Shahjibazar power Company Limited

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

AMAR STOCK

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matter

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

Report on Other Legal and Regulatory Requirements

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

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

b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of these books;

c) The Company's statement of financial position and statement of Profit & loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

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

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

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

	Notes	June 30, 2018 Taka	June 30, 2017 Taka
ASSETS:			
Non-Current Assets		**6,231,228,910**	**6,647,548,177**
Property, Plant and Equipment	4a	5,517,729,701	5,932,098,205
Intangible Assets	5.00	606,135	745,787
Investment Accounted for using the Equity Method	6a	173,042,602	177,731,076
Other Investments	8a	539,850,471	536,973,109
Current Assets		**3,737,839,884**	**2,795,563,575**
Inventories	9a	1,128,458,840	785,392,635
Accounts Receivables	10a	1,427,596,071	908,417,838
Other Receivables	11a	2,503,949	512,032
Advance, Deposits and Prepayments	12a	501,009,779	507,083,848
Financial Assets at fair value through profit or loss	12b	20,201,919	24,774,556
Cash and Cash Equivalents	13a	529,762,731	508,991,093
Goods in Transit	14a	128,306,595	60,391,573
TOTAL ASSETS		**9,969,068,794**	**9,443,111,751**
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		**5,306,414,146**	**4,871,963,609**
Share Capital	15.00	1,610,204,378	1,412,459,981
Share Premium	16.00	914,920,000	914,920,000
Tax Holiday Reserve	16a	850,711,042	701,982,235
Retained Earnings	17a	1,930,578,727	1,842,601,393
Non-controlling interests		**279,654,021**	**258,340,464**
Total equity		**5,586,068,168**	**5,130,304,073**
Non-Current Liabilities		**192,115,541**	**388,672,715**
Long Term Loan- Net of Current Maturity	18a	167,217,657	350,426,500
Loan from other than Bank	18b	89,364	12,500,000
Deferred Tax Liabilities	19a	24,808,520	25,746,215
Current Liabilities		**4,190,885,084**	**3,924,134,964**
L/C Liabilities	20a	90,345,074	65,026,521
Short Term Loan	21a	3,628,529,390	3,130,570,723
IPO Application Amount	22a	6,084,318	6,084,318
Long Term Loan - Current Maturity	23a	194,599,119	510,047,371
Sundry Creditors	24a	145,268,525	124,046,922
Liabilities for Expenses	25a	19,884,836	11,495,521
Unclaimed Dividend	25b	9,211,728	10,141,045
Trade Payable	26a	96,962,095	66,722,544
Total liabilities		**4,383,000,625**	**4,312,807,679**
TOTAL EQUITY AND LIABILITIES		**9,969,068,793**	**9,443,111,751**
Net Asset Value Per Share (NAVPS)		**32.95**	**34.49**
CONTINGENT LIABILITIES & COMMITMENTS		**37 & 38**	

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

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

Report of the Auditors to the Shareholders:
This is the statement of Consolidated Financial Position referred to in our report of even date.

ACNABIN
Chartered Accountants

Dhaka,
24 October 2018

ACNABIN Dhaka Chartered Accountants

an independent member of BAKER TILLY INTERNATIONAL

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

	Notes	June 30, 2018 Taka	June 30, 2017 Taka
ASSETS:			
Non-Current Assets		**4,056,630,337**	**4,321,960,176**
Property, Plant and Equipment	**4.00**	2,443,737,263	2,707,255,991
Investment Accounted for using the Equity Method	**6.00**	173,042,602	177,731,076
Investment in Subsidiary	**7.00**	900,000,000	900,000,000
Other Investments	**8.00**	539,850,471	536,973,109
Current Assets		**568,252,773**	**450,457,647**
Inventories	**9.00**	122,610,952	132,208,155
Accounts Receivables	**10.00**	290,111,349	222,267,768
Other Receivables	**11.00**	2,503,949	512,032
Advance, Deposits and Prepayments	**12.00**	38,492,208	39,610,868
Cash and Cash Equivalent	**13.00**	55,120,219	46,319,577
Goods In Transit	**14.00**	59,414,096	9,539,247
TOTAL ASSETS		**4,624,883,110**	**4,772,417,823**
SHARE HOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		**3,516,788,848**	**3,274,160,328**
Share Capital	**15.00**	1,610,204,378	1,412,459,981
Share Premium	**16.00**	914,920,000	914,920,000
Retained Earnings	**17.00**	991,664,470	946,780,347
Non-Current Liabilities		**164,014,924**	**310,016,228**
Long Term Loan- Net of Current Maturity	**18.00**	139,206,404	284,270,013
Deferred Tax Liabilities	**19.00**	24,808,520	25,746,215
Current Liabilities		**944,079,337**	**1,188,241,268**
L/C Liabilities	**20.00**	82,677,127	58,040,125
Short Term Loan	**21.00**	454,666,390	556,819,339
IPO Application Amount	**22.00**	6,084,318	6,084,318
Long Term Loan - Current Maturity	**23.00**	182,096,793	412,976,929
Sundry Creditors	**24.00**	115,778,239	80,648,188
Liabilities for Expenses	**25.00**	5,601,319	3,436,738
Unclaimed Dividend	**25b**	9,211,728	10,141,045
Trade Payable	**26.00**	87,963,424	60,094,587
Total Liabilities		**1,108,094,262**	**1,498,257,496**
TOTAL EQUITY AND LIABILITIES		**4,624,883,110**	**4,772,417,823**
Net Asset Value Per Share (NAVPS)		**21.84**	**23.18**
CONTINGENT LIABILITIES & COMMITMENTS	**37 & 38**		

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

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

Report of the Auditors to the Shareholders:
This is the statement of Financial Position referred to in our report of even date.

