

SAIF POWERTEC

A House of Power & Material Handling Solution




KALMAR REACH STACKER


DOOSAN FORKLIFT


KALMAR STRADDLE CARRIER


KALMAR EMPTY CONTAINER HANDLER


MTU DIESEL GENERATOR


SAIF PLASTIC & POLYMER


SAIF POWER LED LIGHT

SAIF POWERTEC LIMITED

ANNUAL REPORT 2018

AMAR STOCK



Contents

Letter of Transmittal	03
Notice of 15th Annual General Meeting (AGM)	04
Saif Powertec Limited at a Glance	05
Mission, Vision & Objectives	05
Corporate Focus	06-09
Chairperson's Message	10
Managing Director's Message	11-12
Director's report to the Members	13-23
Certification of Chief Executive Officer and Chief Financial Officer to the Board	24
Corporate Governance Certificate	25-37
Audit Committee Report	38
Auditor's report to the Shareholders	40
Consolidated Audited Financial Statements	41- 87
Proxy Form	

HAMARSTOCK

AMAR 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 on 30th June 2018

Dear Sir(s)

We are pleased to transmit a copy of Annual Report for the year ended on 30th June 2018 including all relevant annual consolidated audited financial statements, auditor's reports, management's discussion and analysis, report or certificate on compliance of the Corporate Governance Code and Directors' Report along with the notice of the annual general meeting, etc. 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 15th Annual General Meeting

Notice is hereby given that the 15th Annual General Meeting (AGM) of the Members of Saif Powertec Limited will be held on Thursday, December 27, 2018 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 on June 30th, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. **Dividend:**
   To declare the dividend for the financial year ended on June 30th, 2018 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 theirremuneration.
5. **Appointment of Professional regarding Certificate on Compliance of Corporate Governance Code:**
   To appoint the Professional regarding Certificate on Compliance of Corporate Governance Code of the Company for the term until the next Annual General Meeting and to fix their remuneration.
6. **Miscellaneous:**
   To transact any other related business with the permission of the Chair.

SPECIAL BUSINESS:-

7. **Revision of implementation the Time Frame of Rights Issue Fund Utilization:**
   To approve the revision of implementation and time frame of utilization of Rights Issue Fund.

All Members of the Company 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 28, 2018

NOTES:

a) The Board of Directors has recommended **5% Cash Dividend** and **8% Stock Dividend** for the year ended on June 30th, 2018 subject to approval in the 15th Annual General Meeting (AGM).

b) The Record Date was November **15, 2018 (Thursday)**. The shareholders 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 Taka 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 and/or email. 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 15th Annual General Meeting of the Company as per rules.

AMARSTOCK

SAIF POWERTEC LIMITED

AT A GLANCE

The Company was incorporated in Bangladesh as a Private Limited Company on 29th of December 2003, which was limited by shares as a Public Limited Company under the Companies Act of 1994 on 28th of 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 22nd of April 2014, and listed on the Dhaka Stock Exchange Limited on 10th of September 2014 and on the Chittagong Stock Exchange Ltd., on 17th of September 2014. At present the Paid up Capital of the Company is Taka 2,977,160,900 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). The Company has been producing new Battery unit situated at Pubail, Gazipur and Dhaka, financed out of IPO & its 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–expot-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 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	Chairperson
Mr. Tarafder Md. Ruhul Amin	Managing Director
Mrs. Rubya Chowdhury	Director
Mr. Tarafder Md. Ruhul Saif	Director
Mr. Md. Jalal Uddin Ahmed Chaudhury	Independent Director

Company Secretary

Mr. F. Md. Salehin

Audit Committee

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

Nomination and Remuneration Committee

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

Management Committee

Mr. Tarafder Md. Ruhul Amin	Chairperson
Mr. Engr. Md. Nasiruddin Chowdhury	Member
Mr. Md. Hasan Reza	Member
Mr. AKM Quoreshi	Member
Mr. Md. Shawkat Hossain Khan	Member
Mr. A.S.M. Zulfecar Haider	Member
Mr. Lt. Com. Tafsir Uddin Ahmed (Retd)	Member
Mr. Captain Tanvir Husain	Member
Mr. Major Farukh Ahmed Khan (Retd)	Member
Mr. S.M. Aftab Hossain	Member
Mr. Helal Uddin Sikder	Member
Mr. Shajal Kumer Sharma	Member
Mr. Md. Kamrul Hassan Khan	Member
Mr. Md. Khaled Noor	Member
Mr. Md. Afshin-Uz-Zaman	Member



AMIR STOCK

BOARD OF DIRECTORS



Tarafder Nigar Sultana
CHAIRPERSON



Tarafder Md. Ruhul Amin
MANAGING DIRECTOR



Rubya Chowdhury
DIRECTOR



Tarafder Md. Ruhul Saif
DIRECTOR



Jalal Uddin Ahmed Chaudhury
INDEPENDENT DIRECTOR







SAIF POWERTEC

Operational Management Team :

Mr. Engr. Md. Nasiruddin Chowdhury	Additional Managing Director
Mr. Md. Hasan Reza	Chief Financial Officer
Mr. AKM Quoreshi	Executive Director, Sales & Marketing
Mr. A.S.M. Zulfecar Haider	Chief Operation Officer, Solar Division
Mr. Lt. Com. Tafsir Uddin Ahmed (Retd)	Chief Operation Officer (CTED)
Mr. Captain Tanvir Husain	Chief Operation Officer (CCT & NCT)
Mr. Major Farukh Ahmed Khan (Retd)	Chief Operation Officer, Admin & Logistics
Mr. S.M. Aftab Hossain	Chief Operation Officer, Switchgear Division
Mr. Helal Uddin Sikder, ACMA	Head of Internal Audit
Mr. Shajal Kumer Sharma	Chief Operation Officer, Battery Division
Mr. Md. Kamrul Hassan Khan	Head of Quality Management Systems
Mr. Md. Khaled Noor	Head of Export and Corporate Sales
Mr. Md. Afshin-Uz-Zaman	General Manager Human Resources

Registered Office

Rupayan Centre (8th Floor), 72 Mohakhali C/A, Dhaka-1212, Bangladesh.
Phone: 88-02 9856358-9, Fax : 88-02 9855949.

Factory

Bashugoan, Pubail, Gazipur-1721, Bangladesh.

Chattagram Office

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

Auditors

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

Bankers

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

Sales Office

Khawja 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

Khulna Office

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

Listing Recognition

Company No. 20625,
Trading Code: SAIFPOWER

Insurer

Eastland Insurance Company Limited

Credit Rating Agency

Credit Rating Agency of Bangladesh Ltd. (CRAB)

Subsidiary Company

Saif Plastic & Polymer Industries Limited

Website:www.saifpowertecltd.com

AMARSTOCK



CHAIRPERSON'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 15th Annual General Meeting and place before you the Annual Report including all relevant annual consolidated audited financial statements, auditor's reports, management's discussion and analysis, report or certificate on compliance of the Corporate Governance Code and Directors' Report along with the notice of the annual general meeting, etc. for the year ended on June 30th, 2018.

I have the 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 a long time. The Company earned more profit during financial year of 2017-2018.

- Profit excluding tax was Taka 671,263,052 compared to Taka 644,054,481 in the previous year due to which your Company has been able to achieve a sales growth of more 40.91% to last year. The Company's Board of Directors is also concerned about the Members' interest and has recommended 5% cash dividend and 8% stock dividend for all valued Members.
- The Net Asset Value per share has gone up to Taka 16.95
- Total Assets rose to Taka 11,283,569,106.00

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 as compared to the last financial year.

The Company is following the Corporate Governance code carefully and strictly which is clearly evident from the transparency in all our dealing and decision makings of all processes which are further validated through the ISO 9001 regulations of Quality Management Systems.

As the Country is now on the high way of economic growth, targeting to reach the Middle-Income group by the year 2021 and Higher-Income group by the year 2041, the prospect of growth is still at a significantly 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 all our employees, who are the foundation and backbone of the Company. We paid a great deal of emphasis on the different attributes of growth and invested on necessary infrastructure to 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
Chairperson



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 on 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 15th 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 now Bangladesh has 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 financed out of IPO & its 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.

We are continuously trying to increase the efficiency and productivity of other business units as well as subsidiaries of the Company through various 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

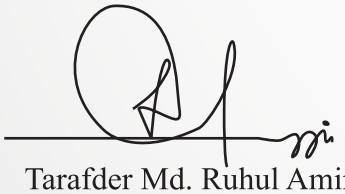
Department has been involved with operating the Chittagong Container Terminal and the New Mooring Container Terminal by providing high-tech

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 food grade PET bottles such as PET bottle, 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 uses and 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.

Lastly, 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 and 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

AMARSTOCK

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 15th 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 on June 30th, 2018 to you to consider, adopt and approve the same.

An Industry Outlook and Possible Future Development in the Industry

Bangladesh has been recently listed as a middle income country by World Bank. The country's economy is progressing day by day with satisfactory growth of its GDP. Projecting the flourishing of more industrialization processes 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 10,000MW 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.

AMAR STOCK

Segment-wise or Product-wise Performance

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

Years	Product performance	Turnover		Production capacity		Capacity utilization	
		Consolidated	The company	Consolidated	The company	Consolidated	The company
2017-2018	Contract	2,176,473,270	2,176,473,270		657,000 Containers		68%
	Maintenance	387,085,887	387,085,887		657,000 Containers		60%
	Imported goods	7,98,870,207	7,98,870,207		Not applicable		Not applicable
	Manufacturing (Battery)	801,074,818	801,074,818				
	Subsidiary	75,375,085	-			62%	
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%	

SAIF POWERTEC

Risks and Concerns including internal and external risk factors, threat to sustainability and negative impact on environment

The Board has established a risk and risk control mechanism to adjust the different business policies and business objectives for every sister concern of the company. 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 from time to time.

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

Particulars	2017-2018		2016-2017		Increase/(Decrease)	
	Consolidated	The company	Consolidated	The company	Consolidated	The company
Cost of Sales	54.55%	54.31%	43.82%	43.18%	24.49%	25.78%
Gross Profit Margin	45.45%	45.69%	56.18%	56.82%	(19.10) %	(19.59) %
Net Profit margin	15.84%	15.87%	21.41%	21.59%	(26.02) %	(26.49) %

(a) Cost of Sales

Compared to that of the previous financial year, the cost of sales of the year under the report witnessed at 24.49 % increase in turnover for the year. This increase during the year due to manufacturing (Battery) unit were commenced.

(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 (19.10) % decrease. This decrease during the year due to manufacturing (Battery) unit were commenced.

(C) Net Profit Margin

The Net Profit Margin, in relation to the turnover of the year under report, was (26.02) % decrease compared with that of the previous year due to manufacturing (Battery) unit were commenced.

Continuity of any extraordinary activities and their implications (gain or loss)

There was no extraordinary gain or loss in the financial statement under report during the financial year 2017-2018 except Taka 50,262,935/- Interest on FDR against bank guarantee and others.

Detailed discussion on related party transaction

There were no related party transactions during the financial year July 01, 2017 to June 30, 2018 except the director's remuneration and Short-term employees benefits of Taka 49,827,132/-.

Utilization of proceed raised through public issue, right issue and/or through any other instruments

The Company has been able to raise up its 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 Company utilized Tk. 1,661,199,198 out of Tk. 1,744,430,220/- and un-utilized portion of Right Issue proceeds was Tk. 83,231,022 as of September 30, 2018.

An explanation if the financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer, Direct Listing etc.

The Company utilized Tk. 1,661,199,198 out of Tk. 1,744,430,220/- and un-utilized portion of Right Issue proceeds was Tk. 83,231,022 as of September 30, 2018 and No revenue has been generated from Right Issue proceeds utilization during the year under report.

Significant Variation that occurs 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 paid to Directors including Independent Directors.

Remuneration paid during the year is given in notes no.26 of audited financial statements.

Directors also report that

a) 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.
b) Proper books of account of Saif Powertec Limited have been maintained.
c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
d) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
e) The system of internal control is sound in design and has been effectively implemented and monitored.
f) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
g) There are no significant doubts regarding the Saif Powertec Limited's ability to continue as a going concern.
h) No bonus share or stock dividend has been or shall be declared as interim dividend.

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

Particulars	2017-2018		2016-2017	
	Consolidated	The company	Consolidated	The company
Turnover	4,238,879,267	4,163,504,182	3,008,061,300	2,939,534,825
Cost of Sales	2,312,471,910	2,261,201,857	1,318,062,992	1,269,148,106
Gross Profit	1,926,407,357	1,902,302,325	1,689,998,308	1,670,386,719
Net Profit	671,263,052	660,646,471	644,054,481	634,519,284

Reason:

Revenue from Battery project not yet in its full of operation.

