

annual report

2014



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SAIF Powertec Limited
A House of Power & Material Handling Solution

annual report

2014



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SAIF POWERTEC LIMITED

A House of Power & Material Handling Solution

Registered Office: 72 Mohakhali Commercial Area, Rupayan Centre (8th Floor), Dhaka -1212

Notice of the 11th Annual General Meeting

Notice is hereby given that the 11th Annual General Meeting of the Company will be held on 15 December 2014 at 10:30 A.M. at the Company's factory premises located at Bashugaon, Pubail, Gazipur, Dhaka to transact the following business.

AGENDA

1. To receive, consider and adopt the Company's audited financial statement for the financial year ended 30 June 2014 along with the Director's and Auditor's Reports thereon.
2. To declare dividend for the year ended June 30, 2014 as recommended by the Board of Directors.
3. To elect/re-elect Directors as per terms of the relevant provision of the Articles of Association of the Company.
4. To appoint the Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.
5. To confirm the appointment of an Independent Director/s.
6. To consider allocation of IPO funds as investment to establish a battery division.
7. To conduct any other business with the chair's permission.

By order of the Board

F. M. Salehin
Company Secretary

Notes:

1. The date of record of the annual general meeting (AGM) is 10 November 2014.
2. Shareholders whose names appear in the Company's Register of Members or in the depository on the record date are eligible to attend the meeting and are entitled to receive dividend.
3. The proxy form must be affixed with the requisite requisition revenue stamp Tk. 20/- and be deposited at the Company's registered office not less than 48 hours before the time set for the meeting.
4. Admission to the venue of the meeting will be allowed on production of attendance slip attached to the annual report.
5. Shareholders and proxies are requested to confirm their attendance at the AGM well in advance.
6. The valued shareholders are requested to update their address and bank details through their respective depository participant (DP) on or before the record date.
7. Annual Report, Attendance Slip and Proxy Form along with the notice are being sent to all Members by Courier Service/Post. The Members may also collect the "Proxy Form" from the Share Department of the Company.

"No gift, food and conveyance shall be given for attending the 11th Annual General Meeting of the Company as per rules."



Letter of Transmittal

To
The Shareholders
The Bangladesh Securities & Exchange Commission
The Registrar of Joint Stock Companies & Firms
The Dhaka Stock Exchange Limited
The Chittagong Stock Exchange Limited
The Central Depository Bangladesh Limited

Subject: Annual Report for the year ended 30 June 2014

Dear Sir(s)

We are pleased to transmit a copy of the 2014 Annual Report containing the Director's Report, the Auditor's Report and the Audited Financial Statement, which includes the Financial Position, Statement of Comprehensive Income Statement, Changes in Equity and Cash Flow as of 30 June 2014 along with notes and the related Consolidated and Subsidiaries Financial Statement for your record and necessary measures.

Yours sincerely,

F. M. Salehin
Company Secretary



VISION

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

Mission

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

Objectives

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

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

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



Corporate Focus

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



Corporate Profile

Corporate Information

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

Legal Form: The Company was incorporated in Bangladesh as a Private Limited Company on 29 December 2003, which was limited by shares as a Public Limited Company under the Companies Act of 1994 on 28 June 2010, along with the subdivision of shares from Tk.1000 to Tk 10 each and increase the Authorized Capital from Tk. 15.00 million to Tk. 1,000.00 million. The Company subsequently was converted into a publicly traded company with the permission of the Bangladesh Securities & Exchange Commission on 22 April 2014, and listed with the Dhaka Stock Exchange on 10 September 2014, and with the Chittagong Stock Exchange on 17 September 2014.





BOARD OF DIRECTORS



Tarafder Nigar Sultana
CHAIRMAN



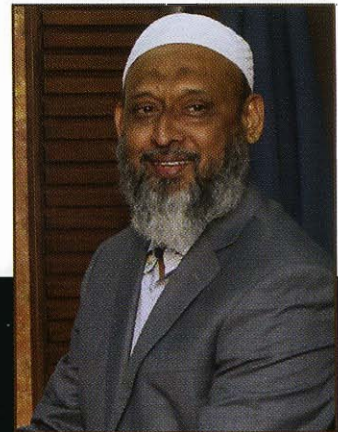
T. Md. Ruhul Amin
MANAGING DIRECTOR



Rubya Chowdhury
DIRECTOR



T. Md. Ruhul Saif
DIRECTOR



Jalal Uddin Ahmed Choudhury
INDEPENDENT DIRECTOR

**Audit Committee :**

Mr. Jalal Uddin Ahmed Choudhury	Chairman
Mr. T. Md. Ruhul Saif	Member
Mr. Md. Shawkat Hossain Khan	Member

Management Committee :

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

Company Secretary :

Mr. F. M. Salehin

Operational Management Team :

Mrs. Rubya Chowdhury	Head of Admin & Supply Chain
Mr. Engr. Md. Nasiruddin Chowdhury	Head of Project Division
Mr. Md. Hasan Reza	Head of Accounts & Finance
Mr. Shahidul Islam Mia	Head of Operation
Mr. Engr. S.M. Shamsul Farhan	Head of SAIF Battery Division
Mr. S.M. Aftab Hossain	Head of SAIF Switchgear Division
Mr. A S M Zulfecar Haider	Head of SAIF Solar Division
Mr. Md. Kamrul Hassan Khan	Head of Human Resources

Registered Office

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

Office of Sister Concern (Dhaka)

House-09, Road -08 Block-J
Baridhara, Dhaka-1212
Phone: 88-02 9893312, Fax : 9893311

Factory

Bashugoan, Pubail
Gazipur

Chittagong Office

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

Khulna Office

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



Auditors : _____

Ata Khan & Co.
Chartered Accountants, 67, Motijheel C/A, Dhaka

Listing : _____

Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Insurer : _____

Eastland Insurance Company Limited, Dhaka.

Credit Rating Agency: _____

Credit Rating Agency of Bangladesh Ltd. (CRAB)

Website _____

www.saifpowertec Ltd.com

Bankers : _____

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



Chairman's Message

Bismillahir Rahmanir Rahim

Dear Valued Shareholders of Saif Powertec Limited

Assalamu Alaikum



It is indeed a great honor and privilege for me to greet you all, once again at the 11th Annual General Meeting of your Company. It also gives me immense pleasure to place before you the Annual Report along with the audited accounts of your Company, the Auditor's Report and the Director's Report for the year 2013-2014.

Business Condition:

As you know, the economy of Bangladesh is rapidly developing as a capitalist economy. According to the Bangladesh Bureau of Statistics, per-capita income in our country rose to USD 1,990 in 2013. The economy has grown at a rate of 6-7% per annum over the past few years, and Bangladesh is considered the next Asian Tiger Economy. We experienced 2013 as a successful year for the Company in terms of sales and profitability despite the country's volatile political situation and economy. We were able to overcome all odds that prevailed during the year.

Financial Aspects:

Despite an unfavorable political situation, your Company earned more profit during 2013-2014.

- Profit excluding tax was BDT 111.51 million compared to BDT 88.33 million in the previous year. The Company's Board of Directors is also concerned about the share holders' interest and has recommended a 27% stock dividend for all valued share holders.
- The Net Asset Value per share has gone up to BDT 26.84.
- Total Assets rose to BDT 2685.79 million.



Human Resources:

The achievement would not have been possible without the dedication, hard work and commitment of our employees, who are the foundation and backbone of the Company.

Conclusion

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

N. Sultana

(Mrs. Tarafder Nigar Sultana)
Chairman



Bismillahir Rahmanir Rahim

**Dear Valued Shareholders of
Saif Powertec Limited**

Assalamu Alaikum

With the expression of my heartfelt thanks and gratitude to you for the support and faith you placed in us and our accomplishment, on behalf of the Board of Directors of the company as well as on my behalf, I heartily welcome you all to the 11th Annual General Meeting of the Company.

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

The year 2013-2014 can be marked as the year of political unrest. It was a great challenge for your Company to face such political unrest. By the grace of the Almighty and with the relentless effort of employees and the relentless pursuit of continuous growth and innovation, the Company has been able to generate more profit than the previous year and safeguarded your interest in the Company although most of the economy marked bleak economic prospects in 2013-2014.

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

Your Company contributes to the country's power sectors as well government as chemical and



fertilizer plants by providing efficient technical support and efficient consultation services for installation cum overhauling work and has gained a world-class reputation in Bangladesh.

Your Company will produce a new business unit by producing different types of batteries such as solar and automotive batteries for the domestic market and export global markets. Other sister concerns of the company such as SAIF solar division have a major market share in Bangladesh and have been expanding very rapidly across the country.

We are continuously trying to increase the efficiency and productivity of other business units as well as subsidiaries of the Company such as business activities under the Project Division, which is very promising for the Company to earn more revenue by providing complete high-tech consultancy and technical support services. The Terminal Engineering Department has been involved with operating the Chittagong Container Terminal and the Newmooring Container Terminal by providing high-tech engineering support services for heavy-duty container-handling equipment. The Service Department has provided technical support and overhauling services for power-generating equipment, construction and material-handling equipment. Finally, Saif Plastic & Polymer Industries Ltd. produces food-grade plastic containers for the medical, edible oil marketing and various beverage marketing industries. The company has a good reputation and has good market share in Bangladesh.

Last, I believe that the confidence and belief of our valued shareholders, the Bangladesh Securities & Exchange Commission, the Dhaka Stock Exchange Ltd., the Chittagong Stock Exchange Ltd., the Central Depository Bangladesh Limited, buyers, bankers, insurers, advisors, employees, government authorities and others are the key success factors for your Company. I would like to express my heartfelt gratitude to all these organizations and individuals for their kind support and guidance.

(Tarafter Md. Ruhul Amin)
Managing Director



DIRECTOR'S REPORT TO THE SHAREHOLDERS

Bismillahir Rahmanir Rahim

Dear Shareholder(s):

On behalf of the Board of Directors, I welcome you all to the 11th Annual General Meeting of SAIF POWERTEC LIMITED.

It is a matter of immense pleasure to present the Director's Report together with the Annual Financial Statement of the Company for the year ended June 30, 2014, to you to consider, adopt and approve the same.

Industry Outlook and Possible Future Development

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

**Segment-wise or product performance**

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

Year	Product performance	Turnover		Production capacity		Capacity utilization	
		Consolidated	The company	Consolidated	The company	Consolidated	The company
2013-2014	Contract	558,994,764	558,994,764		657,000 Containers		68%
	Maintenance	253,964,088	253,964,088		657,000 Containers		60%
	Imported goods	651,152,660	651,152,660		Not applicable		Not applicable
	Subsidiary	56,964,840	-			60%	
2012-2013	Contract	661,548,451	661,548,451		657,000 Containers		68%
	Maintenance	66,202,951	66,202,951		657,000 Containers		60%
	Imported goods	698,365,508	698,365,508		Not applicable		Not applicable
	Subsidiary	35,395,827				60%	
2011-2012	Contract	357,673,675	357,673,675		657,000 Containers		68%
	Maintenance	358,930,980	358,930,980		657,000 Containers		60%
	Imported goods	217,209,032	217,209,032		Not applicable		Not applicable
	Subsidiary	28,141,493				60%	



Risks and Concerns:

The Board has established a risk and risk control mechanism to adjust business policies and business objectives for every concern. The Board reviews significant risks that might adversely affect the achievement of corporate objectives.

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

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

Particulars	2013 -2014		2012 -2013		Increase/(Decrease) based on Turnover of the year under report	
	Consolidated	The company	Consolidated	The company	Consolidated	The company
Cost of Sales	66.52%	65.98%	70.63%	70.41%	(5.82%)	(6.29%)
Gross Profit Margin	33.48%	34.02%	29.37%	29.59%	13.99%	14.97%
Net Profit margin	7.33%	7.48%	6.04%	6.17%	21.36%	21.23%

(a) Cost of Sales

Compared to that of the previous year, the cost of sales of the year under the report witnessed a 5.82% decrease in turnover for the year. This decrease during the year under the report is attributed to proper cost control in the production process and operations.

(b) Gross Profit Margin

Compared with that of the previous year, the Gross Profit (GP) Margin in relation to the turnover of the year under report recorded a 13.99% increase. The increase is due to the increase in overall sales. Management is dedicated to sustaining the GP Margin.

(c) Net Profit Margin

The Net Profit Margin, in relation to the turnover of the year under report, was 21.36% compared with that of the previous year due to better control of production costs and improved operational efficiency.