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

an independent member of
BAKER TILLY
INTERNATIONAL

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

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

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

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

Report of the Auditors to the Shareholders:
This is the statement of Consolidated Comprehensive Income referred to in our report of even date.

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

ACNABIN Dhaka Chartered Accountants

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

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

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

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

Report of the Auditors to the Shareholders:
This is the statement of Comprehensive Income referred to in our report of even date.

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

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INTERNATIONAL

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

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

The accompanying notes form an integral part of the financial statements

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

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

Report of the Auditors to the Shareholders:

This is the statement of Consolidated Cash flow referred to in our report of even date.

ACNABIN
Chartered Accountants

Dhaka,
24 October 2018

ACNABIN Dhaka Chartered Accountants

an independent member of BAKER TILLY INTERNATIONAL

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

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

The accompanying notes form an integral part of the financial statements

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

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

Report of the Auditors to the Shareholders:

This is the statement of Cash flow referred to in our report of even date.

Dhaka,
24 October 2018

ACNABIN
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BAKER TILLY
INTERNATIONAL

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

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

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

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

The accompanying notes form an integral part of the financial statements

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

Chairman | Director | Managing Director | Company Secretary

Report of the Auditors to the Shareholders:

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

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

an independent member of
BAKER TILLY
INTERNATIONAL

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

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

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

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

The accompanying notes form an integral part of the financial statements

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

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

Report of the Auditors to the Shareholders:

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

Dhaka,
24 October 2018

ACNABIN
Chartered Accountants

ACNABIN Dhaka Chartered Accountants

AMAR STOCK

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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION

1. Status of the Reporting Entity

1.1. Corporate History:

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

1.2. Nature of business

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

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

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

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

1.3. Description of Subsidiary

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

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

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

1.4. Description of Associate

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

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

2. Basis of Preparation:

2.1. Statement of Compliance

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

2.2. Application of Standards

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

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instrument: Presentation
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instrument: Recognition and measurement
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 10	Consolidated Financial Statements
IFRS 12	Disclosure of Interests in other Entities
IFRS 13	Fair Value Measurement

2.3. Date of authorization

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

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2.4. Measurement bases used in Preparing the Financial Statements

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

2.5. Use of estimates and judgments

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

2.6. Accounting Convention and basis

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

2.7. Functional and presentational currency and level of precision

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

2.8. Reporting period

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

2.9. Components of the Financial Statements

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

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

3. Principal Accounting Policies:

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

3.1. Basis of consolidation

3.1.1. Subsidiary

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

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

3.2. Property, Plant and Equipment

3.2.1. Recognition and Measurement

Items of Property, Plant and Equipment (PPE) are initially measured at cost. After initial recognition, an item of PPE is carried at cost less accumulated depreciation and impairment losses in compliance with the requirements of IAS-16: Property, Plant and Equipment.

3.2.2. Disposal of Fixed Assets

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

3.2.3. Depreciation on Fixed Assets

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

Plant and machinery are depreciated from the month on which the asset comes into use or being capitalized. Other items of property, plant and equipment continue to be depreciated for a full year of capitalization respective of the date on which the asset comes into use or being capitalized.

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

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

3.2.4. Subsequent Costs

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

3.2.5. Capitalization of Borrowing Cost

Borrowing cost relating to acquisition of fixed assets is capitalized as per International Accounting Standard (IAS) - 23, borrowing costs at the weighted average cost of borrowings. However, capitalization of borrowing costs is ceased when acquisition of relevant asset is completed.

3.2.6. Impairment of Assets

Impairment of assets are carried out if carrying value is less than the value of using the asset or net realizable value of the assets whichever is lower.

3.3. Intangibles Assets

Intangible Assets are measured at cost less accumulated amortization and recognized when all the condition as per IAS-38: Intangible Assets are met. Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied there with will flow to the entity and its cost can be measured reliably. Intangible assets are amortized at the rate of fifteen percent of cost per year.

3.4. Capital work in progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost.

3.5. Inventories

Inventories in hand as at 30th June, 2018 have been valued at lower of cost and net realizable value in accordance with IAS -2 "Inventories" after making due allowance for any obsolete or slow moving items.

