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AMR STOCK

Letter of Transmittal

To
The Members
The Bangladesh Securities & Exchange Commission
The Registrar of Joint Stock Companies & Firms
The Dhaka Stock Exchange Limited
The Chittagong Stock Exchange Ltd.,
The Central Depository Bangladesh Limited

Subject: Annual Report for the year ended 30 June 2017

Dear Sir(s)

We are pleased to transmit a copy of Annual Report for the year ended 30 June 2017 containing the Director's Report, the Auditor's Report and the Audited Financial Statement, which includes the Consolidated Statement Financial Position, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows along with notes to the financial statements and Subsidiary's Financial Statements for your record and necessary measures.

Yours sincerely,

F. Md. Salehin
Company Secretary

AMAR STOCK

SAIF POWERTEC LIMITED

Corporate Office: 72, Mohakhali C/A, Rupayan Centre (8th floor) Dhaka-1212, Bangladesh
Tel: +88-02-9856358-9, 9857902, 9841128, 9854423, 9891562, Fax: +88-02-9855949
Email: saifop@bdmail.net, Website: www.saifpowertecltd.com

Notice of the 14th Annual General Meeting

Notice is hereby given that the 14th Annual General Meeting (AGM) of the Members of Saif Powertec Limited will be held on **Wednesday, December 20, 2017** at **11:00 A.M.** at **Army Golf Club, Dhaka Cantonment, Dhaka** to transact the following businesses:-

ORDINARY BUSINESS :-

1. Report and Accounts:
   To receive, consider and adopt the Financial Statements of the Company for the year ended June 30, 2017 together with the Reports of the Board of Directors and the Auditors thereon.
2. Dividend:
   To declare the dividend for the financial year ended June 30, 2017 as recommended by the Board of Directors.
3. Election of Directors:
   To elect/re-elect Directors as per terms of the relevant provision of the Articles of Association of the Company.
4. Appointment of Auditors:
   To appoint the Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.
5. Appointment of Independent Director(s):
   To approve appointment/re-appointment of Independent Director(s).
6. Miscellaneous:
   To transact any other related business with the permission of the Chair.

SPECIAL BUSINESS:-

7. **Revision of Rights Issue Fund Utilization:**
   To approve the revision of utilization of Rights Issue Fund.

All Members are requested to attend the meeting on the date, time and place mentioned above.

By order of the Board of Directors

Company Secretary

Dated: Dhaka, November 22, 2017

NOTES:

a) The Board of Directors has recommended **5% Cash** Dividend excluding the Sponsors and Directors and **28% Stock Dividend** for the year ended June 30, 2017 subject to approval in the 14th Annual General Meeting (AGM).

b) The Record Date was **November 16, 2017 (Thursday)**. The Members whose names appeared in the Share Register of Members of the Company or in the Depository Register (CDBL) on the Record Date are eligible to attend the meeting and qualify for Dividend.

c) A member eligible to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her behalf. The Proxy Form must be affixed with revenue stamp of Tk.20/- and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.

d) Annual Report, Attendance Slip and Proxy Form along with the Notice are being sent to all Members by Courier Service/Post. The Members may also collect the "Proxy Form" from the Share Department or website address: www.saifpowertecltd.com of the Company.

e) Admission into the Venue of the AGM will be allowed on production of the attendance slip attached with the Annual Report. Members are requested to register their names in the counter at the entrance of the Venue from 8.00 A.M. to 10.30 A.M.

NB: No gift and or food shall be given for attending the 14th Annual General Meeting of the Company as per rules.

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SAIF POWERTEC LIMITED at a glance

The Company was incorporated in Bangladesh as a Private Limited Company on 29 December 2003, which was limited by shares as a Public Limited Company under the Companies Act of 1994 on 28 June 2010, along with the subdivision of shares from Taka 1000 to Taka 10 each and increased its Authorized Capital from Tk. 15.00 million to Tk. 1,000.00 million. The Company was subsequently converted into a publicly traded company with the permission of the Bangladesh Securities & Exchange Commission on 22 April 2014, and listed on the Dhaka Stock Exchange Limited on 10 September 2014 and on the Chittagong Stock Exchange Ltd., on 17 September 2014. At present the Paid up Capital of the Company is Taka 2,325,906,960 and Authorized Capital is Taka 5,000,000,000.

The principal activity of the Company is to carry on the business of infrastructure-support service. The company is also engaged in importing, trading, assembling and installing generators, sub-stations, electrical equipment and grid-lines, installation and erection of power plants as well as it acts as a berth/ terminal operator for operation of Chittagong Container Terminal (CCT) and New Mooring Container Terminal (NCT) of Chittagong Port Authority (CPA). Recently the Company has been producing new Battery unit situated at Pubail, Gazipur, Dhaka, financed out of IPO & own fund, which were commenced from August 05, 2017.



Vision

We believe business is the means of maximizing the welfare of the investors, stakeholders and employees as well as the well-being of the country resulting from the wealth created and the value added to the standard of living through financial and moral gains as part of the development of human civilization.

Mission

Our mission is to provide the highest-quality and full range of technical support services for the large infrastructure sector of the country such as the best management and efficient operation of sea ports for container handling, including related activities of operations of Inland Container Depots for developing the import–export-oriented business, power plants for overall growth of electricity to meet the increasing demand of industrial, commercial and domestic sectors, to produce the best products as alternate power sources and power backup products, to maintain ethical standards in business operations in compliance with government policies and with policies of business regulatory bodies, ensure more benefits for Members and stakeholders and to contribute in the growth of the economy.

Objectives

To provide container handling and all related procedural activities as an efficient terminal operator cum port operator through the application of state-of-art port operation technologies through the best affordable policies for the growth of business in Bangladesh.

To provide the best technical support services and technical consultancy service for installation, commission and complete overhaul of power plants, chemical and fertilizer plants for the development of utility and large infrastructure sectors.

To produce quality alternative power sources, high and medium voltage equipment and backup power products.

CORPORATE FOCUS



Our vision, our mission and our objectives are to ensure efficiency in the Company regarding quality, pricing, process and services to the growth of the Company in compliance with good governance practices.

Corporate Profile

Corporate Information

Name of the Company : SAIF POWERTEC LIMITED
Company Registration No. : C-51420(1715)2003

Legal Form:
Public Limited Company, listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Ltd., having incorporated in Bangladesh under Companies Act, 1994.

Board of Directors

Mrs. Tarafder Nigar Sultana	Chairman
Mr. Tarafder Md. Ruhul Amin	Managing Director
Mrs. Rubya Chowdhury	Director
Mr. Tarafder Md. Ruhul Saif	Director
Mr. Jalal Uddin Ahmed Chaudhury	Independent Director

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BOARD OF DIRECTORS



Tarafder Nigar Sultana
CHAIRMAN



Tarafder Md. Ruhul Amin
MANAGING DIRECTOR



Rubya Chowdhury
DIRECTOR



Tarafder Md. Ruhul Saif
DIRECTOR



Jalal Uddin Ahmed Chaudhury
INDEPENDENT DIRECTOR

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SAIF POWERTEC®

Company Secretary :

Mr. F. Md. Salehin

Audit Committee :

Mr. Jalal Uddin Ahmed Chaudhury	Chairman
Mr. Tarafder Md. Ruhul Saif	Member
Mrs. Rubya Chowdhury	Member
Mr. F. Md. Salehin	Secretary

Management Committee :

Mr. Tarafder Md. Ruhul Amin	Chairman
Mrs. Rubya Chowdhury	Member
Mr. Md. Nasiruddin Chowdhury	Member
Mr. Md. Shawkat Hossain Khan	Member
Mr. Md. Kamrul Hassan Khan	Member

Operational Management Team :

Mr. Engr. Md. Nasiruddin Chowdhury	Additional Managing Director
Mrs. Rubya Chowdhury	Head of Admin & Supply Chain
Mr. Lt Col Md. Mostafizur Rahman (Retd)	Executive Director
Mr. Md. Hasan Reza	Chief Financial Officer
Mr. AKM Moniruzzaman Quoreshi	Head of Equipment (Sales & Mkt)
Mr. Engr. S.M. Shamsul Farhan	Chief Operation Officer Battery Division
Mr. A.S.M. Zulfecar Haider	Chief Operation Officer Solar Division
Mr. S.M. Aftab Hossain	Head of SAIF Switchgear Division
Mr. Md. Kamrul Hassan Khan	Head of Quality Management Systems
Mr. Md. Afshin-Uz-Zaman	General Manager Human Resources
Mr. Captain Tanvir Husain	Head of Operation (CCT & NCT)
Mr. Lt. Com. Tafsir Uddin Ahmed (Retd)	Head of Container Terminal Engineering Dept (CTED)

Registered Office :

Rupayan Centre (8th Floor)
72 Mohakhali C/A
Dhaka-1212, Bangladesh
Tel: +88-02-9856358-9, 9857902, 9841128, 9854423, 9891562, Fax: +88-02-9855949

Sales Office: (Dhaka)

Khawaja Tower (2nd, 3rd, 12th & 14th Floor)
95, Bir Uttam AK Khandakar Road, Mohakhali C/A
Dhaka-1212, Bangladesh
Phone:88-02-9887534, 9882286, 9892287
Fax: 88-02 9893311

Factory :

Bashugoan, Pubail, Gazipur-1721, Bangladesh.

Chittagong Office :

House- 09, Road- 01, Block- G,
Halishahar, Chittagong
Phone: (031) 810688 Fax: (031) 715639

Khulna Office :

34, K.D.A. Avenue Khulna
Phone: 88-041-723132, 723133
Fax: (031) 715639

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Auditors :

Mahfel Huq & Co.
Chartered Accountants
BGIC Tower (4th Floor)
34, Topkhana Road, Dhaka-1000

Listing :

Dhaka Stock Exchange Limited
Chittagong Stock Exchange Ltd.

Listing Recognition :

Company No. 20625,
Trading Code: SAIFPOWER

Insurer :

Eastland Insurance Company Limited Dhaka.

Credit Rating Agency :

Credit Rating Agency of Bangladesh Ltd. (CRAB)

Subsidiary Company :

Saif Plastic & Polymer Industries Limited

Website :

www.saifpowertecltd.com

Bankers :

1. Bank Asia Limited
2. Dhaka Bank Limited
3. Mercantile Bank Limited
4. One Bank Limited
5. Jamuna Bank Limited
6. AB Bank Limited
7. Premier Bank Limited
8. Sonali Bank Limited
9. Eastern Bank Limited
10. BRAC Bank Limited
11. Islami Bank Bangladesh Limited
12. United Commercial Bank Limited
13. Southeast Bank Limited
14. NCC Bank Limited
15. Farmers Bank Limited
16. Premier Bank Limited

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CHAIRMAN'S STATEMENT



Bismillahir Rahmanir Rahim

Dear Valued Members of Saif Powertec Limited

Assalamu Alaikum

It is indeed a great honor and privilege for me to greet you all at the 14th Annual General Meeting and place before you the Annual Report along with the audited accounts of the Company, the Auditor's Report and the Director's Report for the year ended June 30, 2017.

I have pleasure to inform you that Saif Powertec Limited has been operating its business as the Market leader in the Chittagong Port Berth operation sector of the country since long. The Company earned more profit during 2016-2017.

- Profit excluding tax was Taka 644,054,481 compared to Taka 401,395,811 in the previous year due to your Company has been able to achieve a sales growth of more 39.96% to last year. The Company's Board of Directors is also concerned about the Members' interest and has recommended 5% cash dividend excluding the Sponsors and Directors and 28% stock dividend for all valued Members.
- The Net Asset Value per share has gone up to Taka 19.11
- Total Assets rose to Taka 9,408,434,588.00

Further I would like to explain to you about the activities of the subsidiary company "Saif Plastic and Polymer Industries Limited". The Performance of Sales trend is gradually increased compared to last year.

The Company is following the Corporate Governance Guideline carefully and there is transparency in all our dealing and decision makings all processes are validated trough the ISO 9001 system of Quality Management Systems.

As the Country is now on the high way of economic growth targeting to reach the Middle-Income group by 2021 and Higher-Income group by 2041, the prospect of growth still at a higher rate as over the past, in becoming more and more certain.

The achievement would not have been possible without the dedication, hard work and commitment of our employees, who are the foundation and backbone of the Company. We paid a great deal of enhance the capabilities of our people by encouraging and assisting them to improve their knowledge and skill. The senior management of the Company is encouraging, acknowledging and rewarding innovation and there is effort for continuous improvement in our business activities.

Here I would like to take this opportunity on behalf of the Board of Directors to express my heartiest congratulations to all our valued Members for their support and confidence, my deepest appreciation to all our valued customers for their confidence in our products and services, my heartfelt thanks and gratitude to all stakeholders, suppliers, employees, distributors, bankers, financial institutions and various government authorities. I express my gratitude to the Bangladesh Securities & Exchange Commission, the Dhaka Stock Exchange Limited, the Chittagong Stock Exchange Ltd., the Central Depository Bangladesh Limited and all well-wishers of the company for their support.

N. Sultana

Tarafder Nigar Sultana
Chairman

SAIF POWERTEC®



MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

Dear Valued Members of Saif Powertec Limited

Assalamu Alaikum,

With the expression of my heartfelt thanks and gratitude to you for the support and faith you placed in us and our accomplishment, on behalf of the Board of Directors of the company as well as on my behalf, I take the opportunity to welcome you all at this 14th Annual General Meeting of the Company and thank you for taking the trouble to attend the meeting.

The economy of Bangladesh is progressing day by day, and it is expected that within the next few years, Bangladesh will become a middle-income country. Industrialization, the development of large and medium-scale infrastructure, development policies for existing power plants as well as government policies for the overall development of power sectors and growing demand for electricity for industrial and commercial units, the current and future economic scenarios, ultimately creates bright prospects for the increased expansion of business activities for power and related sectors.

Since 2007, your Company has established a proven track record in Bangladesh for modernizing the operations of the Chittagong Container Terminal & New Mooring Container terminal by applying modern technologies and state-of-art container-handling equipment under the Chittagong Port Authority (CPA), thus contributing to the growth of import–export business, which ultimately increases the gross domestic product (GDP). By serving this sector, your Company has achieved an internationally recognized reputation through ISO 9001 certification regarding Quality Management Systems.

Your Company contributes to the country's power sectors as well government as chemical and fertilizer plants by providing efficient technical support and efficient consultation services for installation cum overhauling work and has gained a world-class reputation in Bangladesh.

Your Company has been producing new Battery unit situated at Pubail, Gazipur, Dhaka, financed out of IPO & own fund, which were commenced from August 05, 2017 and going to produce different types of batteries such as MF, GEL batteries for the domestic market and export global markets which in under constructing out of Rights Issue Fund through allotment of Rights Shares (1:1R) dated April 06, 2017 according to Bangladesh Securities and Exchange Commission approval for issuance of rights shares vide letter no. BSEC/CI/RI-108/2016/27 dated January 17, 2017. SAIF solar division has a major market share in Bangladesh and has been expanding very rapidly across the country.

PRIMESTOCK

We are continuously trying to increase the efficiency and productivity of other business units as well as subsidiaries of the Company such as business activities under the Project Division, which is very promising for the Company to earn more revenue by providing complete high-tech consultancy and technical support services. The Terminal Engineering Department has been involved with operating the Chittagong Container Terminal and the New Mooring Container Terminal by providing high-tech engineering support services for heavy-duty container-handling equipment. The Service Department has provided technical support and overhauling services for power-generating equipment, construction and material-handling equipment.

Saif Plastic & Polymer Industries Limited (a subsidiary Company of Saif Powertec Limited) produces and shapes grade PET bottles such as PET bottle, CSD Cap, Spoon, Measurement glass and stopper etc of different sizes and shapes for use in the Pharmaceutical Companies, Food and Beverage Companies, for Edible Oil companies for different use purposes. The company has a good reputation and has good market share in Bangladesh.

The results we achieved are commendable, thanks to our employees at all levels. They all worked hard and long to accomplish their tasks. Those who provided leadership in the various businesses were strategic in their decision making, which has taken most of our businesses to higher level of performance, qualitative as well as in term of growth and market share.

However, I believe that the confidence and belief of our valued Members, the Bangladesh Securities & Exchange Commission, the Dhaka Stock Exchange Limited, the Chittagong Stock Exchange Ltd., the Central Depositary Bangladesh Limited, Customers, Suppliers, Bankers, NBFIs, Insurers, Advisors, Workers, Employees, Professional & Supervising Management, Government Authorities and others are the key success factors for your Company. I would like to express my heartfelt gratitude to all these organizations and individuals for their kind support and guidance.

Tarafder Md. Ruhul Amin
Managing Director

DIRECTOR'S REPORT TO THE MEMBERS

Bismillahir Rahmanir Rahim

Dear Valued Members:

On behalf of the Board of Directors, I welcome you all to the 14th Annual General Meeting of **SAIF POWERTEC LIMITED.**

It is a matter of immense pleasure to present the Director's Report together with the Annual Financial Statement of the Company for the year ended June 30, 2017 to you to consider, adopt and approve the same.