Continuity of Any Extra-ordinary Gain Or Loss

There was no extraordinary gain or loss in the financial statement under report during the financial year 2013-2014 except Tk.62,15,536/- as interest from bank deposit against FDR

Related Party Transaction

There were no related party transactions during the financial year July 01, 2013 – June 30, 2014 except the director's remuneration of Tk. 10,200,000.

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

There were no matters regarding public issues, right issues and /or issuance of any other means of instruments as further issue of capital of the Company.

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



No matters occurred regarding IPO, RPO, Right Offer, and Direct Listing for the company, and no deterioration in financial results occurred during the year under report

Significant Variation between Quarterly Financial Performance and Annual Financial Statement

No significant variations have occurred between Quarterly and final financial results of the Company during the year under report.

Remuneration to Directors including Independent Directors

Remuneration paid during the year are given in notes no.25 in this Annual Report regarding Board meeting and the Directors' fees for attending the Board meeting included Tk. 45,000.00 for each Director during the period.

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

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

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

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

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

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

Significant deviations from the last year's operate in result s of the issuer company shall be highlighted and the reasons thereof should be explained:

No significant deviation found from last year's operation result of Saif Powertec Limited shall be highlighted.

Operational and Financial Results

We have been able to make progress regarding profit after tax. During the year 2013-2014, our profit after tax stood at Tk. 111,504,633.

Details	2013-2014		2012-2013		2011-2012		2010-2011		2009-2010
	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	Consolidated	The Company	The Company
Turnover	1,521,076,353	1,464,111,513	1,461,512,737	1,426,116,910	961,955,180	933,813,687	970,688,918	970,688,918	794,260,158
Cost of Sales	1,011,815,181	966,060,103	1,032,296,946	1,004,081,405	540,091,629	517,329,723	570,339,937	570,339,937	437,441,468
Gross Profit	509,261,172	498,051,410	429,215,791	422,035,505	421,863,551	416,483,964	400,348,981	400,348,981	356,818,690
Operating Profit	312,716,774	302,926,488	243,943,719	238,503,414	249,842,683	246,141,182	264,663,232	264,663,232	280,281,528
Profit before Tax & Reserve	155,047,470	151,026,214	141,473,823	140,710,604	188,847,818	187,254,467	195,627,165	195,627,165	225,451,066
Profit after Tax	111,504,633	109,494,005	88,421,139	87,944,127	150,897,764	149,901,920	156,092,470	156,092,470	193,302,438
Proposed Declared Dividend	27% (Stock)		-	-	20% (Cash)		10% (Cash)		-
Earnings per Share	2.54	2.49	2.01	2.00	3.44	3.42	4.15	4.15	5.86



If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given:

The Board of Directors of the company has recommended stock dividend @ 27% for the year ended June 30, 2014

Board Size and Attendance at the Meeting of the Board of Directors

There are 5 Directors on the Company's Board. In accordance with the guidelines of the regulatory authorities of the Bangladesh Securities & Exchange Commission (BSEC), the Dhaka Stock Exchange Ltd. (DSE) and the Chittagong Stock Exchange Ltd. (CSE), the Board provides necessary guidelines, supervision, study and review of the Company's activities and makes business policies and decisions for the Company. During year 9, Board meetings were held at which all the Board members were present except the Independent Director. Independent director was present in 6 Board Meeting after his appointment until the last Board meeting.

Pattern of Shareholding as on 30 June 2014

Name of the Shareholders	Status	Shares Held	%
i. Parent/Subsidiary/Associated Companies and other related parties	-	-	-
ii. Directors			
Mrs. Tarafder Nigar Sultana	Chairman	10,944,500	24.93
Mr. Tarafder Md. Ruhul Amin	Managing Director	12,057,800	27.47
Ms. Rubya Chowdhury	Director	1,200,000	2.73
Mr. Tarafder Md. Ruhul Saif	Director	1,200,000	2.73
Mr. Jalal Uddin Ahmed Chaudhury	Independent Director	-	-
iii. Shareholders Holding 10% or more voting interest in the company	-	-	-

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

Mr. Tarafder Md. Ruhul Amin

Managing Director

Mr. Ruhul Amin is Managing Director of SAIF Powertec Limited. Mr. Amin is a Diploma in Power Engineering from Khulna Polytechnical Institute, Khulna. He has been in business for more than 18 years. He has a vast business experience in indenting of construction & Material Handling Equipment, import of power generation equipment, manufacturing electrical transformers, solar power system and container handling with port operation.

Mr. Tarafder Md. Ruhul Saif

Director

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



Existing Business Activities

The principal business activities of the company during the year under report are operation of the Chittagong Container Terminal (CCT) and the New Mooring Container Terminal (NCT), the only two export-import container terminals at Chittagong Port under the authority of Chittagong Port (CPA) along with backup container-handling operations at the Inland Container Depots (ICD) at the Pangaon Inland Container Terminal and the Kamlapur Inland Container Depot (operation will begin by 2015). The other major business activities of the Company include acting as the Technical Consultation and Service Provider for installing, commissioning and overhauling electrical power plants under the Bangladesh Power Development Board (BPDB), fertilizer plants and chemical plants under the Bangladesh Chemical Industries Corporation (BCIC) by supplying spare parts under joint technical assistance from world-renowned foreign business counterparts in Europe and Asia. These businesses operate under the Project Division of the Company and have very good reputations.

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

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

Investment in Shares of Saif Powertec Ltd.

We have subscribed 43,894,000 Ordinary Shares of SAIF Powertec Limited @ Tk. 10.00 each as on June 30, 2014, as a public limited company with paid-up capital of Tk. 438,940,000.00 out of authorized capital of Tk. 1,000,000,000.00. The main objectives of this Company are to manufacture batteries, trade and sell power-generating equipment, lease equipment for port operations, construction and material-handling processes, provide technical support service for government infrastructure sectors as well as major overhauling of power plants, fertilizer plants and chemical plants.

Research and Development

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

Purchase Manual

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

Subsidiary Company

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

Directors' Appointment, Retirement and Re-Appointment

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

At the forthcoming 11th Annual General Meeting of the Company, the following Directors will retire and will be eligible for reappointment:

- A) Mr. T. Md. Ruhul Saif
- B) Mr. T. Md. Ruhul Amin

Appointment of Independent Director

The Board of Directors has appointed Mr. Jalal Uddin Ahmed Chaudhury as an Independent Director for a period of 3 years in its Board Meeting (Board Meeting Number 99 on 10 May 2014 subject to approval at the Company's forthcoming Annual General Meeting).

Auditor

The existing auditor Ata Khan & Company Chartered Accountants will retire at this Annual General Meeting and is eligible to be re-appointed. The auditor has expressed their willingness to be re-appointed for the year 2014-2015, which was approved by the Board at the meeting held on 27 October 2014.

Audit Committee Report

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

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

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

Internal Control

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

Compliance of Corporate Governance

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

The compliance statues of Bangladesh Securities & Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/129/Admin/143 dated 7 August 2012 of annexed here along with the Auditor's Certificate on the issue in annexure-A and annexure -B.

Appreciation

We are proud of the confidence maintained in us continuously by our valued shareholders and for supporting the Company's activities. At the same time, we extend our sincere thanks and appreciation to the banks, insurance companies, auditors, customers, stakeholders, patrons and all well-wishers for their support and co-operation as well as the confidence they reposed in the Company. We also convey our heartfelt appreciation, gratitude and thanks



to the government and its other agencies, the regulatory authorities, including the Bangladesh Securities and Exchange Commission, the Dhaka Stock Exchange Ltd., the Chittagong Stock Exchange Ltd., the Central Depository Bangladesh Ltd. and the Registrar of Joint Stock Companies and Firms for their cordial help, assistance, guidance and advice the Company received from time to time. Your Company could not have achieved such progress and present status without their support and co-operation.

For me and on behalf of the Board of Directors

T. Sultana

Mrs. T. N. Sultana
Chairman

**Annexure -A****AUDIT COMMITTEE REPORT**
for the year 2013-2014

The Audit Committee consists of the following persons:

Mr. Jalal Uddin Ahmed Chaudhury	- Chairman
Mr. T. Md. Ruhul Saif	- Member
Mr. Md. Shawkat Hossain Khan	- Member

The scope of the Audit Committee was defined as under:

- (a) Review and recommend to the Board to approve the quarterly, half-yearly and annual financial statements prepared for statutory purposes;
- (b) Monitor and oversee the choice of accounting policies and principles, internal control risk management process, auditing, hiring and performance of external auditors;
- (c) Review statements of significant related party transactions submitted by the management;
- (d) Supervise the governance systems and the independence of statutory auditors; and
- (e) Review and consider the internal auditors' report and statutory auditors' observations on internal control.

Activities carried out during the year

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

Jalal Uddin Ahmed Chaudhury
Chairman
Audit Committee



Annexure-B

**CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE
OF
SAIF POWERTEC LIMITED AND ITS SUBSIDIARY**

We have examined the compliance to the BSEC guidelines on Corporate Governance by Saif Powertec Limited and its subsidiary for the year ended 30 June 2014. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the company. Our examination was limited to the procedures and implementation thereof as adopted by the management in ensuring compliance to the conditions of Corporate Governance.

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

Place - Dhaka.
Date - October 27, 2014

Mazumdar Sikder and Associates
Cost & Management Accountants



Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.	Board of Directors:			
1.1	Board's Size: The number of the board members shall not be less than 5(Five) and more than 20 (Twenty)	√		
1.2	Independent Directors:			
1.2(i)	One fifth(1/5) of the total number of directors	√		Appointed by the BOD and will be place for approval in the next AGM
1.2(ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares.	√		
1.2(ii) b)	Not connected with any Sponsor/ Director/ Shareholder who hold 1% or more shares of the total paid-up shares on the basis of family relationship	√		
1.2(ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		
1.2(ii) d)	Not a member, director or officer of any stock exchange.	√		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	√		
1.2(ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3(three) years Of any statutory audit firm.	√		
1.2(ii) g)	Not be an independent director in more than 3 (three) listed companies.	√		
1.2(ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFI.	√		
1.2(ii) i)	Not been convicted for a criminal offence involving moral turpitude.	√		
1.2(iii)	Nominated by the board of directors and approved by the shareholders in the AGM.	√		Appointed by the BOD and will be place for approval in the next AGM
1.2(iv)	Not remain vacant for more than 90 (ninety) days.	√		
1.2(v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be Recorded.	√		
1.2(vi)	Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Director (ID):			
1.3(i)	Knowledge of Independent Directors.	√		
1.3(ii)	Background of Independent Directors.	√		
1.3(iii)	Special cases for qualifications.			N/A
1.4	Individual Chairman of the Board and CEO	√		
1.5	The Directors' Report to Shareholders:			
1.5(i)	Industry outlook and possible future developments in the industry.	√		
1.5(ii)	Segment-wise or product-wise performance.	√		
1.5(iii)	Risks and concerns.	√		
1.5(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5(v)	Discussion on continuity of any Extra-ordinary gain or loss.	√		
1.5(vi)	Basis for related party transactions.	√		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others.	√		



1.5(viii)	Explanation of the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing.			N/A
1.5(ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.			N/A
1.5(x)	Remuneration to directors including independent directors.	√		
1.5(xi)	Fairness of Financial Statement.	√		
1.5(xii)	Maintenance of proper books of accounts.	√		
1.5(xiii)	Adoption of appropriate accounting policies and estimates.	√		
1.5(xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of financial statements.	√		
1.5(xv)	Soundness of internal control system.	√		
1.5(xvi)	Ability to continue as a going concern.	√		
1.5(xvii)	Significant deviations from the last year's.			N/A
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) year.	√		
1.5(xix)	Reasons for not declared dividend			N/A
1.5(xx)	Number of board meetings held during the year and attendance.	√		
1.5(xxi)	Pattern of shareholding:			
1.5(xxi)a)	Parent/Subsidiary/Associated Companies and other related parties.	√		
1.5(xxi)b)	Directors, CEO, CS, CFO, HIA and their spouses and minor children.	√		
1.5(xxi)c)	Executives.	√		
1.5(xxi)d)	10% or more voting interest.	√		
1.5(xxii)	Appointment/re-appointment of director:			
1.5(xxii)a)	Resume of the director	√		
1.5(xxii) b)	Expertise in specific functional areas.	√		
1.5(xxii)c)	Holding of directorship and membership of committees of the board other than this company.	√		
2.	CFO,Head of Internal Audit (HIA) and CS:			
2.1	Appointment of CFO, HIA and CS and defining their responsibilities.	√		
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	√		
3.	Audit Committee:			
3(i)	Constitution of Audit Committee	√		
3(ii)	Assistance of the Audit Committee to Board of Directors.	√		
3(iii)	Responsibility of the Audit Committee.	√		
3.1	Constitution of the Audit Committee:			
3.1(i)	At least 3 (three) members.	√		
3.1(ii)	Appointment of members of the Audit Committee.	√		
3.1(iii)	Qualification of Audit Committee members.	√		
3.1(iv)	Term of service of Audit Committee members.	√		
3.1(v)	Secretary of the Audit Committee.	√		
3.1(vi)	Quorum of the Audit Committee.	√		
3.2	Chairman of the audit committee:			
3.2(i)	Board of Director shall select the Chairman.	√		
3.2(ii)	Chairman of the audit committee shall remain present in the AGM.	√		
3.3	Role of Audit Committee:			
3.3(i)	Oversee the financial reporting process.	√		
3.3(ii)	Monitor choice of accounting policies and principles.	√		
3.3(iii)	Monitor Internal Control Risk management process.	√		
3.3(iv)	Oversee hiring and performance of external auditors.	√		
3.3(v)	Review the annual financial statements before submission to the board for approval.	√		
3.3(vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3(vii)	Review the adequacy of internal audit function.	√		
3.3(viii)	Review statement of significant related party transactions.	√		
3.3(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	√		



