

B-R POWERGEN LIMITED

House # 01, Road # 13, Sector # 01
Uttara Model Town, Dhaka-1230.

B-R POWERGEN LIMITED
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2019

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**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**, which comprise the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at 30 June 2019 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 Auditor's 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 of Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the all the information in the Annual report other than the financial statements and our auditors' report thereon.

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 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 report that fact. We have nothing to report in this regard.



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

In preparation 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:

1 Identify and assess the risks of material misstatement of the 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.

2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4 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.

5 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.



□ Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and other applicable laws and regulations, 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 those books; and
- (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.

Place: Dhaka

Dated: 09 October 2019



K. M. Hasan & Co.
K. M. HASAN & CO.
Chartered Accountants

B-R POWERGEN LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

	Notes	Amount in Taka		
		30 June 2019	30 June 2018	01 July 2017
			*Restated	*Restated
ASSETS				
Non -Current Assets				
Property, plant and equipment	4	10,179,896,404	10,997,668,688	10,893,340,412
Capital work in progress	5	5,376,584,889	908,083,577	-
Investment in other projects	6	240,229,246	250,514,168	1,504,845
Loan to other projects	7	24,100,000	-	-
		<u>15,820,810,539</u>	<u>12,156,266,433</u>	<u>10,894,845,257</u>
Current Assets				
Inventories	8	571,931,919	492,120,032	443,055,006
Trade and other receivables	9	1,857,142,801	2,419,519,724	2,322,142,764
Investment in FDR	10	500,000,000	180,000,000	250,000,000
Advances, deposits and prepayments	11	82,000,349	47,205,360	209,430,458
Advance income tax	12	56,671,194	8,731,973	1,264,198
Cash and cash equivalents	13	586,776,776	554,600,837	185,855,336
		<u>3,654,523,039</u>	<u>3,702,177,926</u>	<u>3,411,747,762</u>
Total Assets		<u>19,475,333,578</u>	<u>15,858,444,359</u>	<u>14,306,593,019</u>
EQUITIES AND LIABILITIES				
Shareholder's Equity				
Share capital	14	2,762,108,620	2,121,517,320	2,121,517,320
Deposit for shares (GOB)	15	3,204,000,000	480,000,000	-
Retained earnings		<u>3,218,648,175</u>	<u>2,668,546,300</u>	<u>1,616,557,229</u>
		<u>9,184,756,795</u>	<u>5,270,063,620</u>	<u>3,738,074,549</u>
Non-Current Liabilities				
Buyer's credit syndicated loan	16	7,645,974,895	8,652,942,545	9,642,459,536
Loan - GOB Fund	17	2,136,000,000	320,000,000	-
		<u>9,781,974,895</u>	<u>8,972,942,545</u>	<u>9,642,459,536</u>
Current Liabilities				
Time Loan from Prime Bank Ltd.		-	-	98,107,800
Inter project loan	18	24,100,000	108,965,978	-
Investment from Kooda Power Plant Project	19	31,372,411	-	-
Trade and other payables	20	337,109,519	1,395,213,138	814,829,161
Liability for expenses	21	59,315,989	68,797,548	3,291,050
Provision for employee gratuity	22	11,152,700	18,339,050	-
Provision for income tax	23	45,551,269	24,122,480	9,830,923
		<u>508,601,888</u>	<u>1,615,438,193</u>	<u>926,058,934</u>
Total Equity and Liabilities		<u>19,475,333,578</u>	<u>15,858,444,359</u>	<u>14,306,593,019</u>

*See note 2.4

The annexed notes form an integral part of these financial statements.


Executive Director (F & A)


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 09 October 2019




K.M. HASAN & CO.
Chartered Accountants


B-R POWERGEN LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Notes	KPP	MPP	2019 Taka	2018 Taka *Restated
Sales	24	5,734,354,160	-	5,734,354,160	9,299,450,347
Cost of sales	25	(4,324,894,564)	-	(4,324,894,564)	(7,519,893,617)
Gross profit		1,409,459,596	-	1,409,459,596	1,779,556,730
Administrative expenses	26	(109,296,063)	(15,826,867)	(125,122,930)	(71,123,623)
Profit from operating activities		1,300,163,533	(15,826,867)	1,284,336,666	1,708,433,107
Non-operating income	27	61,225,113	24,525,985	85,751,098	40,833,020
Profit before interest and tax		1,361,388,646	8,699,118	1,370,087,764	1,749,266,126
Financial expenses	28	(547,656,209)	-	(547,656,209)	(518,291,808)
Profit Before Contribution to WPPF and Tax		813,732,437	8,699,118	822,431,555	1,230,974,318
Contribution to WPPF		(38,749,164)	-	(38,749,164)	(58,617,825)
Profit before income tax		774,983,273	8,699,118	783,682,391	1,172,356,494
Provision for income tax	23	(21,428,790)	-	(21,428,790)	(14,291,557)
Profit after income tax		753,554,483	8,699,118	762,253,601	1,158,064,937
Other comprehensive income		-	-	-	-
Total comprehensive income		753,554,483	8,699,118	762,253,601	1,158,064,937

*See note 2.4

The annexed notes form an integral part of these financial statements.


Executive Director (F & A)


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 09 October 2019




K.M. HASAN & CO.
Chartered Accountants

B-R POWERGEN LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

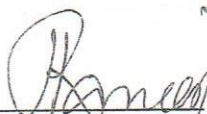
Amount in Taka


Particulars	Share capital	Deposit for shares (GOB)	Retained earnings	Total
Balance as at 01 July 2018	2,121,517,320	480,000,000	2,668,546,300	5,270,063,620
Cash Dividend Paid	-	-	(106,075,866)	(106,075,866)
Stock Dividend	106,075,860	-	(106,075,860)	-
Addition during the year	534,515,440	2,724,000,000	-	3,258,515,440
Net Profit for the year	-	-	762,253,601	762,253,601
Balance as at 30 June 2019	2,762,108,620	3,204,000,000	3,218,648,175	9,184,756,795

For the year ended 30 June 2018

Amount in Taka

Particulars	Share capital	Deposit for shares (GOB)	Retained earnings	Total
Previously Reported Balance as at 01 July 2017	2,121,517,320	-	2,295,304,265	4,416,821,585
Restatement for the referred item (Note No-16.1)	-	-	(678,747,036)	(678,747,036)
Restated balance as at 01 July 2017	2,121,517,320	-	1,616,557,229	3,738,074,549
Dividend Paid	-	-	(106,075,866)	(106,075,866)
Addition during the year	-	480,000,000	-	480,000,000
Net Profit for the year	-	-	1,158,064,937	1,158,064,937
Restated Balance as at 30 June 2018	2,121,517,320	480,000,000	2,668,546,300	5,270,063,620


 Executive/Director (F & A)