Industry Outlook and Possible Future Development :

Bangladesh is on its way to becoming a country of middle income. The country's economy is progressing day by day with satisfactory GDP growth. Flourishing of more industrialization through producing more electricity for factories and commercial units, more electrification in rural and urban areas for widespread coverage of electricity all over the country, per the projection of the Power System Master Plan (PSMP) 2010, gas-based power generation capacity will be increased to 10,000 MW and coal-based power generation capacity to 20,000MW in 2030 along with the demand for modernization of existing power plants, more capacity-building for renewable energy, process development with modernization of computerized port operation system, the establishment of deep sea port, etc all this development policies of the government of Bangladesh indicate very bright prospects for the industries in these sectors.

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Segment-wise or Product-Wise Performance

The company has been involved with technical consultation with service provider, manufacturer, import and local sales.

Years	Product performance	Turnover		Production capacity		Capacity utilization	
		Consolidated	The company	Consolidated	The company	Consolidated	The company
2016-2017	Contract	1,875,981,227	1,875,981,227		657,000 Containers		68%
	Maintenance	494,611,949	494,611,949		657,000 Containers		60%
	Imported goods	568,941,649	568,941,649		Not applicable		Not applicable
	Subsidiary	68,526,475	-			62%	
2015-2016	Contract	1,377,639,416	1,377,639,416		657,000 Containers		68%
	Maintenance	350,503,677	350,503,677		657,000 Containers		60%
	Imported goods	364,155,515	364,155,515		Not applicable		Not applicable
	Subsidiary	56,882,118	-			60%	
2014-2015	Contract	677,305,184	677,305,184		657,000 Containers		68%
	Maintenance	346,264,121	346,264,121		657,000 Containers		60%
	Imported goods	679,767,434	679,767,434		Not applicable		Not applicable
	Subsidiary	53,739,351	-			60%	
2013-2014	Contract	558,994,764	558,994,764		657,000 Containers		68%
	Maintenance	253,964,088	253,964,088		657,000 Containers		60%
	Imported goods	651,152,660	651,152,660		Not applicable		Not applicable
	Subsidiary	56,964,840	-			60%	
2012-2013	Contract	661,548,451	661,548,451		657,000 Containers		68%
	Maintenance	66,202,951	66,202,951		657,000 Containers		60%
	Imported goods	698,365,508	698,365,508		Not applicable		Not applicable
	Subsidiary	35,395,827				60%	

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FLAMEPROOF

Risks and Concerns

The Board has established a risk and risk control mechanism to adjust business policies and business objectives for every sister concern.

The Board reviews significant risks that might adversely affect the achievement of corporate objectives.

To mitigate business risks and to sustain their risks at a minimum level, the necessary actions and measures are taken and implemented on time.

Cost of Goods Sold, Gross Profit Margin and Net Profit Margin (Based on Turnover)

Particulars	2016-2017		2015-2016		Increase/(Decrease)	
	Consolidated	The company	Consolidated	The company	Consolidated	The company
Cost of Sales	43.82%	43.18%	49.37%	48.68%	(11.24)	(11.29)
Gross Profit Margin	56.18%	56.82%	50.63%	51.32%	10.96%	10.73%
Net Profit margin	21.41%	21.59%	18.67%	18.88%	14.68%	14.35%

(a) Cost of Sales

Compared to that of the previous year, the cost of sales of the year under the report witnessed at 11.24% decrease in turnover for the year. This decrease during the year under the report is attributed to proper cost control in the production process and operations.

(b) Gross Profit Margin

Compared with that of the previous year, the Gross Profit (GP) Margin in relation to the turnover of the year under report recorded a 10.96% increase. The increase is due to the increase in overall sales. Management is dedicated to sustaining the GP Margin.

(c) Net Profit Margin

The Net Profit Margin, in relation to the turnover of the year under report, was 14.68% compared with that of the previous year due to better control of production costs and improved operational efficiency.

Continuity of Any Extraordinary Gain or Loss

There was no extraordinary gain or loss in the financial statement under report during the financial year 2016-2017 except Taka 43,468,674/- Interest on FDR against bank guarantee and others.

Related Party Transaction

There were no related party transactions during the financial year July 01, 2016 to June 30, 2017 except the director's remuneration of Tk. 10,200,000/-.

Utilization of Proceed from Public Issue, Right Issue and/or Through Any Other Instruments

The Company has been raised up fund through Rights Issue (RI) issuing 116,295,348 shares @ Taka 15/- each (including Taka 5/- premium per share) totaling Taka 1,744,430,220/- (One Hundred Seventy Four Crore Forty Four Lakh Thirty Thousand Two Hundred and Twenty) only according to Bangladesh Securities and Exchange Commission approval for issuance of rights shares vide letter no. BSEC/CI/RI-108/2016/27 dated January 17, 2017. The raised fund thereby has being utilized under the period.

An Explanation if the Financial Results Deteriorated after the Company Goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer, Direct Listing

No deterioration in financial results occurred during the year under report.

Significant Variation between Quarterly Financial Performance and Annual Financial Statement

No significant variation has occurred between quarterly financial performance and annual financial statement during the year under report.

Remuneration to Directors including Independent Directors.

Remuneration paid during the year is given in notes no.27 of financial statements and details as Annex II/A in this Annual Report and the Directors' fees for attending each Board meeting Tk.7,500/- during the year.

The Financial Statements prepared by the management of Saif Powertec Limited fairly present its state of affairs, the result of its operations, cash flows and changes in its equity.

Proper books of account of Saif Powertec Limited have been maintained.

Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.

The system of internal control is sound in design and has been effectively implemented and monitored.

There are no significant doubts regarding the Saif Powertec Limited's ability to continue as a going concern.

Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.

No significant deviations found from the last year's operating results of Saif Powertec Limited shall be highlighted.

Operational and Financial Results

Details	2016-2017		2015-2016		2014-2015		2013-2014		2012-2013	
	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company
Turnover	3,008,061,300	2,939,534,825	2,149,180,726	2,092,298,608	1,757,076,090	1,703,336,739	1,521,076,353	1,464,111,513	1,461,512,737	1,426,116,910
Cost of Sales	1,318,062,992	1,269,148,106	1,061,092,859	1,018,556,255	1,019,278,849	977,081,706	1,011,815,181	966,060,103	1,032,296,946	1,004,081,405
Gross Profit	1,689,998,308	1,670,386,719	1,088,087,867	1,073,742,353	737,797,241	726,255,033	509,261,172	498,051,410	429,215,791	422,035,505
Operating Profit	1,437,042,404	1,419,783,238	864,690,435	85,217,940	526,904,421	516,869,492	312,716,774	302,926,488	243,943,719	238,503,414
Profit before Tax & Reserve	864,362,628	846,025,713	538,922,658	526,765,345	277,597,522	273,671,748	155,047,470	151,026,214	141,473,823	140,710,604
Profit after Tax	646,438,280	634,519,284	402,976,262	395,074,007	214,647,357	212,095,604	111,504,633	109,494,005	88,421,139	87,944,127
Proposed Declared Dividend	33% (5% Cash excluding Sponsors and Directors and 28% Stock)		32% (5% Cash and 27% Stock)		29% (Stock)	-	27% (Stock)	-	-	-
Earnings per Share	3.22	3.17	4.38	4.31	3.07	3.04	2.54	2.49	2.01	2.00



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If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.
The Board of Directors of the company has recommended dividend 33% (5% Cash excluding the Sponsors and Directors and 28% Stock) for the year ended June 30, 2017.

The number of Board meetings held during the year and attendance by each director shall be disclosed.
The Board of Directors had 41 meetings during the year ended June 30, 2017. Name of the Directors and number of meetings attended are given below:

Name	Meeting Held	Meeting Attended
Mrs.Tarafder Nigar Sultana	41	41
Mr. Tarafder Md. Ruhul Amin	41	41
Mrs. Rubya Chowdhury	41	41
Mr. Tarafder Md. Ruhul Saif	41	41
Mr. Jalal Uddind Ahmed Chaudhury	41	41

Shareholding Pattern
Pattern of Shareholding as at 30 June 2017

Sl. No.	Shareholder's Group	No. of Share Held
i)	Share held by Parent/Subsidiary/Associated Company and other related parties	Nil
ii)	Shares held by Directors:	
	Mrs. Tarafder Nigar Sultana	41,037,188
	Mr. Tarafder Md. Ruhul Amin	42,146,962
	Mrs. Rubya Chowdhury	4,993,538
	Mr. Tarafder Md. Ruhul Saif	4,993,538
	Mr. Jalal Uddin Ahmed Chaudhury	Nil
iii)	Executives	Nil
iv)	Shareholders who are holding 10% or more voting right:	Nil

Short Bio-Data of Directors and Independent Director eligible for re-appointment:

Mrs. Tarafder Nigar Sultana, Chairman
Mrs. Tarafder Nigar Sultana is the Director as well as Chairman of SAIF Powertec Limited. She is a graduate in Arts. She has a long business experience in Indenting, import of power generation equipment, manufacturing electrical transformers, marketing of electrical generators and container handling. Mrs. Tarafder Nigar Sultana, along with her husband Mr. Tarafder Md. Ruhul Amin, established SAIF Powertec Limited. She also sponsor director of Saif Powertec Limited and Saif Plastic & Polymer Industries Limited (a subsidiary company of Saif Powertec Limted)

Mrs. Rubya Chowdhury, Director
Mrs. Rubya Chowdhury is Director of SAIF Powertec Limited. She obtained Bachelor of Business Administrative (Marketing & HR) from Masquarie University, Australia and Masters of Management from Monash University. She has a long business experience in indenting, import of power generation equipment, manufacturing electrical transformers. Mrs. Rubya Chowdhury is a sponsor director of Saif Plastic & Polymer Industries Limited (a subsidiary company of Saif Powertec Limted) and also a member of the Audit & Management Committee of the Company.

Mr. Jalal Uddin Ahmed Chaudhury
Mr. Jalal Uddin Ahmed Chaudhury is an Independent Director of SAIF Powertec Limited. He obtained B. Sc Engineering from Chittagong Engineering College and also a fellow member of the Institution of Engineers, Bangladesh. He has a vast business experience in indenting of construction & Material Handling Equipment, Power Generation Equipment, Manufacturing Electrical Transformers, Solar Power System and Container handling with Port Operation. He also director of Saif Plastic & Polymer Industries Limited (a subsidiary company of Saif Powertec Limted)

Financial Results

The company's financial results for the year ended June 30, 2017 with recommendation of appropriations are as follows:

Net Profit for the year 2016-2017	: Taka 634,519,284
Profit Brought Forwarded	: Taka 701,690,276
Bonus Share Issued for the year 2015-2016	: Taka (293,027,650)
Profit Available for Appropriation	: Taka 1,043,181,910

Appropriations:

Proposed Dividend 33%	: Taka 720,963,684
(5% Cash excluding Sponsors and Directors & 28% Stock)	
Transferred to Retained Earnings	: Taka 322,218,226

Consolidated Financial Statements:

In term of BSEC regulation, the company has Consolidated Financial Statements as per Bangladesh Financial Reporting Standard -10 reflecting shareholders gross benefits/value of investment.

Environment Role

The company maintains a high standard of pollution free environment as per Government laws.

Human Resources Development

In order to improve productivity of Human Resources input the company continuously provides formal and informal training to the employee at every level of operation and management which will be make great contribution to the company's profitability as well their own remuneration in due course.

Business Activities

The main activities of this Company are to trade and sell power-generating equipment, lease equipment for port operations, construction and material-handling processes, provide technical support service for government infrastructure sectors as well as major overhauling of power plants, fertilizer plants and chemical plants and going to manufacture batteries such as automotive, industrial, Motorcycle, MF and GEL.

The Company during the year under report is responsible for operating the Chittagong Container Terminal (CCT) and the New Mooring Container Terminal (NCT), the only two export-import container terminals at Chittagong Port under the authority of Chittagong Port (CPA) along with backup container-handling operations at the Inland Container Depots (ICD) at the Pangaon Inland Container Terminal and the Kamalapur Inland Container Depot. The other major business activities of the Company include acting as the Technical Consultation and Service Provider for installing, commissioning and overhauling electrical power plants under the Bangladesh Power Development Board (BPDB), fertilizer plants and chemical plants under the Bangladesh Chemical Industries Corporation (BCIC) by supplying spare parts under joint technical assistance from world-renowned foreign business counterparts in Europe and Asia. These businesses operate under the Project Division of the Company and have very good repute.

The Company is involved in manufacturing various types of SAIF brand Batteries of different aspects.

The Company has also been involved in assembling and marketing SAIF brand Solar Home System, Solar Power Grids of various capacities under the re-financing agreement with the Industrial Development Company Limited (IDCOL), an international funding agency under the auspices of the World Bank. The Company has been involved with marketing power-generating capital machinery from South Korea and Turkey, leasing heavy-duty construction and material-handling equipment, container-handling cranes and all equipment, and has gained a major market share in Bangladesh. The company's subsidiary, Saif Plastic & Polymer Industries Limited which produces food-grade plastic containers, bottles and caps for pharmaceutical, oil and beverage industries has a good reputation and success.





LAXMI STOCK

Research and Development

Business today is competitive. Innovative approaches to product design and modification are only way to survive in the competitive business environment. Discovering new products in existing product lines, qualitative products based on customer perceptions and demand, cost reduction using different quality materials/production technology, new product promotion strategy, etc., are the main weapons for ensuring survival among the competition. During the year under review, we formed a committee to establish a Research and Development (R&D) Department with the objective of market research and technical research.

Purchase Manual

A detailed purchase manual is being prepared, and supply chain policies are implemented for procuring raw materials to ensure purchasing quality at low cost and to ensure the uninterrupted flow of production to safeguard the Company's reputation in the market.

Subsidiary Company

Saif Powertec Limited has held 80% shares of Saif Plastic & Polymer Industries Limited since 30 November 2010. As required by the Corporate Guidance, minutes of the Board meeting of the subsidiary company of Saif Plastic & Polymer Industries Limited are now placed regularly for review at the following Board meeting of this holding company, and the affairs of the subsidiary company are also reviewed at such Board meeting of this holding company.

Directors' Appointment, Retirement and Re-Appointment

The appointment, retirement, and re-appointment of Directors are governed by the Article 128 of the Company Articles of Association and the Companies Act of 1994.

At the forthcoming 14th Annual General Meeting of the Company, the following Directors will retire and will be eligible for re-appointment:

A) Mrs. Tarafder Nigar Sultana
B) Mrs. Rubya Chowdhury

Appointment of Auditor

The existing auditor Mahfel Huq & Co. Chartered Accountants was appointed as the statutory auditor of the Company at 13th Annual General Meeting held on December 18, 2016. As per terms of their appointment, they retire at this meeting and expressed their willingness to be re-appointed as statutory auditor of the Company for the year ending June 30, 2018.

Appointment of Independent Director(s):

Mr. Jalal Uddin Ahmed Chaudhury is an existing as an Independent Director of the Company and Board of Directors has recommended to re-appointment to extend for next 1 (one) term only.

Revision of Rights Issue Fund Utilization:

For the greater interest of investors as well as capital market the Board of Directors has taken decision for revision of rights issue fund utilization which was as un-utilized, subject to the approval of Shareholders and Regulatories.





SAIF POWERTEC

Authorities **Details are given** below:

Existing Implementation Schedule		Revised Implementation Schedule		Implementation Period	Reason
Purpose	**Amount in Taka**	**Purpose**	**Amount in Taka**		
A). Repayment of Loans:		A). Repayment of Loans:			
Bank Loan	575,000,000	Bank Loan	558,923,996	Within 3 (three) months of receiving the Rights Share proceed.	Actual payment was differing due to Installment paid in due course.
B). Expansion of Battery Project:		B). Expansion of Battery Project:			
Land and Land Development	200,000,000	Land and Land Development	200,000,000	Within 1(one) year of receiving the Rights Share proceed	-
Machineries	944,430,220	Machineries	962,397,358	Within 2(two) years of receiving the Rights Share proceed.	Local Machineries, Installation & Commission and Contingencies Purpose.
C). Rights Issue expenses	25,000,000	**C). Rights Issue expenses**	23,108,866	Immediately	At actual payment
Total	**1,744,430,220**		**1,744,430,220**		

Audit Committee Report

The Audit Committee as a subcommittee of the Board of Directors assists the Board in ensuring that the financial statement reflects a true and fair view of the state of affairs of the Company and in ensuring an efficient monitoring system within the business and is responsible to the Board.

The primary role of the Audit Committee is to oversee the financial reporting process and disclosure of financial information, monitor internal control and the risk management process oversee the performance of external auditors and review the management, quarterly, half yearly and annual financial statements before submission to the Board for approval.