Operational and Financial data of at least preceding 5 (five) years are summarized

Details	2017-2018		2016-2017		2015-2016		2014-2015		2013-2014	
	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company
Turnover	4,238,879,267	4,163,504,182	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
Cost of Sales	2,312,471,910	2,261,201,857	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
Gross Profit	1,926,407,357	1,902,302,325	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
Operating Profit	1,509,528,790	1,489,978,199	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
Profit before Tax & Reserve	901,278,461	880,861,962	864,362,628	846,025,713	538,922,658	526,765,345	277,597,522	273,671,748	155,047,470	151,026,214
Profit after Tax	671,263,052	660,646,471	644,054,481	634,519,284	401,395,811	395,074,007	214,137,007	212,095,604	111,504,633	109,494,005
Proposed Declared Dividend	13% (5% Cash and 8% Stock)		33% (5% Cash excluding Sponsors and Directors and 28% Stock)		32% (5% Cash and 27% Stock)		29% (Stock)	-	27% (Stock)	-
Earnings per Share	2.25	2.22	3.22	3.17	4.38	4.31	3.07	3.04	2.54	2.49

Dividend

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 13% (5% Cash and 8% Stock) for the year ended June 30, 2018.

The number of Board meetings held during the year and attendance by each director shall be disclosed.

The Board of Directors had 30 meetings during the year ended June 30, 2018. Name of the Directors and number of meetings attended are given below:

Name of the Directors	Meeting Held	Meeting Attended
Mrs.Tarafder Nigar Sultana	30	30
Mr. Tarafder Md. Ruhul Amin	30	30
Mrs. Rubya Chowdhury	30	30
Mr. Tarafder Md. Ruhul Saif	30	30
Mr. Jalal Uddind Ahmed Chaudhury	30	30

Shareholding Pattern

Pattern of Shareholding as at 30 June 2018

Sl. No.	Member's Group	No. of Share Held	Percentage
a)	Share held by Parent/Subsidiary/ Associated Company and other related parties	Nil	-
b)	Shares held by Directors:		
	Mrs. Tarafder Nigar Sultana	52,527,600	17.64%
	Mr. Tarafder Md. Ruhul Amin	53,948,109	18.12%
	Mrs. Rubya Chowdhury	6,391,728	2.15%
	Mr. Tarafder Md. Ruhul Saif	6,391,728	2.15%
	Mr. Jalal Uddin Ahmed Chaudhury	Nil	-
c)	Executives	Nil	-
d)	Members who are holding 10% or more voting right:	Nil	-

Short Bio-Data of Directors eligible for re-appointment:

Mr. Tarafder Md. Ruhul Amin, Managing Director

Mr. Tarafder Md. Ruhul Amin is the Managing Director of SAIF Powertec Limited. Mr. Amin has a Diploma in Power Engineering from Khulna Polytechnical Institute, Khulna. He has been in the business for more than 20 years. He has a vast business experience in indenting of construction & Material Handling Equipment, import of power generation equipment, manufacturing electrical transformers, solar power system and container handling with port operation.

Mr. Tarafder Md. Ruhul Saif, Director

Mr. Tarafder Md. Ruhul Saif is a Director of SAIF Powertec Limited. Mr. Saif obtained Diploma in Business Administration from School of Applied Studies, Singapore. He has a wide business experience in indenting, import of power generation equipment, manufacturing electrical transformers.

Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and

The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.





AMARSTOCK

Financial Results

The company's financial results for the year ended June 30, 2018 with recommendation of appropriations are as follows:

Net Profit for the year 2017-2018	: Taka 6,606,646,471
Profit Brought Forwarded	: Taka 1,043,181,910
Dividend @ 33% (5% Cash excluding Sponsors and Directors & 28% Stock) for the year 2016-2017	: Taka (720,963,675)
Profit Available for Appropriation	: Taka 982,864,706

Appropriations:

Proposed Dividend 13% (5% Cash and 8% Stock)	: Taka 387,030,917
Transferred to Retained Earnings	: Taka 595,833,789

Reason for declaration stock dividend and utilization:

1) Increase the 23,817,287 shares of stock outstanding,
2) Move Taka 238,172,870 its retained earnings to paid-in capital, and
3) Minimize distributing Taka 238,172,870 in cash to its stockholders.

Consolidated Financial Statements:

In term of BSEC regulation, the company has Consolidated Financial Statements as per International 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 periodically provides formal and informal training to the employee at every level of operation and management which will be helpful to make a 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 etc.

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 national repute.

The Company is involved in manufacturing various types of SAIF brand distributed electrical transformers, along with PFI and sub-stations of different capacities.

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.

Research and Development

Businesses of today are competitive in nature. Newer and 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 amidst 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 30th of 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 being 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 15th Annual General Meeting of the Company, the following Directors will retire and will be eligible for reappointment:

A) Mr. Tarafder Md. Ruhul Amin
B) Mr. Tarafder Md. Ruhul Saif

Appointment of Auditor

The existing auditor "Mahfel Huq & Co." Chartered Accountants shall retire in 15th Annual General Meeting. Base on Bangladesh Securities Exchange Commission Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018 the company shall not appoint any firm of Chartered Accountants as its statutory auditors for a consecutive period exceeding three years. In compliance with BSEC notification, we are required to appoint new statutory auditors for the company. "Ata Khan & Co." Chartered Accountants have expressed their willingness to be appointed as statutory auditors of the company. The Board recommends theirs appointment for the year 2018-2019 and to continue till the next Annual General meeting.

Appointment of Professional regarding Certificate on Compliance of Corporate Governance Code:

In compliance with BSEC notification, we are required to appoint Professional regarding Certificate on Compliance of Corporate Governance Code for the company. "Mazumdar Sikder and Associates" Cost & Management Accountants have expressed their willingness to be appointed as Professional regarding Certificate on Compliance of Corporate Governance Code of the company. The Board recommends theirs appointment for the year 2018-2019 and to continue till the next Annual General meeting.

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 Regulatory Authorities. Details are given below:

Revised Implementation Schedule		Implementation Period	Revised Implementation Period	Reason
Purpose	**Amount in Taka**			
A). Repayment of Loans:				
Bank Loan	558,923,996	Within 3 (three) months of receiving the Rights Share proceed.	-	-
B). Expansion of Battery Project:				
Land and Land Development	200,000,000	Within 1(one) year of receiving the Rights Share proceed	Within 3 (three) years of receiving the Rights Share proceed.	Due to Land Registration process
Machineries	962,397,358	Within 2(two) years of receiving the Rights Share proceed.	Within 3 (three) years of receiving the Rights Share proceed.	Due to payment maturity.
C). Rights Issue expenses	23,108,866	Immediately	-	-
	1,744,430,220			

Auditor's appointment regarding Rights Issue Fund utilization:

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.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been headed by Mr. Jalal Uddin Ahmed Chaudhury, Independent Director. The other two members of the committee are Mrs. Rubya Chowdhury and Mr. Tarafder Md. Ruhul Saif. All members are independent and responsible or accountable to the Board of Directors.

Internal Control System

The Board of Directors assures all shareholders of the Company that it has a robust risk management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored.

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 code of the Bangladesh Securities & Exchange Commission (BSEC).

The compliance status of Bangladesh Securities & Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of annexed here as Annexure -C along with the Declaration of Chief Executive Officer and Chief Financial Officer to the Board as an Annexure-A, the Professional Certificate compliance on the Corporate Governance Code as an Annexure-B and Audit Committee Report as an Annexure –D.

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 support and co-operation.

For me and on behalf of the Board of Directors

N. Sultana

Tarafder Nigar Sultana
Chairperson



AMAR STOCK

Management Discussion and Analysis on Financial Position and Performance

In the last five financial years the Company achieved a moderate growth in terms of business activities as well as in sales volume. In 2014, sales volume was Taka 1,521,076,353 and in 2018 the sales volume of the Company has raised at Taka 4,238,879,267 gained a potential growth in overall business activities of the Company. In line with increased business volume in the last five years, net profit after tax has been increased at Taka 671,263,052 in 2018 from the amount of net profit of Taka 111,504,633 in 2014.

In the last five financial years, net operating cash flow per share for the year 2014 and 2015 were negative but subsequently in the year 2016, 2017 and 2018 net operating cash flow per share were positive. In the backdrop of above scenario, it indicates that the company is moving forward and it has good promise and great potential toachieve more business growth in the long run.

Accounting policy and estimation for preparing financial statements of the Company which have been remained same as it were before. Hence, there is no effect in this regard.

The economic scenario of Bangladesh has been able to maintain a sustainable growth year by year and is at present going through a transformational phase from that of a least developed country (LDC) towards a developing country in near future. The country is expected to graduate from the LDC bracket by 2024. To achieve the status, the country has already qualified by achieving the required criteria for 1. Gross National Income which is $ 1,272 & above, 2. Human Asset Index is 72.8 & above and 3. Economic Vulnerability Index is 25 & below of UN Committee for Development Policy (CDP).

In the last fiscal year 2017-2018 economy of Bangladesh has achieved a 7.86% GDP growth. The country' total GDP size at current price rose to Tk. 22.50 trillion ($ 274.11 billion) in FY 2017-2018 and the Gross National Income (GNI) also increased to Tk.23.53 trillion ($286.612 billion) in FY 2017-2018. We are going to be a middle income country by 2027. Export is experiencing mild growth and Forex Reserve around USD 32 billion plus. The world economy has been recovering from economic meltdown of 2008. Global growth for 2018–19 is projected to remain steady at its 2017 level. Global growth is projected at 3.7 percent for 2018–19.

As far as risks are concerned, Saif Powertec Limited is exposed to interest rate risk, exchange rate risk, industry risk, market risk, technology related risk, operation risk. The Company has been trying to reduce the said risk factors by repaying borrowed funds on a continuous basis to reduce such interest rate risk. Exchange rate risk is mitigating by changing the price of service and product of the Company in accordance with the change in exchange rate. Market risk is mitigating by establishing strong marketing and brand management network for the related product and services of the Company. Technology related risk is trying to mitigate by adopting new advanced technology in its production line according to its need. Operation risk is mitigating under insurance coverage in order to get reasonable compensation for any damage and by practicing standard operating procedures in related business activities.

Annexure-A

SAIF POWERTEC LIMITED ("the Company")

Declaration by CEO and CFO

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

Subject: Declaration on Financial Statements for the year ended on June 30, 2018.

Dear Sir (s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Saif Powertec Limited for the year ended on June 30, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

(i) We have reviewed the financial statements for the year ended on June 30, 2018 and that to the best of our knowledge and belief:

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

(b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Tarafder Md. Ruhul Amin
Chief Executive Officer (CEO)

Md. Hasan Reza
Chief Financial Officer (CFO)

Annexure - B

MAZUMDAR SIKDER AND ASSOCIATES

Cost & Management Accountants

Report to the Shareholders of Saif Powertec Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Saif Powertec Limited** for the year ended on June 30, 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except Condition no 6. (4) and 6 (5)

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws ; and

(d) The governance of the company is satisfactory.

For Mazumdar Sikder and Associates

Md. Salauddin Sikder FCMA
Cost & Management Accountants

Place -Dhaka.
Date- November 25, 2018

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

Annexure - C

Status of compliance with Conditions 7 imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

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)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1(2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1(2) (b)(ii)	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) (b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	√		
1(2) (b)(iv)	Who dose not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		
1(2) (b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	√		
1(2) (b)(vi)	Who is not ashareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2) (b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2) (b)(viii)	Who is not independent director in more than 5 (five) listed companies;	√		
1(2) (b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		
1(2) (b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		

1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:	√		
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	-
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	-	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	-
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not Applicable
1(4)(i)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		

1(4)(ii)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incident arose.
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5) (ii)	The segment-wise or product-wise performance;	√		
1(5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable	√		
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other 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 Share Offer, Direct Listing, etc.;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements			Not Applicable
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5) (xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		

1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		Not Applicable, as the Board of Directors **recommended** 13% dividend (5% Cash and 8% Stock) for the year ended June 30, 2018
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5) (xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1(5) (xxiii)(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) (xxiii)(c)	Executives.	√		
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		

1(5) (xxiv)(a)	A brief resume of the directors.	√		
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5) (xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1(5) (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5) (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5) (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5) (xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5) (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5) (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1(6)	**Meetings of the Board of Directors** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		Code of conduct, bases on the recommend-ation of the NRC will be complied within stipulated time.

