6,887,965
255,000	2,000
7,000,000	4,000,000
2,619,284	2,422,827
1,479,812	1,139,397
789,540	476,358
2,626,855	1,392,687
61,950	279,000
1,058,510	3,104,183
576,284	-
5,815,601	5,616,365
59,507,835	58,737,895

		2017 - 2018	2016 - 2017												
		Taka	Taka												
29.01	Discloser as per requirement of Schedule XI, Part II, Para 4														
	<table> <tr> <th>Name</th><th>Designation</th><th>June-2018</th><th>June-2017</th></tr> <tr> <td>Feroz Alam</td><td>Managing Director</td><td>7,000,000</td><td>4,000,000</td></tr> <tr> <td colspan="2">Total</td><td>7,000,000</td><td>4,000,000</td></tr> </table>	Name	Designation	June-2018	June-2017	Feroz Alam	Managing Director	7,000,000	4,000,000	Total		7,000,000	4,000,000		
Name	Designation	June-2018	June-2017												
Feroz Alam	Managing Director	7,000,000	4,000,000												
Total		7,000,000	4,000,000												
Note: Other directors are not entitled to receive remuneration and other facilities for their directorship.															
29a	Consolidated General & Administrative Expenses														
	Shahjibazar Power Company Limited	59,507,835	58,737,895												
	Petromax Refinery Limited	141,274,236	104,922,225												
		200,782,071	163,660,120												
30.00	FINANCIAL EXPENSES														
	Interest on Loan - Islami Bank Bangladesh Ltd.	39,896,225	51,373,445												
	Interest on Loan - Eastern Bank Ltd.	36,070,629	44,579,659												
	Bank Charges & Commission	1,230,892	586,092												
	Charge for Delay Payment	-	1,352,831												
		77,197,746	97,892,026												
30a	Consolidated Financial Expenses														
	Shahjibazar Power Company Limited	77,197,746	97,892,026												
	Petromax Refinery Limited	288,083,427	295,329,592												
		365,281,173	393,221,618												
31.00	NON-OPERATING INCOME:														
	Income from Bank Interest	559,158	569,572												
	Wastage Sale	3,393,399	1,542,700												
	Foreign Exchange Gain	4,426,531	58,809												
	Interest on Mudaraba Term Deposit	5,074,745	2,235,273												
	Foreign Exchange Loss	(1,329,397)	(4,237,522)												
	Gain on sale of vehicle	810,000	225,000												
	Loss on asset disposal	(17,271,240)	-												
	Income from Insurance Claim	790,000	-												
	Income from Dividend- Subsidiaries	180,000,000	135,000,000												
		176,453,195	135,393,832												
Non-Operating income increased due to receiving of Dividend from Subsidiary Company.															
31a	Consolidated Non-operating Income														
	Shahjibazar Power Company Limited	176,453,195	135,393,832												
	Petromax Refinery Limited	27,800,795	23,024,233												
	Less: Inter-company Dividend	(180,000,000)	(135,000,000)												
		24,253,990	23,418,064												
32.00	SHARE OF PROFIT FROM ASSOCIATE:														
	Net Profit of Associate company	(9,568,313)	87,134,871												
	Percentage of share holding	49%	49%												
	Share of profit from Associate	(4,688,473)	42,696,087												
32a	Consolidated Share of Profit from Associate:														
	Shahjibazar Power Company Limited	(4,688,473)	42,696,087												
	Petromax Refinery Limited	-	-												
		(4,688,473)	42,696,087												
33.00	WPPF IS BASED ON NET PROFIT BEFORE TAX @ 5%														
		30,657,103	29,390,327												
		30,657,103	29,390,327												
33a	Consolidated Workers' Profit Participant Fund:														
	Shahjibazar Power Company Limited	30,657,103	29,390,327												
	Petromax Refinery Limited	25,805,968	37,155,749												
		56,463,071	66,546,076												

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

34.00 INCOME TAX EXPENSES:
Current Tax

	2017 - 2018 Taka	2016 - 2017 Taka
Tax on Operating Income	107,295,209	102,987,976
Tax on Non-Operating Income @ 25%	2,162,423	(460,360)
Tax on Dividend Received @ 20%	36,000,000	27,000,000
	145,457,632	129,527,615