3.6. Accounts Receivables

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

3.7. Advance, Deposits and Prepayments

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

3.8. Investment in shares of listed companies

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

3.9. Cash and Cash Equivalents

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

3.10. Other Current Assets

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

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

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

3.12. Taxation

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

Current Tax

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

Deferred Tax

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

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

3.13. Provisions

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

3.14. Revenue Recognition

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

3.15. Foreign Currency

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

3.16. Finance Income and Expenses

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

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

3.17. Earnings Per Share (EPS)

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

Basic earnings

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

Basic earnings per share

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

Weighted average number of ordinary shares outstanding during the year

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

Diluted earnings per share

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

3.18. Cash flows statement

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

3.19. Workers Profit Participation Fund (WPPF)

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

3.20. Responsibility for Preparation and Presentation of Financial Statements:

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

3.21. Risk and uncertainties for the use of estimates

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

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

3.22. Related Party Transactions

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

3.23. Comparative Amounts

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

3.24. Segment Reporting

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

3.25. Measurement of Fair Values

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

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

		June 30, 2018 Taka	June 30, 2017 Taka
4.00	**PROPERTY, PLANT AND EQUIPMENT:**		
	Cost		
	Cost at July 01, 2017	4,746,249,524	4,689,082,734
	Addition during the year	37,236,124	58,440,790
	Disposal during the year	(35,973,924)	(1,274,000)
	Cost at June 30, 2018	4,747,511,724	4,746,249,524
	Accumulated Depreciation		
	Balance at July 01, 2017	2,038,993,534	1,758,147,113
	Charged during the year	282,793,611	282,120,421
	Adjustment during the year	(18,012,684)	(1,274,000)
	At June 30, 2018	2,303,774,461	2,038,993,534
	Carrying Value at June 30, 2018	**2,443,737,263**	**2,707,255,991**
	LEASEHOLD/FREEHOLD STATUS (at carrying value)		
	Land, Building, Plant & Machinery, Furniture fixtures & Others	-	-
	Leasehold	2,443,737,263	2,707,255,991
	Freehold	**2,443,737,263**	**2,707,255,991**
	For details breakup please refer to Annexure - A		
4a	**Consolidated Property, Plant and Equipment**		
	Shahjibazar Power Company Limited	2,443,737,263	2,707,255,991
	Petromax Refinery Limited	3,073,992,438	3,224,842,214
		5,517,729,701	**5,932,098,205**
5.00	**Consolidated Intangible Assets**		
	Shahjibazar Power Company Limited	-	-
	Petromax Refinery Limited	606,135	745,787
		606,135	**745,787**
6.00	**INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD**		
	Initial Investment in Midland Power Co. Ltd.	49,000,000	49,000,000
	Share of Post Acquisition Change in Net Asset 6.01	124,042,602	128,731,076
		173,042,602	**177,731,076**
6.01	**Share of Post Acquisition Changes in Net Asset**		
	Opening Balance	128,731,076	86,034,989
	Share of net profit for the this Period	(4,688,473)	42,696,087
	Interim dividend declared and paid	-	-
		124,042,602	**128,731,076**
6a	**Consolidated Investment Accounted for using the Equity Method**		
	Initial Investment	49,000,000	49,000,000
	Share of Post Acquisition Changes in Net Asset	124,042,602	128,731,076
		173,042,602	**177,731,076**

	June 30, 2018 Taka	June 30, 2017 Taka

6c Nature of Investment in Associate:

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

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

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

Summarised financial information for associate

Summarised Balance Sheet:

	June 30, 2018	June 30, 2017
Current:		
Cash & Cash Equivalents	10,796,886	48,368,232
Other Current Assets (excluding cash)	320,765,216	210,460,988
Total Current Assets	**331,562,102**	**258,829,220**
Financial liabilities (excluding trade payables)	1,304,658,936	191,427,098
Other current liabilities	89,013,727	88,528,579
Total Current Liabilities	**1,393,672,663**	**279,955,677**
Non-Current:		
Assets	3,302,667,718	2,406,039,106
Total Non-Current Assets	**3,302,667,718**	**2,406,039,106**
Financial Liabilities	1,018,629,805	1,142,196,168
Other Liabilities	-	-
Total Non-Current Liabilities	**1,018,629,805**	**1,142,196,168**
Net Assets	**1,221,927,348**	**1,242,716,481**
Summarised Statement of Comprehensive Income		
Revenue	599,856,084	633,647,718
Cost of Revenue	438,622,472	421,746,993
Other Expenses	170,479,347	76,819,240
Income Tax Expense	322,578	-
Post tax profit from continuing operations	(9,568,313)	87,134,871
Other Comprehensive Income	-	-
Total Comprehensive Income	**(9,568,313)**	**87,134,871**

7.00 INVESTMENT IN SUBSIDIARY:

Petromax Refinery Limited	900,000,000	900,000,000
	900,000,000	**900,000,000**

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

			June 30, 2018 Taka	June 30, 2017 Taka
8.00	**OTHER INVESTMENTS:**			
	Investment In Mudaraba Term Deposit	**8.01**	108,650,471	105,773,109
	Investment In Associate over share capital as advance		431,200,000	431,200,000
			539,850,471	**536,973,109**
8.01	**Investment in Mudaraba Term Deposit**			
	Mudaraba Term Deposit Receipt-IBBL		100,226,335	97,919,107
	Mudaraba Term Deposit Receipt-IFIL		8,424,136	7,854,003
			108,650,471	**105,773,109**
	Lien Status:			
	Under Lien (Against Short Term Loan)		59,892,230	59,892,230
	Free from Lien		48,758,241	45,880,879
			108,650,471	**105,773,109**
8a	**Consolidated Other Investment**			
	Shahjibazar Power Company Limited		539,850,471	536,973,109
	Petromax Refinery Limited		-	-
			539,850,471	**536,973,109**
9.00	**INVENTORIES**			
	Oil & Lubricant		7,824,380	2,324,696
	Spare parts and others		114,786,572	129,883,459
			122,610,952	**132,208,155**

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

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

9a	**Consolidated Inventories**			
	Shahjibazar Power Company Limited		122,610,952	132,208,155
	Petromax Refinery Limited		1,005,847,888	653,184,480
			1,128,458,840	**785,392,635**
10.00	**ACCOUNTS RECEIVABLES**			
	Bangladesh Power Development Board (BPDB)		**290,111,349**	**222,267,768**
	Ageing Status of Accounts Receivables			
	Less than six months		290,111,349	222,267,768
	More than six months		-	-
			290,111,349	**222,267,768**

		June 30, 2018 Taka	June 30, 2017 Taka
10a	**Consolidated Accounts Receivables:**		
	Shahjibazar Power Company Limited	290,111,349	222,267,768
	Petromax Refinery Limited	1,137,484,722	686,150,070
		1,427,596,071	**908,417,838**

