



**DOREEN POWER  
GENERATIONS AND  
SYSTEMS LIMITED**

**ANNUAL REPORT  
2019**



In the name of Allah  
the most gracious  
the most merciful





# Letter of Transmittal

November 26, 2019

The Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited

**Subject: Annual Report for the year ended 30 June 2019**

Dear Sir(s),

We are pleased to furnish herewith a copy of Annual Report containing Directors' Report and Auditors' Report along with Audited Financial Statements of Doreen Power Generations and Systems Limited for the year ended 30 June 2019 for your reference and record.

Thanking you,

Sincerely Yours,

For and on behalf of Doreen Power Generations and Systems Limited



**Masudur Rahman Bhuiyan FCS**  
AGM & Company Secretary



## NOTICE

### DOREEN POWER GENERATIONS AND SYSTEMS LTD.

#### NOTICE OF THE 12th ANNUAL GENERAL MEETING

Notice is hereby given that the 12th Annual General Meeting (AGM) of Doreen Power Generations and Systems Ltd. will be held on Thursday, 12 December 2019 at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka-1206 at 11:00 AM to transact the following businesses:

#### AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company together with Auditors' Report thereon and Directors' Report for the year ended 30 June 2019
2. To declare dividend for the year ended 30 June 2019
3. To elect/ re-elect Director(s) of the Company
4. To appoint Auditors for the year ending 30 June 2020 and fix their remuneration
5. To appoint professional for the Certification on Corporate Governance for the year 2019-2020 and fixation of their remuneration.

By Order of the Board



**Masudur Rahman Bhuiyan FCS**  
AGM & Company secretary

Dated:  
Dhaka, Bangladesh  
26 November 2019

#### NOTES:

1. Members, whose names will appear in the Register of Members or in the Depository Register on the Record Date, i.e. 13 October 2019, will be eligible to attend the AGM and qualify for Dividend.
2. A member eligible to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. Duly signed Proxy Form/ Power of Attorney must be submitted at the Registered Office located at 'Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000' at least 48 hours before the time fixed for the AGM. Revenue Stamp of Tk. 20/- (Taka Twenty only) shall have to be affixed on the Proxy Form.
3. Admission to the meeting will be only on production of the duly filled attendance slip attached with the Annual Report.
4. The Annual Report, Proxy Form and Attendance Slip are also available in the website of the Company at [www.doreenpower.com](http://www.doreenpower.com)
5. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No: BSEC/CMRRCD/2006-158/208/Admin/81 Dated : 20 June 2018, Copy of the Annual Report has been sent to the email address of the Honorable Shareholders mentioned in their respective Beneficial Owner(BO) accounts maintained with the depository
6. The brokerage houses and merchant bankers concerned are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. They are also requested to provide us with their Bank Account Details (name, number, routing number etc.) on or before November 30, 2019
7. The Trustee Board concerned of approved superannuation fund or pension fund or gratuity fund or recognized provided fund or workers' profit participation fund are requested to provide us with update tax rebate certificate on or before November 30, 2019

#### SPECIAL NOTE

No gift or benefit in cash or kind shall be paid / distributed to the holders of equity securities in terms of Clause (c) of the Notification No. SEC/SRMI/2000-953/1950 dated 24 October 2000 for attending the AGM of the Company.

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# CHAPTER-1



## OVERVIEW

## 1.1 VISION, MISSION MAIN OBJECTIVES







## VISION

To be a modern and environmental hygiene power provider in the country to meet the huge demand of electricity.



## MISSION

To become the largest power generating company in private sector in Bangladesh.



## MAIN OBJECTIVE

To generate and provide uninterrupted electricity to the nation by effective utilization of capital machineries modern technologies and human resources and to ensure continuous improvement of customer satisfaction and resource management.





## 1.2 CORPORATE DIRECTORY

### BOARD OF DIRECTORS

Mrs. Anjabeen Alam Siddique	Chairman
Mr. Tahzeeb Alam Siddique	Managing Director
Mr. MD. Abul Hasnat	Director
Mr. MD. Ali Akbar	Director
Mr. Mahtab Bin-Ahmed	Independent Director

### AUDIT COMMITTEE

Mr. Mahtab Bin Ahmed, Independent Director	Chairman
Mr. Mr. MD. Abul Hasnat, Director	Member
Mr. MD. Ali Akbar, Director	Member
Mr. Masudur Rahman Bhuiyan FCS, AGM & Company Secretary	Secretary

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Mahtab Bin Ahmed, Independent Director	Chairman
Mr. Mr. MD. Abul Hasnat, Director	Member
Mr. MD. Ali Akbar, Director	Member
Mr. Masudur Rahman Bhuiyan FCS, AGM & Company Secretary	Secretary

### EXECUTIVE COMMITTEE

Mr. Tahzeeb Alam Siddique, Managing Director	Chairman
Mr. Mostafa Moin, Chief Executive Officer	Member
Mr. Abul Hossain, Chief Development Officer	Member
Mr. Md. Wahiduzzaman Khan, Chief Operating Officer (HFO Based Plants)	Member
Mr. Mostafizur Rahman, Chief Operating Officer (GAS Based Plants)	Member
Mr. Iqbal Hossain, Chief Administrative Officer	Member
Mr. Afroz Alam, Chief Financial Officer	Member
Mr. Major Md. Salimur Rahman (retd.), GM (oil & Shipping)	Member
Mr. Sultan Reza Bin Mahmood, GM (Plant In-charge)	Member
Mr. Md. Taimur Alam, ACMA, Head of Internal Audit & Compliance	Member
Mr. Muhammad Amzad Shakil, ACA, AGM-Finance & Accounts	Member
Mr. Masudur Rahman Bhuiyan FCS, AGM & Company Secretary	Secretary

### OPERATION AND MAINTANANCE COMMITTEE

Mr. Mostafa Moin, Chief Executive Officer	Chairman
Mr. Md. Wahiduzzaman Khan, Chief Operating Officer	Member
Mr. Mostafizur Rahman, Chief Operating Officer (Gas Based Plants), Plant In-charge	Member

### REGISTERED OFFICE

Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000 Bangladesh.

## 1.2 CORPORATE DIRECTORY

### CORPORATE OFFICE

192/A, Eastern Road, Lane-1, New DOHS Mohakhali, Dhaka-1206  
Phone- 8860744, Fax- 8860766, E-mail: info@doreenpower.com  
Website: www.doreenpower.com

### STATUTORY AUDITORS

Huda Vasi Chowdhury & Co.  
BTMC Bhaban (7th & 8th Level), 7-9 Kazi Nazrul Islam Avenue  
Kawran Bazar Commercial Area, Dhaka-1217, Bangladesh,  
Phone: +880-2-9140094, Fax +880-2-8119298.

### LEGAL ADVISOR

Sovereign Chambers of Law  
165/A (1st Floor), Lake Circus Kalabagan  
Dhanmondi, Dhaka 1205, Bangladesh.  
Mobile: +880 1977188844, www.bd-scl.com

### CORPORATE GOVERNANCE COMPLIANCE AUDITOR

Itrat Husain & Associates  
Chartered Secretaries in Practice  
The Glass House (13th Floor), 38 Gulshan Avenue, Gulshan-01  
Dhaka-1212, Bangladesh. Phone: +880-1713092222, +880-1819259703

### CREDIT RATING COMPANY

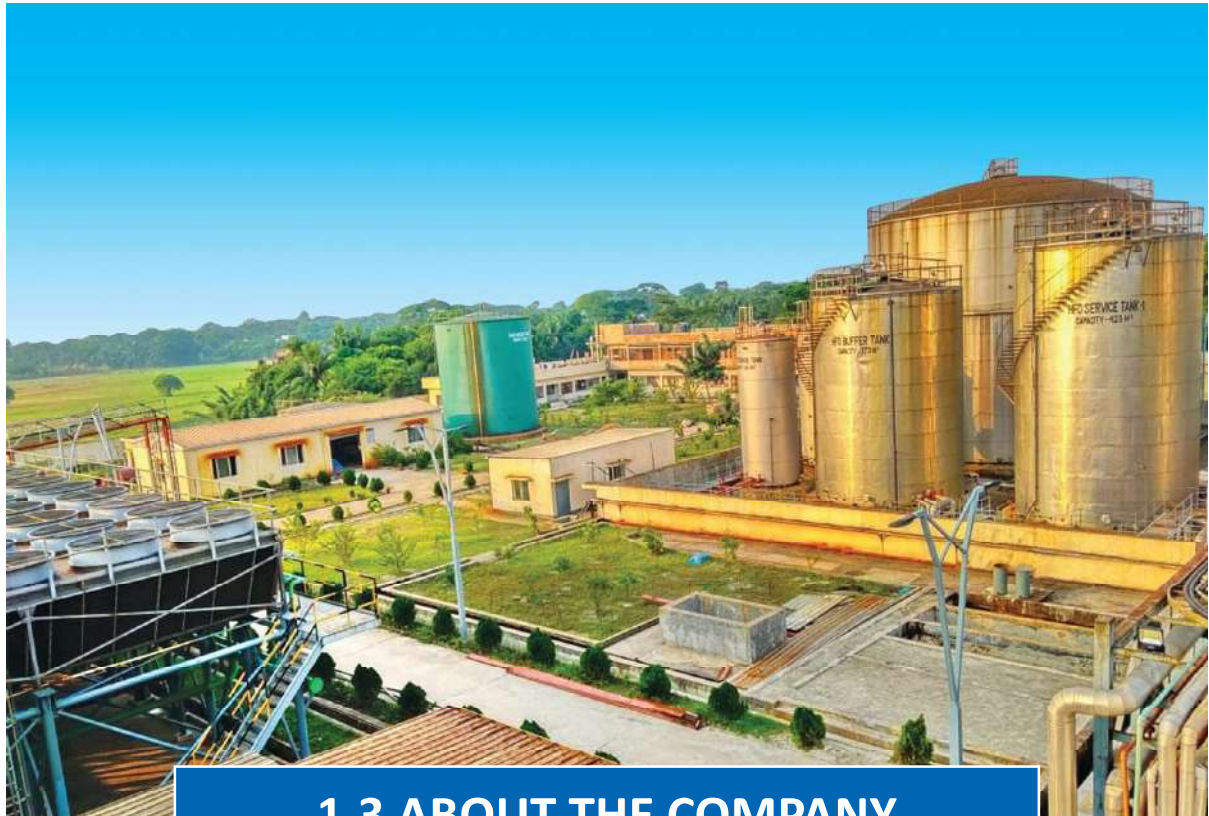
Credit Rating Information and Services Limited (CRISL)  
Nakshi Homes (4th & 5th Floor) 6/1A, Segun Baghicha  
Dhaka-1000, Bangladesh. Phone: +880-2-9515807, +880-95714767-8

### LOCATIONS OF POWER PLANTS

22MW Elenga, Tangail	55MW Daulotpur, Nababgonj
22MWChinispur, Narsingdi	55MW Singair, Manikgonj
22MWDebipur, Feni	115MW Icholi, Chandpur

### MAIN BANKERS

NCC Bank Limited	The City Bank Limited
Trust Bank Limited	Dutch Bangla Bank Limited
Dhaka Bank Limited	Islami Bank Bangladesh Limited



## 1.3 ABOUT THE COMPANY

### INTRODUCTION

Doreen Power Generations and Systems Ltd. (DPGSL) was incorporated in Bangladesh on 20 August 2007 as a private limited company. The Company was converted into public limited company on 29 October 2011 and its securities (shares) was listed with both Stock Exchanges of Bangladesh i.e. Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. Trading of Shares of this Company started on 06 April 2016.

DPGSL has setup 3 power plants for generating and supplying 66 MW of electricity to Bangladesh Power Development Board (BPDB) and Rural Electrification Board (REB) under 3 power purchase agreements (PPAs). These PPAs have been signed by the Company with BPDB for selling 22 MW from Tangail plant and 22 MW from Feni plant and with REB for selling 22 MW from Narshingdi plant for a period of 15 years. The Commercial Operation Dates (CODs) of Tangail plant, Narsingdi plant and Feni plant were 12 November 2008, 21 December 2008 and 16 February 2009 respectively.

The power plants were commissioned with GE Jenbacher Gas Fired Engines. DPGSL has set up 3 gas fired power plants each consisting of eight gas engines (engines of simple cycle gas turbine technology) with an individual capacity of 2.9 MW each and a gross capacity of 23.2 MW, which is capable to safely generate 22 MW (contracted capacity) of electricity leaving a safety margin of about 5.45%.

DPGSL through its two subsidiaries Dhaka Southern Power Generations Ltd. (DSPGL) and Dhaka Northern Power Generations Ltd. (DNPGL) have implemented 2 (two) HFO based power plants with 55 MW capacity each. Southern Power Plant started commercial operation on 17 June 2016 and Northern Power Plant started

commercial operation on 17 August 2016. Both the power plants were commissioned with MAN Diesel and Turbo, Germany engines. Each plant consists of 3 engines with a capacity of 18.5 MW each along with a co-generation facility for 2.8 MW of electricity. As per PPAs, BPDB will purchase electricity from both the plants for 15 years.

The Company through its' another subsidiary named Chandpur Power Generations Limited is implementing a 115 MW HFO Fired Power Plant at Icholi Ghat, Chandpur on BOO basis for a term of 15 years". DPGSL owns 99.90% shares in this company. Management is hopeful to finish the construction work of the plant and start its commercial operation by May 2020.

## NATURE OF BUSINESS

Electricity is the principal product of the Company. Under private sector power generation policy of Bangladesh, the Company is supplying electricity to the Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB) through the national grid. Details of the power plants are as below:

Name of the Company	Name of the Projects	Capacity	Date of Commercial Operation	Ownership of DPGSL
Doreen Power Generations and Systems Ltd. (DPGSL)	Tangail Power Plant	22 MW	12.11.2008	100%
	Narsingdi Power Plant	22 MW	21.12.2008	100%
	Feni Power Plant	22 MW	16.02.2009	100%
Dhaka Southern Power Generations Ltd. (DSPGL)	Daulotpur, Nababgonj	55 MW	17.06.2016	99.15 %
Dhaka Northern Power Generations Ltd. (DNPGL)	Singair, Manikgonj	55 MW	17.08.2016	99.40 %
Chandpur Power Generations Limited (CPGL)	Icholi Ghat, Chandpur	115 MW	Under construction	99.90%



## 1.4 MESSAGE FROM CHAIRPERSON

Dear Shareholders,

Please accept my sincere thanks and gratitude for selecting me as the chairman of Board of Directors (BoD) of Doreen Power Generations and Systems Limited (DPGSL). With a great sense of delight, we are pleased to welcoming you all to the 12th Annual General Meeting (AGM) of the Company. It's my privilege to present before you the Annual Report and Audited Financial Statements of the Company for the year ended 30 June 2019. The performance of the Company has been somewhat remarkable when noting on its progress over the last few years, especially in terms of electricity generation, revenue growth, profitability and exploration of new investment opportunities.



You will be delighted to know that your company along with its two subsidiaries (Group) has generated 899.75 million kWh of electricity at average capacity utilization 58.36% in last year.

The Group has generated total revenue of Tk. 7,021.68 million during the year 2018-19 to make a gross profit of Tk. 1,505.41 million and net profit of Tk. 923.58 million compared to revenue Tk. 6,660.49 million, gross profit Tk. 1,409.98 million and net profit Tk. 831.69 million during the year 2017-18. As you can see the Group has earned a 5.42% growth in revenue generation but 11.05% growth net profit margin which is the result of effective control of operating expense and finance expense and is admirable performance of our management team.

At the end of 2018-19, total equity of the company stood Tk.4,260.39 million out of which Tk.2,129.04 million is accumulated profit (retained earnings). As you are aware that your company owns 99.90% share of Chandpur Power Generations Limited, a 115 MW under construction power plant, where we need to invest about Tk.2,148.85 million as equity. However, considering the greater interest of the public shareholders, the Directors has recommended to declare 13% stock dividend for all shareholders and 17% cash dividend for only public shareholders (not for Directors/Sponsors). Hope you would happily approve the recommendation regarding dividend.

As a fast moving economy with robust GDP growth over 7% for last few years, Bangladesh needs to ensure stable energy supply to the development partners to maintain the pace of development. As a development partner we are organizing available resources for making meaningful contribution towards the economic development of the country. We are proud of you for joining your hands with us.

I would extend my sincere gratitude to our Board for their continued guidance and active engagement, the Government, regulators and shareholders for their co-operation and support. I am humbled by the trust that our Customers have placed on our services. I also want to extend my sincere thanks to our Management Team and our employees for their hard work and commitment. I sincerely look forward to welcoming you at our 13th Annual General Meeting (AGM).

Thank you ladies and gentlemen.



**Anjabeen Alam Siddique**  
Chairperson



## 1.5 REVIEW BY MANAGING DIRECTOR

Dear Valued Shareholders,  
Assalamu Alaikum.

It is my privilege and pleasure to present before you the Annual Report that explains the performances and achievements of another successful year of your company.

With your co-operation and support, Doreen Power Generations and Systems Limited including its subsidiaries have been able to maintain and enhance its operational efficiency and profitability in last financial years. We are continuously striving to improve efficiency in operation, maximization of electricity generation and cost effectiveness in all aspect of business.





The management's discussion and analysis representing detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements in the year ended 30 June 2019, among others, focusing on:-

Consolidated revenue has increased by 5.42% (from Tk.6,660.50 million to Tk.7,021.68 million) mainly for increase in revenue of two subsidiaries (DSPGL & DNPGL) which has resulted from increase in energy payment for fuel price increase and efficiency in plant operation. On the other hand, cost of sales increase by 5.06% which due increase in fuel price (mainly HFO price in international market). Slightly lower increase in cost of sale compared to revenue increase resulted in 6.77% increase in gross profit which is the reflection of operational efficiency. But our company has been able to increase its net profit after tax 11.05% by reducing general and administrative expenses effectively. As a result, EPS has increased by 10.78% i.e. from Tk.7.14 (restated) to Tk.7.91.

The accounting policies and estimation for the preparation of financial statements of the company is mentioned in details in notes to the financial statements i.e. page no. 104 of the Annual Report.

No changes in accounting policies and estimation was made during the year which have the effect on financial performance or results and financial position as well as cash flows and the description on the issue is mentioned in notes to the financial statements i.e. page no. 107 of the Annual Report.

Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years has been explained in Key Operating and Financial Highlights section of the report i.e. in page no. 18 of the Annual Report.

No inflation effect is recognized in the preparation of financial report for the power sector as per norms and practice applicable for Bangladesh.

The economy of our country 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 8.13% in 2018-19 (according to Bangladesh Bureau of Statistics) supported by remittances from nearly 7.50 million Bangladeshi living abroad, 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 1,660 to USD 1,827 from fiscal year 2018 to 2019 (a 10% growth).

According to the International Monetary Fund (IMF), Bangladesh is now the 39th largest economy in the world in terms of nominal GDP while the country's position is 29th in terms of purchasing power parity. A

projection by PWC tells Bangladesh will be the 28th largest by 2030 and 23rd largest by 2050.

The nation is marching ahead in achieving the governments Seventh Five-Year Plan, we are on strong foot steps towards the steady upward growth despite the probable challenges like natural calamities, lack of skilled workers, financial sector vulnerabilities and the slow pace of infrastructural reforms.

You know that Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB) are the customers of our company. Sales are made as per the terms and the conditions of Power Purchase Agreements (PPAs) executed with BPDB and BREB. So our Market and Revenue are nearly certain if we can make our plants ready, and our team is committed to keep our plants capable of generating and supplying electricity as per requirements of the purchasers.

The risks and concerned issues related to the financial statements, explaining such risk and mitigation plan thereof is described in the page no. 45 of the Annual Report.

DPGSL has been stepping forward with a long term vision in order to achieve excellence in the fuel and power sector of the country.

BPDB has taken a massive capacity expansion plan to achieve 33,700 MW Capacity according to PSMP-2010 by 2030 with the aim to provide quality and reliable electricity to all the people of Country for desired economic and social development.

Our three power plants including two plants own by two subsidiaries of DPGSL is operating efficiently and effectively as per plan and requirement. Construction and development works of a 115 MW power plant in Chandpur is going on and hope to start commercial operation by May 2020.

We always value our human resources. We have been continuously trying to build a talented team of professionals motivated by our vision and are committed to our corporate mission, vision and passion of creating the most successful business entity in the country.

I am thankful for the support and cooperation extended by our all shareholders, customers, regulators, bankers, business partners, other stakeholders and all the employees of the company for their continuous hard work and devotion. I am looking forward to your continuous support in the coming years. We whole heartedly hope and pray to the almighty Allah to help us achieve our targets and lead us to a profitable and respectable future.

Thank you all for your kind attendance once again.