1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Will be complied within stipulated time
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	√		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		

3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4(a)	Audit Committee; and	√		
4(b)	Nomination and Remuneration Committee.	√		
5 (1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5 (1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5 (1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members	√		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5 (2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5 (3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5 (3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		

5 (3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5 (4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	√		
5 (4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5 (5)(a)	Oversee the financial reporting process;	√		
5 (5)(b)	Monitor choice of accounting policies and principles;	√		
5 (5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		
5 (5)(d)	oversee hiring and performance of external auditors;	√		
5 (5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5 (5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		
5 (5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5 (5)(h)	Review the adequacy of internal audit function;	√		
5 (5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5 (5)(j)	Review statement of all related party transactions submitted by the management;	√		
5 (5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			Not Applicable as no such event found
5 (5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5 (5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		
5 (6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5 (6)(a)(ii)(a)	Report on conflicts of interests;			Not Applicable as no such event found

5 (6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements			Not Applicable as no such event found
5 (6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Not Applicable as no such event found
5 (6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			Not Applicable as no such event found
5 (6)(b)	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Not Applicable as no such event found
5 (7)	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			Not Applicable as no such event found
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)	√		
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		

6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	√		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	√		
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			Will be complied within stipulated time
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
6(5)(b)(i)(a)	The level and compositionof remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			

6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;			Will be complied within stipulated time
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services;	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		

8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting			Will be attend in the upcoming AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		



AMARSTOCK

Annexure-D

AUDIT COMMITTEE REPORT

For the year 2017-2018

The Audit Committee consists of the following persons:

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

The scope of the Audit Committee was defined as under:

(a) Oversee the financial reporting process;
(b) Monitor choice of accounting policies and principles;
(c) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
(d) Oversee hiring and performance of external auditors;
(e) Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
(f) Review along with the management, the annual financial statements before submission to the Board for approval;
(g) Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
(h) Review the adequacy of internal audit function;
(i) Review the Management's Discussion and Analysis before disclosing in the Annual Report;
(j) Review statement of all related party transactions submitted by the management;
(k) Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
(l) Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and
(m) Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of 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, Rights Issue Proceeds utilization 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
Chairperson
Audit Committee



AUDITED CONSOLIDATED FINANCIAL STATEMENTS -2018



SAIF POWERTEC

SAIF POWERTEC

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 2018 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 consolidated financial statements in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) give a true and fair view of the financial position of the company as at 30 June 2018 and of its financial performance and its cash flows for the year then ended and comply with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, 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 consolidated statement of financial position and consolidated 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 27, 2018

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 2018

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
Assets	**Notes**	**Consolidated**	**The Company**	**Consolidated**	**The Company**
Non-current assets					
Property, plant and equipment	4	2,890,054,704	2,758,930,938	1,897,003,418	1,765,005,743
Capital works-in-progress	5	3,690,821,108	3,673,068,335	3,896,631,511	3,893,401,434
Investment in subsidiary company	6	-	80,000,000	-	80,000,000
		6,580,875,812	**6,511,999,273**	**5,793,634,929**	**5,738,407,177**
Current assets					
Inventories	7	1,452,963,929	1,449,177,233	1,150,865,659	1,147,636,561
Accounts and others receivable	8	1,287,848,255	1,278,018,549	768,179,660	764,799,690
Advances, deposits and prepayments	9	1,331,350,284	1,322,627,607	882,731,788	869,505,542
Fixed deposit receipt (FDR)	10	485,237,270	485,237,270	470,939,314	470,939,314
Cash and cash equivalents	11	145,293,556	142,875,334	342,083,238	338,652,118
		4,702,693,294	**4,677,935,993**	**3,614,799,660**	**3,591,533,225**
Total assets		**11,283,569,106**	**11,189,935,266**	**9,408,434,588**	**9,329,940,402**
Equity and Liabilities					
Capital and reserves					
Share capital	12	2,977,160,900	2,977,160,900	2,325,906,960	2,325,906,960
Share premium	13	976,713,054	976,713,054	976,713,054	976,713,054
Revaluation reserve	14	82,059,122	82,059,122	82,059,122	82,059,122
Retained earnings	15	1,011,359,025	982,864,706	1,061,059,648	1,043,181,910
		5,047,292,101	5,018,797,782	4,445,738,784	4,427,861,046
Non-controlling interest	16	27,123,579	-	24,469,434	-
		5,074,415,680	**5,018,797,782**	**4,470,208,218**	**4,427,861,046**
Non-current liabilities					
Long term loan from banks and NBFIs	17	1,704,113,097	1,704,113,096	1,118,445,082	1,118,445,082
Deferred tax liability	19	122,620,144	102,494,075	84,907,893	71,617,813
		1,826,733,241	**1,806,607,171**	**1,203,352,975**	**1,190,062,895**
Current Liabilities					
Current portion of long-term loan	18	376,531,751	376,531,751	390,515,843	390,515,843
Short term loan	20	2,907,844,458	2,907,844,458	2,566,374,311	2,566,374,311
Share money refundable		5,480,985	5,480,985	8,218,855	8,218,855
Accounts payable	21	180,206,349	173,680,960	116,918,476	103,094,110
Undistributed Profit (Cash Dividend)		3,433,003	3,433,003	2,143,343	2,143,343
Accrued expenses	22	758,960,561	756,606,076	546,782,585	544,760,019
Share money deposit		9,010,000	-	7,010,000	-
Workers profit participation/Welfare fund	23	140,953,079	140,953,079	96,909,981	96,909,981
		4,382,420,185	**4,364,530,312**	**3,734,873,395**	**3,712,016,462**
Total shareholders' equity and liabilities		**11,283,569,106**	**11,189,935,266**	**9,408,434,588**	**9,329,940,402**
Net asset value per share of Taka 10 each	29	**16.95**	**16.86**	**19.11**	**19.04**
Net asset value per share without revaluation of Taka 10 each	29	**16.68**	**16.58**	**18.76**	**18.68**

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**

Signed in terms of our separate report of even date annexed

Dated: Dhaka
27 October 2018

MAHFEL HUQ & CO.
Chartered Accountants

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2018

	Notes	Amount in Taka			
		1st July 2017 to 30 June 2018		1st July 2016 to 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
Revenue					
Sales (net)	24	4,238,879,267	4,163,504,182	3,008,061,300	2,939,534,825
Cost of sales	25	(2,312,471,910)	(2,261,201,857)	(1,318,062,992)	(1,269,148,106)
Gross profit		**1,926,407,357**	**1,902,302,325**	**1,689,998,308**	**1,670,386,719**
General and administrative expenses	26	(416,878,568)	(412,324,126)	(252,955,905)	(250,603,481)
Profit from operations		**1,509,528,790**	**1,489,978,199**	**1,437,042,403**	**1,419,783,237**
Other income		50,262,935	49,377,834	43,468,674	42,371,810
Finance expenses	27	(614,470,166)	(614,450,973)	(573,847,164)	(573,828,049)
Net profit before WPPF		**945,321,559**	**924,905,060**	**906,663,913**	**888,326,998**
Workers profit participation/Welfare fund		(44,043,098)	(44,043,098)	(42,301,286)	(42,301,286)
Net profit after WPPF		**901,278,461**	**880,861,962**	**864,362,627**	**846,025,714**
Income tax expenses	28	(227,361,264)	(220,215,490)	(217,924,348)	(211,506,428)
Net profit after tax		673,917,197	660,646,471	646,438,279	634,519,285
Profit attributable to ordinary shareholders					
Non controlling interest (20%)		(2,654,145)	-	(2,383,799)	-
		671,263,052	**660,646,471**	**644,054,481**	**634,519,285**
Basic Earnings per share	30	**2.25**	**2.22**	**2.43**	**2.39**
Diluted Earnings per share	30	**2.25**	**2.22**	**2.43**	**2.39**

Appropriation of subsidiary company's net profit :

Saif Powertec Limited (parent company) - 80%	10,616,579	9,535,196
Non-controlling interest (minority interest) - 20%	2,654,145	2,383,799
	13,270,724	**11,918,995**

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**

Signed in terms of our separate report of even date annexed

Dated: Dhaka
27 October 2018

MAHFEL HUQ & CO.
Chartered Accountants

Consolidated Statement of Changes in Equity
for the year ended 30 June 2018

Amounts in Taka

Particulars	Share capital	Share premium	Revaluation reserve	Retained earnings	Non Controlling Interest	Total
Balance at 01 July 2016	915,711,400	418,345,180	82,059,122	710,032,817	22,085,635	2,148,234,154
Issue of Bonus Shares	247,242,080	-	-	(247,242,080)	-	-
Cash Dividend paid	-	-	-	(45,785,570)	-	(45,785,570)
Issue of Rights Share	1,162,953,480	558,367,874				1,721,321,354
Net income for the period	-	-	-	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**
Balance at 01 July 2017	2,325,906,960	976,713,054	82,059,122	1,061,059,648	24,469,434	4,470,208,218
Net income for the period	-	-	-	671,263,052		671,263,053
Issue of Bonus Shares	651,253,940	-	-	(651,253,940)	-	-
Cash Dividend paid	-	-	-	(69,709,735)	-	(69,709,735)
Share of profit of subsidiary company	-	-	-	-	2,654,145	2,654,145
Balance at 30 June 2018	**2,977,160,900**	**976,713,054**	**82,059,122**	**1,011,359,025**	**27,123,579**	**5,074,415,680**

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

Signed in terms of our separate report of even date annexed

Dated: Dhaka
27 October 2018

MAHFEL HUQ & CO.
Chartered Accountants

AMARSTOCK

Consolidated Statement of Cash Flows
for the year ended 30 June 2018

	Amount in Taka			
	Year ended 30 June 2018		Year ended 30 June 2017	
	Consolidated	The Company	Consolidated	The Company
Cash flows from operating activities				
Cash receipt from customers and others	3,769,473,608	3,699,663,157	2,909,930,649	2,840,556,611
Cash paid to employees and suppliers	(2,932,068,823)	(2,879,872,640)	(2,075,068,868)	(2,014,142,166)
Cash generate from operating activities	**837,404,785**	**819,790,517**	**834,861,781**	**826,414,445**
Paid against advance income tax	(209,831,056)	(208,743,454)	(108,721,264)	(107,965,673)
Net cash provided by operating activities (A)	**627,573,729**	**611,047,063**	**726,140,517**	**718,448,772**
Cash flows from investing activities				
Purchase of property, plant and equipment	(167,137,068)	(162,139,392)	(376,107,295)	(367,009,739)
Capital works-in-progress	(872,454,347)	(857,931,651)	(2,077,360,969)	(2,074,130,892)
Fixed deposit receipt (FDR)	(14,297,956)	(14,297,956)	(243,536,741)	(243,536,741)
Net cash used in investing activities (B)	**(1,053,889,371)**	**(1,034,368,999)**	**(2,697,005,005)**	**(2,684,677,372)**
Cash flows from financing activities				
Short term loan received	1,744,660,108	1,744,660,108	2,042,938,904	2,042,938,904
Short term loan re-paid	(1,403,189,960)	(1,403,189,960)	(941,157,567)	(941,157,567)
Proceed from Issuance of Share Capital (Rights)		-	1,162,953,480	1,162,953,480
Interest and financial expenses	(614,470,166)	(614,450,973)	(573,847,164)	(573,828,049)
Share Premium received			558,367,874	558,367,874
Share money deposit received/(refunded)	(737,870)	(2,737,870)	13,986,105	6,976,105
Cash dividend paid	(68,420,075)	(68,420,075)	(43,642,229)	(43,642,229)
Long term loan received	787,448,007	787,448,007	694,364,698	694,364,698
Long term loan re-paid	(215,764,085)	(215,764,085)	(657,694,260)	(657,694,260)
Net cash provided by financing activities (C)	**229,525,959**	**227,545,152**	**2,256,269,841**	**2,249,278,956**
Effect of exchange rate change on cash and cash equivalents	-	-	-	-
Net changes in cash and cash equivalents (A+B+C)	(196,789,683)	(195,776,784)	285,405,353	283,050,356
Opening cash and cash equivalents	342,083,238	338,652,118	56,677,885	55,601,762
Closing cash and cash equivalents	**145,293,556**	**142,875,334**	**342,083,238**	**338,652,118**
Net Operating cash flows per share	**2.11**	**2.05**	**2.74**	**2.71**

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

Signed in terms of our separate report of even date annexed

Dated: Dhaka
27 October 2018

MAHFEL HUQ & CO.
Chartered Accountants

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 situated at 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, producing Battery 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).

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.

The shareholding position of Saif Plastic & Polymer Industries Limited has been shown in Annexure-III

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 International Financial Reporting Standards (IFRS) 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 period statement of financial position, statement of profit or loss and other comprehensive income, and statement of cash flows has been consolidated on the basis of audited financial statements.

Transactions eliminated on consolidation

The financial statements of the subsidiaries has been consolidated in accordance with International Financial Reporting Standards (IFRS) 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 profit or loss and other comprehensive income, and statement of cash flows 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.

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 International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the Companies Act 1994, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax Act 1991 and the 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 IAS/IFRS 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

The financial reporting period of the company covers one year from 01 July 2017 to 30 June 2018.

2.6 Comparative Information and Rearrangement Thereof

In accordance with the provisions of IAS-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.

2.7 Corporate Accounting Standards Practiced

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

IAS

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

BFRS

IFRS 3	:	Business Combination
IFRS 7	:	Financial Instruments : Disclosure
IFRS 8		Segment Reporting's
IFRS 9	:	Financial Instruments
IFRS 10	:	Consolidated Financial Statements
IFRS 15		Revenue From Contracts with Customers

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

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 and no depreciation has been charged when the related assets are de-rcognized/disposed off. After considering the useful life of the assets as per IAS-16: Property Plant and Equipment, 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
Plant and machinery (Manufacturing)	10
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.