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

11.00	**OTHER RECEIVABLES:**		
	Interest on Mudaraba Term Deposit-IFIL	319,122	304,184
	Interest on Mudaraba Term Deposit-IBBL	1,184,827	207,848
	Md. Shariful Islam	1,000,000	-
		2,503,949	**512,032**
11a	**Consolidated Other Receivables:**		
	Shahjibazar Power Company Limited	2,503,949	512,032
	Petromax Refinery Limited	-	-
		2,503,949	**512,032**
12.00	**ADVANCE, DEPOSITS AND PREPAYMENTS:**		
	Advance	12.01	754,741	785,991
	Deposits	12.02	17,521,116	14,673,190
	Prepayments	12.03	20,216,351	24,151,687
			38,492,208	**39,610,868**
12.01	**Advances:**		
	Advance Income Tax:		
	Opening Balance		-	3,682,623
	Add: During this period		9,398	75,000
	Adjusted with Non-Operating Income Tax Payable		(9,398)	(3,757,623)
			-	-
	Advance to Others :		
	Linde Bangladesh Ltd.		408,250	-
	Assign Engineering Ltd.		-	30,000
	Energypac Engineering Ltd.		-	105,000
	M/S Chunnu Enterprise		-	53,625
	Olympia Machinery Store		-	14,100
	Youth Garments Ltd (C&F).		-	31,000
	UMS Centre		-	20,000
			408,250	253,725
	Advance to Staffs:		
	Mr. A.F.M Sarwar Jahan/Tamiz Uddin		132,048	327,879
	Mr. Tarequl Islam		142,388	102,854
	Mr. Faridur Rahman		5,802	49,384
	Mr. Kazi Mamunur Rashid		62,145	-
	Others		4,108	52,149
			346,491	532,266
	Total Advances :		**754,741**	**785,991**

		June 30, 2018 Taka	June 30, 2017 Taka
12.02	**Deposits :**		
	Central Depository Bangladesh Ltd.(CDBL)	500,000	500,000
	Power Development Board (Hobigonj)	72,660	72,660
	Bank Guarantee margin - IBBL	12,243,456	11,530,530
	Letter of credit margin - IBBL	4,705,000	2,570,000
	Total Deposits :	**17,521,116**	**14,673,190**
12.03	**Pre-Payments:**		
	Pre-paid Insurance	4,679,139	4,976,594
	Pre-paid Security Guard Bill	-	679,574
	Pre-paid Interest on MPI Loan	2,853,660	-
	Pre-paid Interest-Bai Murabaha TR Loan	10,570,233	17,249,718
	Pre-paid BG Commission	2,113,319	1,245,801
	Total Prepayments :	**20,216,351**	**24,151,687**

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

	Ageing Status of Advance, Deposits & Prepayments		
	Less than One Year	38,492,208	39,610,868
	More than One Year	-	-
		38,492,208	**39,610,868**
12a	**Consolidated Advance, Deposits and Prepayments:**		
	Shahjibazar Power Company Limited	38,492,208	39,610,868
	Petromax Refinery Limited	680,517,571	701,391,539
	Less : Loan from Petromax Refinery Limited	(218,000,000)	(233,918,559)
		501,009,779	**507,083,848**
12b	**Consolidated Financial Assets at fair value through profit or loss**		
	Shahjibazar Power Company Limited	-	-
	Petromax Refinery Limited	20,201,919	24,774,556
		20,201,919	**24,774,556**

Financial Assets at fair value through profit or loss

Listed Equity Securities-Held for Trading

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

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

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

13.00 CASH AND CASH EQUIVALENT:

Cash in Hand	**50,288**	**30,486**
Cash at Bank:	**55,069,931**	**46,289,091**
CD Account with Bank Asia Limited, IPO-USD	96,351	96,351
CD Account with Bank Asia Limited, IPO-GBP	31,778	31,778
CD Account with Bank Asia Limited, IPO-EURO	780	780
STD Account with Bank Asia Limited, IPO-Taka	14,815,117	14,411,411
CD Account with Islami Bank Bangladesh Ltd# 9396	4,747,792	27,120,153
CD Account with Islami Bank Bangladesh Ltd# 1250	3,540,297	630,779
SND Account with Islami Bank Bangladesh Ltd# 49	17,833,216	3,992,089
CD A/C with Standard Chartered Bank # 53917701	4,600	5,750
CD A/C with Eastern Bank Ltd. # 1041060274350	14,000,000	-
	55,120,219	**46,319,577**

13a Consolidated Cash and Cash Equivalent

Shahjibazar Power Company Limited	55,120,219	46,319,577
Petromax Refinery Limited	474,642,512	462,671,516
	529,762,731	**508,991,093**

14.00 GOODS IN TRANSIT:

Parts of Plant & Machinery	59,414,096	9,539,247
	59,414,096	**9,539,247**

14a Consolidated Goods in Transit

Shahjibazar Power Company Limited	59,414,096	9,539,247
Petromax Refinery Limited	68,892,499	50,852,326
	128,306,595	**60,391,573**

15.00 SHARE CAPITAL:

Authorized :		
500,000,000 shares @ Tk.10.00 each	**5,000,000,000**	**5,000,000,000**
Issued, Subscribed and paid -up:		
16,10,20,438 shares @ Tk.10.00 each	**1,610,204,378**	**1,412,459,981**

	June 30, 2018 Taka	June 30, 2017 Taka
Movement of Share Capital:		
Opening Balance	1,412,459,981	1,371,320,370
Add: Bonus Share issued (14%)	197,744,397	41,139,611
	1,610,204,378	**1,412,459,981**