3.3(x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue.			N/A
3.4	Reporting of the Audit Committee:			
3.4.1	Reporting to the Board of Directors.	√		
3.4.1(i)	Activities of Audit Committee.	√		
3.4.1(ii)a	Conflicts of interests.			N/A
3.4.1(ii)b	Material defect in the internal control system.			N/A
3.4.1(ii)c	Infringement of laws, rules and regulations.			N/A
3.4.1(ii)d	Any other matter.			N/A
3.4.2	Reporting to the Authorities.			N/A
3.5	Reporting to the Shareholders and General Investors.	√		
4	Engagement of External/Statutory Auditors:			
4(i)	Appraisal or valuation services or Fairness opinions.	√		
4(ii)	Financial information systems design and Implementation.	√		
4(iii)	Book-keeping.	√		
4(iv)	Broker-dealer services.	√		
4(v)	Actuarial services			N/A
4(vi)	Internal audit services.	√		
4(vii)	Services that the Audit Committee determines	√		
4(viii)	Audit firms shall not hold any share of the company they audit.	√		
5	Subsidiary Company:			
5(i)	Composition of the Board of Directors.	√		
5(ii)	At least 1 (one) independent director to the subsidiary company.			Appointed by the BOD and will be place for approval in the next AGM
5(iii)	Submission of Minutes to the holding company.	√		
5(iv)	Review of Minutes by the holding company.	√		
5(v)	Review of Financial Statement by the holding company.	√		
6	Duties of Chief Executive Officer and Chief Financial Officer:			
6(i)a)	Reviewed the materially untrue of the financial statement.	√		
6(i)b)	Reviewed about compliance of the accounting standard.	√		
6(ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct.	√		
7	Reporting and Compliance of Corporate Governance:			
7(i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines.	√		
7(ii)	Annexure attached in the directors' report.	√		

Audited Financial Statements 2014



SAIF Powertec Limited



Auditors' Report to the Shareholders of Saif Powertec Limited

Introduction

We have audited the accompanying financial statements of Saif Powertec Limited (the company) and its group, which comprises the statement of financial position (balance sheet) as at 30 June 2014, statement of comprehensive income (profit and loss statement), statement of changes in equity and statement of cash flows for the year ended on that date, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards, the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, we consider 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, prepared in accordance with Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards, give a true and fair view of the state of the company's affairs and its group as at 30 June 2014 and of the results of their operations and their cash flows for the year then ended and comply with the requirements of Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

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

67, Motijheel Commercial Area
Dhaka 1000, Bangladesh
Dated: 27 October 2014


Ata Khan & Co.
Chartered Accountants

Saif Powertec Limited

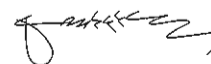
Consolidated Statement of Financial Position (Balance Sheet) as at 30 June 2014

		Amount in Taka			
		At 30 June 2014		At 30 June 2013	
	Notes	Consolidated	The Company	Consolidated	The Company
Assets					
Non-current assets					
Property, plant and equipment	4	1,251,662,273	1,112,420,062	917,948,590	809,955,215
Capital works-in-progress	5	145,554,192	145,554,192	212,132,029	179,621,636
Investment in subsidiary company	6	-	80,000,000	-	80,000,000
Intangible assets		-	-	3,887,926	-
Pre-operating expenses		-	-	-	-
		1,397,216,465	1,337,974,254	1,133,968,545	1,069,576,851
Current assets					
Inventories	7	298,164,729	281,072,011	65,682,095	51,499,123
Accounts and others receivable	8	500,442,614	497,508,584	449,569,838	440,869,099
Advances, deposits and prepayments	9	403,587,199	401,596,060	248,932,725	238,840,923
Fixed deposit receipt (FDR)	10	65,178,760	65,178,760	50,387,111	50,387,111
Cash and cash equivalents	11	21,202,906	19,997,674	6,249,832	6,185,084
		1,288,576,207	1,265,353,089	820,821,601	787,781,340
Total assets		2,685,792,672	2,603,327,343	1,954,790,146	1,857,358,191
Equity and liabilities					
Capital and reserves					
Share capital	12	438,940,000	438,940,000	438,940,000	438,940,000
Share premium	13	191,429,500	191,429,500	191,429,500	191,429,500
Revaluation reserve	14	96,540,144	96,540,144	96,540,144	96,540,144
Retained earnings	15	451,370,636	451,292,065	342,976,344	341,798,060
		1,178,280,280	1,178,201,709	1,069,885,988	1,068,707,704
Non-controlling interest		20,019,644	-	20,294,571	-
		1,198,299,924	1,178,201,709	1,090,180,560	1,068,707,704
Non-current liabilities					
Long term loan from bank	16	487,782,020	476,580,976	247,233,110	219,586,510
		487,782,020	476,580,976	247,233,110	219,586,510
Current Liabilities					
Current portion of long-term loan	17	218,862,777	203,257,439	108,579,850	100,277,781
Short term loan	18	537,891,683	520,119,100	216,609,560	187,576,394
Accounts payable	19	20,760,113	5,792,325	100,864,360	91,773,706
Accrued expenses	20	207,519,614	204,699,254	172,162,487	170,275,878
Obligation to contract clients	21	89,700	89,700	12,124,688	12,124,688
Workers profit participation fund	22	14,586,841	14,586,841	7,035,530	7,035,530
		999,710,728	948,544,658	617,376,476	569,063,977
Total shareholders' equity and liabilities		2,685,792,672	2,603,327,343	1,954,790,146	1,857,358,191
Net asset value per share of Taka 10 each		26.84	26.84	24.29	24.35
Net asset value per share without revaluation of Taka 10 each		24.64	24.64	22.09	22.15

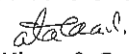
See annexed notes


Managing Director

for Saif Powertec Limited
N. Sultana
Director


Company Secretary

Signed in terms of our report of even date annexed


Ata Khan & Co.
Chartered Accountants

67, Motijheel Commercial Area
Dhaka 1000, Bangladesh
Dated: 27 October 2014

**Saif Powertec Limited**Consolidated Statement of Comprehensive Income (Income Statement)
for the year ended 30 June 2014

	Notes	Amount in Taka			
		At 30 June 2014		At 30 June 2013	
		Consolidated	The Company	Consolidated	The Company
Revenue					Sales (net)
23		1,521,076,353	1,464,111,513	1,461,512,737	1,426,116,910
Cost of sales	24	(1,011,815,181)	(966,060,103)	(1,032,296,946)	(1,004,081,405)
Gross profit		509,261,172	498,051,410	429,215,791	422,035,505
General and administrative expenses	25	(196,544,398)	(195,124,922)	(185,272,072)	(183,532,091)
Profit from operations		312,716,774	302,926,488	243,943,719	238,503,414
Other income		14,339,310	11,118,029	11,872,244	8,615,943
Finance costs	26	(164,457,303)	(155,466,992)	(107,306,610)	(99,373,223)
Net profit before WPPF		162,598,781	158,577,524	148,509,353	147,746,134
Workers profit participation fund		(7,551,311)	(7,551,311)	(7,035,530)	(7,035,530)
Net profit after WPPF		155,047,470	151,026,214	141,473,823	140,710,604
Income tax expenses		(43,040,180)	(41,532,209)	(53,052,684)	(52,766,476)
Net profit after tax		112,007,290	109,494,005	88,421,139	87,944,127
Profit attributable to ordinary shareholders					
Non controlling interest (20%)		502,657)	-	(95,402)	-
Net profit after tax to ordinary shareholders		111,504,633	109,494,005	88,325,737	87,944,127
Earnings per share (EPS)					
of Taka 10 each	27	2.54	2.49	2.01	2.00
Earnings per share (EPS) without other income of Taka 10 each	27	2.21	2.24	1.74	1.81
Appropriation of subsidiary company's net profit :					
Saif Powertec Limited (parent company) - 80%		2,010,628			
Non-controlling interest (minority interest)- 20%		502,657			
		2,513,285			

See annexed notes

Managing Director

for Saif Powertec Limited

N. Sultana
Director
Company Secretary

Signed in terms of our report of even date annexed

Ata Khan & Co.
Chartered Accountants67, Motijheel Commercial Area
Dhaka 1000, Bangladesh
Dated: 27 October 2014



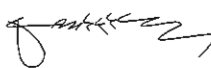
Saif Powertec Limited

Consolidated Statement of Cash Flows for the year ended 30 June 2014

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Cash flows from operating activities				
Cash receipt from customers	1,484,542,887	1,418,590,056	1,310,545,147	1,268,702,488
Cash paid to employees and suppliers	(1,567,500,084)	(1,533,330,244)	(1,060,554,180)	(1,038,681,615)
Cash generate from operating activities	(82,957,197)	(114,740,188)	249,990,967	230,020,873
Paid against advance income tax	(40,116,941)	(39,166,316)	(49,475,131)	(48,887,195)
Interest and financial expenses	(164,457,303)	(155,466,992)	(107,306,610)	(99,373,223)
Net cash provided by operating activities (A)	(287,531,441)	(309,373,496)	93,209,226	81,760,455
Cash flows from investing activities				
Purchase of property, plant and equipment	(283,398,389)	(283,099,689)	(220,554,945)	(215,401,795)
Capital work-in-progress	(71,439,406)	(71,439,406)	(25,635,745)	(11,759,000)
Fixed deposit receipt (FDR)	(14,791,649)	(14,791,649)	(10,385,907)	(10,385,907)
Net cash used in investing activities (B)	(369,629,444)	(369,330,744)	(256,576,598)	(237,546,703)
Cash flows from financing activities				
Receipt from short term loan	666,248,645	677,509,228	363,400,633	337,042,512
paid to short term loan	(247,370,604)	(247,370,604)	(254,427,996)	(235,305,122)
Receipt from long term loan	449,734,840	458,877,129	191,952,690	185,067,165
paid to long term loan	(196,498,923)	(196,498,923)	(140,681,187)	(133,106,242)
Net cash provided by financing activities (C)	672,113,959	692,516,830	160,244,140	153,698,313
Net changes in cash and cash equivalents (A+B+C)	14,953,074	13,812,590	(3,123,231)	(2,087,935)
Opening cash and cash equivalents	6,249,832	6,185,084	9,373,063	8,273,018
Closing cash and cash equivalents	21,202,906	19,997,674	6,249,832	6,185,084
Operating cash flows per share of Taka 10 each	(6.55)	(7.05)	2.12	1.86

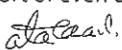

Managing Director

for Saif Powertec Limited
N. Sultana
Director


Company Secretary

Signed in terms of our report of even date annexed

67, Motijheel Commercial Area
Dhaka 1000, Bangladesh
Dated: 27 October 2014


Ata Khan & Co.
Chartered Accountants

**Saif Powertec Limited**

Consolidated Statement of Changes in Equity for the year ended 30 June 2014

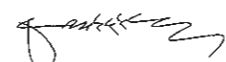
Amount in Taka

	Share capital	Share premium	Revaluation reserve	Retained earnings	Total
Balance at 01 July 2012	438,940,000	191,429,500	96,540,144	291,619,608	1,018,529,252
Cash dividend	-	-	-	(36,969,000)	(36,969,000)
Share of profit of subsidiary company	-	-	-	381,610	381,610
Net income for the year	-	-	-	87,944,127	87,944,127
Balance at 30 June 2013	438,940,000	191,429,500	96,540,144	342,976,344	1,069,885,989
Balance at 01 July 2013	438,940,000	191,429,500	96,540,144	342,976,344	1,069,885,989
Cash dividend	-	-	-	-	-
Share of profit of subsidiary company	-	-	-	2,010,628	2,010,628
Share of pre-operating expenses of subsidiary company (adjustment)				(3,110,341)	(3,110,341)
Net income for the year				109,494,005	109,494,005
Balance at 30 June 2014	438,940,000	191,429,500	96,540,144	451,370,636	1,178,280,280

for Saif Powertec Limited

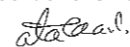

 Managing Director


 Director


 Company Secretary

 67, Motijheel Commercial Area
 Dhaka 1000, Bangladesh
 Dated: 27 October 2014

Signed in terms of our report of even date annexed


 Ata Khan & Co.
 Chartered Accountants



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

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 situated at 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 audited financial statements of Saif Plastic & Polymer Industries Limited, audited by other auditors. 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.