The Audit Committee has been recommended and approved by the Board of Director of Saif Powertec Limited to appoint auditors Ahmed Zaker & Co. Chartered Accountants (a member firm of Morison KSi) to audit Utilization of Rights Issue Fund status on quarterly basis.

The Audit Committee has been headed by Mr. Jalal Uddin Ahmed Chaudhury, Independent Director. The other two members of the committee are Mr. Tarafder Md. Ruhul Saif and Mrs. Rubya Chowdhury. All members of the Audit Committee are financially literate, and a report of the audit committee is enclosed in the Appendix.

Internal Control

The Company has been working to develop standard operating procedures for managing the company following a set of standards for the internal control system.

Compliance of Corporate Governance

The Company has taken an effective stand on best practices of corporate governance. The Company is determined to ensure good governance by complying with all applicable rules and regulations of the corporate governance guidelines of the Bangladesh Securities & Exchange Commission (BSEC).

The compliance status of Bangladesh Securities & Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/129/Admin/143 dated 7 August 2012 of annexed here along with the Auditor's Certificate on the issue as an annexure-A, Audit Committee Report as an annexure –B and Certification of Chief Executive Officer and Chief Financial Officer to the Board as an annexure-C.

Appreciation

We are proud of the confidence maintained in us continuously by our valued Members and for supporting the Company's activities. At the same time, we extend our sincere thanks and appreciation to the Banks, NBFIs, Insurance Companies, Auditors, Customers, Stakeholders, Customers and all well-wishers for their support and co-operation as well as the confidence they reposed in the Company. We also convey our heartfelt appreciation, gratitude and thanks to the government and its other agencies, the regulatory authorities, including the Bangladesh Securities and Exchange Commission, the Dhaka Stock Exchange Ltd, the Chittagong Stock Exchange Ltd., the Central Depositary Bangladesh Ltd. and the Registrar of Joint Stock Companies and Firms for their cordial help, assistance, guidance and advice the Company received from time to time. Your Company could not have achieved such progress and present status without their/your support and co-operation.

For me and on behalf of the Board of Directors

N. Sultana

Tarafder Nigar Sultana
Chairman

AMAR STOCK





SAIF POWERTEC

Annexure-A

MAZUMDAR SIKDER AND ASSOCIATES

Cost & Management Accountants

CERTIFICATE OF COMPLIANCE ON CORPORATE GOVERNANCE

OF

SAIF POWERTEC LIMITED AND ITS SUBSIDIARY

We have examined the compliance to the BSEC guidelines on Corporate Governance by **Saif Powertec Limited and its subsidiary** for the year ended 30 June 2017. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the company. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Company for ensuring the compliance on the attached statement on the basis of evidence gathered and representation received.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines is issued by BSEC.

Place -Dhaka.
Date- November 24, 2017

Mazumdar Sikder and Associates
Cost & Management Accountants

105/A (3rd Floor), Kakrail, Dhaka - 1000, Phone: 02-8300376, Fax: 02-8300375

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Status of compliance with Conditions 7 imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/134 /Admin/44 dated 07 August 2012 issued under section 2CC of the
Securities and Exchange Ordinance, 1969 that the Company complies with the conditions specified in the aforesaid Notification, as can be noted below:

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.1	**BOARD OF DIRECTORS:** Board's Size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty).	√		
1.2	**Independent Directors**			
1.2(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1.2 (ii)(a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company:	√		
1.2 (ii) (c)	Who dose not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		
1.2 (ii) (d)	Who is not a member, director or officer of any stock exchange.	√		
1.2 (ii)(e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	√		

ALPHA STOCK

1.2 (ii)(f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm.	√		
1.2 (ii) g)	Who shall not be an independent director in more than 3 (three) listed Companies.	√		
1.2 (ii) h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) i)	Who has not been convicted for a criminal offence involving moral turpitude;	√		
1.2 (iii)	The Independent Director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		Appointed by Board of Directors for next 1 (one) term and will be place for approval in the AGM
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		Appointed by Board of Directors for next 1 (one) term and will be place for approval in the AGM
1.3	**Qualification of Independent Director (ID)**			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/ University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	√		

LATEST STOCK

1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer (CEO):** The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	**The Directors' Report to Shareholders**			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risk and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others Instruments.	√		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			Not Applicable
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their			Not Applicable

MY STOCK

1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the company's ability to continue as a going concern.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the company shall be highlighted and the reasons thereof should be explained			Not Applicable
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years are summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			Not Applicable, as the Board of Directors recommended 33% dividend (5% Cash excluding the Sponsors and Directors and 28% Stock) for the year ended June 30, 2017

ALAMIN STOCK

1.5 (xx)	The number of Board meetings held during the year and attendance by each director.	√		
1.5 (xxi)	**The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-**			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5 (xxi) c)	Executives.	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1.5 (xxii)	**In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-**			
1.5 (xxii) a)	A brief resume of the directors.	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2.0	**Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS):**			
2.1	**Appointment:** The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		

LAXMI STOCK

2.2	**Requirement to attend the Board Meetings:** The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3.0	**AUDIT COMMITTEE:**			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	**Constitution of the Audit Committee**			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	Fill the casual vacancy in audit Committee.	√		
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		

LAHIRY STOCK

3.2	**Chairman of the Audit Committee**			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	**Role of Audit Committee**			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3 (x)	Disclosure regarding utilization of IPO/RPO, Right Issue fund to the Audit Committee.	√		
3.4.	**Reporting of the Audit Committee**			
3.4.1	**Reporting to the Board of Directors**			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings,	√		

FAMA STOCK

3.4.1 (ii) a)	Report on conflicts of interests;			Not Applicable as no such event found
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			Not Applicable as no such event found
3.4.1 (ii) c)	Suspected infringement of Laws including securities related Laws, rules and regulations.			Not Applicable as no such event found
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.			Not Applicable as no such event found
3.4.2	**Reporting to the Authorities:** If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			Not Applicable as no such event found
3.5	**Reporting to the Shareholders and General Investors:** Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer Company.	√		
4.0	**EXTERNAL/STATUTORY AUDITORS:** **The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:-**			
4.0 (i)	Appraisal or valuation services or fairness opinions.	√		

4.0(ii)	Financial information systems design and implementation.	√		
4.0 (iii)	Book-keeping or other services related to the accounting records or financial statements.	√		
4.0 (iv)	Broker-dealer services.	√		
4.0 (v)	Actuarial services.	√		
4.0 (vi)	Internal Audit Services	√		
4.0 (vii)	Any other services that Audit Committee determines.	√		
4.0 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
4.0 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No.7	√		
5.0	**SUBSIDIARY COMPANY**			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	√		
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	√		
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	√		
5 (v)	The Audit Committee of the holding company review the financial statements, in particular the investments made by the subsidiary company.	√		

LAXMI STOCK

6.0	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):** The CEO and CFO shall certify to the Board that:-			
6.0 (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6 (i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7.0	**Reporting and Compliance of Corporate Governance:**			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		





SAIF POWERTEC

Annexure- B

AUDIT COMMITTEE REPORT

For the year 2016-2017

The Audit Committee consists of the following persons:

Mr. Jalal Uddin Ahmed Chaudhury	- Chairman
Mr. Tarafder Md. Ruhul Saif	- Member
Mrs. Rubya Chowdhury	- Member
Mr. F. Md. Salehin	- Secretary

The role of the Audit Committee was defined as under:

1. Oversee the financial reporting process.
2. Monitor choice of accounting policies and principles.
3. Monitor Internal Control Risk management process.
4. Oversee hiring and performance of external auditors.
5. Review along with the management, the annual financial statements before submission to the board for approval.
6. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
7. Review the adequacy of internal audit function.
8. Review statement of significant related party transactions submitted by the Management.
9. Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.
10. Disclosure regarding utilization of IPO/RPO, Right Issue fund to the Audit Committee.

Activities carried out during the year

The Committee reviewed the integrity of the quarterly and annual financial statements and recommended to the Board for consideration. The Committee oversaw, reviewed and approved the procedure and task of the internal audit, financial report preparation and external audit reports. The Committee found adequate arrangements to present a true and fair view of the activities and the financial status of the company and did not find any material deviation, discrepancies or adverse finding/observation in the area of reporting.

Jalal Uddin Ahmed Chaudhury
Chairman of Audit Committee
Saif Powertec Limited





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Annexure- C

Certification of Chief Executive Officer and Chief Financial Officer to the Board

The Board of Directors
Saif Powertec Limited
72, Mohakhali C/A
Rupayan Center (8th Floor)
Dhaka-1212

Subject: Certification of Chief Executive Officer and Chief Financial Officer to the Board

In compliance with condition no.6 of the Corporate Governance Guideline of Bangladesh Securities Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, we, the undersigned Chief Executive Officer and Chief Financial Officer respectively of Saif Powertec Limited do hereby certify that we have reviewed the financial statements of the Company for the year ended June 30, 2017 and to the best of our knowledge and belief:

(a) This Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

(c) No transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Tarafder Md. Ruhul Amin
Chief Executive Officer

Md. Hasan Reza
Chief Financial Officer

AMARSTOCK

Independent Auditor's Report
To the shareholders of
SAIF POWERTEC LIMITED

Report on the Financial Statements

We have audited the accompanying Consolidated Financial Statements of SAIF POWERTEC LIMITED which comprise the Consolidated Statement of Financial Position as at 30 June 2017, and the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 financial statements are free from material misstatement.

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 give a true and fair view of the financial position of the company as at 30 June 2017 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

We further 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 so far as it appeared from our examination of these books;

c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) The expenditure incurred was for the purpose of company's business.

Dhaka
October 28, 2017

MAHFEL HUQ & CO.
Chartered Accountants

SAIF POWERTEC LIMITED

A House of Power and material Handling Solution

Consolidated Statement of Financial Position

as at 30 June 2017

Assets	Notes	Amount in Taka			
		At 30 June 2017		At 30 June 2016	
		Consolidated	The Company	Consolidated	The Company
Non-current assets					
Property, plant and equipment	4	1,897,003,418	1,765,005,743	1,612,862,138	1,483,778,544
Capital works-in-progress	5	3,896,631,511	3,893,401,434	2,154,601,625	2,154,601,625
Investment in subsidiary company	6	-	80,000,000	-	80,000,000
		5,793,634,929	**5,738,407,177**	**3,767,463,763**	**3,718,380,169**
Current assets					
Inventories	7	1,150,865,659	1,147,636,561	495,561,389	492,204,690
Accounts and others receivable	8	768,179,661	764,799,690	815,897,071	812,766,401
Advances, deposits and prepayments	9	882,731,788	869,505,542	827,623,061	822,163,723
Fixed deposit receipt (FDR)	10	470,939,315	470,939,314	227,402,573	227,402,573
Cash and cash equivalents	11	342,083,238	338,652,118	56,677,885	55,601,762
		3,614,799,660	**3,591,533,225**	**2,423,161,979**	**2,410,139,149**
Total assets		**9,408,434,588**	**9,329,940,402**	**6,190,625,742**	**6,128,519,318**
Equity and Liabilities					
Capital and reserves					
Share capital	12	2,325,906,960	2,325,906,960	915,711,400	915,711,400
Share premium	13	976,713,054	976,713,054	418,345,180	418,345,180
Revaluation reserve	14	82,059,122	82,059,122	82,059,122	82,059,122
Retained earnings	15	1,061,059,648	1,043,181,910	710,032,817	701,690,276
		4,445,738,784	4,427,861,046	2,126,148,519	2,117,805,978
Non-controlling interest	16	24,469,434	-	22,085,635	-
		4,470,208,218	**4,427,861,046**	**2,148,234,154**	**2,117,805,978**
Non-current liabilities					
Long term loan from banks and NBFIs	17	1,118,445,082	1,118,445,082	1,213,149,869	1,213,149,869
Deferred tax liability	19	84,907,893	71,617,813	66,005,062	58,749,000
		1,203,352,975	**1,190,062,895**	**1,279,154,931**	**1,271,898,869**
Current Liabilities					
Current portion of long-term loan	18	390,515,843	390,515,843	259,140,617	259,140,617
Short term loan	20	2,566,374,311	2,566,374,311	1,464,592,974	1,464,592,974
Share money refundable		8,218,855	8,218,855	1,242,750	1,242,750
Accounts payable	21	116,918,477	103,094,110	447,240,532	424,337,012
Undistribited Profit (Cash Dividend)		2,143,343	2,143,343	-	-
Accrued expenses	22	546,782,586	544,760,019	347,094,353	345,575,689
Obligation to contract clients	23	-	-	189,316,735	189,316,735
Share money deposit		7,010,000	-	-	-
Workers profit participation/Welfare fund	24	96,909,981	96,909,981	54,608,695	54,608,695
		3,734,873,395	**3,712,016,462**	**2,763,236,657**	**2,738,814,472**
Total shareholders' equity and liabilities		**9,408,434,588**	**9,329,940,402**	**6,190,625,742**	**6,128,519,318**
Net asset value per share of Taka 10 each		**19.11**	**19.04**	**23.22**	**23.13**
Net asset value per share without revaluation of Taka 10 each		**18.76**	**18.68**	**22.32**	**22.23**

The annexed notes form an integral part of the Statement of Financial Position.

for Saif Powertec Limited

Managing Director | **Director** | **Chief Financial Officer** | **Company Secretary**

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

Mahfel Huq & Co.
Chartered Accountants

Dated, Dhaka; 28 October 2017

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SAIF POWERTEC LIMITED

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Consolidated Statement of Changes in Equity

for the year ended 30th June 2017

Amounts in Taka

	Share capital	Share premium	Revaluation reserve	Retained earnings	Non-Controlling Interest	Total
Balance at 01 July 2015	709,853,800	418,345,180	82,059,122	514,494,606	20,505,185	1,745,257,893
Issue of Bonus Shares	205,857,600	-	-	(205,857,600)		-
Capital paid by Non-Controlling Inst.						-
Net income for the year	-	-	-	401,395,811		401,395,811
Share of profit of subsidiary company	-	-	-		1,580,451	1,580,451
Balance at 30 June 2016	**915,711,400**	**418,345,180**	**82,059,122**	**710,032,817**	**22,085,636**	**2,148,234,154**
Balance at 01 July 2016	915,711,400	418,345,180	82,059,122	710,032,817	22,085,636	2,148,234,154
Issue of Dividend (27% stock and 5% cash)	247,242,080	-	-	(293,027,650)		(45,785,570)
Issue of Rights shares	1,162,953,480	558,367,874	-	-	-	1,721,321,354
Net income for the year	-	-	-	644,054,481		644,054,481
Share of profit of subsidiary company	-	-	-		2,383,799	2,383,799
Balance at 30 June 2017	**2,325,906,960**	**976,713,054**	**82,059,122**	**1,061,059,648**	**24,469,434**	**4,470,208,218**

Managing Director **Director** **Chief Financial Officer** **Company Secretary**

Mahfel Huq & Co.
Chartered Accountants

Dated, Dhaka; 28 October 2017

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SAIF POWERTEC LIMITED
A House of Power and material Handling Solution

Consolidated Statement of Cash Flows
for the year ended 30th June 2017

	Amount in Taka			
	Year ended 30 June 2017		Year ended 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
Cash flows from operating activities				
Cash receipt from customers and others	2,909,930,649	2,840,556,611	2,225,575,460	2,162,340,147
Cash paid to employees and suppliers	(2,075,068,868)	(2,014,142,166)	(1,255,014,893)	(1,229,955,992)
Cash generate from operating activities	**834,861,781**	**826,414,445**	**970,560,567**	**932,384,155**
Paid against advance income tax	(108,721,264)	(107,965,673)	(89,643,193)	(87,993,853)
Net cash provided by operating activities (A)	**726,140,517**	**718,448,772**	**880,917,374**	**844,390,302**
Cash flows from investing activities				
Purchase of property, plant and equipment	(376,107,295)	(367,009,739)	(99,248,404)	(96,176,889)
Capital works-in-progress	(2,077,360,969)	(2,074,130,892)	(1,295,633,057)	(1,295,633,057)
Fixed deposit receipt (FDR)	(243,536,741)	(243,536,741)	(64,073,542)	(64,073,542)
Advance against property plant & equipment	-	-	(164,840,956)	(164,840,956)
Net cash used in investing activities (B)	**(2,697,005,005)**	**(2,684,677,372)**	**(1,623,795,959)**	**(1,620,724,444)**
Cash flows from financing activities				
Short term loan received	2,042,938,904	2,042,938,904	1,228,627,276	1,228,627,276
Short term loan re-paid	(941,157,567)	(941,157,567)	(852,176,238)	(840,238,015)
Proceed from Issuance of Share Capital (Rights)	1,162,953,480	1,162,953,480	-	-
Interest and financial expenses	(573,847,164)	(573,828,049)	(336,582,684)	(334,538,195)
Share premium received	558,367,874	558,367,874	-	-
Share money deposit received/(refunded)	13,986,105	6,976,105	(17,250)	(17,250)
Cash Dividend paid	(43,642,229)	(43,642,229)	-	-
Long term loan received	694,364,698	694,364,698	927,348,341	927,348,341
Long term loan re-paid	(657,694,260)	(657,694,260)	(363,253,226)	(343,086,250)
Net cash provided by financing activities (C)	**2,256,269,841**	**2,249,278,956**	**603,946,219**	**638,095,907**
Net changes in cash and cash equivalents (A+B+C)	285,405,353	283,050,356	(138,932,366)	(138,238,235)
Opening cash and cash equivalents	56,677,885	55,601,762	195,610,251	193,839,997
Closing cash and cash equivalents	**342,083,238**	**338,652,118**	**56,677,885**	**55,601,762**
Net Operating cash flows per share	**3.63**	**3.59**	**7.57**	**7.26**

for Saif Powertec Limited

Managing Director | **Director** | **Chief Financial Officer** | **Company Secretary**

Mahfel Huq & Co.
Chartered Accountants

Dated, Dhaka; 28 October 2017

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Notes to the financial statements for the year ended 30 June 2017

1. Reporting entity

Saif Powertec Limited (hereinafter referred to as 'the company') was incorporated on 29 December 2003 as a private limited company under Companies Act 1994. The company has since been converted into a public limited company vide a special resolution of the shareholders in their extra ordinary general meeting held on 28 June 2010. The registered office of the company is 72, Mohakhali, Rupayan Centre (8th Floor), Dhaka 1212. The shares of Saif Powertec Limited is listed with DSE and CSE and traded in the regular market.