**Tahzeeb Alam Siddique**  
Managing Director



## 1.6 KEY OPERATING AND FINANCIAL HIGHLIGHTS

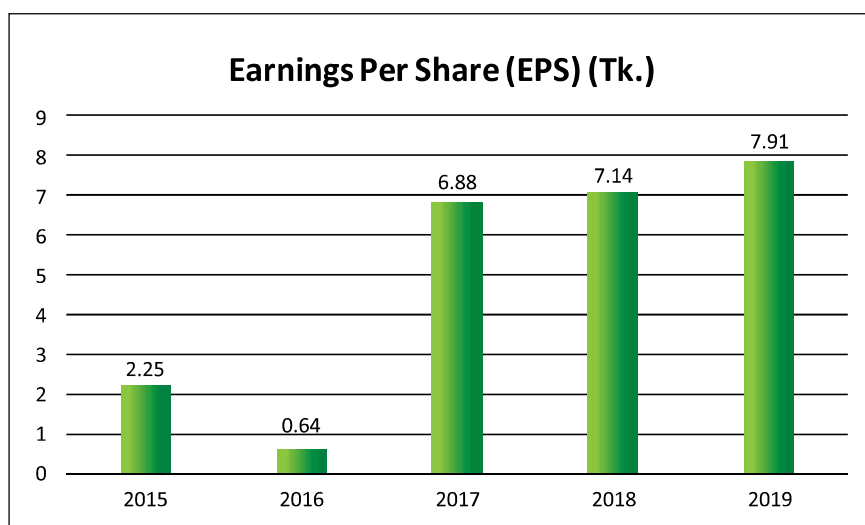
Amount in Million (BDT)

PARTICULARS		30.06.2019	30.06.2018	30.06.2017	30.06.2016	30.06.2015
		Taka	Taka	Taka	Taka	Taka
<b>Operating Data</b>						
Turnover		7021.68	6,660.50	5,150.75	1,189.84	1,082.37
Cost of Sales		5,516.27	5,246.53	3,789.90	795.48	646.37
Gross Profit		1,505.41	1,413.96	1,360.85	394.36	436.00
General & Admin Expenses		116.95	122.57	132.55	140.35	108.77
Operating Profit		1,388.46	1,291.39	1,228.30	254.00	327.23
Interest & Financial Charges		464.65	460.75	481.47	210.51	194.77
Net Profit Attributable to Owners		918.27	829.28	726.63	42.32	134.98
<b>Balance Sheet Data</b>						
Paid up Capital		1,161.6	1,056.00	960.00	800.00	600.00
Shareholders' Equity		5,156.96	4,316.62	3,472.93	2,753.02	2,152.72
Non-Current Liabilities		4,755.91	5,438.80	6,096.44	6,315.31	4,205.68
Current Assets		3,904.99	2,928.63	2,183.63	1,097.44	650.54
Current Liabilities		4,311.24	3,855.36	2,849.06	2,354.80	2,775.28
Total Assets		14,224.11	13,610.78	12,718.42	11,423.52	9,133.69
Total Liabilities		9,067.15	9,294.16	8,945.49	8,670.50	6,980.96
<b>Profitability Ratios</b>						
Gross Profit Ratio (%)		21.44%	21.17%	27.48%	33.14%	40.28%
Net Profit Ratio (%)		13.15%	12.49%	14.31%	3.56%	12.47%
Return on Total Assets (%)		6.64%	6.39%	6.18%	0.34%	1.37%
Debt Equity Ratio (times)		1.76	2.15	2.58	3.15	3.10
Return on Equity (%)		19.50%	21.35%	23.67%	1.40%	5.81%
Price Earnings Ratio (Times)		9.89	12.65	19.73	98.52	-
Current Ratio		0.91	0.78	0.77	0.47	0.23
<b>Other Data</b>						
EPS		7.91	7.14	6.88	0.64	2.25
Dividend	Cash	17%	15%	10%	10%	
	Stock	13%	10%	10%	20%	

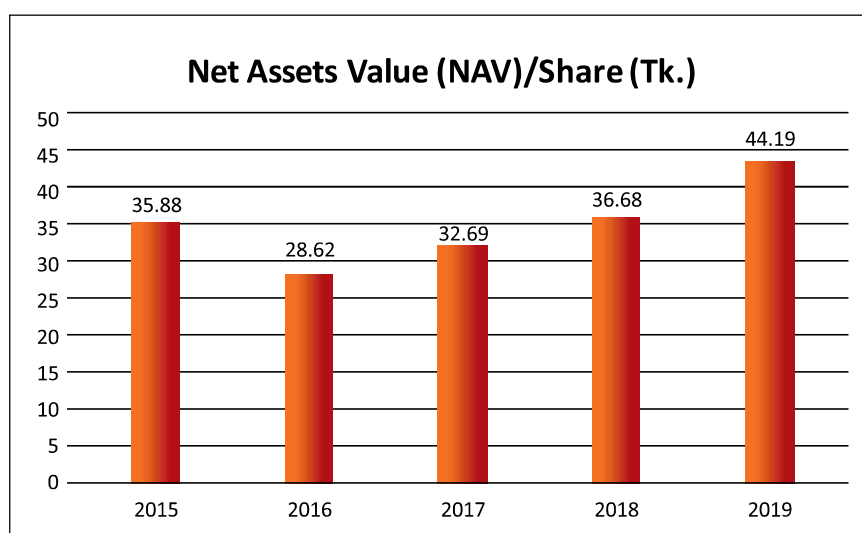
## 1.7 PERFORMANCE INDICATORS

Amount in Million (BDT)

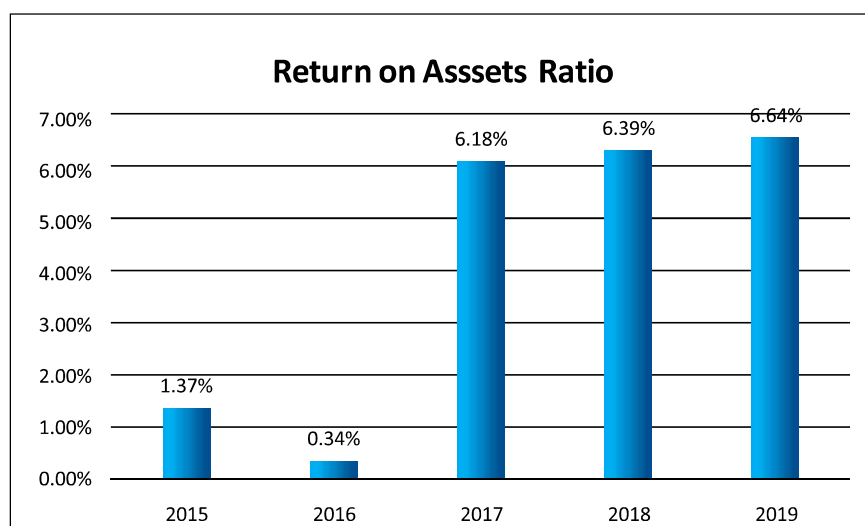
PARTICULARS	2019		2018		2017		2016		2015	
	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.
<b>Liquidity Ratios as on 30 June:</b>										
Current Ratio (Times)	0.91	0.65	0.78	0.75	0.77	0.80	0.47	0.63	0.23	0.46
Quick Ratio (Times)	0.66	0.57	0.66	0.68	0.60	0.72	0.32	0.53	0.18	0.39
Times Interest Earned Ratio (Times)	2.99	2.35	2.80	2.80	2.55	2.72	1.21	2.00	1.65	1.86
Debt to Equity Ratio (Times)	1.76	0.38	2.15	0.45	2.58	0.52	3.15	0.62	3.10	0.78
Debt to Total Assets Ratio (Times)	0.64	0.28	0.68	0.31	0.72	0.34	0.76	0.38	0.73	0.41
<b>Operating Ratios (Times as on 30 June:</b>										
Accounts Receivable Turnover Ratio	4.66	3.94	4.64	3.90	4.12	4.19	3.48	5.04	4.91	4.91
Inventory Turnover Ratio (Times)	5.15	13.41	10.97	15.32	8.10	13.60	2.24	9.20	4.07	14.26
Asset Turnover Ratio (Times)	0.49	0.23	0.49	0.23	0.41	0.23	0.10	0.22	0.12	0.26
Debt Service Coverage Ratio (Times)	0.44	0.83	0.46	0.87	0.73	0.87	0.22	0.97	0.13	0.77
<b>Profitability Ratios for the year ended 30 June:</b>										
Gross Margin Ratio	21.44	33.35	21.17	34.48	27.48	38.00	33.14	42.23	40.28	40.28
Operating Income Ratio	19.77	29.33	19.39	30.54	23.85	33.56	21.35	35.91	30.23	34.02
Net Income Ratio	13.15	16.86	12.49	19.69	14.31	20.32	3.23	17.47	11.56	15.29
Return on Assets Ratio	6.64	3.90	6.39	4.62	6.18	4.61	0.34	3.84	1.37	3.96
Return on Equity Ratio	19.50	5.51	21.35	6.85	23.67	7.23	1.41	6.23	5.81	7.46
Earnings Per Share (EPS) (Tk.)	7.91	1.63	7.14	1.92	6.88	2.10	0.64	2.79	2.25	2.76
<b>Net Assets Value (NAV) per Share (Tk.) as on 30 June:</b>										
NAV per Share (Tk.)	44.19	30.23	36.68	28.98	32.69	29.98	28.62	30.89	35.88	36.99



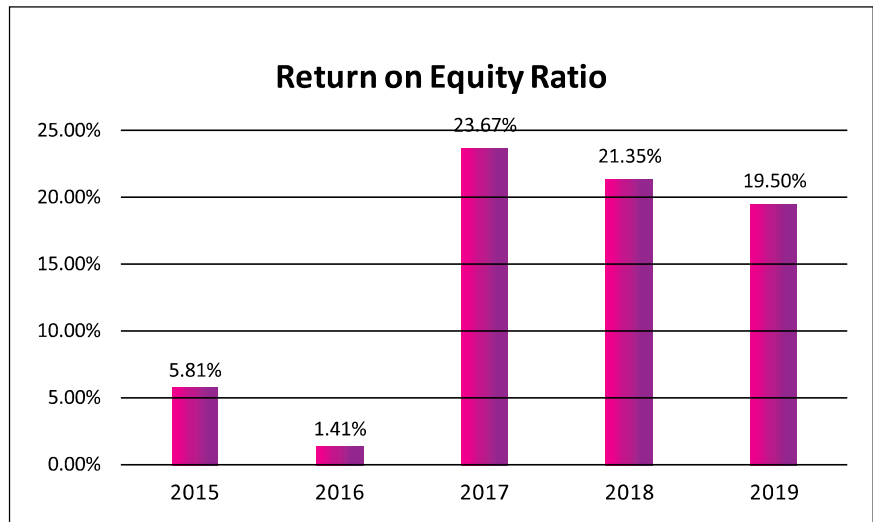
**Consolidated Earnings Per Share (EPS) for the year 2014-15 to 2018-19**



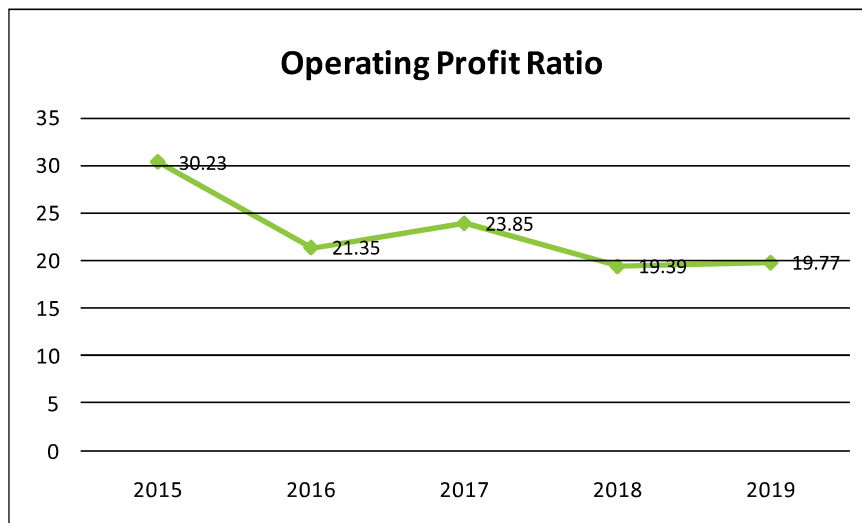
**Consolidated Net Assets Value (NAV) for the year 2014-15 to 2018-19**



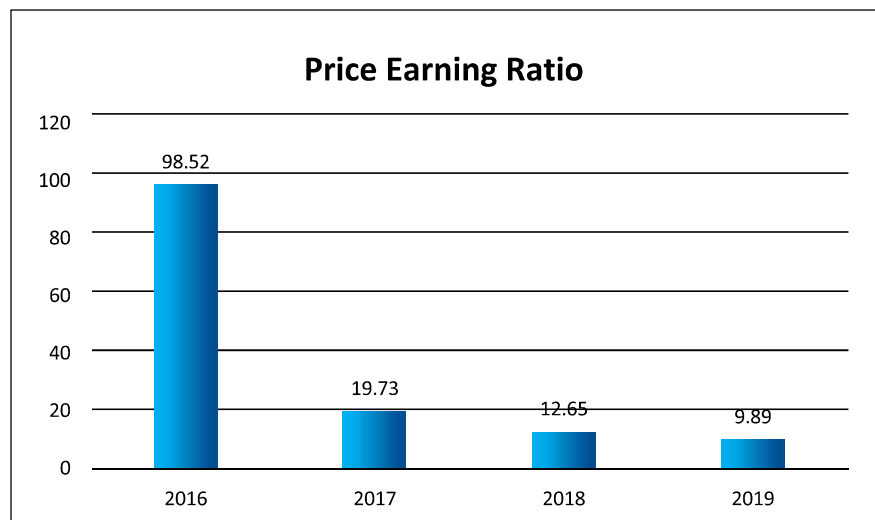
**Consolidated Return on Assets Ratio for the year 2014-15 to 2018-19**



**Consolidated Return on Equity Ratio for the year 2014-15 to 2018-19**



**Consolidated operating Profit for the year 2014-15 to 2018-19**



**Consolidated operating Profit for the year 2014-15 to 2018-19**

## 1.8 SUCCESS MILESTONES

2007

20 August  
11 October

Incorporated as Private Limited Company  
Signing of two PPA agreement with BPDB  
Signing of one PPA agreement with BREB  
Signing of two GSA agreement with TITAS  
Signing of one GSA agreement with Bakhrabad  
Signing of one LLA agreement with BREB

2008

12 November  
21 December

Start Commercial operation of  
22MW Power Plant at Tangail  
Start Commercial operation of  
22MW Power Plant at Narsingdi

2009

16 February

Start Commercial operation of 22MW  
Power Plant at Feni

2011

30 October  
22 December

Conversion into Public Limited Company  
Accomplished credit rating by CRAB  
(Rating long term loan by AA2)

2012

25 July  
29 July  
25 June  
25 June

Appointment of Issue Manage  
Submission of Prospectus to BSEC  
Formation of Dhaka Southern Power Generations Limited  
Formation of Dhaka Northern Power Generations Limited

2013

07 January  
07 January  
05 August

PPA for implementing a 55MW power plant signed by its  
subsidiary DSPGL  
PPA for implementing a 55MW power plant signed by its  
subsidiary DNPGL  
Getting sanction letter for loan of BDT 2775.00 Million for  
financing a 55MW power plant of its subsidiary DSPGL

## 1.8 SUCCESS MILESTONES

Getting sanction letter for loan of BDT 2932.00 Million for financing a 55MW power plant of its subsidiary DNPGL

09 April

2014

Approved the prospectus from BSEC

30 November

2015

Issue Consent letter by BSEC  
Issue Prospectus of the Company  
Subscription of Shares  
Lottery of Share Allotment of Share to General investor  
Listing with DSE and CSE  
First trading in Both Stock Exchanges  
Start commercial operation of 55 MW of its subsidiary DSPGL  
Start commercial operation of 55 MW of its subsidiary DNPGL

07 January  
13 January  
22 February  
10 March  
30 March  
06 April  
17 June  
17 August

2016

BPDB has issued a Letter of Intent (LOI) vide Memo No: 27.11.0000.101.14.021.17-1424 the Consortium of DPGSL and DPHTL  
A subsidiary company was formed by the name of Chandpur Power Generations Limited (CPGL) as per Consortium agreement. DPGSL owns 60% shares of CPGL  
Land purchase agreement for CPGL

15 May  
18 June  
26 October

2017

Increased ownership in CPGL from 60% to 99.90%

11 April

2019

## CHAPTER-2

# ORGANIZATION AND PROCESSES

## 2.1 BOARD OF DIRECTORS



**Mrs. Anjabeen Alam Siddique**  
Chairperson



**Mr. Tahzeeb Alam Siddique**  
Managing Director



**Mr. Md. Abul Hasnat**  
Director



**Mr. Md. Ali Akbar**  
Director



**Mr. Mahtab Bin-Ahmed**  
Independent Director





## 2.2 AUDIT COMMITTEE

Mr. Mahtab Bin Ahmed, Chairman  
Mr. MD. Abul Hasnat, Member  
Mr. MD. Ali Akbar, Member



## 2.3 NOMINATION AND REMUNERATION COMMITTEE (NRC)

Mr. Mahtab Bin Ahmed, Chairman, Independent Director  
Mr. MD. Abul Hasnat, Member, Non-Executive Director  
Mr. MD. Ali Akbar, Member, Non-Executive Director



## COMPANY SECRETARY

Mr. Masudur Rahman Bhuiyan FCS

## 2.4 BRIEF PROFILES OF DIRECTORS

**Mrs. Anjabeen Alam Siddique**  
Chairman  
[Nominated by Asian Entech  
Power Corporation Limited]

Mrs. Anjabeen Alam Siddique, wife of Mr. Tahzeeb Alam Siddique, has completed Bachelors of Business Administration (Finance) from North South University, Dhaka. She worked in Bank Asia before joining as a Chairman in Doreen Power Generations & Systems Ltd.

**Mr. Tahzeeb Alam Siddique**  
Managing Director  
[Nominated by Asian Entech  
Power Corporation Limited]

Tahzeeb Alam Siddique, a Masters in Public Administration from Cornell University, USA aged 43 years, is the Managing Director of the company. He is a highly experienced in trade & industrial arena and renowned person in the society. He is very dynamic in performing and executing business activities. He has acquired vast experience and knowledge in diversified industrial ventures. He is a goal-oriented man with broader vision.

Under the leadership of Tahzeeb Alam Siddique the company enhanced its capacity from 66 MW to 176 MW. He has established himself as sound and dynamic businessman of the country. Mr. Tahzeeb Alam Siddique is a renowned political leader, currently he is serving as MP of Jhenaidah-2.

**Mr. Abul Hasnat**  
Director  
[Nominated by Asian Entech  
Power Corporation Limited]

Mr. Abul Hasnat has completed BSS Hons' from University of Dhaka, aged 62 years. He is highly experienced in trade & industrial arena and renowned person in the society. He is very dynamic in performing and executing business activities. Mr. Hasnat is an ardent social worker.

**Mr. Ali Akbar**  
Director  
[Nominated by Asian Entech  
Power Corporation Limited]

Mr. Ali Akbar, born on 01 December 1972, is a post graduate. He is a nominated Director of the company. He is very dynamic in performing and executing business activities. He has acquired vast experience and knowledge in diversified industrial ventures. He is a goal-oriented man with broader vision.

**Mr. Mahtab Bin Ahmed**  
Independent Director

Mr. Mahtab Bin Ahmed was appointed to the Board as an Independent Director on December 23, 2015. He is the Director of Marketing & Sales of Arvin Maintenance and Management Services Limited and Partner of Pilcrow Packaging and Trading. He has 22 years plus experience and knowledge of business in different manufacturing, trading and service oriented sector. Moreover, he engages himself in various businesses such as Telecommunication business, Developer and fabrications and Investment. He has visited a number of countries and attended foreign industrial conferences and technical knowhow. He holds a graduation degree from Aligarh Muslim University (India).

## 2.5 DIRECTORS' INVOLVEMENT STATEMENT

Name of Directors	BOD of Doreen Power Generations and Systems Ltd.	Entities where they have interests
Anjabeen Alam Siddique	Chairperson	Doreen Power House & Tech. Ltd. Asian Entech Power Corp. Ltd. Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Banco Energy Generation Ltd. Bhairob Power Limited Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd.
Tahzeeb Alam Siddique	Managing Director	Doreen Fashions Ltd. Doreen Washing Plant Ltd. Doreen Apparels Ltd. Nurun Nahar Textile Ltd. Eastern Cement Industries Ltd. Doreen Power House & Tech. Ltd. Doreen Garments Limited Asian Entech Power Corp. Ltd. Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Banco Energy Generation Ltd. Bhairob Power Limited Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd.
Abul Hasnat	Director	Chandpur Power Generations Ltd.
Ali Akbar	Director	Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Chandpur Power Generations Ltd.