 Managing Director


 Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
 Dated: 09 October 2019





K.M. HASAN & CO.
 Chartered Accountants

B-R POWERGEN LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	2019 <u>Taka</u>	2018 <u>Taka</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers and others	6,382,482,181	9,242,906,407
Cash paid to suppliers and others	(5,393,852,896)	(6,742,493,735)
Income tax paid	(47,939,221)	(7,467,775)
Net cash flow from operating activities	940,690,063	2,492,944,898
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(14,176,091)	(741,513,639)
Investment in FDR	(320,000,000)	70,000,000
Investment in other Projects	(67,308,645)	(249,009,323)
Capital work-in- progress	(4,468,501,312)	(908,083,577)
Net cash used in investing activities	(4,869,986,048)	(1,828,606,539)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Buyer's syndicated loan payment	(1,006,967,650)	(989,516,991)
GOB loan Receipt	1,816,000,000	320,000,000
Dividend paid	(106,075,866)	(106,075,866)
Equity (GOB Fund) Receipt	2,724,000,000	480,000,000
Issue of share capital	534,515,440	-
Net cash provided from financing activities	3,961,471,924	(295,592,857)
Net increase/decrease (outflow) in cash and cash equivalents (A+ B+C)	32,175,939	368,745,501
Opening balance of cash and cash equivalents	554,600,837	185,855,336
Closing balance of cash and cash equivalents	586,776,776	554,600,837


 Executive Director (F & A)


 Managing Director


 Director

Place: Dhaka
 Dated: 09 October 2019



B-R POWERGEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
As at and for the year ended 30 June 2019

1. SIGNIFICANT INFORMATION

1.1 Legal status of the Company

B-R POWERGEN LIMITED is a public limited company by shares which was registered as BPDB-RPCL POWERGEN LIMITED under the Companies Act, 1994 on 10 November 2010 and Certificate of incorporation number is C-88100 and the name of the company has been subsequently changed to B-R POWERGEN LIMITED.

1.2 Composition of the Share holders of the Company

Bangladesh Power Development Board (BPDB)	50%
Rural Power Company Ltd. (RPCL)	50%
	<u>100%</u>

1.3 Objectives and nature of business of the company

The main objective of forming the company is to establish, operate and maintain facilities for the harnessing, development, generation, transmission, distribution, supply and utilization of electricity in all aspects. Accordingly 150 MW Dual Fuel (HFO/GAS) power plant was established by B-R POWERGEN LIMITED at Koddha Gazipur. B-R POWERGEN LIMITED has been engaged to generate, transmit, harness, develop, accumulate and supply power/electricity to the Bangladesh Power Development Board (BPDB) for onward selling of such power/electricity by the company to different distribution companies /utilities. Moreover, they will transmit, distribute and supply electricity either directly or through of other utilities industries and other consumers of electricity.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENT

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), and other applicable laws.

2.2 Functional and presentational currency and level of precision

These financial statements are prepared in Taka, which is the company's functional currency. All financial information presented in Taka has been rounded to the nearest Taka.

2.3 Use of estimates and judgements

The preparation of financial statements requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities.

Estimates and underlying assumptions are reviewed on an ongoing basis.

2.4 Prior period errors

The Company didn't make provision for worker's profit participation fund (WPPF) for the FY 2017-2018 and provision for WPPF has been made during the year. Non recognition of WPPF for the FY 2017-2018 is considered as prior period error as per IAS 8. As a result, WPPF related to the year ended 30 June 2018 has been charged to profit and loss account.

Due to the aforesaid changes, comparative balance sheet as at 30 June 2018, corresponding profit and loss account for the year ended 30 June 2018 have been restated.



The Company has not also charged foreign exchange gain/(loss) for Buyer's Credit Syndicated Loan in prior years and foreign exchange gain/ (loss) for Buyer's Credit Syndicated Loan has been charged for the first time during the year ended 30 June 2019. Not charging of foreign exchange gain/ (loss) for Buyer's Credit Syndicated Loan in profit or loss account is considered as prior period error as per IAS 8. As a result foreign exchange gain/(loss) for Buyer's Credit Syndicated Loan related to the year ended 30 June 2018 has been charged to profit and loss account and the balance related to the periods prior to 30 June 2018 has been adjusted against opening Retained Earnings as per paragraph 42 of IAS 8.

Due to the aforesaid changes, comparative balance sheet as at 30 June 2018, corresponding profit and loss account for the year ended 30 June 2018 as well as opening Buyer's Credit Syndicated Loan and opening retained earnings as at 1 July 2017 have been restated.

2.5 Reporting period

The financial statement of the company covers one year i.e. from 01 July 2018 to 30 June 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in these financial statements.

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation in accordance with IAS-16 " Property, plant and equipment". The cost of acquisition comprises price, non-refundable taxes and any directly attributable cost of bringing the assets to working condition for its intended use. Depreciation is provided to amortize the cost of the assets after commencing over their expected useful economic life. Depreciation is computed using the straight-line method. Depreciation has been charged for a year.

The annual depreciation rates applicable to the principal categories are:

Power Plant	6.5%
Office building	5%
Vehicle	20%
Lifting Equipment	6.5%
Office equipment	20%
Furniture and fixture	10%
20 KWp Solar System	6.67%

3.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks which are held and available for use by the company without any restriction.

3.3 Inventory

Inventories comprise of Fuel, Lubricant, Stores and Spare Parts and Others. Inventories are stated at lower of cost Vs net realizable value as per IAS-2.

3.4 Revenue recognition

Revenue has been recognized in accordance with Bangladesh Financial Reporting Standards (BFRSs)-15 " Revenue from contracts with customers".

3.5 Provisions for income tax

Tax provision @ 35% on Non-operating income has been charged and the income from power/electricity generation has been exempted from tax as per এস, আর, ও নং- ২১২- আইন/আয়কর/২০১৩।



3.6 Foreign currencies

The Power Purchase Agreement (PPA) signed between Bangladesh Power Development Board (BPDB) and B-R Powergen Ltd. on 03 November 2013. In the Power Purchase Agreement (PPA) the Foreign loan repayment portion is RNECP(US) under the Section 13: Tariff, Billing and Payment and sub section 13.1: Commercial Terms: (b) Capacity and Energy

Capacity Payments: From and after the Commercial operations date, BPDB shall pay to the Company, for each month, a capacity payment, in accordance with Section: 13.2 (a) for making available the dependable capacity in such month. The Capacity payment and Energy payment payable to the company for dependable capacity and net energy output, respectively, in any period, during the term shall be calculated based on the reference Capacity price and the reference Energy price, as provided in this section 13.1. The calculation of foreign non-escalable capacity payment as follows:

$$CPNE(US)_{mn} = RNECP(US)_n \times CEm \times DC_m$$

Where, CEm = The rate at which Sonali Bank sales one dollar in exchange for Taka as published in the Exchange rate bulletin or any latest official letter or circular to the authorized dealers (as that expression is used by Sonali Bank) or defined in any publication of Sonali Bank in Bangladesh, on the first day of the month immediately following the month "m" (each such date shall be defined the "indexation date").

In view of the above, the loss of foreign exchange fluctuation on foreign loan is covered under the above mentioned formula at which BPDB paying the Capacity payment each month.

3.7 General:

- i) Previous year's figures have been re-arranged/re-grouped wherever considered necessary to conform to current year's presentation.
- ii) Figures have been rounded off to the nearest taka.