1.1 Nature of business

Principal activity of the company is to carry on business of infrastructure-support service. The company is also engaged in importing, trading, assembling and installing generators, sub-stations, electrical equipment and grid-lines, installation and erection of power plants as well as acts as a berth/ terminal operator for operation of Chittagong Container Terminal (CCT) and New Mooring Container Terminal (NCT) of Chittagong Port Authority (CPA). Recently the Company has been producing new Battery unit situated at Pubail, Gazipur, Dhaka, financed out of IPO & own fund, which were commenced from August 05, 2017.

1.2 Subsidiary company

Saif Plastic & Polymer Industries Limited, a subsidiary company of Saif Powertec Limited was incorporated on 13 November 2010 as a private limited company under Companies Act 1994 with an authorised capital of Taka 200,000,000 divided into 20,000,000 ordinary shares of Taka 10 each and paid up capital of Taka 100,000,000. Saif Powertec Limited holds 80% shares of Saif Plastic & Polymer Industries Limited (the subsidiary). The registered office of the subsidiary is located at 72, Mohakhali, Rupayan Centre (8th Floor), Dhaka 1212. Saif Plastic & Polymer Industries Limited has started its commercial operation during the year.

Subsidiaries are entities controlled by Saif Powertec Limited (The Company). Control exists when Saif Plastic & Polymer Industries Limited 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 presently exercisable are taken into account. The financial statements of Saif Plastic & Polymer Industries Limited have been included in the consolidated financial statements from the date that control commences until the date that it ceases.



1.3 Basis of consolidation

The financial statements of the company and its subsidiary, as mentioned in note 1.2 have been consolidated in accordance with Bangladesh Financial Reporting Standards (BFRS) 10" Consolidated Financial Statements" The accounting policies of the subsidiary have been changed when necessary to align them with the policies adopt by the group. During the year statement of financial position, statement of profit or loss and other comprehensive income, and statement of cash flow has been consolidated on the basis of audited financial statements which was audited by Rahman Mustafiz Haq & Co., Chartered Accountants.

Transactions eliminated on consolidation

The financial statements of the subsidiaries has been consolidated in accordance with Bangladesh Financial Reporting Standards (BFRS) 10" Consolidated Financial Statements" Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, have been eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of Saif Powertec Limited's (The Company) interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains, but only to the extent there is no evidence of impairment.

Non-controlling Interest

During the year statement of financial position, statement of comprehensive income, and statement of cash flow has been consolidated on the basis of audited financial statements . Total profits of the Company and its Subsidiary are shown in the Consolidated Statement of Profit or Loss & Other Comprehensive Income with the proportion after taxation pertaining to non-controlling shareholders being deducted as "Non-controlling interest".

All Assets and Liabilities of the company and of its subsidiary are shown in the consolidated statement of financial position. The Interest of Non-controlling shareholders of the subsidiary is shown separately in the consolidated statement of financial position under the head "Non-controlling Interest".

1.4 Risk exposure

a. Interest rate risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.



Management perception:

The company has been repaying borrowed funds on a continuous basis to reduce such interest risk.

b. Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

Management perception:

Saif Powertec Limited changes the price of their services in accordance with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

c. Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share, etc which could have an adverse impact on the business, financial condition and results of operation.



Management perception:

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions. As a local company, Saif Powertec Limited has a unique understanding of the requirements of its clients and customers and as such, shall continuously position itself as the first choice to its domestic market. Many foreign companies which wish to enter the Bangladesh market will seek Saif Powertec Limited as competitor.

d. Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception:

The needs for power, construction and infrastructure support services will continue to grow much faster in a developing country than other developed markets in the world. Strong management, timely and quality service has enabled the company to capture significant market share in the sector. And the company is continuously penetrating the market and upgrading the quality of their service to minimize the risk.

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SAIF POWERTEC LIMITED

A House of Power and material Handling Solution

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30th June 2017

Amount in Taka

	Notes	1st July 2016 to 30 June 2017		1st July 2015 to 30 June 2016	
		Consolidated	The Company	Consolidated	The Company
Revenue					
Sales (net)	25	3,008,061,300	2,939,534,825	2,149,180,726	2,092,298,608
Cost of sales	26	(1,318,062,992)	(1,269,148,106)	(1,061,092,859)	(1,018,556,255)
Gross profit		**1,689,998,308**	**1,670,386,719**	**1,088,087,867**	**1,073,742,353**
General and administrative expenses	27	(252,955,905)	(250,603,481)	(223,397,433)	(221,524,413)
Profit from operations		**1,437,042,404**	**1,419,783,238**	**864,690,435**	**852,217,940**
Other income		43,468,674	42,371,810	37,153,175	35,423,866
Finance costs	28	(573,847,164)	(573,828,049)	(336,582,684)	(334,538,195)
Net profit before WPPF		**906,663,914**	**888,326,999**	**565,260,926**	**553,103,611**
Workers profit participation/Welfare fund		(42,301,286)	(42,301,286)	(26,338,267)	(26,338,267)
Net profit after WPPF		**864,362,628**	**846,025,713**	**538,922,657**	**526,765,345**
Income tax expenses	29	(217,924,348)	(211,506,428)	(135,946,397)	(131,691,337)
Net profit after tax		646,438,280	634,519,284	402,976,261	395,074,007
Profit attributable to ordinary shareholders					
Non controlling interest (20%)		(2,383,799)	-	(1,580,451)	-
		644,054,481	**634,519,284**	**401,395,811**	**395,074,007**
Basic Earnings per share	30	**3.22**	**3.17**	**3.45**	**3.40**
Re-stated Earnings per share for Right Issue	30	**-**	**-**	**2.11**	**2.08**

Appropriation of subsidiary company's net profit :

Saif Powertec Limited (parent company) -	9,535,195	6,321,803
Non-controlling interest (minority interest) -	2,383,799	1,580,451
	11,918,994	**7,902,254**

The annexed notes form an integral part of the Statement of Profit or Loss and other Comprehensive Income.

for Saif Powertec Limited

Managing Director **Director** **Chief Financial Officer** **Company Secretary**

This is the Statement of Comprehensive Income referred to in our separate report of even date.

Mahfel Huq & Co.
Chartered Accountants

Dated, Dhaka; 28 October 2017

e. Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management perception:

The Company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment and facilities.



f. Potential or Existing Government Regulations

The company operates under Companies Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax Act 1991 and Value Added Tax Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management perception:

Since the Company operates in power, energy and infrastructure sector, the Government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected. As it is a thrust sector, it is highly unlikely that the Government will frustrate the growth of the industry with adverse policy measures.

g. Operational risks

Non-availability of materials/equipment/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, unforeseen events, lack of supervision and negligence, leading to severe accidental losses, etc.

Management perception:

The company's equipment is under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

2. Basis of preparation



2.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) and Companies Act 1994, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax Act 1991 and Value Added Tax Rules 1991, Bangladesh Securities and Exchange Rules 1987 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis except financial assets and liabilities which are stated at "fair value".

2.3 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka, which is the Company's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with BAS/BFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a ongoing basis.

2.5 Reporting period

Reporting period of the Company cover for 1 (one) year from 01 July 2016 to 30 June 2017.

2.6 Comparative Information and Rearrangement Thereof

In accordance with the provisions of BAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Previous year f igure has been rearranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS -8 " Accounting Policies, Changes in Accounting Estimated and Errors"



2.7 Corporate Accounting Standards Practiced

The following BAS is applicable to the financial statements for the year under review:

BAS

BAS 1	: Presentation of Financial Statements
BAS 2	: Inventories
BAS 7	: Statements of Cash Flows
BAS 8	: Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	: Events after the Reporting Period
BAS 12	: Income Taxes
BAS 16	: Property, Plant and Equipment
BAS 17	: Leases
BAS 18	: Revenue
BAS 19	: Employee Benefits
BAS 21	: The Effects of Changes in Foreign Exchange Rates
BAS 23	: Borrowing Costs
BAS 24	: Related Party Disclosures
BAS 27	: Separate Financial Statements
BAS 32	: Financial Instruments: Presentation
BAS 33	: Earnings Per Share
BAS 36	: Impairment of Assets
BAS 37	: Provisions, Contingent Liabilities and Contingent Assets
BAS 39	: Financial Instruments: Recognition and Measurement



BFRS

BFRS 3	: Business Combination
BFRS 7	: Financial Instruments : Disclosure
BFRS 9	: Financial Instruments
BFRS 10	: Consolidated Financial Statements

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all period presented in these financial statements.

3.1 Property, plant and equipment

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3.1.1 Recognition and measurement

Property, plant and equipment are measured at cost and valuation (only land) less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. It is carried at the lower of its carrying amount and fair value less cost. Any write-down is shown as an impairment loss. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised 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 recognised in the statement of comprehensive income as incurred.



3.1.3 Depreciation on property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation thereon. Depreciation is charged applying diminishing balance method on all fixed assets other than land and land development. Depreciation has been charged on addition when the related asset is available for use. After considering the useful life of the assets as per BAS-16, the depreciation rates have been applied as under which is considered reasonable by the management:

Rates of depreciation on various classes of property, plant and equipment are as under:

Category of property, plant and equipment	Rate (%)
Furniture and fixtures	10
Building	5
Pre-fabricated building	10
Office and electrical equipment	10
Tools and equipment	10
Workshop	10
Vehicles	20
Plant and machinery	20
Others	10

3.1.4 Impairment of assets



I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exits, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the year no impaired loss occurred to recognize in the Financial Statements.

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3.2 Inventories

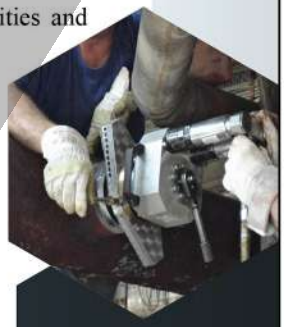
Inventories are measured at the lower of cost and net realisable value. The cost of inventories is valued at weighted average cost method and includes costs for acquiring the inventories and bringing them to their existing locations and conditions.

3.3 Provisions

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

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations;

a. when the company has an obligation (legal or constructive) as a result of past events;
b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c. Reliable estimates can be made of the amount of the obligation.



3.4 Capital works-in-progress

Capital-work-in-progress is stated at cost. These are expensed of a capital nature directly incurred in the construction of factory building. No depreciation is charged on the capital work in progress which is in accordance with BAS-16.

3.5 Earnings per share (EPS)

This has been calculated in compliance with the requirement of BAS-33 : Earnings per share by dividing the net earnings after Tax by the number of ordinary shares outstanding during the year.

Basic Earnings per share (Numerator /Denominator)

Earnings (Numerator)

* This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents number of ordinary share outstanding during the year.

Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company. Hence, Diluted EPS of the company is same as basic EPS.



3.6 Revenue

Revenue is measured at fair value of consideration received or receivable. Revenue from sale of goods and services is recognised when the company has transferred the significant risk and rewards of ownership of goods to the buyer and revenue and costs incurred to effect the transaction can be measured reliably in compliance with the requirements of BAS-18/ IAS-18 (revenue). In case of contract, the company recognise its sales on the basis of the completion of work or on the basis of work done by the company.

3.7 Trade receivables

Trade receivables at the balance sheet date are stated at amounts which are considered realisable.

3.9 Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues. Finance expenses comprise interest expense on borrowings, bank charges and guarantee costs. All borrowing costs are recognised in the Statement of Profit or Loss and Comprehensive Income using the effective interest rate.

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3.10 Cash and cash equivalents

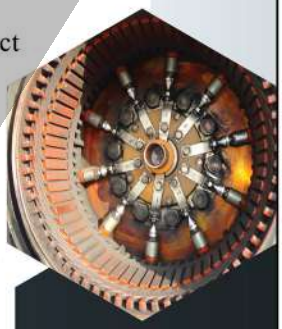
It includes cash in hand and other deposits with banks which were held and available for use by the company without any restriction.

Cash flows from operating activities have been presented under direct method as per BAS-7.

3.11 Taxation

A provision for current tax @ 25% on net profit of the company has been provided during the year under review.

3.10 Deferred tax



Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date. The company has introduced Deferred Tax as per provision of BAS-12 (Income Taxes) during the year and comparative information has been re-stated accordingly.

3.12 Foreign Currency Transaction

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of BAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

(a) Foreign currency monetary items are translated using the closing rate.
(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary Items at rate different from those at which they were translated on initial recognition during the year or in previous financial statements is recognized in profit or loss in the year in which they arise.



As the import L/Cs were settled on spot payment basis, no exchange loss or gain occurred.

3.13 Employee Benefits:

The Company is operating Workers Profit Participation Fund (WPPF) according to Bangladesh Labour Law 2006 and Bangladesh labor (Amendment) Act 2013 are accounted for securing benefits to the employees in accordance with the provision of Bangladesh Accounting Standard (BAS) 19, " Employee Benefit". The company pays two festival bonuses to all employees in every year.

3.14 Related party disclosure

As per BAS 24: Related Party Disclosure, parties are considered to be related if one has the ability to control or exercise significant influence over other in making financial and operating decisions. During the year the Company made number of related parties transaction are given as annex ii/a.

