

**Saif Powertec Limited**  
72, Mahakhali C/A,  
Rupayan Centre (8th Floor), Dhaka 1212

**Saif Powertec Limited**

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Second Quarter Consolidated Financial  
Statements (Un-audited) for the year ended 31  
December 2015

**Saif Powertec Limited**  
**Consolidated Statement of Financial Position (Balance Sheet) (Un-audited) as at 31 december 2015**

|                                |  | Amount in Taka      |               |                 |               |               |
|--------------------------------|--|---------------------|---------------|-----------------|---------------|---------------|
|                                |  | At 31 December 2015 |               | At 30 June 2015 |               |               |
| Notes                          |  | Consolidated        | The Company   | Consolidated    | The Company   |               |
| <b>Assets</b>                  |  |                     |               |                 |               |               |
| <b>Non-current assets</b>      |  |                     |               |                 |               |               |
|                                | Property, plant and equipment  | 4                   | 1,598,463,346 | 1,468,197,025   | 1,489,940,540 | 1,357,480,653 |
|                                | Capital works-in-progress  | 5                   | 1,361,225,899 | 1,361,225,899   | 609,981,792   | 609,981,792   |
|                                | Investment in subsidiary company                                     | 6                   | -             | 80,000,000      | -             | 80,000,000    |
|                                |  |                     | 2,959,689,245 | 2,909,422,924   | 2,099,922,332 | 2,047,462,445 |
| <b>Current assets</b>          |  |                     |               |                 |               |               |
|                                | Inventories  | 7                   | 444,560,526   | 440,844,166     | 484,602,027   | 477,940,429   |
|                                | Accounts and others receivable                                       | 8                   | 702,089,258   | 699,238,967     | 665,821,895   | 658,067,339   |
|                                | Advances, deposits and prepayments                                   | 9                   | 622,170,759   | 617,503,186     | 476,459,627   | 473,410,617   |
|                                | Fixed deposit receipt (FDR)  | 10                  | 171,323,523   | 171,323,523     | 163,329,031   | 163,329,031   |
|                                | Cash and cash equivalents  | 11                  | 90,399,506    | 89,645,908      | 195,610,251   | 193,839,997   |
|                                |  |                     | 2,030,543,572 | 2,018,555,750   | 1,985,822,831 | 1,966,587,413 |
|                                | <b>Total assets</b>  |                     | 4,990,232,817 | 4,927,978,674   | 4,085,745,163 | 4,014,049,858 |
| <b>Equity and liabilities</b>  |  |                     |               |                 |               |               |
| <b>Capital and reserves</b>    |  |                     |               |                 |               |               |
|                                | Share capital  | 12                  | 915,711,400   | 915,711,400     | 709,853,800   | 709,853,800   |
|                                | Share premium  | 13                  | 418,345,180   | 418,345,180     | 418,345,180   | 418,345,180   |
|                                | Revaluation reserve  | 14                  | 96,540,144    | 96,540,144      | 96,540,144    | 96,540,144    |
|                                | Retained earnings  | 15                  | 506,941,053   | 501,987,499     | 514,593,843   | 512,473,869   |
|                                |  |                     | 1,937,537,777 | 1,932,584,223   | 1,739,332,967 | 1,737,212,993 |
|                                | <b>Non-controlling interest</b>                                      |                     | 21,238,390    | -               | 20,529,995    | -             |
|                                |  |                     | 1,958,776,167 | 1,932,584,223   | 1,759,862,962 | 1,737,212,993 |
| <b>Non-current liabilities</b> |  |                     |               |                 |               |               |
|                                | Long term loan from banks  | 16                  | 777,281,342   | 777,281,342     | 666,493,563   | 666,493,563   |
|                                |  |                     | 777,281,342   | 777,281,342     | 666,493,563   | 666,493,563   |
| <b>Current Liabilities</b>     |  |                     |               |                 |               |               |
|                                | Current portion of long-term loan                                    | 17                  | 260,805,454   | 255,151,814     | 241,701,807   | 221,534,831   |
|                                | Short term loan  | 18                  | 1,040,919,095 | 1,034,629,894   | 1,088,141,936 | 1,076,203,713 |
|                                | Share money deposit  |                     | 1,260,000     | 1,260,000       | 1,260,000     | 1,260,000     |
|                                | Accounts payable   | 19                  | 390,594,392   | 372,734,088     | 30,998,159    | 18,354,237    |
|                                | Accrued expenses   | 20                  | 329,984,455   | 323,725,401     | 269,016,308   | 264,720,092   |
|                                | Obligation to contract clients                                       | 21                  | 189,316,735   | 189,316,735     | -             | -             |
|                                | Workers profit participation fund                                    | 22                  | 41,295,177    | 41,295,177      | 28,270,428    | 28,270,428    |
|                                |  |                     | 2,254,175,308 | 2,218,113,109   | 1,659,388,638 | 1,610,343,302 |
|                                | <b>Total shareholders' equity and liabilities</b>                    |                     | 4,990,232,817 | 4,927,978,674   | 4,085,745,163 | 4,014,049,858 |
|                                | <b>Net asset value per share of Taka 10 each</b>                     |                     | 21.16         | 21.10           | 24.50         | 24.47         |
|                                | <b>Net asset value per share without revaluation of Taka 10 each</b> |                     | 20.10         | 20.05           | 23.14         | 23.11         |

See annexed notes

*M. Sultana*  
Chairman

for Saif Powertec Limited

*[Signature]*  
Managing Director

*[Signature]*  
Director

*[Signature]*  
Chief Financial Officer

*[Signature]*  
Company Secretary







**Saif Powertec Limited**  
**Consolidated Statement of Cash Flows (Un-audited)**  
**for the period from 1st July 2015 to 31st December 2015**

|   | Amount in Taka                |                      |                               |                      |
|---|-------------------------------|----------------------|-------------------------------|----------------------|
|   | Period ended 31 December 2015 |                      | Period ended 31 December 2014 |                      |
|   | Consolidated                  | The Company          | Consolidated                  | The Company          |
| <b>Cash flows from operating activities</b>             |                               |                      |                               |                      |
| Cash receipt from customers                             | 1,049,997,017                 | 1,016,388,054        | 815,425,746                   | 789,844,654          |
| Cash paid to employees and suppliers                    | (469,355,259)                 | (458,175,615)        | (606,598,113)                 | (596,042,176)        |
| <b>Cash generate from operating activities</b>          | <b>580,641,758</b>            | <b>558,212,439</b>   | <b>208,827,633</b>            | <b>193,802,478</b>   |
| Paid against advance income tax                         | (41,297,316)                  | (40,342,116)         | (24,341,658)                  | (24,163,828)         |
| Interest and financial expenses                         | (160,020,925)                 | (158,710,008)        | (138,264,565)                 | (134,637,620)        |
| <b>Net cash provided by operating activities (A)</b>    | <b>379,323,517</b>            | <b>359,160,315</b>   | <b>46,221,410</b>             | <b>35,001,030</b>    |
| <b>Cash flows from investing activities</b>             |                               |                      |                               |                      |
| Purchase of property, plant and equipment               | (559,208,353)                 | (558,190,853)        | (419,184,656)                 | (419,184,656)        |
| Fixed deposit receipt (FDR)                             | (7,994,492)                   | (7,994,492)          | (85,373,712)                  | (85,373,712)         |
| <b>Net cash used in investing activities (B)</b>        | <b>(567,202,845)</b>          | <b>(566,185,345)</b> | <b>(504,558,368)</b>          | <b>(504,558,368)</b> |
| <b>Cash flows from financing activities</b>             |                               |                      |                               |                      |
| Receipt from short term loan                            | 402,690,308                   | 408,339,330          | 451,454,618                   | 458,226,012          |
| paid to short term loan                                 | (449,913,149)                 | (449,913,149)        | (59,058,612)                  | (59,058,612)         |
| Share Capital (IPO)                                     | -                             | -                    | 120,000,000                   | 120,000,000          |
| Share premium   | -                             | -                    | 240,000,000                   | 240,000,000          |
| Share money deposit                                     | -                             | -                    | 1,890,000                     | 1,890,000            |
| Receipt from long term loan                             | 249,430,716                   | 263,944,052          | 146,767,851                   | 148,223,138          |
| Paid to long term loan                                  | (119,539,292)                 | (119,539,292)        | (89,628,601)                  | (89,628,601)         |
| <b>Net cash provided by financing activities (C)</b>    | <b>82,668,583</b>             | <b>102,830,941</b>   | <b>811,425,256</b>            | <b>819,651,937</b>   |
| <b>Net changes in cash and cash equivalents (A+B+C)</b> | <b>(105,210,745)</b>          | <b>(104,194,089)</b> | <b>353,088,298</b>            | <b>350,094,599</b>   |
| Opening cash and cash equivalents                       | 195,610,251                   | 193,839,997          | 21,202,906                    | 19,997,674           |
| Closing cash and cash equivalents                       | 90,399,506                    | 89,645,908           | 374,291,204                   | 370,092,273          |
| <b>Net Operating cash flows per share</b>               | <b>4.14</b>                   | <b>3.92</b>          | <b>0.52</b>                   | <b>0.39</b>          |