Shareholding position was as follows:

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

Classification of Shareholders by holding:

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

Name of the Directors and their Shareholding position:

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

16.00	**SHARE PREMIUM:**		
	Opening Balance	914,920,000	914,920,000
		914,920,000	**914,920,000**

		June 30, 2018 Taka	June 30, 2017 Taka
16a	**Consolidated Tax Holiday Reserve**		
	Shahjibazar Power Company Limited	-	-
	Petromax Refinery Limited	850,711,042	701,982,235
		850,711,042	**701,982,235**
17.00	**RETAINED EARNING:**		
	Opening Balance	946,780,347	949,576,353
	Add: Net profit for this year	468,622,117	449,739,716
	Less: 16% Cash Dividend	(225,993,597)	(411,396,111)
	Less: 14% Stock Dividend	(197,744,397)	(41,139,611)
		991,664,470	**946,780,347**
17a	**Consolidated Retained Earning**		
	Opening Balance	1,842,601,393	1,637,413,664
	Net Profit for the period	660,444,134	886,379,275
	Bonus Share/Stock Dividend	(197,744,397)	(41,139,611)
	Cash Dividend Paid	(225,993,597)	(411,396,111)
	Transfer to Tax Holiday Reserve	(148,728,807)	(228,655,824)
		1,930,578,727	**1,842,601,393**
18.00	**LONG TERM LOAN - NET OF CURRENT MATURITY**		
	Islami Bank Bangladesh Limited	-	17,261,131
	Eastern Bank Limited	139,206,404	267,008,882
		139,206,404	**284,270,013**

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

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

Islami Bank Bangladesh Limited

Name of the facility: HPSM (Project)

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

Mode of Repayment: Monthly installment

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

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

432.00 decimal project land and building (Total area: 62,360 sft), 199.00 decimal

Name of facility Working Capital

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

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

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

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

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

		June 30, 2018 Taka	June 30, 2017 Taka

Eastern Bank Limited

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

18a Consolidated Long Term Loan- Net of Current Maturity

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

18b Consolidated Loan from other than Bank

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

19.00 DEFERRED TAX LIABILITIES:

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

19a Consolidated Deferred Tax Liabilities

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

20.00 L/C LIABILITIES:

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

20a Consolidated LC Liabilities

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

21.00 SHORT TERM LOAN:

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

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

21a Consolidated Short Term Loan

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

		June 30, 2018 Taka	June 30, 2017 Taka
22.00	**IPO APPLICATION AMOUNT:**	**6,084,318**	**6,084,318**

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

22a	**Consolidated IPO Application Amount**		
	Shahjibazar Power Company Limited	6,084,318	6,084,318
	Petromax Refinery Limited	-	-
		6,084,318	**6,084,318**
23.00	**LONG TERM LOAN - CURRENT MATURITY:**		
	Islami Bank Bangladesh Limited	17,425,640	248,305,776
	Eastern Bank Limited	164,671,153	164,671,153
		182,096,793	**412,976,929**

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

23a	**Consolidated Long Term Loan- Current Maturity**		
	Shahjibazar Power Company Limited	182,096,793	412,976,929
	Petromax Refinery Limited	12,502,326	97,070,442
		194,599,119	**510,047,371**
24.00	**SUNDRY CREDITORS:**		
	Al-Amin Trading Organization	600	-
	Aamra Networks Ltd	5,000	20,000
	Amicus Curiae	15,000	15,000
	Arthosuchak	-	80,000
	Amber IT Ltd.	11,841	11,841
	Clarke Enery Bangladesh Ltd.	-	92,000
	Square Pharmaceuticals Ltd.	10,200	10,200
	Smart Printing Solutions Ltd.	2,549	-
	Inspace Atelier	2,000,000	-
	Orient Energy Systems Ltd. Bangladesh	1,319,382	1,319,382
	Global Digital mart Ltd.	-	8,750
	Provision for WPPF	47,589,413	46,322,638
	Payable for Current Tax **24.01**	64,824,254	32,768,378
		115,778,239	**80,648,188**

24.01	**Payable for Current Tax**		
	Sales Tax at Source	107,295,209	102,987,976
	Previous year Income Tax Payable	32,768,378	17,674,147
	Tax on non-operating income	2,162,423	(460,360)
	Tax on Dividend	36,000,000	27,000,000
	Total Payable	178,226,010	147,201,763
	Tax paid during this period	(113,392,358)	(110,675,762)
		64,833,652	36,526,001
	TDS adjustment	(9,398)	(3,757,623)
		64,824,254	**32,768,378**

		June 30, 2018 Taka	June 30, 2017 Taka
24a	**Consolidated Sundry Creditors**		
	Shahjibazar Power Company Limited	115,778,239	80,648,188
	Petromax Refinery Limited	29,490,286	43,398,733
		145,268,525	**124,046,922**
25.00	**LIABILITIES FOR EXPENSES:**		
	Salary & Allowance	4,114,819	2,043,363
	Directors Remuneration	500,000	500,000
	Audit Fees	759,000	759,000
	Office Rent	-	134,375
	Credit Rating Fee	172,500	-
	Car Maintenance	55,000	-
		5,601,319	**3,436,738**
25a	**Consolidated Liabilities for Expenses**		
	Shahjibazar Power Company Limited	5,601,319	3,436,738
	Petromax Refinery Limited	14,283,517	8,058,783
		19,884,836	**11,495,521**
25b	**Unclaimed Dividend**		
	Dividend Payable	9,211,728	10,141,045
		9,211,728	**10,141,045**

Subsequent to the year end maximum portion of unclaimed dividend has been claimed and disbursed accordingly.