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Notes to the financial statements for the year ended 30 June 2017

		Amount in Taka			
		At 30 June 2017		At 30 June 2016	
		Consolidated	The Company	Consolidated	The Company
4	**Property, plant and equipment**				
	Cost:				
	Opening balance	2,183,219,552	2,026,432,739	1,930,939,971	1,777,224,673
	Add: Addition during the year	434,306,960	425,209,404	252,279,581	249,208,066
	Closing balance (A)	**2,617,526,512**	**2,451,642,143**	**2,183,219,552**	**2,026,432,739**
	Depreciation:				
	Opening balance	570,357,414	542,654,195	440,999,431	419,744,020
	Add : Charge for the year	150,165,680	143,982,204	129,357,983	122,910,175
	Closing balance (B)	720,523,094	686,636,400	570,357,414	542,654,195
	Written down value (A-B)	**1,897,003,418**	**1,765,005,743**	**1,612,862,138**	**1,483,778,544**
	Details are in Annex I.				
5	**Capital works-in-progress**				
	Opening balance	2,154,601,625	2,154,601,625	609,981,792	609,981,792
	Add: Addition during the year	1,742,029,886	1,738,799,809	1,697,651,010	1,697,651,010
	Less: Transferred during the year	-	-	(153,031,177)	(153,031,177)
	Closing balance	**3,896,631,511**	**3,893,401,434**	**2,154,601,625**	**2,154,601,625**
	This represents cost incurred for Construction of Building, Machineries and other Capital expenditure out of which Tk. 802,098,954 from right issue fund .				
6	**Investment in subsidiary company**				
	Amount in Taka 80,000,000 was invested by the company in its subsidiary, Saif Plastic and Polymer Industries Limited in 8,000,000 ordinary shares of Taka 10 each.				
7	**Inventories**				
	Generators	92,164,810	92,164,810	143,518,296	143,518,296
	Spare parts	221,055,625	221,055,625	226,917,099	226,917,099
	Electric goods	226,836,541	226,836,541	121,769,295	121,769,295
	Raw materials	607,579,585	607,579,585	-	-
	Closing stock subsidiary company	3,229,098	-	3,356,699	-
	Total	**1,150,865,659**	**1,147,636,561**	**495,561,389**	**492,204,690**
8	**Accounts and others receivable**				
	Imported goods sales	350,114,149	350,114,149	485,366,210	485,366,210
	Contract execution	197,537,311	197,537,311	208,891,016	208,891,016
	Shipping agent	209,977,294	209,977,294	116,325,830	116,325,830
	Receivable (Subsidiary Company)	3,379,971	-	3,130,670	-
	Interest Receivable	7,170,936	7,170,936	2,183,345	2,183,345
	Total	**768,179,661**	**764,799,690**	**815,897,071**	**812,766,401**
	Dues upto 6 months	397,487,343	395,729,758	424,184,887	422,557,252
	Dues above 6 months	370,692,318	369,069,932	391,712,184	390,209,149
	Total	**768,179,661**	**764,799,690**	**815,897,071**	**812,766,401**
9	**Advances, deposits and prepayments**				
	Advances to/against				
	VAT	21,244,100	18,941,181	1,061,209	-
	Income tax	401,084,318	395,930,598	292,363,054	287,964,925
	Salary	6,198,316	6,198,316	4,215,621	4,215,621
	Office rent	8,809,000	8,809,000	1,200,028	1,200,028
	Advance against work	227,363,576	227,363,576	285,563,241	285,563,241
	Others	133,277,855	133,277,855	160,770,191	160,770,191
	Sub-total	**797,977,165**	**790,520,526**	**745,173,344**	**739,714,006**

Notes to the financial statements for the year ended 30 June 2017

		Amount in Taka			
		At 30 June 2017		At 30 June 2016	
		Consolidated	The Company	Consolidated	The Company
	Deposits and prepayments:				
	Bank guarantee	33,081,279	33,081,279	42,760,016	42,760,016
	L/C margin	37,343,450	31,573,843	24,483,050	24,483,050
	Earnest money	10,200	10,200	10,200	10,200
	Security money	14,319,694	14,319,694	15,196,451	15,196,451
	Sub-total	**84,754,623**	**78,985,016**	**82,449,717**	**82,449,717**
	Total	**882,731,788**	**869,505,542**	**827,623,061**	**822,163,723**
	Dues upto 6 months	313,450,376	308,755,059	293,392,375	291,457,040
	Dues above 6 months	569,281,412	560,750,483	534,230,686	530,706,683
	Total	**882,731,788**	**869,505,542**	**827,623,061**	**822,163,723**
10	**Fixed Deposit Receipt (FDR):**				
	Dhaka Bank Limited	200,966,229	200,966,229	83,222,214	83,222,214
	Farmers Bank Limited	98,627,923	98,627,923	94,180,359	94,180,359
	Premier Leasing & Finance Ltd	60,439,722	60,439,722	50,000,000	50,000,000
	Fareast Finance and Investment Ltd.	75,000,000	75,000,000	-	-
	One Bank Limited	35,905,440	35,905,440	-	-
	Total	**470,939,314**	**470,939,314**	**227,402,573**	**227,402,573**
11	**Cash and cash equivalents**				
	Cash in hand				
	Branch Office	17,739,368	17,739,368	21,124,524	21,124,524
	Factory	1,268,974	1,268,974	1,015,623	1,015,623
	Dhaka Office	2,965,663	2,699,908	2,728,236	2,523,701
		21,974,005	**21,708,250**	**24,868,383**	**24,663,848**
	Bank balances with:				
	Bank Asia Limited	19,298	17,936	3,523	2,161
	Dhaka Bank Limited	6,925,640	5,870,210	2,792,697	2,792,697
	Mercantile Bank Limited, Dhaka	130,803	130,803	892,689	892,689
	One Bank Limited	4,776,849	4,776,849	344,411	344,411
	Jamuna Bank Limited	520,372	520,372	1,448,311	1,448,311
	AB Bank Limited	151,037	151,037	39,992	39,992
	Social Islami Bank Limited	-	-	-	-
	The Premier Bank Limited	-	-	5,279,934	5,279,934
	Sonali Bank Limited	9,035,584	9,035,584	24,333	24,333
	Eastern Bank Limited	11,025	11,025	12,750	12,750
	BRAC Bank Limited	208,422	208,422	99,469	99,469
	Islami Bank Bangladesh Limited	97,371	97,371	1,664,366	1,664,366
	NCC Bank Limited	7,221,762	7,221,762	358,049	358,049
	United Commercial Bank Limited	2,097,811	-	856,654	51
	Southeast Bank Limited	48,742	48,742	49,772	49,772
	Farmers Bank Limited	19,169,065	19,158,303	13,979,673	13,966,050
	Dutch Bangla Bank Ltd	108,949	108,949	1,040,292	1,040,292
	Standard Bank Limited	469,800	469,800	486,900	486,900
	Dhaka Bank Limited (Rights)	266,640,473	266,640,473	-	-
	Dhaka Bank Limited (IPO)	2,394,837	2,394,837	2,355,288	2,355,288
	Farmers Bank Limited (IPO)	81,393	81,393	80,399	80,399
		320,109,233	**316,943,868**	**31,809,502**	**30,937,914**
	Total	**342,083,238**	**338,652,118**	**56,677,885**	**55,601,762**

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Notes to the financial statements for the year ended 30 June 2017

	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company

12 Share capital

Authorised capital				
500,000,000 ordinary shares of Taka 10 each	**5,000,000,000**	**5,000,000,000**	**5,000,000,000**	**5,000,000,000**
Paid-up capital				
137,689,348 ordinary shares @ Tk.10 each in cash	1,376,893,480	1,376,893,480	213,940,000	213,940,000
94,901,348 ordinary shares @ Tk.10 each in Bonus	949,013,480	949,013,480	701,771,400	701,771,400
Total	**2,325,906,960**	**2,325,906,960**	**915,711,400**	**915,711,400**

During the year Paid-up Capital has been increased to Taka 2,325,906,960 through allotment of Rights Shares (1:1R) dated April 06, 2017 according to Bangladesh Securities and Exchange Commission approval for issuance of rights shares vide letter no. BSEC/CI/RI-108/2016/27 dated January 17, 2017 and allotment of Bonus shares @ 27% dated December 18, 2016.
As of June 30, 2017 the company utilised Tk. 138,413,816 out of Tk. 1,744,430,220 comprising 116,295,348 right shares @ Tk.15/- (including Tk. 5/-) per share and un-utilised portion of Right Issue proceed was Tk. 360,298,404 as of June 30, 2017.

Company's shareholding position as on the dates of balance sheet were as under:

12.1

Shareholdings	Percentage(%)	No. of shares	Value (Taka)
Directors and Sponsor	40.06	93,175,832	931,758,320
Institutional shareholders	15.78	36,702,812	367,028,120
Individual shareholders	44.16	102,712,052	1,027,120,520
Total	**100**	**232,590,696**	**2,325,906,960**

13 Share premium

	Amount (Taka)	Amount (Taka)	Amount (Taka)	Amount (Taka)
Opening balance	418,345,180	418,345,180	418,345,180	418,345,180
Received during the period	581,476,740	581,476,740	-	-
Less: Adjusted Rights Issue Exp.	(23,108,866)	(23,108,866)	-	-
Total	**976,713,054**	**976,713,054**	**418,345,180**	**418,345,180**

14 Revaluation reserve

	82,059,122	**82,059,122**	**82,059,122**	**82,059,122**

In 2010, land under the ownership of Saif Powertec Limited was professionally revalued by G. Kibria & Co, Chartered Accountants. at Fair market value was estimated at Taka 121,734,000 as against net book value of Taka 25,193,856 resulting in a revaluation surplus of Taka 96,540,144 which was accounted for and transferred to revaluation reserve. The company does not feel it necessary to revalue is property during the year since the value does not differ significantly from its carrying amount.

15 Retained earnings:

Opening Balance	710,032,817	701,690,276	514,494,606	512,473,869
Add: Addition this year	644,054,481	634,519,284	401,395,811	395,074,007
Less: Dividend @ 32% (5% Cash & 27% Stock) (2016: 27% Stock)	(293,027,650)	(293,027,650)	(205,857,600)	(205,857,600)
Total	**1,061,059,648**	**1,043,181,910**	**710,032,817**	**701,690,276**

16 Non Controlling Interest:

This is made up as follows:			
A. Subsidiary Share Capital	100,000,000	100,000,000	
B. Saif Powertec Limited invest to Subsidiary Company	80,000,000	80,000,000	
Percentage of holding share of Subsidiary company By SPL (B/A)	80%	80%	
Non Controlling interest Percentage	20%	20%	
C. Non controlling interest on Share Capital	20,000,000	20,000,000	
Opening Retained earnings	10,428,177	2,525,923	
D. Non controlling interest on Opening retained earnings @20% Restated	2,085,635	505,185	
Current years profit of subsidiaries	11,918,994	7,902,254	
E. Non controlling interest on current years profit of subsidiary @ 20%	2,383,799	1,580,451	
Total Non controlling Interest (C+D+E)	**24,469,434**	**22,085,635**	

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Notes to the financial statements for the year ended 30 June 2017

	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
17 Long term loan from Banks and NBFIs				
The company has availed long-term credit facilities from the following banks:				
Mercantile Bank Limited	-	-	-	-
Dhaka Bank Limited	80,250,469	80,250,469	177,201,370	177,201,370
Bank Asia Limited	-	-	-	-
Farmers Bank Limited	-	-	5,680,794	5,680,794
Infrastructure Development Company Limited	305,775,193	305,775,193	288,396,183	288,396,183
Bangladesh Finance and Investment Company Limited	245,536,122	245,536,122	270,059,577	270,059,577
Hajj Finance Company Limited	120,800,084	120,800,084	137,489,545	137,489,545
Premier Leasing and Finance Limited	-	-	315,819,255	315,819,255
Fareast Finance and Investment Ltd	276,398,653	276,398,653	-	-
IPDC Finance Limited	39,463,458	39,463,458	-	-
LankaBangla Finance Ltd.	21,790,821	21,790,821	-	-
NCC Bank Limited	28,430,282	28,430,282	18,503,145	18,503,145
	1,118,445,082	**1,118,445,082**	**1,213,149,869**	**1,213,149,869**
17.1 Long-term loan				
Dhaka Bank Limited				
Opening Balance	273,844,959	273,844,959	270,265,213	270,265,213
Add: Principal this year	170,122,222	170,122,222	260,221,644	260,221,644
Add: Interest this year	65,314,676	65,314,676	50,114,533	50,114,533
Less: Payment this year	(238,446,901)	(238,446,901)	(306,756,431)	(306,756,431)
Sub Total (A)	**270,834,956**	**270,834,956**	**273,844,959**	**273,844,959**
Bank Asia Limited				
Opening Balance	-	-	23,409,596	3,242,620
Add: Principal this year	-	-	-	-
Add: Interest this year	-	-	1,596,715	113,707
Less: Payment this year	-	-	(25,006,311)	(3,356,327)
Sub Total (B)	-	-	-	-
Farmers Bank Limited				
Opening Balance	15,369,261	15,369,261	23,306,354	23,306,354
Add: Principal this year	-	-	-	-
Add: Interest this year	2,491,650	2,491,650	3,266,220	3,266,220
Less: Payment this year	(17,860,911)	(17,860,911)	(11,203,313)	(11,203,313)
Sub Total (C)	-	-	**15,369,261**	**15,369,261**
NCC Bank Limited				
Opening Balance	27,524,412	27,524,412	-	-
Add: Principal this year	46,799,300	46,799,300	30,000,000	30,000,000
Add: Interest this year	4,790,088	4,790,088	1,656,412	1,656,412
Less: Payment this year	(11,363,000)	(11,363,000)	(4,132,000)	(4,132,000)
Sub Total (D)	**67,750,800**	**67,750,800**	**27,524,412**	**27,524,412**
Bangladesh Finance and Investment Company Limited				
Opening Balance	323,999,638	323,999,638	357,619,142	357,619,142
Add: Principal this year	8,153,969	8,153,969	-	-
Add: Interest this year	77,008,784	77,008,784	47,381,596	47,381,596
Less: Payment this year	(103,051,939)	(103,051,939)	(81,001,100)	(81,001,100)
Sub Total (E)	**306,110,452**	**306,110,452**	**323,999,638**	**323,999,638**
Infrastructure Development Company Limited				
Opening Balance	288,396,183	288,396,183	163,595,067	163,595,067
Add: Principal this year	35,762,571	35,762,571	137,126,697	137,126,697
Add: Interest this year	19,671,051	19,671,051	14,699,550	14,699,550
Less: Payment this year	(38,054,612)	(38,054,612)	(27,025,131)	(27,025,131)
Sub Total (F)	**305,775,193**	**305,775,193**	**288,396,183**	**288,396,183**

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	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
Premier Leasing & Finance Limited				
Opening Balance	350,000,000	350,000,000	-	-
Add: Principal this year	-	-	350,000,000	350,000,000
Add: Interest this year	49,011,982	49,011,982	4,010,417	4,010,417
Less: Payment this year	(399,011,982)	(399,011,982)	(4,010,417)	(4,010,417)
Sub Total (G)	-	-	**350,000,000**	**350,000,000**
Fareast Finance and Investment Ltd				
Opening Balance	-	-	-	-
Add: Principal this year	350,000,000	350,000,000	-	-
Add: Interest this year	39,777,494	39,777,494	-	-
Less: Payment this year	(50,246,850)	(50,246,850)	-	-
Sub Total (H)	**339,530,644**	**339,530,644**	-	-
IPDC Finance Limited				
Opening Balance	-	-		
Add: Principal this year	50,000,000	50,000,000	-	-
Add: Interest this year	2,261,272	2,261,272	-	-
Less: Payment this year	(4,580,923)	(4,580,923)	-	-
Sub Total (I)	**47,680,349**	**47,680,349**		
Hajj Finance Company Limited				
Opening Balance	193,156,034	193,156,034	70,000,000	70,000,000
Add: Principal this year	3,526,636	3,526,636	150,000,000	150,000,000
Add: Interest this year	23,646,977	23,646,977	16,639,807	16,639,807
Less: Payment this year	(78,624,403)	(78,624,403)	(43,483,773)	(43,483,773)
Sub Total (J)	141,705,244	141,705,244	193,156,034	193,156,034
LankaBangla Finance Limited				
Opening Balance	-	-	-	-
Add: Principal this year	30,000,000	30,000,000	-	-
Add: Interest this year	221,828	221,828	-	-
Less: Payment this year	(648,541)	(648,541)	-	-
Sub Total (K)	29,573,287	29,573,287	-	-
Total (A+B+C+D+E+F+G+H+I+J+K)	1,508,960,925	1,508,960,925	1,472,290,487	1,472,290,487
Less: Long-term loan	1,118,445,082	1,118,445,082	1,213,149,869	1,213,149,869
Transferred to current portion loan	**390,515,843**	**390,515,843**	**259,140,618**	**259,140,618**

Nature	Long term loan
Purpose	Working Capital
Tenure	1 Year to 6 Years
Repayment	25-01-22
Rate of interest	15.5% ~ 17.50%
Security	Registered mortgage of 82.00 decimal land situated at Khilgaon, Gazipur. Lien of readily saleable 4,118,834 shares. Hypothecation underlying assets, 32.43 Decimal land at Basugaon, pubail, 32.20 Decimal land at khilgaon, pubail, 122 dec. Bashugaon , Gazipur.8.77decimals land at Gazipur Sadar, 69.80 decimal land at khilgaon, Gazipur.

