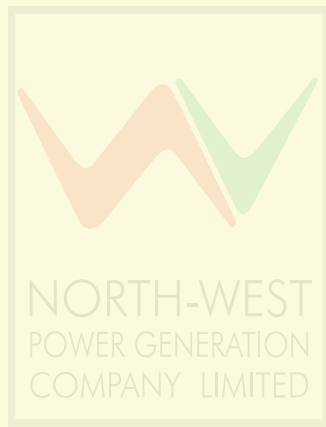


Annual Report 2015



BCPCL



CHAIRMAN'S MESSAGE



It gives me immense pleasure to note that the Annual Report of Bangladesh-China Power Company (Pvt.) Limited (BCPCL) for 2014-2015 is going to be published on the occasion of the 1st Annual General Meeting of the Company.

The Company has already delivered its successful completion of 1 (one) year. Even amid the general downturn in the economy during the year, the Company continued to enjoy tremendous investor confidence.

I would like to express my deep, sincere and special gratefulness to Her Excellency Sheikh Hasina, Hon'ble Prime Minister of the Government of People's Republic of Bangladesh for her strong, dynamic and prolific leadership to the Power Sector. Because of her direct role, a Joint Venture Agreement (JVA) was signed on 09.06.2014 at the Great Hall of the People, Beijing, China in order to establish Bangladesh-China Power Company (Pvt.) Limited for implementing Payra 1320 MW Thermal Power Plant Project by using eco-friendly ultra supercritical technology. As a consequence, the Company was formed on 01.10.2014.

I express my thanks to the Hon'ble Adviser to the Prime Minister for Power, Energy & Mineral Resources Dr. Tawfiq-e-Elahi Chowdhury, BB and Hon'ble State Minister to Power, Energy & Mineral Resources Mr. Nasrul Hamid, MP for their continuous invaluable advice and guidance for achieving excellence in Power Sector.

I also express my sincere gratitude and thanks to Cabinet Division, Power Division, Finance Division, Ministry of Commerce, Ministry of Law, Justice & Parliamentary Affairs, Ministry of Foreign Affairs and other relevant stakeholders for their sincere and lawful support to the creation of the Company. The Directors of the Board of the Company deserve the credit for the excellent progress made within this short span of time against all sorts of odds and difficulties.

The Annual Report-2015 is the culmination of the diligent and intellectual works of a few officers who have created this package. I wish the 1st Annual General Meeting of Bangladesh-China Power Company (Pvt.) Limited (BCPCL) every success. I hope and believe that the Company will continue to fulfill the expectations of all stakeholders and will create new benchmarks of excellence.

(Monowar Islam ndc)

Chairman

Board of Directors, BCPCL

&

Secretary, Power Division, MoPEMR

FROM THE DESK OF **MANAGING DIRECTOR**



The Company is publishing the Annual Report and holding the 1st Annual General Meeting of Bangladesh-China Power Company (Pvt.) Limited (BCPCL) for the financial year 2014-2015. The report covers the preliminary technical, financial and managerial activities of the Company.

I am pleased to share with you the highlights of the Company's performance during the year 2014-2015. I would like to inform you that BCPCL is a Joint Venture Company of NWPGL and CMC. It is primarily engaged in implementing an ultra supercritical coal-fired power plant having capacity of 1320 (2 X 660) MW at Dhankhali, Kalapara, Patuakhali on turn-key basis. The Government has allocated 982.77 acres of land in Kalapara Upazilla, Patuakhali in favor of NWPGL for implementing the said project. After land acquisition, the land development, protection and embankment activities run in full swing. In the mean time, 50% of the land development activities has already been done. The International Tender for EPC work of the said project was invited on 29.09.2015 and the prospective bidder submitted their tender document on 21.12.2015. We expect that we may resume the construction work of the main plant in March, 2016 after finishing the bidding process and commission the 1st Unit in April, 2019 and the 2nd Unit in December, 2019 respectively. Besides these, the Company has a schematic comprehensive future development plan for implementing different power plant projects, including renewable of different sizes, capacities and technologies.

I would like to convey my deep, sincere and especial gratitude to the Hon'ble Prime Minister Her Excellency Sheikh Hasina for her positive and dynamic approach to the Power Sector, especially for the formation of the Company.

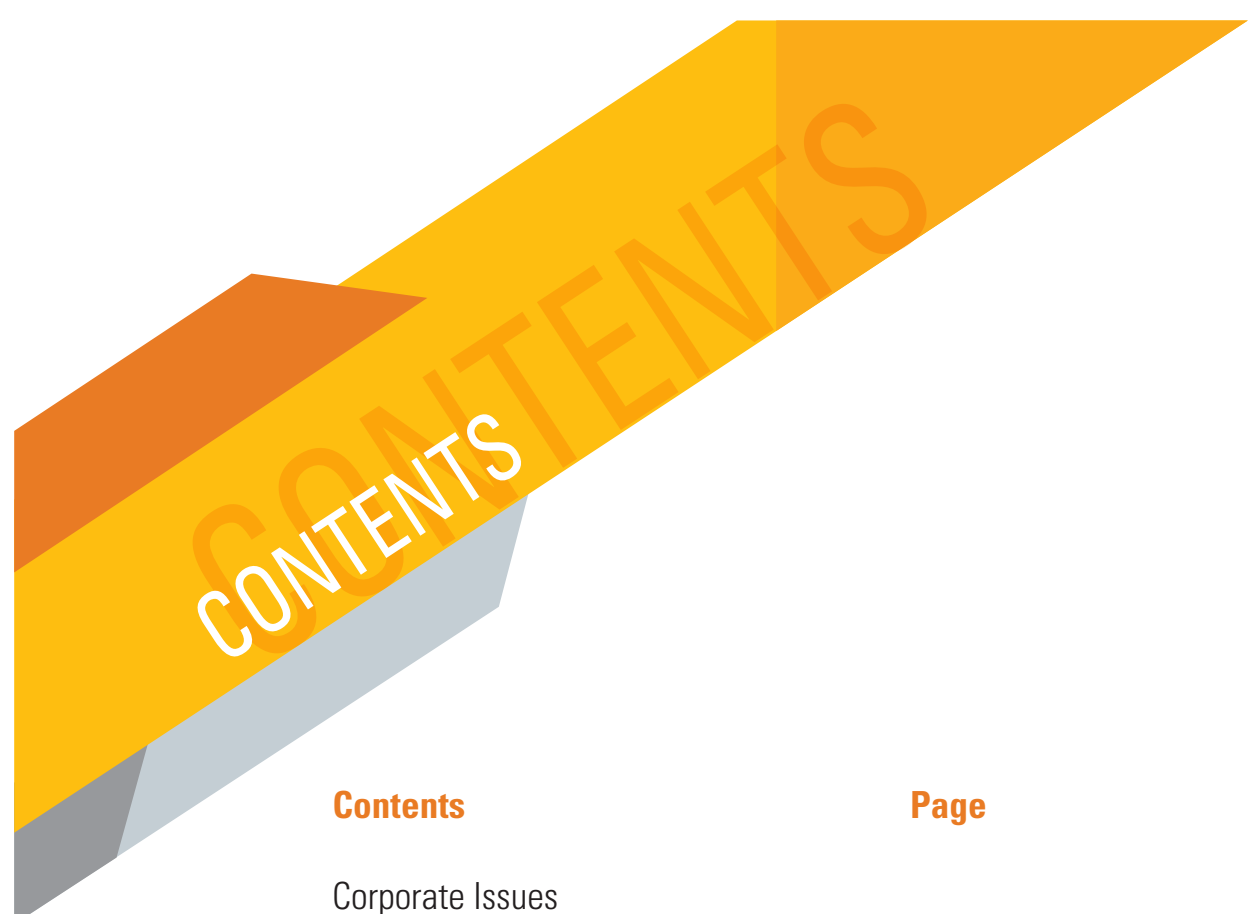
I express my thanks to the Hon'ble Adviser to the Hon'ble Prime Minister for Power, Energy & Mineral Resources Dr. Tawfiq-e-Elahi Chowdhury, BB and Hon'ble State Minister for Power, Energy & Mineral Resources Mr. Nasrul Hamid, MP for their continuous kind support and valuable advice. I also convey my deep and sincere thanks to the Hon'ble Principal Secretary, Prime Minister's Office Mr. Md. Abul Kalam Azad and Hon'ble Secretary, Power Division, Ministry of Power, Energy & Mineral Resources Mr. Monowar Islam ndc for their continuous close monitoring and kind support.

