

CHAPTER-4



Directors Report

Bismillahir Rahmanir Raheem

Dear Shareholders,

Assalamu Alaikum Wa Rahmatullahi

The Board of Directors of Doreen Power Generations and Systems Limited (DPGSL) has the pleasure to welcome you all to the 11th Annual General Meeting of the Company. The Directors delightfully presents before you the Audited Financial Statements of the Company for the year ended 30 June 2018 together with the Auditors' Report thereon and the Directors' Report for your consideration and adoption.

The Directors likes to furnish a clear picture of the Company to its valued shareholders. The reports on industry outlook and possible future developments in the industry, on risks and concern and on corporate governance annexed hereto and the tables, graphs and profiles shown separately will be treated as integral parts of this report.

4.1 World Economic overview

As per International Monetary Fund (IMF), global growth for 2018-19 projected to be 3.7% which is 0.2% point lower than forecast in April 2018. Downside risks to global growth have risen in the past six months and the potential for upside surprises has receded. In the United States, momentum is still strong as fiscal stimulus continues to increase, but the forecast for 2019 has been revised down due to recently announced trade measures, including the tariffs imposed on \$200 billion of US imports from China. Growth projections have been marked down for the euro area and the United Kingdom, following surprises that suppressed activity in early 2018. Among emerging market and developing economies, the growth prospects of many energy exporters have been lifted by higher oil prices, but growth was revised down for Argentina, Brazil, Iran, and Turkey among others, reflecting country-specific factors, tighter financial conditions, geopolitical tensions, and higher oil import bills. China and a number of Asian economies are also projected to experience somewhat weaker growth in 2019 in the aftermath of the recently announced trade measures. Slower expansion in working-age populations and projected lackluster productivity gains are the prime drivers of lower medium-term growth rates. US growth will decline as fiscal stimulus begins to unwind in 2020, at a time when the monetary tightening cycle is expected to be at its peak. Growth in China will remain strong but is projected to decline gradually, and prospects remain subpar in some emerging market and developing economies, especially for per capita growth, including in commodity exporters that continue to face substantial fiscal consolidation needs or are mired in war and conflict. Risks to global growth skew to the downside in a context of elevated policy uncertainty. Rising trade barriers and a reversal of capital flows to emerging market economies with weaker fundamentals and higher political risk have become more pronounced or have partially materialized downside risks among others. While financial market conditions remain accommodative in advanced economies, they could tighten rapidly if, for example, trade tensions and policy uncertainty were to intensify. Monetary policy is another potential trigger. The US economy is above full employment, yet the path of interest rate increases that markets anticipate is less steep than that projected by the Federal Reserve. Unexpectedly high inflation readings in the United States could therefore lead investors to abruptly reassess risks. Tighter financial conditions in advanced economies could cause disruptive portfolio adjustments, sharp exchange rate movements, and further reductions in capital inflows to emerging markets, particularly those with greater vulnerabilities. The recovery has helped lift employment and income, strengthened balance sheets, and provided an opportunity to rebuild buffers. Yet, with risks shifting to the downside, there is greater urgency for policies to enhance prospects for strong and inclusive growth. Avoiding protectionist reactions to structural change and finding cooperative solutions that promote continued growth in goods and services trade remain essential to preserve and extend the global expansion. At a time of above-potential growth in many economies, policy makers should aim to enact reforms that raise medium-term incomes to the benefit of all. With shrinking excess capacity and mounting downside risks, many countries need to rebuild fiscal buffers and strengthen their resilience to an environment in which financial conditions could tighten suddenly and sharply.

4.2 Bangladesh Economic Outlook

The Bangladeshi economy relies on its enormous human resources, rich agricultural soils and abundant water resources.

Although 56% of GDP was generated by the service sector in 2018, nearly half of Bangladeshis are employed in agriculture. Agriculture (13.82% of GDP) mostly involves rice production, but it also includes tea, jute, wheat, sugarcane, tobacco, spices, fruits, etc. In fact, Bangladesh is the world's fourth biggest rice producer, although shortages caused by natural disasters occasionally force it to

import said crop. Industry represents 30.17% of GDP (a slight increase from last year's 29.20% and employs 19.1% of the population.

The economy of Bangladesh has experienced a stable growth since 1980. Over the past two decades, the country has recorded an annual average growth rate of 6% of GDP. Growth amounted to 7% in 2017 supported by remittances from nearly 7.50 million Bangladeshi living abroad (USD 12.85 billion in 2017), garment exports, increased wages and low inflation. Continued growth is expected given macroeconomic stability along with credit growth and increased private investment. According to the Bangladesh Bureau of Statistics, per capita income grew from USD 1,532 to USD 1,660 from fiscal year 2017 to 2018 (a 8% growth). The inflation rate is estimated to reach 5.8% in 2018 while the interest rate sits at 6.75%.

The USD 220 billion Bangladeshi economy is growing fast with mega development projects, including the BDT 30,000 crore Padma Bridge, BDT 22,000 crore Dhaka Metro Railway, elevated express way, flyovers, dozens of Export Processing Zones (EPZ) and Payra Sea Port expansion, among others.

According to the International Monetary Fund (IMF), Bangladesh is now the 43rd largest economy in the world in terms of nominal GDP while the country's position is 32nd in terms of purchasing power parity. A projection by PWC tells Bangladesh will be the 28th largest by 2030 and 23rd largest by 2050.

As per IMF latest report Bangladesh economy had a good start to Financial Year 2019, which began in July 2018. Remittances increased at a healthy pace in July-September 2018 compared to the same period a year earlier, partly due to strong economic growth in the Middle East and the United States. Meanwhile, data released in September 2018 showed that the economy grew at the fastest pace in decades in FY 2018, thanks to surging consumption and investment. The current account deficit, however, ballooned to the largest in decades in FY 2018, partly due to country-wide flooding in August, which took a heavy toll on crop development and resulted in higher imports of food.

4.3 The Sector we operate in

Steady supply of power and energy is the prerequisite for the progress of an economy. The importance of energy is even more complementary in the context of Bangladesh, an emerging economy that has been experiencing rapid economic growth but also has been experiencing prolonged period of energy crisis. Electricity is the main form of energy that is tapped on both private and commercial scales in Bangladesh. However, the country is still at a very low level of electrification. The government of Bangladesh (GOB) recognizes that the pace of power development has to be accelerated in order to achieve overall economic development targets

of the country and avoid looming power shortages. Demand for electricity in Bangladesh is projected to reach 34,000 megawatts (MW) by 2030 and the Government of Bangladesh has plans to increase power generation beyond expected demand to help propel growth in the export-oriented economy and to meet the demands of a growing middle class. Total investment in the sector over the next 15 years is estimated at \$70.5 billion. While installed generation capacity is 17,340 MW (20,430 MW including captive power) as of October 2018.

Recently Bangladesh started construction of the 2.4-gigawatt (GW) Rooppur Nuclear Power Plant expected to go into operation in 2023. According to the Bangladesh Power Development Board in July 2018, 90 percent people have access to the electricity But still the per capita energy consumption in Bangladesh is considered low. The government of Bangladesh has set a target to bring the whole country under electricity coverage by 2021.

To encourage private sector investment in the power sector of the country, Government has adopted several policies namely Private Sector Power Generation Policy of Bangladesh, 1996 (revised 2004) and Policy Guideline for Enhancement of Private Participation in the Power Sector, 2008. Some of such benefits for potential investors are as follows:

Facilities and Incentives for Private Power Companies

- ◆ Exemption from corporate income tax for 15 years
- ◆ Allowed to import plant equipment and spare parts at up to a maximum of ten percent (10%) of the original value of total plant and equipment within a period of twelve (12) years of commercial operation without payment of customs duties, VAT and any other surcharges as well as import permit fee except for indigenously produced equipment manufactured according to international standards.
- ◆ Repatriation of equity along with dividends allowed freely.
- ◆ Exemption from income tax for foreign lenders to such companies.
- ◆ The foreign investors will be free to enter into joint ventures but this is optional and not mandatory.
- ◆ Tax exemption on royalties, technical know-how and technical assistance fees, and facilities for their repatriation.
- ◆ Tax exemption on interest on foreign loans.
- ◆ Tax exemption on capital gains from transfer of shares by the investing company.
- ◆ Avoidance of double taxation case of foreign investors on the basis of bilateral agreements.
- ◆ Exemption of income tax for up to three years for the expatriate personnel employed under the approved industry.
- ◆ Facilities for repatriation of invested capital, profits and dividends.