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

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.

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 1 (one) year from 01 July 2013 to 30 June 2014.

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."



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

3.1.2 Subsequent costs

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

3.1.3 Depreciation on property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation thereon. Depreciation is charged applying diminishing balance method on all fixed assets other than land and land development. Depreciation on current year's addition is charged for the full year irrespective of the date(s) of acquisition. No depreciation is charged on disposal made during the year.

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

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

3.1.4 Impairment of assets

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 fully diluted number of ordinary shares outstanding during the year.

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.



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

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 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.

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.

Name of related party	Nature of transaction	Amount (Taka)
Tarafder Md. Ruhul Amin	Salary and allowances	1,800,000
Tarafder Nigar Sultana	Salary and allowances	3,000,000
Tarafder Md. Ruhul Saif	Salary and allowances	2,400,000
Rubya Chowdhury	Salary and allowances	3,000,000
Saif Plastic & Polymer Industries Limited	Investment in Shares	80,000,000

3.14 Authorisation date

The financial statements were authorised for issue by the board of directors in its meeting dated 27 October 2014.



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

4. Property, Plants, Equipment and Building

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Cost:				
Opening balance	1,153,442,261	1,038,139,736	867,887,772	757,738,397
Add: Addition during the year	431,019,312	392,606,539	285,554,489	280,401,339
Closing balance (A)	1,584,461,573	1,430,746,275	1,153,442,261	1,038,139,736
Depreciation:				
Opening balance	235,493,672	228,184,521	167,144,559	165,382,057
Add : Charge for the year	97,305,629	90,141,692	68,349,112	62,802,464
Closing balance (B)	332,799,301	318,326,213	235,493,672	228,184,521
Written down value (A-B)	1,251,662,273	1,112,420,062	917,948,590	809,955,215

Details are in Annex I.

5. Capital works-in-progress

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Opening balance	212,132,029	179,621,636	232,862,179	232,862,179
Add: Addition during the year	71,439,406	71,439,406	44,269,393	11,759,000
Less: Transferred	(138,017,243)	(105,506,850)	(64,999,543)	(64,999,543)
Closing balance	145,554,192	145,554,192	212,132,029	179,621,636

6. Investment in subsidiary company

The above amount 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	155,265,550	155,265,550	1,447,076	1,447,076
Spare parts	104,602,169	104,602,169	44,502,995	44,502,995
Electric goods	21,204,292	21,204,292	5,549,052	5,549,052
Closing stock subsidiary company	17,092,718	-	14,182,972	-
	298,164,729	281,072,011	65,682,095	51,499,123



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

8.	Accounts and others receivable				
	Imported goods sales	266,780,861	266,780,861	315,864,342	315,864,342
	Contract execution	128,427,642	128,427,642	81,913,665	81,913,665
	Shipping agent	100,299,885	100,299,885	40,810,102	40,810,102
	Receivable (Subsidiary Company)	2,934,029	-	8,700,739	-
	Interest Receivable	2,000,196	2,000,196	2,280,990	2,280,990
		<u>500,442,614</u>	<u>497,508,584</u>	<u>449,569,838</u>	<u>440,869,099</u>
9.	Advances, deposits and prepayments				
	Advances to/against				
	Land and building	-	-	4,000,000	4,000,000
	VAT	34,563	-	6,166,853	5,456,580
	Income tax	136,601,379	134,872,853	96,484,438	95,706,537
	Income tax on share premium	-	-	1,579,500	1,579,500
	Salary	3,536,263	3,536,263	2,469,791	2,461,791
	Vehicles	6,513,851	6,513,851	5,265,551	5,265,551
	Office rent	3,875,008	3,875,008	4,474,000	4,474,000
	Share issue expenses	5,791,320	5,791,320	1,265,000	1,265,000
	Advance against power plant work	95,187,350	95,187,350	-	-
	Advance against raw materials	228,050	-	2,530,620	-
	Advance against civil construction	13,714,285	13,714,285	-	-
	Others	91,249,284	91,249,284	63,524,304	57,920,624
		<u>356,731,353</u>	<u>354,740,214</u>	<u>187,760,057</u>	<u>178,129,583</u>
	Deposits and prepayments				
	Bank guarantee	40,096,452	40,096,452	40,787,308	40,787,308
	L/C margin	5,275,520	5,275,520	18,121,487	17,660,159
	Earnest money	1,232,673	1,232,673	752,673	752,673
	Security money	251,200	251,200	1,511,200	1,511,200
		<u>46,855,845</u>	<u>46,855,845</u>	<u>61,172,668</u>	<u>60,711,340</u>
		<u>403,587,199</u>	<u>401,596,060</u>	<u>248,932,725</u>	<u>238,840,923</u>
10.	Fixed Deposit Receipt (FDR):				
	Dhaka Bank Limited	50,382,284	50,382,284	37,161,627	37,161,627
	Mercantile Bank Limited, Dhaka	14,796,476	14,796,476	13,225,484	13,225,484
		<u>65,178,760</u>	<u>65,178,760</u>	<u>50,387,111</u>	<u>50,387,111</u>
11.	Cash and cash equivalents				
Amount in Taka					
		At 30 June 2014		At 30 June 2013	
		Consolidated	The Company	Consolidated	The Company
	Cash in hand				
	Chittagong Office	9,831,781	9,831,781	1,820,646	1,820,646
	Factory	274,448	274,448	249,846	249,846
	Dhaka Office	2,399,210	2,250,960	2,250,170	2,205,292
		<u>12,505,438</u>	<u>12,357,188</u>	<u>4,320,661</u>	<u>4,275,783</u>
	Bank balances with:				
	Bank Asia Limited	301,878	296,916	18,643	8,025
	Dhaka Bank Limited	473,031	473,031	-	-
	Standard Chartered Bank	-	-	42,753	42,753
	Mercantile Bank Limited, Dhaka	93,181	93,181	937	937
	One Bank Limited	169,889	169,889	386,516	386,516
	Jamuna Bank Limited	452,015	450,491	629,626	626,837
	AB Bank Limited	35,681	35,681	26,243	26,243
	Social Islami Bank Limited	1,763	1,763	2,453	2,453
	The Premier Bank Limited	2,096	2,096	3,246	3,246
	Sonali Bank Limited	5,481	5,481	2,818	2,818
	Eastern Bank Limited	15,475	15,475	30	30
	BRAC Bank Limited	71,433	71,433	123,948	123,948
	Islami Bank Bangladesh Limited	1,959,772	1,959,772	423,055	423,055
	NCC Bank Limited	3,158,464	3,158,464	16,984	16,984
	United Commercial Bank Limited	1,052,756	2,261	101,891	101,891
	Southeast Bank Limited	83,332	83,332	150,028	143,565
	Farmers Bank Limited	821,223	821,223	-	-
		<u>8,697,467</u>	<u>7,640,486</u>	<u>1,929,171</u>	<u>1,909,301</u>
		<u>21,202,906</u>	<u>19,997,674</u>	<u>6,249,832</u>	<u>6,185,084</u>

Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

12. Share capital

Authorised capital				
100,000,000 ordinary shares of Taka 10 each	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Paid-up capital				
438,940,000 ordinary shares of Taka 10 each	438,940,000	438,940,000	438,940,000	438,940,000

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

12.1 Shareholdings	Percentage(%)	No. of shares	Value (Taka)
Directors	57.89	25,409,500	254,095,000
Institutional shareholders	9.68	4,250,000	42,500,000
Individual shareholders	32.43	14,234,500	142,345,000
	100	43,894,000	438,940,000

12.2 A distribution schedule of each class of equity security setting out the member of holders and percentage in the following categories:-

Holdings	Number of Holders	Number of Shares	Amount in Taka	Total Holdings %
Less than 500 shares	-	-	-	0.00%
501 to 5,000 shares	30	142,200	1,422,000	0.32%
5,001 to 10,000 shares	45	446,500	4,465,000	1.02%
10,001 to 20,000 shares	15	272,000	2,720,000	0.62%
20,001 to 30,000 shares	30	762,500	7,625,000	1.74%
30,001 to 40,000 shares	7	270,000	2,700,000	0.62%
40,001 to 50,000 shares	15	748,500	7,485,000	1.71%
50,001 to 100,000 shares	25	2,425,000	24,250,000	5.52%
100,001 to 1,000,000 shares	20	6,215,000	62,150,000	14.16%
Over 1,000,000 shares	8	32,612,300	326,123,000	74.30%
	195	43,894,000	438,940,000	100.00%

13. Share premium

	Amount (Taka)
Received during the year	197,350,000
Less: Write-off AIT on share premium	(5,920,500)
	191,429,500

Saif Powertec Limited obtained permission from Securities and Exchange Commission for issue of 10,000,000 ordinary shares of Taka 35 which includes a premium of Taka 25 against which the Company deposited income tax @ 3% under section 53H of Income Tax Ordinance (ITO) 1984 which is the final tax liability of the Company u/s 82C ITO 1984. The Company however issued 7,894,000 ordinary shares as yet. The withholding income tax on these issued shares is written off against the share premium account.

Amount in Taka			
At 30 June 2014		At 30 June 2013	
Consolidated	The Company	Consolidated	The Company
96,540,144	96,540,144	96,540,144	96,540,144

14. Revaluation reserve

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 its property during the year since the value does not differ significantly from its carrying amount.

15. Retained earnings:

Opening Balance	342,976,344	341,798,060	291,619,608	290,822,933
Addition this year	108,394,292	109,494,005	88,325,737	87,944,127
Dividend	-	-	(36,969,000)	(36,969,000)
	451,370,636	451,292,065	342,976,344	341,798,060

**Saif Powertec Limited**

Notes to the financial statements for the year ended 30 June 2014

16. Long term loan from Banks

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

Mercantile Bank Limited	2,131,710	2,131,710	13,171,854	13,171,854
Dhaka Bank Limited	119,864,704	119,864,704	195,631,539	195,631,539
Bank Asia Limited	14,565,690	3,364,646	37,026,372	9,379,771
ICB Islami Bank Limited	-	-	1,403,346	1,403,346
Infrastructure Development Company	45,841,312	45,841,312	-	-
BD Finance	305,378,605	305,378,605	-	-
	<u>487,782,020</u>	<u>476,580,976</u>	<u>247,233,110</u>	<u>219,586,510</u>

16.1 Long-term loanMercantile Bank Limited

Opening Balance	22,955,390	22,955,390	76,912,305	76,912,305
Add: Principal this year	57,880,402	57,880,402	-	-
Add: Interest this year	5,596,101	5,596,101	8,073,085	8,073,085
Less: Payment this year	(58,589,460)	(58,589,460)	(62,030,000)	(62,030,000)
Sub Total (A)	<u>27,842,433</u>	<u>27,842,433</u>	<u>22,955,390</u>	<u>22,955,390</u>

Dhaka Bank Limited

Opening Balance	272,737,271	272,737,271	152,679,869	152,679,869
Add: Principal this year	42,126,856	42,126,856	185,067,165	185,067,165
Add: Interest this year	45,182,141	45,182,141	30,756,469	30,756,469
Less: Payment this year	(144,643,534)	(144,643,534)	(95,766,232)	(95,766,232)
Sub Total (B)	<u>215,402,735</u>	<u>215,402,735</u>	<u>272,737,271</u>	<u>272,737,271</u>

Bank Asia Limited

Opening Balance	52,232,168	16,283,498	58,972,816	22,334,726
Add: Principal this year	17,374,478	10,624,478	6,885,525	-
Add: Interest this year	6,680,654	2,324,144	8,347,148	3,241,034
Less: Payment this year	(29,664,411)	(9,415,613)	(21,973,321)	(9,292,263)
Sub Total (C)	<u>46,622,889</u>	<u>19,816,506</u>	<u>52,232,168</u>	<u>16,283,498</u>