I wish to express my deep and sincere gratitude to the Directors of the Board, my colleagues and to all level of employees for their unstinted support, co-operation, loyalty and dedication in making the Company viable. Also, I would like to express my sincere appreciation to those who have contributed in preparing this Annual Report.

I firmly believe and hope that the Company will achieve excellence in its entire assigned works. I am confident that it will stand upright with efficiency, competency and dignity. Our collective effort will obliterate all the adverse designs.



Engr. A.M. Khurshedul Alam
Managing Director, BCPCL



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CORPORATE ISSUES

Corporate Vision

- 🔥 Achieving excellence in power generation and powering growth of Bangladesh.

Corporate Mission

- 🔥 To achieve excellence in project implementation and operation of power plants.
- 🔥 To ensure stable and reliable power generation.
- 🔥 To lead Bangladesh in thermal power generation.
- 🔥 To explore business opportunities through market scanning and adopt new business plans accordingly.
- 🔥 To practice the highest standards of corporate governance and be a financially sound Company.
- 🔥 To win with technology and services.
- 🔥 To earn the trust and confidence of all stakeholders, surpassing their expectations.
- 🔥 To improve the mode of life of the local community in all the projects.
- 🔥 To make real what matters.

Core Objectives

- 🔥 Corporate Ethics and Compliance
- 🔥 Customer Focus
- 🔥 Environmentally and Financially Sustainable
- 🔥 Sustainable Power Growth
- 🔥 Business Expansion

ABOUT US

North-West Power Generation Company Limited (NWPGL) is almost a newly created power generation company, which is alone still not financially sound to install a coal-based mega project. So, the solution was to establish a strategic alliance of joint venture. For this purpose, NWPGL signed a Memorandum of Understanding (MOU) with China National Machinery Import & Export Corporation (CMC), China on 19.03.2014. Later on, NWPGL signed the Joint Venture Agreement (JVA) with CMC on 09.06.2014 at the Great Hall of the People, Beijing, China in presence of the Hon'ble Prime Minister of the Bangladesh Her Excellency Sheikh Hasina and her counterpart the Hon'ble Prime Minister of the People's Republic of China His Excellency Li Keqiang in order to implement Payra 1320 MW Thermal Power Plant Project by using eco-friendly ultra supercritical technology on turn-key basis and by establishing a Joint Venture Company (JVC).

In this perspective, in order to meet the ever increasing demand of electricity, Bangladesh-China Power Company (Pvt.) Limited (BCPCL) was formed and registered with the office of the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on 01.10.2014 under the provision of the Companies Act, 1994.

The Promoters

1. NORTH-WEST POWER GENERATION COMPANY LIMITED is an enterprise of Bangladesh Power Development Board (BPDB) and state-owned company, incorporated and registered with the office of the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on 28.08.2007 under the provision of the Companies Act, 1994; and has its Corporate Office at Bidyut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka-1000, Bangladesh and
2. CHINA NATIONAL MACHINERY IMPORT & EXPORT CORPORATION is a wholly state-owned company, incorporated and registered in the State Administration for Industry and Commerce as a corporate group in 1997 under the provision of the Company Law of People's Republic of China and has its Head Office at West Wing of Sichuan Mansion, 1 Fuchengmenwai Avenue, Beijing-100037, China.

OVERVIEW

As an emerging country, Bangladesh faces with an urgent need for new generation capacity, for either thermal peak or base load to meet the growing demand of electricity, which is directly linked to the economies and demographic dynamics. Despite a slowdown in growth, Bangladesh (emerging economy) still remains the largest market for new thermal power plants the years to come.

As per the Bangladesh Power System Master Plan-2010 prepared by Power Division, the present Government has accepted a comprehensive plan to meet the prevailing and upcoming demand of electricity of the country. A target has been set to increase the generation of electricity amounting 24,000 MW by 2021 and 40,000 MW by 2030 respectively. The Government has set a target for North-West Power Generation Company Limited (NWPGL) to install 2640 MW coal-based power plants by 2030.

Future energy mix for power generation in Bangladesh leads the path towards coal. Bangladesh has no other choice but develop coal-based power plants to meet the ever increasing demand for electricity. Sustainable power generation (affordable and available for long-term) requires steady, reliable supply of primary energy. There is no additional gas in the country, and oil is too expensive with volatile price fluctuation. This leaves us with coal-based power generation. More than 50% of the total generation of electricity will come from coal in the near future. The present Government's plan to develop 20,000 MW coal-based power plants by 2030 is a pragmatic decision in term of fuel choice.

Coal will remain as main source of energy for several decades. This is because coal is the most important commercial source of energy. In this context, the Company intends to have a schematic plan for installing eco-friendly ultra supercritical coal fired power plants for the cost-effective nature of coal. Moreover, the Company intends to implement solar and wind power plants without cost of energy.

Then, Bangladesh-China Power Company (Pvt.) Limited (BCPCL) was formed on 01.10.2014 as a JVC under the banner of NWPGL and CMC in order to implement Payra 1320 MW Thermal Power Plant Project.

We believe that investors will gain a better understanding of our Company if they understand how we respond and perform. We intend to generate competitive, eco-friendly reliable and flexible power. We shall have the industry's most comprehensive portfolio of thermal technologies - coal and hold the leading position in power generation services.

In the very outset of development, we will continue to create value for clients and to join hands in creating a splendid future.

BOARD OF DIRECTORS

The Board of Directors is the highest level of authority in the organization structure. The present strength of the Board of Directors is 6 (six). Of the total six Directors, 3 (three) are Nominee Directors each from NWPGL and CMC. The Board of Directors comprises of eminent experts who are committed to the key underlying principles and values. The Board meets periodically to transact matters placed before them that require Board's approval and direction for execution.

Corporate Directory

Chairman

Mr. Monowar Islam ndc

Secretary, Power Division
Ministry of Power, Energy and Mineral Resources

Directors

Chairman, BPDB

Mr. Khandker Maksudul Hassan

Mr. Md. Shahinul Islam Khan

Mr. Md. Abduhu Ruhullah

Mr. A.M. Khurshedul Alam

Managing Director
NWPGL, Dhaka.

