



Floral Reception to Newly Appointed Board of Director by BRPL



Floral Reception to Newly Appointed Board of Director by BRPL



Floral Reception to Newly Appointed Board of Director by BRPL



21st February: International Mother Language Day observance



Free Medical Camp at Kodda 150MW Power Plant





Food Assistance Program at Corporate Office



Food Assistance Program at Mirsarai 150MW Power Plant Project



Food Assistance Program at Mirsarai 150MW Power Plant Project



Food Assistance Program at Sreepur 150MW Power Plant Project



Food Assistance Program at Kodda 150MW Power Plant



Food Assistance Program at Kodda 150MW Power Plant



Mujib Corner of BRPL on the occasion of celebrating 'MUJIB BORSHO'

Auditor's Report To the Shareholders of B-R Powergen Limited

Independent Auditor's Report To the Shareholders of B-R Powergen Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of B-R Powergen Limited ("the company"), which comprise the statements of financial position as at 30 June 2021 and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the company give a true and fair view of the financial position as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Without qualifying our opinion as above, we draw attention to the following points:

1. In note 12 to the financial statement which discloses the compliance status with the requirement of the Bangladesh Gazette 146/FRC/Admin/Gazette/2020/01 regarding share money deposit.
2. In note 2.2 and 29 to the financial statements where management explains the reclassification

and restatement of the previous year's financial information of the "Statement of Financial Position", and "Statement of Profit or Loss and Comprehensive Income" to ensure compliance with related IAS and IFRSs.

Other Matter

The financial statements of the company for the prior year was audited by K. M. Hasan & Co., Chartered Accountants. The auditor's report was unmodified and date of auditor's report was 28 October 2020.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report which includes the director's report and

chairman's statement but does not include the financial statements and our auditor's report thereon. The director's report and chairman's statement is not made available to us for our review.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with ISAs.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The management to ensure effective internal audit, internal control, and risk management functions of the company.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

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

Dhaka, Bangladesh

Date : 08 December 2021

ACNABIN

Chartered Accountants

Signed by: Md. Rokunuzzaman FCA
Partner Enrollment No.: 0739

B-R POWERGEN LIMITED (BRPL) STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

| | Notes | 30 June 2021 Amount in BDT | 30 June 2020 Amount in BDT |
|-------------------------------------|-------|-------------------------------|-------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 4 | 8,531,536,680 | 9,362,844,961 |
| Right of use assets | 5 | 190,294,024 | 201,454,925 |
| Capital work in progress | 6 | 9,756,550,850 | 7,884,046,455 |
| | | 18,478,381,554 | 17,448,346,341 |
| Current Assets | | | |
| Inventories | 7 | 811,374,153 | 761,169,439 |
| Trade and other receivables | 8 | 1,317,844,195 | 922,437,834 |
| Advances, deposits and prepayments | 9 | 554,539,549 | 538,010,440 |
| Cash and cash equivalents | 10 | 1,072,047,232 | 2,115,733,189 |
| | | 3,755,805,129 | 4,337,350,902 |
| Total Assets | | 22,234,186,691 | 21,785,697,249 |
| EQUITIES AND LIABILITIES | | | |
| Shareholder's Equity | | | |
| Share capital | 11 | 2,958,218,320 | 2,900,214,040 |
| Share money deposit | 12 | 5,281,072,531 | 4,846,500,000 |
| Retained earnings | | 4,047,310,747 | 3,549,688,272 |
| | | 12,286,601,598 | 11,296,402,312 |
| Non-Current Liabilities | | | |
| Buyer's credit syndicated loan | 13 | 4,392,461,128 | 5,490,559,998 |
| Government loan | 14 | 3,520,715,021 | 3,231,000,000 |
| Lease liability | 15 | 180,399,558 | 186,681,449 |
| Provision | 17 | 308,661,061 | - |
| | | 8,402,236,767 | 8,908,241,447 |
| Current Liabilities | | | |
| Buyer's credit syndicated loan | 13 | 1,098,098,869 | 1,098,034,237 |
| Lease liability | 15 | 6,281,892 | 5,808,190 |
| Trade and other payables | 16 | 399,545,061 | 383,323,195 |
| Provision | 17 | 41,422,503 | 93,887,867 |
| | | 1,545,348,325 | 1,581,053,489 |
| Total Liabilities | | 9,947,585,092 | 10,489,294,937 |
| Total Equity and Liabilities | | 22,234,186,691 | 21,785,697,249 |

These financial statements should be read in conjunction with the annexed notes.


Md. Zahangir Alam, FCS
Company Secretary



Md. Sharifur Rahman
Executive Director (F&A)


Engr. Md. Fakhruzzaman
Managing Director


Dhurjjati Prosad Sen
Director

As per our report of same date

Dhaka, Bangladesh
Date: 08 December 2021


ACNABIN
Chartered Accountants
Signed by: Md. Rokonzaman FCA
Partner Enrollment No.: 0739

B-R POWERGEN LIMITED (BRPL) STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

| | Notes | 2020-21 Amount in BDT | 2019-20 Amount in BDT |
|---|-------|--------------------------|--------------------------|
| Revenue | 18 | 5,822,333,330 | 4,056,677,130 |
| Cost of sales | 19 | (4,616,307,842) | (2,848,333,154) |
| Gross profit | | 1,206,025,488 | 1,208,343,976 |
| Administrative expenses | 20 | (137,403,007) | (120,948,371) |
| Profit from operating activities | | 1,068,622,481 | 1,087,395,605 |
| Non-operating income | 21 | 56,012,311 | 77,300,145 |
| Profit before interest and tax | | 1,124,634,792 | 1,164,695,750 |
| Financial expenses | 22 | (218,808,240) | (422,258,211) |
| Profit before WPPF and tax | | 905,826,552 | 742,437,540 |
| Contribution to WPPF | | (42,594,097) | (35,894,670) |
| Profit before income tax | | 863,232,456 | 706,542,870 |
| Income tax expense | 23 | (17,584,297) | (29,557,291) |
| Profit after income tax | | 845,648,159 | 676,985,580 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 845,648,159 | 676,985,580 |

These financial statements should be read in conjunction with the annexed notes.



Md. Zahangir Alam, FCS
Company Secretary



Md. Sharifur Rahman
Executive Director (F&A)



Engr. Md. Fakhruzzaman
Managing Director



Dhurjjati Prosad Sen
Director

As per our report of same date



ACNABIN

Chartered Accountants

Signed by: Md. Rokunuzzaman FCA
Partner Enrollment No.: 0739

Dhaka, Bangladesh

Date: 08 December 2021


B-R POWERGEN LIMITED (BRPL) STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021


| | Figures in BDT | | | |
|---|----------------------|----------------------|----------------------|-----------------------|
| | Share Capital | Share money Deposit | Retained Earnings | Total Equity |
| Balance at 1 July 2020 | 2,900,214,040 | 4,846,500,000 | 3,549,688,272 | 11,296,402,312 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 845,648,159 | 845,648,159 |
| Other comprehensive income for the year | - | - | - | - |
| Total comprehensive income for the year | - | - | 845,648,159 | 845,648,159 |
| Contributions and distributions | | | | |
| Issue of ordinary shares against stock dividend | 58,004,280 | - | (58,004,280) | - |
| Cash dividend | - | - | (290,021,404) | (290,021,404) |
| Share money deposit (GoB) | - | 558,000,000 | - | 558,000,000 |
| Refund of share money deposit (GoB) | - | (123,427,469) | - | (123,427,469) |
| Total contributions and distributions | 58,004,280 | 434,572,531 | (348,025,684) | 144,551,127 |
| Balance at 30 Jun 2021 | 2,958,218,320 | 5,281,072,531 | 4,047,310,747 | 12,286,601,598 |
| Balance at 1 July 2019 | 2,762,108,620 | 3,204,000,000 | 3,213,723,938 | 9,184,756,795 |
| Adjustment of previous year error | | | (9,568,222) | (14,492,460) |
| Balance at 1 July 2019 after adjustment | 2,762,108,620 | 3,204,000,000 | 3,204,155,716 | 9,170,264,336 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 676,985,580 | 676,985,580 |
| Other comprehensive income for the year | - | - | - | - |
| Total comprehensive income for the year | - | - | 676,985,580 | 676,985,580 |
| Contributions and distributions | | | | |
| Issue of ordinary shares against stock dividend | 138,105,420 | - | (138,105,420) | - |
| Cash dividend | - | - | (193,347,603) | (193,347,603) |
| Share money deposit (GoB) | - | 1,642,500,000 | - | 1,642,500,000 |
| Total contributions and distributions | 138,105,420 | 1,642,500,000 | (331,453,023) | 1,449,152,397 |
| Balance at 30 June 2020 | 2,900,214,040 | 4,846,500,000 | 3,549,688,272 | 11,296,402,312 |

These financial statements should be read in conjunction with the annexed notes.


Md. Zahangir Alam, FCS
Company Secretary



Md. Sharifur Rahman
Executive Director (F&A)


Engr. Md. Fakhruzzaman
Managing Director


Dhurjati Prosad Sen
Director

As per our report of same date

Dhaka, Bangladesh
Date: 08 December 2021


ACNABIN
Chartered Accountants
Signed by: Md. Rokonuzzaman FCA
Partner Enrollment No.: 0739

B-R POWERGEN LIMITED (BRPL) STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

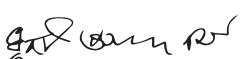
| | 2020-2021 Amount in BDT | 2019-2020 Amount in BDT |
|---|----------------------------|----------------------------|
| Profit before tax (PBT) | 863,232,456 | 706,542,870 |
| Adjustments: | | |
| Depreciation & amortization | 832,046,037 | 836,002,964 |
| Depreciation on ROUA | 11,160,901 | 11,160,901 |
| Interest expense on lease | 14,892,271 | 15,330,252 |
| Non-operating income | (56,012,311) | (77,300,145) |
| | 1,665,319,354 | 1,491,736,842 |
| Changes in Working capital | | |
| (Increase)/decrease in Inventories | (50,204,714) | (189,237,521) |
| (Increase)/decrease in Trade and other receivables | (395,406,361) | 934,704,968 |
| (Increase)/decrease in Advances, deposits and prepayments | (16,529,109) | (399,338,897) |
| Increase/(decrease) in Trade and other payables | 16,221,866 | (13,102,312) |
| Increase/(decrease) in Provisions | 256,195,697 | 37,183,897 |
| Total changes in Working capital | (189,722,621) | 370,210,135 |
| Cash generated from Operating activities | 1,475,596,732 | 1,861,946,977 |
| Income tax paid | (17,584,297) | (29,557,291) |
| Net cash flow from Operating activities | 1,458,012,436 | 1,832,389,685 |
| Cash flow from Investing activities | | |
| Acquisition of property, plant and equipment | (737,758) | (18,984,011) |
| Acquisition of CWIP | (1,872,504,394) | (2,286,585,417) |
| Interest received from investment | 56,012,311 | 77,300,145 |
| Net cash used in Investing activities | (1,817,229,841) | (2,228,269,283) |
| Cash flows from Financing activities | | |
| Dividend paid | (290,021,404) | (193,347,603) |
| Proceed from share money deposit | 434,572,531 | 1,642,500,000 |
| Repayment of Buyer's credit syndicated loan | (1,098,034,237) | (1,098,615,925) |
| Proceed from Loan (GoB Fund) | 289,715,021 | 1,095,000,000 |
| Repayment of lease liability | (5,808,190) | (5,370,209) |
| Interest paid on lease liability | (14,892,271) | (15,330,252) |
| Net cash from Financing activities | (684,468,550) | 1,424,836,011 |
| Net increase in cash and cash equivalents | (1,043,685,955) | 1,028,956,414 |
| Cash and cash equivalents at 1 July | 2,115,733,189 | 1,086,776,776 |
| Cash and cash equivalents at 30 June | 1,072,047,234 | 2,115,733,189 |

These financial statements should be read in conjunction with the annexed notes.


Md. Zahangir Alam, FCS
Company Secretary



Md. Sharifur Rahman
Executive Director (F&A)


Engr. Md. Fakhruzzaman
Managing Director


Dhurjjati Prosad Sen
Director

As per our report of same date

Dhaka, Bangladesh
Date: 08 December 2021


ACNABIN
Chartered Accountants
Signed by: Md. Rokonzaman FCA
Partner Enrollment No.: 0739

B-R POWERGEN LIMITED (BRPL)

Notes to the financial statements

As at and for the year ended 30 June 2021

1. The Company and its Activities:

1.1 Legal form of the Company

B-R POWERGEN LIMITED (BRPL) is a public limited company by shares which has registered under the Companies Act, 1994 on 10 November 2010 bearing Certificate of incorporation number is C-88100. The Company has primarily started its functioning with Kodda 150 MW Power Plant Project at Kodda, Gazipur. Presently the Company has 01 (One) Power Plants in operation namely- Kodda 150 MW Power Plant. Besides that, the company is developing 04 (Four) projects, namely- Mirsarai 150 MW Dual Fuel Power Plant Project, Sreepur 150 MW (HFO) Power Plant Project, Madarganj 100 MW Grid Tied Solar Power Plant Project & Mymensingh 400 MW Gas/LNG Based Combined Cycle Power Plant Project.

1.2 Address of Registered Office

The registered office of the company is at Dhaka Square (3rd Floor), House#01, Road#13, Sector#01, Uttara Model Town, Dhaka-1230, Bangladesh.

1.3 Nature of Business

The principal activity of the Company is to set up power plants for generating electricity to enhance the national development programs. The Company currently has installed and generation capacity of 150MW. The Company has schematic comprehensive future development plan for implementing different power plant projects of different sizes, capacities, and technologies as per plan is going to take by Govt. with a view to contributing 'SDG' & 'Rupkolpo: 2041' for country's development.

1.4 Objective of Business

- To set-up new power plants using of solid, liquid and gaseous fuels;
- To undertake and implement any new power plant project as per national development planning;
- To develop alternative/renewable energy sources (wind, solar, etc.);
- To have base-loaded new power generation on a least cost expansion plan;
- To assist the power sector to make it economically and financially viable and self-reliant to facilitate the total growth of the country;
- To increase the sector's efficiency and make the sector commercially viable;
- To harness public-private partnership to mobilize finance and attain synergy benefit;
- To develop database on the existing system ;
- To build long-term human capital and mutual trust;
- To develop new mindset for all of employees congruent with the corporate culture; and

- To set-up a new benchmark in standards of corporate culture and good governance through the pursuit of operational and financial excellence denoting responsible citizenship and establishing profitable growth.

1.5 BRPL's Operating and Development Units

1.5.1 Operating Units (Power Plants)

Kodda 150 MW Power Plant

Kodda 150 MW Power Plant started its commercial operation (COD) at a capacity of 150 MW on 16 August 2015. BRPL signed PPA with BPDB on 03 November 2013 for a contracted capacity of 150MW under which BPDB purchase electricity of this Plant.

1.5.2 Development Units (Projects)

a. Mirsarai 150 MW Dual Fuel Power Plant Project

Mirsarai 150 MW Dual Fuel Power Plant Project has been constructed under GoB fund and BRPL's own fund. The Project is going to commence its commercial operation (COD) by 30 June, 2022. But still some development activities are going on in the Project site.

b. Sreepur 150 MW HFO Based Power Plant Project

Land acquisition has been completed. Loan has been arranged from Commerzbank, Germany.

c. Madarganj 100 MW Grid Tied Solar Project

Land acquisition has been completed.

d. Mymensingh 400MW Gas/LNG Based Combined Cycle Power Plant Project

Government has given approval for 40 acre land at Shamvuganj, Mymensingh. GTCL has also given consent to about gas transmission line.

2 Basis of Preparation:

2.1 a) Statement of Compliance

The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all the years presented. 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 International Accounting Standards-1 (IAS-1) "Presentation of Financial Statements" in preparation and presentation of financial statements. Accounting and valuation methods are disclosed for reasons of clarity.

Authorization for issues:

These financial statements were authorized for issue by the Board of Director's on 08 December 2021.

b) Changes in presentation of Statement of Profit or Loss and Comprehensive Income

The presentation of Statement of Profit or Loss and Comprehensive Income from project wise presentation to single column presentation in compliance with IAS 1.

2.2 Summary of changes made in prior year comparative figures

Comparative figures of prior year have been rearranged in order to better presentation. Details are as follow:

- Inter project loan of BDT 24 million has been omitted from statement of financial position as they are result of internal transaction.
- Investment in other projects amounting BDT 239 million has been reclassified as Capital Work in Progress.
- Investment in FDR is reclassified under Cash and Cash Equivalent as the FDR are of short term period.
- Advance Income Tax (AIT) is presented under Advance, Deposits and Prepayment for better presentation.
- Buyer's credit syndicated loan is reclassified between current and non-current portion to portrait real picture of the loan status.
- Certain expenses of Mirsarai project are reclassified from revenue expenditure to capital expenditure. The amount reclassified is adjusted with prior year opening balance in note 6.
- Liabilities for expenses are reclassified under Trade and Other Payable.
- Provision for gratuity fund and Provision for income tax are presented under Provision.

2.3 Basis of Measurement

The financial statements have been prepared on the historical cost basis. Exceptions are lease obligation, accounts receivable and loans and borrowings, provisions for lease asset restoration expense which have been measured at present value of minimum lease payments, and present value of future dismantle costs respectively.

2.4 Legal Compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the IFRS, The Companies Act, 1994 and other applicable laws and regulations.

2.5 Use of Accounting Estimates, Assumptions and Judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis by management. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties at 30 June 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

In particular, information about significant areas of estimation uncertainty and

critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

(ii) Accounting Estimates and Judgements

BRPL makes estimations and assumptions that affect the reported amount of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(iii) Estimating Useful Lives of Plant and Machineries

BRPL estimates the useful lives of plant and machineries based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

(iv) Measurement of Fair Values

A number of the BRPL's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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

BRPL recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurs (if applicable).

2.6 Going Concern

The Financial statement of the Company has been prepared on a going concern basis. As per management assessment, there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The Management do not see any issue with respect to going concern due to the recent COVID-19 outbreak which was declared as a global pandemic by World Health Organization (WHO) on 11th March 2020. Although Bangladesh Government has taken restrictive measures, including declaring announcing general public holidays to contain its further spread affecting free movement of people and goods, Our operation was unaffected as electricity is an emergency service which that was out of the scope of public holidays. Management of the Company has taken adequate health safety measures to continue the operation of all its Power Plants. Furthermore, the revenue stream of the Company is secured through a Power Purchase Agreement signed with BPDB.

2.7 Functional and Presentation Currency

These financial statements are presented in taka (BDT), which is the Company's functional currency. Indicated figures have been rounded to the nearest taka.

2.8 Level of Precision

The figures of financial statements presented in taka has been rounded off to the nearest integer.

2.9 Foreign Currency Translation

Foreign currency transactions are recorded at the applicable rates on transaction date in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency transactions are translated at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates prevailing on that date. Exchange differences at the balance sheet date are adjusted with loan liabilities and charged to project-in-progress for on-going projects and for revenue generating units such differences are treated as foreign currency fluctuation loss/gain.

2.10 Reporting Period

Financial period of the Company covers one year from 01 July to 30 June every year and consistently followed. These financial statements cover 12 month period starting from 01 July 2020 to 30 June 2021.

2.11 Statement of Cash Flows

The net cash flow from operating activities is determined by adjusting profit/loss for the year under indirect method as per IAS 7.

2.12 Comparative Information

As guided in paragraph 36 and 38 of IAS-1 "Presentation of Financial Statements" comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

3. Significant Accounting Policies

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

3.1 Application of Standards

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

| | |
|---------|---|
| IAS-1 | Presentation of Financial Statements |
| IAS-2 | Inventories |
| IAS-7 | Statement of Cash Flows |
| IAS-8 | Accounting Policies, Changes in Accounting Estimates and Errors |
| IAS-10 | Events after the Reporting Period |
| IAS-12 | Income Taxes |
| IAS-16 | Property, Plant and Equipment |
| IAS-19 | Employee Benefits |
| IAS-20 | Accounting for Government grant and disclosure |
| IAS-21 | The effects of Changes in Foreign Exchange Rates |
| IAS-23 | Borrowing Costs |
| IAS-24 | Related Party Disclosures |
| IAS-27 | Separate Financial Statements |
| IAS-28 | Investment in Associates and Joint Ventures |
| IAS-32 | Financial Instruments: Presentation |
| IAS-34 | Interim Financial Reporting |
| IAS-36 | Impairment of Assets |
| IAS-37 | Provisions, Contingent Liabilities and Contingent Assets |
| IAS-38 | Intangible Assets |
| IAS-40 | Investment Property |
| IFRS-5 | Non-current Assets Held for Sale and Discontinued Operations |
| IFRS-7 | Financial Instruments: Disclosures |
| IFRS-9 | Financial Instruments |
| IFRS-11 | Joint Arrangements |
| IFRS-13 | Fair Value Measurement |
| IFRS-15 | Revenue from Contracts with Customers |
| IFRS-16 | Leases |

3.2 New and Amended Standards Adopted by the Company

"The company has applied the following standards and amendments for the first time for their annual reporting period commencing FY 2019-20

- (i) Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12 and
- (ii) Disclosure initiative – Amendments to IAS 7
- (iii) Recognition of Leases – Amendments to IFRS 16 and
- (iv) Disclosure initiative – Amendments to IFRS 9

The adoption of IFRS 16 have material impact on the current period or any prior period.

| Title | IFRS 9 Financial Instruments |
|--|--|
| Nature of change | IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. |
| Impact | <p>The Company has reviewed its financial assets and liabilities and is following impact from the adoption of the new standard. The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under IFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts.</p> <p>The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Company's disclosures about its financial instruments particularly in the year of the adoption of the new standard.</p> |
| M a n d a t o r y application date/ Date of adoption by company | <p>Must be applied for financial years commencing on or after 1 January 2018</p> <p>The company applied the new rules retrospectively from 1 July 2019, with practical expedients permitted under the standard.</p> |

| Title | IFRS 16 Leases |
|--|--|
| Nature of change | <p>IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.</p> <p>The accounting for lessors will not significantly change.</p> |
| Impact | At this stage, the company is in the process to estimate the impact of the new rules on the company's financial statements. |
| M a n d a t o r y application date/ Date of adoption by company | <p>Mandatory for financial years commencing on or after 1 January 2019. At this stage, the company does not intend to adopt the standard before its effective date.</p> <p>The company applied the new rules retrospectively from 1 July 2019, with practical expedients permitted under the standard. The comparatives for 2019-20 has been restated.</p> |

3.3 Assets and their Valuation

3.3.1 Recognition and Measurement

Items of property, plant and equipment have been stated at cost less accumulated depreciation and impairment losses; if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

The cost of materials and direct labor, and cost of materials includes purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates;

Any other costs directly attributable to bringing the assets to a working condition for their intended use;

When the BRPL has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and

Capitalized borrowing cost

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in statement of profit or loss and other comprehensive income.

3.3.2 Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the BRPL and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

3.3.3 Depreciation of the Fixed Assets:

No depreciation is charged on land and land development. Depreciation on addition of fixed assets during the year is charged as daily basis. In case of disposal of fixed assets, no depreciation is charged in the year of disposal. Depreciation of all properties is computed using the straight line method. The depreciation rates applicable for the fixed assets of the Company are as follows:

| Assets Rate | |
|---------------------|-------|
| Vehicles | 20% |
| Furniture & Fixture | 10% |
| Office Equipment | 20% |
| Building | 5% |
| Plant & Machinery | 6.50% |
| Lifting Equipment | 6.50% |
| 20KWp Solar System | 6.67% |

3.3.4 Retirements and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income.

3.4 Right of Use Assets

During the transition to IFRS 16, BRPL evaluated all types of contracts to assess whether a contract is or contains a lease at the initial application date.

"Being lessee, BRPL previously classified leases as operating or finance leases based on its assessment of whether the lease transferred all of the risks and rewards incidental to ownership of the underlying asset to the company significantly. According to IFRS 16, BRPL recognizes right-of-use assets and lease liabilities for all leases. At transition, right-of-use assets were measured at the present value of the lease payments and advance deposits, discounted at BRPL's incremental borrowing rate from the commencement dates of respective agreements. Lease liabilities were measured at an amount equal to the right-of-use assets, adjusted by the amount of any prepaid or accrued lease payments (if any). When measuring right-of-use assets, BRPL discounted lease payments using its incremental borrowing rate at 8.00%. The rate was determined based on the incremental borrowing rate of BRPL which is currently BRPL has applied IFRS 16 using the modified retrospective approach, and therefore the comparative information has been restated in FY 2019-20. At the inception of a contract, BRPL assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The contract involves using an identified asset; BRPL has the right to obtain all of the economic benefits from the use of the asset throughout the period of use substantially, and BRPL has the right to direct the use of the asset. BRPL has the right to direct the asset's use if either BRPL has the right to operate the asset or BRPL designed the asset in a way that predetermines how and for what purpose it will be used."

3.5 Intangible Assets

Intangible assets include Finance Module, HR Module, Fixed Assets Module, Procurement Module & implementation which is measured at cost less accumulated amortisation.

3.6 Project-in-Progress (PIP)

Project-in-progress (PIP) is accounted for according to IAS-16 (Property, Plant and Equipment) at cost. PIP includes the costs of Mirsarai 150 MW Power Plant Project, Sreepur 150 MW (HFO) Power Plant Project, Madarganj 100 MW Grid Tied Solar Project & Mymensingh 400MW Gas/LNG Based Combined Cycle Power Plant Project.

3.7 Foreign Currency Transactions and Translation

Transactions in foreign currencies for procurement of goods & services, foreign

loan and such others are recorded at the rate prevailing at the date of the transactions. All foreign Currency monetary assets and liabilities are translated at reporting date using the exchange rate prevailing at the reporting date.

3.8 Inventories

Inventories are valued at the lower of cost or net realizable value (LCM or NRV). The cost is assigned following the weighted average cost formula. As per IAS 2 "Inventories" Net realizable value is determined by deducting the estimated cost of completion and sales costs from the related items' estimated sales.

3.9 Share Capital

Initially, the Company's authorized capital was Tk.4,000,000,000 divided into 400,000,000 Shares of Tk.10 each. As per the resolution of 3rd EGM of the Company held on 22/04/2018, the authorized Share Capital has been increased to Tk. 10,000,000,000 (Taka One Thousand Crore) divided into 1,000,000,000 (One Hundred Crore) ordinary shares of Tk.10 (Taka Ten) each.

3.10 Revenue Recognition

BRPL is currently generating revenue from one power plants, namely Kodda 150 MW Power Plant. Revenue is recognised in accordance with "IFRS:16 Revenue from Contracts with Customers" when invoices are submitted to Bangladesh Power Development Board (BPDB), the sole offtaker, at the end of each month. Invoices are prepared following the terms and conditions of the Power Purchase Agreement (PPA) signed between the Company and BPDB.

3.11 Lease Liabilities

"IFRS 16 has been applied since FY 2019-20. Lease liabilities are initially measured at present value of lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liabilities is subsequently increased by the interest cost on the lease liabilities and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The Company classifies all the leases as finance lease unless lease term is one year or less or leases for which the underlying asset is of low value in which case the lease payment associated with those leases is recognised as an expense on either a straight-line basis over the lease term or another systematic basis. "

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.12.1 Recognition and Initial Measurement

"Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company

becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price."

3.12.2 Classification and Subsequent Measurement

Financial Assets

"On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis."

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – subsequent measurement and gains and losses

| Title | IFRS 9 Financial Instruments |
|------------------------------------|--|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. |
| Debt investments at FVOCI | These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. |

Financial Liability

"All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include accounts and other payables and loans and borrowings etc."

3.13 Investment Property

"Investment property is property (land or a building or part of a building or both) held (by the owner or by the leasee under a finance lease) to earn rentals or capital appreciation or both rather than for: (a) use in the production or supply of goods or services or for an administrative purpose; or (b) sale in the ordinary course of business. An investment property shall be measured initially at cost. An investment property shall be carried at cost less accumulated depreciation and impairment loss if any. "

3.14 Other Income

Other Income comprises of bank interest, notice pay for resignation, rent received on vehicle used in personal purpose, sale of tender document and scrap materials etc.

3.15 Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

3.15.1 Current Tax

Current tax is the expected tax payable only on non-operating income chargeable for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years. Provision for current tax expenses has been made on the basis of Income Tax Ordinance, 1984 (as amended up to date). Operating profit is not taxable as per circular of Finance Ministry, Internal Resource Division (SRO 211/Income tax/2013, Dated: 21 November 2013). Tax rate is 30% on non-operating income for the FY 2020-21.

3.15.2 Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. Deferred tax is not recognised for:

- (a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss.
- (b) Temporary differences related to investment in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future, and
- (c) Taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. As operating profit is not taxable as per circular of Finance Ministry, Internal Resource Division (SRO 211/Income tax/2013, Dated: 21 November 2013), no deferred tax has been calculated.

3.16 Contingent Liabilities and Assets

Contingencies arising from claims, litigation assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured in accordance with IAS-37.

3.16.1 Contingent Asset

Contingent asset is a possible asset 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.

A contingent asset should not be recognised, only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

3.16.2 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 recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met."

3.17 Employee Benefit

3.17.1 Contributory Provident Fund

The Company maintains a Contributory Provident Fund (CPF) under which the employees contribute 10% of their basic salary to the fund. The company also contributes to the fund an equal amount. Companies CPF Rule and Deed of trust have been approved by the Board. National Board of Revenue (NBR) approval for the fund is going on.

3.17.2 Gratuity

In accordance with the service rule of the Company, each employee is entitled to gratuity at the rate of two and half (2.5) months' basic pay for each completed year of service or any part thereof minimum one eighty (180) days. The amount of gratuity provision has been kept as per the actuarial valuation report. All regular employees who rendered at least three (3) years continuous service in the Company are entitled to gratuity.

3.18 Borrowing Cost

Borrowing costs relating to projects are adjusted with project-in-progress as interest during construction (IDC).

3.19 Related Party Transactions

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transactions with related parties are recognized and disclosed in accordance IAS 24 "Related Party Disclosures".

3.20 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

3.21 Events after The Reporting Period

Events after the reporting period that provide additional information about the BRPL'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 on note.

3.22 Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

3.23 Impairment

3.23.1 Non-derivative Financial Assets

"A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. "

The BRPL considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and held-to-maturity investment securities) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities.

"Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss."

3.23.2 Non-derivative Non-financial Assets

The carrying amounts of BRPL's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

"The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to the carrying amounts of the assets in the CGU on a pro rata basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised."

3.24 Provisions

"A provision is recognised on the statement of financial position date if, as a result of past events, the BRPL has a present legal or constructive obligation that can be estimated reliably, and It is probable that an outflow of economic