for Saif Powertec Limited

*N. Sultana*

Chairman

*[Signature]*

Managing Director

*[Signature]*

Director

*[Signature]*

Chief Financial Officer

*[Signature]*

Company Secretary





**Saif Powertec Limited**  
**Consolidated Statement of Changes in Equity (Un-audited)**  
**for the period from 1st July 2015 to 31st December 2015**

|                                       | Amounts in Taka    |                    |                     |                    |                      |
|---------------------------------------|--------------------|--------------------|---------------------|--------------------|----------------------|
|                                       | Share capital      | Share premium      | Revaluation reserve | Retained earnings  | Total                |
| Balance at 01 July 2014               | 438,940,000        | 191,429,500        | 96,540,144          | 451,370,636        | 1,178,280,280        |
| Issue of shares                       | 120,000,000        | 226,915,680        | -                   | -                  | 346,915,680          |
| Issue of Bonus Shares                 | 150,913,800        | -                  | -                   | (150,913,800)      | -                    |
| Share of profit of subsidiary company | -                  | -                  | -                   | 299,829            | 299,829              |
| Net income for the period             |                    |                    |                     | 85,651,625         | 85,651,625           |
| Balance at 31 December 2014           | <u>709,853,800</u> | <u>418,345,180</u> | <u>96,540,144</u>   | <u>386,408,290</u> | <u>1,611,147,414</u> |
| Balance at 01 July 2015               | 709,853,800        | 418,345,180        | 96,540,144          | 514,593,843        | 1,739,332,967        |
| Issue of Bonus Shares                 | 205,857,600        | -                  | -                   | (205,857,600)      |                      |
| Share of profit of subsidiary company | -                  | -                  | -                   | 2,833,580          | 2,833,580            |
| Net income for the period             | -                  | -                  | -                   | 195,371,230        | 195,371,230          |
| Balance at 31 December 2015           | <u>915,711,400</u> | <u>418,345,180</u> | <u>96,540,144</u>   | <u>506,941,053</u> | <u>1,937,537,777</u> |

for Saif Powertec Limited

*N. Sultana*

Chairman

*[Signature]*

Managing Director

*[Signature]*

Director

*[Signature]*

Chief Financial Officer

*[Signature]*

Company Secretary



## Saif Powertec Limited

### Notes to the financial statements for the period ended 31 December 2015

#### 1. Reporting entity

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

#### 1.1 Nature of business

Principal activity of the company is to carry on business of infrastructure-support service. The company is also engaged in importing, trading, assembling and installing generators, sub-stations, electrical equipment and grid-lines, installation and erection of power plants as well as acts as a berth/ terminal operator for operation of Chittagong Container Terminal (CCT) and New Mooring Container Terminal (NCT) of Chittagong Port Authority (CPA).

#### 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 Bangladesh 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.

#### 1.3 Basis of consolidation

The financial statements of the company and its subsidiary, as mentioned in note 1.2 have been consolidated in accordance with Bangladesh Accounting Standard (BASs) 27" Consolidated and Separate Financial Statements". Figure used in the consolidated financial statements are based on the un-audited financial statements of Saif Plastic & Polymer Industries Limited. Intra group balances and unrealised income and expenses arising from intra-group transactions have been eliminated in full in preparing the consolidated financial statements.

#### 1.4 Risk exposure

##### a. Interest rate risk

Interest rate risk is the risk that the company faces due to unfavourable 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, unfavourable 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.

##### e. Technology Related Risks

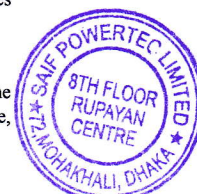
Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological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

##### 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.

##### 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.



## Saif Powertec Limited

### Notes to the financial statements for the period ended 31 December 2015

#### 2. Basis of preparation

##### 2.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) and Companies Act 1994.

##### 2.2 Basis of measurement

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

##### 2.3 Functional and presentational currency

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

##### 2.4 Use of estimates and judgments

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

##### 2.5 Reporting period

Reporting period of the Company covers for 6(six) months from 01 July 2015 to 31 December 2015.

##### 2.6 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.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period presentation without causing any impact on the operation results for the period and value of assets and liabilities as reported in the financial statements.

##### 2.7 Corporate Accounting Standards Practiced

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

|        |  |
|--------|--|
| BAS 1  | : Presentation of Financial Statements                     |
| BAS 2  | : Inventories  |
| BAS 7  | : Statements of Cash Flows                                 |
| BAS 10 | : Events after the Reporting Period                        |
| BAS 12 | : Income Taxes   |
| BAS 16 | : Property, Plant And Equipment                            |
| BAS 17 | : Leases   |
| BAS 18 | : Revenue  |
| BAS 19 | : Employee Benefits  |
| BAS 23 | : Borrowing Costs  |
| BAS 24 | : Related Party Disclosures                                |
| BAS 27 | : Separate Financial Statements                            |
| BAS 33 | : Earnings Per Share                                       |
| BAS 34 | : Interim Financial Reporting                              |
| BAS 36 | : Impairment of Assets                                     |
| BAS 37 | : Provisions, Contingent Liabilities and Contingent Assets |
| BAS 39 | : Financial Instruments: Recognition and Measurement       |

#### 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 or valuation 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.





**Saif Powertec Limited****Notes to the financial statements for the period ended 31 December 2015****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 on current period addition is charged in accordance with from the date of used for commercial operation to till the Balance Sheet date as per IAS/BAS 16, Paragraph -55. No depreciation is charged on disposal made during the year.

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

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

**3.1.4 Impairment of assets**

All the fixed assets have been reviewed by the management and it was confirmed that there is no identification of impairment for which no provision is required to be made for impairment losses.

**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 Leased assets**

All the lease transactions have been classified based on the extent to which risks and rewards incident to ownership of the assets lie with the lessor or lessee. According to this classification, all the lease transactions have been identified as finance lease as per International and Bangladesh Accounting Standard No. 17 "Leases" based on the substance of the transactions, not merely the legal form.

**3.4 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.

**3.5 Capital works-in-progress**

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

**3.6 Earnings per share (EPS)**

Earnings per share (EPS) is calculated in accordance with Bangladesh Accounting Standard BAS-33 "Earnings Per Share" by dividing the basic earnings by number of ordinary shares outstanding during the period.