18 Current portion of long-term loan

Dhaka Bank Limited	190,584,485	190,584,485	96,643,588	96,643,588
Farmers Bank Limited	-	-	9,688,467	9,688,467
Bangladesh Finance and Investment Company Limited	60,574,330	60,574,330	53,940,061	53,940,061
NCC Bank Limited	39,320,518	39,320,518	9,021,267	9,021,267
Premier Leasing and Finance Limited	-	-	34,180,745	34,180,745
Fareast Finance and Investment Ltd	63,131,991	63,131,991	-	-
LankaBangla Finance Limited	7,782,468	7,782,468	-	-
IPDC Finance Limited	8,216,891	8,216,891	-	-
Hajj Finance Company Limited	20,905,160	20,905,160	55,666,489	55,666,489
Total	**390,515,843**	**390,515,843**	**259,140,617**	**259,140,617**

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Notes to the financial statements for the year ended 30 June 2017

	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
19 Deferred Tax Liability:	**Consolidated**	**The Company**	**Consolidated**	**The Company**
Deferred tax liability end of the year	71,617,813	71,617,813	58,749,000	58,749,000
Deferred Tax liability (Subsidiary Com.)	13,290,080	-	7,256,062	-
Total	**84,907,893**	**71,617,813**	**66,005,062**	**58,749,000**
20 Short-term loan from Banks				
Time Loan and LTR				
Dhaka Bank Limited	235,115,862	235,115,862	251,675,144	251,675,144
Bangladesh Commerce Bank Limited	206,065,934	206,065,934	-	-
NCC Bank Limited	-	-	13,066,216	13,066,216
Farmers Bank Limited	319,607,547	319,607,547	277,262,617	277,262,617
Fareast Finance and Investment Limited	151,625,010	151,625,010	-	-
Islamic Finance and Investment Limited	63,117,052	63,117,052	-	-
The Premier Bank Limited	140,954,141	140,954,141	-	-
Premier Leasing & Finance Limited	53,334,419	53,334,419	-	-
	1,169,819,965	1,169,819,965	542,003,977	542,003,977
Bank Overdraft				
Dhaka Bank Limited	432,209,369	432,209,369	30,272,403	30,272,403
NCC Bank Limited	20,046,920	20,046,920	55,759,785	55,759,785
Farmers Bank Limited	456,333,327	456,333,327	413,601,202	413,601,202
The Premier Bank Limited	487,964,730	487,964,730	422,955,607	422,955,607
	1,396,554,346	1,396,554,346	922,588,997	922,588,997
	2,566,374,311	2,566,374,311	1,464,592,974	1,464,592,974
20.01 Short-term loan				
Dhaka Bank Limited				
Opening Balance	251,675,144	251,675,144	262,474,359	262,474,359
Add: Principal this year	719,485,653	719,485,653	458,120,450	458,120,450
Add: Interest this year	34,398,339	34,398,339	45,502,726	45,502,726
Less: Payment this year	(770,443,274)	(770,443,274)	(514,422,391)	(514,422,391)
	235,115,862	235,115,862	251,675,144	251,675,144
Bank Asia Limited				
Opening balance	-	-	6,120,012	-
Add: Principal this year	-	-	-	-
Add: Interest this year	-	-	149,371	-
Less: Payment this year	-	-	(6,269,383)	-
	-	-	-	-
NCC Bank Limited				
Opening balance	13,066,216	13,066,216	234,133,452	234,133,452
Add: Principal this year	-	-	-	-
Add: Interest this year	384,416	384,416	18,513,415	18,513,415
Less: Payment this year	(13,450,632)	(13,450,632)	(239,580,651)	(239,580,651)
	-	-	13,066,216	13,066,216
Farmers Bank Limited				
Opening balance	277,262,617	277,262,617	134,824,968	134,824,968
Add: Principal this year	124,575,029	124,575,029	292,688,763	292,688,763
Add: Interest this year	42,294,577	42,294,577	43,996,411	43,996,411
Less: Payment this year	(124,524,676)	(124,524,676)	(194,247,525)	(194,247,525)
	319,607,547	319,607,547	277,262,617	277,262,617
AB Bank Limited				
Opening balance	-	-		
Add: Principal this year	34,014,873	34,014,873		
Add: Interest this year	1,177,293	1,177,293		
Less: Payment this year	(35,192,166)	(35,192,166)		
	-	-		

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	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
Premier Bank Limited				
Opening balance	-	-		
Add: Principal this year	210,898,000	210,898,000		
Add: Interest this year	6,615,680	6,615,680		
Less: Payment this year	(76,559,539)	(76,559,539)		
	140,954,141	140,954,141		
Bangladesh Commerce Bank Limited				
Opening balance	-	-	-	-
Add: Principal this year	200,000,000	200,000,000	-	-
Add: Interest this year	7,132,601	7,132,601	-	-
Less: Payment this year	(1,066,667)	(1,066,667)	-	-
	206,065,934	206,065,934	-	-
Fareast Finance and Investment Limited				
Opening balance	-	-	-	-
Add: Principal this year	150,000,000	150,000,000	-	-
Add: Interest this year	8,125,050	8,125,050	-	-
Less: Payment this year	(6,500,040)	(6,500,040)	-	-
	151,625,010	151,625,010	-	-
Islamic Finance and Investment Limited				
Opening balance	-	-	-	-
Add: Principal this year	70,000,000	70,000,000	-	-
Add: Interest this year	3,117,052	3,117,052	-	-
Less: Payment this year	(10,000,000)	(10,000,000)	-	-
	63,117,052	63,117,052	-	-
Premier Leasing & Finance Limited				
Opening balance	-	-	-	-
Add: Principal this year	60,000,000	60,000,000	-	-
Add: Interest this year	3,437,499	3,437,499	-	-
Less: Payment this year	(10,103,080)	(10,103,080)	-	-
	53,334,419	53,334,419	-	-

Purpose	Working Capital
Tenure	1 Year
Repayment	15-06-18
Rate of interest	2% to 17%
Security	Pledge of 3.225 Million Ordinary Share of SAIF Powerte Limited, Hypothecation underlying assets, 32.43 Decimal land at Basugaon, pubail, 32.20 Decimal land at khilgaon, pubail, 122 dec. Bashugaon , Gazipur.

21 Accounts payable

A & J Traders	482,790	482,790	541,621	541,621
M.S International	-	-	19,971,624	19,971,624
Model Art press	452,186	452,186	342,202	342,202
Excell Engineering & Services	-	-	321,407	321,407
Deferred L/C Liabilities	66,686,870	66,686,870	402,017,953	402,017,953
Others	35,472,264	35,472,264	1,142,205	1,142,205
Subsidiary	13,824,368	-	22,903,520	-
Total	**116,918,477**	**103,094,110**	**447,240,532**	**424,337,012**
Dues upto 6 months	66,175,858	58,351,266	244,329,407	231,824,086
Dues above 6 months	50,742,619	44,742,844	202,911,125	192,512,926
Total	**116,918,477**	**103,094,110**	**447,240,532**	**424,337,012**

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	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
22 Accrued expenses				
Salary and allowances	7,150,524	6,829,385	6,432,218	6,231,079
Others payable	906,900	906,900	970,354	970,354
Office rent	360,000	360,000	360,000	360,000
Income tax payable (note: 22.01)	537,079,862	535,807,210	338,058,345	337,169,594
Audit fee	375,000	350,000	375,000	350,000
Service charge	30,000	30,000	26,000	26,000
Electricity bill	866,373	462,596	860,097	456,320
Telephone bill	13,927	13,927	12,341	12,341
Total	**546,782,586**	**544,760,019**	**347,094,353**	**345,575,689**
22.01 Income tax provision				
Opening Balance	338,058,345	337,169,595	217,221,825	216,938,333
Addition this year	199,021,517	198,637,615	120,836,520	120,231,262
Total	**537,079,862**	**535,807,210**	**338,058,345**	**337,169,595**
23 Obligation to Contract Clients	-	-	**189,316,735**	**189,316,735**
24 Workers profit participation/Welfare fund				
Opening balance	54,608,695	54,608,695	28,270,428	28,270,428
Add: During this year	42,301,286	42,301,286	26,338,267	26,338,267
Total	96,909,981	96,909,981	54,608,695	54,608,695

No interest has been provided on Workers profit participation fund.

25 Sales

	Year ended 30 June 2017				Year ended 30 June 2016	
	Gross revenue	VAT	Net revenue	Consolidated	Net revenue	Consolidated
Contract	1,948,092,247	72,111,020	1,875,981,227	1,875,981,227	1,377,639,416	1,377,639,416
Maintenance	494,611,949	-	494,611,949	494,611,949	350,503,677	350,503,677
Imported goods	577,111,766	8,170,117	568,941,649	568,941,649	364,155,515	364,155,515
Net sales (subsidiary)	-		-	68,526,475	-	56,882,118
Total	**3,019,815,962**	**80,281,137**	**2,939,534,825**	**3,008,061,300**	**2,092,298,608**	**2,149,180,726**

26 Cost of sales				
Maintenance (note 26.1)	183,650,148	183,650,148	149,250,360	149,250,360
Contracts (note 26.2)	675,396,862	675,396,862	403,820,174	403,820,174
Imported goods (note 26.3)	410,101,096	410,101,096	465,485,721	465,485,721
Cost of sales (note 26.4)	48,914,886		42,536,604	
Total	1,318,062,992	1,269,148,106	1,061,092,859	1,018,556,255
26.01 Maintenance				
Wages and others expenses	70,320,549	70,320,549	65,455,371	65,455,371
Labour bills	105,443,044	105,443,044	79,543,258	79,543,258
Fuel and oil	5,633,338	5,633,338	1,587,210	1,587,210
Repair and maintenance	2,253,217	2,253,217	2,664,521	2,664,521
Total	183,650,148	183,650,148	149,250,360	149,250,360

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		Amount in Taka			
		At 30 June 2017		At 30 June 2016	
		Consolidated	The Company	Consolidated	The Company
26.02	**Contract**				
	Wages and salary	118,232,580	118,232,580	115,369,820	115,369,820
	Project implementation cost	389,759,129	389,759,129	69,545,214	69,545,214
	Wages and others expenses	1,069,082	1,069,082	1,045,210	1,045,210
	Trailer and prime mover rent	5,440,879	5,440,879	5,534,120	5,534,120
	Fuel and oil	7,886,541	7,886,541	10,526,325	10,526,325
	Utility bill	5,633,218	5,633,218	4,521,403	4,521,403
	Uniform expenses (dress)	568,600	568,600	701,200	701,200
	Repair and maintenance	143,268,187	143,268,187	195,521,250	195,521,250
	Hotel rent	3,538,646	3,538,646	1,055,632	1,055,632
	Total	**675,396,862**	**675,396,862**	**403,820,174**	**403,820,174**
26.03	**Imported goods**				
	Cost of imported goods	263,378,315	263,378,315	324,587,120	324,587,120
	Clearing charge	1,326,094	1,326,094	2,236,410	2,236,410
	L/C expenses	2,363,974	2,363,974	4,017,914	4,017,914
	Marine insurance	5,960,826	5,960,826	4,143,886	4,143,886
	Carriage inward	525,445	525,445	355,210	355,210
	Wages and salary	136,546,442	136,546,442	130,145,181	130,145,181
	Total	410,101,096	410,101,096	465,485,721	465,485,721
26.04	**Cost of sales of subsidiary**	**48,914,886**	-	**42,536,604**	-
27	**General and administrative expenses**				
	Salary and allowances	58,955,499	57,806,843	50,953,895	50,166,210
	Office rent	10,170,448	10,014,448	10,777,600	10,621,600
	Travelling and conveyance	2,603,940	2,580,954	2,584,316	2,563,240
	Vehicle running expenses	1,564,617	1,499,272	1,383,192	1,325,621
	Publicity and promotional expenses	17,546,015	17,546,015	17,563,250	17,563,250
	Utility bills	1,499,218	1,499,218	1,321,402	1,321,402
	Communication expenses	976,000	970,000	858,140	852,140
	Printing and stationery	638,652	626,310	1,890,235	1,877,240
	Employees welfare	2,743,001	2,693,095	2,288,225	2,236,412
	Medical expenses	154,367	154,367	55,621	55,621
	Business license fee	519,263	282,128	707,005	432,330
	Depreciation	143,982,204	143,982,204	122,910,175	122,910,175
	Service charge	380,861	357,875	321,434	301,200
	Telephone and mobile phone bills	1,757,625	1,750,030	1,500,036	1,492,641
	Postage and courier	183,591	178,494	57,336	52,871
	Carriage outward	1,016,445	1,016,445	913,852	913,852
	Repair and maintenance	1,162,853	1,059,403	1,119,838	1,020,114
	Tender expenses	139,665	139,665	155,620	155,620
	Marketing expenses	1,994,549	1,530,873	1,055,402	763,210
	Audit fee	375,000	350,000	695,625	651,875
	Paper and periodicals	147,829	145,233	30,759	28,314
	Sundry expenses	4,444,263	4,420,609	4,254,475	4,219,475
	Total	**252,955,905**	**250,603,481**	**223,397,433**	**221,524,413**

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Notes to the financial statements for the year ended 30 June 2017

	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
28 Financial expenses				
Bank interest				
Dhaka Bank Limited	116,383,005	116,383,005	99,502,988	99,502,988
Bank Asia Limited	-		3,369,980	1,388,203
NCC Bank Limited	14,872,184	14,872,184	32,621,162	32,621,162
Farmers Bank Limited	103,220,438	103,220,438	93,344,245	93,344,245
Bangladesh Finance and Investment Company Limited	77,008,784	77,008,784	47,381,596	47,381,596
Hajj Finance Company Limited	23,646,977	23,646,977	16,639,807	16,639,807
Premier Leasing and Finance Limited	48,439,064	48,439,064	5,810,417	5,810,417
The Premier Bank Limited	81,482,431	81,482,431	8,336,818	8,336,818
Bangladesh Commerce bank Limited	7,132,601	7,132,601	-	-
AB Bank Limited	1,140,326	1,140,326	-	-
IPDC Finance Limited	2,261,272	2,261,272	-	-
Fareast Finance and Investment Limited	47,928,892	47,928,892	-	-
Infrastructure Development Company Limited	19,671,051	19,671,051	14,699,550	14,699,550
Islamic Finance Limited	3,117,052	3,117,052	-	-
LankaBangla Finance Limited	221,828	221,828	-	-
	546,525,905	546,525,905	321,706,563	319,724,786
Bank charge, commission & others				
AB Bank Limited	5,820	5,820	28,200	28,200
Bank Asia Limited	8,575	8,575	31,566	31,566
Bangladesh Commerce Bank Limited	40,000	40,000	-	-
BRAC Bank Limited	2,525	2,525	19,715	19,715
Dhaka Bank Limited	5,026,013	5,026,013	11,419,143	11,419,143
Farmers Bank Limited	149,815	149,815	1,065,360	1,065,360
Islami Bank (Bangladesh) Limited	134,422	134,422	143,069	143,069
Jamuna Bank Limited	-	-	6,829	6,829
Mercantile Bank Limited	17,200	17,200	29,850	29,850
NCC Bank Limited	242,415	242,415	1,767,971	1,767,971
ONE Bank Limited	43,545	43,545	33,183	33,183
Sonali Bank Limited	35,093	35,093	9,005	9,005
Eastern Bank Limited	1,725	1,725	1,150	1,150
Premier Bank Limited	382,783	382,783	85,010	85,010
Social Islami Bank Limited	-	-	613	613
Southeast Bank Limited	3,665	3,665	27,052	27,052
Dutch Bangla Bank Limited	81,585	81,585	128,374	128,374
United Commercial bank Limited	-		1,150	1,150
Standard Bank Limited	2,025	2,025	600	600
Cash, loan processing and others	21,124,938	21,124,938	15,569	15,569
Subsidiary Company	19,115	-	62,712	-
	27,321,259	27,302,144	14,876,121	14,813,409
Total	**573,847,164**	**573,828,049**	**336,582,684**	**334,538,195**
29 Income Tax Expense:				
Current tax payable (Note: 29.01)	199,021,517	198,637,615	120,836,520	120,231,262
Deferred tax expenses	18,902,831	12,868,813	15,109,877	11,460,075
Total	**217,924,348**	**211,506,428**	**135,946,397**	**131,691,337**
29.01 Current tax payable (The Company):				
Income before tax during the year	846,025,713	846,025,713	526,765,345	526,765,345
Add: Accounting depreciation	143,982,204	143,982,204	122,910,175	122,910,175
Less: Tax depreciation	(195,457,457)	(195,457,457)	(154,169,183)	(154,169,183)
Taxable Income	794,550,460	794,550,460	495,506,337	495,506,337
Tax Rate	25%	25%	25%	25%
Current Tax	198,637,615	198,637,615	123,876,584	123,876,584
Income tax for rate difference	-	-	(3,645,323)	(3,645,323)
Add: Tax on Subsidiaries	383,902	-	605,258	-
Total	**199,021,517**	**198,637,615**	**120,836,520**	**120,231,262**

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Notes to the financial statements for the year ended 30 June 2017

	Amount in Taka			
	At 30 June 2017		At 30 June 2016	
	Consolidated	The Company	Consolidated	The Company
30 Earnings per share (EPS)				
Basic Earning per share:				
Earnings attributable to ordinary shares:				
Net profit after tax as per statement of comprehensive income	644,054,481	634,519,284	401,395,811	395,074,007
Weighted average Number of shares (Note 30.01):	200,027,998	200,027,998	116,295,348	116,295,348
Basic Earning per share (Per value of Taka 10)	3.22	3.17	3.45	3.40
Re-stated Earning per share for Right Issue (Basic Earning Per Share/Adjusting Factor)	-	-	2.11	2.08

30.01 Calculation of weighted average number of shares:

Dated	Particulars	Number of shares	Time	Bonus Factor	Adjusting Factor for right issue	Outstanding Shares 2017	Outstanding Shares 2016
01-07-16	Opening Balance	91,571,140	0.38	1.27	1.64	72,314,562	91,571,140
16-11-16	Bonus Shares	24,724,208					24,724,208
		116,295,348	0.39	-	1.64	74,217,577	-
06-04-17	Rights Shares	116,295,348					
30-06-17	Closing Balance	232,590,696	0.23	-	-	53,495,860	-
			1.00			200,027,998	116,295,348

Calculation of Adjusting Factor:

Fair Value before right issue	1	67.5	67.5
Exercise Price	1	15	15
	2		82.5
Theoritical Ex-right fair value per share (82.50/2)			41.25
Adjusting factor for right issue (67.50/41.25)			1.64

31. Directors' responsibility statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

32. Events after the Reporting Period.

In compliance with the requirements of BAS-10: " Events after the reporting period", post balance sheet adjusting events that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material, in applicable cases.