## 2.6 MANAGEMENT TEAM



**Mr. Tahzeeb Alam Siddique**

Managing Director

**Mr. Mostafa Moin**

Chief Executive Officer

**Mr. Abul Hossain**

Chief Development Officer

**Mr. Md. Wahiduzzaman Khan**

Chief Operating Officer (HFO Based Plants)

**Mr. Mostafizur Rahman**

Chief Operating Officer (Gas Based Plants)

**Mr. Iqbal Hossain**

Chief Administrative Officer

**Mr. Afroz Alam**

Chief Financial Officer

**Mr. Major Md. Salimur Rahman (Retd.)**

GM (Oil & Shipping)

**Mr. Sultan Reza Bin Mahmood**

GM (Plant In-Charge)

**Mr. Abul Kalam Azad**

GM (Plant in Charge)

**Mr. Masudur Rahman Bhuiyan** FCS

AGM & Company Secretary

**Mr. Md. Taimur Alam** ACMA

Head of Internal Audit & Compliance

**Mr. Muhammad Amzad Shakil** ACA

AGM-Finance & Accounts

**Mr. Mohammad Salah Uddin**

AGM (Head of HR & Admin)

## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES



**Mr. Mostafa Moin**  
Chief Executive Officer

Mostafa Moin has obtained Bachelor of Business Administration (BBA) degree from California State University, USA. After completing his BBA, he came back to home and joined Eastern Cement industry Limited, a sister company of Doreen Power. He is directly involved with the business from the very beginning of the Doreen Power. He gathered vast knowledge on the power generating gen set through attending different technical workshop organized by our world recognized machine supplier MAN- Diesel and Turbo and GE Jenbacher at Germany and Austria. He directly supervise the overall activity of the company since 2011 with a good track record. He has visited many countries i.e: USA, Germany, Swizerland, Sweeden, Austria, Italy, France, England, Malaysia, Singapore, Indonesia, Bangkok, Nepal, India for business purpose.



**Mr. Md. Abul Hossain, PEng.**  
Chief Development Officer

Md. Abul Hossain has joined in Doreen Power in 2018. He is a Professional Engineer in Power Sector as well as Heavy Industrial Sectors. He started his career in 1990 with BPDB, RPCL, DEWA, QEWC, RRPV, AKG, UAEL, CPGCBL and BSRM Group with successful role in Power Generation ( GTG,STG,GEG and Coal-SC etc) and Industrial sector. He is focused on implementation of new projects and subsequent development of existing Power Projects. He has successfully completed several gas fired Engine & Turbine based Power projects and among its 210 MW GTPS, 35 MW x 2 GTG, 10.9 MW GEG, 11.8 MW GEG, 25+80 MW GEG power plants are significant. More projects are in his hand and ongoing in nature at Doreen Power.

Md. Abul Hossain is an Electrical and Electronic Engineer having B.Sc in Engg from KUET. He also completed MBA(F&Mgt) from India, further it is added that he has completed PGDPM, DPPM and E-CADD etc.

Main duty of his job is focusing on project management, control, projects designing, planning, supervision, coordination, design interface, team building, motivation, goal setting and resolving contractual issues to achieve successful outcome of project.

## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES

Mr. Md. Wahiduzzaman Khan has completed his graduation in Mechanical Engineering from KUET in 1993. He has completed Post Graduation in personnel management from BIM in addition to MBA in Finance from Dhaka University in 2010. He worked in 124 MW Barge mounted US based Multinational power company -Covanta Energy from 1999 to 2014. He has very good experience in erection, installation, commissioning, operations & maintenance of HFO and dual fuel based power plant. He is well experienced both WARTSILA-Finland and MAN-German based Diesel Engine. He has 21 years' experience in the power sector prior to joining Doreen Power.



**Mr. MD. Wahiduzzaman Khan**  
Chief Operating Officer  
HFO Based Plants

Mr. Md. Mostafizur Rahman has completed his graduation degree from Bangladesh University of Engineering & Technologies (BUET) in the field of Naval Architecture & Marine Engineering (NAME) in the year 1991. He started his professional career in Bangladesh Navy & served about 17 years in various capacities & retired as Lieutenant Commander in 2010. He has joined Doreen Power in 2010. He is highly skilled in operations both at gas & oil based power plants & also having depth knowledge on erection, commission, operation & maintenance of engine based power plants. He attended various professional courses inland & abroad to enrich his knowledge.



**Mr. Md. Mostafizur Rahman**  
Chief Operating Officer  
Gas Based Power Plants

Mr. Iqbal Hossain has completed his post graduate degree in Business Administration from Belgium. He has 20 years experiences in Electricity Generation Company in Bangladesh. He has worked in Summit Power Limited prior to joining at Doreen Power. He has visited USA, Belgium, Netherland, Luxemburg, Cyprus, France, Germany, Austria, Turkey, UAE, UK, Singapore, Malaysia, Thailand, India etc. for business, study and pleasure purposes and gathered practical and theoretical business knowledge.



**Mr. Iqbal Hossain**  
Chief Administrative Officer

## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES



**Mr. Afroz Alam**  
Chief Financial Officer

Mr. Afroz Alam has completed his post-graduation in Accounting from National University in 1999. He completed his Article-ship of Chartered Accountancy from J.U. Ahmed & Co. Chartered Accountants in 2001 and passed CA-intermediate examination during the course. He has 22 years of professional experience in Finance, Accounts and Audit. Mr. Alam has joined Doreen Power as Manager- Finance and Accounts in 2009 and in 2011 he has been promoted as Chief Financial Officer of the company. Prior to joining Doreen Power he has worked in Amicus Properties, Oponin Pharma Limited and Aziz Halim Anowar Khan & Co. Chartered Accountants.

During his professional career he has attended several training program and workshop on corporate finance, Tax, VAT, Internal control system and regularities requirement. He also visited several countries i.e: Sweden, Italy, Dubai, Malaysia, Bangkok and India for business purpose.



**Mr. Sultan Reza Bin Mahmud**  
General Manager  
Plant In-Charge (Tangail 22MW Plant)

Mr. Sultan Reza Bin Mahmud is serving in Doreen Power Generations & Systems Limited as General Manager and Plant in charge of Tangail 22 MW Power Plant. He has 28 years of experience in both HFO & Gas based engines. He is working with Doreen Power since 2008 and performed erection, installation, commissioning of all four Gas based power plants. In 2010 to 2011 he served Energis Power Corporation as AGM & Plant in Charge of 55 MW HFO Power plant. Prior to joining in Doreen Power, he worked in Summit Power Limited from the year 2000. Before joining in Summit Power Limited he worked in Merchant Navy for 10 years as Marine Engineer in foreign going vessels and performed operation, maintenance, major overhauling of various large main propulsion HFO engines, like MAN, Hitachi B&W, Duetz, MAN B & W, PILSTIC engines.

He joined in Merchant Navy in 1991 as Cadet Engineer and obtained Certificate of Competency in Marine Engineering in 1995. Worked in foreign flag vessels in several officer's ranks in Merchant Navy with multinational co-officers.

He participated different training in Caterpillar Asia, Wartsila 34 SG gas engine training by Wartsila India, GE gas engine training, by GE. ISO 9001:2000 certified in internal quality auditing, Oil tanker safety, advanced training in fire fighting and basic sea survival in Marine Academy, Chittagong.

## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES

Mr. Md Abul Kalam Azad is serving as General Manager and Plant in Charge of Dhaka Northern Power Generations Ltd. He has completed his graduation from Dhaka University in 1987 and also completed three Marine Ancillary course from Marine Academy Chittagong and joined as an Engineering Cadet at Sea going vessel in 1989. He obtained Marine Engineering Certificate (COC) from Department of shipping, The Government Republic of Bangladesh in 1996. He worked in various Sea going Vessels as 3rd Engineer and also Chief Engineer at near Coastal voyage. He left Sea service and completed MBA degree in Finance from Khulna University in 2008. He worked as Marine Transport Manager under Abul Khair Group. He also worked long time with Wartsila Power plant as Sr. Superintendent Engineer (Operation and Maintenance) of 110 MW and 115 MW KPCL HFO plant, 102 MW Orion IEL HFO plant and as a Plant Manager of 55 MW Energis HFO power plant. He has total 29 years of experience in Operation and Maintenance of Merchant Ship, HFO based power plant of different capacities, Erection, Installation, Commissioning, Operation, Maintenance and General Administration.

He obtained Marine Diploma from BIMT, Supervisory Management training from BIM, Integrated Management System ISO 9001(Quality Management), ISO 14001(Environmental Management) and ISO 18001(Occupational Safety and Health) from Bureau Varitas. Foreign Training Operation and Maintenance of 18V48/60 TS diesel engine from Germany and RO system operation and maintenance from Malaysia. He has served several Sea going vessels, Ship Management and several HFO based power plant prior to joining Dhaka Southern Power Generations Ltd.



**Mr. Md. Abul Kalam Azad**  
General Manager  
Plant In-Charge (Manikgonj 55MW Plant)

Major Md. Salimur Rahman was commissioned in Bangladesh Army in 1986 in the corps of Signals. Then he worked in the various important appoints in this renowned and prestigious organisation with direct responsibilities of managing man management, Training, administration and Security. He had been a Group Testing Officer inter Services Selection Board (ISSB) and also served in DGFI as staff officer. After retirement he has joined Doreen Power as General Manager (Oil & Shipping) in June 2018.

He has completed his MBA from International Islamic University, Chittagong and obtained Post Graduate Diploma in Management from Bangladesh Institute of Management (BIM). He also completed a course on Supply Chain Management under Dhaka Chamber of Commerce & Industry.

Presently he is forecasting the fuel demand with respect to Plants' regular consumption, coordinating mother vessels movement and controlling coastal vessels load in connection with transportation of fuel in different power plants. Furthermore, he is responsible for developing and implementing efficient functioning of Oil & shipping department as a whole.



**Major Md. Salimur Rahman (Retd.)**  
General Manager (Oil & Shipping)



## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES



**Mr. Masudur Rahman Bhuiyan** FCS  
AGM & Company Secretary

Mr. Masudur Rahman Bhuiyan is a Fellow Member of Chartered Secretaries certified by Institute of Chartered Secretaries of Bangladesh (ICSB). He did his graduation and post graduation in Management under National University. Being a professional he has started his career in a renowned Group of Companies in Bangladesh. Prior to joining Doreen Power he worked at Giant Group, KAI Group and RANGS Group. Mr. Masud has 14 years of professional experience in the field of corporate governance, corporate & general laws, Internal Audit, finance, secretarial standards, regulatory compliance of corporate affairs, secretarial practice, management reporting and VAT & taxation. He has proven his leadership & managerial capabilities, building effective relationship among stakeholders, like Company's Shareholders, statutory & legal authorities, RJSC, BIDA, BSEC, BERC, DOE, Banks, Central Bank.

Mr. Masudur Rahman Bhuiyan FCS is the Company Secretary of Doreen Power Generations and Systems Limited since 2011.



**Mr. Md. Taimur Alam** ACMA  
Head of Internal Audit

Mr. Md. Taimur Alam completed his masters degree in Accounting from Dhaka College under National University. Later he qualified Cost & Management accounting professional qualification from the Institute of Cost & Management Accountants of Bangladesh (ICMAB). He started his accountancy career in Delta Life Insurance Company. Later he has worked at Bengal Group of Industries Ltd. He also worked at Radiance Group, a large garments conglomerate in Bangladesh as Assistant Manager Accounts & Internal Audit. Later he joined LG Butterfly as Deputy Manger (Finance) . He has 15 years experience in the various fields of Accounting, Finance and Internal Audit.

## 2.7 BRIEF PROFILES OF THE SENIOR EXECUTIVES

Mr. Muhammad Amzad Shakil is an Associate Member of Institute of Chartered Accountants Bangladesh (ICAB). He has completed his Chartered Accountancy Article-ship from ACNABIN Chartered Accountants. Before that he has completed his BBA & MBA in Accounting & Information Systems (A&IS) from University of Dhaka. Prior to joining at Doreen Power he has served ACNABIN Chartered Accountants as Senior Assistant Manager (Audit & Consultancy) and Computer Services Limited as Assistant General Manager (Finance & Accounts). Mr. Shakil has 09 years of professional experience in the field of Finance, Accounts, Corporate Reporting, Corporate & Individual Taxation, Value Added Tax (VAT), Auditing, Corporate Affairs & Secretarial Practice and Management Accounting & Reporting. He has attended many training program and workshop on Corporate Finance and Accounting, Taxation, VAT, Auditing and other regulatory requirements.



**Mr. Muhammad Amzad Shakil** ACA  
AGM (Finance & Accounts)

Mr. Mohammad Salah Uddin joined Doreen Power Generations and Systems Ltd. on 1st January 2019. He took his MBA from Nottingham University Business School, UK, Masters from North South University and PGD from Bangladesh Institute of Management and LLB from National University. He has distinguished himself being a specialist in Human Resources Management and Development. He worked for several INGOs, United Nation's Organization and local conglomerates in the fields of FMCG, Health Care, Real Estate and Footwear industries. He has participated in a good number of trainings in Austria, Germany, Italy and Bangladesh.



**Mr. Mohammad Salah Uddin**  
AGM (Head of HR & Admin)

Mr. Monjurul Nasim has obtained Bachelor of Science in Civil Engineering degree from KUET in 1995. He joined Doreen Engineering & Construction Ltd. (DECL), a sister company of Doreen Power in 2015. He has 23 years of professional experience in various trades in construction industry with verifiable track record for successful construction management under aggressive timeline through cost optimization processes and innovative techniques. He directly supervises the overall civil construction works of all power plants of Doreen Power. Previously he worked for SIEMENS Bangladesh Ltd, Ericsson Bangladesh Ltd, Concord Group, Edmund Nuttall Bangladesh Ltd and L&M Pvt. Ltd. in Singapore.



**Mr. Monjurul Nasim**  
Head of Civil Engineering

## 2.8 INTERNAL AUDIT AND INTERNAL CONTROL SYSTEM

### INTERNAL CONTROL

Internal Control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud or breaches of laws or regulations.

The Board of Directors is primarily responsible to review the adequacy of the system of internal control. As delegated by the Board the Audit Committee ensures that the system of internal control is adequate to protect against any type of fraud. The Audit Committee reviews the corrective measures taken by management relating to fraud-forgery and places report before the Board and regulators and performs all other oversight functions in relation to Internal Control System. Internal Audit Unit of our company has valuable contribution towards improving the effectiveness of its systems of internal control.

Key features of an internal control system are-

- Monitoring activities and correcting deficiencies
- Risk recognition and assessment
- Management oversight and control culture
- Control activities and segregation of duties
- Information and communication

### INTERNAL AUDIT

An internal audit is the examination, monitoring and analysis of activities related to a company's operations including its business structure, employee behavior and information systems. Internal Audit is a key pillar and cornerstone of good governance. It provides the board of directors, the audit committee, the chief executive officer, the senior executives and the stakeholders with an independent view on whether the organization has an appropriate risk and control environment, whilst also acting as a catalyst

for a strong risk and compliance culture within an organization.

All assurance mechanisms are important; co-ordination of various assurance activities provides a holistic assurance environment. Internal audit features prominently in that assurance environment which can play an important role to improve management and accountability.

The main objectives of the Internal Audit are:

- To safeguard assets.
- To ensure that the company's aims and objectives can be met.
- To ensure adherence to management policies and directives.
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records.
- To ensure compliance with statutory requirements.

The Internal Audit Unit of the company has been organized for the smooth operation of the internal audit and internal control system of the company. It ensures that internal controls are in operation and properly managed. It performs throughout all divisions/branches of the company and reports to the Audit Committee. The company has appointed a qualified individual as the Head of Internal Audit with the responsibilities of leading the internal audit and internal control activities.

### AUDIT COMMITTEE

The Board has constituted an audit committee as the Bangladesh Securities and Exchange Commission directives. As required the report of Audit Committee is included in this Annual Report. All the members are non-executive directors and the chairman of the Audit Committee is an independent director. The Company Secretary acts as the Secretary of the Audit Committee.

### Access of Head of Internal Audit's in the Audit Committee

The Head of Internal Audit reports to the Audit Committee for his activities and attends the

meetings of the Audit Committee as and when required. The Head of Internal Audit places the internal audit reports to the Audit Committee and gets the internal audit plans approved by the Audit Committee.

#### **Audit Committee's review to ensure that internal controls are well conceived, properly administered and satisfactorily monitored**

The Audit Committee ensures that internal controls of the company are well conceived, properly administered and satisfactorily monitored. It reviews the internal audit reports and provides feedbacks. It guides the Internal Audit Team how to properly monitor internal control and ensures that internal controls are being correctly managed throughout the company.

#### **Audit Committee's role in ensuring compliance with Laws, Regulations and timely settlements of statutory dues**

The Audit Committee ensures that the company complies with all applicable laws, rules and regulations and that all statutory dues are being settled timely.

#### **Audit Committee's involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review**

The Audit Committee annually reviews and decides whether appropriate accounting policies have been selected and they are in line with accounting standards as applicable in Bangladesh and reports to the Board accordingly.

#### **Audit Committee's involvement in the review annual and interim financial releases and recommending to the Board of Directors**

The Audit Committee assists the Board of Directors in certifying that the financial statements reflect a true and fair view of the company. It reviews periodical and annual financial releases, whether audited or unaudited, prior to placing them before the Board for approval. The Audit Committee has discussion on financial statements with the management before recommending them to the Board for consideration / approval.

#### **Audit Committee's role to ensure reliability of management information used for computation in the financials**

The Audit Committee ensures that the management information used for computation in the financials is

reliable, true and fair. In order to ensure reliability of the information, the Audit Committee has an extensive discussion with management regarding the issues of the financial statements that are material and ensures a proper response from the management.

### **DIRECTORS' ROLE IN INTERNAL CONTROL**

#### **Directors' role to establish appropriate system of internal controls**

The Directors of the company seek to establish appropriate systems of internal control and promotes a sound and strong internal control system inside the company. The Directors always appreciate the internal controls that have been set up by the management and gives advice on any matters as and when required.

#### **Directors' role to review the adequacy of the system of internal controls**

The Board of Directors entrusts upon the Audit Committee to ensure that the system of internal control is adequate to protect against any type of fraud and to report to the Board on a timely basis. The Audit Committee reviews the measures taken by the management relating to fraud and deficiencies in internal control and performs all necessary oversight functions. In this way, the Directors review the adequacy of the system of internal controls.

#### **Dissemination of the statement of ethics and business practices to all directors and employees and their acknowledgement of the same**

In DPGSL, there is a Code of Ethics and Business Conduct applicable for all employees. The Board and the Management ensure that the code is communicated to every employee and they comply with it in true sense.

### **CONCLUSION**

Internal control plays a critical role in protecting the interests of all stakeholders. The company intends to establish and carry on a system that remains adequate to focus on assessing enterprise risk as well as evaluating performance through a holistic approach that encompasses internal audit, internal controls, risk management and a culture of transparency, efficiency and effectiveness based on ethics

## 2.9 RISK MANAGEMENT FRAMEWORK

### Strategies adopted to manage and mitigate the risks

- Setting Targets for Capital Ratios and Capital Composition
- Managing the Funding Structure
- Determining the Overall Investment Strategy
- Developing Risk Policies for Business Units
- Determining General Principles for Measuring, Managing and Reporting the company's risks
- Identifying, Monitoring and Managing the company's Current and Potential Operational Risk Exposures
- Handling "Critical Risks" (risks that require follow-up and further reporting)
- Following up on Reviews by and Reports from Bangladesh Bank and informing the Board of issues affecting the company's Operational Risks
- Following up on Reports prepared by Internal Audit and informing the Board through Audit Committee of Unusual Circumstances
- Preparing Management Information on Issues such as IT Security, Physical Security, Business Continuity and Compliance



## CHAPTER-3



# Transparency & Stakeholders' Corner



## 3.1 COMMUNICATION AND RELATIONSHIP WITH STAKEHOLDERS

Communication with the shareholders and stakeholders is an important aspect of corporate governance. In DPGSL, we strongly believe that all stakeholders should have access to complete information on its activities, performance and product initiatives. The company is committed to open and timely disclosure of information regarding any major development that has considerable impact on the business and that may have significant impact on investors' decision with all shareholders.

It is the Company's policy that all external communication by the Company will:

- Be factual and subject to internal vetting and authorization before issue;
- Not omit material information; and
- Be expressed in a timely, clear and objective manner.

All disclosures required by the Rules and Regulations of BSEC and the Listing Regulations of DSE and CSE are made adequately and promptly. In addition to ensuring timely compliance, this also enables dissemination of information to all stakeholders and the public through print and online media.

The Company communicates to shareholders in the following ways:

- Sending Annual Report to shareholders (Dual medium - English and Bangla)
- Publishing Final Results through the newspapers (Dual medium - English and Bangla)
- Publishing Interim Reports through the newspapers (Dual medium - English and Bangla)
- Publishing PSI through the newspapers (Dual medium - English and Bangla)
- Communication through Annual General Meeting (AGM)

### **Communication through Quarterly Reports**

The Company reports to its shareholders four times a year through quarterly and half-yearly reports and a detailed Annual Report.

### **Communication through AGM**

All shareholders have the right to attend the Annual General Meeting where they can meet and communicate with the Directors and express their views regarding the Company's business, its future prospects and other matters of interest. The shareholders are always encouraged to attend the meetings or, if they are unable to attend, to appoint proxies.