**3.7 Revenue**

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

**3.8 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 Comprehensive Income using the effective interest rate.

**3.10 Cash and cash equivalents**

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

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

**3.11 Taxation**

Provision for corporate income tax has been made in this accounts based on income tax withheld from execution of contract/supply of goods under section 52 of the Income Tax Ordinance 1984 which is the final tax liability of the company under that ordinance.

**3.12 Deferred tax**

Since tax deducted at source from the invoice value is the final tax of company no differed tax provision is required to be made in this accounts.



**Saif Powertec Limited**
**Notes to the financial statements for the period ended 31 December 2015**
**3.13 Related party disclosure**

As per BAS 24: Related Party Disclosure, parties are considered to be related if one has the ability to control or exercise significant influence over other in making financial and operating decisions.

| <u>Name of related party</u>              | <u>Nature of transaction</u> | <u>Amount (Taka)</u> |
|---|------------------------------|----------------------|
| Tarafder Md. Ruhul Amin                   | Salary and allowances        | 900,000              |
| Tarafder Nigar Sultana                    | Salary and allowances        | 1,500,000            |
| Tarafder Md. Ruhul Saif                   | Salary and allowances        | 1,200,000            |
| Rubya Chowdhury                           | Salary and allowances        | 1,500,000            |
| Saif Plastic & Polymer Industries Limited | Investment in Shares         | 80,000,000           |

**4. Property, Plants, Equipment and building**

|  | Amount in Taka       |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | At 31 December 2015  |                      | At 30 June 2015      |                      |
|  | Consolidated         | The Company          | Consolidated         | The Company          |
| Cost:  |                      |                      |                      |                      |
| Opening balance                              | 1,930,939,971        | 1,777,224,673        | 1,584,461,573        | 1,430,746,275        |
| <u>Add: Addition during the period/ year</u> | <u>168,609,002</u>   | <u>167,591,502</u>   | <u>346,478,398</u>   | <u>346,478,398</u>   |
| Closing balance (A)                          | <u>2,099,548,973</u> | <u>1,944,816,175</u> | <u>1,930,939,971</u> | <u>1,777,224,673</u> |
| Depreciation:                                |                      |                      |                      |                      |
| Opening balance                              | 440,999,431          | 419,744,020          | 332,799,301          | 318,326,213          |
| <u>Add: Charge for the period / year</u>     | <u>60,086,196</u>    | <u>56,875,130</u>    | <u>108,200,130</u>   | <u>101,417,807</u>   |
| Closing balance (B)                          | <u>501,085,627</u>   | <u>476,619,150</u>   | <u>440,999,431</u>   | <u>419,744,020</u>   |
| Written down value (A-B)                     | <u>1,598,463,346</u> | <u>1,468,197,025</u> | <u>1,489,940,540</u> | <u>1,357,480,653</u> |

Details are in Annex I.

**5. Capital works-in-progress**

|   |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
| Opening balance                               | 609,981,792          | 609,981,792          | 145,554,192          | 145,554,192          |
| <u>Add: Addition during the period / year</u> | <u>904,275,284</u>   | <u>904,275,284</u>   | <u>637,289,203</u>   | <u>637,289,203</u>   |
| <u>Less: Transferred</u>                      | <u>(153,031,177)</u> | <u>(153,031,177)</u> | <u>(172,861,603)</u> | <u>(172,861,603)</u> |
| Closing balance                               | <u>1,361,225,899</u> | <u>1,361,225,899</u> | <u>609,981,792</u>   | <u>609,981,792</u>   |

**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**

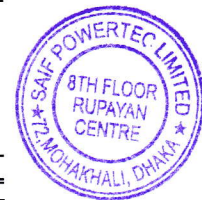
|                                  |                    |                    |                    |                    |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| Generators                       | 218,696,996        | 218,696,996        | 236,409,222        | 236,409,222        |
| Spare parts                      | 174,075,591        | 174,075,591        | 187,166,007        | 187,166,007        |
| Electric goods                   | 48,071,579         | 48,071,579         | 54,365,200         | 54,365,200         |
| Closing stock subsidiary company | 3,716,360          | -                  | 6,661,598          | -                  |
|                                  | <u>444,560,526</u> | <u>440,844,166</u> | <u>484,602,027</u> | <u>477,940,429</u> |

**8. Accounts and others receivable**

|                                 |                    |                    |                    |                    |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Imported goods sales            | 488,827,539        | 488,827,539        | 397,798,020        | 397,798,020        |
| Contract execution              | 104,751,507        | 104,751,507        | 125,451,966        | 125,451,966        |
| Shipping agent                  | 103,346,956        | 103,346,956        | 130,496,378        | 130,496,378        |
| Receivable (Subsidiary Company) | 2,850,291          | -                  | 7,754,556          | -                  |
| Interest Receivable             | 2,312,965          | 2,312,965          | 4,320,975          | 4,320,975          |
|                                 | <u>702,089,258</u> | <u>699,238,967</u> | <u>665,821,895</u> | <u>658,067,339</u> |
| Dues upto 6 months              | 373,138,293        | 368,455,968        | 344,299,900        | 336,545,344        |
| Dues above 6 months             | 328,950,965        | 330,782,999        | 321,521,995        | 321,521,995        |
| <b>Total</b>                    | <u>702,089,258</u> | <u>699,238,967</u> | <u>665,821,895</u> | <u>658,067,339</u> |

**9. Advances, deposits and prepayments**

|                                    |                    |                    |                    |                    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Advances to/against                |                    |                    |                    |                    |
| VAT                                | 213,584            | -                  | 98,221             | -                  |
| Income tax                         | 244,017,177        | 240,313,188        | 202,719,861        | 199,971,072        |
| Salary                             | 3,844,620          | 3,844,620          | 3,727,316          | 3,727,316          |
| Office rent                        | 2,470,016          | 2,470,016          | 3,965,008          | 3,965,008          |
| Advance against power plant work   | 227,408,380        | 227,408,380        | 96,452,350         | 96,452,350         |
| Advance against civil construction | 9,064,399          | 9,064,399          | 24,269,935         | 24,269,935         |
| Others                             | 82,316,040         | 82,316,040         | 115,532,150        | 115,532,150        |
|                                    | <u>569,334,216</u> | <u>565,416,643</u> | <u>446,764,841</u> | <u>443,917,831</u> |