4.4 PERFORMANCE OF THE COMPANY

DPGSL is one of the largest private sector power generation company in Bangladesh which has started its power generation from November 2008 and proved its ability by successfully completing a decade of commercial operation. The company was incorporated in 2007 as a private limited company and converted into public limited company in 2011 and became listed with the DSE and CSE in 2016. It has three subsidiaries namely, Dhaka Southern Power Generations Ltd. (99.14% owned), Dhaka Northern Power Generation Ltd. (99.40% owned) and Chandpur Power Generations Limited (60% owned). Commercial Operation of Northern and Southern power plants having 55MW capacity each started in mid 2016 and hopefully Chandpur power plant will be able to start commercial operation by July 2019.

In 2017-18, all five power plants were available to generate and supply to the extent required as per the Power Purchase Agreement (PPA), indicating excellent operational performance of your Company. As a result, this year our Group's power plants could deliver total 1,017 million Kwh electricity to the national grid.

4.5 PLANT-WISE PERFORMANCE

During the year 2017-18, the performance of different Power Plants was as stated below:

Name of Power Plant	Installed Capacity (Kwh)	Net Energy Output (Kwh)		Net Energy Output (Kwh)		Net Energy Output (Kwh)	
		2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Feni Plant	192,720	151,889	152,371	44,805,364	43,176,821	387.63	372.69
Narsingdi Plant	192,720	134,459	124,966	37,971,393	40,117,439	367.72	357.77
Tangail Plant	192,720	149,069	139,612	43,269,638	40,476,443	380.43	360.57
Southern Plant	419,760	288,291	284,714	58,159,446	56,810,000	2,850.71	2,225.66
Northern Plant	419,760	293,203	201,980	59,410,467	41,095,658	2,674.00	1,834.07

4.6 REPORT ON RISKS AND CONCERNS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced by the company. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee. The Company has exposures to the following risks and frame work for managing thereof:

Credit Risk: Credit Risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers and investment securities. The company's sales are made to two Government-owned entities, Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB) under the conditions Power Purchase Agreements (PPAs). Therefore, sales are fully secured by Power Purchase Agreement (PPA) with these two state-owned entities. Credit risk does not arise in respect of any other receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position that has been disclosed in note 34.1 of the Financial Statements.

Liquidity Risk: Liquidity Risk is the risk of inability to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Company's reputation. Typically, Management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses and financial obligations through cash forecast prepared based on timeline of payment of the financial obligation and accordingly arranging for sufficient fund and/or maintaining short term lines of credit with scheduled commercial banks to make the expected payment within due date. Financial Liabilities are expected to be repaid in due time from operational cash flows.

The contractual cash flows in terms of bank loan, intercompany payables and payables for other liabilities have been disclosed in note 34.2 of the Financial Statements.

Market Risk: Market Risk is the risk associated with changes in market forces such as demand and supply situation, foreign exchange rates and interest rates that may affect the Company's income or the value of its holding of financial instruments. The objective of market risk management frame work is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Currency Risk: Currency Risk is the risk associated with changes in foreign exchange rates that may affect the Company's purchases of spare parts and plant and machinery that are denominated in a currency other than the functional currency, primarily Euro and US Dollars. Such risk is hedged through entering into appropriate derivative financial instruments. However, the Company has not yet entered into any type of derivatives instrument in order to hedge foreign currency risk.

Interest Rate Risk: Interest Rate Risk is the risk that arises due to changes in interest rates on borrowings. Local loans are however not significantly affected by fluctuations in interest rates. Foreign loans and borrowings are affected by fluctuations in interest rates. Such risk is hedged through entering into appropriate derivative financial instruments. However, the Company has not yet entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Capital Risk: Capital Risk is the risk associated with maintaining an optimal capital structure and minimal cost of capital. The objective of managing capital risk are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of DPGSL has care to maintain a balance between risk and return that might be possible with a sound capital structure of equity and borrowed funds.

4.7 OPERATIONAL AND FINANCIAL RESULTS

The Directors are pleased to present the comparative operational and financial results (consolidated) for the year ended 30 June 2018 based on the year ended 30 June 2017:

Particulars	Amount (Taka)		% of Change
	2017-2018	2016-2017	
Revenue	6,660,495,190	5,150,748,279	Increase by 29.31%
Cost of Sales	(5,246,534,368)	(3,789,896,730)	Increase by 38.43%
Gross Profit	1,413,960,822	1,360,851,549	Increase by 3.90%
Profit Before Tax	832,471,182	740,880,950	Increase by 12.36%
Profit After Tax	831,694,519	736,983,345	Increase by 12.85%

Consolidated revenue has increased by 29.31% mainly for increase in sale revenue of two subsidiaries (DSPGL & DNPGL) which has resulted from increase in energy payment for fuel price increase, efficiency in plant operation and increased government demand for electricity. On the other hand, cost of sales increase by 38.43% which is higher compared to increase in revenue is due increase in fuel price (mainly HFO price in international market). As a result, gross profit has increased by only 3.90%. But for reduction in general and administrative expenses and financial expenses profit before tax and after tax has increased by 12.36% and 12.85%.

4.8 EXTRA-ORDINARY GAIN OR LOSS

As per IAS 1: Presentation of Financial Statements, no item of income and expenses are to be presented as extra-ordinary gain or loss in the financial statements. Accordingly, no extra-ordinary gain or loss has been recognized in the financial statements.

4.9 RELATED PARTY TRANSACTIONS

The related party transactions of the Company during the year have been disclosed in note-36 of the notes to the audited Financial Statements complying the requirements of IAS 24 and all the transactions have taken place on a commercial basis.

4.10 UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHER INSTRUMENTS

Initial Public Offering (IPO) of Doreen Power Generations and Systems Limited was made in 2016 and the fund raised thereby has already been utilized as reported to the regulators. No further issue of any instrument was made during the year.

4.11 SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

No significant variations have occurred between quarterly and final financial results of the Company during the year under report. However, as part of environmental and normal operational pattern business had to face seasonal impacts during quarter 2.

4.12 REMUNERATION TO DIRECTORS

Remuneration, performance and other related perquisites/benefits of Executive Directors are reviewed annually and approved by the Chairman. During the year ended 30 June 2018, only the

Managing Director was paid remuneration/ allowance amounting Tk.3,960,000. No other Director (even the Independent Director) did take any remuneration/ allowance from the Company as disclosed in Notes - 38 to the financial statements.

4.13 FAIR PRESENTATION OF STATE OF AFFAIRS AND COMPLIANCE OF ACCOUNTING POLICIES, STANDARDS ETC.

The members of the board, in accordance with the Bangladesh Securities and Exchange Commission's Notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, are pleased to make the following declarations in their report:

- i) The financial statements prepared by the management of DPGSL present fairly its state of affairs, the result of its operations, cash flows and changes in equity
- ii) Proper books of account of the company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- iv) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) Share capital structure of the company as of 30 June 2018 comprises of 27.45% minority shareholders which is a mix of institutional and individual shareholders. As a publicly listed company, DPGSL complies all the rules and regulations of the Bangladesh Securities & Exchange Commission (BSEC) and two Stock Exchanges. Apart from that any major policy decision affecting shareholders interest, irrespective of the holding pattern, are taken on an absolute transparent manner with appropriate market disclosures which paves the way for proper action by the minority shareholders. Board of Directors, in particular, Independent Director has been playing an effective role in this regard.
- vii) During approval of the financial statements, the Board of Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future and confirms the Company as a going concern. So, there is no significant doubt upon the company's ability as a going concern.
- vii) Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in Operation and Financial Results section (above).

4.14 KEY OPERATING AND FINANCIAL DATA

The Directors are pleased to present the Key Operating and Financial Data for the last 5 (five) years and the tabular presentation has been shown separately.

Financial Performance for the Last 5 (five) Years is as follows:

PARTICULARS	2017-2018	2016-2017	2015-2016	2014-15	2013-14
	Taka	Taka	Taka	Taka	Taka
Revenue	6,660,495,190	5,150,748,279	1,189,835,036	1,082,372,595	1,082,372,595
Cost of Sales	(5,246,534,368)	(3,789,896,730)	(791,458,229)	(646,369,722)	(646,369,722)
Gross profit	1,413,960,822	1,360,851,549	398,376,807	436,002,873	436,002,873
General & Admin. Exp.	(12,566,894)	(132,553,608)	(102,847,335)	(67,818,455)	(67,818,455)
Pre Operating Expenses	-	-	(415,262,98)	(40,955,630)	(40,955,630)
Profit from Operation	1,291,393,928	1,228,297,940	254,003,174	327,228,788	327,228,788
Other Income	-	-	445,200	383,312	374,450
Interest Income	1,829,050	1,775,002	5,309,941	1,022,482	412,331
Financial Expense	(460,751,796)	(481,473,112)	(210,510,650)	(194,769,046)	(181,210,500)
Non-operating Profit (Loss)	(458,922,746)	(479,698,110)	(204,755,509)	(193,363,252)	(180,423,719)
Net Profit before Contribution to WPP and WF Fund	832,471,182	748,599,830	49,247,665	133,865,536	158,912,983
Contribution to WPP & WF	-	(7,718,880)	(9,300,468)	(8,281,035)	(8,862,955)
Net profit before income tax	832,471,182	740,880,950	39,947,197	125,584,501	150,050,028
Current tax expense	(776,663)	(3,897,606)	(1,106,633)	(492,028)	(275,374)
Net profit after income tax	831,694,519	736,983,344	38,840,564	125,092,473	149,774,654
Dividend	25%	20%	30%	-	-
Share Capital	1,056,000,000	960,000,000	800,000,000	600,000,000	600,000,000
Net Non-Current Assets	10,682,153,400	10,234,794,882	10,326,080,585	8,483,145,167	2,942,951,674
EPS	7.85	7.57	0.65	2.25	2.58

4.15 DIVIDEND FOR THE YEAR 2017-18

The Board recommends cash dividend @ 15% for all shareholders excluding the Sponsors/Directors and stock dividend @ 10% for all shareholders for the year ended 30 June 2018. The Sponsors/Directors hold 76.70 million shares and the cash dividend to be payable to the General Shareholders is Tk.43.35 million. So, the shareholders are entitled to get 01 (one) bonus shares of Tk.10.00 (Tk. Ten) each for holding every 10 (ten) shares. The aforementioned dividend has been recommended being the "final dividend" for the year and no interim dividend was declared during the year.

Shareholders' whose name will be appearing in the Shareholders' Registry as on the Record Date (18 October 2018) shall be eligible to receive the above dividends subject to approval by the shareholders in the Annual General Meeting (AGM) scheduled to be held on 13 December 2018.

4.16 DIRECTORS' RETIREMENT & RE-APPOINTMENT/RE-ELECTION

With regard to the appointment/election, retirement and re-appointment/re-election of directors, the company is governed by its Articles of Association, the Companies Act 1994 and other related legislations. Accordingly, at the 11th Annual General Meeting, Mr. Mahtab Bin Ahmed will retire from the office of

Director. He is however eligible for re-appointment. As required by BSEC's Corporate Governance Guidelines [condition 1.5 (xxii)], his details is disclosed separately under Profiles of Directors.

4.17 APPOINTMENT OF AUDITORS

M/s. ACNABIN, Chartered Accountants, having office at BDBL Bhaban (Level- 13 & 14), 12 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh, was re-appointed as the auditor by the company in its 10th AGM for another term till conclusion of the 11th AGM of the Company. M/s. ACNABIN has completed assignment of audit and will retire at the 11th AGM. Hoda Vasi Chowdhury & Co., Chartered Accountants, having office at BTMC Bhaban (6th & 7th Floor), 7-9 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh, have expressed their willingness to be appointed as auditor financial year 2018-2019. The Audit Committee and the Board recommend for appointment of Hoda Vasi Chowdhury & Co. as its auditor for the next year and till conclusion of the 12th AGM. The matter is placed for the consideration of the honorable shareholders.

4.18 APPOINTMENT OF PROFESSIONAL TO CERTIFY COMPLIANCE OF THE CGC

Board of Directors of the company has recommended Itrat Husain & Associates, having office at The Glass House (13th Floor), 38 Gulshan Avenue, Gulshan-01, Dhaka-1212 as the professional to provide the compliance certification of the Corporate Governance Code (CGC) issued by the BSEC Notification dated 03 June 2018. As per the Condition 9(2) of the said Notification, this will be placed at the 11th AGM for due approval by the shareholders.

4.19 BOARD MEETINGS AND ATTENDANCE

The Directors meet regularly for smooth operation and management of Company. During the year ended 30 June 2018, a total of 09 (nine) Board Meetings were held. Attendance of the Directors in the meetings was as follows:

NAME & DESIGNATION OF DIRECTORS	TENURE OF DIRECTORSHIP	NUMBER OF MEETINGS	
		HELD	ATTENDED
Ms. Parveen Alam, Chairman	Since 18.12.2016	9	9
Mr. Tahzeeb Alam Siddique, Managing Director	Since 17.08.2017	9	9
Mr. Tanzeer Alam Siddique, Director	Since 11.12.2017	9	7
Ms. Anjabeen Alam Siddique, Director	Since 23.12.2015	9	7
Mr. Mahtab Bin-Ahmed, Independent Director	Since 23.12.2015	9	7

4.20 THE PATTERN OF SHAREHOLDING

As per condition 1(5)(xxiii) of the Corporate Governance Code issued by BSEC, the shareholding pattern as on 30 June 2018 was as follows:

SL	Name of Shareholder	Description	Number of Shares	Amount (Taka)	%
A. Parent/Subsidiary/Associated Companies and other related parties (name wise details)					
1	Asian Entech Power corporation Limited	Parent Company	73,459,994	734,599,940	69.56%
2	OPG Energy Pvt. Ltd.	Sponsor Company	72,006	420,060	0.07%
B.(i) Directors and their spouses and minor children (name wise details)					
1	Mrs. Parveen Alam	Chairman	2,508,000	25,080,000	2.38%
2	Mr. Tahzeeb Alam Siddique [Nominated by Asian Entech Power corporation Limited]	Managing Director	Nil	Nil	Nil
3	Mr. Tanzeer Alam Siddique [Nominated by Asian Entech Power corporation Limited]	Director	Nil	Nil	Nil
4	Mrs. Anjabeen Alam Siddique [Nominated by Asian Entech Power corporation Limited]	Director	649,189	6,491,890	0.61%
5	Mr. Mahtab Bin-Ahmed	Independent Director	Nil	Nil	Nil
B.(ii) CFO, Company Secretary & Head of Internal Audit and their spouses and minor children (name wise details)					
1	Mr. Afroz Alam	Chief Financial Officer	Nil	Nil	Nil
2	Mr. Masudur Rahman Bhuiyan FCS	Company Secretary	Nil	Nil	Nil
3	Mr. Taimur Alam ACMA	Head of Internal Audit	Nil	Nil	Nil
C. Executives [Top 5 salaried employees]					
1	Mr. Tahzeeb Alam Siddique	Managing Director	Nil	Nil	Nil
2	Mr. Sultan Reza Bin Mahmood	GM & Plant In charge	Nil	Nil	Nil
3	Mr. Afroz Alam	Chief Financial Officer	Nil	Nil	Nil
4	Md. Motior Raman	AGM & Plant In charge	Nil	Nil	Nil
5	Mr. Masudur Rahman Bhuiyan FCS	Company Secretary	Nil	Nil	Nil
D. Shareholders holding ten percent (10%) or more voting interest in the Company					
1	Asian Entech Power Corporation Limited	Parent Company	73,459,994	734,599,940	69.56%

4.21 CORPORATE SOCIAL RESPONSIBILITY

Doreen Power Generations and Systems Limited supports and contributes towards many social and humanitarian causes as part of its Corporate Social Responsibility. Doreen Power also recognizes the importance of creating sustainability directly around the power plants that we operate in. This goes to the heart of our CSR initiatives, helping to provide the fundamentals to foster sustainable communities.

4.22 CORPORATE GOVERNANCE

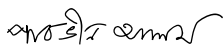
BSEC has imposed Corporate Governance Code which are mandatory to comply with by all the issuers of securities listed with the stock exchanges of Bangladesh. DPGSL has ensured compliance of all conditions of the said guidelines. The Status of Compliance of BSEC's Corporate Governance Code is shown at Annexure - V and Certificate thereon would be annexed. Moreover, a separate Report on Corporate Governance is placed as Annexure - IV.

4.23 ACKNOWLEDGEMENT

The Directors would like to give special thanks to the public shareholders, who have placed their confidence on the Company by purchasing shares and supporting the activities of the Company. Directors wish to place on record their profound and sincere gratitude to the government agencies, regulatory authorities, bankers, business constituents, suppliers, auditors, consultants and other stakeholders of the company for their continued co-operation and support. They also express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the Company and expect that such devotion will continue in future also. Best regards to all shareholders. May you all have peaceful and progressive life.

Thank you all.

For and on behalf of the Board of Directors



Parveen Alam

Chairman

Dated: 20 September 2018