Mr. Li GuoHua

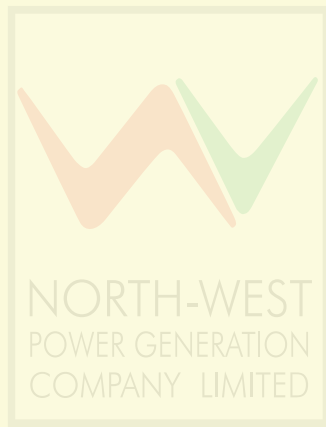
Vice President, CMC
Beijing, China

Mr. Wang XuSheng

President, CMC
Beijing, China

Mr. Kang HuBiao

Assistant President, CMC
Beijing, China



DIRECTORS' PROFILE



Monowar Islam ndc

Chairman, NWPGL
&
Secretary, Power Division
MoPEMR, Dhaka

Mr. Monowar Islam is currently the Secretary of Power Division, Ministry of Power, Energy and Mineral Resources, the Government of Bangladesh. He holds the position of Chairman of North-West Power Generation Company Limited as well as Bangladesh-China Power Company (Pvt.) Limited, a Joint Venture Company (JVC) of NWPGL, Bangladesh and CMC, China. He is also the Convener of the Remuneration & Appointments Committee of the Company.

Mr. Islam did his Graduation with Honors and Masters in Public Administration from the University of Chittagong. He did some certificate courses on Project Planning and Management in Philippines, Economic Policy Management and Private Sector Development in UK, Environmental Management System in Japan and Managing at the Top in Singapore and UK. He also completed National Defense Course (ndc) in 2009.

Mr. Islam joined the Bangladesh Civil Service in 1982 batch in BCS (Administration) Cadre. He has an illustrious career of more than 32 years. He has rich and varied experience in the areas of Field Administration, Policy Formulation, Science

and Technology, Environment and Forests, Power Sector and so on.

Mr. Islam is credited with having pioneered several path-breaking power sector innovations in the country. He has been associated with a number of prestigious power sector organizations in the country. He is a regular invitee to top level programs that the Prime Minister's Office and other key ministries conduct towards creating and reforming policies for the infrastructural growth in the country. Under his close monitoring and charismatic leadership, the power sector finds the hope of light in expanding and sustaining its activities.

Mr. Islam has visited a good number of countries across the globe on different burning issues in his bright service career. He is fond of reading books. He authored a well received book with the excellent title *Human Resources and Performance Management System for Bangladesh Civil Service*. He is always enthusiastic and interesting. He is cosmopolitan as well as deeply rooted in the Bengali ethos.

Khandker Maksudul Hassan

Director, BCPCL
&
Chairman, BPDB



Mr. Khandker Maksudul Hassan (K.M. Hassan) did his Bachelor of Science in Engineering (Electrical and Electronic Engineering) from the Khulna Engineering College in 1979. Mr. Hassan, present Chairman of Bangladesh Power Development Board, joined BCPCL as a Director on September 14, 2015. He is the Convener of Audit Committee and a member of Technical and Procurement Review Committee of the Company. He started his career as an Assistant Engineer of Bangladesh Power Development Board in 1980. In his long demonstrative trail of career, he passed several prestigious positions. With the proven track record success in the areas of Training & Career Development, Planning & Design, Electrical Equipment, Power Generation &

Distribution Projects, Services, Generation and many other territories, he became Member (Distribution) in 2014 of Bangladesh Power Development Board. With a vigorous pursuit and compelling vision of high standard performance about 35 years, he became Chairman of Bangladesh Power Development Board on July 20, 2015. He has visited many countries for different official and training purposes.



Engr. A.M. Khurshedul Alam

Director, BCPCL
&
Managing Director
NWPGL / BCPCL

Mr. A.M. Khurshedul Alam, Managing Director, NWPGL is a Director of the BCPCL Board. He is also a Member of the Audit Committee, Remuneration & Appointments Committee and Technical & Procurement Review Committee of BCPCL. He is a graduate in Mechanical Engineering from BUET in 1976. He has a rich and varied experience of over 38 years in engineering management. He caught the helm of North-West Power Generation Company Limited on 24.11.2008 and Bangladesh-China Power Company (Pvt.) Limited on 01.10.2014 in addition. He is responsible for overall administration, finance, corporate planning, business development and co-ordination of the Company. He is also responsible for development of rules, regulations, systems and legal functions and negotiations with commercial sources of credit for future expansion of the Company. He is the key

architect to build and expand the brightest corporate image of the Company. Prior to his current assignment of Managing Director, he was an Additional Chief Engineer of Bangladesh Power Development Board and had held various posts in multifarious project works of BPDB. He is privileged to take part in many high profile training courses, seminars, symposiums, workshops, meetings, inspections, factory tests at home and abroad.

Wang XuSheng

Director, BCPCL
&
President
CMC, China



Mr. Wang Xusheng, President, CMC, China is a Director of the BCPCL Board. He is also a Member of the Remuneration & Appointments Committee of BCPCL. He did his Masters and MBA from the Peking University, China. He has a rich and varied experience of over 31 years. He started his career as Division Chief of Department of Human Resources, Ministry of Commerce of People's Republic of China in July, 1984.

In his long bright career, he passed several prestigious positions. With the proven track record success in the areas of Management,

he became General Manager of CMC in January, 2004 and finally he became the President of CMC in January, 2010. His political status is that he is a party member. He has visited many countries for different official and business purposes.



Li GuoHua

Director, BCPCL
&
Vice President
CMC, China

Mr. Li Guohua, Vice President, CMC, China is a Director of the BCPCL Board. He is also the Convener of Technical & Procurement Review Committee and a Member of the Audit Committee of BCPCL.

He did his EMBA from the University of Texas at Arlington, USA. He has a rich and varied experience of over 28 years. He started his career as Deputy Section Chief of Export Department, CMC in July, 1987. He also served as Section Chief of Mineral Resources & Electric Power Department, Director of Mineral Resources & Electric Power Department, Director of Energy Engineering Department,

CMC and finally he became the Vice President of CMC in December, 2006. His political status is that he is a party member. He has visited many countries for different official and business purposes.

Kang HuBiao

Director, BCPCL
&
Assistant President
CMC, China



Mr Kang HuBiao, Assistant President, CMC, China is a Director of the BCPCL Board. He is also a Member of the Audit Committee, Remuneration & Appointments Committee and Technical & Procurement Review Committee of BCPCL.

He did his Bachelor of Mining Engineering from the China University of Mining & Technology. He also holds the Degree of Doctor of Environmental Science. He has a rich and varied experience of over 21 years. He started his career as General Representative of Bangladesh Project Office, CMC in August,

1994. He also worked as Deputy Director of Mineral Resources & Electric Power Department, Director of Energy Engineering Department, CMC and finally he became the General Manager and Assistant President of CMC in December, 2011. His political status is that he is a party member. He has visited many countries for different official and business purposes.



Bangladesh-China Power Company (Pvt.) Limited

(A Joint Venture of CMC and NWPGL)

Bidyut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka-1000, Bangladesh



Memo No. 50/BCPCL/AGM-1/2015

Date: 14 .01.2015

Notice of the 1st Annual General Meeting

Notice is hereby given that the 1st Annual General Meeting of the Hon'ble Shareholders of Bangladesh-China Power Company (Pvt.) Limited will be held on January 30, 2016 at 6.00 p.m at the Silver Room (Level-2), The Westin, Main Gulshan Avenue, Dhaka-1212 to transact the following businesses:

Agenda

1. To receive, consider and adopt the Directors' Report, Audited Accounts of the Company for the year ended June 30, 2015 together with the Auditors' Report and the Annual Report of the Board of Directors thereon.
2. To appoint Auditors for FY 2015-2016 and fix their remuneration.
3. To transact any other business of the Company with the permission of the chair.