4. PROPERTY, PLANT AND EQUIPMENT

Projects

Kodda 150 MW Power Plant
Mirsarai 150 MW Power Plant Project
As at 30 June 2019

Accumulated
Depreciation

Written Down
Value

At cost
12,745,016,905
660,305
12,745,677,210

2,565,765,757
15,049
2,565,780,806

10,179,251,148
645,256
10,179,896,404

1,733,832,431
10,997,668,688

Kodda 150 MW Power Plant
Mirsarai 150 MW Power Plant Project
As at 30 June 2018

1,733,832,431
10,997,668,688

Amount in Taka

Kodda 150 MW Power Plant:

Sl. No.	PARTICULARS	COST			Rate	DEPRECIATION			Written down value as on 30.06.2019
		Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019	
1	Power Plant	12,658,363,343	9,633,769	12,667,997,112	6.5%	1,715,450,162	823,382,888	2,538,833,050	10,129,164,062
2	Office building	25,124,760	-	25,124,760	5%	3,610,394	1,633,109	5,243,503	19,881,257
3	Vehicle	20,594,224	-	20,594,224	20%	10,156,712	4,118,845	14,275,557	6,318,667
4	Lifting Equipment	16,134,083	-	16,134,083	6.5%	2,420,112	1,048,715	3,468,827	12,665,256
5	Office equipment	4,848,828	3,195,109	8,043,937	20%	1,712,576	1,103,178	2,815,754	5,228,183
6	Furniture and fixture	5,389,841	686,908	6,076,749	10%	430,174	576,820	1,006,994	5,069,755
7	20 KwP Solar System	1,046,040	-	1,046,040	6.67%	52,302	69,771	122,073	923,967
	Balance as on 30 June 2019	12,731,501,119	13,515,786	12,745,016,905		1,733,832,431	831,933,326	2,565,765,757	10,179,251,148
	Balance as on 30 June 2018	11,989,987,480	741,513,639	12,731,501,119		1,096,647,069	637,185,362	1,733,832,431	10,997,668,688

Allocation of depreciation

Cost of power generation and supply
Administrative expenses
2019 Taka
826,134,483
5,798,843
831,933,326

2018 Taka
632,035,067
5,150,295
637,185,362

Amount in Taka

Mirsarai 150 MW Power Plant Project:

Sl. No.	PARTICULARS	COST			Rate	DEPRECIATION			Written down value as on 30.06.2019
		Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019	
1	Land	-	488,224	488,224		-	-	-	488,224
2	Office equipment	-	151,950	151,950	20%	-	14,213	14,213	137,737
3	Furniture and fixture	-	20,131	20,131	10%	-	836	836	19,295
	Balance as on 30 June 2019	-	660,305	660,305	0	-	15,049	15,049	645,256
	Balance as on 30 June 2018	-	-	-		-	-	-	-

Allocation of depreciation

Cost of power generation and supply
2019 Taka
15,049
15,049

2018 Taka
77

	2019 Taka	2018 Taka
5. CAPITAL WORK IN PROGRESS		
Mirsarai 150 MW Power Plant Project:		
Consultancy Services fees	4,873,985	-
EPC payment -Local	197,582,190	52,383,123
EPC payment -Foreign	5,166,355,562	855,700,454
Others	7,773,152	-
	<u>5,376,584,889</u>	<u>908,083,577</u>
6. INVESTMENT IN OTHER PROJECT		
Kodda 150 MW Power Plant:		
Investment in Mirsarai 150 MW Power Plant Project (Note- 6.1)	31,372,411	124,877,099
Investment in Sreepur 150 MW Power Plant Project (Note- 6.2)	208,823,440	125,637,069
Investment in Madargonj 100 MW Solar PV Power Plant Project (Note- 6.3)	33,395	-
	<u>240,229,246</u>	<u>250,514,168</u>
6.1 Investment in Mirsarai 150 MW Power Plant Project		
Opening balance	124,877,099	1,491,895
Addition during the year	15,460,542	123,385,204
	<u>140,337,641</u>	<u>124,877,099</u>
Transferred to temporary project loan account	(108,965,230)	-
Closing balance	<u>31,372,411</u>	<u>124,877,099</u>
6.2 Investment in Sreepur 150 MW Power Plant Project		
Opening balance	125,637,069	12,950
Addition during the year	83,186,371	125,624,119
	<u>208,823,440</u>	<u>125,637,069</u>
Capitalization during the year	-	-
Closing balance	<u>208,823,440</u>	<u>125,637,069</u>
6.3 Investment in Madargonj Project		
Opening balance	-	-
Addition during the year	33,395	-
	<u>33,395</u>	<u>-</u>
Capitalization during the year	-	-
Closing balance	<u>33,395</u>	<u>-</u>
7. LOAN TO OTHER PROJECTS		
Kodda 150 MW Power Plant:		
Loan to Mirsarai 150 MW Power Plant Project (Note-7.1)	24,100,000	-
	<u>24,100,000</u>	<u>-</u>
7.1 Loan to Mirsarai 150 MW Power Plant Project		
Opening balance	-	-
Addition during the year	402,327,190	-
	<u>402,327,190</u>	<u>-</u>
Repayment during the year	(378,227,190)	-
Closing balance	<u>24,100,000</u>	<u>-</u>



	2019 <u>Taka</u>	2018 <u>Taka</u>
8. INVENTORIES		
<u>Kodda 150 MW Power Plant:</u>		
Fuel (Note-8.1)	372,607,373	407,482,498
Mechanical Spare Sparts (Note-8.2)	171,072,039	84,157,527
Chemical (Note-8.3)	3,774,022	108,680
Electrical spare sparts (Note-8.4)	10,731,702	371,327
HFO & LFO Seperator (Note-8.5)	13,746,782	-
	<u>571,931,919</u>	<u>492,120,032</u>
8.1 Fuel		
Opening balance	407,482,498	443,055,006
Received during the year	<u>3,190,772,424</u>	<u>6,557,704,340</u>
	3,598,254,922	7,000,759,346
Consumption during the year	<u>(3,225,647,549)</u>	<u>(6,593,276,848)</u>
	<u>372,607,373</u>	<u>407,482,498</u>
8.2 Mechanical Spare Parts		
Opening balance	84,157,527	-
Received during the year	<u>176,177,421</u>	<u>123,996,996</u>
	260,334,948	123,996,996
Consumption during the year	<u>(89,262,908)</u>	<u>(39,839,469)</u>
	<u>171,072,039</u>	<u>84,157,527</u>
8.3 Chemical		
Opening balance	108,680	-
Received during the year	<u>9,122,499</u>	<u>108,680</u>
	9,231,179	108,680
Consumption during the year	<u>(5,457,157)</u>	<u>-</u>
	<u>3,774,022</u>	<u>108,680</u>
8.4 Electrical spare Parts		
Opening balance	371,327	-
Received during the year	<u>12,977,918</u>	<u>371,327</u>
	13,349,245	371,327
Consumption during the year	<u>(2,617,543)</u>	<u>-</u>
	<u>10,731,702</u>	<u>371,327</u>
8.5 HFO & LFO Seperator		
Opening balance	-	-
Received from Depo during the year	<u>21,201,514</u>	<u>-</u>
	21,201,514	-
Consumption during the year	<u>(7,454,732)</u>	<u>-</u>
	<u>13,746,782</u>	<u>-</u>
9. TRADE AND OTHER RECEIVABLES		
<u>Kodda 150 MW Power Plant:</u>		
Bangladesh Power Development Board (Note- 9.1)	1,841,841,065	2,412,957,641
Interest Receivable from FDR (Note- 9.2)	<u>15,301,736</u>	<u>6,562,083</u>
	<u>1,857,142,801</u>	<u>2,419,519,724</u>



	2019 Taka	2018 Taka
9.1 Bangladesh Power Development Board		
Opening balance	2,412,957,641	2,322,142,764
Sales during the year	5,734,354,160	9,299,450,347
	8,147,311,801	11,621,593,111
Received during the year	(6,305,470,736)	(9,208,635,470)
Closing balance	1,841,841,065	2,412,957,641
9.2 Interest Receivable from FDR		
Opening balance	6,562,083	-
Receivable during the year	15,301,736	6,562,083
	21,863,819	6,562,083
Received during the year	(6,562,083)	-
Closing balance	15,301,736	6,562,083
10. INVESTMENT IN FIXED DEPOSIT RECEIPT (FDR)		
<u>Kodda 150 MW Power Plant:</u>		
Shahjalal Islami Bank Ltd., Mirpur Br. (FDR No.-0333085)	-	30,000,000
IFIC Bank Ltd., Principal Br. (FDR No.-1332683)	50,000,000	50,000,000
United Commercial Bank Ltd., Dhanmondi Br. (FDR No.-1006440)	-	50,000,000
Premier Bank Ltd., Ashkona Br. (FDR No.-0102 24300052035 & 36)	-	50,000,000
Premier Bank Ltd., Gulshan Circle-2 Br. (FDR No.-0275548)	50,000,000	-
Al-Arafah Islami Bank Ltd., Progoti Sharani Br. (FDR No.-0844466)	100,000,000	-
AB Bank Ltd., North South Road Br. (FDR No.-3583817)	100,000,000	-
BRAC Bank Ltd., Basabo Br. (FDR No- 070462)	50,000,000	-
Dhaka Bank Ltd., Mohakhali Br. (FDR No.-275541)	100,000,000	-
Rupali Bank Ltd., Uttara Br. (FDR No.-35/1912)	50,000,000	-
	500,000,000	180,000,000
11. ADVANCES, DEPOSITS AND PREPAYMENTS		
<u>Kodda 150 MW Power Plant:</u>		
Advance to Employees (Note- 11.1)	51,500	679,016
Advance to suppliers and others (Note - 11.2)	72,420,886	46,526,344
	72,472,386	47,205,360
<u>Mirsarai 150 MW Power Plant Project:</u>		
Security deposit (Land lease rent)	9,527,963	-
	82,000,349	47,205,360
11.1 Advance to Employees :		
Mr. Md Sahed Hasan, Manager (F&A)	-	26,244
Mr. Md. Rajib Hossain, DM (HR & Admin.)	29,500	-
Mr. Md. Hasan Jamil, AM (HR & Admin.)	-	164,740
Mr. Md. Medadi Al Masud, Executive	-	229,000
Mrs. Sharmin Akter, AM (HR & Admin)	-	6,200
Mr. Md. Wahidur Rahman, DGM (HR & Admin.)	22,000	49,880
Mr. Md. Abdullah Al Mahmud, SE	-	57,500
Mr. Md. Al Amin, XEN	-	25,452
Mr. Md. Kamrul Hassan, AS	-	120,000
	51,500	679,016



	2019 Taka	2018 Taka
11.2 Advance to suppliers and others		
Padma Oil Co. Ltd. (HFO)	12,590,567	1,203,443
Meghna Petroleum Ltd. (HFO)	493,653	2,065,461
Jamuna Oil Co. Ltd. (HFO)	9,501,942	28,880,322
Padma Oil Co. Ltd. (LFO)	11,251,800	-
Meghna Petroleum Ltd. (Lube oil)	14,347,920	4,401,460
Jamuna Oil Co. Ltd. (Lube oil)	10,708,360	4,320,730
Greenland Technologies Ltd. (Lube oil)	20,750	37,350
Dist. Commandent , Ansar, & VDP , Gazipur	1,473,225	1,047,549
OTOBI Ltd.	-	1,110
Pragoti Industries Ltd.	9,000,000	-
Security deposit (Gazipur PBS- 1)	31,125	31,125
Sadman Shariar Shipping (pvt) Ltd.	-	1,300,000
Office rent	3,001,544	3,001,544
CACTS Ltd.	-	236,250
	72,420,886	46,526,344

12. ADVANCE INCOME TAX

Kodda 150 MW Power Plant:

Opening Balance	8,731,973	1,264,198
Addition during the year:		
AIT on Import of spare parts	9,303,790	-
TDS on Bank Account Interest	2,246,235	7,467,775
TDS on FDR interest	2,235,498	-
AIT deposited to DCT (FY 2017-18)	15,390,507	-
AIT deposited to DCT (FY 2018-19)	11,474,054	-
TDS on vehicle	75,000	-
	49,457,058	8,731,973
Transferred to Mirsarai Project	(258,935)	-
Closing Balance	49,198,123	8,731,973

Mirsarai 150 MW Power Plant Project:

Opening Balance	-	-
Addition during the year:		
TDS on Bank A/C Interest	7,473,071	-
	7,473,071	-
Adjustment during the year	-	-
Closing Balance	7,473,071	-
	56,671,194	8,731,973

This amount represents tax deduction at source by respective bank from interest earned from STD accounts and FDR of B-R Powergen Limited.

13. CASH AND CASH EQUIVALENTS

Cash in hand (Note-13.1)	600,000	400,000
Cash at bank (Note-13.2)	586,176,776	554,200,837
	586,776,776	554,600,837

13.1 Cash in hand :

Kodda 150 MW Power Plant:

Corporate Office (Imprest fund)	200,000	200,000
Kodda 150 MW Power Plant (Imprest Fund)	200,000	200,000
	400,000	400,000



Mirsarai 150 MW Power Plant Project:

Mirsarai 150 MW Power Plant Project (Imprest fund)

2019 Taka	2018 Taka
200,000	-
200,000	-
600,000	400,000

13.2 Cash at bank :**Kodda 150 MW Power Plant:**

AB bank Ltd. Uttara Branch, (CD-4020773140000)	-	15,921
AB bank Ltd. Uttara Branch, (SND-4020773141430)	-	869
Rupali bank Ltd. local office, (SND-0018024000197)	1,293,716	1,218,961
Janata bank Ltd. UMTC Branch, (SND-0100015249875)	133,205,234	411,538,548
Janata Bank Ltd. UMTC Branch, (CD-0100015250008)	36,251	82,919
Janata Bank Ltd. UMTC Branch, (SND-0100106474511)	-	100,492
Prime Bank Ltd. Chowrasta Branch, Gazipur (CD-2151119010182)	13,275	-
Sonali Bank Ltd. Customs House Branch, (SND-0130503000013)	612,961	871,813
Dhaka Bank Ltd. Uttara Branch, (SND-2041501359)	257,532,067	2,673,580
Dhaka Bank Ltd. Uttara Branch, (CD-2041000019698)	330,827	9,799
Prime bank Ltd. Chowrasta Branch, Gazipur (SND-2151317000686)	124,215	2,730,468
Prime bank Ltd. Uttara Branch, Dhaka (SND-2125316011075)	172,487,469	125,544,100
Prime Bank Ltd. Chowrasta Branch, Gazipur (CD-2151119010182)	-	13,850
Agrani Bank Ltd. Gulshan Br. (SND- 0200012937005)	49,415	-
	565,685,430	544,801,321

Mirsarai 150 MW Power Plant Project:

Sonali Bank Ltd. Uttara Model Town Branch, (SND-0127103000028)	17,333,961	3,864,318
Sonali Bank Ltd. Uttara Model Town Branch, (SND-0127102001388)	8,370	-
Sonali Bank Ltd. Uttara Model Town Branch, (SND-0127103000030)	396,358	-
Sonali Bank Ltd. Uttara Model Town Branch, (CD-01277102001369)	6,933	9,425
Sonali bank Ltd. Local Office, (SND-0002603000261)	2,745,725	5,525,774
	20,491,346	9,399,517
	586,176,776	554,200,837

14. SHARE CAPITAL**Authorized capital:**

1,000,000,000 ordinary shares of Tk. 10 each

10,000,000,000	4,000,000,000
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Issued and paid-up capital:

Name of the shareholders	No. of shares 30.06.2019	No. of shares 30.06.2018	Shareholding position (%)	Value per Share		
BPDB	138,105,431	106,075,866	50%	10	1,381,054,310	1,060,758,660
RPCL	138,105,431	106,075,866	50%	10	1,381,054,310	1,060,758,660
	276,210,862	212,151,732	100%		2,762,108,620	2,121,517,320

15. DEPOSIT FOR SHARES (GOB)**Mirsarai 150 MW Power Plant Project:**

Opening balance	480,000,000	-
Addition during the year	2,724,000,000	480,000,000
	3,204,000,000	480,000,000

This represents the amount of investment received from the Government of the Peoples Republic of Bangladesh as part of GOB equity against the implementation of Mirsarai 150 MW Power Plant Project as per approved Development Project Proposal (DPP).



	2019 Taka	2018 Taka
16. BUYER'S CREDIT SYNDICATED LOAN		
Opening balance (In BDT)	8,652,942,545	9,642,459,536
Foreign exchange risk adjustment (In BDT)	77,558,484	76,589,003
	8,730,501,029	9,719,048,539
Repayment during the year (In BDT)	(1,084,526,134)	(1,066,105,994)
	<u>7,645,974,895</u>	<u>8,652,942,545</u>
Opening Loan Balance (In USD)	103,411,324	116,337,738
Repayment during the year (In USD)	(12,926,414)	(12,926,414)
Closing Balance	<u>90,484,910</u>	<u>103,411,324</u>
	01 July 2018	01 July 2017
16.1 Previously reported opening balance (In BDT)	7,974,195,509	8,963,712,500
Foreign exchange risk adjustment (In BDT)	678,747,036	678,747,036
Restated opening balance (In BDT)	<u>8,652,942,545</u>	<u>9,642,459,536</u>

The above loan borrowed from ICBC and Exim Bank of China for implementation of the Kodda 150 MW Power Plant Project.

Conditions of Buyer's Credit Syndicated loan:

Purpose of loan : Payment of EPC Contract price for Kodda 150 MW Power Plant Project
Amount of loan : 85% of the EPC Contract price
Grace period : 2 years
Repayment period : 10 years
Installment : 6 monthly
Rate of interest : 3.19% plus LIBOR (6 months)
Repayment start : July 2016

17. LOAN - GOB FUND

Mirsarai 150 MW Power Plant Project:

Opening balance	320,000,000	-
Addition during the year	1,816,000,000	320,000,000
	<u>2,136,000,000</u>	<u>320,000,000</u>

This represents the amount received from the Government of the Peoples Republic of Bangladesh as part of GOB loan against the implementation of Power Plant Project as per Developemnt Project Proposal (DPP).

18. INTER PROJECT LOAN

Mirsarai 150 MW Power Plant Project:

Opening balance	108,965,978	-
Addition during the year	293,361,212	108,965,978
	402,327,190	108,965,978
Adjustment during the year	(378,227,190)	-
	<u>24,100,000</u>	<u>108,965,978</u>

Temporary loan against 10% Advance and progress payment for Mirsarai 150 MW Power Plant Project. After receiving of the GOB fund in the following year the used fund will be returned.



	2019 Taka	2018 Taka
19. INVESTMENT FROM KODDA POWER PLANT PROJECT		
<u>Mirsarai 150 MW Power Plant Project:</u>		
Opening balance	-	-
Addition during the year	31,372,411	-
	31,372,411	-
Adjustment during the year	-	-
	<u>31,372,411</u>	<u>-</u>
20. TRADE AND OTHER PAYABLES		
<u>Kodda 150 MW Power Plant:</u>		
Land lease rent (RPCL)	9,056,250	7,875,000
ICBC & Exim Bank of China- Interest payable	233,409,225	223,650,038
CEF JV. China (10% FAC payment)	84,520,157	1,163,500,000
Office rent payable	62,700	188,100
Tech-Strait Corporation	8,209,847	-
Burger Paint BD Ltd.	1,851,340	-
	<u>337,109,519</u>	<u>1,395,213,138</u>
21. LIABILITY FOR EXPENSES		
<u>Kodda 150 MW Power Plant:</u>		
Audit fees	126,500	100,000
Income tax at source	330,952	5,158,561
VAT payable at source	42,773	4,024,694
Security deposit	2,287,233	896,468
Provident Fund (Employee)	497,477	-
Provident Fund (Employer)	497,477	-
CPF loan installment deducted from salary	163,159	-
Provision for WPPF	38,749,164	58,617,825
Krira, Sangskrity and kallayan parishad (KSKP)	8,475	-
Bangladesh Workers Welfare Foundation Fund	5,861,782	-
	<u>48,564,992</u>	<u>68,797,548</u>
<u>Mirsarai 150 MW Power Plant Project:</u>		
Provident Fund (Employee)	13,195	-
Provident Fund (Employer)	13,195	-
Krira, Sangskrity and kallayan parishad (KSKP)	1,350	-
Bank Interest Refundable on Equity portion to GoB	10,723,257	-
	<u>10,750,997</u>	<u>-</u>
	<u>59,315,989</u>	<u>68,797,548</u>
22. PROVISION FOR EMPLOYEE GRATUITY		
<u>Kodda 150 MW Power Plant:</u>		
Opening balance	18,339,050	-
Addition during the year	11,152,650	18,339,050
	29,491,700	18,339,050
Transferred to Employee's Gratuity Fund	(18,339,000)	-
	<u>11,152,700</u>	<u>18,339,050</u>
23. PROVISION FOR INCOME TAX		
<u>Kodda 150 MW Power Plant:</u>		
Opening balance	24,122,480	9,830,923
Addition during the year	21,428,790	14,291,557
	45,551,269	24,122,480
Adjustment during the year	-	-
	<u>45,551,269</u>	<u>24,122,480</u>



24. SALES

Kodda 150 MW Power Plant:

Months	Energy production (Kwh)	2019				2018
		Capacity (Tk.)	Energy (Tk.)	Supplementary (Tk.)	Total (Tk.)	Total (Tk.)
July' 2018	65,487,850	190,945,687	650,026,062	-	840,971,748	1,062,354,657
August' 2018	53,166,187	189,041,649	529,181,831	43,396,203	761,619,683	1,052,338,075
September' 2018	59,892,091	187,337,130	591,118,946	-	778,456,076	818,307,628
October' 2018	25,010,621	187,498,164	249,455,595	-	436,953,759	898,025,246
November' 2018	9,467,846	187,578,681	93,610,466	23,498,767	304,687,914	652,291,073
December' 2018	1,187,016	187,578,681	11,686,693	-	199,265,374	413,054,144
January' 2019	1,044,580	187,578,681	10,389,776	-	197,968,457	502,851,856
February' 2019	-134,472	187,981,267	-	-	187,981,267	536,500,538
March' 2019	9,434,318	188,142,301	93,987,900	-	282,130,200	950,769,489
April' 2019	38,583,365	188,432,162	382,398,947	-	570,831,109	804,254,208
May' 2019	40,271,597	188,464,369	394,962,725	-	583,427,094	858,048,337
June' 2019	36,869,280	188,464,369	363,800,568	37,796,542	590,061,479	750,655,096
Total	340,280,280	2,259,043,140	3,370,619,508	104,691,512	5,734,354,160	9,299,450,347



25. COST OF SALES

Kodda 150 MW Power Plant:

Cost of power generation and supply (Note-25.1)
Repair and maintenance expenses (Note-25.2)

2019
Taka

2018
Taka

4,261,015,801	7,473,729,312
63,878,763	46,164,304
<u>4,324,894,564</u>	<u>7,519,893,617</u>

25.1 Cost of power generation and supply

Salaries and wages	63,027,659	69,877,813
Festival bonus	5,113,910	5,496,260
Bangla nobobarha allowance	547,498	647,498
KPI bonus	-	3,849,523
Tiffin allowance	310,774	291,115
Rent -a-Car	37,740	18,480
Telephone installation expenses	-	13,640
Postage and telegram	9,216	310
Training and conference fees	-	6,000
Leave encashment	67,600	-
Suddhachar reward	18,720	65,520
Honourium	21,000	136,016
Personal Protection Equipment (PPE)	258,166	224,720
Books and periodicals	10,988	6,067
Consumable office expenses	234,182	119,554
Fuel expenses (Vehicles and others)	695,035	581,459
Printing and stationery	198,326	168,033
Entertainment expenses	326,909	256,928
Uniform and liveries	229,960	221,942
Local conveyance	48,940	8,490
Telephone, telex and fax	306,120	359,544
Utilities: Wasa & Gas bill	411,322	335,767
Cookeries and cutleries	6,470	16,880
Casual labour (18 K maintenances)	1,009,090	349,920
Skilled labour (18 K maintenances)	293,600	-
Security services fees	4,498,030	4,835,323
TA/DA expense	337,891	335,700
Bank charge	8,262	6,885
Cleaning and washing expenses	145,630	70,525
EIA expense	21,160	164,910
General expenses	325,614	36,281
Repairs and maintenance expenses (Vehicle)	594,531	240,228
Repairs and maintenance expenses (Office equipment)	378,717	38,078
Repairs and maintenance expenses (building)	717,724	54,836
Repairs and maintenance expenses (banking equipment's and others)	-	199,228
Repairs and maintenance (O & M)	-	6,338,877
Advisory fees (MAN Diesel & Turbo)	17,595,000	5,163,968
Repairs and maintenance (Fuel Consumption)	-	308,616
Insurance premium (vehicle)	-	168,781
Plantation and beautification	58,753	16,918
Gratuity expenses	156,000	-
Land lease rent	19,293,750	15,685,274
Medical expense	1,858,694	1,614,613
L/C Commission	254,883	894,261
Fuel carrying expenses	28,094,330	44,374,787
Lube oil	61,709,576	85,126,243
Fuel consumption	3,225,647,549	6,592,968,434
Depreciation	826,134,483	632,035,067
	<u>4,261,015,801</u>	<u>7,473,729,312</u>



25.2 Repair and maintenance expenses

	2019 <u>Taka</u>	2018 <u>Taka</u>
Consumption- Mechanical spares	49,213,840	842,757
Consumption- Electrical spares	2,617,543	-
Amortization (Spare parts)	-	39,839,469
Bunkering	184,850	-
Repairs and maintenance- Power Plant and Spare Parts	2,918,641	-
C & F expenses	988,739	340,313
Filter	-	2,405,925
Tools and testing	1,539,006	-
Consumption - chemical	2,721,318	2,735,840
Consumption - HFO & LFO seperator	1,843,487	-
Painting expenses	1,851,340	-
	<u>63,878,763</u>	<u>46,164,304</u>



26. ADMINISTRATIVE EXPENSES

Kodda 150 MW Power Plant:

	<u>2019</u> <u>Taka</u>	<u>2018</u> <u>Taka</u>
Salaries and allowances	40,100,938	20,171,050
Festival bonus	3,652,090	1,879,430
KPI bonus	-	1,092,772
Bangla nobobarha allowance	364,830	228,864
Office rent	6,684,168	3,666,680
Board meeting fees and expenses	1,974,963	1,350,478
Honourarium	1,803,089	1,449,598
Entertainment expenses	427,859	382,031
Printing and stationery	796,981	411,355
Audit fees	126,500	115,000
Accounting software and maintenance	236,250	-
General expenses	273,298	161,366
TA/DA expenses	146,076	65,895
AGM expenses	796,706	491,181
Telephone, internet and fax	461,193	374,511
Consumable office expenses	108,244	86,612
Cookeries and cutleries	29,728	12,631
Uniform and liveries	43,845	35,130
Advertisement expenses	1,607,589	959,123
Books and newspaper	21,607	17,772
Local conveyance	175,098	309,525
Cleaning and washing	24,854	19,116
Medical expenses	1,268,655	819,512
Utilities, electricity, gas and WASA	1,254,791	634,301
Casual labour	37,005	180,881
Security services fees	344,160	79,600
Fuel expense (Vehicle and others)	844,076	498,655
Bank charge	504,153	259,550
Postage and telegram	9,896	2,115
Repairs and maintenance (office equipment)	384,457	653,961
Repairs and maintenance (office furniture)	2,948	218,800
Repairs and maintenance (office building)	22,209	391,274
Repairs and maintenance (Vehicle)	312,684	54,538
Training and conference fees	215,889	26,111
Employee recruitment processing expenses	5,912,414	-
License and renewal fees	990,000	1,665,000
Telephone installation expenses	51,770	21,405
Consultancy services fees	556,452	3,829,032
Group insurance premium	1,010,385	524,309
Legal expense	-	9,000
Govt. fees	10,197,963	-
Rent a Car	3,899,040	1,038,905
Suddhachar reward	63,000	17,680
Plantation and beautification expense	27,345	39,525
Retainer Fees- Medical officer	268,580	-
Development fair	24,928	-
Inaguration expenses	61,740	-
Employees gratuity expenses	11,152,650	18,339,050
Insurance premium (vehicle)	421,976	390,000
Corporate social responsibility (CSR)	-	3,000,004
National power and energy week expenses	3,802,149	-
Depreciation	5,798,843	5,150,295
	<u>109,296,063</u>	<u>71,123,623</u>



Mirsarai 150 MW Power Plant Project:

	2019 <u>Taka</u>	2018 <u>Taka</u>
Salaries and wages	11,703,535	-
Festival bonus	1,220,048	-
Office rent	162,448	-
Postage and telegram	2,386	-
Honourium	514,289	-
Books and periodicals	100	-
Fuel expenses (Vehicles and others)	174,218	-
Printing and stationery	21,801	-
Entertainment expenses	96,979	-
Local conveyance	780	-
Telephone, telex and fax	8,300	-
Utilities: Wasa & Gas bill	1,337	-
Cookeries and cutleries	18,815	-
TA/DA expense	6,113	-
Bank charge	70,773	-
Cleaning and washing expenses	2,893	-
EIA expense	718,750	-
General expenses	41,066	-
Repairs and maintenance expenses (Vehicle)	22,478	-
Recruitment Processing fees	536,448	-
Advertisement expenses	317,607	-
Medical expense	118,284	-
Computer accessories	17,772	-
Other expenses	34,598	-
Depreciation	15,049	-
	<u>15,826,867</u>	<u>-</u>

27. NON-OPERATING INCOME**Kodda 150 MW Power Plant:**

Interest on SND account	20,707,947	16,102,931
Interest on fixed deposit receipts	30,128,421	11,371,403
Job applicants pay-order	205,900	919,400
Sale of tender document	20,000	2,028,000
Transportation charge deduct from salary	2,120	1,053
Sale of scrap materials	6,185,392	9,705,205
Dormitory building rent	-	601,528
Insurance claim	-	41,500
Notice pay received	203,200	60,000
Recruitment fees	3,770,450	-
Others	1,683	2,000
	<u>61,225,113</u>	<u>40,833,020</u>

Mirsarai 150 MW Power Plant Project:

Interest on SND account	35,249,242	-
Bank Interest Refundable on Equity portion to GoB	(10,723,257)	-
	<u>24,525,985</u>	<u>-</u>



28 FINANCIAL EXPENSES

Kodda 150 MW Power Plant:

Interest expenses (ICBC and EXIM Bank, China)
Interest expenses (RPCL working capital loan)
Foreign exchange loss

2019 <u>Taka</u>	2018 <u>Taka</u>
470,097,725	440,727,578
-	975,227
77,558,484	76,589,003
<u>547,656,209</u>	<u>518,291,808</u>


29 EVENTS AFTER THE REPORTING PERIOD

29.1 The Board of Directors in its meeting held on 09.10.2019 approved these financial statements for the year ended 30 June 2019 and authorized the same for issue.

29.2 The board of directors of B-R Powergen Limited as it's 98th board meeting held on 09.10.2019 has recommended @ 7% cash dividend and 5% stock dividend for the year ended on 30 June 2019. These dividends are subject to the approval by the shareholders at the forthcoming Annual General Meeting of the company.

29.3 No other significant events have occurred which require adjustment in the financial statement as per IAS-10.


Executive Director (F & A)


Managing Director


Director

Place: Dhaka
Dated: 09 October 2019



B-POWERGEN LIMITED
FINANCIAL REVIEW AND ANALYSIS
For the year ended 30 June 2019

	<u>2018-19</u>	<u>2017-18</u>	<u>Standard</u>	<u>KPI Target</u>
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Liquidity Ratio:

1. Current Ratio:

<u>Current Assets</u>	3,616,830,659	3,702,177,926		
<u>Current Liabilities</u>	1,526,904,614	1,556,820,369		
=	2.37:1	2.38:1	2:1	2.50:1

Current Ratio is a financial ratio that measures the company's ability to pay its current obligations. For each taka of current liability, the company has TK 2.37 of current assets on 30 June 2019.

2. Liquidity Ratio:

<u>Current Assets - Inventories</u>	3,044,898,741	3,210,057,894		
<u>Current Liabilities</u>	1,526,904,614	1,556,820,369		
=	1.99:1	2.06:1	1:1	1.95:1

The quick ratio is an indicator of company's short-term liquidity which measures the company's ability to meet its short-term obligations with its most liquid assets. Here, the company has the 1.99 of liquid assets available to cover each Tk.1.00 of current liabilities.

Operating Efficiency Ratio Ratio:

1. Accounts Receivable Turnover Ratio:

<u>Sale on Credit</u>	5,734,354,160	9,299,450,346.86		
<u>Accounts Receivable</u>	1,857,142,801	2,419,519,723.86		
=	3.09	3.84		

The accounts receivable turnover ratio is an accounting measure used to quantify a company's effectiveness in collecting its receivables or money owed by clients. A high receivables turnover ratio can indicate that a company's collection of accounts receivable is efficient and that the company has a high proportion of quality customers that pay their debts quickly.

2. Inventory Turnover Ratio:

<u>Cost of Goods Sold</u>	4,324,894,564	7,519,893,617		
<u>Inventory</u>	571,931,919	492,120,032		
=	7.56	15.28		

Inventory turnover shows how many times a company has sold and replaced inventory during a given period.

3. Total Assets Turnover Ratio:

<u>Sales</u>	5,734,354,160	9,299,450,346.86		
<u>Total Assets</u>	19,475,333,578	15,858,444,359.01		
=	0.29	0.59		

The asset turnover ratio measures the value of a company's sales or revenues relative to the value of its assets. The higher the asset turnover ratio, the more efficient a company. Conversely, if a company has a low asset turnover ratio, it indicates it is not efficiently using its assets to generate sales.



		<u>2018-19</u>	<u>2017-18</u>	<u>Standard</u>	<u>KPI Target</u>
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Profitability Ratio:

1. Gross Margin Ratio:

<u>Gross profit</u>	%	<u>1,409,459,596</u>	<u>1,779,556,730</u>	× 100	
Sales		5,734,354,160	9,299,450,347		
		=	24.58%	19.14%	

Gross Margin ratio indicates how much profit a company makes after paying off its Cost of Goods sold. Evidently, Gross Margin ratio has increased to 24.58 % from 19.14% with compared to last year.

2. Operating Margin Ratio:

<u>Operating profit</u>	%	<u>1,284,336,666</u>	<u>1,708,433,107</u>		
Sales		5,734,354,160	9,299,450,347		
		=	22%	18%	

Operating Margin ratio indicates how much profit a company makes after paying off its Cost of Goods sold & Administrative Expenses. Evidently, Gross Margin ratio has slight upward trend compared to last year.

3. Net Margin Ratio:

<u>Net Income (Profit)</u>	%	<u>762,253,601</u>	<u>1,158,064,937</u>	× 100	
Sales		5,734,354,160	9,299,450,347		
		=	13.29%	12.45%	

Net Profit Margin Ratio indicates the proportion of sales revenue that translates into net profit. Net Margin ratio has increased to 13.29% from 12.45% with compared to last year.

4. Return on Assets Ratio:

<u>Net Income (Profit)</u>		<u>762,253,601</u>	<u>1,158,064,937</u>		
Total Assets		19,475,333,578	15,858,444,359		
		=	3.91%	7.30%	

Higher ROA indicates more asset efficiency. Due to charging more depreciation, ROA has decreased.

5. Return on Equity Ratio:

<u>Net Income (Profit)</u>		<u>762,253,601.45</u>	<u>1,158,064,936.60</u>		
Total Shareholder's Equity		9,184,756,795.05	5,270,063,619.60		
		=	8.30%	21.97%	



	<u>2018-19</u>	<u>2017-18</u>	<u>Standard</u>	<u>KPI Target</u>
6. Earnings Per Share (EPS):				
<u>Profit after tax</u>	<u>762,253,601</u>	<u>1,158,064,937</u>		
Total Number of Shares	276,210,862	212,151,732		
=	2.76	5.46		

Earnings per share is a market prospect ratio that measures the amount of net income earned per share of stock outstanding. Here EPS is TK 2.76. It means every share of the common share earns TK 2.76 of net income.

7. EBITDA Margin:

<u>EBITDA Margin:</u>	<u>2,202,021,090</u>	<u>2,386,451,488</u>
Total Number of Shares	276,210,862	212,151,732
=	7.97	11.25

EBITDA Margin Ratio indicates the proportion of sales revenue that translates into EBITDA. EBITDA Margin ratio has decreased to 7.97% from 11.25% with compared to last year.

Solvency Ratio:

1. Total Debt-Total Assets Ratio:

<u>Total Debt</u>	<u>7,645,974,895</u>	<u>8,652,942,545</u>
Total Assets	19,475,333,578	15,858,444,359
=	0.39	0.55

Total-debt-to-total-assets is a leverage ratio that defines the total amount of debt relative to assets.

2. Debt-Equity Ratio:

<u>Long term Debt</u>	<u>7,645,974,895</u>	<u>8,652,942,545</u>
Equity	9,184,756,795	5,270,063,620
=	0.83:1	1.64:1

The debt equity ratio is a financial ratio that compares the company's total debt against its total equity. A lower debt to equity ratio 0.83 from 1.64 in 2018-19 with compared to 2017-18 because of increasing of both Debt & Equity.

3. Time Interest Earned Ratio:

<u>Earning Before Interest & Tax (EBIT) Margin:</u>	<u>1,370,087,764.20</u>	<u>1,749,266,126.28</u>
Interest Expnses	547,656,209.00	518,291,808.00
=	2.50	3.38

As you can see, Time interest has a ratio of 2.5. This means that company's income is 2.5 times greater than his annual interest expense. In other words, company can afford to pay additional interest expenses. In this respect, company's business is less risky and the bank shouldn't have a problem accepting his loan.



	<u>2018-19</u>	<u>2017-18</u>	<u>Standard</u>	<u>KPI Target</u>
4. Debt Service Coverage Ratio:				
Net Profit+ Depreciation+Interest	<u>2,133,144,018</u>	<u>2,313,542,107</u>		
Loan principal repaid + Interest Expenses	<u>1,632,182,343</u>	<u>1,584,397,802</u>		
=	1.31:1	1.46:1	3:1	2:1

The debt service coverage ratio is a financial ratio that measures a company's ability to pay its current service liability. The ratio of 1.31 indicates that company makes enough in operating profits to pay its current debt service costs and be left with 49 percent of his profits.

Cash Flow Ratio:

1. Net Operating Cash Flow Per Share (NOCFPS) Ratio:

Net Operating Cash Flow	<u>940,690,063</u>	<u>2,492,944,898</u>
Total Number of Shares	<u>276,210,862</u>	<u>212,151,732</u>
=	3.41	11.75

NOCFPS Ratio indicates the operating cash flow per share.

2. NOCFPS to EPS Ratio:

<u>NOCFPS</u>	<u>3.41</u>	<u>11.75</u>
<u>EPS</u>	<u>2.76</u>	<u>5.46</u>
=	1.24	2.15

NOCFPS to EPS Ratio figures out comparison between two ratio.



B-R POWERGEN LIMITED
GEOGRAPHICAL SEGMENT ANALYSIS
As at 30 June 2019

Annexure - A

	<u>KPP</u>		<u>MPP</u>		<u>TOTAL</u>	
	2019 Taka	2018 Taka	2019 Taka	2018 Taka	2019 Taka	2018 Taka
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	10,179,251,148	10,997,668,688	645,256	-	10,179,896,404	10,997,668,688
Capital Work in Progress	-	-	5,376,584,889	908,083,577	5,376,584,889	908,083,577
Investment in other projects	240,229,246	250,514,168	-	-	240,229,246	250,514,168
Loan to other projects	24,100,000	-	-	-	24,100,000	-
	10,443,580,394	11,248,182,856	5,377,230,145	908,083,577	15,820,810,539	12,156,266,433
CURRENT ASSETS						
Inventories	571,931,919	492,120,032	-	-	571,931,919	492,120,032
Trade and other receivables	1,857,142,801	2,419,519,724	-	-	1,857,142,801	2,419,519,724
Investment in FDR	500,000,000	180,000,000	-	-	500,000,000	180,000,000
Advances, deposits and prepayments	72,472,386	47,205,360	9,527,963	-	82,000,349	47,205,360
Advance income tax	49,198,123	8,731,973	7,473,071	-	56,671,194	8,731,973
Cash and cash equivalents	566,085,430	545,201,321	20,691,346	9,399,517	586,776,777	554,600,837
	3,616,830,659	3,692,778,409	37,692,380	9,399,517	3,654,523,039	3,702,177,926
	14,060,411,054	14,940,961,266	5,414,922,526	917,483,094	19,475,333,578	15,858,444,359



	<u>KPP</u>		<u>MPP</u>		<u>TOTAL</u>	
	2019 Taka	2018 Taka	2019 Taka	2018 Taka	2019 Taka	2018 Taka
NON-CURRENT LIABILITIES						
Buyer's credit syndicated loan	7,645,974,895	8,652,942,545	-	-	7,645,974,895	8,652,942,545
Loan (GOB)	-	-	2,136,000,000	320,000,000	2,136,000,000	320,000,000
	7,645,974,895	8,652,942,545	2,136,000,000	320,000,000	9,781,974,895	8,972,942,545
CURRENT LIABILITIES						
Inter project loan	-	-	24,100,000	108,965,978	24,100,000	108,965,978
Investment from Kodda Power Plant Project	-	-	31,372,411	-	31,372,411	-
Trade and other payables	337,109,519	1,395,213,138	-	-	337,109,519	1,395,213,138
Liability for expenses	48,564,992	68,797,548	10,750,997	-	59,315,989	68,797,548
Provision for employee gratuity	11,152,700	18,339,050	-	-	11,152,700	18,339,050
Provision for income tax	45,551,269	24,122,480	-	-	45,551,269	24,122,480
	442,378,480	1,506,472,216	66,223,408	108,965,978	508,601,888	1,615,438,194
CAPITAL AND RESERVES						
CAPITAL AND RESERVES						
Share capital	-	-	-	-	-	-
Deposit for shares (GOB)	-	-	-	-	2,762,108,620	2,121,517,320
Retained earnings	-	-	-	-	3,204,000,000	480,000,000
	-	-	-	-	3,218,648,175	2,668,546,300
	-	-	-	-	9,184,756,795	5,270,063,620
	8,088,353,375	10,159,414,761	2,202,223,408	428,965,978	19,475,333,578	15,858,444,359



B-R POWERGEN LIMITED
GEOGRAPHICAL SEGMENT ANALYSIS
For the year ended 30 June 2019

Annexure - A

	<u>KPP</u>		<u>MPP</u>		<u>TOTAL</u>	
	2019 Taka	2018 Taka	2019 Taka	2018 Taka	2019 Taka	2018 Taka
REVENUE:						
Sales	5,734,354,160	9,299,450,347	-	-	5,734,354,160	9,299,450,347
Other income	61,225,113	40,833,020	24,525,985	-	85,751,098	40,833,020
	"A" 5,795,579,274	9,340,283,367	24,525,985	-	5,820,105,258	9,340,283,367
EXPENSE:						
Cost of power generation and supply	4,261,015,801	7,473,729,312	-	-	4,261,015,801	7,473,729,312
Repair and maintenance expenses	63,878,763	46,164,304	-	-	63,878,763	46,164,304
Administrative expenses	109,296,063	71,123,623	15,826,867	-	125,122,930	71,123,623
Finance expenses	547,656,209	518,291,808	-	-	547,656,209	518,291,808
Contribution to WPPF	38,749,164	58,617,825	-	-	38,749,164	58,617,825
Provision for income tax	21,428,790	14,291,557	-	-	21,428,790	14,291,557
	"B" 5,042,024,789	8,182,218,429	15,826,867	-	5,057,851,657	8,182,218,430
SEGMENT RESULTS (A-B)	753,554,484	1,158,064,937	8,699,118	-	762,253,601	1,158,064,937