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

Deferred Tax

Deferred Tax on the Profit from Associate accounted for using Equity Method	(937,695)	8,539,217
	(937,695)	8,539,217

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

34a Consolidated Income Tax Expense

Shahjibazar Power Company Limited	145,457,632	129,527,615
Petromax Refinery Limited	102,983,782	107,959,911
	248,441,414	237,487,526

35.00 EARNINGS PER SHARE (EPS)

Net Profit After Tax	468,622,117	449,739,716
Number of share	161,020,438	141,245,998
Earnings Per Share	2.91	2.79

35a Consolidated Basic Earnings Per Share (EPS)

Profit/(Loss) attributable to equity holder of the parent	660,444,134	886,379,275
Number of share	161,020,438	141,245,998
Earnings Per Share	4.10	5.50

The significant deviation in the profitability of the company can be substantiated mainly with two reasons. Firstly, the profitability of 90% Subsidiary Petromax Refinery Limited was declined due to lower capacity production caused by lesser availability of raw materials from the government. Secondly, net loss was reported by the 49% Associate Midland Power Co. Ltd. caused by investment in a new 150 MW HFO fired power generation project from where no return still being generated till commercial operation.

36.00 CAPACITY AND UTILIZATION:

License Capacity (Unit - Kw)	753,360,000	753,360,000
Actual Utilized (Unit - Kw)	381,564,619	402,946,125
Capacity Utilize (Unit - Kw)	51%	53%

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

37.00 CONTINGENT LIABILITIES:

The Company has also Contingent Liabilities of an amount Tk. 34,05,10,880/- which was issued by Shahjibazar Power Company Limited in favour of BPDB, Commissioner of Customs, Chittagong and Jalalabad Gas Transmission & Distribution Systems Ltd, The Chief Controller of Import and Export, The Commissioner of Customs, Benapole. These contingent liabilities created due to released of capital goods from customs authority, guarantee of power sell and gas bill List of contingent liabilities are as follows:

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

		2017 - 2018 Taka	2016 - 2017 Taka
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	BG/08/91	139,816,591
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/94	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/97	4,041,046
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/98	826,644
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/100	8,082,049
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/101	9,135,058
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/105	8,750,934
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/107	45,875
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/109	8,664,228
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/08/110	420,564
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/02	35,043
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/03	8,407,253
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/10	10,619
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/13	467,247
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Ctg.	BG/09/16	20,389
Islami Bank Bangladesh Ltd.	Bangladesh Power Development Board	BG/09/25	91,500,000
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	Gas Purchase	11,249,611
Islami Bank Bangladesh Ltd.	Jalalabad Gas Transm. & Dist. Co. Ltd.	Gas Purchase	18,213,655
Islami Bank Bangladesh Ltd.	The Chief Controller of Import & Export	Export-Import Permit	1,764,000
Islami Bank Bangladesh Ltd.	Commissioner of Customs, Benapole	Custom Guarantee	1,764,000
Grand Total			340,510,880

38.00 CAPITAL EXPENDITURE COMMITMENT:

- No capital expenditure contracted or incurred provided for as at 30th June, 2018.
- There was no material capital expenditure authorized by the Board or contracted for as at 30th June, 2018.

39.00 CLAIM ACKNOWLEDGEMENT:

There was no claim against the Company not acknowledged as debt as on June 30, 2018.

40.00 EVENTS AFTER THE REPORTING PERIOD:

The Board of Directors at the Board Meeting held on 24 October 2018, has recommended to the shareholders a cash dividend @ 25% Cash i.e. Tk. 2.5 per share (amounting to Tk. 402,551,095) and stock dividend @3%. This will be considered for approval by the shareholders at the 11th Annual General Meeting (AGM) to be held on 27 January 2019.

41.00 NUMBER OF EMPLOYEES:

Total number of employees is 125 in comparison to 127 in previous year. There is no employees in the company who is entitled to get annual salary below TK. 36,000.