All the Hon'ble Shareholders and Directors are requested to make it convenient to attend the meeting.

By order of the Board,

Dipak Kumar Dhali

Company Secretary (GM)
BCPCL, Dhaka.

Memo No. 50/BCPCL/AGM-1/2015


Date: 14 .01.2015

Distribution to

1. Chairman, BCPCL and Secretary, Power Division, Ministry of Power, Energy & Mineral Resources, Bangladesh Secretariat, Dhaka
2. Chairman, BPDB, Dhaka.
3. Managing Director, BCPCL/NWPGCL, Dhaka.
4. President, CMC, Beijing, China.
5. Mr. Li GuoHua, Vice President, CMC, Beijing, China.
6. Mr. Kang HuBiao, Assistant President, CMC, Beijing, China.

Copy for kind information and necessary action to

1. Secretary, Power Division, MoPEMR, Bangladesh Secretariat, Dhaka.
2. Registrar of Joint Stock Companies and Firms, Bangladesh, Dhaka.
3. Managing Director, NWPGCL, Dhaka.
4. President, CMC, Beijing, China.
5. Executive Director (Engineering / Finance), NWPGCL, Dhaka.
6. Project Director, Land Acquisition, Land Development and Protection for Payra 1320 MW Thermal Power Plant Project/Khulna 750-850 MW LNG Based Power Plant Project, NWPGCL, Dhaka.
7. General Manager (HR & Admin/Accounts & Finance), NWPGCL, Dhaka.
8. Mr. Wang Xin, Deputy Managing Director (Additional Charge), BCPCL, Dhaka.
9. Mr. Qi Yue, Assistant Managing Director (Additional Charge), BCPCL, Dhaka.
10. Superintending Engineer, BCPCL, Dhaka.
11. M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, BTMC Bhaban (Level-8), 7-9 Karwan Bazar, Dhaka.
12. Office Copy.



Company Secretary (GM)

BCPCL, Dhaka.

COMPANY PROFILE

Name of the Company

Bangladesh-China Power Company (Pvt.) Limited
(A Joint Venture of CMC and NWPGL)

Date of Registration and Commencement of Business

October 01, 2014

Registered Office

Bidyut Bhaban (Level-14)
1 Abdul Gani Road
Dhaka-1000, Bangladesh

Corporate Office

Bidyut Bhaban (Level-14)
1 Abdul Gani Road
Dhaka-1000, Bangladesh

Status of the Company

Private Limited Company

Business Line

Generation of Electricity

Current Development Activities

1420 MW

Future Development Plan

2,420 MW

Chairman

Mr. Monowar Islam ndc
Secretary, Power Division

Managing Director

Engr. A. M. Khurshedul Alam

Company Secretary (GM)

Mr. Dipak Kumar Dhali

Auditors

M/s. Hoda Vasi Chowdhury & Co.
Chartered Accountants
7-9 Karwan Bazar, Dhaka-1215

Bankers

Janata Bank Ltd
Rupali Bank Ltd

E-mail Address

info@nwpogl.org.bd
md@nwpogl.org.bd
cs@nwpogl.org.bd

BOARD COMMITTEES

To ensure the efficiency of the Company's works, the Board has 3 (three) standing committees, which prepare the proposals and issues to be dealt with at the Board's plenary meetings. The Conveners of the Board committees report to the Board on the committee's work at the subsequent Board meetings. The Board has established the following committees:

Remuneration and Appointments Committee

SI. No.	Name & Designation	Position on the Committee
1	Chairman, BCPCL, Dhaka	Convener
2	Managing Director, NWPGL, Dhaka	Member
3	President, CMC, China Member	
4	Assistant President, CMC, China	Member
5	Company Secretary of the JVC	Member -Secretary

Audit Committee:

SI. No.	Name & Designation	Position on the Committee
1	Chairman, BPDB, Dhaka	Convener
2	Managing Director, NWPGL, Dhaka	Member
3	Vice President, CMC, China	Member
4	Assistant President, CMC, China	Member
5	CFO of the JVC	Member-Secretary

Technical and Procurement Review Committee:

SI. No.	Name & Designation	Position on the Committee
1	Vice President, CMC, China	Convener
2	Chairman, BPDB, Dhaka	Member
3	Managing Director, NWPGL, Dhaka	Member
4	Assistant President, CMC, China	Member
5	CTO of the JVC	Member -Secretary

MANAGEMENT TEAM

The Management Team of BCPL is engaged to implement the decisions of Board of Directors. At present the Managing Director, Company Secretary, Deputy Managing Director, Assistant Managing Director and Superintending Engineer (Civil) are responsible for achieving business goals and overseeing the day to day operations and other activities of the Company.

The Managing Director is the Chief Executive Officer of the Company reporting to the Board of Directors. He is the leader of the Management Team of the Company, responsible for overall management of administration, finance, corporate planning, business development and ensuring the compliances of laws, rules and regulations, good governance, corporate culture, including development of set-up, rules, regulations, systems and legal functions of the organization. He is also responsible for supervision of all technical, financial and welfare aspects, negotiation for project financing issues with development partners and listing the Company in the stock exchange(s) etc.

The Company Secretary is the compliance officer to the Board. He is the mouthpiece of the Company. He is responsible for providing support services to the BCPL Board for ensuring compliances of laws, rules and regulations for good governance and corporate culture of the organization. He keeps proper records of the Board meetings and assists the Managing Director in monitoring the implementation of the decisions of the Board of Directors, and is responsible for convening meetings of the Board of Directors as advised with recording minutes of meetings. He has contribution to discussions and reminds the Directors about the legal, governance and other implications of the policies proposed in the meeting, monitors changes in relevant regulatory environment and takes appropriate action liaising with Auditors, Advisors and Solicitors. He is engaged in arranging statutory requirements and filing returns and statements with the concerned authorities.

The Deputy Managing Director is a key officer in the management team. He assists the Managing Director in different fields of business of the Company as per requirement.

The Assistant Managing Director is also a key officer in the management team. He assists the Managing Director in different fields of business of the Company as per requirement and instruction of the competent authority.

The Superintending Engineer (Civil) is an important officer in the management team. He assists the Managing Director in project implementation activities of the Company as per requirement.

MANAGEMENT
TEAM



Engr. A.M. Khurshedul Alam

Managing Director (Acting)



Mr. Dipak Kumar Dhali

Company Secretary (GM)



Mr. Wang Xin

Deputy Managing Director
(Additional Charge)



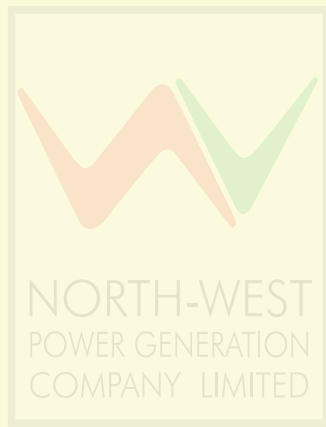
Mr. Qi Yue

Assistant Managing Director
(Additional Charge)



Engr. Shah Abdul Moula

Superintending Engineer (Civil)





DIRECTORS' REPORT

The Hon'ble Shareholders

The Directors of Bangladesh-China Power Company (Pvt.) Limited have the pleasure of welcoming you to the 1st Annual General Meeting and presenting before you the Company Affairs together with the Auditors' Report and the Audited Financial Statements of Accounts of Bangladesh-China Power Company (Pvt.) Limited for the year ended June 30, 2015.