26.00	**TRADE PAYABLE:**		
	Orient Energy Systems Ltd.	65,200	65,200
	Clarke Energy Bangladesh Ltd.	115,000	-
	MJL Bangladesh Limited	5,187,260	11,627,460
	Bluse Star Communications	5,000	-
	Jalalabad Gas Transmission and Distribution Systems Ltd.	82,567,160	47,906,281
	Aqua Care Trading	-	172,500
	Alpana Tyre Corporation	-	36,400
	A to Z Computer	-	4,600
	Energy Plus Electric	2,000	2,000
	Metro Police Store	-	130,000
	HAMKO Corporation Ltd.	-	121,824
	Others	21,804	28,322
		87,963,424	**60,094,587**
26a	**Consolidated Trade Payable**		
	Shahjibazar Power Company Limited	87,963,424	60,094,587
	Petromax Refinery Limited	8,998,671	6,627,957
		96,962,095	**66,722,544**

AMARSTOCK

			2017 - 2018 Taka	2016 - 2017 Taka
27.00	**REVENUE**			
	Sales		1,347,732,091	1,314,173,261
			1,347,732,091	**1,314,173,261**
27a	**Consolidated Revenue**			
	Shahjibazar Power Company Limited		1,347,732,091	1,314,173,261
	Petromax Refinery Limited		6,037,037,045	7,328,382,889
			7,384,769,136	**8,642,556,150**
28.00	**COST OF SALES:**			
	Raw Material Consumed	28.01	403,087,777	359,285,859
	Factory Overhead	28.02	335,904,297	359,150,523
			738,992,074	**718,436,382**
28.01	**Raw Material Consumed**			
	Opening Stock		132,208,155	107,136,484
	Purchase During the Year		393,490,574	384,357,530
	Closing Stock		(122,610,952)	(132,208,155)
			403,087,777	**359,285,859**

Consumption of Raw Materials:

	2018	2017
Natural Gas Consumption (Cubic Meter)	104,928,612	109,731,541
Lube & Other Oil (Ltrs)	29,986	106,545

28.02	**Factory Overhead**		
	Salary & Allowance	42,826,261	39,255,593
	Overtime	416,003	888,097
	Festival Bonus	3,476,221	4,084,317
	Plant & Machinery maintenance	10,064,810	36,791,987
	Fuel & Lubricants for car	2,006,543	1,451,149
	Diesel for Generator	136,450	175,325
	Depreciation	276,978,010	276,504,056
		335,904,297	**359,150,523**
28a	**Consolidated Cost of Sales**		
	Shahjibazar Power Company Limited	738,992,074	718,436,382
	Petromax Refinery Limited	5,093,554,853	6,170,884,579
		5,832,546,927	**6,889,320,961**
29.00	**GENERAL & ADMINISTRATIVE EXPENSES:**		
	Salary & Allowance	12,657,752	11,581,335
	Audit Fee	759,000	858,000
	Advertisement & Publicity	1,156,460	1,550,150
	Secretarial Expenses	3,987,161	3,014,471
	BG Commission	2,050,269	9,167,062
	Credit Rating Expenses	172,500	172,500
	Carrying Inwards/C&F Charges	2,168,402	1,758,600
	Gift, Donation & Subscription	2,763,274	1,058,000
	Utility Bill	885,924	806,936
	Entertainment	3,680,350	3,450,059
	Insurance Premium	6,943,907	6,887,965
	Legal & Professional Fees	255,000	2,000
	Directors Remuneration 29.01	7,000,000	4,000,000
	Office Maintenance	2,619,284	2,422,827
	Printing, Stationary & Supplies	1,479,812	1,139,397
	Registration & Renewals	789,540	476,358
	Traveling & Conveyances	2,626,855	1,392,687
	Training & Workshop	61,950	279,000
	Civil Works Maintenance	1,058,510	3,104,183
	Lease Rental	576,284	-
	Depreciation Expenses	5,815,601	5,616,365
		59,507,835	**58,737,895**

AMARSTOCK

		2017 - 2018 Taka	2016 - 2017 Taka

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

Name	Designation	June-2018	June-2017
Feroz Alam	Managing Director	7,000,000	4,000,000
Total		7,000,000	4,000,000

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

29a	**Consolidated General & Administrative Expenses**		
	Shahjibazar Power Company Limited	59,507,835	58,737,895
	Petromax Refinery Limited	141,274,236	104,922,225
		200,782,071	**163,660,120**
30.00	**FINANCIAL EXPENSES**		
	Interest on Loan - Islami Bank Bangladesh Ltd.	39,896,225	51,373,445
	Interest on Loan - Eastern Bank Ltd.	36,070,629	44,579,659
	Bank Charges & Commission	1,230,892	586,092
	Charge for Delay Payment	-	1,352,831
		77,197,746	**97,892,026**
30a	**Consolidated Financial Expenses**		
	Shahjibazar Power Company Limited	77,197,746	97,892,026
	Petromax Refinery Limited	288,083,427	295,329,592
		365,281,173	**393,221,618**
31.00	**NON-OPERATING INCOME:**		
	Income from Bank Interest	559,158	569,572
	Wastage Sale	3,393,399	1,542,700
	Foreign Exchange Gain	4,426,531	58,809
	Interest on Mudaraba Term Deposit	5,074,745	2,235,273
	Foreign Exchange Loss	(1,329,397)	(4,237,522)
	Gain on sale of vehicle	810,000	225,000
	Loss on asset disposal	(17,271,240)	-
	Income from Insurance Claim	790,000	-
	Income from Dividend- Subsidiaries	180,000,000	135,000,000
		176,453,195	**135,393,832**

Non-Operating income increased due to receiving of Dividend from Subsidiary Company.

31a	**Consolidated Non-operating Income**		
	Shahjibazar Power Company Limited	176,453,195	135,393,832
	Petromax Refinery Limited	27,800,795	23,024,233
	Less: Inter-company Dividend	(180,000,000)	(135,000,000)
		24,253,990	**23,418,064**
32.00	**SHARE OF PROFIT FROM ASSOCIATE:**		
	Net Profit of Associate company	(9,568,313)	87,134,871
	Percentage of share holding	49%	49%
	Share of profit from Associate	**(4,688,473)**	**42,696,087**
32a	**Consolidated Share of Profit from Associate:**		
	Shahjibazar Power Company Limited	(4,688,473)	42,696,087
	Petromax Refinery Limited	-	-
		(4,688,473)	**42,696,087**
33.00	**WPPF IS BASED ON NET PROFIT BEFORE TAX @ 5%**	30,657,103	29,390,327
		30,657,103	**29,390,327**
33a	**Consolidated Workers' Profit Participant Fund:**		
	Shahjibazar Power Company Limited	30,657,103	29,390,327
	Petromax Refinery Limited	25,805,968	37,155,749
		56,463,071	**66,546,076**

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

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

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

Deferred Tax

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

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

34a	**Consolidated Income Tax Expense**		
	Shahjibazar Power Company Limited	145,457,632	129,527,615
	Petromax Refinery Limited	102,983,782	107,959,911
		248,441,414	**237,487,526**
35.00	**EARNINGS PER SHARE (EPS)**		
	Net Profit After Tax	468,622,117	449,739,716
	Number of share	161,020,438	141,245,998
	Earnings Per Share	**2.91**	**2.79**
35a	**Consolidated Basic Earnings Per Share (EPS)**		
	Profit/(Loss) attributable to equity holder of the parent	660,444,134	886,379,275
	Number of share	161,020,438	141,245,998
	Earnings Per Share	**4.10**	**5.50**

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

36.00	**CAPACITY AND UTILIZATION:**		
	License Capacity (Unit - Kw)	753,360,000	753,360,000
	Actual Utilized (Unit - Kw)	381,564,619	402,946,125
	Capacity Utilize (Unit - Kw)	**51%**	**53%**

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

37.00 CONTINGENT LIABILITIES:

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

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

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

38.00 CAPITAL EXPENDITURE COMMITMENT:

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

39.00 CLAIM ACKNOWLEDGEMENT:

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

40.00 EVENTS AFTER THE REPORTING PERIOD:

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

41.00 NUMBER OF EMPLOYEES:

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

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

Annexure - A

SL No.	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2018
		Balance as on 01.07.2017	Addition during this year	Disposal/ Impairment during the year	Balance as on 30.06.18	Rate %	Balance as on 01.07.17	Adjustment during the year	Charged During the year	Balance as on 30.06.2018	
01	Land & Land Development	149,587,065	-	-	149,587,065	0%	-		-	-	149,587,065
02	Building & Construction	374,855,803	-	-	374,855,803	7%	211,101,786	-	26,239,906	237,341,692	137,514,111
03	Plant & Machineries	4,181,326,528	33,213,924	33,213,924	4,181,326,528	6%	1,802,294,283	15,942,684	249,930,977	2,036,282,577	2,145,043,951
04	Mechanical & Electrical Goods	1,816,263	-	-	1,816,263	10%	737,342	-	181,626	918,968	897,295
05	Office Equipment	3,390,875	855,000	-	4,245,875	15%	2,807,285	-	590,006	3,397,291	848,584
06	Computer & Computer Equipment	2,311,970	146,500	-	2,458,470	20%	2,311,970	-	9,650	2,321,620	136,850
07	Water Treatment Plant	4,170,000	-	-	4,170,000	15%	2,103,250	-	625,500	2,728,750	1,441,250
08	Furniture & Fixture	4,127,770	3,020,700	-	7,148,470	10%	3,192,094	-	513,295	3,705,389	3,443,082
09	Vehicles	24,663,250	-	2,760,000	21,903,250	20%	14,445,525	2,070,000	4,702,650	17,078,175	4,825,075
	June-2018	**4,746,249,524**	**37,236,124**	**35,973,924**	**4,747,511,724**		**2,038,993,534**	**18,012,684**	**282,793,611**	**2,303,774,462**	**2,443,737,262**
	June-2017	**4,689,082,734**	**58,440,790**	**1,274,000**	**4,746,249,524**		**1,758,147,113**	**1,274,000**	**282,120,421**	**2,038,993,534**	**2,707,255,991**

Allocation Current Year Depreciation:

		Taka
Cost of Goods Sold Portion:		
Building & Construction		26,239,906
Plant & Machineries		249,930,977
Mechanical & Electrical Goods		181,626
Water Treatment Plant		625,500
Total	**Note: 28**	**276,978,010**
General & Amin. Portion:		
Office Equipment		590,006
Computer & Computer Equipment		9,650
Furniture & Fixture		513,295
Vehicles		4,702,650
Total	**Note: 29**	**5,815,601**
Grand Total :		**282,793,611**