SHAHJIBAZAR POWER COMPANY LIMITED
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2018

Annexure - A

SL No.	Particulars	Cost			Depreciation				Balance as on 30.06.2018	Written Down Value as on 30.06.2018
		Balance as on 01.07.2017	Addition during this year	Disposal/ Impairment during the year	Balance as on 30.06.18	Rate %	Balance as on 01.07.17	Adjustment during the year	Charged During the year	
01	Land & Land Development	149,587,065	-	-	149,587,065	0%	-	-	-	149,587,065
02	Building & Construction	374,855,803	-	-	374,855,803	7%	211,101,786	-	26,239,906	137,514,111
03	Plant & Machineries	4,181,326,528	33,213,924	33,213,924	4,181,326,528	6%	1,802,294,283	15,942,684	249,930,977	2,036,282,577
04	Mechanical & Electrical Goods	1,816,263	-	-	1,816,263	10%	737,342	-	181,626	918,968
05	Office Equipment	3,390,875	855,000	-	4,245,875	15%	2,807,285	-	590,006	3,397,291
06	Computer & Computer Equipment	2,311,970	146,500	-	2,458,470	20%	2,311,970	-	9,650	2,321,620
07	Water Treatment Plant	4,170,000	-	-	4,170,000	15%	2,103,250	-	625,500	2,728,750
08	Furniture & Fixture	4,127,770	3,020,700	-	7,148,470	10%	3,192,094	-	513,295	3,705,389
09	Vehicles	24,663,250	-	2,760,000	21,903,250	20%	14,445,525	2,070,000	4,702,650	17,078,175
	June-2018	4,746,249,524	37,236,124	35,973,924	4,747,511,724		2,038,993,534	18,012,684	282,793,611	2,303,774,462
	June-2017	4,689,082,734	58,440,790	1,274,000	4,746,249,524		1,758,147,113	1,274,000	282,120,421	2,038,993,534

Allocation Current Year Depreciation:

Cost of Goods Sold Portion:

Building & Construction
Plant & Machineries
Mechanical & Electrical Goods
Water Treatment Plant

Note: 28

Total

General & Admin. Portion:

Office Equipment
Computer & Computer Equipment
Furniture & Fixture
Vehicles

Note: 29

Total

Grand Total :

Taka	
26,239,906	
249,930,977	
181,626	
625,500	
276,978,010	
<hr/>	
590,006	
9,650	
513,295	
4,702,650	
5,815,601	
282,793,611	

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2018

SL	Particulars	Cost			Depreciation				Balance as on 30.06.2018	Written Down Value as on 30.06.2018
		Balance as on 01.07.2017	Addition during the year	Disposal during the year	Balance as on 30.06.18	Rate %	Adjustment during the year	Charged during the year		
1	Land & Land Development	210,358,285	2,389,281	606,735	212,140,831	0.0%	-	-	-	212,140,831
2	Building & Construction	898,873,480	-	-	898,873,480	7.0%	-	55,247,440	364,935,709	533,937,771
3	Plant & Machineries	7,017,986,947	33,213,924	33,213,924	7,017,986,947	6.0%	15,942,684	384,952,677	2,706,332,223	4,311,654,724
4	Mechanical & Electrical Goods	1,816,263	-	-	1,816,263	10.0%	-	181,626	918,967	897,296
5	Office/factory Equipment	11,238,310	3,116,331	-	14,354,641	15.0%	-	1,317,468	6,845,396	7,509,245
6	Computer & Computer Equipments	3,920,783	561,500	-	4,482,283	20.0%	-	189,743	3,006,742	1,475,541
7	Water Treatment Plant	8,552,645	-	-	8,552,645	15.0%	-	1,008,648	4,791,967	3,760,678
8	Furniture & Fixture	11,092,368	3,588,750	-	14,681,118	10.0%	-	1,161,925	6,869,270	7,811,848
9	Vehicles	57,674,547	16,985,000	15,760,000	58,899,547	20.0%	6,620,000	8,777,080	27,648,581	31,250,966
10	Electric Installation	35,456,026	338,210	-	35,794,236	15.0%	-	3,020,148	17,173,244	18,620,992
11	Fire Extinguisher/Equipments	644,810	36,000	-	680,810	15.0%	-	60,043	300,025	380,785
12	Lab Equipments	2,791,179	-	-	2,791,179	15.0%	-	261,813	1,206,261	1,584,918
13	Refrigerator	28,299	-	-	28,299	15.0%	-	2,346	14,098	14,201
14	Air Conditioner	5,642,540	714,650	-	6,357,190	15.0%	-	577,896	2,461,131	3,896,060
15	Fork LIFT	1,750,000	-	1,750,000	-	15.0%	837,589	110,854	-	-
16	Jetty	9,047,777	-	-	9,047,777	15.0%	-	788,784	4,272,791	4,774,986
17	Cylindrical Vertical Steel Tank	111,594,038	-	-	111,594,038	15.0%	-	9,588,301	53,550,246	58,043,792
18	Generator	20,300,278	-	-	20,300,278	15.0%	-	1,690,387	10,067,343	10,232,935
19	Ship	284,927,707	70,826,156	-	355,753,863	20.0%	-	40,767,854	125,006,609	230,747,254
20	Helicopter	90,285,623	-	-	90,285,623	10.0%	-	8,266,520	12,721,602	77,564,021
21	Solar Power System	560,000	-	-	560,000	15.0%	-	46,422	278,978	281,022
22	Telephone Installation	1,702,088	-	-	1,702,088	15.0%	-	162,884	716,046	986,042
23	Water Line Installation	326,395	-	-	326,395	15.0%	-	27,057	162,602	163,793
	June 30, 2018	8,786,570,388	131,769,802	51,330,659	8,867,009,531		23,400,273	518,207,918	3,349,279,831	5,517,729,701
	June 30, 2017	8,523,284,747	264,559,642	1,274,000	8,786,570,388		1,274,000	515,088,046	2,854,472,183	5,932,098,205