Industry Characteristics

The power market is witnessing several different trends. Bangladesh is facing with an urgent need for new generation capacity for either peak or base load to meet the growing demand of electricity, which is directly linked to her economy and demographic dynamics. Despite a slowdown in growth in Bangladesh, the economy still remains the largest market for new thermal power plants in the years to come. There is a very high degree of correlation between power sector growth and economic growth. It is imperative that power sector needs to grow for sustainable economic growth.

Technology

To meet the challenge of fulfilling the demand of electricity of the country at affordable cost with a very minimum environmental impact, the Company intends to adopt and promote safe, efficient, sophisticate and clean technologies for power generation. The Company is planning to set up coal-fired units with eco-friendly ultra supercritical technology for Payra 1320 MW Thermal Power Plant Project upon turnkey basis, targeting efficiency comparable to best available technology in the world. Besides this, the Company intends to use the renewable technologies for renewable power generation solutions.

Why Ultra Supercritical Technology?

Conventional coal-fired power plants have efficiency of about 32%. On the contrary, ultra supercritical power plants operate at temperatures and pressures above the critical point of water i.e. above the temperature

and pressure at which the liquid and gas phase of water co-exist in equilibrium, at which there is no difference between water gas and liquid water. This results in higher efficiencies - above 45%. Ultra supercritical power plants require less coal per kWh, leading to lower emissions (including CO₂ & Hg), higher efficiency and lower fuel costs per kilowatt.

In recent years, the Clean Coal Technology has been a must in power generation. The very best Clean Coal Technology must be based on high efficiency plants where the coal consumption per kWh of electricity will be the lowest, and as a natural consequence bring the best reduction of emissions. The ultra supercritical power cycle is the ultimate commercial technology, due to its high electric efficiency of just below 50%. Our plant will be harnessed with the same ultra supercritical technology.

Project Management

The Company has a plan to establish a state-of-the-art IT enabled Project Monitoring Centre (PMC) for facilitating fast track project implementation. It intends to establish an integrated Enterprise Resource Planning (ERP) platform for monitoring and controlling of critical project activities spread across various functions like engineering, contracts and finance. This interface will help in getting timely inputs for decision making.

Projects

(a) Current Development Activities

SL	Name of the Project	Fuel	Present Status	Generation Capacity (in MW)	Expected COD
1	Payra 1320 MW (2x660) Thermal Power Plant Project (1st Phase)	Coal	The Government has allocated 982.77 acres of land in Kalapara Upazilla, Patuakhali in favor of NWPGL for implementing the said project. The land development activities run in full swing. The International Tender for EPC work of the said project was invited on 29.09.2015 and the tender was received on 21.12.2015. We expect to resume the construction work of the main plant in March, 2016 after finishing the bidding process.	1320	April 2019 (1st Unit) December 2019 (2nd Unit)
2	Payra 100 MW Wind Power Plant Project	Wind	BCPCL Board has adopted the resolution in its 4th Board Meeting on 14.09.2015 to appoint FEDI as the consultant for performing the feasibility study, including wind mapping for the said project.	100	June 2019
Total				1420	

(b) Future Development Plan

To meet the future challenges of the country by generating electricity with minimum environmental impact and selling electricity at affordable cost, the Company has drawn a long-term technology roadmap.

SL	Name of the Project	Fuel	Capacity (in MW)	Expected COD
1	Payra 100 MW Solar Power Plant Project	Solar	100	June 2020
2	Payra 1320 MW (2x660) Thermal Power Plant Project (2nd Phase)	Coal	1320	Dec, 2021 (1st Unit) Dec, 2022 (2nd Unit)
3	Dighipara 1000 MW Ultra Supercritical Thermal Power Plant Project	Coal	1000	June 2022
Total			2420	

Wind Power

The Renewable Power offers the most comprehensive range of renewable power generation solutions for integrated power plants convening hydroelectricity, wind, geothermal, biomass, solar as well as tidal stream energies.

BCPCL believes in wind as a viable and competitive source of clean energy to help meet energy challenges and aims at becoming a recognized player in this field of Bangladesh. BCPCL intends to implement a 100 MW Wind Power Plant Project at Kalapara, Patuakhali.

Solar Power

Solar Power is becoming a key part of the renewable solutions for power generation. There is a strong potential for solar energy within the country. BCPCL intends to implement Payra 100 MW Solar Power Plant Project in the District of Patuakhali.

Appointment of Owner's Engineer

The BCPCL Board has adopted a resolution in its 4th Board Meeting to appoint M/s Minconsult SDN BHD, Malaysia as Engineering Consultant (Owner's Engineer) instead of M/s State Nuclear Electric Power Planning Design & Research Institute (SNPDRI), China for preparing and finalizing the International Tender Documents for the EPC package (Turn-key basis) for Payra 1320 (2x660) MW Thermal Power Project. The Company has invited the international tender accordingly.

Appointment of Wind Consultant

BCPCL Board has adopted a resolution in its 4th Board Meeting to appoint Fujian Electric Power Survey & Design Institute (FEDI), China as the Wind Consultant for performing the feasibility study, including wind mapping for the said project.

Fuel Security

Coal Supplies: Fuel availability is currently the biggest challenge faced by the power generation companies in the country. The Company has a plan of making a long-term coal supply agreement with a foreign coal

supplier in order to run the proposed plant uninterruptedly and smoothly for a definite long period.

Safety and Security

Safety and Security at workplace is one of the prime concerns; and utmost importance is given to provide safe working environment and to inculcate safety awareness among the employees. The Company recognizes and accepts its responsibility for establishing and maintaining a safe and secured working environment for all its installations, employees and associates. The Company ensures stringent implementation of EHS (Environment, health & safety) policy.

Environment Management

The Company has adopted sound environment management practices and advanced environment protection system to minimize impact of power generation on environment. The Company has adopted advanced and high efficiency technologies such as ultra supercritical boiler for the upcoming green field project: Payra 1320 MW Thermal Power Plant Project. The Company is designing its upcoming plant to use imported low-ash coal. High efficiency Electro-Static Precipitators (ESPs) with advanced control systems shall be provided in the coal-based power station to keep Suspended Particulate Matter (SPM) below permissible limits. Fugitive emission from ash pond will be controlled by maintaining water cover and tree plantation. Control of water pollution and promotion of water conservation will be taken up in power generation by using 3Rs (Reduce, Recycle and Reuse) as guiding principles.

Corporate Social Responsibility (CSR)

The Company has always discharged its social responsibility as a part of its Corporate Governance philosophy. It follows the global practice of addressing CSR issues in an integrated multi-stakeholder approach covering the environmental and social aspects. With a view to address the domains of socio-economic issues at national level, it has set its corporate social responsibility. For instance, it will include additional Tk 0.03 per unit tariff in the Power

Purchase Agreement for the formation of Social Development Fund as per the policy adopted by the Bangladesh Government as a part of exercising CSR. Under CSR, it has also a Resettlement Action Plan (RAP).

Resettlement Action Plan (RAP)

The Company is committed to help the people affected by its projects and has been making all its efforts to improve the socio-economic status of the Project Affected Persons. In order to meet its social objectives, the Company is focusing on effective Resettlement Action Plan (RAP) and undertaking community development activities in and around the projects. The Company will provide electricity, roads and houses of different sizes to the affected people for living in a cluster way in an ideal village with facilities, such as potable water, proper sanitation, community center, school, medical facilities etc.

Human Resource Management (HRM)

The Company takes pride in its highly motivated and dedicated and competent human resources that has contributed its best to bring the Company to its present heights. It has a well-diversified pool of limited human resources, which is composed of personnel with high academic background. It intends to re-shape and upgrade its Human Resource Department so that it may be more effective and efficient. Also, there is a positive demographic characteristic. Most employees are comparatively young in age, but matured in experience. The overall employee relations are peaceful and harmonious.

Financing of New Projects

The Company is exploring domestic as well as international borrowing options including overseas development assistance provided by bilateral agencies to mobilize the debt required for the planned capacity expansion program.

Financial Performance

As a Joint Venture Company (JVC), Bangladesh-China Power Company (Pvt.) Limited (BCPCL) was incorporated on 1st October, 2014 under the banner of NWPGL, Bangladesh and CMC, China in order to implement Payra 1320 MW Thermal Power Plant Project. Since the Company started its activities with project, the revenue earnings of the Company did not start in the financial year 2014-2015. In the financial year 2014-2015, the Company's financial position was as follows:

(Figure in million BDT)

Particulars	2014-15
Total Assets	173.08
Total Liabilities	17.88
Total Equity	155.20
Net Fixed Asset	11.49
Current Assets	147.98
Current Liabilities	17.88

BCPCL was incorporated during the financial year 2014-2015, so it is not possible to compare the financial performance to the previous year.

Injection of Initial Capital

As per the Joint Venture Agreement done on 09.06.2014 between NWPGL, Bangladesh and CMC, China, the Parties (NWPGL and CMC) injected Initial Capital as Paid-up Capital amounting BDT 15,52,00,000.00 in the proportion of 50:50.

Financial Analysis:

BCPCL is a newly-created promising power generation company. It has been expanding with project works. All investment securities are initially recognized at cost, including acquisition charges associated with the investment. It has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet

longer-term internal capital target, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Company and provide its shareholders with acceptable returns.

Dividend

As the Company is at the outset of implementation stage i.e. at pre-operation stage, no net income is accrued to declare dividend to the members for the period.

Auditors' Report

The auditors, M/s. Hoda Vasi Chowdhury & Co., have submitted their Annual Report for the year 2014-2015. I, on behalf of the Board of Directors, request the honor of the Hon'ble Shareholders (Members) to receive and adopt the Auditors' Report.

Appointment of Auditors

M/s. Hoda Vasi Chowdhury & Co. has conveyed an Expression of Interest (EOI) for appointment as external auditors to conduct the annual statutory audit of Bangladesh-China Power Company (Pvt.) Limited for the year 2015-2016. Their quoted audit fee is Tk. 75,000.00 (Seventy Five Thousand) only plus out of pocket expenses @ 10% of fee reimbursable and applicable VAT (presently @ 15% of fee). They had audited the Company in the previous financial year. Their performance was up to scratch. They have furnished a certificate of their eligibility for re-appointment.

In order to build the corporate image and uphold transparency and accountability of the Company, it is inevitable to appoint M/s. Hoda Vasi Chowdhury & Co. as the auditors of the Company for the year 2015-2016. The Hon'ble Shareholders (Members) are, therefore, requested to receive and adopt the proposal. If appointed at ensuing annual general meeting, they will hold office until the conclusion of next annual general meeting of the Company on fixed remuneration and other terms and conditions as may be agreed upon by the Company and the auditors.

Change of Directors

The Board of Directors comprises 6 (six) Directors, 3 (three) Nominee Directors each from NWPGL and CMC. During this period, there were two changes in the Board. On 21 January 2015, Mr. Md. Shahinul Islam Khan, Chairman of BPDB was appointed in place of Mr. Md. Abduhu Ruhullah and on 14 September 2015, Khandker Maksudul Hassan, Chairman of BPDB was appointed in place of Mr. Md. Shahinul Islam Khan as the nominee Director from NWPGL.

The Annual Report-2015

The Company Authority has prepared the Annual Report-2015. I, on behalf of the Board of Directors, request the honor of the Hon'ble Shareholders (Members) to receive and adopt the Annual Report-2015.

Acknowledgement

The Board places on record its deep and sincere appreciation for the strenuous services of Managing Director and Secretary of the Company. The Board also wishes to convey its grateful thanks to the Company's esteemed Shareholders (Members) and other associated officers and employees of the Company for their full support and hearty co-operation.



(Monowar Islam ndc)

Chairman, Board of Directors

BCPCL, Dhaka

&

Secretary, Power Division, MoPEMR



**MEMORABLE
EVENTS &
REMARKABLE
VIEWS**



JVA Signing Ceremony for the formation of BCPCCL for implementing Payra 1320 MW TPP Project



Hon'ble State Minister for Power, Energy & Mineral Resources on the way to visit the proposed site for Payra 1320 MW Thermal Power Plant Project



Coal Exploration in Indonesia for
Payra 1320 MW TPP Project



Meeting with the Sinosure and CMC Representatives
for Project Financing in Payra 1320 MW TPP Project



Board Meeting of BCPCL at Beijing, China



Hon'ble Secretary, Power Division and Managing Directors of NWPGL & PGCB discussing at the Project Site of Payra 1320 MW TPP Projectt



Hon'ble Secretary of Power Division, DC of Patuakhali and Power Sector MDs on the way to the Project Site of Payra 1320 MW TPP Projectt



Hon'ble Divisional Commissioner of Barisal, DC of Patuakhali and the PD on the way to the Project Site of Payra 1320 MW TPP Projectt



Program for Cheque Distribution to the Affected People for Payra 1320 TPP Project



Cheque Distribution by DC, Patuakhali for Land Acquisition for Payra 1320 MW TPP Project



Loading Dredger with Sand for the Land Development of Payra 1320 MW TPP Project



Land Development through Dredging for Payra 1320 MW TPP Project



Land Development through Leveling for
Payra 1320 MW TPP Project



Embankment Work for Payra 1320 MW TPP Project

AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS OF

Bangladesh-China Power Company (Pvt.) Limited
For The Period Ended 30 June 2015



Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF Bangladesh-China Power Company (Pvt.) Limited

We have audited the accompanying financial statements of Bangladesh-China Power Company (Pvt.) Limited, which comprises the financial position as at June 30, 2015 and statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) adopted by Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act (#18) 1994 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 misstatement, 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 International Standards on Auditing (ISA) adopted by Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, give a true and fair view of the financial position of Bangladesh-China Power Company (Pvt.) Limited as at June 30, 2015 and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) adopted by Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act (#18) 1994 and other applicable laws and regulations.

We also report that

- (i) 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;
- (ii) In our opinion, proper books of account as required by law have been kept by Bangladesh-China Power Company (Pvt.) Limited so far as it appeared from our examination of those books;
- (iii) the statement of financial position, statement of cash flows and statement of changes in equity dealt with by the report are in agreement with the books of account.

Dhaka, 30 JANUARY 2016


Chartered Accountants

Bangladesh-China Power Company (Pvt.) Limited
Statement of Financial Position

As on 30 June 2015

	Note(s)	30 June 2015 Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment-net	3	11,487,594
Capital Work in Progress	4	12,986,860
Preliminary Expenses	5	631,025
		25,105,479
Current Assets		
Interest Receivables	6	6,261,111
Short-Term-Investment	7	140,000,000
Advances, Deposits and Prepayment	8	768,501
Cash and Cash Equivalents	9	947,477
		147,977,089
Total Assets		173,082,568
EQUITY & LIABILITIES		
Shareholders equity		
Paid-up-Capital	10	1,000
Share Money Deposit	11	155,199,000
		155,200,000
Current liabilities		
Others Payable	12	5,325,057
Loan-NWPGCL	13	12,436,531
Security Deposit	14	10,480
Contributory Provident Fund (CPF)	15	48,000
Provision for Expenses	16	62,500
		17,882,568
Total Equity & Liabilities		173,082,568

These financial statements should be read in conjunction with annexed notes 1 to 17


 Company Secretary


 Managing Director


 Director
 As per our report of same date

Dhaka, 30 JANUARY 2016


 Chartered Accountants

Bangladesh-China Power Company (Pvt.) Limited**Statement of Changes in Equity**

For the period ended 30 June 2015

Particulars	Share Capital Taka	Share Money Deposit Taka	Total Taka
Opening Balance as on 01 October 2014	-	-	-
Addition During the Year	1,000	155,199,000	155,200,000
Balance as on 30 June 2015	1,000	155,199,000	155,200,000

These financial statements should be read in conjunction with the annexed notes 1 to 17



Company Secretary



Managing Director



Director

Bangladesh-China Power Company (Pvt.) Limited

Statement of Cash Flows

For the period ended 30 June 2015

	30 June 2015 Taka
A. Cash Flow From Operating Activities	
Cash Received from Other Income	483,330
Income Tax Paid	(48,273)
A. Net Cash Flow From/(Used in) Operating Activities	435,057
B. Cash Flows from Investing Activities	
Purchases of Property, Plant and Equipment	(7,030,800)
Capital work in progress	(18,752,538)
Preliminary Expenses	(631,025)
Temporary Advance	(720,228)
Short-Term-Investment	(140,000,000)
B. Net Cash Used in Investing Activities	(167,134,591)
C. Cash Flow From Financing Activities	
Paid-up Capital	1,000
Share Money Deposit	155,199,000
Loan-NWPGCL	12,436,531
Security Deposit	10,480
C. Net Cash Flow From Financing Activities	167,647,011
Net Increase in Cash and Cash Equivalents (A+B+C)	947,477
Cash and Cash Equivalents at the Beginning of the Year	-
Cash and Cash Equivalents at the end of the Year	947,477

These financial statements should be read in conjunction with annexed notes 1 to 17


 Company Secretary


 Managing Director


 Director

Bangladesh-China Power Company (Pvt.) Limited

Notes to the financial statements

For the period ended June 30, 2015

1 Background and Introduction

1.1 Formation and Legal Status

Bangladesh-China Power Company (Pvt.) Limited, hereinafter referred to as "BCPCL" or "The Company", was incorporated on 1st October 2014 as a private limited company in Bangladesh under the Companies Act (#18) 1994 having its registered office at Bidyut Bhaban, Level-14, 1 Abdul Gani Road, Dhaka-1000.

1.2 Nature of Business

Bangladesh-China Power Company (Pvt.) Limited is established to carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of electric power and for the purpose to set-up, operate and manage all necessary plants, establishments and works in other allied industries;

2 Summary of significant accounting policies:

The principal accounting policies applied in the preparation of these financial statements are set out below. The specific Accounting Policies selected and applied by the Company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements. Accounting and valuation methods are disclosed for reasons of clarity.

2.1 Basis of Preparation of the Financial Statements:

2.1.1 Accounting Standards

The Financial Statement have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) & Bangladesh Accounting Standards (BASs), the Companies Act (#18) 1994 and other applicable laws & regulations.

2.1.2 Accounting Convention

Going Concern

As per BAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

Accrual Basis

The financial statements have been prepared under historical cost convention using the accrual basis of accounting except cash flow information.

2.1.3 Critical accounting estimates, assumptions and judgments

The preparation of the Financial Statements in conformity with Bangladesh Financial Reporting Standards (BFRSs) & Bangladesh Accounting Standards (BASs) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.1.4 Application of standards

The following IASs are applicable for the Financial Statements for the year under review:

- IAS 1 Presentation of Financial Statements
- IAS 2 Inventories
- IAS 7 Cash Flow Statements
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS 10 Events after the Balance Sheet Date
- IAS 16 Property, Plant and Equipment
- IAS 18 Revenue
- AS 19 Employee Benefits
- IAS 21 The Effects of Changes in Foreign Exchange Rates
- IAS 24 Related Party Disclosures
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets"

2.2 Functional and Presentation Currency

These Financial Statements are presented in Taka, which is the Company's functional currency as well as presentation currency. Figures have been rounded to the nearest Taka.

2.3 Foreign Currency Translation

Foreign currency transaction are recorded on initial recognition in the functional currency at the exchange rate ruling on the transaction date.

At the end of each reporting period, in compliance with the provision of BAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under:

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

2.4 Reporting Period

This financial year of the Company covers nine months from 1st October 2014 to 30th June 2015. Subsequent Company's financial year to be covered one year from 1st July to 30th June and followed consistently.

2.5 Cash flow statement

Paragraph 111 of BAS 1 presentation of Financial Statements requires that a cash flows statement is to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of the Financial Statements with a basis to assess the liability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows. The Cash flow statement has been prepared under the direct method for the period, classified by operating, investing and financing activities as prescribed in paragraph 10 and 18 (a) of BAS 7 Cash Flow Statements.

2.6 Assets and their valuation

2.6.1 Property, Plant and Equipment

Tangible fixed assets are accounted for according to BAS-16 (Property, Plant and Equipment) at historical cost less accumulated depreciation and the capital work-in-progress is stated at cost. Historical cost includes expenditure that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associate with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance cost are charged to the Statement of Comprehensive Income during the financial period.

2.6.2 Depreciation of the Fixed Assets

All items of property, plant and equipment have been depreciated on straight line method. Depreciation on additions are charged at 50% of normal rates only in the year of acquisition and no depreciation is charged in the year of disposal. Depreciation is charged at the rates varying from 3.5% to 15% depending on the nature and economic benefits of assets. Rates of depreciation are noted below:

Particular of Assets	Rate of Depreciation
Vehicles	15%
Furniture & Fixture	10%
Office Equipment	10%
Computer	10%
Service Equipment	10%
Building	3.50%
Plant & Machinery	5%

2.7 Capital Work in Progress

Capital work in progress is stated at cost less impairment if any, until the construction is completed. Upon completion of construction the cost of such assets together with the cost directly attributable to construction, including capitalization of the borrowing costs are transferred to the respective class of assets and depreciated when the asset is completed and commissioned. No depreciation is charged on capital work in progress.

2.8 Cash and cash equivalent

Cash and cash equivalents comprise of cash and short-term deposit balances.

2.9 Share Capital

The Authorized Share Capital of the Company is TK 400,000,000 (Forty Crore) divided into 4,000,000 (Forty Lac) ordinary Shares of TK 100 (One Hundred) each with power to increase or reduce the capital and to divide the shares into different class and to attach thereto any special right or privileges or conditions as regards dividends, repayment of capital, voting or otherwise or to consolidate or sub-divide the shares.

2.10 Revenue Recognition

Sale of the products are recognized upon delivery of goods and services and raising invoices to customers in compliance with the requirements of Bangladesh Accounting Standard (BAS)-18 "Revenue". The Company has not yet entered into commercial operation and therefore no revenue was generated in this financial year.

2.11 Other Income

Other Income comprises of interest income on short term investment, sale of tender documents and others.

2.12 Income Tax

The Company has not entered into commercial operation. Therefore no income tax is provided in this financial year except AIT on other income.

2.13 Contingent liabilities and assets

2.13.1 Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liability should not be recognized in the Financial Statements, but may require disclosure. A provision should be recognized in the year in which the recognition criteria of provision have been met.

2.13.2 Contingent Assets

Contingent assets is a possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent asset must not be recognized. Only when the realization of the related economic benefits is virtually certain recognition should take place provided, it can be measured reliably because at that point the asset is no longer contingent.

2.14 Employee Benefit

Contributory Provident Fund

The Company maintains a Contributory Provident Fund (CPF) scheme with equal contribution by the employees and the Company. The Fund has not yet been recognized.

2.15 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the reporting date are reflected in the Financial Statements. Material events after the reporting period that are not adjusting events are disclosed by way of note. The Company has not come across any material events after reporting period in this financial year.

Notes-3

Property, Plant and Equipment-net

Particulars	Cost			Rates %	Depreciation			Written Down Value (WDV)	
	Opening Balance	Addition during the year	Disposal for adjustment during the year		Closing Balance	Charges during the year	Disposal for adjustment during the year		Opening Balance
1	2	3	4	5=(2+3-4)	6	7	8	9=(6+7-8)	10=(5-9)
Vehicles	-	6,926,000	-	6,926,000	15%	519,450	-	519,450	6,406,550
Furniture & Fixtures	-	5,243,667	-	5,243,667	10%	262,183	-	262,183	4,981,484
Computers & Printers	-	104,800	-	104,800	10%	5,240	-	5,240	99,560
2014-2015	-	12,274,467	-	12,274,467		786,873	-	786,873	11,487,594

	Note(s)	30 June 2015 Taka
4 Capital work in progress		
Opening balance		-
Addition during the year	4.1	19,731,301
		19,731,301
Less : Other Income	4.2	6,744,441
		12,986,860
4.1 Addition during the year		
Engineering, consultants/advisors and insurance expenses	4.1.1	12,304,150
Office and administrative expense	4.1.2	7,427,151
		19,731,301
4.1.1 Engineering, Consultants/Advisors and Insurance expenses		
Consultancy fees		12,304,150
		12,304,150
This represented consultancy fees for feasibility study for establishing Patuakhali 1320 MW Ultra Supercritical Coal Based Power Plant.		
4.1.2 Office and Administrative Expense		
Salary & allowances	4.1.2.1	603,485
Others Office and Administrative Expenses	4.1.2.2	6,823,666
		7,427,151
4.1.2.1 Salary & Allowances		
Pay of officers		240,000
House rent allowance of officers		132,000
Pay of staff (casual)		85,593
Bonus of officers		60,000
Dearness allowance of officers		48,000
Employers Contribution		24,000
Employee electricity subsidy officers		6,092
Water & sewerage of officers		2,400
Gas allowance of officers		1,800
Servant allowance of officers		1,200
Sweeper allowance of officers		1,200
Security allowance of officers		1,200
		603,485
4.1.2.2 Others Office and Administrative Expenses		
Traveling allowance of officers		3,513,436
Board meeting expense		1,692,763
Depreciation		786,873
Office Rent		406,950
Taxes, license & fees		175,405
Audit fee		62,500
Stationery		59,544

	Note(s)	30 June 2015 Taka
Advertising and promotion		37,467
Honorarium (Committee & other)		32,720
Petrol, diesel & lubricants		25,058
Bank charges & commission		16,460
Entertainment		7,670
Office maintenance		6,300
Conveyance		520
		6,823,666
4.2 Other Income		
Interest Received (SND)		482,730
Interest receivable	6	6,261,111
Transportation Charge		600
		6,744,441
5 Preliminary expense		
Opening balance		-
Addition during the year		631,025
Adjustment/ Received during the year		-
		631,025
The preliminary expenses represent cost in formation of the company.		
6 Interest Receivables		
Opening balance		-
Addition during the year		6,261,111
Received during the year		-
		6,261,111
This interest receivable represent interest on FDR		
7 Short-Term-Investment		
FDR Investment		
AB Bank (FDR No.-3478149)		140,000,000
		140,000,000
Investment in FDR comprised of deposits held at bank and short-term highly liquid investments with maturity of six months from the date of investment.		
8 Advances, Deposits and Prepayment		
Temporary Advance	8.1	720,228
Advance Income Tax	8.2	48,273
		768,501
8.1 Temporary Advance		
Opening balance		-
Addition during the year		720,228
Adjustment/ Received during the year		-
		720,228

This represent amount paid to employees to meet the expenses required for official work and which will be adjusted upon submission of bill/voucher.

8.2 Advance Income Tax

Opening balance		-
Addition during the year		48,273
Adjustment during the year		-
		48,273

Advance Income Tax represent the deduction of tax at source on interest on FDR.

9 Cash and cash equivalents

Cash in hand		20,000
Cash at bank	9.1	927,477
		947,477

9.1 Cash at bank

Janata Bank Limited (Special notice deposit)		927,477
		927,477

10 Share capital

(a) Authorized share capital		
4,000,000 ordinary shares of BDT 100 each		400,000,000
(b) Issued, subscribed and paid-up share capital		
10 ordinary shares of Taka 100 each fully paid in cash		1,000

Composition of issued, subscribed and fully paid-up share capital

Name of shareholders	No. of shares	Percentage	Face value per share (Taka)	Amount (Tk.)
China National Machinery Import & Export Corporation (CMC)	5	50%	100	500
North-West Power Generation Company Limited (NWPGL)	5	50%	100	500
	10	100%		1,000

11 Share Money Deposit

Opening balance		-
Addition during the year		155,199,000
Transfer to paid-up capital during the year		-
		155,199,000

The company has received share money deposit from CMC taka 77,599,500 and taka 77,599,500 from NWPGL through Janata Bank Limited. Subsequently, after performing the regulatory requirements these will be converted into paid-up capital.

12 Others Payable

Rent Payable		81,390
Payable for Furniture & Fixtures		5,243,667
		5,325,057

13 Loan-NWPGCL

Opening balance
Addition during the year
Adjustment/ Payment during the year

Note(s)

30 June 2015
Taka

-
12,436,531
-

12,436,531

This represent short term interest free loan from NWPGCL for the purpose of working capital. These will be re-paid immediately.

14 Security Deposit

Opening balance
Addition during the year
Adjustment/ payment during the year

-
10,480
-

10,480

This represents the amount deducted from the bills of contractors and suppliers as per terms and conditions of procurement contract & which shall be refunded to the respective contractors and suppliers after stipulated period.

15 Contributory Provident Fund (CPF)

Opening balance
Addition during the year
Transferred to CPF account

-
48,000
-

48,000**16 Provision for Expenses**

Audit fees

62,500

62,500**17 Related party Transactions**

Name of the Related Party	Nature of Transaction	Opening Balance	Transaction During the Year		Closing Balance
			Dr.	Cr.	Taka
North-West Power Generation Company Limited (NWPGCL)	Loan	-	-	12,436,531	12,436,531


Company Secretary


Managing Director


Director