ICB Islamic Bank Limited

Opening Balance	7,888,132	7,888,132	15,976,468	15,976,468
Add: Principal this year	-	-	-	-
Add: Interest this year	523,454	523,454	1,511,664	1,511,664
Less: Payment this year	(8,411,587)	(8,411,587)	(9,599,999)	(9,599,999)
Sub Total (D)	<u>-</u>	<u>-</u>	<u>7,888,132</u>	<u>7,888,132</u>

BD Finance

Opening Balance	-	-	-	-
Add: Principal this year	400,000,000	400,000,000	-	-
Add: Interest this year	35,337,879	35,337,879	-	-
Less: Payment this year	(64,402,450)	(64,402,450)	-	-
Sub Total (E)	<u>370,935,429</u>	<u>370,935,429</u>	<u>-</u>	<u>-</u>

Infrastructure Development Company

Opening Balance	-	-	-	-
Add: Principal this year	45,841,312	45,841,312	-	-
Add: Interest this year	-	-	-	-
Less: Payment this year	-	-	-	-
Sub Total (F)	<u>45,841,312</u>	<u>45,841,312</u>	<u>-</u>	<u>-</u>
Total (A+B+C+D+E)	<u>706,644,798</u>	<u>679,838,415</u>	<u>355,812,961</u>	<u>319,864,291</u>
Less: Long-term loan	<u>487,782,020</u>	<u>476,580,976</u>	<u>247,233,110</u>	<u>219,586,510</u>
Transferred to current portion loan	<u>218,862,777</u>	<u>203,257,439</u>	<u>108,579,851</u>	<u>100,277,781</u>

17. Current portion of long-term loan

Mercantile Bank Limited	25,710,723	25,710,723	9,783,536	9,783,536
Dhaka Bank Limited	95,538,031	95,538,031	77,105,732	77,105,732
Bank Asia Limited	32,057,198	16,451,860	15,205,796	6,903,726
ICB Islami Bank Limited	-	-	6,484,786	6,484,786
BD Finance	65,556,825	65,556,825	-	-
	<u>218,862,777</u>	<u>203,257,439</u>	<u>108,579,850</u>	<u>100,277,781</u>



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

18. Short-term loan from Banks

Time Loan and LTR

Mercantile Bank Limited	8,652,614	8,652,614	17,135,139	17,135,139
Dhaka Bank Limited	44,661,493	44,661,493	62,000,413	62,000,413
Bank Asia Limited	12,567,241	-	29,672,231	6,012,750
NCC Bank Limited	174,170,473	174,170,473	-	-
	<u>240,051,821</u>	<u>227,484,580</u>	<u>108,807,783</u>	<u>85,148,302</u>

Bank Overdraft

Dhaka Bank Limited	9,578,444	9,578,444	10,585,684	10,585,684
Mercantile Bank Limited	15,598,394	15,598,394	15,644,186	15,644,186
Bank Asia Limited	10,441,068	5,235,727	11,305,398	5,931,713
Southeast Bank Limited	12,150,150	12,150,150	34,926,257	34,926,257
NCC Bank Limited	96,556,020	96,556,020	35,340,253	35,340,253
Farmers Bank Limited	153,515,785	153,515,785	-	-
	<u>297,839,862</u>	<u>292,634,520</u>	<u>107,801,778</u>	<u>102,428,092</u>
	<u>537,891,683</u>	<u>520,119,100</u>	<u>216,609,560</u>	<u>187,576,394</u>

18.1 Short-term loan

Mercantile Bank Limited

Opening Balance	17,135,139	17,135,139	17,103,437	17,103,437
Add: Principal this year	18,650,069	18,650,069	34,844,088	34,844,088
Add: Interest this year	1,329,719	1,329,719	4,084,281	4,084,281
Less: Payment this year	(28,462,312)	(28,462,312)	(38,896,667)	(38,896,667)
	<u>8,652,614</u>	<u>8,652,614</u>	<u>17,135,139</u>	<u>17,135,139</u>

Dhaka Bank Limited

Opening Balance	62,000,413	62,000,413	12,148,013	12,148,013
Add: Principal this year	151,413,019	151,413,019	79,141,058	79,141,058
Add: Interest this year	5,730,396	5,730,396	5,330,082	5,330,082
Less: Payment this year	(174,482,335)	(174,482,335)	(34,618,741)	(34,618,741)
	<u>44,661,493</u>	<u>44,661,493</u>	<u>62,000,413</u>	<u>62,000,413</u>

Bank Asia Limited

Opening balance	29,672,231	6,012,750	17,977,690	1,320,420
Add: Principal this year	36,958,163	13,744,868	46,457,136	20,332,052
Add: Interest this year	6,167,852	2,393,377	4,982,683	2,157,887
Less: Payment this year	(60,231,005)	(22,150,995)	(39,745,279)	(17,797,609)
	<u>12,567,240</u>	<u>-</u>	<u>29,672,231</u>	<u>6,012,750</u>

Southeast Bank Limited

Opening Balance	-	-	-	-
Add: Principal this year	-	-	155,564,356	155,564,356
Add: Interest this year	-	-	2,665,884	2,665,884
Less: Payment this year	-	-	(158,230,240)	(158,230,240)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NCC Bank Limited

Opening Balance	-	-	-	-
Add: Principal this year	205,898,926	205,898,926	-	-
Add: Interest this year	16,456,370	16,456,370	-	-
Less: Payment this year	(48,184,823)	(48,184,823)	-	-
	<u>174,170,473</u>	<u>174,170,473</u>	<u>-</u>	<u>-</u>
	<u>240,051,820</u>	<u>227,484,580</u>	<u>108,807,782</u>	<u>85,148,302</u>



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

19. Accounts payable

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
The Bengal Electric	-	-	34,439,000	34,439,000
A & J Traders	708,045	708,045	18,438,045	18,438,045
Doosan Infracore co, Ltd.	-	-	15,577,260	15,577,260
Easy Electronics	-	-	1,282,489	1,282,489
Euro Renewable Energy Ltd.	-	-	2,411,807	2,411,807
Khwaja Cable Industries Ltd.	-	-	10,169	10,169
Mega Technology System	-	-	103,500	103,500
N.W Enterprise	-	-	4,158,125	4,158,125
Rimso Renewable energy	913,541	913,541	7,451,087	7,451,087
Model Art press	523,144	523,144	519,147	519,147
JSF Technologies Limited	-	-	748,875	748,875
Excell Engineering & Services	661,100	661,100	-	-
Power Utility Bangladesh Ltd.	340,000	340,000	-	-
Pacific International	530,160	530,160	-	-
Others	2,116,335	2,116,335	6,634,203	6,634,203
Subsidiary	14,967,788	-	9,090,654	-
	<u>20,760,113</u>	<u>5,792,325</u>	<u>100,864,360</u>	<u>91,773,706</u>

20. Accrued expenses

Salary and allowances	9,450,132	9,314,573	8,854,237	8,729,955
Others payable	6,538,749	6,538,750	14,217,750	14,217,750
Office rent	210,000	210,000	210,000	210,000
Income tax payable (note: 20.1)	190,561,778	188,170,093	147,521,598	146,637,884
Audit fee	375,000	350,000	375,000	350,000
Service charge	26,000	26,000	26,000	26,000
Electricity bill	337,397	69,280	936,713	83,100
Legal fee	2,300	2,300	2,300	2,300
Telephone bill	18,258	18,258	18,889	18,889
	<u>207,519,614</u>	<u>204,699,254</u>	<u>172,162,487</u>	<u>170,275,878</u>

20.1 Income tax provision

Opening Balance	147,521,598	146,637,884	94,468,915	93,871,408
Addition this year	43,040,180	41,532,209	53,052,683	52,766,476
Adjustment this year	-	-	-	-
	<u>190,561,778</u>	<u>188,170,093</u>	<u>147,521,598</u>	<u>146,637,884</u>

21. Obligation to Contract Clients

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Integra Apparels Ltd.	-	-	1,815,000	1,815,000
Concord Heights Management Committee	-	-	1,036,625	1,036,625
Total Machinery and Chemical Supplier	-	-	800,000	800,000
M.A Taher	-	-	800,000	800,000
Others	89,700	89,700	7,673,063	7,673,063
	<u>89,700</u>	<u>89,700</u>	<u>12,124,688</u>	<u>12,124,688</u>

22. Workers profit participation fund

Opening balance	7,035,530	7,035,530	-	-
Add: During this year	7,551,311	7,551,311	7,035,530	7,035,530
	<u>14,586,841</u>	<u>14,586,841</u>	<u>7,035,530</u>	<u>7,035,530</u>



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

18. Short-term loan from Banks

Time Loan and LTR

Mercantile Bank Limited	8,652,614	8,652,614	17,135,139	17,135,139
Dhaka Bank Limited	44,661,493	44,661,493	62,000,413	62,000,413
Bank Asia Limited	12,567,241	-	29,672,231	6,012,750
NCC Bank Limited	174,170,473	174,170,473	-	-
	240,051,821	227,484,580	108,807,783	85,148,302

Bank Overdraft

Dhaka Bank Limited	9,578,444	9,578,444	10,585,684	10,585,684
Mercantile Bank Limited	15,598,394	15,598,394	15,644,186	15,644,186
Bank Asia Limited	10,441,068	5,235,727	11,305,398	5,931,713
Southeast Bank Limited	12,150,150	12,150,150	34,926,257	34,926,257
NCC Bank Limited	96,556,020	96,556,020	35,340,253	35,340,253
Farmers Bank Limited	153,515,785	153,515,785	-	-
	297,839,862	292,634,520	107,801,778	102,428,092
	537,891,683	520,119,100	216,609,560	187,576,394

18.1 Short-term loan

Mercantile Bank Limited

Opening Balance	17,135,139	17,135,139	17,103,437	17,103,437
Add: Principal this year	18,650,069	18,650,069	34,844,088	34,844,088
Add: Interest this year	1,329,719	1,329,719	4,084,281	4,084,281
Less: Payment this year	(28,462,312)	(28,462,312)	(38,896,667)	(38,896,667)
	8,652,614	8,652,614	17,135,139	17,135,139

Dhaka Bank Limited

Opening Balance	62,000,413	62,000,413	12,148,013	12,148,013
Add: Principal this year	151,413,019	151,413,019	79,141,058	79,141,058
Add: Interest this year	5,730,396	5,730,396	5,330,082	5,330,082
Less: Payment this year	(174,482,335)	(174,482,335)	(34,618,741)	(34,618,741)
	44,661,493	44,661,493	62,000,413	62,000,413

Bank Asia Limited

Opening balance	29,672,231	6,012,750	17,977,690	1,320,420
Add: Principal this year	36,958,163	13,744,868	46,457,136	20,332,052
Add: Interest this year	6,167,852	2,393,377	4,982,683	2,157,887
Less: Payment this year	(60,231,005)	(22,150,995)	(39,745,279)	(17,797,609)
	12,567,240	-	29,672,231	6,012,750

Southeast Bank Limited

Opening Balance	-	-	-	-
Add: Principal this year	-	-	155,564,356	155,564,356
Add: Interest this year	-	-	2,665,884	2,665,884
Less: Payment this year	-	-	(158,230,240)	(158,230,240)
	-	-	-	-

NCC Bank Limited

Opening Balance	-	-	-	-
Add: Principal this year	205,898,926	205,898,926	-	-
Add: Interest this year	16,456,370	16,456,370	-	-
Less: Payment this year	(48,184,823)	(48,184,823)	-	-
	174,170,473	174,170,473	-	-
	240,051,820	227,484,580	108,807,782	85,148,302



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

19. Accounts payable

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
The Bengal Electric	-	-	34,439,000	34,439,000
A & J Traders	708,045	708,045	18,438,045	18,438,045
Doosan Infracore co, Ltd.	-	-	15,577,260	15,577,260
Easy Electronics	-	-	1,282,489	1,282,489
Euro Renewable Energy Ltd.	-	-	2,411,807	2,411,807
Khwaja Cable Industries Ltd.	-	-	10,169	10,169
Mega Technology System	-	-	103,500	103,500
N.W Enterprise	-	-	4,158,125	4,158,125
Rimso Renewable energy	913,541	913,541	7,451,087	7,451,087
Model Art press	523,144	523,144	519,147	519,147
JSF Technologies Limited	-	-	748,875	748,875
Excell Engineering & Services	661,100	661,100	-	-
Power Utility Bangladesh Ltd.	340,000	340,000	-	-
Pacific International	530,160	530,160	-	-
Others	2,116,335	2,116,335	6,634,203	6,634,203
Subsidiary	14,967,788	-	9,090,654	-
	<u>20,760,113</u>	<u>5,792,325</u>	<u>100,864,360</u>	<u>91,773,706</u>