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 IAS-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, land, machineries and capital expenditure. No depreciation is charged on the capital work in progress which is in accordance with IAS-16 : Property , Plant and Equipment.

3.5 Earnings per share (EPS)

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

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, no Diluted EPS of the company has been calculated.

3.6 Revenue

"As per IFRS-15: “Revenue from Contracts form Customers” an entity shall account for a contract with a customer only when all of the following criteria are met:

(a) The parties to the contract have approved the contract (in writing , orally or in accordance with other customary business practices) and are committed to perform their respective obligations ;
(b) The entity can identify each party ‘s rights regarding the goods or services to be transferred ;
(c) The entity can identify the payment terms for the goods or services to be transferred ;
(d) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract); and
(e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer."

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.

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 IAS-7 : Statement of Cash Flows

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.

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 IAS 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) and Welfare Fund according to Bangladesh Labour Law 2006 and Bangladesh labour (Amendments) Act 2013 are accounted for securing benefits to the employees in accordance with the provision of International Accounting Standard (IAS)-19, " Employee Benefit". The company pays two festival bonuses to all employees in every year.

3.14 Related party disclosure

As per IAS 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.



AMARSTOCK

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
4	**Property, plant and equipment**				
	Cost:				
	Opening balance	2,617,526,512	2,451,642,143	2,183,219,552	2,026,432,739
	Add: Addition during the year	1,237,295,955	1,232,298,279	434,306,960	425,209,404
	Closing balance (A)	**3,854,822,467**	**3,683,940,422**	**2,617,526,512**	**2,451,642,143**
	Depreciation:				
	Opening balance	720,523,094	686,636,400		542,654,195
	Add : Charge for the year	244,244,669	238,373,085	150,165,680	143,982,204
	Closing balance (B)	964,767,763	925,009,484	720,523,094	686,636,400
	Written down value (A-B)	**2,890,054,704**	**2,758,930,938**	**1,897,003,418**	**1,765,005,743**
	Details are in **Annex I.**				
5	**Capital works-in-progress**				
	Opening balance	3,896,631,511	3,893,401,434	2,154,601,625	2,154,601,625
	Add: Addition during the year	864,348,484	849,825,788	1,742,029,886	1,738,799,809
	Less: Transferred during the year	(1,070,158,887)	(1,070,158,887)	-	-
	Closing balance	**3,690,821,108**	**3,673,068,335**	**3,896,631,511**	**3,893,401,434**

This represents cost incurred for Land, Construction of Building, Machineries and other Capital expenditure out of which Taka 989,743,051 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	61,787,033	61,787,033	92,164,810	92,164,810
	Spare parts	181,532,410	181,532,410	221,055,625	221,055,625
	Electric goods	250,140,337	250,140,337	226,836,541	226,836,541
	Manufacturing (Battery) Note 7.01	955,717,453	955,717,453	607,579,585	607,579,585
	Closing stock subsidiary company	3,786,696	-	3,229,098	-
	Total	**1,452,963,929**	**1,449,177,233**	**1,150,865,659**	**1,147,636,561**
7.01	**Manufacturing (Battery)**				
	Raw materials	356,354,120	356,354,120	607,579,585	607,579,585
	Work In Process	256,145,800	256,145,800	-	-
	Finished Goods	343,217,533	343,217,533	-	-
	Total	**955,717,453**	**955,717,453**	**607,579,585**	**607,579,585**
8	**Accounts and others receivable**				
	Imported goods sales	564,378,547	564,378,547	350,114,149	350,114,149
	Contract execution	195,953,293	195,953,293	197,537,311	197,537,311
	Manufacturing	318,174,302	318,174,302	-	-
	Shipping agent	195,497,305	195,497,305	209,977,294	209,977,294
	Receivable (Subsidiary Company)	9,829,706	-	3,379,971	-
	Interest Receivable	4,015,102	4,015,102	7,170,936	7,170,936
	Total	**1,287,848,255**	**1,278,018,549**	**768,179,661**	**764,799,690**
				0	
	Dues upto 6 months	822,404,758	817,293,310	397,487,342	395,729,757
	Dues above 6 months	465,443,497	460,725,239	370,692,318	369,069,932
	Total	**1,287,848,255**	**1,278,018,549**	**768,179,661**	**764,799,690**

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured.	-	-	-	-
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	1,287,848,255	1,278,018,549	768,179,661	764,799,690
Receivables considered doubtful bad.	-	-	-	-
Receivable to Directors.	-	-	-	-
Receivables due by common management.	-	-	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-	-	-
Total	**1,287,848,255**	**1,278,018,549**	**768,179,661**	**764,799,690**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
9	**Advances, deposits and prepayments**				
	Advances to/against				
	VAT Currant Account	69,411,717	66,930,362	21,244,100	18,941,181
	Income tax	610,915,374	604,674,052	401,084,318	395,930,598
	Salary	5,070,816	5,070,816	6,198,316	6,198,316
	Office rent	7,020,600	7,020,600	8,809,000	8,809,000
	Advance against work	325,366,645	325,366,645	227,363,576	227,363,576
	Others	228,173,845	228,173,845	133,277,855	133,277,855
	Sub-total	**1,245,958,997**	**1,237,236,320**	**797,977,165**	**790,520,526**
	Deposits and prepayments:				
	Bank guarantee	35,461,337	35,461,337	33,081,279	33,081,279
	L/C margin	35,600,056	35,600,056	37,343,450	31,573,843
	Earnest money	10,200	10,200	10,200	10,200
	Security money	14,319,694	14,319,694	14,319,694	14,319,694
	Sub-total	**85,391,287**	**85,391,287**	**84,754,623**	**78,985,016**
	Total	**1,331,350,284**	**1,322,627,607**	**882,731,788**	**869,505,542**
	Dues upto 6 months	412,781,363	410,077,333	313,450,376	308,755,059
	Dues above 6 months	918,568,921	912,550,274	569,281,412	560,750,483
	Total	**1,331,350,284**	**1,322,627,607**	**882,731,788**	**869,505,542**
		-	-	-	-
10	**Fixed Deposit Receipt (FDR):**				
	Dhaka Bank Limited	198,041,659	198,041,659	200,966,229	200,966,229
	Farmers Bank Limited	95,400,506	95,400,506	98,627,923	98,627,923
	Premier Leasing & Finance Ltd	64,361,168	64,361,168	60,439,722	60,439,722
	Fareast Finance and Investment Ltd.	76,560,375	76,560,375	5,000,000	75,000,000
	One Bank Limited	50,873,562	50,873,562	35,905,440	35,905,440
	Total	**485,237,270**	**485,237,270**	**470,939,314**	**470,939,314**
11	**Cash and cash equivalents**				
	Cash in hand				
	Branch Office	19,163,741	19,163,741	17,739,368	17,739,368
	Factory	1,392,928	1,392,928	1,268,974	1,268,974
	Dhaka Office	8,451,132	8,083,785	2,965,663	2,699,908
		29,007,801	**28,640,454**	**21,974,005**	**21,708,250**
	Bank balances with:				
	Bank Asia Limited	5,207	3,845	19,298	17,936
	Bangladesh Commerce Bank Limited	423,070	423,070	-	-
	Dhaka Bank Limited	7,560,568	7,556,722	6,925,640	5,870,210
	Mercantile Bank Limited, Dhaka	70,823	70,823	130,803	130,803
	One Bank Limited	4,283,852	4,283,852	4,776,849	4,776,849
	Jamuna Bank Limited	152,091	152,091	520,372	520,372
	AB Bank Limited	31,485	31,485	151,037	151,037
	The Premier Bank Limited	400	400	-	-
	Sonali Bank Limited	27,790,296	27,790,296	9,035,584	9,035,584
	Eastern Bank Limited	-		11,025	11,025
	BRAC Bank Limited	451,011	451,011	208,422	208,422
	Islami Bank Bangladesh Limited	4,720,545	4,720,545	97,371	97,371
	NCC Bank Limited	80,281	80,281	7,221,762	7,221,762
	United Commercial Bank Limited	7,676,509	5,824,180	2,097,811	-
	Southeast Bank Limited	35,183	35,183	48,742	48,742
	Farmers Bank Limited	20,282,892	20,107,266	19,169,065	19,158,303
	Dutch Bangla Bank Ltd	3,228,490	3,228,490	108,949	108,949
	Standard Bank Limited	468,270	468,270	469,800	469,800
	Dhaka Bank Limited (Rights)	34,248,519	34,248,519	266,640,473	266,640,473
	Dhaka Bank Limited (IPO)	2,689,506	2,689,506	2,394,837	2,394,837
	Farmers Bank Limited (IPO)	738	738	81,393	81,393
	Trust Bank Limited	2,068,307	2,068,307	-	-
	Al Arafa Islami Bank Limited	17,712	-	-	-
		116,285,755	**114,234,880**	**320,109,233**	**316,943,868**
	Total	**145,293,556**	**142,875,334**	**342,083,238**	**338,652,118**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		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	1,376,893,480	1,376,893,480
	160,026,742 ordinary shares @ Tk.10 each in Bonus	1,600,267,420	1,600,267,420	949,013,480	949,013,480
	Total	**2,977,160,900**	**2,977,160,900**	**2,325,906,960**	**2,325,906,960**

Paid-up Capital has been increased to Taka 2,977,160,900 through allotment of Bonus shares @ 28% dated December 20, 2017. The company utilised Tk. 1,571,695,327 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. 172,734,893 as of June 30, 2018.

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	119,259,165	1,192,591,650
	Institutional shareholders	13.94	41,501,623	415,016,230
	Individual shareholders	46.00	136,955,302	1,369,553,020
	Total	**100.00**	**297,716,090**	**2,977,160,900**

13	**Share premium**	Amount (Taka)	Amount (Taka)	Amount (Taka)	Amount (Taka)
	Opening balance	976,713,054	976,713,054	418,345,180	418,345,180
	Add: Received during the year	-	-	581,476,740	581,476,740
	Less: Adjusted Rights Issue Exp.	-	-	(23,108,866)	(23,108,866)
	Total	**976,713,054**	**976,713,054**	**976,713,054**	**976,713,054**
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	1,061,059,648	1,043,181,910	710,032,817	701,690,276
	Add: Addition this year	671,263,052	660,646,471	644,054,481	634,519,284
	Less: Dividend @ 33% (5% Cash excl. Sponsor and Directors & 28% Stock)	(720,963,675)	(720,963,675)	(293,027,650)	(293,027,650)
	Total	**1,011,359,025**	**982,864,706**	**1,061,059,648**	**1,043,181,910**
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	22,347,171		10,428,177	
	D. Non controlling interest on Opening retained earnings @20% Restated	4,469,434		2,085,635	
	Current years profit of subsidiaries	13,270,724		11,918,994	
	E. Non controlling interest on current years profit of subsidiary @ 20%	2,654,145		2,383,799	
	Total Non controlling Interest (C+D+E)	**27,123,579**		**24,469,434**	

	Amount in Taka			
	At 30 June 2018		At 30 June 2017	
	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:

Dhaka Bank Limited	88,961,324	88,961,324	80,250,469	80,250,469
One Bank Limited	357,138,093	357,138,093	-	-
Infrastructure Development Company Limited	277,158,250	277,158,250	305,775,193	305,775,193
Bangladesh Finance and Investment Company Limited	223,076,156	223,076,156	245,536,122	245,536,122
Hajj Finance Company Limited	98,560,608	98,560,608	120,800,084	120,800,084
Premier Leasing and Finance Limited	339,908,301	339,908,301	-	-
Fareast Finance and Investment Ltd	244,684,351	244,684,351	276,398,653	276,398,653
IPDC Finance Limited	32,983,822	32,983,822	39,463,458	39,463,458
LankaBangla Finance Ltd.	32,169,973	32,169,973	21,790,821	21,790,821
NCC Bank Limited	9,472,218	9,472,218	28,430,282	28,430,282
	1,704,113,097	**1,704,113,096**	**1,118,445,082**	**1,118,445,082**

17.1 Long-term loan

Dhaka Bank Limited

Opening Balance	270,834,956	270,834,956	273,844,959	273,844,959
Add: Principal this year	-	-	170,122,222	170,122,222
Add: Interest this year	27,783,496	27,783,496	65,314,676	65,314,676
Less: Payment this year	(118,452,563)	(118,452,563)	(238,446,901)	(238,446,901)
Sub Total (A)	**180,165,889**	**180,165,889**	**270,834,956**	**270,834,956**

One Bank Limited

Opening Balance	-	-	-	-
Add: Principal this year	357,448,007	357,448,007	-	-
Add: Interest this year	40,333,975	40,333,975	-	-
Less: Payment this year	(8,795,715)	(8,795,715)	-	-
Sub Total (B)	**388,986,267**	**388,986,267**	**-**	**-**