The Board provides a full explanation of the effects of resolutions to be proposed and encourages participation of the public shareholders in discussion on different agenda in the general meetings. The results of all decisions taken at shareholders' meetings are disseminated by way of written minutes to ensure that all shareholders are informed.

### **Communication through Website**

The Company's website <http://www.doreenpower.com> displays, inter-alia, the Financial Highlights including Half Yearly Reports, Quarterly Reports, Shareholding Information, Price Sensitive Information (PSI), Directors' Report, etc.

### 3.2 Financial Calendar to the Stakeholders

Doreen Power Generations and Systems Limited is very much concern of the interests of all stakeholders and potential investors. The following Historical Information will help our present and potential investors for their decision making:

#### Financial Calendar to the Stakeholders

Events for the Year	2018-2019	2017-2018
Publication of Financial Statements for the 1st Quarter	11.11.2018	14.11.2017
Publication of Financial Statements for the 2nd Quarter	15.01.2019	25.01.2018
Publication of Financial Statements for the 3rd Quarter	11.04.2019	15.04.2018
Publication of Financial Statements for the Year-End	31.08.2019	20.09.2018
Record Date for 12th AGM	13.10.2019	18.10.2018
Dispatch of Notice for the AGM along with Annual Report	26.11.2019	28.11.2018
Date of AGM	12.12.2019	13.12.2018

### 3.3 Readdressal of Investors' Complaints

DPGSL is strongly committed to equitable treatment of every shareholder, whether they are majority or minority shareholders, institutional investors or foreign shareholders. To ensure equal treatment of all shareholders, the company created various mechanisms.

Shareholders who are unable to attend the shareholders' meeting, the company provides proxy forms which allow shareholders to specify their vote on each agenda.

The shareholders' meetings proceed according to the order of agenda, without adding new and uninformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision.

The company sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles and all applicable corporate and securities laws and directors; management and those who are related persons do not participate in the consideration to approve such transactions.

The company provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the company's annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of director.

The company continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

#### Investors' Inquiries

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

Share Department

Doreen Power Generations and Systems Limited

192/A, Eastern Road (4th Floor), Lane-01, New DOHS, Mohakhali, Dhaka-1206

#### Website of the Company

<http://www.doreenpower.com>



## CHAPTER-4



Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum

The Board of Directors of Doreen Power Generations and Systems Limited (DPGSL) has the pleasure to welcome you all to the 12th 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 2019 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 2019-20 projected to be 3.2% which is 0.1% point lower than forecast in April 2019. After slowing sharply in the last three quarters of 2018, the pace of global economic activity remains weak. Growth for advanced economies is projected to slow to 1.7 percent in 2019 and 2020, while emerging market and developing economies are projected to experience a growth pickup from 3.9 percent in 2019 to 4.6 percent in 2020. For the United States, trade related uncertainty has had negative effects on investment, but employment and consumption continue to be robust, buoyed also by policy stimulus. In the euro area, growth has been downgraded due to weak exports, while Brexit related uncertainty continues to weaken growth in the United Kingdom. Some of the biggest downward revisions for growth are for advanced economies in Asia, including Hong Kong Special Administrative Region, Korea, and Singapore, a common factor being their exposure to slowing growth in China and spillovers from US-China trade tensions.

Growth in 2019 has been revised down across all large emerging market and developing economies, linked in part to trade and domestic policy uncertainties. In China, the growth downgrade reflects not only escalating tariffs but also slowing domestic demand following needed measures to rein in debt. In a few major economies, including India, Brazil, Mexico, Russia, and South Africa, growth in 2019 is sharply lower than in 2018, also for idiosyncratic reasons, but is expected to recover in 2020. Growth in low-income developing countries remains robust, though growth performance is more heterogeneous within this group. Robust growth is expected for non commodity exporters, such as Vietnam and Bangladesh, while the performance of commodity exporters, such as Nigeria, is projected to remain lackluster.

As policy priorities go, undoing the trade barriers put in place with durable agreements and reining in geopolitical tensions top the list. Such actions can significantly boost confidence, rejuvenate investment, halt the slide in trade and manufacturing, and raise world growth. In its absence, and to fend off other risks to growth and raise potential output, economic activity should be supported in a more balanced manner. Monetary policy cannot be the only game in town and should be coupled with fiscal support where fiscal space is available and where policy is not already too expansionary. A country like Germany should take advantage of negative borrowing rates to invest in social and infrastructure capital, even from a pure cost-benefit perspective. If growth were to further deteriorate, an internationally coordinated fiscal response, tailored to country circumstances, may be required. While monetary easing has supported growth, it is important to ensure that financial risks do not build up. Countries should simultaneously undertake structural reforms to raise productivity, resilience, and equity. Moreover, it is essential that countries continue to work together to address major issues, such as climate change, international taxation, corruption, and cyber security.

#### 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 is a developing market economy. According to the International Monetary Fund (IMF), it is the 39th largest in the world in nominal terms and 29th largest by purchasing power parity. In the first quarter of 2019, Bangladesh was the world's seventh fastest growing economy with a rate of 7.3% real GDP annual growth. The financial sector of Bangladesh is the second largest in the subcontinent.

In the decade since 2004, Bangladesh averaged a GDP growth of 6.5%, that has been largely driven by its exports of ready made garments, remittances and the domestic agricultural sector.

The country has pursued export-oriented industrialization, with its key export sectors include textiles, shipbuilding, fish and seafood, jute and leather goods. It has also developed self-sufficient industries in pharmaceuticals, steel and food processing. Bangladesh's telecommunication industry has witnessed rapid growth over the years, receiving high investment from foreign companies. Bangladesh also has substantial reserves of natural gas and is Asia's seventh largest gas producer. Offshore exploration activities are increasing in its maritime territory in the Bay of Bengal. It also has large deposits of limestone. The government promotes the Digital Bangladesh scheme as part of its efforts to develop the country's growing information technology sector.

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 1,660 to USD 1,827 from fiscal year 2018 to 2019 (a 10% growth). The inflation rate is estimated to reach 5.6% in 2019.

#### 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.

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. Total installed generation capacity is 19,428 MW which is 22,562 MW including captive power as of 03 October 2019.

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 2019, 93 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 100 percent people of the country under uninterrupted electricity coverage by 2022.

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 companies 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 (99.90% owned). Commercial Operation of Northern and Southern power plants having 55MW capacity each started in mid 2016 and construction work of Chandpur Power is going on and management is hopeful to start its commercial operation by May 2020.

In 2018-19, 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 899.75 million Kwh electricity to the national grid.

##### 4.4.1 PLANT-WISE PERFORMANCE

During the year 2018-19, the performance of different Power Plants was as stated below:

Name of Power Plant	Installed Capacity (Kwh)	Net Energy Output (Kwh)		Gas/HFO Consumption (Cubic Feet/MT)		Revenue (in million BDT)	
		2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Feni Plant	192,720	154,320	151,889	44,439,457	44,805,364	389.74	387.63
Narsingdi Plant	192,720	119,770	134,459	33,622,320	37,971,393	355.77	367.72
Tangail Plant	192,720	141,895	149,069	43,019,120	43,269,638	377.86	380.43
Southern Plant	481,800	231,643	288,291	46,078	58,159	2,886.84	2,674.00
Northern Plant	481,800	252,122	293,203	50,152	59,410	3,011.48	2,850.71

##### 4.4.2 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 35.1 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 35.2 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 is careful to maintain a balance between risks and return that might be possible with a sound capital structure of equity and borrowed funds.

#### 4.4.3 OPERATIONAL AND FINANCIAL RESULTS

The Directors are pleased to present the comparative operational and financial results (consolidated) for the year ended 30 June 2019 based on the year ended 30 June 2018:

Particulars	Amount (Taka)		% of Change
	2018-2019	2017-2018	
Revenue	7,021,677,166	6,660,495,190	Increase by 5.42%
Cost of Sales	5,516,266,139	(5,250,534,190)	Increase by 5.06%
Gross Profit	1,505,411,027	1,409,960,630	Increase by 6.77%
Profit Before Tax	924,972,030	832,471,182	Increase by 11.11%
Profit After Tax	923,584,126	831,694,519	Increase by 11.05%

Consolidated revenue has increased by 5.42% mainly for increase in sale revenue of two subsidiaries (DSPGL & DNPGL) which has resulted from increase in energy payment for fuel price increase and efficiency in plant operation. On the other hand, cost of sales increase by 5.06% which is slightly lower 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 6.77% is the reflection of efficiency in plant operation. However, for reduction in general and administrative expenses profit before tax and after tax has increased by 11.11% and 11.05%.

#### **4.4.4 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.

#### **4.4.5 RELATED PARTY TRANSACTIONS**

The related party transactions of the Company during the year have been disclosed in note-37 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.

#### **4.4.6 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.

#### **4.4.7 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 and 3.

#### **4.4.8 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 2019, 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 - 39 to the financial statements.

#### **4.4.9 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) Minority shareholders have been duly protected as have effective means of redress.
- vii) There is no significant doubt upon the company's ability to continue 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).



#### 4.5 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	2018-2019	2017-2018	2016-2017	2015-2016	2014-15
	Taka	Taka	Taka	Taka	Taka
<b>Revenue</b>	7,021,677,166	6,660,495,190	5,150,748,279	1,189,835,036	1,082,372,595
Cost of Sales	(5,516,266,139)	(5,250,534,560)	(3,789,896,730)	(791,458,229)	(646,369,722)
<b>Gross profit</b>	<b>1,505,411,027</b>	<b>1,409,960,630</b>	<b>1,360,851,549</b>	<b>398,376,807</b>	<b>436,002,873</b>
General & Admin. Exp.	(116,947,738)	(118,566,702)	(132,553,608)	(102,847,335)	(67,818,455)
Pre Operating Expenses	-	-	-	(415,262,98)	(40,955,630)
<b>Profit from Operation</b>	<b>1,388,463,289</b>	<b>1,291,393,928</b>	<b>1,228,297,940</b>	<b>254,003,174</b>	<b>327,228,788</b>
Other Income	-	-	-	445,200	383,312
Interest Income	1,158,728	1,829,050	1,775,002	5,309,941	1,022,482
Financial Expense	(464,649,986)	(460,751,796)	(481,473,112)	(210,510,650)	(194,769,046)
<b>Non-operating Profit (Loss)</b>	<b>(463,491,259)</b>	<b>(458,922,746)</b>	<b>(479,698,110)</b>	<b>(204,755,509)</b>	<b>(193,363,252)</b>
<b>Net Profit before Contribution to WPP and WF Fund</b>	<b>924,972,030</b>	<b>832,471,182</b>	<b>748,599,830</b>	<b>49,247,665</b>	<b>133,865,536</b>
Contribution to WPP & WF	-	-	(7,718,880)	(9,300,468)	(8,281,035)
<b>Net profit before income tax</b>	<b>924,972,030</b>	<b>832,471,182</b>	<b>740,880,950</b>	<b>39,947,197</b>	<b>125,584,501</b>
Current tax expense	(1,387,904)	(776,663)	(3,897,606)	(1,106,633)	(492,028)
<b>Net profit after income tax</b>	<b>923,584,126</b>	<b>831,694,519</b>	<b>736,983,345</b>	<b>38,840,564</b>	<b>125,092,473</b>
Dividend	30%	25%	20%	30%	-
Share Capital	1,161,600,000	1,056,000,000	960,000,000	800,000,000	600,000,000
Net Non-Current Assets	10,319,120,396	10,682,153,400	10,234,794,882	10,326,080,585	8,483,145,167
EPS	7.91	7.14	6.88	0.65	2.25

#### 4.6 DIVIDEND FOR THE YEAR 2018-19

The Board has recommended 17% cash dividend for all shareholders excluding the Sponsors/ Directors and 13% stock dividend for all shareholders for the year ended 30 June 2019. The Sponsors/Directors hold 77.37 million shares out of total 116.16 million shares of the Company and the cash dividend to be payable to the General shareholders is Tk. 65.94 million. So, the shareholders are entitled to get 13 (thirteen) bonus shares of Tk.10.00 (Tk. Ten) each for holding every 100 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 (13 October 2019) 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 12 December 2019.

#### 4.7 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 12th Annual General Meeting, Mr. Md. Abul Hasnat and Mr. Ali Akbar will retire from the office of Director and are eligible for re-appointment.

#### 4.8 APPOINTMENT OF AUDITORS

Hoda Vasi Chowdhury & Co., Chartered Accountants, having office at BTMC Bhaban (6th & 7th Floor), 7-9 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh, was appointed as the auditor by the company in its 11th AGM for a term till the conclusion of 12th AGM of the Company. Hoda Vasi Chowdhury & Co. has completed assignment of audit and will retire at the 12th AGM and being qualified, has expressed their willingness to be re-appointed as auditor financial year 2019-2020. The Audit Committee and the Board have recommended for appointment of Hoda Vasi Chowdhury & Co. as its auditor for the next year and till conclusion of the 13th AGM. The matter is placed for the consideration of the honorable shareholders.

#### 4.9 APPOINTMENT OF PROFESSIONAL TO CERTIFY COMPLIANCE OF THE CGC

Board of Directors of the company has recommended Itrat Husain & Associates, The Glass House (13th Floor), 38 Gulshan Avenue, Gulshan-01, Dhaka-1212 was appointed as the professional by the company in its 11th AGM to provide the compliance certification of the Corporate Governance Code (CGC). SA Rashid & Associates has expressed their willingness to be appointed as professional for the financial year 2019-2020. The Audit Committee and the Board have recommended for appointment of SA Rashid & Associates as professional for the next year. The matter is placed for due approval by the shareholders

#### 4.10 BOARD MEETINGS AND ATTENDANCE

The Directors meet regularly for smooth operation and management of Company. During the year ended 30 June 2019, a total of 10 (ten) Board Meetings were held. Attendance of the Directors in the meetings was as follows:

NAME & DESIGNATION OF DIRECTORS	TENURE OF DIRECTORSHIP	NUMBER OF MEETINGS		REMARKS
		HELD	ATTENDED	
Ms. Parveen Alam Chairman	Since 18.12.2016	07	07	Resigned on 18 March 2019
Mr. Tahzeeb Alam Siddique Managing Director	Since 17.08.2017	10	10	
Mr. Tanzeer Alam Siddique Director	Since 11.12.2017	07	06	Resigned on 18 March 2019
Ms. Anjabeen Alam Siddique Director	Since 23.12.2015	10	10	Newly appointed as chairperson on 18 March 2019
Mr. Abul Hasnat Director	Since 18.03.2019	03	02	Appointed on 18 March 2019
Mr. Md. Ali Akbar Director	Since 18.03.2019	03	02	Appointed on 18 March 2019
Mr. Mahtab Bin-Ahmed Independent Director	Since 23.12.2015	10	7	



#### 4.11 The Pattern of Shareholding

SL	Name of Shareholder	Description	Number of Shares	Amount (Taka)	%
<b>A. Parent/Subsidiary/Associated Companies and other related parties (name wise details)</b>					
1	Asian Entech Power corporation Limited	Parent Company	73,805,993	738,059,930	63.54%
2	OPG Energy Pvt. Ltd.	Sponsor Company	79,206	792,060	0.07%
<b>B.(i) Directors and their spouses and minor children (name wise details)</b>					
1	Mrs. Anjabeen Alam Siddique [Nominated by Asian Entech Power corporation Limited]	Chairman	714,107	7,141,070	0.61%
2	Mr. Tahzeeb Alam Siddique	Managing Director	245,8800	245,88000	2.12%
3	Mr. Md. Ali Akbar [Nominated by Asian Entech Power corporation Limited]	Director	3,963	39,630	0.003%
4	Mr. Md. Abul Hasnat [Nominated by Asian Entech Power corporation Limited]	Director	Nil	Nil	Nil
5	Mr. Mahtab Bin-Ahmed	Independent Director	Nil	Nil	Nil
<b>B.(ii) CFO, Company Secretary &amp; Head of Internal Audit and their spouses and minor children (name wise details)</b>					
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
<b>C. Executives [Top 5 salaried employees]</b>					
1	Mr. Tahzeeb Alam Siddique	Managing Director	245,8800	245,88000	2.12%
2	Engr. Mostafizur Rahman	Chief Operating Officer	Nil	Nil	Nil
3	Mr. Sultan Reza Bin Mahmood	GM & Plant In charge	Nil	Nil	Nil
4	Mr. Afroz Alam	Chief Financial Officer	Nil	Nil	Nil
5	Mr. Masudur Rahman Bhuiyan FCS	Company Secretary	Nil	Nil	Nil
<b>D. Shareholders holding ten percent (10%) or more voting interest in the Company</b>					
1	Asian Entech Power Corporation Limited	Parent Company	73,805,993	738,059,930	63.54%

#### 4.12 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) was formed on 30 December 2018 as the sub-committee of the Board. The NRC consists of three non-executive directors and the chairman of the committee is an independent director. Mr. Mahtab Bin-Ahmed is the chairman of the committee and Mr. Md. Ali Akbar and Mr. Md. Abul Hasnat are members of the committee who are nominated director. The NRC was set up with clear terms of reference. The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The NRC has met one time during the year 2018-2019. Mr. Masudur Rahman Bhuyan, Company Secretary, served as the secretary of the Nomination and Remuneration Committee meeting. The report of NRC is attached as Annexure-III of this Annual Report.

#### 4.13 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.

#### 4.14 CORPORATE GOVERNANCE

Corporate Governance is the system through which a company is directed, guided and controlled by the Board, while keeping in view its accountability to the shareholders. DPGSL strives to ensure full compliance with the laws and regulations that govern its business and to uphold the highest standards. The Status of Compliance of BSEC's Corporate Governance Guidelines is shown at Annexure - VI and Certificate of Compliance on Corporate Governance is placed as Annexure - V.

#### 4.15 ACKNOWLEDGEMENT

Finally, we would like to extend our appreciation to the shareholders, 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. We sincerely look forward to welcoming you at our 13th Annual General Meeting (AGM). May you all have peaceful and progressive life.

Thank you all.

For and on behalf of the Board of Directors



**Anjabeen Alam Siddique**

Chairperson

Dated: 31 August 2019



বিসমিল্লাহির রাহমানির রাহীম ।

প্রিয় শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ।

ডরীন পাওয়ার জেনারেশনস্ এন্ড সিস্টেমস লিমিটেড (ডিপিজিএসএল) এর পরিচালক পর্ষদ কোম্পানীর ১২তম বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাতে পেরে আনন্দিত । পরিচালকমণ্ডলী সানন্দে আপনাদের সামনে কোম্পানীর ৩০ জুন ২০১৯ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক প্রতিবেদন সমূহ এবং সেই সঙ্গে নিরীক্ষকের প্রতিবেদন ও পরিচালকমণ্ডলীর প্রতিবেদন আপনাদের বিবেচনা ও অনুমোদনের নিমিত্তে উপস্থাপন করছে ।

পরিচালকমণ্ডলী কোম্পানির একটি বাস্তব-চিত্র শেয়ারহোল্ডারগণের সামনে তুলে ধরতে চায় । এ প্রতিবেদনের সাথে সংযুক্ত শিল্পের হালচাল ও ভবিষ্যৎ উন্নয়ন সম্ভাবনা সম্পর্কিত প্রতিবেদন, ঝুঁকি ও উদ্বেগ সম্পর্কিত প্রতিবেদন ও কর্পোরেট গভর্নেন্স সম্পর্কিত প্রতিবেদন এবং পৃথকভাবে প্রদত্ত টেবিল, গ্রাফ ও প্রোফাইল সমূহ এ প্রতিবেদনের অপরিহার্য অংশ হিসেবে গণ্য হবে ।

## বিশ্ব অর্থনৈতিক পরিক্রমা

আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) অনুসারে, ২০১৯-২০২০ এর জন্য বিশ্বব্যাপী ধৃত প্রবৃদ্ধি ৩.২% যা ২০১৯ সালের এপ্রিল মাসের পূর্বানুমানের চেয়ে ০.১% কম। ২০১৮ সালের শেষ তিন প্রান্তিকে বিশ্বব্যাপী অর্থনৈতিক কার্যকলাপের গতি খুব দ্রুত হ্রাস পেয়ে মন্দা অবস্থায় রয়েছে। ২০১৯ এবং ২০২০ সালে উন্নত অর্থনীতি গুলোর প্রবৃদ্ধির হার হ্রাস পেয়ে ১.৭ শতাংশ হতে পারে, যদিও উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতি গুলোর প্রবৃদ্ধির হার ২০১৯ সালের ৩.৯ শতাংশ থেকে বৃদ্ধি পেয়ে ২০২০ সালে ৪.৬ শতাংশ হতে পারে। মার্কিন যুক্তরাষ্ট্রে বাণিজ্য সম্পর্কিত অনিশ্চয়তা বিনিয়োগের উপর নেতিবাচক প্রভাব ফেলেছে, কিন্তু কর্মসংস্থান এবং ভোগ জোরদার হওয়াতে এবং নীতি উদ্দীপনা দ্বারা প্রবৃদ্ধি ধরে রেখেছে। রপ্তানী হ্রাসের কারণে ইউরোপীয় অঞ্চলের প্রবৃদ্ধি হ্রাস পেয়েছে, অন্যদিকে ব্রেজিল সম্পর্কিত অনিশ্চয়তায় যুক্তরাজ্যের প্রবৃদ্ধি নিম্নমুখী হয়েছে। হংকং এর বিশেষ প্রশাসনিক অঞ্চল, কোরিয়া এবং সিঙ্গাপুর সহ এশিয়ার উন্নত অর্থনীতি গুলোর অধিক সংখ্যক নিম্নমুখী সংশোধনীর একটি সাধারণ কারণ হল চীনে প্রবৃদ্ধি কমে যাওয়া এবং মার্কিন-চীন বাণিজ্য উত্তেজনা বেড়ে যাওয়া।