Annexure- B

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

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at July 01, 2017	Addition during the period	Adjustment during the period	Balance as at June 30, 2018
Comfit Composite Knit Ltd.	Common Directorship	Short Term Loan	53,649,500	251,539	53,901,039	-
Petromax Refinery Limited	Parent - Subsidiary	Short Term Loan	233,918,559	-	15,918,559	218,000,000
Youth Fashion Limited	Common Directorship	Short Term Loan	38,261	245,042	251,202	32,101
Youth Garments Limited	Common Directorship	Short Term Loan	(31,000)	289,118	248,118	10,000
Midland Power Co. Ltd.	Associate Company	Advance	431,200,000	-	-	431,200,000
Islamic Finance & Inv. Ltd.	Common Directorship	MTDR	7,854,003	41,445,611	40,875,478	8,424,136
Feroz Alam	Managing Director	Remuneration	500,000	5,500,000	5,500,000	500,000
		Office Rent	134,375	1,301,250	1,249,375	186,250
Yeasin Ahmed	Company Secretary	Salaries and other short term benefit	50,000	1,581,250	1,631,250	-
Saiful Islam	Head of Internal Audit	Salaries and other short term benefit	23,524	316,164	313,341	26,347

Annexure-C
Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

Credit risk

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

a) Exposure to credit risk

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

	2018	2017
	Taka	Taka
Accounts receivable	1,427,596,071	908,417,838
Advance, Deposit & Prepayments	501,009,779	507,083,848
Other Receivable	2,503,949	512,032
	1,931,109,799	1,416,013,718

b) Ageing of receivables

Accounts receivable were aged as below:

Less than six months	1,284,836,464	817,576,054
More than six months	142,759,607	90,841,784
	1,427,596,071	908,417,838