There was no events after reporting period of such importance for which adjustment to be given or disclosure is required except cash dividend @ 5% excluding the sponsor shareholders and directors and 28% stock dividend [June 30, 2016: 5% cash and 27% stock) as recommended in the meeting of Board of Directors held on 28 October, 2017 (June 30, 2016: 26 October, 2016).

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Others

34. Number of Employees

All the employees receive salary/wages in excess of tk. 3000 per month

Number of permanent staff	956
Number of permanent workers	
Number of temporary staff/worker	
Total	956

35. Figures are rounded off to the nearest Taka.
36. These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
37. Production capacity and current utilization

Name of Product / Service	Capacity	Capacity Utilizations
Chittagong Port Operation	657,000 containers per year	60%
Maintenance	657,000 containers per year	60%
Import	Not applicable	Not applicable
Sub-contract	Not applicable	Not applicable
Solar	Not applicable	Not applicable
Substation	Not applicable	Not applicable
Contract	11 nos. of RTG	45%
	4 nos. of QGC	100%

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Details of Property, Plant and Equipment and Depreciation at 30 June 2017

Annex I

Asset category	Cost and Valuation					Depreciation					Written down value at 30 June 2017
	At 01 July 2016	Additions	Revaluation	Adjustment / disposal	Total at 30 June 2017	Rate (%)	To 01 July 2016	Charge for the year	Adjustment on disposal	Total to 30 June 2017	
Tools and equipment	1,140,189,206	137,604,990	-	-	1,277,794,196	10	334,921,841	84,880,380	-	419,802,221	857,991,975
Land and land development	225,216,363	35,563,815	-	-	260,780,178	-	-	-	-	-	260,780,178
Pre-fabricated building	25,550,054	-	-	-	25,550,054	10	10,463,003	1,508,705	-	11,971,708	13,578,346
Building	334,301,643	9,911,900	-	-	344,213,543	5	61,364,969	13,812,650	-	75,177,619	269,035,924
Plant and machinery	80,276,724	136,332,076	-	-	216,608,800	20	48,315,541	15,632,094	-	63,947,635	152,661,165
Motor vehicles	137,208,521	92,003,686	-	-	229,212,207	20	56,630,574	22,415,641	-	79,046,214	150,165,993
Workshop	6,353,600	-	-	-	6,353,600	10	4,320,448	203,315	-	4,523,763	1,829,837
Office and electrical equipment	51,818,967	661,858	-	-	52,480,825	10	16,838,844	3,076,249	-	19,915,092	32,565,733
Furniture and fixtures	24,104,612	12,765,925	-	-	36,870,537	10	9,041,680	2,378,466	-	11,420,147	25,450,390
Others	1,413,049	365,154	-	-	1,778,203	10	757,295	74,705	-	832,000	946,203
Total at 30 June 2017	**2,026,432,739**	**425,209,404**	**-**	**-**	**2,451,642,143**		**542,654,195**	**143,982,204**	**-**	**686,636,400**	**1,765,005,743**
Total at 30 June 2016	**1,777,224,673**	**249,208,066**	**-**	**-**	**2,026,432,739**		**419,744,020**	**122,910,175**		**542,654,195**	**1,483,778,544**

Consolidated Property, Plant & Equipment

Tools and equipment	1,142,910,035	137,604,990	-	-	1,280,515,025	10	335,165,742	84,922,671	-	420,088,413	860,426,612
Land and land development	234,044,513	44,661,371	-	-	278,705,884	-	-	-	-	-	278,705,884
Pre-fabricated building	25,550,054	-	-	-	25,550,054	10	10,463,003	1,508,705	-	11,971,708	13,578,346
Building	334,301,643	9,911,900	-	-	344,213,543	10	61,364,969	13,812,650	-	75,177,619	269,035,924
Plant and machinery	220,919,108	136,332,076		-	357,251,184	20	74,170,569	21,474,162	-	95,644,732	261,606,452
Motor vehicles	140,710,522	92,003,686	-	-	232,714,208	20	57,834,912	22,645,407	-	80,480,318	152,233,890
Workshop	6,353,600	-	-	-	6,353,600	10	4,320,448	203,315	-	4,523,763	1,829,837
Office and electrical equipment	52,420,817	661,858	-	-	53,082,675	10	17,058,982	3,114,420	-	20,173,402	32,909,273
Furniture and fixtures	24,596,212	12,765,925	-	-	37,362,137	10	9,221,493	2,409,645	-	11,631,138	25,730,999
Others	1,413,049	365,154	-	-	1,778,203	10	757,295	74,705	-	832,000	946,203
Total at 30 June 2017	**2,183,219,553**	**434,306,960**	**-**	**-**	**2,617,526,513**		**570,357,413**	**150,165,680**	**-**	**720,523,094**	**1,897,003,419**
Total at 30 June 2016	**1,930,939,972**	**258,305,622**	**-**	**-**	**2,183,219,553**		**440,999,431**	**129,357,983**	**-**	**570,357,413**	**1,612,862,137**

Related party disclosure

Annex II/a

During the year the Company carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in below table in accordance with the provision:

Amounts in Taka

Name of the Party	Relationship	Nature of Transaction	Opening balance at 01 July 2016 Dr/(Cr)	Dr	Cr	Closing balance at 30 June 2017 Dr/(Cr)
Tarafder Md. Ruhul Amin	Director	Salary and allowances	(150,000)	1,800,000	1,800,000	(150,000)
Tarafder Nigar Sultana	Director	Salary and allowances	(250,000)	3,000,000	3,000,000	(250,000)
Tarafder Md. Ruhul Saif	Director	Salary and allowances	(200,000)	2,400,000	2,400,000	(200,000)
Rubya Chowdhury	Director	Salary and allowances	(250,000)	3,000,000	3,000,000	(250,000)
Saif Plastic & Polymer Industries Limited(*)	Subsidiary Company	Investment in Shares	80,000,000	-	-	80,000,000
Total			79,150,000	10,200,000	10,200,000	79,150,000

(*) The company holds 80% shares of Saif Plastic & Polymer Industries Limited

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Transaction with Key Management Personnel of the entity:

Annex II/b

No.	Particulars	Value in Taka
(a)	Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager.	10,200,000
(b)	Expenses reimbursed to Managing Agent	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(i)	Share Based payments	Nil

ALAMIN STOCK

Calculation of Deferred Tax (The Company): **Annexure-IV**

Particulars	30, June 17	30, June 16
a) On cost:		
Carrying amount of Property Plant & Equipment:	1,504,225,565	1,258,562,181
Tax base of Property Plant & Equipment:	1,275,678,401	1,081,490,269
Taxable/(deductible) temporary deference	228,547,165	177,071,912
Tax rate (Business income)	25%	25%
Deferred tax (Assets) / Liability at the end of the year	**57,136,791**	**44,267,978**
Deferred tax (income) /expense recognized in Statement of Profit or Loss and Other Comprehensive Income	**12,868,813**	**11,460,075**
b) On Revaluation:		
Carrying amount of Property Plant & Equipment:	96,540,144	96,540,144
Tax base of Property Plant & Equipment:		-
Taxable/(deductible) temporary deference	96,540,144	96,540,144
Tax rate	15.0%	15.0%
Deferred tax (Assets) / Liability at the end of the year	**14,481,022**	**14,481,022**
Deferred tax (income) /expense recognized in Statement of Changes in Equity		-
Total Deferred tax (Assets) / Liability at the end of the year (a+b)	**71,617,813**	**58,749,000**

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AUDITED FINANCIAL STATEMENTS -2017



SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

SAIF POWERTEC

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of

SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

We have audited the accompanying financial statements of Saif Plastic & Polymer Industries Limited (the Company) namely, Statement of Financial Position at 30 June 2017 and the related Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows Statement of Changes in Equity and notes thereto for the year ended.

Respective responsibilities of management and auditors

The preparation of these financial statements is the responsibility of the management of the Company. In accordance with generally accepted accounting principles and International Accounting Standards/ International Financial Reporting Standards so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of our audit opinion

We conducted our audit in accordance with International Standards on Auditing as applicable in Bangladesh. Those standards require that we plan and perform the audit to obtain a reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements prepared in accordance with generally accepted accounting principles and International Accounting Standards/ International Financial Reporting Standards so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards give a true and fair view of the state of the Company's affairs as at 30 June 2017 and of the results of its operations and its cash flows for the period then ended and comply with the requirements of Companies Act 1994.

We further report that:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(b) our examination and checking of relevant financial records, books of account, schedules and details were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the said financial statements;

(c) proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

(d) the said financial statements dealt with by this report are in agreement with the books of account; and

(e) the expenditure incurred and payments made were for the purpose of the Company's business for the year.

Dated, Dhaka; October 22, 2017

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

SAIF POWERTEC

SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Financial Position as at 30 June 2017

	Notes	Amounts in Taka At 30 June 2017	At 30 June 2016
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	131,997,675	129,083,595
Capital Work-in-Progress		3,230,077	-
Total Non-Current Assets		135,227,752	129,083,595
Current Assets			
Inventories	4	3,229,098	3,356,699
Accounts and others receivable	5	3,379,971	3,130,670
Advance deposits and prepayment	6	13,226,246	5,459,338
Cash and bank balances	7	3,431,120	1,076,123
Total Current Assets		23,266,435	13,022,830
Total Assets		**158,494,187**	**142,106,425**
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	8	100,000,000	100,000,000
Retained earnings	9	22,347,171	10,428,177
		122,347,171	110,428,177
Non-Current Liabilities			
Deferred Tax liability	10	13,290,080	7,256,062
Share Money Deposit		7,010,000	-
Total Non-Current Liabilities		20,300,080	7,256,062
Current Liabilities			
Sundry creditors	11	13,824,368	22,903,520
Liability for Expense	12	2,022,568	1,518,666
Total Current Liabilities		15,846,936	24,422,186
Total Equity and Liabilities		**158,494,187**	**142,106,425**
Net asset value per share of Taka 10 each		**12.23**	**11.04**

See annexed notes

for Saif Plastic & Polymer Industries Limited

Chairman | **Managing Director** | **Company Secretary**

Dated, Dhaka; October 22, 2017

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

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As per BAS- 24:
An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	10,200,000
(b) Post-employee benefits	-
(c) Other long term benefits	-
(d) termination benefits and	-
(e) share- based payment	-
Total:	**10,200,000**

Shareholdings Position in Subsidiary Company

Annex III

Total shareholding:

	%	Number of shares	Value of shares/Taka
Saif Powertec Limited	80%	8,000,000	80,000,000
Tarafder Md. Ruhul Amin	14%	1,400,000	14,000,000
Tarafder Nigar Sultana	3%	300,000	3,000,000
Rubya Chowdhury	3%	300,000	3,000,000
	100%	10,000,000	100,000,000

Non-controlling interest

	%	Number of shares	Value of shares/Taka
Tarafder Md. Ruhul Amin	14%	1,400,000	14,000,000
Tarafder Nigar Sultana	3%	300,000	3,000,000
Rubya Chowdhury	3%	300,000	3,000,000
	20%	2,000,000	20,000,000
Opening balance			22,085,635
Profit share for this period			2,383,799
			24,469,434

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SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2017

	Notes	Amounts in Taka Period from 1 July 2016 to 30 June 2017	Period from 1 July 2015 to 30 June 2016
REVENUE			
Sales	13	68,526,475	56,882,118
Less: Cost of Goods Sold	14	(48,914,886)	(42,536,604)
Gross Profit		19,611,589	14,345,514
Less: Operating Expenses:			
Administrative expenses	15	(1,888,748)	(1,580,828)
Marketing and selling expenses	16	(463,676)	(292,192)
		(2,352,424)	(1,873,020)
Operating Profit		17,259,165	12,472,494
Add: Other income		1,096,864	1,729,309
Less: Financial expenses	17	(19,115)	(2,044,489)
Net Profit before Tax		18,336,914	12,157,314
Less: Income tax expenses	18	(6,417,920)	(4,255,060)
Current tax		(383,902)	(605,258)
Deferred tax (expense)/income		(6,034,018)	(3,649,802)
Net Profit after Tax		**11,918,994**	**7,902,254**
Earning Per Share (EPS)		**1.19**	**0.79**

See annexed notes

for Saif Plastic & Polymer Industries Limited

Chairman	Managing Director	Company Secretary

Dated, Dhaka; October 22, 2017

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

SAIF POWERTEC

SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Cash Flows for the year ended 30 June 2017

	Amounts in Taka	
	Period ended 30 June 2017	Period ended 30 June 2016
Cash Flows from Operating Activities		
Cash receipt from customer	69,374,038	63,235,313
Cash paid to suppliers and employees	(53,915,385)	(24,297,914)
Cash generated from operations	15,458,653	38,937,399
Advance, deposits and prepayment	(7,011,317)	(760,988)
Advance income tax deducted	(755,591)	(1,649,340)
Net cash flow from operating activities	7,691,745	36,527,071
Cash flow from investing activities		
Purchases of property, plant and equipment	(9,097,556)	(3,071,515)
Capital works-in-progress	(3,230,077)	-
Net cash used in operating activities	(12,327,633)	(3,071,515)
Cash flow from financial activities		
Receipt against long term loan	-	-
Payment against long term loan	-	(20,166,976)
Share money deposited	7,010,000	-
Financial cost	(19,115)	(2,044,489)
Receipt against short term loan	-	-
Payment against short term loan	-	(11,938,223)
Net cash from/(used in) financing activities	6,990,885	(34,149,688)
Net cash inflow/(outflow) for the period	**2,354,997**	**(694,131)**
Opening cash and cash equivalents	**1,076,123**	**1,770,254**
Closing cash and cash equivalents	**3,431,120**	**1,076,123**
Net Operating cash flows per share	**0.77**	**3.65**

for Saif Plastic & Polymer Industries Limited

Chairman | **Managing Director** | **Company Secretary**

Dated, Dhaka; October 22, 2017

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

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SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Changes in Equity for the year ended 30 June 2017

Amounts in Taka

Particulars	Share capital	Retained earnings	Total
Balance at 01 July 2015	100,000,000	2,525,923	102,525,923
Profit during the year	-	7,902,254	7,902,254
Balance at 30 June 2016	100,000,000	10,428,177	110,428,177
			-
Balance at 01 July 2016	100,000,000	10,428,177	110,428,177
Profit during the year	-	11,918,994	11,918,994
Balance at 30 June 2017	100,000,000	22,347,171	122,347,171

for Saif Plastic & Polymer Industries Limited

Chairman | **Managing Director** | **Company Secretary**

Dated, Dhaka; October 22, 2017

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

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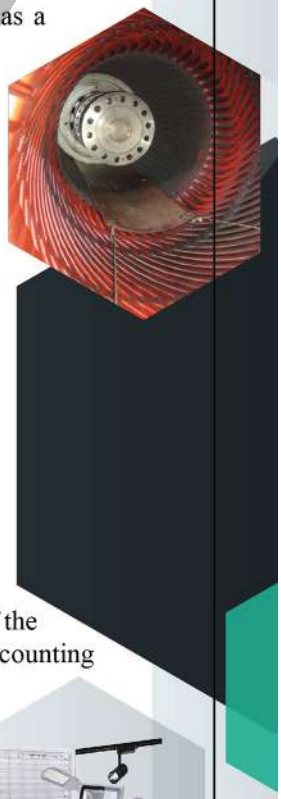
Notes to financial statements for the year ended 30 June 2017

1. Legal form of the enterprise

Saif Plastic & Polymer Industries Limited (the Company") was incorporated in Bangladesh as a private company, limited by shares, on 30 November 2010 under Companies Act 1994 vide certificate of incorporation no. C-88473/10.



Address of registered office of the company and factory of the company

The registered and corporate office of the Company is located at 72, Mahakhali, Rupayan Center (8th floor), Dhaka-1212.

Nature of business

To set up and to run an industry/factory for manufacturing food grade PET bottles such as PET botle, CSD Cap, Spoon, Measurement glass and stopper etc of different sizes for use in the Pharmaceutical appliances for Food and Beverage Companies, for Edible Oil companies for different use purposes.

2. Basis of preparation

2.01 Corporate financial statements and reporting

This comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and other explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.