২০১৯ সালের প্রবৃদ্ধি বড় বড় উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতি জুড়ে পরিবর্তিত হয়েছে, যাহা বাণিজ্য ও আভ্যন্তরীণ নীতির অনিশ্চয়তার সঙ্গে সংযুক্ত। চীনে প্রবৃদ্ধির নিম্নহারের প্রতিফলন শুষ্ক বৃদ্ধিই নয় বরং আভ্যন্তরীণ চাহিদা হ্রাসের উপরও পড়েছে। ভারত, রাশিয়া, ব্রাজিল, মেক্সিকো, দক্ষিণ আফ্রিকা ইত্যাদি বড় অর্থনীতিতে প্রবৃদ্ধি ২০১৯ সালে ২০১৮ সালের তুলনায় কম, তবে তা ২০২০ সালে পুনরুদ্ধার হবে বলে আশা করা হয়। স্বল্প-আয়ের উন্নয়নশীল দেশগুলোর প্রবৃদ্ধি শক্তিশালী রয়েছে, যদিও এই দেশগুলোর মধ্যে প্রবৃদ্ধি ভিন্নধর্মী। ভিয়েতনাম এবং বাংলাদেশের মতো বিশেষায়িত পণ্য রপ্তানিকারীদের শক্তিশালী প্রবৃদ্ধি প্রত্যাশিত, অন্যদিকে নাইজেরিয়ার মতো পণ্য রপ্তানিকারীদের প্রবৃদ্ধি নিম্নপ্রত্যাশিত থাকবে।

নীতিগত অগ্রাধিকার হিসাবে টেকসই চুক্তির মাধ্যমে বাণিজ্যিক বাধাগুলো দূর করা এবং ভূ-রাজনৈতিক উত্তেজনা নিয়ন্ত্রণ অগ্রাধিকার রয়েছে। এই জাতীয় পদক্ষেপগুলি উল্লেখযোগ্যভাবে আত্মবিশ্বাস বাড়িয়ে তুলতে পারে, বিনিয়োগকে নতুন ভাবে উদ্দীপনা দিতে পারে, বাণিজ্য ও উৎপাদনের গতিকে বাড়িয়ে দিতে পারে এবং বিশ্ব প্রবৃদ্ধিকে বাড়াতে পারে। এর অনুপস্থিতিতে এবং বিকাশের অন্যান্য ঝুঁকি প্রতিরোধ এবং সম্ভাব্য উৎপাদন বৃদ্ধির জন্য অর্থনৈতিক কার্যকলাপকে আরও সুসমর্থিত করে উচিত। আর্থিক নীতিই একমাত্র উপায় হতে পারে না বরং যেখানে অর্থসংস্থানের সুযোগ রয়েছে সেখানে আর্থিক নীতি এবং অর্থ সহায়তা একসাথে দেওয়া উচিত। প্রকৃত ব্যয়-উপকারের দৃষ্টিকোণ থেকেও জার্মানির মতো দেশকে সামাজিক এবং অবকাঠামোতে বিনিয়োগের জন্য ঋণাত্মক হারে ঋণ সুবিধা নেওয়া উচিত। যদি প্রবৃদ্ধির আরও অবনতি হতে থাকে, তবে দেশের পরিস্থিতি অনুসারে একটি আন্তর্জাতিকভাবে সমন্বিত রাজস্ব প্রক্রিয়া প্রয়োজন হতে পারে। যদিও আর্থিক স্বচ্ছলতা, বৃদ্ধিকে সমর্থন করেছে তবুও আর্থিক ঝুঁকি বাড়ছে না তা নিশ্চিত করা গুরুত্বপূর্ণ। এইজন্য দেশগুলোর উচিত একযোগে উৎপাদনশীলতা, স্থিতিস্থাপকতা এবং ন্যায়সঙ্গতা বাড়াতে কাঠামোগত সংস্কার করা উচিত। তদুপরি, আবশ্যিকীয় যে জলবায়ু পরিবর্তন, আন্তর্জাতিক কর, দুর্নীতি এবং সাইবার নিরাপত্তার মতো বড় সমস্যাগুলোর সমাধানের জন্য দেশগুলো একত্রে কাজ করা অব্যাহত রাখবে।

## বাংলাদেশ অর্থনৈতিক সমীক্ষা

বাংলাদেশী অর্থনীতি তার বিশাল মানব সম্পদ, সমৃদ্ধ কৃষি ভূমি এবং প্রচুর পরিমাণে পানি সম্পদ এর ওপর নির্ভরশীল। যদিও ২০১৮ সালে সেবা খাতে ৫৬% জিডিপি অর্জিত হয়েছিল, যার প্রায় অর্ধেক বাংলাদেশের কৃষি খাতে নিযুক্ত ছিল। কৃষির জিডিপি ১৩.৮২% চাল উৎপাদন থেকে হলেও এতে চা, পাট, গম, আখ, তামাক, মসলা, ফল প্রভৃতির অবদানও রয়েছে। বস্তুত, বাংলাদেশ বিশ্বের চতুর্থ বৃহত্তম চাল উৎপাদক, যদিও প্রাকৃতিক দুর্যোগের কারণে ঘাটতির ফলে মাঝে মাঝে বাংলাদেশ চাল আমদানি করতে বাধ্য হয়। শিল্প, জিডিপি ৩০.১৭% প্রতিতিনিধিত্ব করে (গত বছরের ২৯.২০% থেকে সামান্য বৃদ্ধি পায়) এবং মোট জনসংখ্যার ১৯.১% এতে নিযুক্ত।

বাংলাদেশের অর্থনীতি একটি উন্নয়নশীল বাজার অর্থনীতি। আন্তর্জাতিক মুদ্রা তহবিলের (আইএমএফ) মতে, এটি নামিক হিসেবে বিশ্বের ৩৯ তম এবং ক্রয় ক্ষমতার হিসেবে ২৯ তম বৃহত্তম। ২০১৯ সালের প্রথম প্রান্তিকে, বাংলাদেশ বিশ্বের সপ্তম দ্রুত বর্ধনশীল অর্থনীতির দেশ ছিল যার বার্ষিক প্রবৃদ্ধির হার ছিল ৭.৩%। বাংলাদেশের আর্থিক ক্ষেত্রটি উপমহাদেশে দ্বিতীয় বৃহত্তম ক্ষেত্র।

বিগত দশকের ২০০৪ সাল থেকে, বাংলাদেশের গড় জিডিপি প্রবৃদ্ধি ৬.৫%, যা মূলত তার তৈরি পোশাক, রেমিট্যান্স এবং আভ্যন্তরীণ কৃষি খাত হতে রপ্তানী দ্বারা পরিচালিত হয়ে আসছে। দেশটি রপ্তানিমুখী শিল্পায়নের উদ্যোগ নিয়েছে, যার মূল রপ্তানি খাতের মধ্যে রয়েছে টেক্সটাইল, শিপ বিল্ডিং, মাছ পাট এবং চামড়াজাত পণ্য। এটি ফার্মাসিউটিক্যালস, ইম্পাত এবং খাদ্য

প্রক্রিয়াকরণ শিল্পে স্বয়ংসম্পূর্ণ ও বিকাশ লাভ করেছে। উচ্চ বৈদেশিক বিনিয়োগ পেয়ে বাংলাদেশের টেলিযোগাযোগ শিল্পে কয়েক বছর ধরে দ্রুত বৃদ্ধি পেয়েছে। বাংলাদেশে প্রাকৃতিক গ্যাসের যথেষ্ট পরিমাণে মজুদ রয়েছে এবং এশিয়ার সপ্তম বৃহত্তম গ্যাস উৎপাদনকারী দেশ। এতে চূনাপাথরেরও বড় মজুদ রয়েছে। দেশের বর্ধমান তথ্য-প্রযুক্তি খাতের উন্নয়নের প্রয়াসের অংশ হিসাবে সরকার ডিজিটাল বাংলাদেশ প্রকল্পটি প্রচার করে। ক্রমবর্ধমান বৃদ্ধি, উদ্ভূত বৃদ্ধি এবং ব্যক্তিগত বিনিয়োগ বৃদ্ধির ফলে বরাবর ক্ষুদ্র অর্থনীতিতে স্থায়িত্ব আশা করা হয়। বাংলাদেশ পরিসংখ্যান ব্যুরো অনুযায়ী, মাথাপিছু আয় ২০১৮-১৯ সালে বৃদ্ধি পেয়ে ১,৬৬০ মার্কিন ডলার থেকে ১,৮২৭ মার্কিন ডলার হয়েছে (১০% বৃদ্ধি)। ২০১৯ সালে মুদ্রাস্ফীতির হার ৫.৬% পৌঁছানোর অনুমান করা হয়।

### আমরা যে সেক্টরে কাজ করি

জ্বালানী ও বিদ্যুৎ শক্তির স্থিতিশীল সরবরাহ অর্থনীতির অগ্রগতির পূর্বশর্ত। বাংলাদেশের প্রেক্ষাপটে জ্বালানীর গুরুত্ব আরও অত্যধিক, কারণ বাংলাদেশের মত উদীয়মান অর্থনৈতিক প্রবৃদ্ধি দ্রুত বৃদ্ধি পাচ্ছে এবং দীর্ঘ সময় ধরে জ্বালানী সংকটের মধ্যে রয়েছে। বিদ্যুৎ শক্তি বাংলাদেশে ব্যক্তিগত ও বাণিজ্যিক উভয় প্রকারের উন্নয়নের সাথে জড়িত।

বাংলাদেশে বিদ্যুতের চাহিদা ২০৩০ নাগাদ ৩৪,০০০ মেগাওয়াট (মেগাওয়াট) পৌঁছানোর প্রত্যাশা রয়েছে এবং বাংলাদেশ সরকার প্রত্যাশিত চাহিদার বাইরে বিদ্যুৎ উৎপাদন বাড়ানোর পরিকল্পনা করছে এবং যাহা রপ্তানী ভিত্তিক অর্থনীতির প্রবৃদ্ধিকে বাড়িয়ে তুলতে এবং একটি ক্রমবর্ধমান মধ্যবিত্ত শ্রেণীর চাহিদা পূরণে সহায়তা করবে। আগামী ১৫ বছরে এই সেক্টরের মোট বিনিয়োগ ৭০.৫ বিলিয়ন ডলারে উন্নীত করা হবে। ২০১৮ সালের ৩রা অক্টোবরের হিসাবে প্রতিষ্ঠিত উৎপাদন ক্ষমতা ১৭,৩৪০ (ক্যাপটিভ পাওয়ার সহ ২০,৪৩০ মেগাওয়াট)।

সম্প্রতি বাংলাদেশ ২০২৩ সালে অপারেশন করতে যাওয়ার প্রত্যাশায় ২.৪ গিগাওয়াট রূপপুর নিউক্লিয়ার পাওয়ার প্ল্যান্ট নির্মাণ শুরু করেছে। জুলাই ২০১৯ সালে বাংলাদেশ পাওয়ার ডেভেলপমেন্ট বোর্ডের মতে, ৯৩ শতাংশ মানুষের বিদ্যুৎ ব্যবহারের সুযোগ রয়েছে তবে এখনও প্রতিমাসে বিদ্যুৎ খরচ বাংলাদেশে চাহিদা তুলনায় কম বিবেচনা করা হয়। ২০২২ সালের মধ্যে শতভাগ জনগণকে বিদ্যুৎ সরবরাহের আওতায় আনার জন্য বাংলাদেশ সরকার একটি লক্ষ্য নির্ধারণ করেছে।

দেশের বিদ্যুৎ খাতে বেসরকারি খাতের বিনিয়োগকে উৎসাহিত করার জন্য, সরকার বেসরকারি সেক্টর পাওয়ার জেনারেশন পলিসি ১৯৯৬ (২০০৪ সংশোধিত) এবং পাওয়ার সেক্টর, ২০০৮-এ বেসরকারি অংশগ্রহণ বৃদ্ধির জন্য নীতি গাইডলাইন নামে ভিন্ন নীতি গ্রহণ করেছে। সম্ভাব্য বিনিয়োগকারীদের জন্য সুবিধা নিম্নরূপ:

### বেসরকারি বিদ্যুৎ সংস্থার জন্য সুবিধা এবং উদ্দীপনা

- \* ১৫ বছরের জন্য কর্পোরেট আয়কর থেকে ছাড়
- \* কাস্টমস ডিউটি, ভ্যাট পরিশোধ ব্যতীত বারো (১২) বছরের বাণিজ্যিক অপারেশন চলাকালীন মোট সরঞ্জামের মূল মূল্যের সর্বাধিক দশ শতাংশ (১০%) পর্যন্ত দেশীয় সরঞ্জাম এবং খুচরা যন্ত্রাংশ আমদানি অনুমোদিত। আন্তর্জাতিক মান অনুযায়ী তৈরিকৃত দেশীয় উৎপাদিত সরঞ্জাম ব্যতীত অন্য কোন সারচার্জ এবং আমদানি পারমিট ফি নেই।
- \* লভ্যাংশ সহ ইকুইটি প্রত্যাশনের অবাধে অনুমোদিত।
- \* বিদেশী ঋণদাতাদের জন্য এই ধরনের সংস্থাগুলিতে আয়কর থেকে ছাড়। বিদেশী বিনিয়োগকারীরা যৌথ উদ্যোগে প্রবেশ করতে মুক্ত হবেন তবে এটি ঐচ্ছিক এবং বাধ্যতামূলক নয়।
- \* রয়্যালটি, কারিগরি জ্ঞানী এবং প্রযুক্তিগত সহায়তার ফি, এবং তাদের প্রত্যাবর্তনের জন্য সুবিধাগুলি উপর কর ছাড়।
- \* বিদেশি ঋণ সুদের উপর কর ছাড়।
- \* বিনিয়োগকারী সংস্থা দ্বারা শেয়ার স্থানান্তর থেকে মূলধন লাভের উপর কর ছাড়।
- \* দ্বিপাক্ষিক চুক্তির ভিত্তিতে বিদেশি বিনিয়োগকারীদের দ্বৈত করের মামলা থেকে অব্যাহতি।
- \* অনুমোদিত শিল্পের অধীনে নিযুক্ত বিদেশী কর্মীদের জন্য তিন বছরের জন্য আয়কর ছাড়।
- \* বিনিয়োগকৃত মূলধন, মুনাফা এবং লভ্যাংশ প্রত্যাশনের সুবিধা।

## কোম্পানীর কর্মফল

ডিপিজিএসএল বাংলাদেশের বৃহত্তম বেসরকারি বিদ্যুৎ উৎপাদন সংস্থা, যা নভেম্বর ২০০৮ থেকে তার বিদ্যুৎ উৎপাদন শুরু করেছে এবং সফলভাবে এক দশকের বাণিজ্যিক পরিচালনা সম্পন্ন করে এর দক্ষতা প্রমাণ করেছে। কোম্পানিটি ২০০৭ সালে একটি বেসরকারি লিমিটেড কোম্পানি হিসাবে নিবন্ধিত করা হয়েছিল এবং ২০১১ সালে পাবলিক লিমিটেড কোম্পানি হিসেবে রূপান্তরিত হয়েছিল এবং ২০১৬ সালে এটি ডিএসই এবং সিএসইতে তালিকাভুক্ত হয়। ঢাকা সাউদার্ন পাওয়ার জেনারেশন লিমিটেড (৯৯.১৪% মালিকানাধীন), ঢাকা নর্দান পাওয়ার জেনারেশন লিমিটেড (৯৯.৪০% মালিকানাধীন) এবং চাঁদপুর পাওয়ার জেনারেশনস লিমিটেড (৯৯.৯০% মালিকানাধীন) কোম্পানিটির তিনটি সহযোগী প্রতিষ্ঠান। ২০১৬ সালের মাঝামাঝি সময়ে প্রতিটি ৫৫ মেগাওয়াট ক্ষমতাসম্পন্ন নর্দান ও সাউদার্ন বিদ্যুৎ কেন্দ্রের বাণিজ্যিক অপারেশন শুরু হয় এবং চাঁদপুর পাওয়ার প্লান্টের নির্মাণ কাজ চলছে এবং কর্তৃপক্ষ ২০২০ সালের মে নাগাদ এর বাণিজ্যিক কার্যক্রম শুরু করতে আশাবাদী।

২০১৮-১৯ সালে, পাওয়ার পারচেজ এগ্রিমেন্ট (পিপিএ) অনুসারে উক্ত পাঁচটি পাওয়ার প্লান্ট বিদ্যুৎ উৎপাদন এবং সরবরাহের জন্য সক্ষম ছিল, যা আপনাদের কোম্পানিটির চমৎকার কর্মক্ষমতার প্রতিফলন করে। ফলস্বরূপ, এই বছর আমাদের গ্রুপের পাওয়ার প্লান্ট গুলো জাতীয় গ্রিডে ৮৯৯.৭৫ মিলিয়ন বিদ্যুৎ সরবরাহ করতে পেরেছে।

## প্ল্যান্ট-ভিত্তিক উৎপাদনশীলতা

২০১৮-১৯ বছরে বিভিন্ন পাওয়ার প্ল্যান্টের পারফরমেন্স ছিল নিম্নরূপ :

পাওয়ার প্ল্যান্টের নাম	স্থাপিত উৎপাদন ক্ষমতা	নেট বিদ্যুৎ উৎপাদন (কিলোওয়াট ঘন্টা)		মোট গ্যাস/এইচএফও ব্যবহার (ঘনফুট/মে.টন)		আয় (মিলিয়ন টাকা)	
		২০১৮-২০১৯	২০১৭-২০১৮	২০১৮-২০১৯	২০১৭-২০১৮	২০১৮-২০১৯	২০১৭-২০১৮
ফেনী	১৯২,৭২০	১৫৪,৩২০	১৫১,৮৮৯	৪৪,৪৩৯,৪৫৭	৪৪,৮০৫,৩৬৪	৩৮৯.৭৪	৩৮৭.৬৩
নরসিংদী	১৯২,৭২০	১১৯,৭৭০	১৩৪,৪৫৯	৩৩,৬২২,৩২০	৩৭,৯৭১,৩৯৩	৩৫৫.৭৭	৩৬৭.৭২
টান্গাইল	১৯২,৭২০	১৪১,৮৯৫	১৪৯,০৬৯	৪৩,০১৯,১২০	৪৩,২৬৯,৬৩৮	৩৭৭.৮৬	৩৮০.৪৩
সাউদার্ন	৪৮১,৮০০	২৩১,৬৪৩	২৮৮,২৯১	৪৬,০৭৮	৫৮,১৫৯	২,৮৮৬.৮৪	২,৬৭৪.০০
নর্দান	৪৮১,৮০০	২৫২,১২২	২৯৩,২০৩	৫০,১৫২	৫৯,৪১০	৩,০১১.৪৮	২,৮৫০.৭১

## ৪.২ ঝুঁকি এবং উদ্বেগ রিপোর্ট

কোম্পানির ঝুঁকি ব্যবস্থাপনা কাঠামোর সংস্থাপন ও তত্ত্বাবধান পরিচালনা পর্যদের সার্বিক দায়িত্ব। বোর্ড ঝুঁকি ব্যবস্থাপনা নীতি এবং পদ্ধতির সাথে মেনে চলতে পরিচালনা করে এবং কোম্পানির মুখোমুখি ঝুঁকি সম্পর্কিত ঝুঁকি ব্যবস্থাপনা কাঠামোর পর্যালোচনা করে পরিচালনা করে। বোর্ডের অডিট কমিটির তত্ত্বাবধানে ভূমিকা পালন করা হয়। অডিট কমিটির কার্যনির্বাহী অভ্যন্তরীণ অডিট, ঝুঁকি ব্যবস্থাপনা নিয়ন্ত্রণ এবং পদ্ধতির নিয়মিত এবং অদক্ষ উভয় পর্যালোচনাগুলি গ্রহণ করে, যার ফলাফল অডিট কমিটির কাছে রিপোর্ট করা হয়। কোম্পানির নিম্নোক্ত ঝুঁকিগুলি এবং এর পরিচালনার জন্য কাঠামোগত কাজগুলি করেছে:

**ঋণ ঝুঁকি:** ঋণ ঝুঁকি আর্থিক ক্ষতির ঝুঁকি হ'ল যদি কোনও গ্রাহক বা আর্থিক সংস্থার কাউন্টারপার্টি তার চুক্তিবদ্ধ বাধ্যবাধকতাগুলি পূরণ করতে ব্যর্থ হয় এবং মূলত গ্রাহকদের সেটি বিনিয়োগ সিকিউরিটিগুলির কাছ থেকে কোম্পানির প্রাপ্তি থেকে উদ্ভূত হয়। কোম্পানির বিক্রয় দুইটি সরকারি মালিকানাধীন সংস্থা, বাংলাদেশ পাওয়ার ডেভেলপমেন্ট বোর্ড (বিপিডিবি) এবং বাংলাদেশ পল্লী বিদ্যুতায়ন বোর্ড (বিআরইবি) এর কাছে বিদ্যুৎ ক্রয় চুক্তি (পিপিএ) এর অধীনে করা হয়। অতএব, এই দুটি রাষ্ট্রীয় মালিকানাধীন সংস্থার সাথে পাওয়ার ক্রয় চুক্তি (পিপিএ) দ্বারা বিক্রয় সম্পূর্ণরূপে সুরক্ষিত। ক্রেডিট ঝুঁকি অন্য কোন প্রাপ্য বিলে তৈরি হয় না।

আর্থিক বিবৃতির নোট ৩৪.১-এ প্রকাশ করা আর্থিক অবস্থার বিবৃতিতে প্রতিটি আর্থিক সম্পদের বহনযোগ্য পরিমাণ ক্রেডিট ঝুঁকির সর্বোচ্চ এক্সপোজারটি প্রতিনিধিত্ব করে।

**তারল্য ঝুঁকি:** তারল্য ঝুঁকি আর্থিক কারণে দায়বদ্ধ হওয়ার কারণে অক্ষমতার ঝুঁকি। লিকুইডিটি ঝুঁকি পরিচালনার জন্য কোম্পানির দৃষ্টিভঙ্গি নিশ্চিত হওয়া উচিত যে, স্বাভাবিক এবং চাপযুক্ত অবস্থায় উভয় ক্ষেত্রেই এটির দায়বদ্ধতা বা কোম্পানির



খ্যাতির ক্ষতি না করেই, যখন তার দায়গুলি পূরণ করার জন্য তার যথেষ্ট দায় থাকবে। সাধারণত, ব্যবস্থাপনা নিশ্চিত করে যে আর্থিক দায় পরিশোধের সময়সীমার উপর ভিত্তি করে তৈরি হওয়া নগদ পূর্বাভাসের মাধ্যমে প্রত্যাশিত কর্মক্ষম খরচ এবং আর্থিক দায়গুলি পূরণের জন্য পর্যাপ্ত নগদ এবং নগদ সমতুল্য আছে এবং সেই অনুযায়ী পর্যাপ্ত তহবিলের ব্যবস্থা এবং / অথবা নির্ধারিত সময়সীমার সাথে স্বল্পমেয়াদী ঋণের বজায় রাখা বাণিজ্যিক ব্যাংকের কারণে নির্ধারিত তারিখের মধ্যে প্রত্যাশিত অর্থ প্রদান করা। আর্থিক দায়গুলি কার্যকরী নগদ প্রবাহ থেকে যথাযথ সময়ে পরিশোধ করা হবে বলে আশা করা হচ্ছে।

ব্যাংক ঋণ, আন্তঃকোম্পানি ঋণ এবং অন্যান্য দায়গুলির জন্য প্রদেয় অর্থপত্রের চুক্তিবদ্ধ নগদ প্রবাহ আর্থিক বিবৃতিগুলির ৩৪.২ নোটে প্রকাশ করা হয়েছে।

**বাজারের ঝুঁকি:** বাজারের ঝুঁকি হচ্ছে চাহিদা এবং সরবরাহ পরিস্থিতি, বৈদেশিক বিনিময় হার এবং সুদের হার যা কোম্পানির আয়কে প্রভাবিত করতে পারে বা আর্থিক উপকরণগুলির তার ধারণার মূল্যকে প্রভাবিত করে। বাজার ঝুঁকি ব্যবস্থাপনা ফ্রেমের কাজটি ফেরত অস্টিমাইজ করার সময় গ্রহণযোগ্য পরামিতিগুলির মধ্যে বাজার ঝুঁকি এক্সপোজারগুলিকে পরিচালনা এবং নিয়ন্ত্রণ করা।

**মুদ্রা ঝুঁকি:** মুদ্রা ঝুঁকিটি বৈদেশিক বিনিময় হারগুলির সাথে সম্পর্কিত ঝুঁকি, যা কোম্পানির খুচরা যন্ত্রাংশ এবং বিদ্যুৎ কেন্দ্র এবং যন্ত্রপাতি যা কার্যকরী মুদ্রা, প্রধানত ইউরো এবং মার্কিন ডলারের ব্যতীত অন্য মুদ্রাগুলিতে মুদ্রিত হয় তা প্রভাবিত করতে পারে। এই ধরনের ঝুঁকি যথাযথ ডেরিভেটিভ আর্থিক যন্ত্রের মধ্যে প্রবেশের মাধ্যমে হেজ করা হয়। যাইহোক, বিদেশী মুদ্রার ঝুঁকি থেকে রক্ষা করার জন্য কোম্পানী এখনো কোনও ধরনের ডেরিভেটিভ উপকরণে প্রবেশ করেনি।

**সুদের হার ঝুঁকি:** সুদের হার ঝুঁকি ঋণের সুদের হারে পরিবর্তনের কারণে উদ্ভূত ঝুঁকি। তবে স্থানীয় ঋণগুলি সুদের হারে হ্রাসের দ্বারা উল্লেখযোগ্যভাবে প্রভাবিত হয় না। বৈদেশিক ঋণ এবং ঋণ সুদের হারে উর্ধ্বগতি দ্বারা প্রভাবিত হয়। এই ধরনের ঝুঁকি যথাযথ ডেরিভেটিভ আর্থিক যন্ত্রের মধ্যে প্রবেশের মাধ্যমে রক্ষা করা হয়। যাইহোক, রিপোর্টিং তারিখ হিসাবে সুদের হার ঝুঁকি হজম করার জন্য কোম্পানী এখনো কোনও ধরনের ডেরিভেটিভ উপকরণে প্রবেশ করেনি।

**মূলধন ঝুঁকি:** মূলধন ঝুঁকি একটি অনুকূল মূলধন গঠন এবং মূলধনের ন্যূনতম খরচ বজায় রাখার সাথে যুক্ত ঝুঁকি। মূলধন ঝুঁকি পরিচালনার উদ্দেশ্য হল শেয়ারহোল্ডারদের জন্য ফেরত প্রদান এবং অন্যান্য স্টেকহোল্ডারদের জন্য বেনিফিট প্রদান এবং পুঁজি খরচ কমাতে একটি সর্বোত্তম মূলধন কাঠামো বজায় রাখার জন্য চলমান উদ্বেগ হিসাবে চলতে থাকা কোম্পানির ক্ষমতা রক্ষা করা। ডিপিজিএসএল বোর্ডটি ঝুঁকি এবং রিটার্নের মধ্যে ভারসাম্য বজায় রাখতে যত্ন নিচ্ছে যা ইক্যুইটির সুউচ্চ মূলধন কাঠামো এবং তহবিল ধার্য করা সম্ভব।

### ৪.৩ পরিচালনা ও আর্থিক ফলাফল

পরিচালকমন্ডলী ৩০ জুন ২০১৯ তারিখে সমাপ্ত বছরের পরিচালনা ও আর্থিক ফলাফলের (সমন্বিত/ কনসলিডেটেড) সাথে ৩০ জুন ২০১৮ তারিখে সমাপ্ত বছরের পরিচালনা ও আর্থিক ফলাফলের (সমন্বিত/ কনসলিডেটেড) একটি তুলনামূলক বিবরণী উপস্থাপন করছে :

বিবরণ	পরিমাণ (টাকা)		% পরিবর্তন
	২০১৮-২০১৯	২০১৭-২০১৮	
আয়	৭,০২১,৬৭৭,১৬৬	৬,৬৬০,৪৯৫,১৯০	বৃদ্ধি ৫.৪২%
বিক্রয় ব্যয়	৫,৫১৬,২৬৬,১৩৯	(৫,২৫০,৫৩৪,১৯০)	বৃদ্ধি ৫.০৬%
মোট মুনাফা	১,৫০৫,৪১১,০২৭	১,৪০৯,৯৬০,৬৩০	বৃদ্ধি ৬.৭৭%
কর পূর্ব মুনাফা	৯২৪,৯৭২,০৩০	৮৩২,৪৭১,১৮২	বৃদ্ধি ১১.১১%
করোত্তর মুনাফা	৯২৩,৫৮৪,১২৬	৮৩১,৬৯৪,৫১৯	বৃদ্ধি ১১.০৫%

সমন্বিত আয় ৫.৪২% বৃদ্ধি পেয়েছে প্রধানত দুইটি সহযোগী কোম্পানির (ডিএসপিজিএল এবং ডিএনপিজিএল) বিক্রয় রাজস্ব বৃদ্ধির কারনে, যা হয়েছে জ্বালানি মূল্য বৃদ্ধির জন্য জ্বালানি পরিশোধ বৃদ্ধি এবং প্লান্ট অপারেশন দক্ষতা বৃদ্ধির জন্য। অন্যদিকে, বিক্রয় ব্যয় ৫.০৬% বৃদ্ধি পেয়েছে জ্বালানির দাম বৃদ্ধির কারণে (মূলত আন্তর্জাতিক বাজারে এইচএফওর দাম) যা রাজস্ব বৃদ্ধির তুলনায় কিছুটা কম। এর ফলে, মোট মুনাফা মাত্র ৬.৭৭% বৃদ্ধি পেয়েছে যা হলো প্ল্যান্ট পরিচালনার দক্ষতার প্রতিফলন। তবে সাধারণ এবং প্রশাসনিক ব্যয় হ্রাসের ফলে কর পূর্ববর্তী এবং কর পরবর্তী মুনাফা ১১.১১% এবং ১১.০৫% বৃদ্ধি পেয়েছে।

#### ৪.৪ অনিয়মিত বিশেষ লাভ বা ক্ষতি

আইএএস ১: আর্থিক বিবৃতি উপস্থাপনা অনুসারে আয় এবং ব্যয়ের কোনও আইটেম আর্থিক বিবৃতিতে অনিয়মিত বিশেষ লাভ বা ক্ষতি হিসাবে উপস্থাপন করা হবে না। তদনুসারে, আর্থিক বিবৃতিতে কোন অনিয়মিত বিশেষ লাভ বা ক্ষতি স্বীকৃত হয় নি।

#### ৪.৫ সম্পর্কিত পক্ষের সাথে লেনদেন

বছরের মধ্যে কোম্পানির সম্পর্কিত পক্ষের সাথে লেনদেনগুলি আইএএস ২৪ এর প্রয়োজনীয় শর্তগুলি মেনে নিরীক্ষিত আর্থিক বিবরণীর নোটগুলির ৩৭ নোটে প্রকাশ করা হয়েছে এবং সমস্ত লেনদেন বাণিজ্যিক ভিত্তিতে করা হয়েছে।

#### ৪.৬ পাবলিক ইস্যু, রাইটস ইস্যু এবং / অথবা অন্য কোনও উপকরণের মাধ্যমে অর্থের ব্যবহার

ডরীন পাওয়ার জেনারেশনস অ্যান্ড সিস্টেমস লিমিটেডের প্রাথমিক গণ প্রস্তাব (আইপিও) ২০১৬ সালে করা হয়েছিল এবং এর ফলে উদ্ভূত তহবিল ব্যবহারের হিসাব ইতিমধ্যে নিয়ন্ত্রকদের কাছে রিপোর্ট করা হয়েছে। এই ধরনের আর কোন বিষয় এই বছরের মধ্যে প্রস্তাব করা হয়নি।

#### ৪.৭ ত্রৈমাসিক এবং বার্ষিক আর্থিক বিবৃতির মধ্যে উল্লেখযোগ্য তারতম্য

আলোচ্য হিসাব বছরে কোম্পানির ত্রৈমাসিক এবং চূড়ান্ত আর্থিক ফলাফলগুলির মধ্যে কোনও উল্লেখযোগ্য তারতম্য ঘটে নি। যাইহোক, পরিবেশগত প্রভাব এবং ব্যবসায়ের স্বাভাবিক ধরনের অংশ হিসাবে কোয়ার্টার ২ এবং ৩ আয় কম ছিল।

#### ৪.৮ পরিচালকদের বেতন

নির্বাহী পরিচালকদের পারিশ্রমিক, পারফরম্যান্স এবং অন্যান্য সম্পর্কিত পরিপূরক/বেনিফিট বার্ষিক পর্যালোচনা এবং চেয়ারম্যান দ্বারা অনুমোদিত হয়। ২০১৯ সালের ৩০ জুন শেষ হওয়া বছরের মধ্যে শুধুমাত্র ব্যবস্থাপনা পরিচালককে মোট ৩, ৯৬০,০০০ টাকা বেতন/ভাতা প্রদান করা হয়। অন্য কোন পরিচালক (এমনকি স্বতন্ত্র পরিচালক ও) কোম্পানির কাছ থেকে কোনও বেতন/ভাতা গ্রহণ করেননি যা আর্থিক বিবরণীর নোট-৩৯ তে প্রকাশ করা হয়েছে।

#### ৪.৯ বিষয়বস্তুর ন্যায্য উপস্থাপনা এবং অ্যাকাউন্টিং নীতি, মান ইত্যাদি মেনে চলা

সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং বিএসইসিসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮ অনুযায়ী বোর্ডের সদস্যরা তাদের রিপোর্টে নিম্নলিখিত ঘোষণা করতে পেরে আনন্দিতঃ

ক) ডিপিজিএসএল এর পরিচালকবর্গ দ্বারা প্রস্তুত আর্থিক বিবৃতি তার অবস্থার বিবরণী, তার ক্রিয়াকলাপের ফলাফল, নগদ প্রবাহ এবং ইকুইটি পরিবর্তন ন্যায্যভাবে উপস্থাপন করে।

খ) কোম্পানী হিসাবের যথাযথ বই রক্ষণাবেক্ষণ করা হয়েছে।

গ) উপযুক্ত অ্যাকাউন্টিং নীতিগুলি আর্থিক বিবরণী প্রস্তুতিতে ধারাবাহিকভাবে প্রয়োগ করা হয়েছে এবং অ্যাকাউন্টিংয়ের অনুমানগুলি যুক্তিসঙ্গত এবং বুদ্ধিমান বিচারের উপর ভিত্তি করে।

ঘ) বাংলাদেশে প্রযোজ্য আন্তর্জাতিক অ্যাকাউন্টিং স্ট্যান্ডার্ড (আইএএস) বা আন্তর্জাতিক আর্থিক প্রতিবেদন স্ট্যান্ডার্ড (আইএফআরএস) অনুযায়ী আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং যে কোন ব্যতিক্রম যথাযথভাবে প্রকাশ করা হয়েছে।

ঙ) অভ্যন্তরীণ নিয়ন্ত্রণের সিস্টেমটি ভাল ভাবে পরিকল্পিত এবং কার্যকরভাবে বাস্তবায়িত এবং নজরদারি করা হয়েছে।

চ) সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ সুরক্ষিত করা হয়েছে এবং যথাযথ প্রতিকারের ব্যবস্থা ও করা হয়েছে।

ছ) চলমান প্রতিষ্ঠান হিসেবে চলার জন্য কোম্পানির সক্ষমতার বিষয়ে কোন উল্লেখযোগ্য সন্দেহ নেই।

জ) কোম্পানির অপারেটিং ফলাফলে গত বছরের উল্লেখযোগ্য বিচ্যুতিগুলি আলোকপাত করা হয়েছে এবং আর্থিক ফলাফল এবং মুনাফা অনুমোদনের কারণগুলি ব্যাখ্যা করা হয়েছে;



### ৪.১০ প্রধান পরিচালন ও আর্থিক তথ্য

পরিচালকমন্ডলী গত ৫ (পাঁচ) বছরের প্রধান পরিচালন ও আর্থিক তথ্য (সমন্বিত/কনসলিডেটেড) আলাদাভাবে ছকাকারে উপস্থাপন করা হয়েছে।

কোম্পানী গত ৫ (পাঁচ) বছরের আয় ও মুনাফা নিম্নরূপ:

বিবরণ	২০১৮-২০১৯	২০১৭-২০১৮	২০১৬-২০১৭	২০১৫-২০১৬	২০১৪-২০১৫
	টাকা	টাকা	টাকা	টাকা	টাকা
আয়	৭,০২১,৬৭৭,১৬৬	৬,৬৬০,৪৯৫,১৯০	৫,১৫০,৭৪৮,২৭৯	১,১৮৯,৮৩৫,০৩৬	১,০৮২,৩৭২,৫৯৫
বিক্রয় ব্যয়	(৫,৫১৬,২৬৬,১৩৯)	(৫,২৫০,৫৩৪,৫৬০)	(৩,৭৮৯,৮৯৬,৭৩০)	(৭৯১,৪৫৮,২২৯)	(৬৪৬,৩৬৯,৭২২)
মোট মুনাফা	১,৫০৫,৪১১,০২৭	১,৪০৯,৯৬০,৬৩০	১,৩৬০,৮৫১,৫৪৯	৩৯৮,৩৭৬,৮০৭	৪৩৬,০০২,৮৭৩
সাধারণ প্রশাসনিক ব্যয়	(১১৬,৯৪৭,৭৩৮)	(১১৮,৫৬৬,৭০২)	(১৩২,৫৫৩,৬০৮)	(১০২,৮৪৭,৩৩৫)	(৬৭,৮১৮,৪৫৫)
প্রাক-অপারেটিং ব্যয়	-	-	-	(৪১,৫২৬,২৯৮)	(৪০,৯৫৫,৬৩০)
অপারেশন হতে মুনাফা	১,৩৮৮,৪৬৩,২৮৯	১,২৯১,৩৯৩,৯২৮	১,২২৮,২৯৭,৯৪০	২৫৬,০০৩,১৭৪	৩২৭,২২৮,৭৮৮
অন্যান্য আয়	-	-	-	৪৪৫,২০০	৩৮৩,৩১২
সুদ খাতে আয়	১,১৫৮,৭২৮	১,৮২৯,০৫০	১,৭৭৫,০০২	৫,৩০৯,৯৪১	১,০২২,৪৮২
অর্থসংস্থান বাবদ ব্যয়	(৪৬৪,৬৪৯,৯৮৬)	(৪৬০,৭৫১,৭৯৬)	(৪৮১,৪৭৩,১১২)	(২১০,৫১০,৬৫০)	(১৯৪,৭৬৯,০৪৬)
পরিচালন বহির্ভূত আয় (ক্ষতি)	(৪৬৩,৪৯১,২৫৯)	(৪৫৮,৯২২,৭৪৬)	(৪৭৯,৬৯৮,১১০)	(২০৪,৭৫৫,৫০৯)	(১৯৩,৩৬৩,২৫২)
শ্রমিকদের মুনাফায় অংশগ্রহণ তহবিল ও কল্যাণ তহবিলে দান পূর্ব নীট মুনাফা	৯২৪,৯৭২,০৩০	৮৩২,৪৭১,১৮২	৭৪৮,৫৯৯,৮৩০	৪৯,২৪৭,৬৬৫	১৩৩,৮৬৫,৫৩৬
শ্রমিকদের মুনাফায় অংশগ্রহণ তহবিল ও কল্যাণ তহবিলে দান	-	-	(৭,৭১৮,৮৮০)	(৯,৩০০,৪৬৮)	(৮,২৮১,০৩৫)
কর পূর্ব নীট মুনাফা	৯২৪,৯৭২,০৩০	৮৩২,৪৭১,১৮২	৭৪০,৮৮০,৯৫০	৩৯,৯৪৭,১৯৭	১২৫,৫৮৪,৫০১
চলতি কর	(১,৩৮৭,৯০৪)	(৭৭৬,৬৬৩)	(৩,৮৯৭,৬০৬)	(১,১০৬,৬৩৩)	(৪৯২,০২৮)
করোত্তর নীট মুনাফা	৯২৩,৫৮৪,১২৬	৮৩১,৬৯৪,৫১৯	৭৩৬,৯৮৩,৩৪৫	৩৮,৮৪০,৫৬৪	১২৫,০৯২,৪৭৩
লভ্যাংশ	৩০%	২৫%	২০%	৩০%	-
শেয়ার মূলধন	১,১৬১,৬০০,০০০	১,০৫৬,০০০,০০০	৯৬০,০০০,০০০	৮০০,০০০,০০০	৬০০,০০০,০০০
নীট স্থায়ী সম্পদ	১০,৩১৯,১২০,৩৯৬	১০,৬৮২,১৫৩,৪০০	১০,২৩৪,৭৯৪,৮৮২	১০,৩২৬,০৮০,৫৮৫	৮,৪৮৩,১৪৫,১৬৭
শেয়ার প্রতি আয়	৭.৯১	৭.১৪	৬.৮৮	০.৬৫	২.২৫