c) Impairment losses

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

Liquidity risk

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

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

Particulars	Carrying amount	Cash flows	Up to 1 year	Above 1 Year
As at 30 June 2018	Taka	Taka	Taka	Taka
Short Term interest bearing loans	2,197,040,851	2,197,040,851	2,197,040,851	-
Short Term non-interest bearing loans	1,431,446,438	1,431,446,438	1,431,446,438	-
Long Term interest bearing loans	321,303,196	321,303,196	182,096,793	139,206,404
Long Term non-interest bearing loans	-	-	-	-
Trade creditors/Payable	87,963,424	87,963,424	87,963,424	-
Sundry creditors	115,778,239	115,778,239	115,778,239	-
L/C Liabilities	82,677,127	82,677,127	82,677,127	-
Other liabilities	35,180,881	35,180,881	35,180,881	-
	4,271,390,157	4,271,390,157	4,132,183,753	139,206,404
As at 30 June 2017				
Short Term interest bearing loans	2,598,349,154	2,598,349,154	2,598,349,154	-
Short -Term non interest bearing loans	209,320,789	209,320,789	209,320,789	-
Long Term interest bearing loans	697,246,941	697,246,941	412,976,929	284,270,013
Long Term non-interest bearing loans	-	-	-	-
Trade creditors/Payable	60,094,587	60,094,587	60,094,587	-
Sundry creditors	80,648,188	80,648,188	80,648,188	-
L/C Liabilities	58,040,125	58,040,125	58,040,125	-
Other liabilities	27,720,883	27,720,883	27,720,883	-
	3,731,420,667	3,731,420,667	3,447,150,655	284,270,013

**Market risk**

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

a) Currency risk/foreign exchange rate risk

The Company's exposure to foreign currency risk at June 30, 2018 are as follows:

	2018		2017	
Deferred L/C for Import of Spare Parts (USD)	\$	109,959.30	\$	35,000.00
Deferred L/C for Import of Spare Parts (EURO)	€	750,669.90	€	348,208.50
Bank Balance/IPO Fund (USD)	\$	1,228.97	\$	1,228.97
Bank Balance/IPO Fund (EURO)	€	9.00	€	9.00
Bank Balance/IPO Fund (GBP)	£	312.90	£	312.90

b) Interest rate risk

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

		2018	2017
		Taka	Taka
<u>Fixed rate instruments</u>			
	<u>Rate of Interest</u>		
Financial assets	5%-9.50%	513,666,577	103,007,834
Financial liabilities	9.00%-11.50%	3,990,346,165	4,286,753,830
<u>Variable rate instruments</u>			
Financial assets		-	-
Financial liabilities		-	-



Investment in Subsidiary	Amount in BDT						
	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities	Net Assets
<u>30 June 2018</u>							
Petromax Refinery Limited	3,387,587,111	3,074,598,573	6,462,185,684	3,464,805,747	28,100,617	3,492,906,364	2,969,279,320
<u>30 June 2017</u>							
Petromax Refinery Limited	2,579,024,487	3,225,588,001	5,804,612,488	2,969,812,254	78,656,487	3,048,468,741	2,756,143,747
Share of Net Profit & Loss	Reporting Date	Nature of Investment Controlling Power	Income	Expenses	Tax Expenses	Profit After tax	Share of Profit
<u>30 June 2018</u>							
Petromax Refinery Limited	23-Oct-2017	Subsidiary	6,064,837,840	5,548,718,484	102,983,782	413,135,574	371,822,017
<u>30 June 2017</u>							
Petromax Refinery Limited	17-Oct-2017	Subsidiary	7,351,407,122	6,608,292,145	107,959,911	635,155,066	571,639,559

Reporting under BSEC Notification on Financial Reporting and Disclosure dated 20 June 2018

SHAHJIBAZAR POWER COMPANY LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

A CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	880,361,372
Adjustments to reconcile net income to net cash provided by operating activities	
(+) Depreciation	518,207,918
(+) Amortization of Intangible Assets	139,652
(+) Decrease in Inventory	(343,066,205)
(-) Increase in Accounts Receivable	(521,170,150)
(+) Decrease in Financial Assets	4,572,637
(+) Decrease in Prepaid Expenses	7,470,388
(-) Increase in Goods Intransit	(67,915,022)
(+) Increase in Sundry Creditors	37,500,766
(+) Increase in Trade Payable	27,868,837
(-) Decrease in other Payable	(13,908,447)
(+) Increase in L/C Liabilities	25,318,553
(+) Increase in Liabilities for Expenses	8,389,315
(-) Gain on Sales of Vehicle	(810,000)
(+) Loss on Assets Disposal	20,958,340
(-) Investing Activities(Dividend Received)	(180,000,000)
(+) Investment in equity Method	4,688,473
(-) Provision for Deferred Tax	(937,695)

June 30, 2018
Taka

Net Cash flows from operating activities

407,668,732