ANNUAL REPORT STOCK

Annexure-A/1

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

SL	Particulars	Cost				Depreciation					Written Down Value as on 30.06.2018
		Balance as on 01.07.2017	Addition during the year	Disposal during the year	Balance as on 30.06.18	Rate %	Balance as on 01.07.2017	Adjustment during the year	Charged During the year	Balance as on 30.06.2018	
1	Land & Land Development	210,358,285	2,389,281	606,735	212,140,831	0.0%	-	-	-	-	212,140,831
2	Building & Construction	898,873,480	-	-	898,873,480	7.0%	309,688,269	-	55,247,440	364,935,709	533,937,771
3	Plant & Machineries	7,017,986,947	33,213,924	33,213,924	7,017,986,947	6.0%	2,337,322,230	15,942,684	384,952,677	2,706,332,223	4,311,654,724
4	Mechanical & Electrical Goods	1,816,263	-	-	1,816,263	10.0%	737,341	-	181,626	918,967	897,296
5	Office/factory Equipment	11,238,310	3,116,331	-	14,354,641	15.0%	5,527,928	-	1,317,468	6,845,396	7,509,245
6	Computer & Computer Equipments	3,920,783	561,500	-	4,482,283	20.0%	2,816,999	-	189,743	3,006,742	1,475,541
7	Water Treatment Plant	8,552,645	-	-	8,552,645	15.0%	3,783,319	-	1,008,648	4,791,967	3,760,678
8	Furniture & Fixture	11,092,368	3,588,750	-	14,681,118	10.0%	5,707,345	-	1,161,925	6,869,270	7,811,848
9	Vehicles	57,674,547	16,985,000	15,760,000	58,899,547	20.0%	25,491,501	6,620,000	8,777,080	27,648,581	31,250,966
10	Electric Installation	35,456,026	338,210	-	35,794,236	15.0%	14,153,096	-	3,020,148	17,173,244	18,620,992
11	Fire Extinguisher/Equipments	644,810	36,000	-	680,810	15.0%	239,982	-	60,043	300,025	380,785
12	Lab Equipments	2,791,179	-	-	2,791,179	15.0%	944,448	-	261,813	1,206,261	1,584,918
13	Refrigerator	28,299	-	-	28,299	15.0%	11,752	-	2,346	14,098	14,201
14	Air Conditioner	5,642,540	714,650	-	6,357,190	15.0%	1,883,235	-	577,896	2,461,131	3,896,060
15	Fork LIFT	1,750,000	-	1,750,000	-	15.0%	726,734	837,589	110,854	-	-
16	Jetty	9,047,777	-	-	9,047,777	15.0%	3,484,007	-	788,784	4,272,791	4,774,986
17	Cylindrical Vertical Steel Tank	111,594,038	-	-	111,594,038	15.0%	43,961,944	-	9,588,301	53,550,246	58,043,792
18	Generator	20,300,278	-	-	20,300,278	15.0%	8,376,955	-	1,690,387	10,067,343	10,232,935
19	Ship	284,927,707	70,826,156	-	355,753,863	20.0%	84,238,754	-	40,767,854	125,006,609	230,747,254
20	Helicopter	90,285,623	-	-	90,285,623	10.0%	4,455,082	-	8,266,520	12,721,602	77,564,021
21	Solar Power System	560,000	-	-	560,000	15.0%	232,556	-	46,422	278,978	281,022
22	Telephone Installation	1,702,088	-	-	1,702,088	15.0%	553,162	-	162,884	716,046	986,042
23	Water Line Installation	326,395	-	-	326,395	15.0%	135,544	-	27,057	162,602	163,793
	June 30, 2018	**8,786,570,388**	**131,769,802**	**51,330,659**	**8,867,009,531**		**2,854,472,184**	**23,400,273**	**518,207,918**	**3,349,279,831**	**5,517,729,701**
	June 30, 2017	**8,523,284,747**	**264,559,642**	**1,274,000**	**8,786,570,388**		**2,340,658,138**	**1,274,000**	**515,088,046**	**2,854,472,183**	**5,932,098,205**

Annexure- B

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

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

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Annexure-C

Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

Credit risk

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

a) Exposure to credit risk

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

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

b) Ageing of receivables

Accounts receivable were aged as below:

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

c) Impairment losses

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

Liquidity risk

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

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

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

Market risk

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

a) Currency risk/foreign exchange rate risk

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

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

b) Interest rate risk

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

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

Reporting under Company Act 1994, section 186(6)

Annexure-D

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

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

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

		June 30, 2018 Taka
A	**CASH FLOWS FROM OPERATING ACTIVITIES**	
		-
	Net Income	880,361,372
	Adjustments to reconcile net income to net cash provied by operating activities	
	(+) Depreciation	518,207,918
	(+) Amortization of Intangible Assets	139,652
	(+) Decrease in Inventory	(343,066,205)
	(-) Increase in Accounts Receivable	(521,170,150)
	(+) Decrease in Financial Assets	4,572,637
	(+) Decrease in Prepaid Expenses	7,470,388
	(-) Increase in Goods Intransit	(67,915,022)
	(+) Increase in Sundry Creditors	37,500,766
	(+) Increase in Trade Payable	27,868,837
	(-) Decrease in other Payable	(13,908,447)
	(+) Increase in L/C Liabilities	25,318,553
	(+) Increase in Liabilities for Expenses	8,389,315
	(-) Gain on Sales of Vehicle	(810,000)
	(+) Loss on Assets Disposal	20,958,340
	(-) Investing Activities(Dividend Received)	(180,000,000)
	(+) Investment in equity Method	4,688,473
	(-) Provision for Deferred Tax	(937,695)
	Net Cash flows from operating activities	**407,668,732**

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