The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the Bangladesh Accounting Standards (BASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at reporting date. Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

2.02 Fundamental accounting concepts/ assumptions

The financial statements have been prepared based on Going concern assumtion, Consistency concept, Accrual basis and such other convention as required by BAS-1 for fair presentation of financial statements.

2.03 Going concern

The company has adequate resources to continue its operation for the foreseeable future. For this reasons, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

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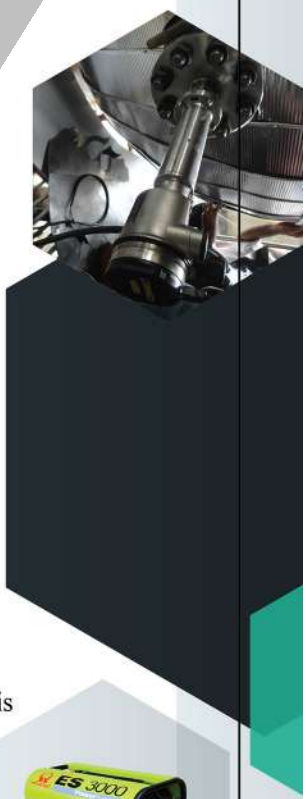
2.04 Compliance with BAS & BFRS

The following BAS is applicable to the financial statements for the period under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Cash Flows Statement
BAS 8	Accounting policies , Changes in Accounting Estimates and Errors
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant And Equipment
BAS 18	Revenue
BAS 21	The Effects of Changes in Foreign Exchange Rates
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 32	Financial Instruments: Presentation
BAS 33	Earnings Per Share
BAS 36	Impairment of Assets
BAS 37	Provision , Contingent Liabilities and Contingent Assets
BAS 39	Financial Instruments: Recognition and Measurement

The following BFRS is applicable to the financial statements for the period under review:

BFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards



2.05 Reporting period

The period of the financial statements covers from 01 July 2016 to 30 June 2017.

2.06 Events after the reporting period.

In compliance with the requirements of BAS 10: Adjusting Events After the Reporting Date that provide additional information about the company's position at the Statement of Financial Position date are reflected in the financial statements and events after the reporting period date that are not adjusting events are disclosed in the notes when material.

2.07 Functional and presentational (Reporting) currency

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



2.08 Comparative information and rearrangement thereof

In accordance with the provisions of BAS-34: Interim Financial Reporting, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Previous year figure has been rearranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS -8 " Accounting Policies , Changes in Accounting Estimated and Errors"

2.09 Summary of significant accounting policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in prior periods.

For a proper understanding of the financial statements, these accounting policies are set out in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

SAIF POWERTEC

2.10 Recognition of tangible fixed assets

Tangible assets have been at cost less accumulated depreciation (Written down value). The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended used. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that expenditure has resulted in an increase in the future economic benefit expected to be obtained from the used of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and the net sales proceeds.



2.11 Depreciation of tangible fixed assets

Depreciation on all fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life from the date when the corresponding assets are available for use as per management intention. No depreciation have been charged after the date of retirement.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Category of fixed assets	Rate of depreciation (%)
Land and Land Development	0%
Plant and machinery	5%
Tools & equipments	10%
Furniture and fixture	10%
Office equipments	10%
Motor vehicles	10%

2.12 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.



The specific recognition criteria described below must also be met before revenue is recognised.

2.13 Accrued Expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Average Cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.15 Cash and Cash Equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was no significant risk of changes in value of the same.

2.16 Statements of Cash Flows:

Cash Flows Statement is prepared principally in accordance with BAS-7 "Statement of Cash Flows " and the cash flows from the operating activities have been presented under direct method.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 Income-tax expense



Current tax is the expected tax payable on the taxable income for the year , using tax rates enacted or substantially enacted at the reporting date any adjustment to tax payable in respent of previous year. Provision for corporate income tax is made @35% applicable for a private limited company.

Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date. The company has introduced deferred tax as per provision of BAS -12 during the year and comparative information has been re-stated accordingly.

2.19 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of BAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :



(a) Foreign currency monetary items are translated using the closing rate.
(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary Items at rate different from those at which they were translated on initial recognition during the year or in previous financial statements is recognized in profit or loss in the period in which they arise.

2.20 Related party disclosures

There is no related party transactions which falls within the scope of related party as required by BAS 24: Related Party Disclosures except payments made to the following key management personnel:

As per Company Act , 1994 part-II , Schedule-XI (4) The profit and loss account or give by way of a note detailed information , showing separately the following payments provided or made during the financial year to the directors , including managing director , the managing agents or manager , if any ,by the company , subsidiaries of the company and any other person:-

No.	Particulars	Value in Tk.
(a)	Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager	-
(b)	Expenses reimbursed to Managing Agent	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	
	(i) Pensions	Nil
	(ii) Gratuities	Nil

Disclosure of above as required by BAS- 24 as under:
An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits ,
(b) Post-employee benefits -
(c) Other long term benefits -
(d) termination benefits and -
(e) share- based payment -

2.21 Financial Instruments

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

Financial assets:
Financial assets of the company include cash and cash equivalents, accounts receivable , other receivables and equity instrument of another entity.The company initially recognized receivable on the date they are originated . All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction .The company derecgnizes a financial asset when, and only when the contractual rights or probablities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

Financial liability:

Financial liabilities are recognized initially on the transction date at which the company becomes a party to the contractual provisions of the liability. The company derecognises the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial libilities includes payable for expense , libility for capital expenditure and other current liabilities.

2.22 Earnings Per Share

This has been calculated in compliance with the requirement of BAS-33 : Earnings per share by dividing the net earnings atributable to the share holders by the number of ordinary shares outstanding during the year .

Basic Earnings per share (Numerator /Denomenator)
Earnings (Numerator)
This represnts earning for the year attributable to ordinary shareholders
No. of ordinary shares (Denominator)
This represents number of ordinary share outstanding during the year.



Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company . Hence , Diluted EPS of the company is same as basic EPS.

2.23 Impairment of Assets:

I) Financial Assets

Accounts receivale and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset , that can be estimated reliably . Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its crrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exits, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognised immediately in statement of comprehensive income unless the asset is carried at revalued amount . Any impaired loss of a revalued asset shall be treated as a revaluation decrease. No such impairment has been raised till the reporting date.



2.24 Provision , Contingent Liabilities and Contingent Assets :

Contingent Liabilities and Contingents Assets are present or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability. In accordance with BAS-37.

2.25 Fianancial statements comprises:

(a) Statement of Financial Position as at 30 June 2017.
(b) Statement of Profit or Loss and other Comprehensive income for the year ended 30 June 2017.
(c) Statement of Cash Flows for the nine months year ended 30 June 2017.
(d) Statement of Changes in equity for the nine months year ended 30 June 2017.
(e) Notes, comprising a summary of significant accounting policies and other explanatory information.

SAMAR STOCK

Notes to financial statements for the period ended 30 June 2017

	Amounts in Taka	
	At 30 June 2017	At 30 June 2016
3 Property, plant and equipment	**131,997,675**	**129,083,595**
Annex- A		
4 Inventories		
Raw materials	1,564,345	1,822,396
Finished goods	867,878	839,787
Work-in-process	796,875	694,516
Total	**3,229,098**	**3,356,699**
5 Account and others receivable		
Biopharma Laboratories Ltd.	-	270,944
JMI Bangla Pharmaceutical Co. Ltd.	-	379,465
The IBN Sina Unionani	51,958	-
Bangladesh Edible Oil Ltd.	-	-
BIBS Pharma Ltd.	822,738	422,738
IBN Haisam	326,261	326,261
ACI Foods	452,707	225,250
Novo Pharma	-	-
Beacon Pharma	227,188	218,896
Navan Pharma	448,867	307,400
General Pharmaceutical Ltd.	-	-
Drug International	-	12,176
ACME Lab	221,056	141,721
Hamim Group	-	82,725
Jayson Nature	632,441	342,528
Others	196,755	400,566
Total	**3,379,971**	**3,130,670**
6 Advance deposits and prepayment		
Advance to:		
Advance against raw materials		
VAT current account	2,302,919	1,061,209
L/c margin	5,769,607	-
Advance income tax	5,153,720	4,398,129
Total	**13,226,246**	**5,459,338**
7 Cash and Bank Balances		
Cash in hand	265,755	204,535
Bank balances in		
Bank Asia Limited	1,362	1,362
United Commercial Bank Limited	2,097,811	856,603
Dhaka Bank Limited	1,055,430	-
The Farmers Bank Limited	10,762	13,623
Total	**3,431,120**	**1,076,123**
8 Share Capital		
Authorised capital		
20,000,000 ordinary shares of Taka 10 each	200,000,000	200,000,000
Issued, subscribed, called and paid up capital		
10,000,000 ordinary shares of Taka 10 each	100,000,000	100,000,000

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9 Retained Earnings

Opening balance	10,428,177	2,525,923
Less: Provision for Minimum Tax payable as per section 16 CCC of the ITO 1984	-	-
Re-stared opening balance	10,428,177	2,525,923
	-	-
Profit after tax during the year	11,918,994	7,902,254
Closing balance	22,347,171	10,428,177

10 Deferred tax liability

For the year ended : 30 June 2017

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Deferred tax (Assets)/Liabilities
Property Plant and Equipment	131,997,675	63,856,036	68,141,639	35.00%	23,849,574
Unused tax loss carry forward	-	(30,169,984)	(30,169,984)	35.00%	(10,559,494)
Deferred Tax liability end of the year					**13,290,080**

For the year ended : 30 June 2016

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Deferred tax (Assets)/Liabilities
Property Plant and Equipment	129,083,595	66,111,136	62,972,459	35.00%	22,040,361
				35.00%	(14,784,299)
Unused tax loss carry forward	-	(42,240,854)	(42,240,854)		**7,256,062**

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Notes to financial statements for the period ended 30 June 2017

		Amounts in Taka	
		At 30 June 2017	At 30 June 2016
11	**Sundry Creditors**		
	M/s Baker Enterprise	1,836,207	3,836,207
	M.S International	1,120,959	4,120,959
	S.R Engineering works	331,852	331,852
	Azad Industries	1,698,779	2,698,779
	Nazmul Plastic	1,590,157	3,590,157
	Brothers engineer works	1,223,001	1,223,001
	Excell Engineering and services	1,820,534	4,820,534
	Dipti Enterprise	2,935,361	1,935,361
	High teck Packaging	184,870	184,870
	Un Noor Enterprise	51,300	51,300
	Ashraf tools	1,031,348	110,500
	Total	**13,824,368**	**22,903,520**
12	**Liability for expenses**		
	Salary & wages	321,139	201,139
	Electricity bill	403,777	403,777
	Audit fee	25,000	25,000
	Income tax payable (Note: 12.01)	1,272,652	888,750
	Total	**2,022,568**	**1,518,666**
12.01	**Income tax payable**		
	Opening Balance	888,750	283,492
	Add: Current year's provision	383,902	605,258
	Closing Balance	**1,272,652**	**888,750**

AMAR STOCK

Notes to financial statements for the period ended 30 June 2017

		Amounts in Taka	
		Year ended 30 June 2017	Year ended 30 June 2016
13	**Revenue**		
	Sales	**68,526,475**	**56,882,118**
14	**Cost of goods sold**		
	Raw materials consumption		
	Opening stock of raw materials	1,822,396	4,592,395
	Purchases during the year	33,822,549	24,649,442
	Closing stock of raw materials	(1,564,345)	(1,822,396)
		34,080,600	**27,419,441**
	Manufacturing expenses:		
	Depreciation	6,183,476	6,447,808
	Salary & wages	2,300,284	1,430,214
	Insurance	146,678	320,877
	Electicity bill	4,797,596	4,845,320
	Overtime bill	209,720	187,568
	Factory rent	300,000	300,000
	Raw materials import charge	122,160	137,180
	Packing materials	812,737	823,546
	Carriage inward	92,085	89,750
		14,964,736	**14,582,263**
	Total Manufacturing cost	**49,045,336**	**42,001,704**
	Opening work-in process	694,516	855,621
	Closing work-in process	(796,875)	(694,516)
	Opening finished product	839,787	1,213,582
	Closing finished product	(867,878)	(839,787)
	Cost of goods sold	**48,914,886**	**42,536,604**
15	**Administrative Expenses**		
	Entertainment	36,456	37,568
	Salary & allowances	1,148,656	787,685
	Office rent	156,000	156,000
	Repair and maintenance	103,450	99,724
	Audit fee	25,000	43,750
	License fee	237,135	274,675
	Vehicle expenses	65,345	57,571
	Printing & stationary	12,342	12,995
	Cleaner expenses	22,986	20,234
	Internet bill	6,000	6,000
	Mobile bill	7,595	7,395
	Conveyance	22,986	21,076
	Allowance	13,450	14,245
	Paper and periodical	2,596	2,445
	Postage & courier	5,097	4,465
	Misc Expenses	23,654	35,000
	Total	**1,888,748**	**1,580,828**

AMAR STOCK

Notes to financial statements for the period ended 30 June 2017

			Amounts in Taka	
			Year ended 30 June 2017	Year ended 30 June 2016
16	**Marketing and Selling Expenses**			
	Salary		366,376	195,765
	Carriage outward		20,546	17,995
	Conveyance		76,754	78,432
	Total		**463,676**	**292,192**
17	**Financial Expenses**			
	Interest expenses		-	1,981,777
	Bank charges		19,115	62,712
	Total		**19,115**	**2,044,489**
18	**Income tax expenses**			
	Current tax payable	(Note-18.01)	383,902	605,258
	Deferred tax expenses	(Note-18.02)	6,034,018	3,649,802
	Total		**6,417,920**	**4,255,060**
18.01	Current tax payable			
	The above balance is made up as follows:			
	Income tax on business income		-	-
	Income tax on other income		383,902	605,258
	Reversal of Deferred Tax for 2.50% rate difference		-	-
	Total		**383,902**	**605,258**
a)	Income tax on business income:			
	Net Profit before tax during the period except other income		17,240,050	10,428,005
	Add: Accounting depreciation		6,183,476	6,447,808
	Less: Tax depreciation		(11,352,656)	(14,176,384)
	Taxable Profit/(Loss)		**12,070,870**	**2,699,429**
	Unused Tax loss carry forward from previous year		(42,240,854)	(44,940,282)
	Current year set-off		12,070,870	2,699,429
	Unused Tax loss carry forward		**(30,169,984)**	**(42,240,854)**
b)	Income tax on other income			
	Other income during the period		1,096,864	1,729,309
	Less: Set Off against Current Loss		-	-
			1,096,864	1,729,309
	Tax Rate		35.00%	35.00%
	Income Tax on other Income		**383,902**	**605,258**

As the company has current loss during the year from July 1, 2014 to June 30, 2015 other income has been set off with such loss.

SAIF POWERTEC

	Amounts in Taka	
	Year ended 30 June 2017	Year ended 30 June 2016
18.02 Deferred tax (Income)/expenses		
Closing Deferred Tax Liability	13,290,080	7,256,062
Opening Deferred Tax Liability	7,256,062	3,606,260
Total	**6,034,018**	**3,649,802**

19 Others

19.1 Figures in these notes and in the annexed financial statements, representing Bangladeshi currency Taka have been rounded off to the nearest Taka.

19.2 These notes form an integral part of these financial statements and accordingly are to be read in conjunction therewith.

Saif Plastic & Polymer Industries Limited

Chairman **Managing Director** **Company Secretary**

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SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Notes to financial statements for the period ended 30 June 2017

Property, Plant and Equipment

Annex- A

Amounts in Taka

Particulars	COST				DEPRECIATION					
	Balance as at 01 July 2016	Additions during the year	Sale/ Disposal/ Adjustment during the year	Total as at 30 June 2017	Rate	Balance as at 01 July 2016	Charge for the year	Adjustment during the year	Total as at 30 June 2017	Net book value at 30 June 2017
Land and land development	8,828,150	9,097,556	-	17,925,706	-	-	-	-	-	17,925,706
Plant and machinery	142,696,399	-	-	142,696,399	5%	25,855,028	5,842,069	-	31,697,097	110,999,302
Motor Vehicles	3,502,000	-	-	3,502,000	10%	1,204,338	229,766	-	1,434,104	2,067,896
Furniture and fixture	491,600	-	-	491,600	10%	179,813	31,179	-	210,991	280,609
Tools and equipments	666,814	-	-	666,814	10%	243,901	42,291	-	286,192	380,622
Office equipments	601,850	-	-	601,850	10%	220,139	38,171	-	258,310	343,540
Total at 30 June 2017	**156,786,813**	**9,097,556**	**-**	**165,884,369**		**27,703,218**	**6,183,476**	**-**	**33,886,694**	**131,997,675**
Total at 30 June 2016	**153,715,298**	**3,071,515**	**-**	**156,786,813**		**21,255,410**	**6,447,808**	**-**	**27,703,218**	**129,083,595**

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