### ৪.১১ ২০১৮-১৯ বছরের জন্য লভ্যাংশ

২০১৯ সালের ৩০ জুন শেষ হওয়া বছরের জন্য স্পনসর/ডিরেক্টর শেয়ারহোল্ডারদের ব্যতীত অন্য সকল শেয়ারহোল্ডারদের জন্য ১৭% নগদ লভ্যাংশ এবং সমস্ত শেয়ারহোল্ডারদের জন্য ১৩% স্টক লভ্যাংশ সুপারিশ করে। স্পনসর/ডিরেক্টরদের কোম্পানির মোট ১১৬.১৬ মিলিয়ন শেয়ারের মধ্যে ৭৭.৩৭ মিলিয়ন শেয়ার রয়েছে এবং সাধারণ শেয়ারহোল্ডারগণকে প্রদেয় নগদ লভ্যাংশ ৬৫.৯৪ মিলিয়ন টাকা। সুতরাং, শেয়ারহোল্ডাররা প্রত্যেক প্রতিটি ১০ টাকা মূল্যের ১০০টি শেয়ারের জন্য বোনাস শেয়ার হিসেবে ১০ টাকা মূল্যের ১৩টি শেয়ার পাবেন। উল্লিখিত লভ্যাংশটি বছরের জন্য চূড়ান্ত লভ্যাংশ হিসাবে সুপারিশ করা হয়েছে এবং বছরের মধ্যে কোনও অন্তর্বর্তী লভ্যাংশ ঘোষণা করা হয়নি।

শেয়ারহোল্ডারদের যাদের নাম রেকর্ডের তারিখ (১৩ অক্টোবর ২০১৯) শেয়ারহোল্ডারদের রেজিস্ট্রিতে প্রদর্শিত হবে তারা ১২ ডিসেম্বর ২০১৯ অনুষ্ঠিত বার্ষিক সাধারণ সভায় (এজিএম) শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে উপরের লভ্যাংশ গ্রহণের যোগ্য হবেন।

### ৪.১২ পরিচালক অবসর গ্রহণ ও পুনঃনির্বাচন

পরিচালকদের নিয়োগ/নির্বাচন, অবসর এবং পুনরায় নিয়োগ বিষয়ে কোম্পানী তার সংঘ বিধি, কোম্পানি আইন ১৯৯৪ এবং অন্যান্য সম্পর্কিত আইন দ্বারা পরিচালিত হয়। তদানুসারে ১২ তম বার্ষিক সাধারণ সভায় জনাব মোঃ আবুল হাসনাত এবং জনাব মোঃ আলী আকবর পরিচালক পদ থেকে অবসর গ্রহণ করবেন। তবে তারা পুনরায় নিয়োগের জন্য যোগ্য। বিএসইসির কর্পোরেট গভর্নেন্স নির্দেশিকাগুলি [শর্ত 1.5 (xxii)] অনুসারে, তাদের বিস্তারিত বিবরণ পরিচালকদের জীবন বৃত্তান্তের অধীন প্রকাশ করা হয়।

### ৪.১৩ নিরীক্ষক নিয়োগ

হুদা ভাসি চৌধুরী এন্ড কো. চার্টার্ড একাউন্টেন্টস, বিটিএমসি ভবন (৬ষ্ঠ ও ৭ম তলা), ৭-৯ কাওরানবাজার বানিজ্যিক এলাকা, ঢাকা-১২১৫, বাংলাদেশকে কোম্পানির ১১ তম এজিএম নিরীক্ষক হিসেবে এক বছরে জন্য ১২ তম এজিএম পর্যন্ত নিয়োগ করা হয়েছিল। হুদা ভাসি চৌধুরী এন্ড কোং চার্টার্ড একাউন্টেন্টস অডিট এর কাজ সম্পন্ন করেছে এবং ১২ তম এজিএম-এ অবসর নেবে এবং ২০১৯-২০২০ অর্থবছরের জন্য আর্থিক নিরীক্ষক হিসাবে পুনরায় নিয়োগ লাভের জন্য তাদের আগ্রহ প্রকাশ করেছে এবং যোগ্য বলে গণ্য হয়েছে। অডিট কমিটি এবং বোর্ড আগামী অর্থ বছরের জন্য এবং ১৩ তম এজিএম শেষ না হওয়া পর্যন্ত হুদা ভাসি চৌধুরী এন্ড কোং চার্টার্ড একাউন্টেন্টস এর পুনরায় নিয়োগ লাভের বিষয়ে সুপারিশ করেছেন। বিষয়টি সম্মানিত শেয়ারহোল্ডারদের বিবেচনার জন্য রাখা হয়।

### ৪.১৪ CGC এর পরিপালন নিশ্চিত করার জন্য পেশাদার নিয়োগ

কোম্পানির পরিচালকগণ ইতরাত হোসেন এন্ড অ্যাসোসিয়েটস, দি গ্লাস হাউস (১৩ তম তলা), ৩৮ গুলশান এভিনিউ, গুলশান-০১, ঢাকা-১২১২, কে ০৩ জুন ২০১৯ তারিখের বিএসইসি কর্তৃক জারি করা কর্পোরেট গভর্নেন্স কোড (CGC) এর সম্মতি সনদপত্র প্রদান করার জন্য পেশাদার হিসাবে নিয়োগ প্রদানের সুপারিশ করেছেন। ২০১৯-২০২০ অর্থবছরের জন্য পেশাদার হিসাবে নিয়োগের বিষয়ে এস এ রশিদ অ্যান্ড অ্যাসোসিয়েটস আগ্রহ প্রকাশ করেছে। অডিট কমিটি এবং বোর্ড এস এ রশিদ অ্যান্ড অ্যাসোসিয়েটসকে পরবর্তী বছরের CGC পরিপালন নিশ্চিতকরণ এর জন্য পেশাদার হিসাবে নিয়োগের জন্য সুপারিশ করেছেন। বিষয়টি সম্মানিত শেয়ারহোল্ডারদের বিবেচনায় রাখা হয়।

### ৪.১৫ পর্বদ সভা ও উপস্থিতি

পরিচালকগণ কোম্পানীর সুষ্ঠু পরিচালনা ও ব্যবস্থাপনার নিমিত্তে নিয়মিত সভা করেন। ৩০ জুন ২০১৯ তারিখে সমাপ্ত বছরে মোট ০৯ (নয়) টি পর্বদ সভা অনুষ্ঠিত হয়। পরিচালকগণের সভায় উপস্থিতির বিবরণ নিম্নরূপ :

পরিচালকগণের নাম ও পদবি	পরিচালক হিসেবে মেয়াদ	সভা সংখ্যা		মন্তব্য
		অনুষ্ঠিত	উপস্থিত	
মিসেস পারভীন আলম, চেয়ারম্যান	১৮.১২.২০১৬ হতে	৭	৭	অব্যাহতি ১৮ মার্চ ২০১৯
জনাব তাহজীব আলম সিদ্দিকী, ব্যবস্থাপনা পরিচালক	১৭.০৮.২০১৭ হতে	১০	১০	-
জনাব তানজীব আলম সিদ্দিকী, পরিচালক	১৪.১২.২০১৪ হতে	৭	৬	অব্যাহতি ১৮ মার্চ ২০১৯
জনাব আনজাবীন আলম সিদ্দিকী, পরিচালক	২৩.১২.২০১৫ হতে	১০	১০	-
জনাব আবুল হাসনাত, পরিচালক	১৮.০৩.২০১৯ হতে	৩	২	নিযুক্ত ১৮ মার্চ ২০১৯
জনাব আলী আকবর, পরিচালক	১৮.০৩.২০১৯ হতে	৩	২	নিযুক্ত ১৮ মার্চ ২০১৯
জনাব মাহতাব বিন-আহমেদ, স্বতন্ত্র পরিচালক	২৩.১২.২০১৫ হতে	১০	৭	-

### ৪.১৬ শেয়ারহোল্ডিং এর ধরণ

বিএসইসি কর্তৃক ইস্যুকৃত কর্পোরেট গভর্নেন্স কোড এর শর্ত ১.৫ (২১) মোতাবেক ৩০ জুন ২০১৯ তারিখে কোম্পানীর শেয়ারহোল্ডিং এর ধরণ ছিল নিম্নরূপ :

ক্রঃ	শেয়ারহোল্ডারের নাম	বিবরণ	শেয়ার সংখ্যা	পরিমাণ (টাকা)	%
ক. পেরেন্ট/সাবসিডিয়ারি/এসোসিয়েটেড কোম্পানী ও অন্যান্য সংশ্লিষ্ট পক্ষসমূহ (নাম অনুসারে বিস্তারিত বিবরণ)					
১	এশিয়ান এনটেক পাওয়ার কর্পোরেশন লি:	পেরেন্ট কোম্পানী	৭৩,৮৫০,৯৯৩	৭৩৮,০৫৯,৯৩০	৬৩.৫৪%
২	ওপিজি এনার্জি প্রা: লি:	স্পন্সর কোম্পানী	৭৯,২০৬	৭৯২,০৬০	০.০৭%

খ. (১) পরিচালকগণ এবং তাদের স্বামী/স্ত্রী ও নাবালক সন্তান (নাম অনুসারে বিস্তারিত বিবরণ)

১	মিসেস আনজাবীন আলম সিদ্দিকী [এশিয়ান এনটেক পাওয়ার কর্পোরেশন লি: কর্তৃক মনোনীত]	চেয়ারম্যান	৭১৪,১০৭	৭,১৪১,০৭০	০.৬১%
২	জনাব তাহজীব আলম সিদ্দিকী	ব্যবস্থাপনা পরিচালক	২,৪৫৮,৮০০	২৪,৫৮৮,০০০	২.১২%
৩	জনাব আলী আকবর [এশিয়ান এনটেক পাওয়ার কর্পোরেশন লি: কর্তৃক মনোনীত]	পরিচালক	৩,৯৬৩	৩৯,৬৩০	০.০০৩%
৪	জনাব আবুর হাসনাত [এশিয়ান এনটেক পাওয়ার কর্পোরেশন লি: কর্তৃক মনোনীত]	পরিচালক	--	--	--
৫	জনাব মাহতাব বিন-আহমেদ	স্বতন্ত্র পরিচালক	--	--	--

খ. (২) সিএফও, কোম্পানী সেক্রেটারী ও অভ্যন্তরীণ নিরীক্ষা প্রধান এবং তাদের স্বামী/স্ত্রী ও নাবালক সন্তান (নাম অনুসারে বিস্তারিত বিবরণ)

১	জনাব আফরোজ আলম	প্রধান আর্থিক কর্মকর্তা	--	--	--
২	জনাব মাসুদুর রহমান ভূঁইএগা এফসিএস	কোম্পানী সেক্রেটারী	--	--	--
৩	জনাব মো: তৈমুর আলম এসিএমএ	অভ্যন্তরীণ নিরীক্ষা প্রধান	--	--	--

গ. এক্সিকিউটিভ [সর্বোচ্চ বেতনভুক্ত ৫ কর্মকর্তা]

১	জনাব তাহজীব আলম সিদ্দিকী	ব্যবস্থাপনা পরিচালক	২,৪৫৮,৮০০	২৪,৫৮৮,০০০	২.১২%
২	প্রকৌশলী মুস্তাফিজুর রহমান	প্রধান পরিচালনা কর্মকর্তা	--	--	--
৩	জনাব সুলতান রেজা বিন মাহমুদ	জিএম ও প্ল্যান্ট ইনচার্জ	--	--	--
৪	জনাব আফরোজ আলম	প্রধান আর্থিক কর্মকর্তা	--	--	--
৫	জনাব মাসুদুর রহমান ভূঁইএগা এফসিএস	কোম্পানী সেক্রেটারী	--	--	--

ঘ. ১০ শতাংশ (১০%) বা তার উর্ধে কোম্পানীর ভোটিং রাইট ধারণকারী শেয়ারহোল্ডার

১	এশিয়ান এনটেক পাওয়ার কর্পোরেশন লি:	পেরেন্ট কোম্পানী	৭৩,৮০৫,৯৯৩	৭৩৮,০৫৯,৯৩০	৬৩.৫৪%
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### ৪.১৭ মনোনয়ন এবং পারিশ্রমিক কমিটি

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) -এর কর্পোরেট গভর্ন্যান্স কোড অনুসারে, ডিপিজিএসএল-এর মনোনয়ন ও পারিশ্রমিক কমিটি (এনআরসি) বোর্ড কর্তৃক নিযুক্ত করা হয় যার মিটিং ৩০ ডিসেম্বর, ২০১৮ ইং এ সংঘটিত হয়। এনআরসি তিনজন নির্বাহী পরিচালক নিয়ে গঠিত এবং কমিটির চেয়ারম্যান একজন স্বতন্ত্র পরিচালক। এনআরসি একটি সুস্পষ্ট নীতিমালার ভিত্তিতে গঠিত হয়েছে। কোম্পানির স্বতন্ত্র পরিচালক জনাব মাহতাব বিন আহমেদ কমিটির চেয়ারম্যান এবং কোম্পানির দুজন অ-নির্বাহী পরিচালক জনাব মোঃ আলী আকবর এবং জনাব মোঃ আরুল হাসনাত কমিটির সদস্য। এনআরসি বোর্ডে মনোনয়নের প্রক্রিয়া বা পরিচালনার যোগ্যতা, ইতিবাচক গুণাবলী, অভিজ্ঞতা এবং স্বাধীনতা নির্ধারণ এবং শীর্ষ-স্তরের কার্যনির্বাহী নির্ধারণের জন্য নীতির পাশাপাশি পরিচালকদের পারিশ্রমিক বিবেচনার আনুষ্ঠানিক প্রক্রিয়া, শীর্ষ পর্যায়ের কার্যনির্বাহী নীতিমালা গঠনে বোর্ডকে সহায়তা করবে। এনআরসি ২০১৮-২০১৯ সালে একবারই মিটিং করেছে। কোম্পানি সচিব জনাব মাসুদুর রহমান ভূঁইয়া মনোনয়ন ও পারিশ্রমিক কমিটির সচিব হিসাবে দায়িত্ব পালন করছেন। এনআরসি-র প্রতিবেদনটি বার্ষিক প্রতিবেদনের ৬৬ নম্বর পৃষ্ঠায় সংযুক্ত রয়েছে।

### ৪.১৮ কর্পোরেট সামাজিক দায়িত্ব পালন

ডরীন পাওয়ার জেনারেশনস্ এন্ড সিস্টেমস লিমিটেড তার কর্পোরেট সামাজিক দায়বদ্ধতার অংশ হিসাবে অনেক সামাজিক ও মানবিক কারণে সমর্থন করে এবং অবদান রাখে। এছাড়াও ডরীন পাওয়ার পরিবেশ নীতি পরিপালন ও সকল পাওয়ার প্ল্যান্টের পারিপার্শ্বিক এলাকায় পরিবেশের উপর প্রতিকূল প্রভাব নিয়ন্ত্রণ নিশ্চিতকরণের মাধ্যমে তার কর্পোরেট সামাজিক দায়িত্ব পালন করে।

### ৪.১৯ কর্পোরেট গভর্নেন্স

কর্পোরেট গভর্নেন্স হল এমন একটি প্রক্রিয়া যার মাধ্যমে কোম্পানি বোর্ড কর্তৃক নির্দেশিত, নিয়ন্ত্রিত এবং পথপ্রদর্শিত হয়, যার ফলে শেয়ারহোল্ডারদের নিকট জবাবদিহিতা নিশ্চিত হয়। ডিপিজিএসএল আইন ও নীতির প্রতি পূর্ণাঙ্গ শ্রদ্ধাশীল থেকে সর্বোচ্চ মান বজায় রেখে ব্যবসা পরিচালনা করছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্পোরেট গভর্নেন্স মানার ক্ষেত্রে কোম্পানির অবস্থান সংলগ্নী নং- V সংযুক্ত সনদে আছে। উপরন্তু কর্পোরেট গভর্নেন্স সম্পর্কিত একটি পৃথক প্রতিবেদন সংলগ্নী নং- VI আকারে উপস্থাপন করা হল।

### ৪.২০ কৃতজ্ঞতা প্রকাশ

সবশেষে, আমরা সকল শেয়ারহোল্ডারদের, ব্যাংকার, সরকারী সংস্থা, নিয়ন্ত্রণকারী কর্তৃপক্ষ, ব্যবসায়িক প্রতিষ্ঠান, সরবরাহকারী, নীরক্ষক, পরামর্শক এবং কোম্পানির অন্যান্য পক্ষ সমূহকে তাদের অব্যাহত সহযোগীতা ও সহায়তার জন্য আন্তরিক ধন্যবাদ জানাতে চাই। আমরা আরো কৃতজ্ঞতা জ্ঞাপন করছি কোম্পানির সকল স্তরের কর্মচারীদের প্রতি তাদের নিবেদিত প্রাণ কর্মকাণ্ড ও নিষ্ঠার সাথে দায়িত্ব পালনের জন্য এবং আশা করছি ভবিষ্যতেও তাদের এ ধরনের প্রয়াস অব্যাহত থাকবে। আমরা আমাদের ১৩ তম এজিএম এ আপনাদের আন্তরিকভাবে স্বাগত জানাচ্ছি। আপনাদের সবার সুখী ও উন্নত জীবন কামনা করছি।

সবাইকে ধন্যবাদ,

পরিচালনা পর্ষদের পক্ষে,

আনজাবীন আলম সিদ্দিকী  
সভাপতি

## CHAPTER-5



## ANNEXURE



## ANNEXURE - I

Date: 31 August 2019

The Board of Directors  
Doreen Power Generations and Systems Limited  
192/A, Eastern Road, Lane-1, New DOHS Mohakhali  
Dhaka-1206, Bangladesh

### **Declaration by MD & CFO on Financial Statements for the year ended on 30 June 2019**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, we the under signed, do hereby certify that:

(a) We have reviewed financial statements for the year ended 30 June 2019 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(b) To the best of knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



**(Afroz Alam)**  
Chief Financial Officer



**(Tahzeeb Alam Siddique)**  
Managing Director

## ANNEXURE - II

### REPORT OF AUDIT COMMITTEE

For the year ended 30 June 2019

Audit Committee of the Company, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. A brief of the Audit Committee and its roles, responsibilities and functions are as under:

Audit Committee of the Company was reformed on 18 March 2019 and current Audit Committee comprises of the following board members:

Mr. Mahtab Bin-Ahmed (Independent Director) Chairman  
 Mr. MD. Abul Hasnat, Member  
 Mr. MD. Ali Akbar, Member

Company Secretary acts as the Secretary of the Audit Committee.

#### Meetings of the Audit Committee

- The Committee had its four (04) meetings during the year. Attendance of the Members was as follows :

Name of the Member	No. of Meetings Held	No. of Meetings Attended	Remarks
Mr. Mahtab Bin-Ahmed	04	04	-
Mr. Tanzeer Alam Siddique	02	02	Resigned on March 18, 2019
Ms. Anjabeen Alam Siddique	02	02	Resigned on March 18, 2019
Mr. MD. Abul Hasnat	02	02	Newly appointed on March 18, 2019
Mr. MD. Ali Akbar	02	02	Newly appointed on March 18, 2019

- Minutes of the Committee are properly recorded.

#### ROLE OF THE COMMITTEE

The key roles of the Committee, among others, include:

- Overseeing the financial reporting process, hiring and performance of external auditors
- Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and, upon its satisfaction of the review, recommend them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions.
- Reviewing Management Letters/Letters of Internal Control weaknesses issued by statutory auditors.
- Reviewing Statement of significant related party transactions submitted by the management.

## Activities of the Audit Committee

Major activities of the Audit Committee for the year ended 30 June 2018 were-

- reviewed the financial statements of the first quarter, second quarter, third quarter and the year ended 30 June 2019 and recommended to the Board for consideration and approval.
- reviewed the work of the Internal Audit Department and made suggestions for necessary improvement.
- reviewed the external auditors' findings arising from audit and recommended the Board for appointment, re-appointment or removal of external auditors.
- reviewed the integrity of the financial statements of the Company for the year ended 30 June 2019 to ensure that these reflect a true and fair view of the Company's state of affairs.
- ensured, while reviewing the financial statements, that proper disclosures required under International Accounting Standards as adopted in Bangladesh have been made and also the Companies Act 1994 and other rules and regulations applicable for this company have been complied with.
- approved the internal audit plan and gave direction to the Internal Auditors where appropriate for carrying out in depth audit to ensure that the Company or its assets are not exposed to undue risk;
- reviewed the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC) along with the CGC.

Based on the above reviews conducted during the year, the Audit Committee reasonably believes that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company.

On behalf of the Audit Committee



**Mahtab Bin-Ahmed**

Chairman of the Committee

31 August 2019



## ANNEXURE - III

### REPORT OF THE NOMINATION & REMUNERATION COMMITTEE -2019

The Board of Directors of Doreen Power Generations and Systems Limited in its meeting held on December 30, 2018 has formed the Nomination and Remuneration Committee (NRC) as a sub-committee of the Board in pursuant to code 6 of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code.

#### Nomination & Remuneration Committee (NRC)

The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive. NRC shall at least once a year, consider its own act and terms of reference to ensure that it is functioning at maximum usefulness and recommend any updates necessary to the Board for consent.