20. Accrued expenses

Salary and allowances	9,450,132	9,314,573	8,854,237	8,729,955
Others payable	6,538,749	6,538,750	14,217,750	14,217,750
Office rent	210,000	210,000	210,000	210,000
Income tax payable (note: 20.1)	190,561,778	188,170,093	147,521,598	146,637,884
Audit fee	375,000	350,000	375,000	350,000
Service charge	26,000	26,000	26,000	26,000
Electricity bill	337,397	69,280	936,713	83,100
Legal fee	2,300	2,300	2,300	2,300
Telephone bill	18,258	18,258	18,889	18,889
	<u>207,519,614</u>	<u>204,699,254</u>	<u>172,162,487</u>	<u>170,275,878</u>

20.1 Income tax provision

Opening Balance	147,521,598	146,637,884	94,468,915	93,871,408
Addition this year	43,040,180	41,532,209	53,052,683	52,766,476
Adjustment this year	-	-	-	-
	<u>190,561,778</u>	<u>188,170,093</u>	<u>147,521,598</u>	<u>146,637,884</u>

21. Obligation to Contract Clients

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Integra Apparels Ltd.	-	-	1,815,000	1,815,000
Concord Heights Management Committee	-	-	1,036,625	1,036,625
Total Machinery and Chemical Supplier	-	-	800,000	800,000
M.A Taher	-	-	800,000	800,000
Others	89,700	89,700	7,673,063	7,673,063
	<u>89,700</u>	<u>89,700</u>	<u>12,124,688</u>	<u>12,124,688</u>

22. Workers profit participation fund

Opening balance	7,035,530	7,035,530	-	-
Add: During this year	7,551,311	7,551,311	7,035,530	7,035,530
	<u>14,586,841</u>	<u>14,586,841</u>	<u>7,035,530</u>	<u>7,035,530</u>

Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

23. Sales

	Year ended 30 June 2014				The Company	
	Gross revenue	VAT	Net revenue	Consolidated	Net revenue	Consolidated
Contract	576,039,326	17,044,562	558,994,764	558,994,764	661,548,451	661,548,451
Maintenance	253,964,088	-	253,964,088	253,964,088	66,202,951	66,202,951
Imported goods	654,016,141	2,863,481	651,152,660	651,152,660	698,365,508	698,365,508
Net sales (subsidiary)			-	56,964,840	-	35,395,827
	1,484,019,555	19,908,042	1,464,111,513	1,521,076,353	1,426,116,910	1,461,512,737

24. Cost of sales

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Maintenance (note: 24.1)	131,270,814	131,270,814	55,909,467	55,909,467
Contracts (note: 24.2)	333,613,093	333,613,093	412,240,688	412,240,688
Imported goods (note: 24.3)	501,176,196	501,176,196	535,931,250	535,931,250
Cost of sales (note: 24.4)	45,755,077	-	28,215,541	-
	1,011,815,181	966,060,103	1,032,296,946	1,004,081,405

24.1 Maintenance

Wages and others expenses	48,189,357	48,189,357	18,865,310	18,865,310
Labour bills	76,347,790	76,347,790	23,038,045	23,038,045
Fuel and oil	3,217,328	3,217,328	806,490	806,490
Repair and maintenance	3,516,339	3,516,339	13,199,622	13,199,622
	131,270,814	131,270,814	55,909,467	55,909,467

24.2 Contract

Wages and salary	109,300,396	109,300,396	117,348,160	117,348,160
Project implementation cost	46,518,880	46,518,880	67,005,398	67,005,398
Wages and others expenses	1,325,000	1,325,000	1,825,190	1,825,190
Trailer and prime mover rent	5,566,850	5,566,850	38,361,881	38,361,881
Fuel and oil	28,542,871	28,542,871	34,030,882	34,030,882
Utility bill	2,828,690	2,828,690	3,095,671	3,095,671
Uniform expenses (dress)	18,250	18,250	135,000	135,000
Repair and maintenance	139,119,474	139,119,474	150,275,862	150,275,862
Hotel rent	392,683	392,683	162,644	162,644
	333,613,093	333,613,093	412,240,688	412,240,688

24.3 Imported goods

Cost of imported goods	273,414,061	273,414,061	314,430,550	314,430,550
Clearing charge	16,680,950	16,680,950	3,182,195	3,182,195
L/C expenses	2,231,935	2,231,935	3,463,188	3,463,188
Marine insurance	963,820	963,820	3,400,295	3,400,295
Carriage inward	64,917	64,917	85,500	85,500
Wages and salary	207,820,514	207,820,514	209,569,522	209,569,522
Godown rent	-	-	1,800,000	1,800,000
	501,176,196	501,176,196	535,931,250	535,931,250

24.4 Cost of sales of subsidiary

	45,755,077	-	28,215,541	-
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**Saif Powertec Limited**

Notes to the financial statements for the year ended 30 June 2014

25. General and administrative expenses

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Salary and allowances	61,388,901	60,637,151	57,429,841	56,750,981
Office rent	11,111,685	10,955,685	8,408,500	8,252,500
Travelling and conveyance	6,496,953	6,480,838	24,907,700	24,892,470
Vehicle running expenses	4,021,970	3,999,350	2,543,414	2,528,114
Publicity and promotional expenses	5,025,290	5,025,290	5,563,850	5,563,850
Utility bills	1,151,385	1,151,385	1,242,810	1,242,810
Consultancy fee	280,000	280,000	208,143	208,143
Communication expenses	823,920	818,320	1,266,350	1,266,350
Printing and stationery	3,305,555	3,296,055	1,975,857	1,967,606
Employees welfare	2,824,858	2,785,728	2,698,559	2,640,309
Medical expenses	113,344	113,344	23,324	23,324
Business license fee	500,353	492,020	104,000	104,000
Audit fees	375,000	350,000	375,000	350,000
Depreciation	90,141,692	90,141,692	62,802,464	62,802,464
Service charge	385,432	364,332	297,000	297,000
Telephone and mobile phone bills	1,448,628	1,446,228	1,441,824	1,433,824
Postage and courier	138,859	133,259	183,403	178,103
Carriage outward	739,500	739,500	1,905,220	1,905,220
Repair and maintenance	925,545	853,815	694,291	627,771
Tender expenses	173,758	173,758	16,879	16,879
Share issue expenses	-	-	1,850,000	1,850,000
Marketing expenses	981,768	698,970	1,797,995	1,555,410
Paper and periodicals	35,179	33,379	32,555	30,955
Legal fees	790,333	790,333	51,750	51,750
Insurance premium	26,493	26,493	51,402	51,402
Sundry expenses	3,337,997	3,337,997	7,399,941	6,940,856
	<u>196,544,398</u>	<u>195,124,922</u>	<u>185,272,072</u>	<u>183,532,091</u>

26. Financial expenses

Bank interest				
Mercantile Bank Limited	9,615,617	9,615,617	14,914,091	14,914,091
Dhaka Bank Limited	50,278,674	50,278,674	41,502,846	41,502,846
ICB Islamic Bank Limited	523,454	523,454	1,506,664	1,506,664
Bank Asia Limited	14,680,145	5,749,655	14,189,116	6,309,369
Southeast Bank Limited	4,078,893	4,078,893	18,654,217	18,654,217
NCC Bank Limited	32,436,637	32,436,637	75,060	75,060
Farmers Bank Limited	6,079,684	6,079,684	-	-
BD Finance	35,337,879	35,337,879	-	-
	<u>153,030,985</u>	<u>144,100,494</u>	<u>90,841,993</u>	<u>82,962,246</u>



Saif Powertec Limited

Notes to the financial statements for the year ended 30 June 2014

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Bank charge, commission & others				
AB Bank Limited	6,563	6,563	11,204	11,204
Bank Asia Limited	529,980	482,740	807,512	758,780
BD Finance	3,738,000	3,738,000	-	-
BRAC Bank Limited	22,173	22,173	16,892	16,892
Dhaka Bank Limited	3,676,298	3,676,298	8,939,367	8,939,367
Eastern Bank Limited	8,845	8,845	2,301	2,301
Farmers Bank Limited	72,853	72,853	-	-
Islami Bank (Bangladesh) Limited	106,272	106,272	18,760	18,760
Jamuna Bank Limited	4,466	3,201	6,127	3,286
Mercantile Bank Limited	591,626	591,626	2,533,399	2,533,399
NCC Bank Limited	1,772,709	1,772,709	1,035,793	1,035,793
ONE Bank Limited	5,396	5,396	12,480	12,480
Premier Bank Limited	1,150	1,150	1,150	1,150
Social Islami Bank Limited	690	690	1,920	1,920
Sonali Bank Limited	2,545	2,545	6,481	6,481
Southeast Bank Limited	793,572	790,782	2,924,718	2,922,651
Standard Chartered Bank	5,620	5,620	122,590	122,590
United Commercial Bank Limited	20,620	12,900	1,348	1,348
Cash (Pay order, online charge etc.)	66,942	66,137	22,576	22,576
	11,426,319	11,366,498	16,464,617	16,410,977
	164,457,303	155,466,992	107,306,610	99,373,223

27. Earnings per share (EPS)

	Amount in Taka			
	At 30 June 2014		At 30 June 2013	
	Consolidated	The Company	Consolidated	The Company
Earnings attributable to ordinary shares:				
Net profit after tax as per statement of	111,504,633	109,494,005	88,325,737	87,944,127
Net profit after tax as per statement of	97,165,324	98,375,976	76,453,493	79,328,184
Number of shares:	43,894,000	43,894,000	43,894,000	43,894,000
Basic earnings per share (EPS) :	2.54	2.49	2.01	2.00
(Per value of Taka 10)				
Basic earnings per share (EPS) :	2.21	2.24	1.74	1.81
(Per value of Taka 10)				

28. Directors' responsibility statements

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

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

**Saif Powertec Limited**

Notes to the financial statements for the year ended 30 June 2014

Others

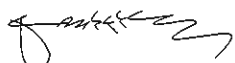
30. No. of employees who received remuneration throughout the financial year neither more than Taka 300,000 nor less than Taka 4,000 per month were 850.
31. Figures are rounded off to the nearest Taka.
32. Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation without causing any impact on the operating results for the year and value of assets and liabilities at the end of that year as shown in.
33. These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
34. Production capacity and current utilization

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

for Saif Powertec Limited


Managing Director


Director


Company Secretary

Dhaka, Bangladesh
Dated: 27 October 2014



Saif Powertec Limited

Details of Property, Plant and Equipment and Depreciation at 30 June 2014

Annex I

Asset category	Cost or Valuation				Depreciation				Written down value at 30 June 2014.
	At 01 July 2013	Additions	Revaluation	Total at 30 June 2014	Rate (%)	To 01 July 2013	Charge for the year	Adjustment on disposal	Total to 30 June 2014
Tools and equipment	459,319,016	239,976,977	-	699,295,993	10	140,156,460	55,913,953	-	196,070,413
Land and land development	187,136,835	5,500,000	-	192,636,835	-	-	-	-	-
Pre-fabricated building	25,550,054	-	-	25,550,054	10	4,854,510	2,069,554	-	6,924,064
Building	228,794,793	105,506,850	-	334,301,643	5	15,961,740	15,916,995	-	31,878,735
Plant and machinery	44,914,630	-	-	44,914,630	20	26,693,060	3,644,314	-	30,337,374
Motor vehicles	52,625,821	7,125,000	-	59,750,821	20	27,310,436	6,488,077	-	33,798,513
Workshop	6,267,600	-	-	6,267,600	10	3,593,660	267,394	-	3,861,054
Office and electrical equipment	17,322,744	28,532,713	-	45,855,457	10	4,955,943	4,089,951	-	9,045,894
Furniture and fixtures	14,995,240	5,919,834	-	20,915,074	10	4,112,609	1,680,247	-	5,792,856
Others	1,213,003	45,165	-	1,258,168	10	546,103	71,207	-	617,310
Total at 30 June 2014.	1,038,139,736	392,606,539	-	1,430,746,275		228,184,521	90,141,692	-	318,326,213
Total at 30 June 2013.	757,738,397	280,401,339	-	1,038,139,736		165,382,057	62,802,464	-	228,184,521
Consolidated Property, Plant & Equipment									
Tools and equipment	459,985,830	239,976,977	-	699,962,807	10	140,243,146	55,971,966	-	196,215,112
Land and land development	194,947,485	5,500,000	-	200,447,485	-	-	-	-	-
Pre-fabricated building	25,550,054	-	-	25,550,054	10	4,854,510	2,069,554	-	6,924,064
Building	228,794,793	105,506,850	-	334,301,643	10	15,961,740	15,916,995	-	31,878,735
Plant and machinery	147,144,241	38,412,773	-	185,557,014	20	33,423,176	10,339,927	-	43,763,103
Motor vehicles	56,127,821	7,125,000	-	63,252,821	20	27,660,636	6,803,257	-	34,463,893
Workshop	6,267,600	-	-	6,267,600	10	3,593,660	267,394	-	3,861,054
Office and electrical equipment	17,924,594	28,532,713	-	46,457,307	10	5,034,184	4,142,312	-	9,176,496
Furniture and fixtures	15,486,840	5,919,834	-	21,406,674	10	4,176,517	1,723,016	-	5,899,533
Others	1,213,003	45,165	-	1,258,168	10	546,103	71,207	-	617,310
Total at 30 June 2014.	1,153,442,261	431,019,312	-	1,584,461,573		235,493,671	97,305,629	-	332,799,300
Total at 30 June 2013.	867,887,772	285,554,489	-	1,153,442,261		167,144,559	68,349,112	-	235,493,671

Saif Powertec Limited

Related party disclosure

Annex II/a

ANNUAL REPORT 2014

During the year the Company carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those

Amounts in Taka

Name of the Party	Relationship	Nature of Transaction	Opening balance at 01 July 2013	Addition during the year	Adjustment	Closing balance at 30 June 2014
Tarafder Md. Ruhul Amin	Director	Salary and allowances	-	1,800,000		1,800,000
Tarafder Nigar Sultana	Director	Salary and allowances	-	3,000,000		3,000,000
Tarafder Md. Ruhul Saif	Director	Salary and allowances	-	2,400,000		2,400,000
Rubya Chowdhury	Director	Salary and allowances	-	3,000,000		3,000,000
Saif Plastic & Polymer Industries Limited(*)	Subsidiary Company	Investment in Shares	80,000,000	-	-	80,000,000
Total			80,000,000	10,200,000	-	90,200,000

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

Saif Powertec Limited

Transaction with Key Management Personnel of the entity:

Annex II/b

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



**Saif Powertec Limited**

Shareholdings Position in Subsidiary Company

Annex III

Total shareholding:

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

Non-controlling interest

	%	Number of shares	Value of shares/Taka
Tarafder Md. Ruhul Amin	14%	1,400,000	14,000,000
Tarafder Nigar Sultana	3%	300,000	3,000,000
Rubya Chowdhury	3%	300,000	3,000,000
	20%	2,000,000	20,000,000
Share of profit 2013.			294,571
Share of profit 2014.			502,657
			20,797,228
Prior adjustment of pre- operating expenses and preliminary expenses			(777,584)
			20,019,644

Audited Financial Statements 2014



**SAIF PLASTIC & POLYMER
INDUSTRIES LIMITED**



INDEPENDENT AUDITOR'S REPORT

To

The Shareholders of Saif Plastic & Polymer Industries Limited

We have audited the accompanying financial statements of Saif Plastic & Polymer Industries Limited (the Company) namely, Statement of Financial Position at 30 June 2014 and the related Statement of Comprehensive Income, Statement of Cash Flows and notes thereto for the year ended.

Respective responsibilities of management and auditors

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

Basis of our audit opinion

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

Opinion

In our opinion, the financial statements prepared in accordance with generally accepted accounting principles and International Accounting Standards/ International Financial Reporting Standards so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards give a true and fair view of the state of the Company's affairs as at 30 June 2014 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of Companies Act 1994.

We further report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) our examination and checking of relevant financial records, books of account, schedules and details were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the said financial statements;
- (c) proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- (d) the said financial statements dealt with by this report are in agreement with the books of account.
- (e) the expenditure incurred and payments made were for the purpose of the Company's business for the year.

Dated, Dhaka.

The 8th September 2014

M.A. FAZAL & CO
Chartered Accountants

Saif Plastic & Polymer Industries Limited

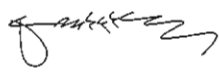
Statement of Financial Position at 30 June 2014

		Amounts in Taka	
	Notes	At 30 June 2014	At 30 June 2013
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	139,242,211	107,993,375
Capital works-in-progress	4	-	32,510,393
Intangible Assets	5	-	3,887,926
Total Non-Current Assets		139,242,211	144,391,694
Current Assets			
Inventories	6	17,092,718	14,182,972
Accounts and others receivable	7	2,934,029	8,700,739
Advance deposits and prepayment	8	1,991,139	10,091,802
Cash and bank balances	9	1,205,232	64,748
Total Current Assets		23,223,118	33,040,261
Total Assets		162,465,329	177,431,955
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	10	100,000,000	100,000,000
Retained earnings		98,215	1,472,856
		100,098,215	101,472,856
Non-Current Liabilities			
Long term loan	11	11,201,044	27,646,600
Total Non-Current Liabilities		11,201,044	27,646,600
Current Liabilities			
Current portion of long-term loan	12	15,605,338	8,302,070
Short term loan	13	17,772,583	29,033,166
Sundry creditors	14	14,967,788	9,090,654
Liability for Expense	15	2,820,362	1,886,609
Total Current Liabilities		51,166,070	48,312,499
Total Equity and Liabilities		162,465,329	177,431,955

See annexed notes

for Saif Plastic & Polymer Industries Limited


Chairman

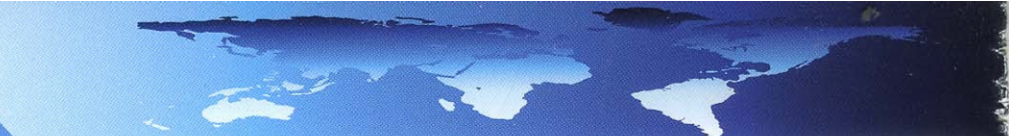

Company Secretary


Managing Director

Signed in terms of our report of even date annexed

Dated, Dhaka.
The 8th September 2014


M.A. FAZAL & CO
Chartered Accountants

**Saif Plastic & Polymer Industries Limited**

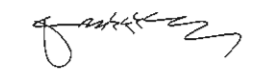
Statement of Comprehensive Income for the year ended 30 June 2014


	Notes	Amounts in Taka	
		Year ended 30 June 2014	Year ended 30 June 2013
REVENUE			
Sales	16	56,964,840	35,395,827
Less: Cost of Goods Sold	17	(45,755,077)	(28,215,541)
Gross Profit		11,209,763	7,180,286
Less: Operating Expenses			
Administrative expenses	18	(1,136,678)	(1,497,396)
Marketing and selling expenses	19	(282,798)	(242,585)
		(1,419,476)	(1,739,981)
Operating Profit		9,790,287	5,440,305
Other income		3,221,281	3,256,301
Financial expenses	20	(8,990,311)	(7,933,387)
Net Profit before Tax		4,021,256	763,219
Provision for income tax		1,507,971	286,207
Net Profit after Tax		2,513,285	477,012

See annexed notes

for Saif Plastic & Polymer Industries Limited


 Chairman


 Company Secretary


 Managing Director

Signed in terms of our report of even date annexed

 Dated, Dhaka.
 The 8th September 2014


 M.A. FAZAL & CO
 Chartered Accountants

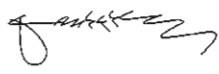
Saif Plastic & Polymer Industries Limited

Statement of Cash Flows for the year ended 30 June 2014

	Amounts in Taka	
	Year ended 30 June 2014	Year ended 30 June 2013
Cash Flows from Operating Activities		
Cash receipt from customer	65,952,831	41,842,660
Cash paid to suppliers and employees	(37,617,448)	(20,997,657)
Cash generated from operations	28,335,383	20,845,003
Advance, deposits and prepayment	3,447,608	(874,907)
Advance income tax	(950,625)	(587,936)
Finacial cost	(8,990,311)	(7,933,387)
Net cash flow from operating activities	21,842,055	11,448,773
Cash flow from investing activities		
Purchases of property, plant and equipment	(298,700)	(5,153,150)
Capital work-in-progress	-	(13,876,745)
Net cash used in operating activities	(298,700)	(19,029,895)
Cash flow from financial activities		
Receipt /(payment) against long term loan-Net	(9,142,288)	(689,420)
Receipt /(payment) against short term loan-Net	(11,260,583)	7,235,246
Net cash from/(used in) financing activities	(20,402,871)	6,545,826
Net cash inflow/(outflow) for the year	1,140,484	(1,035,296)
Opening cash and cash equivalents	64,748	1,100,044
Closing cash and cash equivalents	1,205,232	64,748

for Saif Plastic & Polymer Industries Limited


Chairman


Company Secretary


Managing Director

Signed in terms of our report of even date annexed

Dated, Dhaka.
The 8th September 2014


M.A. FAZAL & CO
Chartered Accountants

**Saif Plastic & Polymer Industries Limited**

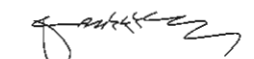
Statement of Changes in Equity for the year ended 30 June 2014


Amounts in Taka

Particulars	Share capital	Retained earnings	Total
Balance at 01 July 2012	100,000,000	995,844	100,995,844
Net profit after tax for the year	-	477,012	477,012
Balance at 30 June 2013	100,000,000	1,472,856	101,472,856
Balance at 01 July 2013	100,000,000	1,472,856	101,472,856
Pre-Operating expenses		(3,887,926)	(3,887,926)
Net profit after tax for the year	-	2,513,285	2,513,285
Balance at 30 June 2014	100,000,000	98,215	100,098,215

for Saif Plastic & Polymer Industries Limited


Chairman


Company Secretary


Managing Director

Signed in terms of our report of even date annexed

Dated, Dhaka.
The 8th September 2014


M.A. FAZAL & CO
Chartered Accountants



Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

General

1. The Company and Its Activities

1.1 Entity

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

1.2 Registered and Corporate Office

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

1.3 Capital Structure of the Company

The authorised capital of the Company is Taka 200,000,000 divided into 20,000,000 ordinary shares of Taka 10 each.

1.4 Nature of Business

The Company's plastic goods manufacture is located at Pubail, Boshugoan, Gazipur.

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

1.5 Factory Operations

Saif Plastic & Polymer Industries Limited manufacturer owned by shareholders from Bangladesh, the Company started its commercial production on 01 July 2011.

2. Significant Accounting Policies

These financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), applicable to the Company so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs)/Bangladesh Financial Reporting Standards (BFRSs). The disclosures of information made in accordance with the requirements of the Companies Act 1994 and the Statement of Financial Position and Statement of Comprehensive Income have been prepared in accordance with BAS-1/IAS -1 (presentation of financial statements) on accrual basis following going concern concept.

In the preparation of these financial statements, management requires information to make judgment, estimate and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimate.



Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

2.1 Property, plant and equipment

Property, plant and equipment are stated in attached Statement of Financial Position at cost less accumulated depreciation in accordance with BAS-16/IAS-16. Maintenance, renewals and betterments that enhance the economic useful life of the property, plant and equipment or that improve the capacity, quality or reduce substantially the operating cost or administration expenses are capitalised by adding it to the related property, plant and equipment.

Upon disposal of items of property, plant and equipment, the cost of those assets and their related accumulated depreciation are eliminated up to the date of disposal and any gains or losses therefrom are reported in the income statement of that year.

2.2 Depreciation on property, plant and equipment

Depreciation charged on the basis of reducing balance method. Depreciation continues to be charged on each item of property, plant and equipment until the written down value of such fixed asset is reduced to Taka one. Depreciation on addition to fixed assets is charged from the day of their acquisition and charging of depreciation on property, plant and equipment ceases from the day on which the deletion thereof takes place.

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

Category of property, plant and equipment	Rate (%)
Plant and machinery	5
Tools & equipments	10
Furniture and fixture	10
Office equipments	10
Motor vehicles	10

Land is not depreciated as it deemed to have an infinite life.

2.3 Capital work-in-progress

Capital work-in-progress is recorded at cost to the extent of expenditure incurred at the date of Statement of Financial Position. The amount of capital work-in-progress is transferred to appropriate asset category.

2.4 Accounts receivable

Accounts receivable has been stated at its original invoiced amount after deducting credit balances those have legally enforceable right to set off or are intended either to be settled.

Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

2.5 Valuation of inventories

Inventories are stated at lower of cost and net realisable value in compliance with the requirements of Para 9 of BAS-2/IAS-2 "Inventories".

Raw materials:

Raw materials is stated at weighted average cost.

Inventories are tested for obsolesces and impairment at end of the year. Corresponding provisions are being made in the books of account, if required.

Work-in-process:

Work-in-process is stated at cost to complete the respective product. Cost comprises cost of raw materials, wages and other overheads up to the stage of completion.

Finished products:

Finished products are stated at lower of cost and net realisable value. Cost comprises cost of raw materials, wages and other direct costs those contribute in transforming raw materials into finished products. Cost is calculated using the weighted average method. Net realisable value is arrived at after deducting cost to sell from selling prices of various items.

2.6 Revenue recognition

Revenue is measured at fair value of consideration received or receivable. Revenue from sale of goods is recognised when the Company has transferred significant risk and rewards of ownership of goods to the revenue and costs incurred to effect the transaction can be measured reliably in compliance with the requirements of BAS -18/IAS-18 "Revenue".

2.7 Borrowing costs

In compliance with the requirement of BAS-23 (Borrowing costs), borrowing costs relating to operational period of long term loans, overdraft facilities was charged to revenue account as an expense as incurred.

Inventories and their valuation

Component	Method of valuation
Raw materials	Moving average cost
Work-in-process	Cost of materials plus proportionate conversion cost
Finished goods	Lower of cost and net realisable value



Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

2.8 Taxation

Current tax:

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

2.9 Statement of cash flows

Statement of Cash Flows are prepared under indirect method in accordance with BAS-7/IAS-7

2.10 Creditors and accruals

Liabilities are recorded at the level of estimated amount payable in settlement.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, term deposits, etc which are available for use by the Company without any restrictions. There is no significant risk of change in value of the same.

2.12 Term loan from Bank Asia Limited

This is repayment in 60 monthly installments

Number of employees

The number of employees engaged for the year who received a total remuneration of Taka 6,000 and above was 35. None receiving below Taka 3,000 per month.

Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

	Amounts in Taka	
	At 30 June 2014	At 30 June 2013
3. <u>Property, plant and equipment</u>		
<u>Annex- A</u>	139,242,211	107,993,375
4. <u>Capital works -in- progress</u>		
Injection moulding machine- FT 220	-	11,990,963
Blowing moulding machine-JD-54A	-	1,783,585
Mould and others	-	6,390,772
Insurance	-	102,197
Local machinery & Erection materials	-	12,242,876
	-	32,510,393
5. <u>Intangible Assets</u>		
Pre-Operating Expenses	3,662,926	4,069,918
Less: Written off	-	406,992
	3,662,926	3,662,926
Preliminary Expenses	225,000	250,000
Less: Written off	-	25,000
	225,000	225,000
	3,887,926	3,887,926
Less: Prior adjustment	3,887,926	-
	-	3,887,926
6. <u>Inventories</u>		
Raw materials	11,055,600	11,142,920
Finished goods	4,048,740	1,219,712
Work-in-process	1,988,378	1,820,340
	17,092,718	14,182,972
7. <u>Account and others receivable</u>		
The IBN Sina Pharma Ind. Ltd.	615,700	3,443,900
Super oil refinery Ltd.	275,680	1,153,666
Bangladesh Edible Oil Ltd.	518,930	2,674,095
Biopharma Laboratories Ltd.	764,850	405,762
JMI Bangla Pharmaceutical Co. Ltd.	426,790	731,400
Chemico Laboratories Ltd.	-	54,933
General Pharmaceutical Ltd.	243,320	106,400
Drug International	88,760	130,583
	2,934,029	8,700,739

To comply with the BAS deferred expenditure has been adjusted with the retained earnings.

**Saif Plastic & Polymer Industries Limited**

Notes to financial statements for the year ended 30 June 2014

	Amounts in Taka	
	At	At
	30 June 2014	30 June 2013
8. <u>Advance deposits and prepayment</u>		
<u>Advance to:</u>		
Advance against machinery installation work	-	5,603,680
Advance against raw materials	228,050	2,530,620
VAT current account	34,563	710,273
L/c margin	-	461,328
Advance income tax	1,728,526	777,901
Other advance	-	8,000
	<u>1,991,139</u>	<u>10,091,802</u>
9. <u>Cash and Bank Balances</u>		
Cash in hand	148,250	44,878
Bank balances in		
Bank Asia Limited	4,962	10,618
Southeast Bank Limited	-	6,463
United Commercial Bank Limited	1,050,496	-
Jamuna Bank Limited	1,524	2,789
	<u>1,205,232</u>	<u>64,748</u>



Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

		Amounts in Taka	
		At 30 June 2014	At 30 June 2013
10.	<u>Share Capital</u>		
	<u>Authorised capital</u>		
	20,000,000 ordinary shares of Taka 10 each	200,000,000	200,000,000
	<u>Issued, subscribed, called and paid up capital</u>		
	10,000,000 ordinary shares of Taka 10 each	100,000,000	100,000,000
11.	<u>Long term loan from Banks</u>		
	Bank Asia Limited	11,201,044	27,646,600
		11,201,044	27,646,600
11.1	<u>Long-term loan</u>		
	<u>Bank Asia Limited</u>		
	Opening Balance	35,948,670	36,638,090
	Add: Principal this year	6,750,000	6,885,525
	Add: Interest this year	4,356,511	5,256,114
	Less: Payment this year	(20,248,798)	(12,831,059)
		26,806,382	35,948,670
		26,806,382	35,948,670
	Less: Long-term loan	11,201,044	27,646,600
	Transferred to current portion loan	15,605,338	8,302,070
12.	<u>Current portion of long-term loan</u>		
	Bank Asia Limited	15,605,338	8,302,070
		15,605,338	8,302,070
13.	<u>Short term loan</u>		
	<u>Loan on TR</u>		
	Bank Asia Limited	12,567,241	23,659,481
		12,567,241	23,659,481
	<u>Bank Overdraft</u>		
	Bank Asia Limited	5,205,342	5,373,685
		5,205,342	5,373,685
		17,772,583	29,033,166
13.1	<u>Short-term loan</u>		
	<u>Bank Asia Limited</u>		
	Opening Balance	23,659,481	16,657,246
	Add: Principal this year	23,213,294	26,125,085
	Add: Interest this year	3,774,476	2,824,796
	Less: Payment this year	(38,080,010)	(21,947,646)
		12,567,241	23,659,481

**Saif Plastic & Polymer Industries Limited**

Notes to financial statements for the year ended 30 June 2014

		Amounts in Taka	
		At 30 June 2014	At 30 June 2013
14.	Sundry Creditors		
	M/s Baker Enterprise	4,551,236	2,156,998
	M/s. Runner Motors	-	2,701,694
	M.S International	2,140,600	3,543,177
	S.R Engineering works	130,415	40,000
	SQ wire & cable co. Ltd.	670,262	252,285
	Azad Industries	2,835,850	160,000
	Nazmul Plastic	1,894,160	-
	Brothers engineer works	1,276,325	198,500
	Dipti Enterprise	1,468,940	38,000
		<u>14,967,788</u>	<u>9,090,654</u>
15.	Liability for expenses		
	Salary & wages	135,559	124,282
	Electricity bill	268,117	853,613
	Audit fee	25,000	25,000
	Income tax payable	2,391,685	883,714
		<u>2,820,362</u>	<u>1,886,609</u>



Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

		Amounts in Taka	
		Year ended 30 June 2014	Year ended 30 June 2013
16. Revenue			
	Sales	56,964,840	35,395,827
17. Cost of goods sold			
	Raw materials consumption		
	Opening stock of raw materials	11,142,920	6,714,465
	Purchases during the year	36,172,700	24,763,379
	Closing stock of raw materials	(11,055,600)	(11,142,920)
		36,260,020	20,334,924
	Manufacturing expenses:		
	Depreciation	7,163,936	5,546,648
	Salary & wages	885,360	769,105
	Insurance	423,574	445,158
	Electric bill	3,005,352	2,246,481
	Overtime bill	151,600	82,620
	Raw materials import charge	382,652	378,149
	Packing materials	417,325	269,758
	Carriage inward	62,324	25,600
		12,492,123	9,763,519
	Total Manufacturing cost	48,752,143	30,098,443
	Opening work-in process	1,820,340	998,450
	Closing work-in process	(1,988,378)	(1,820,340)
	Opening finished product	1,219,712	158,700
	Closing finished product	(4,048,740)	(1,219,712)
	Cost of goods sold	45,755,077	28,215,541

**Saif Plastic & Polymer Industries Limited**

Notes to financial statements for the year ended 30 June 2014

Amounts in Taka

18. Administrative Expenses

	Year ended 30 June 2014	Year ended 30 June 2013
Entertainment	39,130	48,250
Salary & allowances	741,350	670,560
Office rent	156,000	156,000
Repair and maintenance	71,730	66,520
Pre-operating expenses	-	406,992
Preliminary expenses	-	25,000
Donation	-	560
Licence fee	8,333	8,333
Vehicle expenses	22,620	25,300
Printing & stationary	9,500	8,251
Cleaner expenses	21,100	18,200
Internet bill	5,600	5,600
Mobile bill	2,400	2,400
Conveyance	16,115	15,230
Allowance	10,400	8,300
Audit fee	25,000	25,000
Paper and periodical	1,800	1,600
Postage & courier	5,600	5,300
	<u>1,136,678</u>	<u>1,497,396</u>

19. Marketing and Selling Expenses

Salary	170,480	176,000
Carring outward	20,900	12,360
Conveyance	91,418	54,225
	<u>282,798</u>	<u>242,585</u>

Saif Plastic & Polymer Industries Limited

Notes to financial statements for the year ended 30 June 2014

	Amounts in Taka	
	Year ended 30 June 2014	Year ended 30 June 2013
20. Financial Expenses		
Interest expenses	8,930,491	7,879,747
Bank charges	59,820	53,640
	<u>8,990,311</u>	<u>7,933,387</u>

21. Others

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

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

Saif Plastic & Polymer Industries Limited

Notes to financial statements for the period ended 30 June 2014

21.3 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year, such rearrangement, however, had no impact on the profit and value of assets and liabilities as reported in the financial statements.

21.4 Financial statements of the Company cover one financial year from 01 July 2013 to 30 June 2014.

Saif Plastic & Polymer Industries Limited



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3. Property, Plant and Equipment

Amounts in Taka

Particulars	C O S T			D E P R E C I A T I O N				Net book value at 30 June 2014
	Balance as at 01 July 2012	Additions	Total as at 30 June 2014	Rate	Balance as at 01 July 2013	Charge for the period	Adjustment	Total as at 30 June 2014
Land and land development	7,810,650	-	7,810,650	-	-	-	-	7,810,650
Plant and machinery	102,229,611	38,412,773	140,642,384	5%	6,730,116	6,695,613	-	13,425,729
Motor Vehicles	3,502,000	-	3,502,000	10%	350,200	315,180	-	665,380
Furniture and fixture	491,600	-	491,600	10%	63,908	42,769	-	106,677
Tools and equipments	666,814	-	666,814	10%	86,686	58,013	-	144,699
Office equipments	601,850	-	601,850	10%	78,241	52,361	-	130,601
Total at 30 June 2014	115,302,525	38,412,773	153,715,298	0	7,309,150	7,163,936	-	14,473,087
Total at 30 June 2013	110,149,375	5,153,150	115,302,525		-	7,659,350	-	7,659,350
								107,643,175

SAIF POWERTEC LIMITED

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Tel: (880 2)9856358-9 Fax: (880 2) 9855949

FORM OF PROXY

I/We
of
being shareholder(s) Saif Powertec Limited, entitled to vote hereby appoint Mr./Ms.
..... As my/ our proxy to attend and vote for me/ us and on my/ our behalf at the
11th Annual General Meeting of the Company to be held on Monday , December 15, 2014 and adjournment
thereof and the poll that may be taken in consequence thereof .

As witness my/ our hand this.....day of2014

.....
Signature of Shareholder(s)

.....
Signature of Proxy

Date.....

.....
Signature of Witness

(Signature of shareholder(s) must be in accordance with specimen signature with the company.)

ATTENDANCE

I/ we hereby record my / our presence at the 11th Annual General Meeting of Saif Powertec Limited at
Bashaugaon, Pubail, Gazipur on Monday , December 15, 2014 at 10.30 a.m.

Full name of shareholder.....
(In block letter) Signature

Full name of the Proxy.....
(In block letter) Signature

Shareholder's Folio / BO No.-----

Shareholders are requested to hand over the Attendance Slip at entrance of the meeting hall.



SAIF Powertec Limited

A House of Power & Material Handling Solution

CORPORATE OFFICE :

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