Farmers Bank Limited

Opening Balance	-	-	15,369,261	15,369,261
Add: Principal this year	-	-	-	-
Add: Interest this year	-	-	2,491,650	2,491,650
Less: Payment this year	-	-	(17,860,911)	(17,860,911)
Sub Total (C)	**-**	**-**	**-**	**-**

NCC Bank Limited

Opening Balance	67,750,800	67,750,800	27,524,412	27,524,412
Add: Principal this year	-	-	46,799,300	46,799,300
Add: Interest this year	6,243,871	6,243,871	4,790,088	4,790,088
Less: Payment this year	(48,335,000)	(48,335,000)	(11,363,000)	(11,363,000)
Sub Total (D)	**25,659,671**	**25,659,671**	**67,750,800**	**67,750,800**

Bangladesh Finance and Investment Company Limited

Opening Balance	306,110,452	306,110,452	323,999,638	323,999,638
Add: Principal this year	-	-	8,153,969	8,153,969
Add: Interest this year	48,029,809	48,029,809	77,008,784	77,008,784
Less: Payment this year	(78,410,259)	(78,410,259)	(103,051,939)	(103,051,939)
Sub Total (E)	**275,730,002**	**275,730,002**	**306,110,452**	**306,110,452**

Infrastructure Development Company Limited

Opening Balance	305,775,193	305,775,193	288,396,183	288,396,183
Add: Principal this year	-	-	35,762,571	35,762,571
Add: Interest this year	17,559,057	17,559,057	19,671,051	19,671,051
Less: Payment this year	(46,176,000)	(46,176,000)	(38,054,612)	(38,054,612)
Sub Total (F)	**277,158,250**	**277,158,250**	**305,775,193**	**305,775,193**

	Amount in Taka			
	At 30 June 2018		At 30 June 2017	
	Consolidated	The Company	Consolidated	The Company
Premier Leasing & Finance Limited				
Opening Balance	-	-	350,000,000	350,000,000
Add: Principal this year	410,000,000	410,000,000	-	-
Add: Interest this year	45,905,119	45,905,119	49,011,982	49,011,982
Less: Payment this year	(46,643,800)	(46,643,800)	(399,011,982)	(399,011,982)
Sub Total (G)	**409,261,319**	**409,261,319**	**-**	**-**
Fareast Finance and Investment Ltd				
Opening Balance	339,530,644	339,530,644	-	-
Add: Principal this year	-	-	350,000,000	350,000,000
Add: Interest this year	46,094,796	46,094,796	39,777,494	39,777,494
Less: Payment this year	(70,722,015)	(70,722,015)	(50,246,850)	(50,246,850)
Sub Total (H)	**314,903,425**	**314,903,425**	**339,530,644**	**339,530,644**
IPDC Finance Limited				
Opening Balance	47,680,349	47,680,349	-	-
Add: Principal this year	-	-	50,000,000	50,000,000
Add: Interest this year	5,226,672	5,226,672	2,261,272	2,261,272
Less: Payment this year	(10,728,856)	10,728,856)	(4,580,923)	(4,580,923)
Sub Total (I)	**42,178,165**	**42,178,165**	**47,680,349**	**47,680,349**
Hajj Finance Company Limited				
Opening Balance	141,705,244	141,705,244	193,156,034	193,156,034
Add: Principal this year	-	-	3,526,636	3,526,636
Add: Interest this year	16,210,355	16,210,355	23,646,977	23,646,977
Less: Payment this year	(35,327,202)	(35,327,202)	(78,624,403)	(78,624,403)
Sub Total (J)	122,588,397	122,588,397	141,705,244	141,705,244
LankaBangla Finance Limited				
Opening Balance	29,573,287	29,573,287	-	-
Add: Principal this year	20,000,000	20,000,000	30,000,000	30,000,000
Add: Interest this year	4,840,025	4,840,025	221,828	221,828
Less: Payment this year	(10,399,850)	(10,399,850)	(648,541)	(648,541)
Sub Total (K)	44,013,462	44,013,462	29,573,287	29,573,287
Total (A+B+C+D+E+F+G+H+I+J+K)	2,080,644,847	2,080,644,847	1,508,960,925	1,508,960,925
Less: Long-term loan	1,704,113,096	1,704,113,096	1,118,445,082	1,118,445,082
Transferred to current portion loan	**376,531,751**	**376,531,751**	**390,515,843**	**390,515,843**

Nature	Long term loan
Purpose	Working Capital
Tenure	1 Year to 6 Years
Repayment	25/01/2022
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	91,204,563	91,204,563	190,584,485	190,584,485
Bangladesh Finance and Investment Company Limited	52,653,846	52,653,846	60,574,330	60,574,330
NCC Bank Limited	16,187,453	16,187,453	39,320,518	39,320,518
One Bank Limited	31,848,174	31,848,174	-	-
Premier Leasing and Finance Limited	69,353,018	69,353,018	-	-
Fareast Finance and Investment Ltd	70,219,074	70,219,074	63,131,991	63,131,991
LankaBangla Finance Limited	11,843,491	11,843,491	7,782,468	7,782,468
IPDC Finance Limited	9,194,343	9,194,343	8,216,891	8,216,891
Hajj Finance Company Limited	24,027,789	24,027,789	20,905,160	20,905,160
Total	**376,531,751**	**376,531,751**	**390,515,843**	**390,515,843**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
19	**Deferred Tax Liability:**				
	Deferred tax liability end of the period	102,494,075	102,494,075	71,617,813	71,617,813
	Deferred Tax liability (Subsidiary Com.)	20,126,069	-	13,290,080	-
	Total	**122,620,144**	**102,494,075**	**84,907,893**	**71,617,813**
	Details are shown in Annexure -IV				
20	**Short-term loan**				
	Time Loan and LTR				
	Dhaka Bank Limited	160,730,142	160,730,142	235,115,862	235,115,862
	Bangladesh Commerce Bank Limited	207,699,362	207,699,362	206,065,934	206,065,934
	One Bank Limited	1,315,208,362	1,315,208,362	-	-
	Farmers Bank Limited	-	-	319,607,547	319,607,547
	Fareast Finance and Investment Limited	109,401,835	109,401,835	151,625,010	151,625,010
	Islamic Finance and Investment Limited	16,886,796	16,886,796	63,117,052	63,117,052
	The Premier Bank Limited	78,585,189	78,585,189	140,954,141	140,954,141
	Premier Leasing & Finance Limited	-	-	53,334,419	53,334,419
		1,888,511,686	1,888,511,686	1,169,819,965	1,169,819,965
	Bank Overdraft				
	Dhaka Bank Limited	373,222,091	373,222,091	432,209,369	432,209,369
	NCC Bank Limited	59,619,914	59,619,914	20,046,920	20,046,920
	Farmers Bank Limited	-	-	456,333,327	456,333,327
	One Bank Limited	106,297,589	106,297,589	-	-
	The Premier Bank Limited	480,193,178	480,193,178	487,964,730	487,964,730
		1,019,332,772	1,019,332,772	1,396,554,346	1,396,554,346
		2,907,844,458	**2,907,844,458**	**2,566,374,311**	**2,566,374,311**
20.01	**Time Loan and LTR**				
	Dhaka Bank Limited				
	Opening Balance	235,115,862	235,115,862	251,675,144	251,675,144
	Add: Principal this year	460,521,510	460,521,510	719,485,653	719,485,653
	Add: Interest this year	39,987,310	39,987,310	34,398,339	34,398,339
	Less: Payment this year	(574,894,540)	(574,894,540)	(770,443,274)	(770,443,274)
		160,730,142	160,730,142	235,115,862	235,115,862
	One Bank Limited				
	Opening balance	-	-	-	-
	Add: Principal this year	1,567,521,773	1,567,521,773	-	-
	Add: Interest this year	95,132,725	95,132,725	-	-
	Less: Payment this year	(347,446,136)	(347,446,136)	-	-
		1,315,208,362	1,315,208,362	-	-
	NCC Bank Limited				
	Opening balance	-	-	13,066,216	13,066,216
	Add: Principal this year	-	-	-	-
	Add: Interest this year	-	-	384,416	384,416
	Less: Payment this year	-	-	(13,450,632)	(13,450,632)
		-	-	-	-
	Farmers Bank Limited				
	Opening balance	319,607,547	319,607,547	277,262,617	277,262,617
	Add: Principal this year	-	-	124,575,029	124,575,029
	Add: Interest this year	2,361,544	2,361,544	42,294,577	42,294,577
	Less: Payment this year	(321,969,091)	(321,969,091)	(124,524,676)	(124,524,676)
		-	-	319,607,547	319,607,547
	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)
		-	-	-	-

	Amount in Taka			
	At 30 June 2018		At 30 June 2017	
	Consolidated	The Company	Consolidated	The Company
Premier Bank Limited				
Opening balance	140,954,141	140,954,141	-	-
Add: Principal this year	93,838,399	93,838,399	210,898,000	210,898,000
Add: Interest this year	15,611,182	15,611,182	6,615,680	6,615,680
Less: Payment this year	(171,818,533)	(171,818,533)	(76,559,539)	(76,559,539)
	78,585,189	78,585,189	140,954,141	140,954,141
Bangladesh Commerce Bank Limited				
Opening balance	206,065,934	206,065,934	-	-
Add: Principal this year	-	-	200,000,000	200,000,000
Add: Interest this year	25,385,243	25,385,243	7,132,601	7,132,601
Less: Payment this year	(23,751,815)	(23,751,815)	(1,066,667)	(1,066,667)
	207,699,362	207,699,362	206,065,934	206,065,934
Fareast Finance and Investment Limited				
Opening balance	151,625,010	151,625,010	-	-
Add: Principal this year	-	-	150,000,000	150,000,000
Add: Interest this year	20,617,240	20,617,240	8,125,050	8,125,050
Less: Payment this year	(62,840,415)	(62,840,415)	(6,500,040)	(6,500,040)
	109,401,835	109,401,835	151,625,010	151,625,010
Islamic Finance and Investment Limited				
Opening balance	63,117,052	63,117,052	-	-
Add: Principal this year	-	-	70,000,000	70,000,000
Add: Interest this year	5,495,245	5,495,245	3,117,052	3,117,052
Less: Payment this year	(51,725,500)	(51,725,500)	(10,000,000)	(10,000,000)
	16,886,797	16,886,797	63,117,052	63,117,052
Premier Leasing & Finance Limited				
Opening balance	53,334,419	53,334,419	-	-
Add: Principal this year	-	-	60,000,000	60,000,000
Add: Interest this year	2,410,708	2,410,708	3,437,499	3,437,499
Less: Payment this year	(55,745,127)	(55,745,127)	(10,103,080)	(10,103,080)
	-	-	53,334,419	53,334,419

Purpose	Working Capital
Tenure	1 Year
Repayment	15/06/2018
Rate of interest	2% to 17%
Security	Pledge of 3.225 Million Ordinary Share of SAIF Powertc 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	10,437,850	10,437,850	482,790	482,790
Model Art press	1,833,612	1,833,612	452,186	452,186
Deferred L/C Liabilities	156,584,076	156,584,076	66,686,870	66,686,870
Others	4,825,422	4,825,422	35,472,264	35,472,264
Subsidiary	6,525,389	-	13,824,368	-
Total	**180,206,349**	**173,680,960**	**116,918,476**	**103,094,110**
Dues upto 6 months	104,519,686	98,998,151	66,175,857	58,351,266
Dues above 6 months	75,686,663	74,682,809	50,742,619	44,742,844
Total	**180,206,349**	**173,680,960**	**116,918,476**	**103,094,110**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
22	**Accrued expenses**				
	Salary and allowances	21,841,286	21,496,633	7,150,524	6,829,385
	Others payable	1,523,410	1,523,410	906,900	906,900
	Office rent	1,402,626	1,402,626	360,000	360,000
	Income tax payable (Note: 22.01)	726,728,876	725,146,438	537,079,862	535,807,210
	Audit fee	375,000	350,000	375,000	350,000
	Service charge	49,000	49,000	30,000	30,000
	Utility bill	7,025,936	6,623,541	866,373	462,596
	Telephone bill	14,427	14,427	13,927	13,927
	Total	**758,960,561**	**756,606,076**	**546,782,586**	**544,760,018**
	22.01 Income tax provision				
	Opening Balance	537,079,862	535,807,210	338,058,345	337,169,595
	Addition during the year	189,649,013	189,339,228	199,021,517	198,637,615
	Total	**726,728,875**	**725,146,438**	**537,079,862**	**535,807,210**
23	**Workers profit participation/Welfare fund**				
	Opening balance	96,909,981	96,909,981	54,608,695	54,608,695
	Add: During this year	44,043,098	44,043,098	42,301,286	42,301,286
	Total	140,953,079	140,953,079	96,909,981	96,909,981

No interest has been provided of Workers profit participation/welfare fund to the workers.