#### The Composition of the NRC

The NRC consists of three members, of whom one is an independent director, and rests are non-executive directors. The members of the Committee are:

Mr. Mahtab Bin Ahmed, Chairman

Mr. MD. Abul Hasnat, Member

Mr. MD. Ali Akbar, Member

Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

#### The Responsibilities of NRC

The purpose, authority, composition, duties and responsibilities of the NRC are described in its charter. Some of the major responsibilities of the NRC are as follows:

- Review and recommend the size and composition of the Board;
- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- Review and recommend a policy to the Board relating to the nomination criteria for determining qualifications, positive attributes, experiences and Independence of Directors and top level executives.
- Formulate the criteria for determining qualification and independence of Directors;
- Assist the Board as required to identify individuals who are qualified to become Directors and who may be appointed in top level executive position and recommend their appointment/re-appointment and removal to the Board.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the Directors, and top level executives;
- Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;

- Review and recommend the Company's human resources and training policies annually;
- Recommend the remuneration policy of the Company, particularly in relation to the yearly increment principle; and
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and Chief Executive Officer of the Company.
- Recommend a report to the Board on activities of the Committee during the financial year.
- Any other key issues as may be referred by the Board or as may be necessary in view of the provisions of the Country's Laws, Rules and Regulations.

#### **Activities of the NRC during the reporting period**

The NRC met twice during 2018-19. The newly formed committee has initiated the following activities during the year:

- Considered the Term of Reference (ToR) of NRC approved by the Borad;
- Reviewed the status of existing policies and processes with regard to the eligibility, qualification of Directors, policies and basis of remuneration to Directors and top level executives, selection, transfer, evaluation, promotion and removal policy of employees and human resource & traning policy of the company;
- Formulated the criteria for determining qualifications, positive attributes and independence of Directors;
- Formulated a policy relating to the remuneration of the Directors, and top level executives; and
- Adopted Code of Conduct for the Chairman, Directors and top level executives of the Company

On behalf of the Nomination & Remuneration Committee



**Mahtab Bin Ahmed**  
Chairman of the committee

## Annexure - IV

### REPORT ON CORPORATE GOVERNANCE

The term Corporate Governance refers to the processes of making and implementing decisions in accordance with the rules and laws by which businesses are regulated, controlled and operated by the Board and management of the company in order to ensure proper protection of the interests of the valued shareholders and other stakeholders of the company. Corporate Governance philosophy establishes the mechanisms to meet the obligations to all the stakeholders and for achieving transparency, accountability and integrity between the Board, senior management and shareholders, while protecting the interests of relevant stakeholders.

To ensure effective implementation and maintenance of good corporate governance the Board put together company's strategic policies to meet the objectives of the company with the frame work of corporate governance. That policy clearly defines the responsibility of the board and management to the shareholders and also to the employees of the company. DPGSL is maintaining full compliance with the laws, rules and regulations.

Bangladesh Securities and Exchange Commission has imposed Corporate Governance Guidelines 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 steps taken as part of good Corporate Governance are summarized below :

#### A. Board of Directors

The Board of DPGSL consists of 5 (five) Directors. The Directors hold regular meetings to ensure good communication and discussion on matters of importance for smooth operation of the Company. The Board has laid down a Code of Conduct for all Directors. The Directors duly comply with the Code and Annual Compliance of the Code by the Directors is duly recorded.

#### B. Independent Director(s)

One Independent Director having required qualification as per Corporate Governance Guidelines has been appointed for a period of 3 (three) Directors by the Board and such appointment has been duly approved in the AGM.

#### C. Chairman and CEO

Two separate individuals are performing the functions of the Chairman and the CEO. The roles of the Chairman and the roles of CEO have been laid down by the Board.

#### D. Audit Committee

An Audit Committee is formed with 3 Directors headed by the Independent Director Mr. Mahtab Bin Ahmed. The Company Secretary acts as the Secretary to the Committee. A Report of the Audit Committee is annexed herewith (Annexure-II).

#### E. CFO, Head of Internal Audit and Company Secretary

In line with the guidelines of BSEC, the Board of the Company has ensured appointment of 3 individuals as Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary and has defined their roles, duties and responsibilities.

#### F. Statutory Auditor

The Auditor of the Company is duly appointed and performs their duties as per relevant laws. As guided by the Corporate Governance Guidelines of BSEC (condition # 4), the Company did not engage its external / statutory auditor to perform any of the following services of the Company that are not permissible. Notable that no partner or employee of the external audit firm possesses any share of the Company.

## G. Financial Statements

The Directors confirm, to the best of their knowledge, that-

- (1) The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- (2) Proper books of account of the company have been maintained;
- (3) Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- (4) International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have been followed in preparation of the financial statements;
- (5) The systems of internal control are sound and have been implemented and monitored effectively;
- (6) There are no significant doubts upon the company's ability to continue as a going concern; and
- (7) The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have jointly certified to the Board that-
  - (a) They have reviewed the financial statements of the company for the year ended 30 June 2019 and to the best of their knowledge and belief:
    - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
  - (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

## H. Subsidiary Company(ies)

As per condition # 5 of BSEC's Corporate Governance Guidelines, all provisions relating to the subsidiary company(ies) have been complied with. The minutes of the Board meeting of the subsidiary companies and also the affairs of the subsidiary companies are reviewed by the Board of the holding company. The Audit Committee of the holding company reviews the financial statements, in particular the investments made by the subsidiary company.

## I. Compliance of Corporate Governance Guidelines

The company has complied with all conditions of Corporate Governance Guidelines issued by BSEC. Compliance Status is shown in Annexure - VI. A Practicing Chartered Secretary has been engaged for issuing a certificate regarding such compliance and the Certificate would be annexed.



**Anjabeen Alam Siddique**

Chairperson

Dated: Dhaka, 20 September 2019

## Annexure - V



### **Report to the shareholders of Doreen Power Generations and Systems Limited on compliance of Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Doreen Power Generations and Systems Limited for the year ended 30 June 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

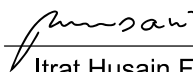
This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as Stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory.

Dhaka, 29 August 2019

For: Itrat Husain & Associates

  
Itrat Husain FCMA, FCS  
Chief Executive

## Annexure - VI

### STATUS OF COMPLIANCE ON CORPORATE GOVERNANCE CODE

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

(Report under condition no. 9.00)

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1.1	Board size (number of Board members - minimum 5 and Maximum 20)	✓		
<b>1.2</b>	<b>Independent Directors</b>			
1.2 (a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	✓		
<b>1.2 (b)</b>	<b>Independent Director means a Director</b>			
1.2 (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2 (b) (v)	who is not a member, director or officer of any stock exchange	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.2 (b) (vi)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	✓		
1.2 (b) (vii)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm	✓		
1.2 (b) (viii)	who shall not be an independent director in more than 5 (five) listed companies	✓		
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	N /A		
1.2 (b) (x)	who has not been convicted for a criminal offence involving moral turpitude	N /A		
1.2 (c)	Independent Director(s) shall be appointed by BoD approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	✓		
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	✓		
<b>1.3</b>	<b>Qualification of Independent Director</b>			
1.3(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1.3(b)(i)	Independent Director should be a Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1.3(b)(ii)	Independent Director should be a Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk.100.00 million or of a listed company; or	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.3(b)(iii)	Independent Director should be a Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓		
1.3(b)(iv)	Independent Director should be a University Teacher who has educational background in Economics or Commerce or Business Studies or Law	✓		
1.3(b)(v)	Independent Director should be a Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	✓		
1.3(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3(d)	In special cases the above qualifications may be relaxed subject to prior approval of Commission.	N /A		
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓		
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company.	✓		
1.4(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓		



Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.4(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	✓		
1.4(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non- executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5 (ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any.	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	N /A		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions.	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any other instrument.	N /A		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc.	N /A		
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance.	✓		
1.5 (x)	Remuneration to directors including independent directors.	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (xi)	The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
1.5 (xii)	Proper books of account have been maintained	✓		
1.5 (xiii)	A statement that 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.	✓		
1.5 (xiv)	A statement that International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
1.5 (xv)	The system of Internal control is sound in design and has been effectively implemented and monitored	✓		
1.5 (xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1.5 (xvii)	Going Concern (ability to continue as going concern).	✓		
1.5 (xviii)	Highlight and explain significant deviations from the last year's operating results.	✓		
1.5 (xix)	Key operating and financial data of at least preceding 5(five) years shall be summarized.	✓		
1.5 (xx)	Reason for non-declaration of Dividend			
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	✓		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director.	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares(along with name-wise details where stated below) held by			
1.5 (xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties	✓		
1.5 (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children	✓		
1.5 (xxiii)(c)	Executives	✓		
1.5 (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details); Explanation : For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance	✓		
1.5 (xxiv)	The appointment or reappointment of a director, a disclosure on the following information to the shareholders			
1.5 (xxiv)(a)	A brief resume of the director	✓		
1.5 (xxiv)(b)	Nature of his or her expertise in specific functional areas	✓		
1.5 (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1.5 (xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1.5 (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	✓		
1.5 (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1.5 (xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓		
1.5 (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
1.5 (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3.3 disclosed as per Annexure-I	✓		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 disclosed as per Annexure-IV and Annexure-V.	✓		
1.6	The company conducted its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7(a)	The Board laid down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
1.7(b)	The code of conduct as determined by the NRC posted on the website of the company	Will be complied after finalization of the code of conduct		
2.0	Governance of Board of Directors of Subsidiary Company			

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(a)	Provisions relating to the composition of the Board of the holding company made applicable to the composition of the Board of the subsidiary company	✓		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
2(c)	The minutes of the Board meeting of the subsidiary company placed for review at the following Board meeting of the holding company	✓		
2(d)	The minutes of the respective Board meeting of the holding company stated that they have reviewed the affairs of the subsidiary company also	✓		
2(e)	The Audit Committee of the holding company also reviewed the financial statements, in particular the investments made by the subsidiary company	✓		
<b>3.0</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).</b>			
3.1	Appointment	✓		
3.1(a)	The Board appointed a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3.1(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) filled by different individuals	✓		
3.1(c)	The MD or CEO, CS, CFO and HIAC of a listed company did not hold any executive position in any other company at the same time	✓		
3.1 (d)	The Board clearly defined respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.1(e)	The MD or CEO, CS, CFO and HIAC not removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	The MD or CEO, CS, CFO and HIAC of the company attended the meetings of the Board	✓		
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3.3(a)(i)	The MD or CEO and CFO certified to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3.3 (a)(ii)	These statements together presented a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓		
3.3(b)	The MD or CEO and CFO also certified that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓		
3.3 (c)	The certification of the MD or CEO and CFO disclosed in the Annual Report	✓		
<b>4</b>	<b>Board of Directors Committee</b>			
4(i)	Audit Committee	✓		
4(ii)	Nomination and Remuneration Committee	✓		
<b>5</b>	<b>Audit Committee</b>			
5(1)(a)	The Audit Committee is the sub-committee of the BoD	✓		
5(1)(b)	The Audit Committee assisted the BoD in ensuring that the financial statements reflected true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(1)(c)	The Audit Committee is responsible to the BoD. The duties of the Audit Committee is clearly set forth in writing	✓		
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee is composed of at least 3 members	✓		
5(2)(b)	The BoD appointed members of the Audit Committee who is the directors of the company and included at least 1 (one) Independent Director	✓		
5(2)(c)	All members of the audit committee is "financially literate" and at least 1 (one) member has accounting or related financial management experience	✓		
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	N/A		
5(2)(e)	The Company Secretary acted as the secretary of the Audit Committee	✓		
5(2)(f)	The quorum of the Audit Committee meeting is not constituted without at least 1(one) independent director	✓		
<b>5(3)</b>	<b>Chairman of the Audit Committee</b>			
5(3)(a)	The BoD selected the Chairman of the Audit Committee, who is an Independent Director	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5.4(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓		



Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(c)	Chairman of the audit committee remained present in the AGM	✓		Will attend in upcoming AGM
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
5.4(a)	The Audit Committee conducted at least its four meetings in a financial year	✓		
5.4(b)	The quorum of the meeting of the Audit Committee is constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
<b>5.5</b>	<b>Role of Audit Committee</b>			
5.5(a)	Oversee the financial reporting process	✓		
5.5(b)	Monitor choice of accounting policies and principles	✓		
5.5(c)	Monitor Internal Control Risk Management process	✓		
5.5(d)	Oversee hiring and performance of external auditors	✓		
5.5(e)	Hold meeting with the external or statutory auditors	✓		
5.5(f)	Review the annual financial statements before submission to the board for approval	✓		
5.5(g)	Review the quarterly and half yearly financial statements before submission to the board for approval	✓		
5.5(h)	Review the adequacy of internal audit function	✓		
5.5(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
5.5(j)	Review statement of significant related party transactions submitted by the management	✓		
5.5(k)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	✓		
5.5(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5.5(m)	Disclosure to the Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus	N/A		
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting to the Board of Directors			
5.6(a) (i)	Reporting to BoD on the activities of the Audit Committee	✓		
5.6(a) (ii)(a)	Reporting to BoD on conflicts of interests	✓		
5.6(a) (ii)(b)	Reporting to BoD on any fraud or irregularity or material defect in the internal control system	✓		
5.6(a) (ii)(c)	Reporting to BoD on suspected infringement of laws	✓		
5.6(a) (ii)(d)	Reporting to BoD on any other matter	✓		
5.6(b)	Reporting to BSEC (if any material impact on the financial condition & results of operation, unreasonably ignored by the management)	✓		
5.7	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	✓		
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors			
6.1(a)	The company has a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
6.1(b)	The NRC assisted the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6.1(c)	The Terms of Reference (ToR) of the NRC is clearly set forth in writing covering the areas stated at the condition No. 6.5(b)	✓		
<b>6.2</b>	<b>Constitution of the NRC</b>			
6.2(a)	The Committee is comprised of at least three members including an independent director	✓		
6.2(b)	All members of the Committee is non-executive directors	✓		
6.2(c)	Members of the Committee is nominated and appointed by the Board	✓		
6.2(d)	The Board has authority to remove and appoint any member of the Committee	✓		
6.2(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board has filled the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee	✓		
6.2(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	✓		
6.2(g)	The company secretary acted as the secretary of the Committee	✓		
6.2(h)	The quorum of the NRC meeting is not constituted without attendance of at least an independent director	✓		
6.2(i)	No member of the NRC has received, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
<b>6.3</b>	<b>Chairperson of the NRC</b>			
6.3(a)	The Board has selected 1 (one) member of the NRC to be Chairperson of the Committee, who is an independent director	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6.3(b)	In the absence of the Chairperson of the NRC, the remaining members elected one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson is duly recorded in the minutes	✓		
6.3(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	✓		Will attend in upcoming AGM
<b>6.4</b>	<b>Meeting of the NRC</b>			
6.4(a)	The NRC has conducted at least one meeting in a financial year	N/A		
6.4(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6.4(c)	The quorum of the meeting of the NRC is constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)	✓		
6.4(d)	The proceedings of each meeting of the NRC is duly recorded in the minutes and such minutes is confirmed in the next meeting of the NRC	✓		
<b>6.5</b>	<b>Role of the NRC</b>			
6.5(a)	NRC is independent and responsible or accountable to the Board and to the shareholders	✓		
<b>6.5(b)</b>	<b>NRC oversees, among others, the following matters and make report with recommendation to the Board</b>			
6.5(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6.5(b)(i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6.5(b)(i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		
6.5(b)(i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	✓		
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	✓		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	✓		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	✓		
6.5(c)	The company has disclosed the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
<b>7</b>	<b>External / Statutory Auditors</b>			
7.1(i)	Non-engagement in appraisal or valuation services or fairness opinions	✓		
7.1(ii)	Non-engagement in designing and implementation of Financial Information System	✓		
7.1(iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements	✓		

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7.1(iv)	Non-engagement in Broker-dealer services	✓		
7.1(v)	Non-engagement in actuarial services	✓		
7.1(vi)	Non-engagement in internal audit services	✓		
7.1(vii)	Non-engagement in any other services that the Audit Committee determines	✓		
7.1(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7.1(ix)	Non-engagement in any other service that creates conflict of interest	✓		
7(2)	No partner or employees of the external audit firms possesses any share of the company during the tenure of their assignment	✓		
7(3)	Representative of external or statutory auditors remained present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8(1)	The company has an official website linked with the website of the stock exchange	✓		
8(2)	The company kept the website functional from the date of listing	✓		
8(3)	The company made available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
9(1)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	✓		
9(2)	The professional will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	✓		
9(3)	Directors statement in the directors' report whether the company has complied with these conditions	✓		

## Annexure - VII

### BAPLC CERTIFICATE





## CHAPTER-6



# Auditors' Report And Audited Financial Statements

### INDEPENDENT AUDITOR'S REPORT

#### To the Shareholders of Doreen Power Generations and Systems Limited Report on the Audit of the Consolidated and Separate Financial Statements

##### Opinion

We have audited the consolidated financial statements of Doreen Power Generations and Systems Limited and its subsidiaries (the "Group") as well as the separate financial statements of Doreen Power Generations and Systems Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2019, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2019, and of its consolidated and separate financial performance and its consolidated and separate 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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and 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 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 Matter

We draw attention to the accompanying note-3.8 to the financial statements where the management describes that Workers' Profit Participation Fund (WPPF) provision is not required according to the Bangladesh Labour Act 2006 (amended in 2013) on the ground that Bangladesh Independent Power Producers Association (BIPPA) has made an application to the Ministry of Labour and Employment ("the Ministry") for exemption from the implementation of the required provision of WPPF on 13 March 2017. Hence, the management has decided not to provide any provision for WPPF since 31 March 2017. This is also supported by opinion obtained by the management from external legal counsel. Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the audit of financial statements are as under:

Risk	Our respond to the risk
<b>Carrying value (CV) of Property, plant and equipment (PPE) and its impairment</b>	
<p>PPE includes the Group's and the Company's long term assets, which flow economic benefits to the entities more than one year. PPE is measured at historical cost except land &amp; land development, building &amp; premises and power plant which are carried at revalued amount, being fair values at the date of revaluation. PPE comprises major portion of total assets of the Company, which is amounting to Tk. 2,598,461,279 for Doreen Power Generations and Systems Limited and Tk. 9,551,358,173 for the Group at the reporting date. PPE represents 53.55% and 67% of total assets of the Company and the Group respectively.</p> <p>Apparently, the carrying value of PPE represents significant portion of the Company's and the Group's assets which is a function of depreciation charges that involved estimation. Therefore, it has been considered as a significant area of auditor's judgment and requires special attention. There is also a risk that the impairment charges may not have been recognized.</p>	<p>We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.</p> <p>Followings are our audit procedures on the carrying value and impairment risk of PPE:</p> <ul style="list-style-type: none"> <li>● Reviewing basis of recognition, measurement and valuation of assets;</li> <li>● Observing procedures of assets acquisition, depreciation and disposal;</li> <li>● Checking ownership of the major assets;</li> <li>● Checking the Capital-Work-in-Progress (CWIP) and its transfer to PPE as well as capital expenditure commitment;</li> <li>● Performing due physical asset verification at the year-end;</li> <li>● We critically challenged the Group's assumptions in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment; and</li> <li>● Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul> <p>Our testing did not identify any issues with regard to CV of PPE and any indicators that would trigger impairment.</p>

Refer to the note no. 4 and 4(a) to the financial statements

**Current A/c with subsidiaries and sister concerns**

Current Accounts with subsidiaries and sister concerns represent the account, which are maintained for the transactions between parent and subsidiaries & sister concerns. Positive balances denote receivable balances from subsidiaries and sister concerns and negative balances signify payable balances to subsidiaries and sister concerns. At the reporting date, the balances of Current Account were Tk. 77,297,065 and Tk. 912,993,994, which were approximately 17% and 23% of total current assets for the Company and the Group respectively.

Significant transactions between Group entities are considered as a key risk area of audit. There is also a risk that the impairment charges haven't been recognized and therefore, Current Account balance could be misstated.

We assessed the processes and controls put in place by the Group over the Current Accounts with subsidiaries and sister concerns. Our substantive procedures in relation to the Current Accounts comprise the following:

- Understanding and analyzing the nature and reasons for Current Accounts;
- Studying board minutes for the approval of loan to the subsidiaries and sister concerns;
- Independently reviewed the financial capabilities of subsidiaries and sister concerns to meet the obligations;
- Independently reviewed the financial statements of subsidiaries and sister concerns;
- Checked the transactions between the Group entities on sample basis;
- Performing impairment test on the receivable and payable balances of parent and subsidiaries & sister concerns;
- Confirming major balances with the Group entities;
- Recalculating interest portion on the balances of current accounts and recording thereof; and
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

Based on the evidence obtained, we did not identify any indications that Current Account balances have not been presented fairly or there is any indication of impairment.

Refer to the note no. 10 and 10(a) to the financial statements

**Long term Loans**

At reporting date, the position of long term loans remains amounting to Tk. 636,660,863 for Doreen Power Generations and Systems Limited and Tk. 4,754,827,033 for the Group as a whole, which represents around 48% and 52% of total liabilities for the Company and the Group respectively. