

Saif Powertec Limited

72, Mahakhali C/A,

Rupayan Centre (8th Floor), Dhaka 1212

Saif Powertec Limited

Third Quarter Consolidated Financial Statements
(Un-audited) for the year ended 31 March 2016

Saif Powertec Limited

Consolidated Statement of Financial Position (Balance Sheet) (Un-audited) as at 31 March 2016

Amount in Taka

Notes	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
Assets				
Non-current assets				
4	1,630,243,710	1,501,582,922	1,489,940,540	1,357,480,653
5	1,733,743,457	1,733,743,457	609,981,792	609,981,792
6	-	80,000,000	-	80,000,000
	3,363,987,167	3,315,326,379	2,099,922,332	2,047,462,445
Current assets				
7	461,221,550	457,305,971	484,602,027	477,940,429
8	692,020,285	688,880,638	665,821,895	658,067,339
9	645,725,317	640,353,228	476,459,627	473,410,617
10	173,990,752	173,990,752	163,329,031	163,329,031
11	36,646,949	36,310,368	195,610,251	193,839,997
	2,009,604,853	1,996,840,957	1,985,822,831	1,966,587,413
	5,373,592,020	5,312,167,336	4,085,745,163	4,014,049,858
Total assets				
Equity and liabilities				
Capital and reserves				
12	915,711,400	915,711,400	709,853,800	709,853,800
13	418,345,180	418,345,180	418,345,180	418,345,180
14	96,540,144	96,540,144	96,540,144	96,540,144
15	608,001,671	601,943,971	514,593,843	512,473,869
	2,038,598,395	2,032,540,695	1,739,332,967	1,737,212,993
	21,514,427	-	20,529,995	-
	2,060,112,822	2,032,540,695	1,759,862,962	1,737,212,993
Non-controlling interest				
Non-current liabilities				
16	983,037,923	983,037,923	666,493,563	666,493,563
	983,037,923	983,037,923	666,493,563	666,493,563
Current Liabilities				
17	285,114,515	285,114,515	241,701,807	221,534,831
18	1,048,723,473	1,042,187,858	1,088,141,936	1,076,203,713
	1,242,750	1,242,750	1,260,000	1,260,000
19	394,485,784	374,173,022	30,998,159	18,354,237
20	363,599,077	356,594,897	269,016,308	264,720,092
21	189,316,735	189,316,735	-	-
22	47,958,941	47,958,941	28,270,428	28,270,428
	2,330,441,275	2,296,588,718	1,659,388,638	1,610,343,302
	5,373,592,020	5,312,167,336	4,085,745,163	4,014,049,858
Total shareholders' equity and liabilities				
	22.26	22.20	24.50	24.47
	21.21	21.14	23.14	23.11

See annexed notes

M. Sultana

Chairman

for Saif Powertec Limited

[Signature]
Managing Director

[Signature]
Director

[Signature]
Chief Financial Officer

[Signature]
Company Secretary



Saif Powertec Limited
Consolidated Statement of Comprehensive Income (Income Statement) (Un-audited)
for the period from 1st July 2015 to 31st March 2016

Notes	Amount in Taka					
	From 1 July 2015 to 31 March 2016 Consolidated	The Company	From 1 July 2014 to 31 March 2015 Consolidated	The Company	From 1 January 2016 to 31 March 2016 Consolidated	The Company
Revenue						
Sales (net)	1,613,999,908	1,575,149,693	1,268,324,976	1,228,307,168	545,015,766	533,675,476
Cost of sales	(799,979,057)	(770,223,190)	(756,197,160)	(722,504,467)	(250,727,784)	(242,165,277)
Gross profit	814,020,851	804,926,503	512,127,816	505,802,701	294,287,982	291,510,199
General and administrative expenses	(164,619,048)	(163,466,557)	(149,318,376)	(148,188,572)	(66,595,780)	(66,194,518)
Profit from operations	649,401,803	641,459,946	362,809,440	357,614,129	227,692,202	225,315,681
Other income	20,693,502	19,129,660	39,509,293	38,822,843	3,413,264	3,044,195
Finance costs	(249,063,971)	(247,130,823)	(199,466,318)	(194,367,150)	(89,043,046)	(88,420,815)
Net profit before WPPF	421,031,334	413,458,783	202,852,415	202,069,822	142,062,420	139,939,061
Workers profit participation/Welfare fund	(19,688,513)	(19,688,513)	(9,622,373)	(9,622,373)	(6,663,764)	(6,663,764)
Net profit after WPPF	401,342,821	393,770,270	193,230,042	192,447,449	135,398,655	133,275,297
Income tax expenses	(101,092,960)	(98,442,568)	(53,157,826)	(52,923,048)	(34,061,999)	(33,318,824)
Net profit after tax	300,249,861	295,327,702	140,072,216	139,524,401	101,336,656	99,956,473
Profit attributable to ordinary shareholders						
Non controlling interest (20%)	(984,432)	-	(109,563)	-	(276,036)	-
Earnings per share	299,265,429	295,327,702	139,962,653	139,524,401	101,060,619	99,956,473
	3.27	3.23	1.56	1.55	1.10	1.09
Appropriation of subsidiary company's net profit :						
Saif Powertec Limited (parent company) - 80%	3,937,726					
Non-controlling interest (minority interest) - 20%	984,432					
	4,922,158					

See annexed notes

N. Sultana
Chairman

for Saif Powertec Limited

Managing Director


Director


Company Secretary



Chief Financial Officer

Saif Powertec Limited

Consolidated Statement of Cash Flows (Un-audited)

for the period from 1st July 2015 to 31st March 2016

	Amount in Taka			
	Period ended 31 March 2016		Period ended 31 March 2015	
	Consolidated	The Company	Consolidated	The Company
Cash flows from operating activities				
Cash receipt from customers	1,608,495,020	1,563,466,054	1,303,049,688	1,263,637,683
Cash paid to employees and suppliers	(765,628,676)	(749,264,905)	(948,961,844)	(918,755,811)
Cash generate from operating activities	842,866,344	814,201,149	354,087,844	344,881,872
Paid against advance income tax	(66,012,736)	(64,434,100)	(38,588,581)	(38,133,351)
Interest and financial expenses	(249,063,971)	(247,130,823)	(199,466,318)	(194,367,150)
Net cash provided by operating activities (A)	527,789,637	502,636,226	116,032,945	112,381,371
Cash flows from investing activities				
Purchase of property, plant and equipment	(996,612,571)	(995,595,071)	(612,406,187)	(612,406,187)
Fixed deposit receipt (FDR)	(10,661,721)	(10,661,721)	(90,681,293)	(90,681,293)
Net cash used in investing activities (B)	(1,007,274,292)	(1,006,256,792)	(703,087,480)	(703,087,480)
Cash flows from financing activities				
Receipt from short term loan	692,215,853	697,618,461	494,751,871	488,805,969
paid to short term loan	(731,634,316)	(731,634,316)	(194,192,220)	(181,926,488)
Share Capital (IPO)	-	-	120,000,000	120,000,000
Share premium	-	-	226,915,680	226,915,680
Share money deposit	(17,250)	(17,250)	1,260,000	1,260,000
Receipt from long term loan	543,907,662	564,074,638	254,096,311	244,548,128
paid to long term loan	(183,950,596)	(183,950,596)	(109,257,401)	(102,240,866)
Net cash provided by financing activities (C)	320,521,353	346,090,937	793,574,242	797,362,424
Net changes in cash and cash equivalents (A+B+C)	(158,963,302)	(157,529,629)	206,519,707	206,656,315
Opening cash and cash equivalents	195,610,251	193,839,997	21,202,906	19,997,674
Closing cash and cash equivalents	36,646,949	36,310,368	227,722,613	226,653,989
Net Operating cash flows per share	5.76	5.49	1.29	1.25

M. Sultana

Chairman

for Saif Powertec Limited

[Signature]
Managing Director

[Signature]
Director

[Signature]
Chief Financial Officer

[Signature]
Company Secretary



Saif Powertec Limited
Consolidated Statement of Changes in Equity (Un-audited)
for the period from 1st July 2015 to 31st March 2016

	Amounts in Taka				
	Share capital	Share premium	Revaluation reserve	Retained earnings	Total
Balance at 01 July 2014	438,940,000	191,429,500	96,540,144	451,370,636	1,178,280,280
Issue of shares	120,000,000	226,915,680	-	-	346,915,680
Issue of Bonus Shares	150,913,800	-	-	(150,913,800)	-
Share of profit of subsidiary company	-	-	-	438,252	438,252
Net income for the period				139,524,401	139,524,401
Balance at 31 March 2015	<u>709,853,800</u>	<u>418,345,180</u>	<u>96,540,144</u>	<u>440,419,489</u>	<u>1,665,158,613</u>
Balance at 01 July 2015	709,853,800	418,345,180	96,540,144	514,593,843	1,739,332,967
Issue of Bonus Shares	205,857,600	-	-	(205,857,600)	
Share of profit of subsidiary company	-	-	-	3,937,726	3,937,726
Net income for the period	-	-	-	295,327,702	295,327,702
Balance at 31 March 2016	<u>915,711,400</u>	<u>418,345,180</u>	<u>96,540,144</u>	<u>608,001,671</u>	<u>2,038,598,395</u>

for Saif Powertec Limited

M. Sultana

Chairman

[Signature]

Managing Director

[Signature]

Director

[Signature]

Chief Financial Officer

[Signature]

Company Secretary



Saif Powertec Limited

Notes to the financial statements for the period ended 31 March 2016

1. Reporting entity

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

1.1 Nature of business

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

1.2 Subsidiary company

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

1.3 Basis of consolidation

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

1.4 Risk exposure

a. Interest rate risk

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

Management perception:

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

b. Exchange Rate Risk

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

Management perception:

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

c. Industry risks

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

Management perception:

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

d. Market Risks

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

e. Technology Related Risks

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

f. Potential or Existing Government Regulations

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

g. Operational risks

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



Saif Powertec Limited
Notes to the financial statements for the period ended 31 March 2016

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 9 (nine) months from 01 July 2015 to 31 March 2016.

2.6 Comparative Information and Rearrangement Thereof

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

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

2.7 Corporate Accounting Standards Practiced

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

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

3. Significant accounting policies

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

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

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

3.1.2 Subsequent costs

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



3.1.3 Depreciation on property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation thereon. Depreciation is charged applying diminishing balance method on all fixed assets other than land and land development. Depreciation on current period addition is charged in accordance with from the date of available for used to till the Balance Sheet date as per IAS/BAS 16, Paragraph -55. No depreciation is charged on disposal made during the year.

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

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

3.1.4 Impairment of assets

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

3.2 Inventories

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

3.3 Leased assets

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

3.4 Provisions

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

3.5 Capital works-in-progress

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

3.6 Earnings per share (EPS)

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

3.7 Revenue

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

3.8 Trade receivables

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

3.9 Finance income and expenses

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

3.10 Cash and cash equivalents

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

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

3.11 Taxation

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

3.12 Deferred tax

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



Saif Powertec Limited
Notes to the financial statements for the period ended 31 March 2016
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	1,350,000
Tarafder Nigar Sultana	Salary and allowances	2,250,000
Tarafder Md. Ruhul Saif	Salary and allowances	1,800,000
Rubya Chowdhury	Salary and allowances	2,250,000
Saif Plastic & Polymer Industries Limited	Investment in Shares	80,000,000

4. Property, Plants, Equipment and building

	Amount in Taka			
	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
Cost:				
Opening balance	1,930,939,971	1,777,224,673	1,584,461,573	1,430,746,275
Add: Addition during the period/ year	233,495,662	232,478,162	346,478,398	346,478,398
Closing balance (A)	2,164,435,633	2,009,702,835	1,930,939,971	1,777,224,673
Depreciation:				
Opening balance	440,999,431	419,744,020	332,799,301	318,326,213
Add : Charge for the period / year	93,192,492	88,375,893	108,200,130	101,417,807
Closing balance (B)	534,191,923	508,119,913	440,999,431	419,744,020
Written down value (A-B)	1,630,243,710	1,501,582,922	1,489,940,540	1,357,480,653

Details are in Annex I.

5. Capital works-in-progress

Opening balance	609,981,792	609,981,792	145,554,192	145,554,192
Add: Addition during the period / year	1,276,792,842	1,276,792,842	637,289,203	637,289,203
Less: Transferred	(153,031,177)	(153,031,177)	(172,861,603)	(172,861,603)
Closing balance	1,733,743,457	1,733,743,457	609,981,792	609,981,792

6. Investment in subsidiary company

Amount in Taka 80,000,000 was invested by the company in its subsidiary, Saif Plastic and Polymer Industries Limited in 8,000,000 ordinary shares of Taka 10 each.

7. Inventories

Generators	130,673,448	130,673,448	236,409,222	236,409,222
Spare parts	230,707,734	230,707,734	187,166,007	187,166,007
Electric goods	95,924,789	95,924,789	54,365,200	54,365,200
Closing stock subsidiary company	3,915,579	-	6,661,598	-
	461,221,550	457,305,971	484,602,027	477,940,429

8. Accounts and others receivable

Imported goods sales	479,261,218	479,261,218	397,798,020	397,798,020
Contract execution	115,564,426	115,564,426	125,451,966	125,451,966
Shipping agent	91,476,436	91,476,436	130,496,378	130,496,378
Receivable (Subsidiary Company)	3,139,647	-	7,754,556	-
Interest Receivable	2,578,558	2,578,558	4,320,975	4,320,975
	692,020,285	688,880,638	665,821,895	658,067,339
Dues upto 6 months	363,069,320	358,097,639	344,299,900	336,545,344
Dues above 6 months	328,950,965	330,782,999	321,521,995	321,521,995
Total	692,020,285	688,880,638	665,821,895	658,067,339

9. Advances, deposits and prepayments

Advances to/against				
VAT	249,664	-	98,221	-
Income tax	268,732,597	264,405,172	202,719,861	199,971,072
Salary	4,494,671	4,494,671	3,727,316	3,727,316
Office rent	1,767,520	1,767,520	3,965,008	3,965,008
Advance against power plant work	213,316,959	213,316,959	96,452,350	96,452,350
Advance against civil construction	1,450,000	1,450,000	24,269,935	24,269,935
Others	86,418,513	86,418,513	115,532,150	115,532,150
	576,429,924	571,852,835	446,764,841	443,917,831



Saif Powertec Limited
Notes to the financial statements for the period ended 31 March 2016

	Amount in Taka			
	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
Deposits and prepayments				
Bank guarantee	43,379,990	43,379,990	23,808,345	23,808,345
L/C margin	25,823,563	25,028,563	3,843,408	3,641,408
Earnest money	10,200	10,200	1,987,663	1,987,663
Security money	81,640	81,640	55,370	55,370
	<u>69,295,393</u>	<u>68,500,393</u>	<u>29,694,786</u>	<u>29,492,786</u>
	<u>645,725,317</u>	<u>640,353,228</u>	<u>476,459,627</u>	<u>473,410,617</u>
Dues upto 6 months	228,586,762	226,685,043	169,143,168	168,060,769
Dues above 6 months	417,138,555	413,668,185	307,316,459	305,349,848
Total	<u>645,725,317</u>	<u>640,353,228</u>	<u>476,459,627</u>	<u>473,410,617</u>
10. Fixed Deposit Receipt (FDR):				
Dhaka Bank Limited	81,096,201	81,096,201	66,587,089	66,587,089
Farmers Bank Limited	92,894,551	92,894,551	96,741,942	96,741,942
	<u>173,990,752</u>	<u>173,990,752</u>	<u>163,329,031</u>	<u>163,329,031</u>
11. Cash and cash equivalents				
Cash in hand				
Chittagong Office	14,532,140	14,532,140	10,010,669	10,010,669
Factory	536,451	536,451	755,620	755,620
Dhaka Office	2,991,392	2,745,824	2,543,664	2,355,410
	<u>18,059,983</u>	<u>17,814,415</u>	<u>13,309,953</u>	<u>13,121,699</u>
Bank balances with:				
Bank Asia Limited	97,864	94,962	268,454	229,921
Dhaka Bank Limited	1,468,107	1,468,107	920,176	920,176
Mercantile Bank Limited, Dhaka	316,092	316,092	4,578,277	4,578,277
One Bank Limited	403,367	403,367	580,153	580,153
Jamuna Bank Limited	324,264	324,264	1,224,860	1,224,860
AB Bank Limited	138,263	138,263	402,977	402,977
Social Islami Bank Limited	-	-	613	613
The Premier Bank Limited	2,083,812	2,083,812	946	946
Sonali Bank Limited	4,316	4,316	6,303	6,303
Eastern Bank Limited	12,750	12,750	13,899	13,899
BRAC Bank Limited	98,778	98,778	24,590	24,590
Islami Bank Bangladesh Limited	938,951	938,951	5,232,173	5,232,173
NCC Bank Limited	91,239	91,239	86,392	86,392
United Commercial Bank Limited	29,309	626	1,391,572	1,182
Southeast Bank Limited	50,519	50,519	37,206	37,206
Farmers Bank Limited	9,655,988	9,596,560	11,146,522	10,993,445
Dutch Bangla Bank Ltd (Mobile Banking)	455,999	455,999	1,548,173	1,548,173
Dhaka Bank Limited (IPO)	2,338,156	2,338,156	2,413,496	2,413,496
Farmers Bank Limited (IPO)	79,192	79,192	152,423,516	152,423,516
	<u>18,586,966</u>	<u>18,495,953</u>	<u>182,300,298</u>	<u>180,718,298</u>
	<u>36,646,949</u>	<u>36,310,368</u>	<u>195,610,251</u>	<u>193,839,997</u>
12. Share capital				
Authorised capital				
500,000,000 ordinary shares of Taka 10 each	<u>5,000,000,000</u>	<u>5,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Paid-up capital				
21,394,000 ordinary shares @ Tk.10 each in cash	213,940,000	213,940,000	213,940,000	213,940,000
70,177,140 ordinary shares @ Tk.10 each in Bonus	701,771,400	701,771,400	495,913,800	495,913,800
	<u>915,711,400</u>	<u>915,711,400</u>	<u>709,853,800</u>	<u>709,853,800</u>
Company's shareholding position as on the dates of balance sheet were as under:				
12.1 Shareholdings	Percentage(%)	No. of shares	Value (Taka)	
Directors and Sponsor	40.06	36,681,587	366,815,870	
Institutional shareholders	17.81	16,309,726	163,097,260	
Individual shareholders	42.13	38,579,827	385,798,270	
	<u>100.00</u>	<u>91,571,140</u>	<u>915,711,400</u>	
13. Share premium			Amount (Taka)	
Opening balance			418,345,180	
Received during the period			-	
			<u>418,345,180</u>	



Saif Powertec Limited
Notes to the financial statements for the period ended 31 March 2016

	Amount in Taka			
	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
14. Revaluation reserve	<u>96,540,144</u>	<u>96,540,144</u>	<u>96,540,144</u>	<u>96,540,144</u>
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	514,593,843	512,473,869	451,370,636	451,292,065
Add: Addition this period	299,265,428	295,327,702	214,137,007	212,095,604
Less: Stock Dividend	(205,857,600)	(205,857,600)	(150,913,800)	(150,913,800)
	<u>608,001,671</u>	<u>601,943,971</u>	<u>514,593,843</u>	<u>512,473,869</u>
16. Long term loan from Banks				
The company has availed long-term credit facilities from the following banks:				
Dhaka Bank Limited	268,480,974	268,480,974	170,063,735	170,063,735
Bank Asia Limited	-	-	-	-
Farmers Bank Limited	9,883,412	9,883,412	15,693,279	15,693,279
Infrastructure Development Company Limited	278,677,544	278,677,544	163,595,067	163,595,067
Bangladesh Finance and Investment Company Limited	252,519,112	252,519,112	279,623,418	279,623,418
Hajj Finance Company Limited	156,273,370	156,273,370	37,518,064	37,518,064
NCC Bank Limited	17,203,511	17,203,511	-	-
	<u>983,037,923</u>	<u>983,037,923</u>	<u>666,493,563</u>	<u>666,493,563</u>
16.1 Long-term loan				
<u>Mercantile Bank Limited</u>				
Opening Balance	-	-	27,842,433	27,842,433
Add: Principal this year	-	-	-	-
Add: Interest this year	-	-	1,280,421	1,280,421
Less: Payment this year	-	-	(29,122,854)	(29,122,854)
Sub Total (A)	-	-	-	-
<u>Dhaka Bank Limited</u>				
Opening Balance	270,265,213	270,265,213	215,402,735	215,402,735
Add: Principal this year	262,287,852	262,287,852	237,889,701	237,889,701
Add: Interest this year	36,360,684	36,360,684	50,427,907	50,427,907
Less: Payment this year	(163,371,696)	(163,371,696)	(233,455,131)	(233,455,131)
Sub Total (B)	<u>405,542,053</u>	<u>405,542,053</u>	<u>270,265,212</u>	<u>270,265,212</u>
<u>Bank Asia Limited</u>				
Opening Balance	23,409,596	3,242,620	46,622,889	19,816,507
Add: Principal this year	-	-	9,540,000	-
Add: Interest this year	1,254,685	113,707	5,894,004	1,969,205
Less: Payment this year	(24,664,281)	(3,356,327)	(38,647,297)	(18,543,092)
Sub Total (C)	-	-	<u>23,409,596</u>	<u>3,242,620</u>
<u>Farmers Bank Limited</u>				
Opening Balance	23,306,354	23,306,354	-	-
Add: Principal this year	-	-	24,984,115	24,984,115
Add: Interest this year	2,600,922	2,600,922	3,260,852	3,260,852
Less: Payment this year	(8,410,789)	(8,410,789)	(4,938,613)	(4,938,613)
Sub Total (D)	<u>17,496,487</u>	<u>17,496,487</u>	<u>23,306,354</u>	<u>23,306,354</u>
<u>NCC Bank Limited</u>				
Opening Balance	-	-	-	-
Add: Principal this year	30,000,000	30,000,000	-	-
Add: Interest this year	632,511	632,511	-	-
Less: Payment this year	(1,033,000)	(1,033,000)	-	-
Sub Total (E)	<u>29,599,511</u>	<u>29,599,511</u>	-	-
<u>Bangladesh Finance and Investment Company Limited</u>				
Opening Balance	357,619,142	357,619,142	370,935,429	370,935,429
Add: Principal this year	-	-	-	-
Add: Interest this year	36,824,354	36,824,354	59,820,483	59,820,483
Less: Payment this year	(63,928,660)	(63,928,660)	(73,136,770)	(73,136,770)
Sub Total (F)	<u>330,514,836</u>	<u>330,514,836</u>	<u>357,619,142</u>	<u>357,619,142</u>
<u>Infrastructure Development Company Limited</u>				
Opening Balance	163,595,067	163,595,067	45,841,312	45,841,312
Add: Principal this year	121,786,786	121,786,786	119,663,396	119,663,396
Add: Interest this year	9,887,888	9,887,888	-	-
Less: Payment this year	(16,592,197)	(16,592,197)	(1,909,641)	(1,909,641)
Sub Total (G)	<u>278,677,544</u>	<u>278,677,544</u>	<u>163,595,067</u>	<u>163,595,067</u>



Saif Powertec Limited

Notes to the financial statements for the period ended 31 March 2016

	Amount in Taka			
	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
Haji Finance Company Limited				
Opening Balance	70,000,000	70,000,000	-	-
Add: Principal this year	150,000,000	150,000,000	70,000,000	70,000,000
Add: Interest this year	9,964,402	9,964,402	-	-
Less: Payment this year	(23,642,395)	(23,642,395)	-	-
Sub Total (H)	<u>206,322,007</u>	<u>206,322,007</u>	<u>70,000,000</u>	<u>70,000,000</u>
Total (A+B+C+D+E+F+G)	1,268,152,438	1,268,152,438	908,195,371	888,028,395
Less: Long-term loan	983,037,923	983,037,923	666,493,563	666,493,563
Transferred to current portion loan	<u>285,114,515</u>	<u>285,114,515</u>	<u>241,701,808</u>	<u>221,534,832</u>
17. Current portion of long-term loan				
Mercantile Bank Limited	-	-	-	-
Dhaka Bank Limited	137,061,079	137,061,079	100,201,477	100,201,477
Bank Asia Limited	-	-	23,409,595	3,242,619
Farmers Bank Limited	7,613,075	7,613,075	7,613,075	7,613,075
Bangladesh Finance and Investment Company Limited	77,995,724	77,995,724	77,995,724	77,995,724
NCC Bank Limited	12,396,000	12,396,000	-	-
Haji Finance Company Limited	50,048,637	50,048,637	32,481,936	32,481,936
	<u>285,114,515</u>	<u>285,114,515</u>	<u>241,701,807</u>	<u>221,534,831</u>
18. Short-term loan from Banks				
<u>Time Loan and LTR</u>				
Dhaka Bank Limited	163,083,753	163,083,753	262,474,359	262,474,359
Bank Asia Limited	-	-	6,120,012	-
NCC Bank Limited	37,230,749	37,230,749	234,133,452	234,133,452
Farmers Bank Limited	267,484,116	267,484,116	134,824,968	134,824,968
	<u>467,798,618</u>	<u>467,798,618</u>	<u>637,552,791</u>	<u>631,432,779</u>
<u>Bank Overdraft</u>				
Dhaka Bank Limited	30,106,927	30,106,927	26,063,256	26,063,256
Bank Asia Limited	13,526,697	6,991,082	12,041,952	6,223,741
NCC Bank Limited	47,294,770	47,294,770	67,334,248	67,334,248
Farmers Bank Limited	409,695,201	409,695,201	345,149,689	345,149,689
The Premier Bank Limited	80,301,260	80,301,260	-	-
	<u>580,924,855</u>	<u>574,389,240</u>	<u>450,589,145</u>	<u>444,770,934</u>
	<u>1,048,723,473</u>	<u>1,042,187,858</u>	<u>1,088,141,936</u>	<u>1,076,203,713</u>
18.1 Short-term loan				
<u>Mercantile Bank Limited</u>				
Opening Balance	-	-	8,652,614	8,652,614
Add: Principal this year	-	-	7,493,788	7,493,788
Add: Interest this year	-	-	295,617	295,617
Less: Payment this year	-	-	(16,442,019)	(16,442,019)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Dhaka Bank Limited</u>				
Opening Balance	262,474,359	262,474,359	44,661,493	44,661,493
Add: Principal this year	302,362,432	302,362,432	442,176,597	442,176,597
Add: Interest this year	38,830,606	38,830,606	21,898,236	21,898,236
Less: Payment this year	(440,583,644)	(440,583,644)	(246,261,967)	(246,261,967)
	<u>163,083,753</u>	<u>163,083,753</u>	<u>262,474,359</u>	<u>262,474,359</u>
<u>Bank Asia Limited</u>				
Opening balance	6,120,012	-	12,567,240	-
Add: Principal this year	-	-	17,787,175	12,225,258
Add: Interest this year	149,371	-	3,510,646	1,916,471
Less: Payment this year	(6,269,383)	-	(27,745,049)	(14,141,729)
	<u>-</u>	<u>-</u>	<u>6,120,012</u>	<u>-</u>
<u>NCC Bank Limited</u>				
Opening balance	234,133,452	234,133,452	174,170,473	174,170,473
Add: Principal this year	-	-	30,427,173	30,427,173
Add: Interest this year	17,653,084	17,653,084	37,479,948	37,479,948
Less: Payment this year	(214,555,787)	(214,555,787)	(7,944,142)	(7,944,142)
	<u>37,230,749</u>	<u>37,230,749</u>	<u>234,133,452</u>	<u>234,133,452</u>
<u>Farmers Bank Limited</u>				
Opening balance	134,824,968	134,824,968	-	-
Add: Principal this year	265,637,723	265,637,723	205,636,010	205,636,010
Add: Interest this year	22,209,255	22,209,255	19,733,005	19,733,005
Less: Payment this year	(155,187,830)	(155,187,830)	(90,544,047)	(90,544,047)
	<u>267,484,116</u>	<u>267,484,116</u>	<u>134,824,968</u>	<u>134,824,968</u>
	<u>467,798,618</u>	<u>467,798,618</u>	<u>637,552,791</u>	<u>631,432,779</u>



Saif Powertec Limited

Notes to the financial statements for the period ended 31 March 2016

19. Accounts payable

	Amount in Taka			
	At 31 March 2016		At 30 June 2015	
	Consolidated	The Company	Consolidated	The Company
A & J Traders	1,678,210	1,678,210	945,602	945,602
M.S International	5,632,140	5,632,140	9,627,376	9,627,375
Rimso Renewable energy	2,346,215	2,346,215	3,383,500	3,383,500
Model Art press	645,210	645,210	450,000	450,000
Excell Engineering & Services	1,363,250	1,363,250	952,120	952,120
Pacific International	-	-	352,120	352,120
Deferred L/C Liabilities	360,644,756	360,644,756	-	-
Others	1,863,241	1,863,241	2,643,520	2,643,520
Subsidiary	20,312,761	-	12,643,921	-
	<u>394,485,784</u>	<u>374,173,022</u>	<u>30,998,159</u>	<u>18,354,237</u>
Dues upto 6 months	217,240,637	205,795,162	17,358,969	10,278,373
Dues above 6 months	177,245,147	168,377,860	13,639,190	8,075,864
Total	<u>394,485,784</u>	<u>374,173,022</u>	<u>30,998,159</u>	<u>18,354,237</u>

20. Accrued expenses

Salary and allowances	6,396,799	6,231,079	9,162,860	9,012,560
Others payable	1,145,354	1,145,354	5,143,260	5,143,260
Office rent	360,000	360,000	360,000	360,000
Income tax payable	354,604,902	348,188,803	253,511,942	249,746,236
Audit fee	193,750	175,000	375,000	350,000
Service charge	26,000	26,000	26,000	26,000
Electricity bill	859,932	456,320	430,830	75,620
Telephone bill	12,341	12,341	6,416	6,416
	<u>363,599,077</u>	<u>356,594,897</u>	<u>269,016,308</u>	<u>264,720,092</u>

20.1 Income tax provision

Opening Balance	253,511,942	249,746,236	190,561,778	188,170,093
Addition this period/year	101,092,960	98,442,567	62,950,164	61,576,143
	<u>354,604,902</u>	<u>348,188,803</u>	<u>253,511,942</u>	<u>249,746,236</u>

21. Obligation to Contract Clients

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

22. Workers profit participation/Welfare fund

Opening balance	28,270,428	28,270,428	14,586,841	14,586,841
Add: During this period/year	19,688,513	19,688,513	13,683,587	13,683,587
	<u>47,958,941</u>	<u>47,958,941</u>	<u>28,270,428</u>	<u>28,270,428</u>

No interest has been provided on Workers profit participation fund.

23. Sales

	Period ended 31 March 2016			The Company	
	Gross revenue	VAT	Net revenue	Consolidated	Consolidated
Contract	1,097,371,713	56,235,710	1,041,136,003	1,041,136,003	455,780,818
Maintenance	266,349,360	-	266,349,360	266,349,360	250,440,540
Imported goods	270,669,051	3,004,721	267,664,330	267,664,330	522,085,810
Net sales (subsidiary)	-	-	-	38,850,215	-
	<u>1,634,390,124</u>	<u>59,240,431</u>	<u>1,575,149,693</u>	<u>1,613,999,908</u>	<u>1,228,307,168</u>
					<u>40,017,808</u>
					<u>1,268,324,976</u>

24. Cost of sales

	Amount in Taka			
	At 31 March 2016		At 31 March 2015	
	Consolidated	The Company	Consolidated	The Company
Maintenance (note 24.1)	119,443,560	119,443,560	75,536,420	75,536,420
Contracts (note 24.2)	249,169,126	249,169,126	220,365,537	220,365,537
Imported goods (note 24.3)	401,610,504	401,610,504	426,602,510	426,602,510
Cost of sales (note 24.4)	29,755,867	-	33,692,693	-
	<u>799,979,057</u>	<u>770,223,190</u>	<u>756,197,160</u>	<u>722,504,467</u>

24.1 Maintenance

Wages and others expenses	51,324,955	51,324,955	33,607,790	33,607,790
Labour bills	65,187,103	65,187,103	39,056,012	39,056,012
Fuel and oil	1,225,456	1,225,456	856,500	856,500
Repair and maintenance	1,706,047	1,706,047	2,016,118	2,016,118
	<u>119,443,560</u>	<u>119,443,560</u>	<u>75,536,420</u>	<u>75,536,420</u>

24.2 Contract

Wages and salary	71,532,559	71,532,559	76,500,616	76,500,616
Project implementation cost	46,313,264	46,313,264	38,555,210	38,555,210
Wages and others expenses	780,471	780,471	953,620	953,620
Trailer and prime mover rent	3,064,154	3,064,154	3,566,421	3,566,421
Fuel and oil	5,285,048	5,285,048	12,066,480	12,066,480
Utility bill	3,351,651	3,351,651	2,766,410	2,766,410
Uniform expenses (dress)	686,510	686,510	18,320	18,320
Repair and maintenance	117,595,586	117,595,586	85,506,320	85,506,320
Hotel rent	559,884	559,884	432,140	432,140
	<u>249,169,126</u>	<u>249,169,126</u>	<u>220,365,537</u>	<u>220,365,537</u>



Amount in Taka

	At 31 March 2016		At 31 March 2015	
	Consolidated	The Company	Consolidated	The Company
24.3 Imported goods				
Cost of imported goods	284,691,149	284,691,149	285,563,210	285,563,210
Clearing charge	1,473,851	1,473,851	30,488,739	30,488,739
L/C expenses	2,956,064	2,956,064	1,944,210	1,944,210
Marine insurance	3,796,476	3,796,476	2,566,321	2,566,321
Carriage inward	180,840	180,840	503,620	503,620
Wages and salary	108,512,124	108,512,124	105,536,410	105,536,410
	<u>401,610,504</u>	<u>401,610,504</u>	<u>426,602,510</u>	<u>426,602,510</u>
24.4 Cost of sales of subsidiary	<u>29,755,867</u>	<u>-</u>	<u>33,692,693</u>	<u>-</u>
25. General and administrative expenses				
Salary and allowances	38,120,683	37,479,407	45,453,021	44,828,571
Office rent	7,994,646	7,916,646	9,977,736	9,860,736
Travelling and conveyance	1,538,505	1,519,294	3,938,185	3,922,864
Vehicle running expenses	1,022,424	975,750	1,875,940	1,855,630
Publicity and promotional expenses	14,694,514	14,694,514	3,679,493	3,679,493
Utility bills	903,452	903,452	1,204,795	1,204,795
Communication expenses	655,790	651,590	533,195	528,995
Printing and stationery	1,489,756	1,479,207	2,029,554	2,016,900
Employees welfare	1,799,765	1,777,614	3,015,133	2,986,117
Medical expenses	42,234	42,234	132,335	132,335
Business license fee	432,330	432,330	496,853	488,520
Depreciation	88,375,893	88,375,893	71,069,592	71,069,592
Service charge	213,196	213,196	318,720	318,720
Telephone and mobile phone bills	1,189,709	1,184,077	957,220	955,420
Postage and courier	49,778	46,816	94,374	89,254
Carriage outward	691,233	691,233	763,520	763,520
Repair and maintenance	743,702	666,263	609,796	555,870
Tender expenses	133,263	133,263	68,520	68,520
Marketing expenses	795,948	588,399	723,674	522,140
Audit fee	281,250	262,500	281,250	262,500
Paper and periodicals	25,436	23,535	24,020	22,450
Sundry expenses	3,425,541	3,409,341	2,071,450	2,055,630
	<u>164,619,048</u>	<u>163,466,557</u>	<u>149,318,376</u>	<u>148,188,572</u>
26. Financial expenses				
Bank interest				
Mercantile Bank Limited	-	-	2,099,017	2,099,017
Dhaka Bank Limited	78,171,527	78,171,527	51,257,019	51,257,019
Bank Asia Limited	2,755,916	880,123	9,089,355	3,997,092
Southeast Bank Limited	-	-	1,199,870	1,199,870
NCC Bank Limited	28,581,941	28,581,941	40,305,711	40,305,711
Farmers Bank Limited	69,215,524	69,215,524	50,848,767	50,848,767
Bangladesh Finance and Investment Company Limited	36,824,354	36,824,354	37,901,040	37,901,040
Hajj Finance Company Limited	9,964,402	9,964,402	-	-
The Premier Bank Limited	400,800	400,800	-	-
Infrastructure Development Company Limited	9,887,888	9,887,888	-	-
	<u>235,802,352</u>	<u>233,926,559</u>	<u>192,700,779</u>	<u>187,608,516</u>
Bank charge, commission & others				
AB Bank Limited	27,410	27,410	2,005	2,005
Bank Asia Limited	88,208	30,853	186,304	179,399
BRAC Bank Limited	19,715	19,715	5,066	5,066
Dhaka Bank Limited	10,533,425	10,533,425	3,435,828	3,435,828
Farmers Bank Limited	513,051	513,051	182,985	182,985
Islami Bank (Bangladesh) Limited	100,824	100,824	20,134	20,134
Jamuna Bank Limited	1,026	1,026	791	791
Mercantile Bank Limited	26,230	26,230	2,298,127	2,298,127
NCC Bank Limited	1,757,536	1,757,536	514,736	514,736
ONE Bank Limited	28,352	28,352	6,797	6,797
Sonali Bank Limited	8,190	8,190	1,690	1,690
Eastern Bank Limited	1,150	1,150	1,500	1,500
Premier Bank Limited	25,383	25,383	500	500
Social Islami Bank Limited	613	613	500	500
Southeast Bank Limited	25,607	25,607	7,970	7,970
Dutch Bangla Bank Limited	90,563	90,563	81,902	81,902
United Commercial bank Limited	575	575	500	500
Cash	13,761	13,761	18,204	18,204
	<u>13,261,619</u>	<u>13,204,264</u>	<u>6,765,539</u>	<u>6,758,634</u>
	<u>249,063,971</u>	<u>247,130,823</u>	<u>199,466,318</u>	<u>194,367,150</u>



Saif Powertec Limited

Notes to the financial statements for the period ended 31 March 2016

27. Earnings per share (EPS)

	Amount in Taka			
	At 31 March 2016		At 31 March 2015	
	Consolidated	The Company	Consolidated	The Company
Earnings attributable to ordinary shares:				
Net profit after tax as per statement of comprehensive income				
	299,265,429	295,327,702	139,962,653	139,524,401
***Number of shares :	91,571,140	91,571,140	89,950,702	89,950,702
Earnings per share : (Per value of Taka 10)	3.27	3.23	1.56	1.55
*** Calculation of number of shares :				
As at 30 June 2015	70,985,380	70,985,380	69,364,942	69,364,942
Bonus Shares @ 29%	20,585,760	20,585,760	20,585,760	20,585,760
Total	91,571,140	91,571,140	89,950,702	89,950,702

28. Directors' responsibility statements

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

29 Figures are rounded off to the nearest Taka.

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