24 Sales

	At 30 June 2018				At 30 June 2017	
	Gross revenue	VAT	Net revenue	Consolidated	Net revenue	Consolidated
Contract	2,287,803,304	111,330,034	2,176,473,270	2,176,473,270	1,875,981,227	1,875,981,227
Maintenance	387,085,887	-	387,085,887	387,085,887	494,611,949	494,611,949
Imported goods	812,870,320	14,000,113	798,870,207	798,870,207	568,941,649	568,941,649
Manufacturing (Battery)	918,314,322	117,239,504	801,074,818	801,074,818	-	
Net sales (subsidiary)	-	-	-	75,375,085	-	68,526,475
Total	**4,406,073,833**	**242,569,651**	**4,163,504,182**	**4,238,879,267**	**2,939,534,825**	**3,008,061,300**

25 Cost of sales

Maintenance (Note 25.01)	161,386,059	161,386,059	183,650,148	183,650,148
Contracts (Note 25.02)	783,471,236	783,471,236	675,396,862	675,396,862
Imported goods (Note 25.03)	552,830,941	552,830,941	410,101,096	410,101,096
Manufacturing (Note 25.04)	763,513,621	763,513,621	-	-
Cost of sales (Note 25.05)	51,270,052	-	48,914,886	-
Total	2,312,471,910	2,261,201,857	1,318,062,992	1,269,148,106
25.01 Maintenance				
Wages and others expenses	67,596,350	67,596,350	70,320,549	70,320,549
Labour bills	85,685,615	85,685,615	105,443,044	105,443,044
Fuel and oil	5,819,539	5,819,539	5,633,338	5,633,338
Repair and maintenance	2,284,555	2,284,555	2,253,217	2,253,217
Total	161,386,059	161,386,059	183,650,148	183,650,148

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
25.02	**Contract**				
	Wages and salary	120,439,234	120,439,234	118,232,580	118,232,580
	Project implementation cost	493,180,960	493,180,960	389,759,129	389,759,129
	Wages and others expenses	1,617,611	1,617,611	1,069,082	1,069,082
	Trailer and prime mover rent	5,825,697	5,825,697	5,440,879	5,440,879
	Fuel and oil	7,876,960	7,876,960	7,886,541	7,886,541
	Utility bill	6,275,529	6,275,529	5,633,218	5,633,218
	Uniform expenses (dress)	366,120	366,120	568,600	568,600
	Repair and maintenance	144,417,951	144,417,951	143,268,187	143,268,187
	Hotel rent	3,471,174	3,471,174	3,538,646	3,538,646
	Total	**783,471,236**	**783,471,236**	**675,396,862**	**675,396,862**
25.03	**Imported goods**				
	Cost of imported goods	435,870,219	435,870,219	263,378,315	263,378,315
	Clearing charge	2,382,000	2,382,000	1,326,094	1,326,094
	L/C expenses	2,995,838	2,995,838	2,363,974	2,363,974
	Marine insurance	8,716,060	8,716,060	5,960,826	5,960,826
	Carriage inward	1,673,455	1,673,455	525,445	525,445
	Wages and salary	101,193,369	101,193,369	136,546,442	136,546,442
	Total	**552,830,941**	**552,830,941**	**410,101,096**	**410,101,096**
25.04	**Manufacturing**				
	Raw materials consumption				
	Opening stock of raw materials	607,579,585	607,579,585	-	-
	Purchases during the year	888,302,721	888,302,721	-	-
	Closing stock of raw materials	(356,354,120)	(356,354,120)	-	-
		1,139,528,186	**1,139,528,186**	**-**	**-**
	Manufacturing expenses:				
	Clearing charge	9,011,932	9,011,932	-	-
	L/C expenses	26,101,508	26,101,508	-	-
	Depreciation	66,902,841	66,902,841	-	-
	Marine insurance and others	2,306,557	2,306,557	-	-
	Utilities	43,423,300	43,423,300	-	-
	Carriage inward	9,224,900	9,224,900	-	-
	Wages and salary	58,454,089	58,454,089	-	-
	Others	7,923,641	7,923,641	-	-
	Total	**223,348,768**	**223,348,768**	**-**	**-**
	Total Manufacturing Expenses	**1,362,876,954**	**1,362,876,954**	**-**	**-**
	Opening work-in process	-	-	-	-
	Closing work-in process	(256,145,800)	(256,145,800)	-	-
	Opening finished product	-	-	-	-
	Closing finished product	(343,217,533)	(343,217,533)	-	-
	Cost of Sales	**763,513,621**	**763,513,621**	**-**	**-**
25.05	**Cost of sales of subsidiary**	**51,270,052**	**-**	**48,914,886**	**-**
26	**General and administrative expenses**				
	Salary and allowances	92,702,403	90,417,500	58,955,499	57,806,843
	Office rent	21,240,700	20,616,700	10,170,448	10,014,448
	Travelling and conveyance	3,266,246	3,176,049	2,603,940	2,580,954
	Vehicle running expenses	9,746,793	9,566,320	1,564,617	1,499,272
	Publicity and promotional expenses	48,429,016	48,429,016	17,546,015	17,546,015
	Utility bills	3,654,612	3,654,612	1,499,218	1,499,218
	Communication expenses	1,129,310	1,105,310	976,000	970,000
	Printing and stationery	3,911,784	3,866,612	638,652	626,310
	Employees welfare	6,822,144	6,629,125	2,743,001	2,693,095
	Medical expenses	215,647	215,647	154,367	154,367
	Business license fee	161,602	43,165	519,263	282,128
	Depreciation	171,470,243	171,470,243	143,982,204	143,982,204
	Service charge	674,887	588,000	380,861	357,875
	Telephone and mobile phone bills	2,376,060	2,345,680	1,757,625	1,750,030
	Postage and courier	160,947	140,559	183,591	178,494
	Carriage outward	1,008,360	1,008,360	1,016,445	1,016,445
	Repair and maintenance	2,107,804	1,795,573	1,162,853	1,059,403
	Tender expenses	86,315	86,315	139,665	139,665
	Marketing salary and expenses	37,707,769	37,231,616	1,994,549	1,530,873
	Audit fee	375,000	350,000	375,000	350,000
	Paper and periodicals	49,844	39,460	147,829	145,233
	Sundry expenses	9,581,082	9,548,264	4,444,263	4,420,609
	Total	**416,878,568**	**412,324,126**	**252,955,905**	**250,603,481**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
27	**Financial expenses**				
	Bank interest				
	Dhaka Bank Limited	121,200,608	121,200,608	116,383,005	116,383,005
	One Bank Limited	146,193,664	146,193,664	-	
	NCC Bank Limited	10,984,140	10,984,140	14,872,184	14,872,184
	Farmers Bank Limited	2,361,544	2,361,544	103,220,438	103,220,438
	Bangladesh Finance and Investment Company Limited	48,029,809	48,029,809	77,008,784	77,008,784
	Hajj Finance Company Limited	16,210,355	16,210,355	23,646,977	23,646,977
	Premier Leasing and Finance Limited	48,315,827	48,315,827	48,439,064	48,439,064
	The Premier Bank Limited	78,904,824	78,904,824	81,482,431	81,482,431
	Bangladesh Commerce bank Limited	25,385,243	25,385,243	7,132,601	7,132,601
	AB Bank Limited	-	-	1,140,326	1,140,326
	IPDC Finance Limited	5,226,672	5,226,672	2,261,272	2,261,272
	Fareast Finance and Investment Limited	66,712,036	66,712,036	47,928,892	47,928,892
	Infrastructure Development Company Limited	17,559,057	17,559,057	19,671,051	19,671,051
	Islamic Finance Limited	5,495,245	5,495,245	3,117,052	3,117,052
	LankaBangla Finance Limited	4,840,025	4,840,025	221,828	221,828
		597,419,049	597,419,049	546,525,905	546,525,905
	Bank charge, commission & others				
	AB Bank Limited	2,800	2,800	5,820	5,820
	Bank Asia Limited	4,267,265	4,267,265	8,575	8,575
	Bangladesh Commerce Bank Limited	25,115	25,115	40,000	40,000
	BRAC Bank Limited	3,420	3,420	2,525	2,525
	Dhaka Bank Limited	7,653,620	7,653,620	5,026,013	5,026,013
	Farmers Bank Limited	245,084	245,084	149,815	149,815
	Islami Bank (Bangladesh) Limited	72,313	72,313	134,422	134,422
	Jamuna Bank Limited	3,095	3,095	-	-
	Mercantile Bank Limited	13,482	13,482	17,200	17,200
	NCC Bank Limited	58,300	58,300	242,415	242,415
	ONE Bank Limited	3,849,992	3,849,992	43,545	43,545
	Sonali Bank Limited	197,815	197,815	35,093	35,093
	Eastern Bank Limited	-		1,725	1,725
	Premier Bank Limited	185,019	185,019	382,783	382,783
	Southeast Bank Limited	14,488	14,488	3,665	3,665
	Standard Bank Limited	1,530	1,530	2,025	2,025
	Dutch Bangla Bank Limited	89,206	89,206	81,585	81,585
	Cash, loan processing and others	324,792	324,792	21,124,938	21,124,938
	United Commercial Bank Limited	9,437	9,437	-	-
	Trust Bank Limited	15,151	15,151	-	-
	Subsidiary Company	19,193	-	19,115	
		17,051,117	17,031,924	27,321,259	27,302,144
	Total	**614,470,166**	**614,450,973**	**573,847,164**	**573,828,049**
28	**Income Tax Expense:**				
	Current tax payable (Note: 28.01)	189,649,013	189,339,228	199,021,517	198,637,615
	Deferred tax expenses	37,712,251	30,876,262	18,902,831	12,868,813
	Total	**227,361,264**	**220,215,490**	**217,924,348**	**211,506,428**
28.01	**Current tax payable (The Company):**				
	Income before tax during the year	880,861,962	880,861,962	846,025,713	846,025,713
	Add: Accounting depreciation	238,373,085	238,373,085	143,982,204	143,982,204
	Less: Tax depreciation	(361,878,134)	(361,878,134)	(195,457,457)	(195,457,457)
	Taxable Income	757,356,913	757,356,913	794,550,460	794,550,460
	Tax Rate	25%	25%	25%	25%
	Current Tax	189,339,228	189,339,228	198,637,615	198,637,615
	Add: Tax on Subsidiaries	309,785	-	383,902	-
	Total	**189,649,013**	**189,339,228**	**199,021,517**	**198,637,615**

		Amount in Taka			
		At 30 June 2018		At 30 June 2017	
		Consolidated	The Company	Consolidated	The Company
29	**Net asset value per share (NAV)**				
	Shareholders Equity and Reserve	5,047,292,101	5,018,797,782	4,445,738,784	4,427,861,046
	Number of shares	297,716,090	297,716,090	232,590,696	232,590,696
	Net asset value per share of Taka 10 each	**16.95**	**16.86**	**19.11**	**19.04**
	Shareholders Equity and Reserve without revaluation reserve	4,965,232,979	4,936,738,660	4,363,679,662	4,345,801,924
	Number of shares	297,716,090	297,716,090	232,590,696	232,590,696
	Net asset value per share without revaluation of Taka 10 each	**16.68**	**16.58**	**18.76**	**18.68**
30	**Earnings per share (EPS)**				
	Basic Earning per share:				
	Earnings attributable to ordinary shares:				
	Net profit after tax as per statement of comprehensive income	671,263,052	660,646,471	644,054,481	634,519,285
	Number of shares (Note 30.01):	297,716,090	297,716,090	265,153,392	265,153,392
	Basic Earning per share (Per value of Taka 10)	**2.25**	**2.22**	**2.43**	**2.39**
	Diluted Earnings per share:				
	Net profit after tax as per statement of comprehensive income	671,263,052	660,646,471	644,054,481	634,519,285
	Number of shares (Note 30.01):	297,716,090	297,716,090	265,153,392	265,153,392
	Diluted Basic Earning per share (Per value of Taka 10)	**2.25**	**2.22**	**2.43**	**2.39**
30.01	**Number of shares:**				
	Opening Balance/weighted average outstanding no. of share	232,590,696	232,590,696	200,027,998	200,027,998
	Bonus Shares	65,125,394	65,125,394	65,125,394	65,125,394
		297,716,090	**297,716,090**	**265,153,392**	**265,153,392**
31	**Net Operating cash flows per share**				
	Net cash provided by operating activities	627,573,729	611,047,063	726,140,517	718,448,772
	Number of shares	297,716,090	297,716,090	265,153,392	265,153,392
	Net Operating cash flows per share	**2.11**	**2.05**	**2.74**	**2.71**
32	**Reconciliation of Profit/Loss before tax to Cash Generate from Operation**				
	Net Profit/(Loss) after WPPF & before Tax	945,321,559	924,905,060	906,663,913	888,326,998
	Add: Depreciation	244,244,669	238,373,085	150,165,680	143,982,204
	Add: Finance Cost	614,470,166	614,450,973	573,847,164	573,828,049
	(Increase)/Decrease in Advance Deposit and Prepayment	(350,615,428)	(355,118,996)	(113,308,387)	(105,541,479)
	(Increase)/Decrease in Accounts and others receivable	(519,668,595)	(513,218,859)	47,717,410	47,966,711
	(Increase)/Decrease in Inventories	(302,098,270)	(301,540,672)	(655,304,270)	(655,431,871)
	Increase/(Decrease) in obligation to contract	-	-	(189,316,735)	(189,316,735)
	Increase/(Decrease) in Accounts Payable	(26,609,335)	(19,310,356)	5,009,028	14,088,181
	Increase/(Decrease) Accrued Expenses	22,528,962	22,506,828	666,714	546,714
	Net cash provided by operating activities	**627,573,729**	**611,047,063**	**726,140,517**	**718,448,772**

33 Directors' responsibility statements

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

34 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% and 8% stock dividend [June 30, 2017: 5% cash dividend excluding the sponsor shareholders and directors and 28% stock dividend) as recommended in the meeting of Board of Directors held on 27 October, 2018 (June 30, 2017: 28 October, 2017).

35 Authorisation for issue:

These financial statements have been authorised for issue by the Board of Directors of the company on 27 October, 2018.

36 Right Issue Proceeds Utilization up to 30.06.2018

Purpose Mentioned in ROD	Amount of ROD	Total Utilized Amount	Total Un-utilized Amount
Repayment of Loans	558,843,410	558,843,410	-
Expansion of Battery Project:			-
(i) Land & Land Development	200,000,000	141,547,793	58,452,207
(ii) Machineries	962,477,944	848,195,258	114,282,686
Right Issue Expenses	23,108,866	23,108,866	-
Total	**1,744,430,220**	**1,571,695,327**	**172,734,893**

The Right Issue Proceeds Utilization has been audited in quarterly basis by Ahmed Zaker & Co., Chartered Accountants during the year.

Others

37 Number of Employees

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

Number of permanent staff	965
Number of permanent workers	
Number of temporary staff/worker	
Total	965

38 Figures are rounded off to the nearest Taka.

39 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

40 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%

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

Annex I

Details of Property, Plant and Equipment (except Manufacturing unit) and Depreciation at 30 June 2018

Asset category	Cost and Valuation					Depreciation					Written down value at 30 June 2018
	At 01 July 2017	Additions	Revaluation	Adjustment/ disposal	Total at 30 June 2018	Rate (%)	To 01 July 2017	Charge for the Period	Adjustment on disposal	Total at 30 June 2018	
Tools and equipment	1,277,794,196	47,105,178	-	-	1,324,899,374	10	419,802,221	86,780,018	-	506,582,239	818,317,135
Land and land development	260,780,178	89,971,500	-	-	350,751,678	-	-	-	-	-	350,751,678
Pre-fabricated building	25,550,054	-	-	-	25,550,054	10	11,971,708	1,357,835	-	13,329,543	12,220,511
Building	344,213,543	-	-	-	344,213,543	5	75,177,619	13,451,796	-	88,629,415	255,584,128
Plant and machinery	216,608,800	-	-	-	216,608,800	20	63,947,635	30,532,233	-	94,479,868	122,128,932
Motor vehicles	229,212,207	21,625,000	-	-	250,837,207	20	79,046,214	33,101,965	-	112,148,179	138,689,028
Workshop	6,353,600	-	-	-	6,353,600	10	4,523,763	182,984	-	4,706,747	1,646,853
Office and electrical equipment	52,480,825	2,445,869	-	-	54,926,694	10	19,915,092	3,371,424	-	23,286,516	31,640,178
Furniture and fixtures	36,870,537	991,845	-	-	37,862,382	10	11,420,147	2,597,369	-	14,017,516	23,844,866
Others	1,778,203	-	-	-	1,778,203	10	832,000	94,620	-	926,620	851,583
Total at 30 June 2018	**2,451,642,143**	**162,139,392**	**-**	**-**	**2,613,781,535**		**686,636,400**	**171,470,243**	**-**	**858,106,643**	**1,755,674,891**
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**

Manufacturing Unit

Details of Property, Plant and Equipment and Depreciation at 30 June 2018

Asset category	Cost and Valuation					Depreciation					Written down value at 30 June 2018
	At 01 July 2017	Additions	Revaluation	Adjustment/ disposal	Total at 30 June 2018	Rate (%)	To 01 July 2017	Charge for the Period	Adjustment on disposal	Total to 30 June 2018	
Tools and equipment	-	87,604,990	-	-	87,604,990	10	-	7,872,448		7,872,448	79,732,542
Land and land development	-	75,563,280	-	-	75,563,280	-	-	-		-	75,563,280
Building	-	136,685,210	-	-	136,685,210	5	-	6,141,472		6,141,472	130,543,738
Plant and machinery	-	713,426,123	-	-	713,426,123	10	-	46,310,490		46,310,490	667,115,633
Motor vehicles	-	16,325,810	-	-	16,325,810	20	-	2,934,173		2,934,173	13,391,637
Office and electrical equipment	-	12,368,412	-	-	12,368,412	10	-	1,111,463		1,111,463	11,256,949
Furniture and fixtures	-	26,658,742	-	-	26,658,742	10	-	2,395,635		2,395,635	24,263,107
Others	-	1,526,320	-	-	1,526,320	10	-	137,160		137,160	1,389,160
Total at 30 June 2018	**-**	**1,070,158,887**	**-**	**-**	**1,070,158,887**		**-**	**66,902,841**	**-**	**66,902,841**	**1,003,256,046**

SAIF POWERTEC

Consolidated Property, Plant & Equipment

Details of Property, Plant and Equipment and Depreciation at 30 June 2018

Asset category	Cost and Valuation					Depreciation					Written down value at 30 June 2018
	At 01 July 2017	Additions	Revaluation	Adjustment/ disposal	Total at 30 June 2018	Rate (%)	To 01 July 2017	Charge for the Period	Adjustment on disposal	Total to 30 June 2018	
Tools and equipment	1,280,515,025	134,710,168	-	-	1,415,225,193		420,088,413	94,690,528	-	514,778,941	900,446,252
Land and land development	278,705,884	169,034,780	-	-	447,740,664		-	-	-	-	447,740,664
Pre-fabricated building	25,550,054	-	-	-	25,550,054		11,971,708	1,357,835	-	13,329,543	12,220,511
Building	344,213,543	136,685,210	-	-	480,898,753		75,177,619	19,593,269	-	94,770,888	386,127,865
Plant and machinery	357,251,184	714,923,799		-	1,072,174,983		95,644,732	82,407,041	-	178,051,773	894,123,210
Motor vehicles	232,714,208	37,950,810	-	-	270,665,018		80,480,318	36,242,927	-	116,723,246	153,941,772
Workshop	6,353,600	-	-	-	6,353,600		4,523,763	182,984	-	4,706,747	1,646,853
Office and electrical equipment	53,082,675	14,814,281	-	-	67,896,956		20,173,402	4,517,241	-	24,690,642	43,206,314
Furniture and fixtures	37,362,137	27,650,587	-	-	65,012,724		11,631,138	5,021,065	-	16,652,203	48,360,521
Others	1,778,203	1,526,320	-	-	3,304,523		832,000	231,780	-	1,063,780	2,240,743
Total at 30 June 2018	**2,617,526,512**	**1,237,295,955**	**-**	**-**	**3,854,822,468**		**720,523,094**	**244,244,669**	**-**	**964,767,763**	**2,890,054,704**
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**	**1,897,003,418**

AMARSTOCK

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 2017 Dr/(Cr)	Dr	Cr	Closing balance at 30 June 2018 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

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 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.	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

As per IAS- 24:

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	49,827,132
(b) Post-employee benefits	-
(c) Other long term benefits	-
(d) termination benefits and	-
(e) share- based payment	-
Total:	**49,827,132**

Annex III

Shareholdings Position in Subsidiary Company

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			24,469,434
Profit share for this year			2,654,145
			27,123,579

AMARSTOCK

Calculation of Deferred Tax (The Company):

Annex- IV

Particulars	30, June 18	30, June 17
a) On cost:		
Carrying amount of Property Plant & Equipment:	2,332,615,979	1,504,225,565
Tax base of Property Plant & Equipment:	1,980,563,766	1,275,678,401
Taxable/(deductible) temporary deference	352,052,213	228,547,164
Tax rate	25%	25%
Deferred tax (Assets) / Liability at the end of the year	**88,013,053**	**57,136,791**
Deferred tax (income) /expense recognized in Statement of Profit or Loss and Other Comprehensive Income	**30,876,262**	**12,868,813**
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%	15%
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 period/year (a+b)	**102,494,075**	**71,617,813**

AMAR STOCK

AUDITED FINANCIAL STATEMENTS -2018



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 2018 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 2018 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:

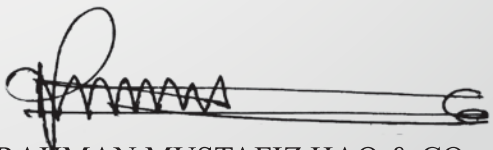
(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(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.



RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

Dated, Dhaka; 23 October 2018

AMARSTOCK

SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Financial Position as at 30 June 2018.

	Notes	At 30 June 2018	At 30 June 2017
		Amounts in Taka	
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	131,123,766	131,997,675
Capital Work-in-Progress		17,752,773	3,230,077
Total Non-Current Assets		148,876,539	135,227,752
Current Assets			
Inventories	4	3,786,696	3,229,098
Accounts and others receivable	5	9,829,706	3,379,971
Advance deposits and prepayment	6	8,722,677	13,226,246
Cash and bank balances	7	2,418,222	3,431,120
Total Current Assets		24,757,301	23,266,435
Total Assets		**173,633,840**	**158,494,187**
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	8	100,000,000	100,000,000
Retained earnings	9	35,617,895	22,347,171
		135,617,895	122,347,171
Non-Current Liabilities			
Deferred Tax liability	10	20,126,069	13,290,080
Share Money Deposit		9,010,000	7,010,000
Total Non-Current Liabilities		29,136,069	20,300,080
Current Liabilities			
Sundry creditors	11	6,525,389	13,824,368
Liability for Expense	12	2,354,486	2,022,568
Total Current Liabilities		8,879,875	15,846,936
Total Equity and Liabilities		**173,633,840**	**158,494,187**
Net asset value per share of Taka 10 each		13.56	12.23

See annexed notes

for Saif Plastic & Polymer Industries Limited

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

Dated, Dhaka; 23 October 2018

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

AMAR STOCK

SAIF PLASTIC & POLYMER INDUSTRIES LIMITED

Statement of Profit or Loss and other Comprehensive Income
For the year 30 June 2018

	Notes	Amounts in Taka Period from 1 July 2017 to 30 June 2018	Period from 1 July 2016 to 30 June 2017
REVENUE			
Sales	13	75,375,085	68,526,475
Less: Cost of Goods Sold	14	(51,270,052)	(48,914,886)
Gross Profit		24,105,033	19,611,589
Less: Operating Expenses:			
Administrative expenses	15	(4,078,289)	(1,888,748)
Marketing and selling expenses	16	(476,153)	(463,676)
		(4,554,443)	(2,352,424)
Operating Profit		19,550,590	17,259,165
Add: Other income		885,101	1,096,864
Less: Financial expenses	17	(19,193)	(19,115)
Net Profit before Tax		20,416,499	18,336,914
Less: Income tax expenses	18	(7,145,774)	(6,417,920)
Current tax		(309,785)	(383,902)
Deferred tax (expense)/income		(6,835,989)	(6,034,018)
Net Profit after Tax		**13,270,725**	**11,918,994**
Earning Per Share (EPS)		1.33	1.19

See annexed notes

for Saif Plastic & Polymer Industries Limited

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

Dated, Dhaka; 23 October 2018

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

Statement of Cash Flow
For the year 30 June 2018

	Amounts in Taka	
	Year ended 30 June 2018	Year ended 30 June 2017
Cash Flows from Operating Activities		
Cash receipt from customer	69,810,451	69,374,038
Cash paid to suppliers and employees	(57,787,353)	(53,915,385)
Cash generated from operations	12,023,098	15,458,653
Advance, deposits and prepayment	5,591,171	(7,011,317)
Advance income tax deducted	(1,087,602)	(755,591)
Net cash flow from operating activities	16,526,667	7,691,745
Cash flow from investing activities		
Purchases of property, plant and equipment	(4,997,676)	(9,097,556)
Capital works-in-progress	(14,522,696)	(3,230,077)
Net cash used in operating activities	(19,520,372)	(12,327,633)
Cash flow from financial activities		
Share money deposited	2,000,000	7,010,000
Financial cost	(19,193)	(19,115)
Net cash from/(used in) financing activities	1,980,807	6,990,885
Net cash inflow/(outflow) for the period	**(1,012,898)**	**2,354,997**
Opening cash and cash equivalents	**3,431,120**	**1,076,123**
Closing cash and cash equivalents	**2,418,222**	**3,431,120**
Net Operating cash flows per share	**1.65**	**0.77**

for Saif Plastic & Polymer Industries Limited

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

Dated, Dhaka; 23 October 2018

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

Statement of Changes in Equity
For the year 30 June 2018

Amounts in Taka

Particulars	Share capital	Retained earnings	Total
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**
Balance at 01 July 2017	100,000,000	22,347,171	122,347,172
Profit during the year	-	13,270,725	13,270,725
	-		-
Balance at 30 June 2018	**100,000,000**	**35,617,896**	**135,617,896**

for Saif Plastic & Polymer Industries Limited

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

Dated, Dhaka; 23 October 2018

RAHMAN MUSTAFIZ HAQ & CO.
Chartered Accountants

Notes to financial statements for the year ended 30 June 2018.

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 Edble 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

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 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
BFRS 15	Revenue from contracts with customers

2.05 Reporting period

The period of the financial statements covers from 01 July 2017 to 30 June 2018.

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.

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.

(a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and commited to perform their respective obligation;
(b) The entity can identify each party's rights regarding the goods or services to be transferred;
(c) The entity can identify the payment terms for the goods or services to be tranferred;
(d) The contract has commercial substance; and
(e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods and services that will be transferred to the customer.

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
	(iii)Payments from a provident funds, in excess of own subscription and interest thereon	
(i)	Share Based payments	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 /Denominator)
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 2018.
(b) Statement of Profit or Loss and other Comprehensive income for the year ended 30 June 2018.
(c) Statement of Cash Flows for the nine months year ended 30 June 2018.
(d) Statement of Changes in equity for the nine months year ended 30 June 2018.
(e) Notes, comprising a summary of significant accounting policies and other explanatory information.

Notes to financial statements for the year ended 30 June 2018.

		Amounts in Taka	
		At 31 June 2018	At 30 June 2017
3	Property, plant and equipment	131,123,766	131,997,675
	Annex- A		
4	Inventories		
	Raw materials	1,974,379	1,564,345
	Finished goods	966,452	867,878
	Work-in-process	845,865	796,875
		3,786,696	3,229,098
5	Account and others receivable		
	JMI Bangla Pharmaceutical Co. Ltd.	1,496,867	-
	The IBN Sina Unionani	51,958	51,958
	Brac Dairy	1,729,763	-
	BIBS Pharma Ltd.	822,738	822,738
	IBN Haisam	326,261	326,261
	ACI Foods	505,549	452,707
	Beacon Pharma	227,188	227,188
	Navan Pharma	3,782,462	448,867
	ACME Lab	8,000	221,056
	Jayson Nature	536,344	632,441
	Others	342,576	196,755
		9,829,706	**3,379,971**
6	Advance deposits and prepayment		
	Advance to:		
	Advance against raw materials		
	VAT current account	2,481,355	2,302,919
	L/c margin	-	5,769,607
	Advance income tax	6,241,322	5,153,720
		8,722,677	13,226,246
7	Cash and Bank Balances		
	Cash in hand	367,347	265,755
	Bank balances in		
	Bank Asia Limited	1,362	1,362
	United Commercial Bank Limited	1,852,329	2,097,811
	Dhaka Bank Limited	3,846	1,055,430
	The Farmers Bank Limited	175,626	10,762
	Al Arafa Islami Bank Limited	17,712	-
		2,418,222	3,431,120
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
9	**Retained Earnings**		
	Opening balance	22,347,171	10,428,177
	Profit after tax during the year	13,270,725	11,918,994
	Closing balance	35,617,895	22,347,171

10 Deferred tax liability

For the year ended : 30 June 2018

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	
Property Plant and Equipment	131,123,766	59,461,658	71,662,108	35.00%	25,081,738
Unused tax loss carry forward	-	(14,159,055)	(14,159,056)	35.00%	(4,955,669)
Deferred Tax liability end of the year					**20,126,069**

For the year ended : 30 June 2017

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	
Property Plant and Equipment	131,997,675	63,856,036	68,141,639	35.00%	23,849,574
Unused tax loss carry forward	-	(30,169,983)	(30,169,983)	35.00%	(10,559,494)
Deferred Tax liability end of the year					**13,290,080**

AMAR STOCK

		Amounts in Taka	
		At	At
11	Sundry Creditors	30 June 2018	30 June 2017
	M/s Baker Enterprise	564,536	1,836,207
	M.S International	778,575	1,120,959
	S.R Engineering works	453,290	331,852
	Azad Industries	347,476	1,698,779
	Nazmul Plastic	453,455	1,590,157
	Brothers engineer works	363,200	1,223,001
	Excell Engineering and services	494,176	1,820,534
	Dipti Enterprise	565,408	2,935,361
	High teck Packaging	-	184,870
	Un Noor Enterprise	-	51,300
	Ashraf tools	-	1,031,348
	Colorplus Mfg. Ltd	124,255	-
	Rani & CO	956,241	-
	Maa Enterprise	726,000	-
	Hossain Enterprise	243,000	-
	Tech Vally Printing	49,350	-
	Others	406,427	-
		6,525,389	13,824,368
12	Liability for expenses		
	Salary & wages	344,654	321,139
	Electricity bill	402,395	403,777
	Audit fee	25,000	25,000
	Income tax payable (Note: 12.01)	1,582,437	1,272,652
		2,354,486	2,022,568
12.01	Income tax payable		
	Opening Balance	1,272,652	888,750
	Add: Current year's provision	309,785	383,902
	Closing Balance	1,582,437	1,272,652

Notes to financial statements for the year ended 30 June 2018.

		Amounts in Taka	
		Period from 1 July 2017 to 30 June 2018	Period from 1 July 2016 to 30 June 2017
13	**Revenue**		
	Sales	75,375,085	68,526,475
14	**Cost of goods sold**		
	Raw materials consumption		
	Opening stock of raw materials	1,564,345	1,822,396
	Purchases during the year	37,461,597	33,822,549
	Closing stock of raw materials	(1,974,379)	(1,564,345)
		37,051,563	34,080,600
	Manufacturing expenses:		
	Depreciation	5,871,585	6,183,476
	Salary & wages	2,369,136	2,300,284
	Insurance	49,105	146,678
	Electicity bill	5,144,195	4,797,596
	Overtime bill	197,137	209,720
	Factory rent	300,000	300,000
	Raw materials import charge	75,073	122,160
	Packing materials	269,229	812,737
	Carriage inward	90,594	92,085
		14,366,053	14,964,736
	Total Manufacturing cost	51,417,616	49,045,336
	Opening work-in process	796,875	694,516
	Closing work-in process	(845,865)	(796,875)
	Opening finished product	867,878	839,787
	Closing finished product	(966,452)	(867,878)
	Cost of goods sold	51,270,052	48,914,886
15	**Administrative Expenses**		
	Entertainment	142,178	36,456
	Salary & allowances	2,284,903	1,148,656
	Office rent	624,000	156,000
	Repair and maintenance	312,231	103,450
	Audit fee	25,000	25,000
	License fee	118,437	237,135
	Vehicle expenses	180,473	65,345
	Printing & stationary	45,172	12,342
	Cleaner expenses	86,887	22,986
	Internet bill	24,000	6,000
	Mobile bill	30,380	7,595
	Conveyance	90,197	22,986
	Allowance	50,841	13,450
	Paper and periodical	10,384	2,596
	Postage & courier	20,388	5,097
	Misc Expenses	32,818	23,654
		4,078,289	1,888,748
16	**Marketing and Selling Expenses**		
	Salary	374,872	366,376
	Carriage outward	22,249	20,546
	Conveyance	79,032	76,754
		476,153	463,676

AMARSTOCK

Notes to financial statements for the year ended 30 June 2018.

			Amounts in Taka	
			Period from 1 July 2017 to 30 June 2018	Period from 1 July 2016 to 30 June 2017
17	**Financial Expenses**			
	Interest expenses		-	-
	Bank charges		19,193	19,115
			19,193	19,115
18	**Income tax expenses**			
	Current tax payable	(Note-18.01b)	309,785	383,902
	Deferred tax expenses	(Note-18.02)	6,835,989	6,034,017
	Total		7,145,774	6,417,920
8.01	**Current tax payable**			
	The above balance is made up as follows:			
	Income tax on business income		-	-
	Income tax on other income		309,785	383,902
	Reversal of Deferred Tax for 2.50% rate difference		-	-
	Total		309,785	383,902
a)	Income tax on business income:			
	Net Profit before tax during the period except other income		19,531,397	17,240,050
	Add: Accounting depreciation		5,871,585	6,183,476
	Less: Tax depreciation		(9,392,054)	(11,352,656)
	Taxable Profit/(Loss)		**16,010,928**	**12,070,870**
	Unused Tax loss carry forward from previous year		(30,169,983)	(42,240,853)
	Current year set-off		16,010,928	12,070,870
	Unused Tax loss carry forward		**(14,159,056)**	**(30,169,983)**
b)	Income tax on other income			
	Other income during the period		885,101	1,096,864
	Less: Set Off against Current Loss		-	-
			885,101	1,096,864
	Tax Rate		35.00%	35.00%
	Income Tax on other Income		309,785	383,902
18.02	**Deferred tax (Income)/expenses**			
	Closing Deferred Tax Liability		20,126,069	13,290,080
	Opening Deferred Tax Liability		13,290,080	7,256,062
			6,835,989	6,034,018

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.

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

AMARSTOCK

3. Property, Plant and Equipment

Annex - A

Amounts in Taka

Particulars	COST				DEPRECIATION					
	Balance as at 01 July 2017	Additions during the year	Sale/ Disposal/ Adjustment during the year	Total as at 30 June 2018.	Rate	Balance as at 01 July 2017	Charge for the year	Adjustment during the year	Total as at 30 June 2018.	Net book value at 30 June 2018
Land and land development	17,925,706	3,500,000	-	21,425,706	-	-	-	-	-	21,425,706
Plant and machinery	142,696,399	1,497,676	-	144,194,075	5%	31,697,097	5,564,318	-	37,261,415	106,932,660
Motor Vehicles	3,502,000	-	-	3,502,000	10%	1,434,104	206,790	-	1,640,894	1,861,106
Furniture and fixture	491,600	-	-	491,600	10%	210,991	28,061	-	239,052	252,548
Tools and equipments	666,814	-	-	666,814	10%	286,192	38,062	-	324,254	342,560
Office equipments	601,850	-	-	601,850	10%	258,310	34,354	-	292,664	309,186
Total at 30 June 2018	**165,884,369**	**4,997,676**	**-**	**170,882,045**		**33,886,694**	**5,871,585**	**-**	**39,758,278**	**131,123,766**
Total at 30 June 2017	**156,786,813**	**9,097,556**	**-**	**165,884,469**		**27,703,218**	**6,183,476**	**-**	**33,886,694**	**131,997,675**

ANNUAL STOCK

SAIF POWER BATTERY

Power of the Nation



ignite BATTERY

FIT AND DRIVE



A Product of SAIF POWERTEC

SAIF POWERTEC LIMITED

A House of Power and material Handling Solution

72, Mohakhali C/A, Rupayan Center (8th Floor), Dhaka-1212
Tel: (880 2) 9856358-9, Fax: (880 2) 9855949

Proxy Form

I/We.....
of .....
being member(s) Saif Powertec Limited, entitle to vote hereby appoint Mr./Mrs./MS .....
.....
of..... as my/our proxy to attend and vote for me/us on my/our behalf at the 15th Annual General Meeting of the company to be held on **Thursday**, the **27th day of December 2018** at **Army Golf Club, Dhaka Cantonment, Dhaka** at **11.00 A.M**. and at any adjournment thereof.

As witness my hand this ..... day of..... 2018 signed by the said in presence of .....

.....
Signature of the Proxy
Date .....

Revenue
Stamp
Tk. 20.00

.....
Signature of the Member(s)
Register BO ID.....
Dated .....

NOTE: A member entitled to attend and vote at the Annual General Meeting may appoint at Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office/Corporate Office of the company not later than 48 hours before the time appointed for the meeting.

Signature verified

.....
Authorized Signatory
Saif Powertec limited

SAIF POWERTEC LIMITED

72, Mohakhali C/A, Rupayan Center (8th Floor), Dhaka-1212
Tel: (880 2) 9856358-9, Fax: (880 2) 9855949

MEMBERS'/PROXY ATTENDANCE SLIP

I/We herby record my attendance at the 15th Annual General Meeting being held on **Thursday**, the **27th day of December 2018** at **Army Golf Club, Dhaka Cantonment, Dhaka** at **11.00 A.M.**

Name of Member(s)/Proxy .....
Register BO ID.....holding of.....Ordinary Shares of **Saif Powertec Limited.**

.....
Signature of Member(s)/Proxy

N. B. 1. Please note that AGM can only be attended by the honorable Member(s) or properly constituted proxy. Therefore, any friend or children accompanying with honorable Member(s) or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception desk.