**Saif Powertec Limited**
**Notes to the financial statements for the period ended 31 December 2015**

|   | Amount in Taka       |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | At 31 December 2015  |                      | At 30 June 2015      |                      |
|   | Consolidated         | The Company          | Consolidated         | The Company          |
| Deposits and prepayments  |                      |                      |                      |                      |
| Bank guarantee  | 35,392,262           | 35,392,262           | 23,808,345           | 23,808,345           |
| L/C margin  | 16,230,408           | 15,480,408           | 3,843,408            | 3,641,408            |
| Earnest money   | 962,673              | 962,673              | 1,987,663            | 1,987,663            |
| Security money  | 251,200              | 251,200              | 55,370               | 55,370               |
|   | <u>52,836,543</u>    | <u>52,086,543</u>    | <u>29,694,786</u>    | <u>29,492,786</u>    |
|   | <u>622,170,759</u>   | <u>617,503,186</u>   | <u>476,459,627</u>   | <u>473,410,617</u>   |
| Dues upto 6 months  | 220,248,449          | 218,596,128          | 169,143,168          | 168,060,769          |
| Dues above 6 months   | 401,922,310          | 398,907,058          | 307,316,459          | 305,349,848          |
| <b>Total</b>  | <u>622,170,759</u>   | <u>617,503,186</u>   | <u>476,459,627</u>   | <u>473,410,617</u>   |
| <b>10. Fixed Deposit Receipt (FDR):</b>   |                      |                      |                      |                      |
| Dhaka Bank Limited  | 71,165,607           | 71,165,607           | 66,587,089           | 66,587,089           |
| Farmers Bank Limited  | 100,157,916          | 100,157,916          | 96,741,942           | 96,741,942           |
|   | <u>171,323,523</u>   | <u>171,323,523</u>   | <u>163,329,031</u>   | <u>163,329,031</u>   |
| <b>11. Cash and cash equivalents</b>  |                      |                      |                      |                      |
| Cash in hand  |                      |                      |                      |                      |
| Chittagong Office   | 13,844,355           | 13,844,355           | 10,010,669           | 10,010,669           |
| Factory   | 945,333              | 945,333              | 755,620              | 755,620              |
| Dhaka Office  | 3,053,320            | 2,841,652            | 2,543,664            | 2,355,410            |
|   | <u>17,843,008</u>    | <u>17,631,340</u>    | <u>13,309,953</u>    | <u>13,121,699</u>    |
| Bank balances with:   |                      |                      |                      |                      |
| Bank Asia Limited   | 139,208              | 136,306              | 268,454              | 229,921              |
| Dhaka Bank Limited  | 54,328,602           | 54,328,602           | 920,176              | 920,176              |
| Mercantile Bank Limited, Dhaka  | 1,469,688            | 1,469,688            | 4,578,277            | 4,578,277            |
| One Bank Limited  | 265,347              | 265,347              | 580,153              | 580,153              |
| Jamuna Bank Limited   | 1,869,293            | 1,401,789            | 1,224,860            | 1,224,860            |
| AB Bank Limited   | 409,969              | 409,969              | 402,977              | 402,977              |
| Social Islami Bank Limited  | -                    | -                    | 613                  | 613                  |
| The Premier Bank Limited  | 371                  | 371                  | 946                  | 946                  |
| Sonali Bank Limited   | 1,971                | 1,971                | 6,303                | 6,303                |
| Eastern Bank Limited  | 12,750               | 12,750               | 13,899               | 13,899               |
| BRAC Bank Limited   | 815,733              | 815,733              | 24,590               | 24,590               |
| Islami Bank Bangladesh Limited  | 499,387              | 499,387              | 5,232,173            | 5,232,173            |
| NCC Bank Limited  | 26,376               | 26,376               | 86,392               | 86,392               |
| United Commercial Bank Limited  | 626                  | 626                  | 1,391,572            | 1,182                |
| Southeast Bank Limited  | 51,262               | 51,262               | 37,206               | 37,206               |
| Farmers Bank Limited  | 9,402,835            | 9,331,311            | 11,146,522           | 10,993,445           |
| Dutch Bangla Bank Ltd ( Mobile Banking )  | 811,182              | 811,182              | 1,548,173            | 1,548,173            |
| Dhaka Bank Limited ( IPO )  | 2,372,705            | 2,372,705            | 2,413,496            | 2,413,496            |
| Farmers Bank Limited ( IPO )  | 79,193               | 79,193               | 152,423,516          | 152,423,516          |
|   | <u>72,556,498</u>    | <u>72,014,568</u>    | <u>182,300,298</u>   | <u>180,718,298</u>   |
|   | <u>90,399,506</u>    | <u>89,645,908</u>    | <u>195,610,251</u>   | <u>193,839,997</u>   |
| <b>12. Share capital</b>  |                      |                      |                      |                      |
| Authorised capital  |                      |                      |                      |                      |
| 500,000,000 ordinary shares of Taka 10 each                                     | <u>5,000,000,000</u> | <u>5,000,000,000</u> | <u>1,000,000,000</u> | <u>1,000,000,000</u> |
| Paid-up capital   |                      |                      |                      |                      |
| 21,394,000 ordinary shares @ Tk.10 each in cash                                 | 213,940,000          | 213,940,000          | 213,940,000          | 213,940,000          |
| 70,177,140 ordinary shares @ Tk.10 each in Bonus                                | 701,771,400          | 701,771,400          | 495,913,800          | 495,913,800          |
|   | <u>915,711,400</u>   | <u>915,711,400</u>   | <u>709,853,800</u>   | <u>709,853,800</u>   |
| Company's shareholding position as on the dates of balance sheet were as under: |                      |                      |                      |                      |
| <b>12.1 Shareholdings</b>   | <b>Percentage(%)</b> | <b>No. of shares</b> | <b>Value (Taka)</b>  |                      |
| Directors and Sponsor   | 40.06                | 36,683,399           | 366,833,990          |                      |
| Institutional shareholders  | 14.83                | 13,580,000           | 135,800,000          |                      |
| Individual shareholders   | 45.11                | 41,307,741           | 413,077,410          |                      |
|   | 100.00               | 91,571,140           | 915,711,400          |                      |
| <b>13. Share premium</b>  |                      |                      |                      | <b>Amount (Taka)</b> |
| Opening balance   |                      |                      |                      | 418,345,180          |
| Received during the period  |                      |                      |                      | -                    |
|   |                      |                      |                      | <u>418,345,180</u>   |





**Saif Powertec Limited**
**Notes to the financial statements for the period ended 31 December 2015**

|                                | Amount in Taka      |             |                 |             |
|--------------------------------|---------------------|-------------|-----------------|-------------|
|                                | At 31 December 2015 |             | At 30 June 2015 |             |
|                                | Consolidated        | The Company | Consolidated    | The Company |
| <b>14. Revaluation reserve</b> | 96,540,144          | 96,540,144  | 96,540,144      | 96,540,144  |

In 2010, land under the ownership of Saif Powertec Limited was professionally revalued by G. Kibria & Co, Chartered Accountants. 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           | 514,593,843        | 512,473,869        | 451,370,636        | 451,292,065        |
| Add: Addition this period | 198,204,810        | 195,371,230        | 214,137,007        | 212,095,604        |
| Less: Stock Dividend      | (205,857,600)      | (205,857,600)      | (150,913,800)      | (150,913,800)      |
|                           | <u>506,941,053</u> | <u>501,987,499</u> | <u>514,593,843</u> | <u>512,473,869</u> |

**16. Long term loan from Banks**

The company has availed long-term credit facilities from the following banks:

|   |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|
| Dhaka Bank Limited                                | 247,640,001        | 247,640,001        | 170,063,735        | 170,063,735        |
| Bank Asia Limited                                 | -                  | -                  | -                  | -                  |
| Farmers Bank Limited                              | 11,086,464         | 11,086,464         | 15,693,279         | 15,693,279         |
| Infrastructure Development Company Limited        | 247,078,249        | 247,078,249        | 163,595,067        | 163,595,067        |
| Bangladesh Finance and Investment Company Limited | 249,614,548        | 249,614,548        | 279,623,418        | 279,623,418        |
| Haji Finance Company Limited                      | 21,862,080         | 21,862,080         | 37,518,064         | 37,518,064         |
|   | <u>777,281,342</u> | <u>777,281,342</u> | <u>666,493,563</u> | <u>666,493,563</u> |

**16.1 Long-term loan**
Mercantile Bank Limited

|                          |   |   |              |              |
|--------------------------|---|---|--------------|--------------|
| Opening Balance          | - | - | 27,842,433   | 27,842,433   |
| Add: Principal this year | - | - | -            | -            |
| Add: Interest this year  | - | - | 1,280,421    | 1,280,421    |
| Less: Payment this year  | - | - | (29,122,854) | (29,122,854) |
| Sub Total (A)            | - | - | -            | -            |

Dhaka Bank Limited

|                          |                    |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening Balance          | 270,265,212        | 270,265,212        | 215,402,735        | 215,402,735        |
| Add: Principal this year | 180,272,129        | 180,272,129        | 237,889,701        | 237,889,701        |
| Add: Interest this year  | 21,523,434         | 21,523,434         | 50,427,907         | 50,427,907         |
| Less: Payment this year  | (87,359,696)       | (87,359,696)       | (233,455,131)      | (233,455,131)      |
| Sub Total (B)            | <u>384,701,079</u> | <u>384,701,079</u> | <u>270,265,212</u> | <u>270,265,212</u> |

Bank Asia Limited

|                          |                  |             |                   |                  |
|--------------------------|------------------|-------------|-------------------|------------------|
| Opening Balance          | 23,409,596       | 3,242,620   | 46,622,889        | 19,816,507       |
| Add: Principal this year | -                | -           | 9,540,000         | -                |
| Add: Interest this year  | 1,254,685        | 113,707     | 5,894,004         | 1,969,205        |
| Less: Payment this year  | (19,010,641)     | (3,356,327) | (38,647,297)      | (18,543,092)     |
| Sub Total (C)            | <u>5,653,640</u> | <u>-</u>    | <u>23,409,596</u> | <u>3,242,620</u> |

Farmers Bank Limited

|                          |                   |                   |                   |                   |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Opening Balance          | 23,306,354        | 23,306,354        | -                 | -                 |
| Add: Principal this year | -                 | -                 | 24,984,115        | 24,984,115        |
| Add: Interest this year  | 1,756,714         | 1,756,714         | 3,260,852         | 3,260,852         |
| Less: Payment this year  | (6,363,529)       | (6,363,529)       | (4,938,613)       | (4,938,613)       |
| Sub Total (D)            | <u>18,699,539</u> | <u>18,699,539</u> | <u>23,306,354</u> | <u>23,306,354</u> |

Bangladesh Finance and Investment Company Limited

|                          |                    |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening Balance          | 357,619,142        | 357,619,142        | 370,935,429        | 370,935,429        |
| Add: Principal this year | -                  | -                  | -                  | -                  |
| Add: Interest this year  | 25,383,570         | 25,383,570         | 59,820,483         | 59,820,483         |
| Less: Payment this year  | (55,392,440)       | (55,392,440)       | (73,136,770)       | (73,136,770)       |
| Sub Total (E)            | <u>327,610,272</u> | <u>327,610,272</u> | <u>357,619,142</u> | <u>357,619,142</u> |

Infrastructure Development Company Limited

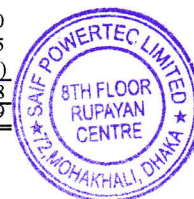
|                          |                    |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening Balance          | 163,595,067        | 163,595,067        | 45,841,312         | 45,841,312         |
| Add: Principal this year | 83,671,923         | 83,671,923         | 119,663,396        | 119,663,396        |
| Add: Interest this year  | 5,369,402          | 5,369,402          | -                  | -                  |
| Less: Payment this year  | (5,558,143)        | (5,558,143)        | (1,909,641)        | (1,909,641)        |
| Sub Total (F)            | <u>247,078,249</u> | <u>247,078,249</u> | <u>163,595,067</u> | <u>163,595,067</u> |



**Saif Powertec Limited**

**Notes to the financial statements for the period ended 31 December 2015**

|   | Amount in Taka       |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | At 31 December 2015  |                      | At 30 June 2015      |                      |
|   | Consolidated         | The Company          | Consolidated         | The Company          |
| <b>Hajj Finance Company Limited</b>               |                      |                      |                      |                      |
| Opening Balance                                   | 70,000,000           | 70,000,000           | -                    | -                    |
| Add: Principal this year                          | -                    | -                    | 70,000,000           | 70,000,000           |
| Add: Interest this year                           | 4,608,926            | 4,608,926            | -                    | -                    |
| Less: Payment this year                           | (20,264,910)         | (20,264,910)         | -                    | -                    |
| Sub Total (G)                                     | <u>54,344,016</u>    | <u>54,344,016</u>    | <u>70,000,000</u>    | <u>70,000,000</u>    |
| Total (A+B+C+D+E+F+G)                             | 1,038,086,795        | 1,032,433,155        | 908,195,371          | 888,028,395          |
| Less: Long-term loan                              | 777,281,342          | 777,281,342          | 666,493,563          | 666,493,563          |
| Transferred to current portion loan               | <u>260,805,454</u>   | <u>255,151,814</u>   | <u>241,701,808</u>   | <u>221,534,832</u>   |
| <b>17. Current portion of long-term loan</b>      |                      |                      |                      |                      |
| Mercantile Bank Limited                           | -                    | -                    | -                    | -                    |
| Dhaka Bank Limited                                | 137,061,079          | 137,061,079          | 100,201,477          | 100,201,477          |
| Bank Asia Limited                                 | 5,653,640            | -                    | 23,409,595           | 3,242,619            |
| Farmers Bank Limited                              | 7,613,075            | 7,613,075            | 7,613,075            | 7,613,075            |
| Bangladesh Finance and Investment Company Limited | 77,995,724           | 77,995,724           | 77,995,724           | 77,995,724           |
| Hajj Finance Company Limited                      | 32,481,936           | 32,481,936           | 32,481,936           | 32,481,936           |
|   | <u>260,805,454</u>   | <u>255,151,814</u>   | <u>241,701,807</u>   | <u>221,534,831</u>   |
| <b>18. Short-term loan from Banks</b>             |                      |                      |                      |                      |
| <b>Time Loan and LTR</b>                          |                      |                      |                      |                      |
| Dhaka Bank Limited                                | 263,243,289          | 263,243,289          | 262,474,359          | 262,474,359          |
| Bank Asia Limited                                 | -                    | -                    | 6,120,012            | -                    |
| NCC Bank Limited                                  | 35,885,384           | 35,885,384           | 234,133,452          | 234,133,452          |
| Farmers Bank Limited                              | 226,675,817          | 226,675,817          | 134,824,968          | 134,824,968          |
|   | <u>525,804,490</u>   | <u>525,804,490</u>   | <u>637,552,791</u>   | <u>631,432,779</u>   |
| <b>Bank Overdraft</b>                             |                      |                      |                      |                      |
| Dhaka Bank Limited                                | 31,339,649           | 31,339,649           | 26,063,256           | 26,063,256           |
| Bank Asia Limited                                 | 13,016,696           | 6,727,495            | 12,041,952           | 6,223,741            |
| NCC Bank Limited                                  | 71,456,678           | 71,456,678           | 67,334,248           | 67,334,248           |
| Farmers Bank Limited                              | 399,301,582          | 399,301,582          | 345,149,689          | 345,149,689          |
|   | <u>515,114,605</u>   | <u>508,825,404</u>   | <u>450,589,145</u>   | <u>444,770,934</u>   |
|   | <u>1,040,919,095</u> | <u>1,034,629,894</u> | <u>1,088,141,936</u> | <u>1,076,203,713</u> |
| <b>18.1 Short-term loan</b>                       |                      |                      |                      |                      |
| <b>Mercantile Bank Limited</b>                    |                      |                      |                      |                      |
| Opening Balance                                   | -                    | -                    | 8,652,614            | 8,652,614            |
| Add: Principal this year                          | -                    | -                    | 7,493,788            | 7,493,788            |
| Add: Interest this year                           | -                    | -                    | 295,617              | 295,617              |
| Less: Payment this year                           | -                    | -                    | (16,442,019)         | (16,442,019)         |
|   | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             |
| <b>Dhaka Bank Limited</b>                         |                      |                      |                      |                      |
| Opening Balance                                   | 262,474,359          | 262,474,359          | 44,661,493           | 44,661,493           |
| Add: Principal this year                          | 110,189,287          | 110,189,287          | 442,176,597          | 442,176,597          |
| Add: Interest this year                           | 23,585,555           | 23,585,555           | 21,898,236           | 21,898,236           |
| Less: Payment this year                           | (133,005,912)        | (133,005,912)        | (246,261,967)        | (246,261,967)        |
|   | <u>263,243,289</u>   | <u>263,243,289</u>   | <u>262,474,359</u>   | <u>262,474,359</u>   |
| <b>Bank Asia Limited</b>                          |                      |                      |                      |                      |
| Opening balance                                   | 6,120,012            | -                    | 12,567,240           | -                    |
| Add: Principal this year                          | -                    | -                    | 17,787,175           | 12,225,258           |
| Add: Interest this year                           | 149,371              | -                    | 3,510,646            | 1,916,471            |
| Less: Payment this year                           | (6,269,383)          | -                    | (27,745,049)         | (14,141,729)         |
|   | <u>-</u>             | <u>-</u>             | <u>6,120,012</u>     | <u>-</u>             |
| <b>NCC Bank Limited</b>                           |                      |                      |                      |                      |
| Opening balance                                   | 234,133,452          | 234,133,452          | 174,170,473          | 174,170,473          |
| Add: Principal this year                          | -                    | -                    | 30,427,173           | 30,427,173           |
| Add: Interest this year                           | 16,307,720           | 16,307,720           | 37,479,948           | 37,479,948           |
| Less: Payment this year                           | (214,555,787)        | (214,555,787)        | (7,944,142)          | (7,944,142)          |
|   | <u>35,885,385</u>    | <u>35,885,385</u>    | <u>234,133,452</u>   | <u>234,133,452</u>   |
| <b>Farmers Bank Limited</b>                       |                      |                      |                      |                      |
| Opening balance                                   | 134,824,968          | 134,824,968          | -                    | -                    |
| Add: Principal this year                          | 234,095,573          | 234,095,573          | 205,636,010          | 205,636,010          |
| Add: Interest this year                           | 12,636,985           | 12,636,985           | 19,733,005           | 19,733,005           |
| Less: Payment this year                           | (154,881,710)        | (154,881,710)        | (90,544,047)         | (90,544,047)         |
|   | <u>226,675,816</u>   | <u>226,675,816</u>   | <u>134,824,968</u>   | <u>134,824,968</u>   |
|   | <u>525,804,490</u>   | <u>525,804,490</u>   | <u>637,552,791</u>   | <u>631,432,779</u>   |





**Saif Powertec Limited**  
**Notes to the financial statements for the period ended 31 December 2015**

**19. Accounts payable**

|                               | Amount in Taka      |                    |                   |                   |
|-------------------------------|---------------------|--------------------|-------------------|-------------------|
|                               | At 31 December 2015 |                    | At 30 June 2015   |                   |
|                               | Consolidated        | The Company        | Consolidated      | The Company       |
| A & J Traders                 | 1,588,360           | 1,588,360          | 945,602           | 945,602           |
| M.S International             | 4,369,968           | 4,369,968          | 9,627,376         | 9,627,375         |
| Rimso Renewable energy        | 1,836,540           | 1,836,540          | 3,383,500         | 3,383,500         |
| Model Art press               | 533,614             | 533,614            | 450,000           | 450,000           |
| Excell Engineering & Services | 1,863,200           | 1,863,200          | 952,120           | 952,120           |
| Pacific International         | 155,620             | 155,620            | 352,120           | 352,120           |
| Deferred L/C Liabilities      | 360,644,756         | 360,644,756        | -                 | -                 |
| Others                        | 1,742,030           | 1,742,030          | 2,643,520         | 2,643,520         |
| Subsidiary                    | 17,860,304          | -                  | 12,643,921        | -                 |
|                               | <u>390,594,392</u>  | <u>372,734,088</u> | <u>30,998,159</u> | <u>18,354,237</u> |

**20. Accrued expenses**

|                       |                    |                    |                    |                    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| Salary and allowances | 5,715,839          | 5,560,418          | 9,162,860          | 9,012,560          |
| Others payable        | 2,677,764          | 2,677,764          | 5,143,260          | 5,143,260          |
| Office rent           | 360,000            | 360,000            | 360,000            | 360,000            |
| Income tax payable    | 320,542,903        | 314,869,979        | 253,511,942        | 249,746,236        |
| Audit fee             | 187,500            | 175,000            | 375,000            | 350,000            |
| Service charge        | 26,000             | 26,000             | 26,000             | 26,000             |
| Electricity bill      | 463,830            | 45,620             | 430,830            | 75,620             |
| Telephone bill        | 10,620             | 10,620             | 6,416              | 6,416              |
|                       | <u>329,984,455</u> | <u>323,725,401</u> | <u>269,016,308</u> | <u>264,720,092</u> |

**20.1 Income tax provision**

|                           |                    |                    |                    |                    |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening Balance           | 253,511,942        | 249,746,236        | 190,561,778        | 188,170,093        |
| Addition this period/year | 67,030,961         | 65,123,743         | 62,950,164         | 61,576,143         |
|                           | <u>320,542,903</u> | <u>314,869,979</u> | <u>253,511,942</u> | <u>249,746,236</u> |

**21. Obligation to Contract Clients**

|  |                    |                    |          |          |
|--|--------------------|--------------------|----------|----------|
|  | <u>189,316,735</u> | <u>189,316,735</u> | <u>-</u> | <u>-</u> |
|--|--------------------|--------------------|----------|----------|

**22. Workers profit participation fund**

|                              |                   |                   |                   |                   |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| Opening balance              | 28,270,428        | 28,270,428        | 14,586,841        | 14,586,841        |
| Add: During this period/year | 13,024,749        | 13,024,749        | 13,683,587        | 13,683,587        |
|                              | <u>41,295,177</u> | <u>41,295,177</u> | <u>28,270,428</u> | <u>28,270,428</u> |

No interest has been provided on Workers profit participation fund.

**23. Sales**

|                        | Period ended 31 December 2015 |                   |                      | The Company          |                    |                    |
|------------------------|-------------------------------|-------------------|----------------------|----------------------|--------------------|--------------------|
|                        | Gross revenue                 | VAT               | Net revenue          | Consolidated         | Net revenue        | Consolidated       |
| Contract               | 683,025,155                   | 31,929,243        | 651,095,912          | 651,095,912          | 300,294,476        | 300,294,476        |
| Maintenance            | 186,324,810                   | -                 | 186,324,810          | 186,324,810          | 179,150,554        | 179,150,554        |
| Imported goods         | 205,563,241                   | 1,509,746         | 204,053,495          | 204,053,495          | 268,223,621        | 268,223,621        |
| Net sales (subsidiary) | -                             | -                 | -                    | 27,509,925           | -                  | 26,934,045         |
|                        | <u>1,074,913,206</u>          | <u>33,438,989</u> | <u>1,041,474,217</u> | <u>1,068,984,142</u> | <u>747,668,651</u> | <u>774,602,696</u> |

**24. Cost of sales**

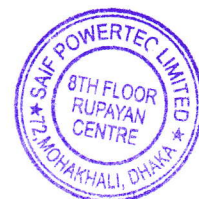
|                            |                    |                    |                    |                    |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| Maintenance (note 24.1)    | 85,359,216         | 85,359,216         | 52,844,061         | 52,844,061         |
| Contracts (note 24.2)      | 168,169,138        | 168,169,138        | 152,397,226        | 152,397,226        |
| Imported goods (note 24.3) | 274,529,559        | 274,529,559        | 213,808,768        | 213,808,768        |
| Cost of sales (note 24.4)  | 21,193,359         | -                  | 22,436,843         | -                  |
|                            | <u>549,251,273</u> | <u>549,251,273</u> | <u>441,486,898</u> | <u>419,050,055</u> |

**24.1 Maintenance**

|                           |                   |                   |                   |                   |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
| Wages and others expenses | 36,580,695        | 36,580,695        | 24,566,820        | 24,566,820        |
| Labour bills              | 46,831,168        | 46,831,168        | 26,809,520        | 26,809,520        |
| Fuel and oil              | 799,387           | 799,387           | 378,201           | 378,201           |
| Repair and maintenance    | 1,147,967         | 1,147,967         | 1,089,520         | 1,089,520         |
|                           | <u>85,359,216</u> | <u>85,359,216</u> | <u>52,844,061</u> | <u>52,844,061</u> |

**24.2 Contract**

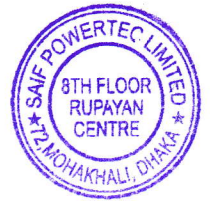
|                              | Amount in Taka      |                    |                      |                    |
|------------------------------|---------------------|--------------------|----------------------|--------------------|
|                              | At 31 December 2015 |                    | At 30 September 2014 |                    |
|                              | Consolidated        | The Company        | Consolidated         | The Company        |
| Wages and salary             | 52,169,972          | 52,169,972         | 52,578,420           | 52,578,420         |
| Project implementation cost  | 29,369,387          | 29,369,387         | 20,068,520           | 20,068,520         |
| Wages and others expenses    | 519,461             | 519,461            | 652,350              | 652,350            |
| Trailer and prime mover rent | 1,984,981           | 1,984,981          | 2,968,520            | 2,968,520          |
| Fuel and oil                 | 3,494,102           | 3,494,102          | 8,055,630            | 8,055,630          |
| Utility bill                 | 2,393,170           | 2,393,170          | 1,866,520            | 1,866,520          |
| Uniform expenses (dress)     | 18,520              | 18,520             | 15,236               | 15,236             |
| Repair and maintenance       | 77,745,919          | 77,745,919         | 65,902,510           | 65,902,510         |
| Hotel rent                   | 473,627             | 473,627            | 289,520              | 289,520            |
|                              | <u>168,169,138</u>  | <u>168,169,138</u> | <u>152,397,226</u>   | <u>152,397,226</u> |





**Saif Powertec Limited**
**Notes to the financial statements for the period ended 31 December 2015**

|   | Amount in Taka      |                    |                      |                    |
|---|---------------------|--------------------|----------------------|--------------------|
|   | At 31 December 2015 |                    | At 30 September 2014 |                    |
|   | Consolidated        | The Company        | Consolidated         | The Company        |
| <b>24.3 Imported goods</b>                        |                     |                    |                      |                    |
| Cost of imported goods                            | 191,750,740         | 191,750,740        | 140,589,362          | 140,589,362        |
| Clearing charge                                   | 579,318             | 579,318            | 9,566,820            | 9,566,820          |
| L/C expenses                                      | 2,519,109           | 2,519,109          | 1,309,613            | 1,309,613          |
| Marine insurance                                  | 1,727,648           | 1,727,648          | 1,583,251            | 1,583,251          |
| Carriage inward                                   | 121,479             | 121,479            | 3,520                | 3,520              |
| Wages and salary                                  | 77,831,265          | 77,831,265         | 60,756,202           | 60,756,202         |
|   | <u>274,529,559</u>  | <u>274,529,559</u> | <u>213,808,768</u>   | <u>213,808,768</u> |
| <b>24.4 Cost of sales of subsidiary</b>           | <u>21,193,359</u>   | -                  | <u>22,436,843</u>    | -                  |
| <b>25. General and administrative expenses</b>    |                     |                    |                      |                    |
| Salary and allowances                             | 25,662,805          | 25,278,820         | 29,940,460           | 29,566,820         |
| Office rent                                       | 5,383,976           | 5,305,976          | 6,439,765            | 6,361,765          |
| Travelling and conveyance                         | 1,268,526           | 1,258,844          | 3,132,208            | 3,125,628          |
| Vehicle running expenses                          | 613,534             | 582,626            | 1,577,570            | 1,566,280          |
| Publicity and promotional expenses                | 1,661,002           | 1,661,002          | 3,068,520            | 3,068,520          |
| Utility bills                                     | 608,471             | 608,471            | 705,360              | 705,360            |
| Communication expenses                            | 418,391             | 415,591            | 457,442              | 455,622            |
| Printing and stationery                           | 1,054,518           | 1,049,856          | 1,938,147            | 1,933,520          |
| Employees welfare                                 | 1,168,974           | 1,151,551          | 1,885,043            | 1,866,323          |
| Medical expenses                                  | 28,494              | 28,494             | 75,620               | 75,620             |
| Depreciation                                      | 56,875,130          | 56,875,130         | 47,078,130           | 47,078,130         |
| Service charge                                    | 137,170             | 137,170            | 205,626              | 205,626            |
| Telephone and mobile phone bills                  | 813,774             | 809,874            | 835,770              | 833,250            |
| Postage and courier                               | 33,576              | 31,862             | 68,605               | 66,255             |
| Carriage outward                                  | 405,873             | 405,873            | 605,364              | 605,364            |
| Repair and maintenance                            | 453,717             | 403,084            | 485,808              | 450,213            |
| Tender expenses                                   | 83,754              | 83,754             | 35,200               | 35,200             |
| Marketing expenses                                | 490,051             | 347,142            | 593,472              | 456,300            |
| Audit fee   | 187,500             | 175,000            | 187,500              | 175,000            |
| Paper and periodicals                             | 17,003              | 15,690             | 19,230               | 18,320             |
| Sundry expenses                                   | 657,030             | 646,230            | 1,989,390            | 1,925,630          |
|   | <u>98,023,268</u>   | <u>97,272,039</u>  | <u>101,324,230</u>   | <u>100,574,746</u> |
| <b>26. Financial expenses</b>                     |                     |                    |                      |                    |
| <b>Bank interest</b>                              |                     |                    |                      |                    |
| Mercantile Bank Limited                           | -                   | -                  | 2,099,017            | 2,099,017          |
| Dhaka Bank Limited                                | 47,172,987          | 47,172,987         | 34,936,386           | 34,936,386         |
| Bank Asia Limited                                 | 1,906,885           | 616,536            | 6,401,921            | 2,788,328          |
| Southeast Bank Limited                            | -                   | -                  | 890,871              | 890,871            |
| NCC Bank Limited                                  | 24,020,751          | 24,020,751         | 25,399,199           | 25,399,199         |
| Farmers Bank Limited                              | 44,087,536          | 44,087,536         | 30,576,765           | 30,576,765         |
| Bangladesh Finance and Investment Company Limited | 25,383,570          | 25,383,570         | 31,333,049           | 31,333,049         |
| Haji Finance Company Limited                      | 4,608,926           | 4,608,926          | -                    | -                  |
| Infrastructure Development Company Limited        | 5,369,402           | 5,369,402          | -                    | -                  |
|   | <u>152,550,057</u>  | <u>151,259,708</u> | <u>131,637,208</u>   | <u>128,023,615</u> |
| <b>Bank charge, commission &amp; others</b>       |                     |                    |                      |                    |
| AB Bank Limited                                   | 26,028              | 26,028             | 2,005                | 2,005              |
| Bank Asia Limited                                 | 31,363              | 10,795             | 238,190              | 224,838            |
| BRAC Bank Limited                                 | 2,760               | 2,760              | 690                  | 690                |
| Dhaka Bank Limited                                | 5,936,641           | 5,936,641          | 3,401,781            | 3,401,781          |
| Farmers Bank Limited                              | 126,386             | 126,386            | 32,808               | 32,808             |
| Islami Bank (Bangladesh) Limited                  | 71,866              | 71,866             | 8,557                | 8,557              |
| Jamuna Bank Limited                               | 1,026               | 1,026              | 1,126                | 1,126              |
| Mercantile Bank Limited                           | 23,440              | 23,440             | 226,995              | 226,995            |
| NCC Bank Limited                                  | 1,121,811           | 1,121,811          | 608,441              | 608,441            |
| ONE Bank Limited                                  | 20,992              | 20,992             | 3,068                | 3,068              |
| Sonali Bank Limited                               | 8,190               | 8,190              | 1,690                | 1,690              |
| Eastern Bank Limited                              | 1,150               | 1,150              | 1,500                | 1,500              |
| Premier Bank Limited                              | 575                 | 575                | 500                  | 500                |
| Social Islami Bank Limited                        | -                   | -                  | 500                  | 500                |
| Southeast Bank Limited                            | 24,865              | 24,865             | 7,770                | 7,770              |
| Dutch Bangla Bank Limited                         | 65,189              | 65,189             | 15,779               | 15,779             |
| United Commercial bank Limited                    | 575                 | 575                | 500                  | 500                |
| Cash  | 8,011               | 8,011              | 32,501               | 32,501             |
|   | <u>7,470,868</u>    | <u>7,450,300</u>   | <u>6,627,357</u>     | <u>6,614,005</u>   |
|   | <u>160,020,925</u>  | <u>158,710,008</u> | <u>138,264,565</u>   | <u>134,637,620</u> |



**Saif Powertec Limited**

Notes to the financial statements for the period ended 31 December 2015

**27. Earnings per share (EPS)**

|   | Amount in Taka      |                    |                     |                    |
|---|---------------------|--------------------|---------------------|--------------------|
|   | At 31 December 2015 |                    | At 31 December 2014 |                    |
|   | <u>Consolidated</u> | <u>The Company</u> | <u>Consolidated</u> | <u>The Company</u> |
| Earnings attributable to ordinary shares:                     |                     |                    |                     |                    |
| Net profit after tax as per statement of comprehensive income | 198,204,810         | 195,371,230        | 85,951,453          | 85,651,625         |
| ***Number of shares :   | 91,571,140          | 91,571,140         | 89,158,097          | 89,158,097         |
| Earnings per share :<br>(Per value of Taka 10)                | 2.16                | 2.13               | 0.96                | 0.96               |
| *** Calculation of number of shares :                         |                     |                    |                     |                    |
| As at 31 December 2014  | 70,985,380          | 70,985,380         | 68,572,337          | 68,572,337         |
| Bonus Shares @ 29%  | 20,585,760          | 20,585,760         | 20,585,760          | 20,585,760         |
| Total   | 91,571,140          | 91,571,140         | 89,158,097          | 89,158,097         |

**28. Directors' responsibility statements**

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

29 Figures are rounded off to the nearest Taka.

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



## Details of Property, Plant and Equipment and Depreciation at 31 December 2015

| Asset category                           | Cost or Valuation |             |             |                     | Depreciation              |          |                 |                     | Written down value at 31 December 2015 |                        |                           |
|--|-------------------|-------------|-------------|---------------------|---------------------------|----------|-----------------|---------------------|--|------------------------|---------------------------|
|  | At 01 July 2015   | Additions   | Revaluation | Adjustment/disposal | Total at 31 December 2015 | Rate (%) | To 01 July 2015 | Charge for the year |  | Adjustment on disposal | Total to 31 December 2015 |
| Tools and equipment                      | 930,732,506       | 161,113,426 | -           | -                   | 1,091,845,932             | 10       | 256,572,003     | 35,337,937          | -                                      | 291,909,940            | 799,935,992               |
| Land and land development                | 218,170,075       | 2,843,898   | -           | -                   | 221,013,973               | -        | -               | -                   | -                                      | -                      | 221,013,973               |
| Pre-fabricated building                  | 25,550,054        | -           | -           | -                   | 25,550,054                | 10       | 8,786,663       | 838,170             | -                                      | 9,624,833              | 15,925,221                |
| Building                                 | 334,301,643       | -           | -           | -                   | 334,301,643               | 5        | 46,999,881      | 7,182,544           | -                                      | 54,182,425             | 280,119,218               |
| Plant and machinery                      | 80,276,724        | -           | -           | -                   | 80,276,724                | 20       | 40,325,245      | 3,995,148           | -                                      | 44,320,393             | 35,956,331                |
| Motor vehicles                           | 108,270,821       | -           | -           | -                   | 108,270,821               | 20       | 41,911,905      | 6,635,892           | -                                      | 48,547,797             | 59,723,024                |
| Workshop                                 | 6,267,600         | -           | -           | -                   | 6,267,600                 | 10       | 4,101,709       | 108,295             | -                                      | 4,210,004              | 2,057,596                 |
| Office and electrical equipment          | 49,992,747        | 1,782,020   | -           | -                   | 51,774,767                | 10       | 12,966,867      | 1,929,736           | -                                      | 14,896,603             | 36,878,164                |
| Furniture and fixtures                   | 22,314,924        | 1,786,688   | -           | -                   | 24,101,612                | 10       | 7,394,957       | 811,316             | -                                      | 8,206,273              | 15,895,339                |
| Others                                   | 1,347,579         | 65,470      | -           | -                   | 1,413,049                 | 10       | 684,790         | 36,093              | -                                      | 720,883                | 692,166                   |
| Total at 31 December 2015                | 1,777,224,673     | 167,591,502 | -           | -                   | 1,944,816,175             |          | 419,744,020     | 56,875,130          | -                                      | 476,619,150            | 1,468,197,025             |
| Total at 30 June 2015                    | 1,430,746,275     | 346,478,398 | -           | -                   | 1,777,224,673             |          | 318,326,213     | 101,417,807         | -                                      | 419,744,020            | 1,357,480,653             |
| Consolidated Property, Plant & Equipment |                   |             |             |                     |                           |          |                 |                     |  |                        |                           |
| Tools and equipment                      | 931,399,320       | 161,113,426 | -           | -                   | 1,092,512,746             | 10       | 256,768,913     | 35,361,432          | -                                      | 292,130,345            | 800,382,401               |
| Land and land development                | 225,980,725       | 3,861,398   | -           | -                   | 229,842,123               | -        | -               | -                   | -                                      | -                      | 229,842,123               |
| Pre-fabricated building                  | 25,550,054        | -           | -           | -                   | 25,550,054                | 10       | 8,786,663       | 838,170             | -                                      | 9,624,833              | 15,925,221                |
| Building                                 | 334,301,643       | -           | -           | -                   | 334,301,643               | 10       | 46,999,881      | 7,182,544           | -                                      | 54,182,425             | 280,119,218               |
| Plant and machinery                      | 220,919,108       | -           | -           | -                   | 220,919,108               | 20       | 60,111,807      | 7,016,543           | -                                      | 67,128,351             | 153,790,757               |
| Motor vehicles                           | 111,772,821       | -           | -           | -                   | 111,772,821               | 20       | 42,860,947      | 6,763,540           | -                                      | 49,624,487             | 62,148,335                |
| Workshop                                 | 6,267,600         | -           | -           | -                   | 6,267,600                 | 10       | 4,101,709       | 108,295             | -                                      | 4,210,004              | 2,057,596                 |
| Office and electrical equipment          | 50,594,597        | 1,782,020   | -           | -                   | 52,376,617                | 10       | 13,144,593      | 1,950,942           | -                                      | 15,095,535             | 37,281,082                |
| Furniture and fixtures                   | 22,806,524        | 1,786,688   | -           | -                   | 24,593,212                | 10       | 7,540,126       | 828,638             | -                                      | 8,368,764              | 16,224,448                |
| Others                                   | 1,347,579         | 65,470      | -           | -                   | 1,413,049                 | 10       | 684,790         | 36,093              | -                                      | 720,883                | 692,165                   |
| Total at 31 December 2015                | 1,930,939,971     | 168,609,002 | -           | -                   | 2,099,548,973             |          | 440,999,430     | 60,086,196          | -                                      | 501,085,626            | 1,598,463,345             |

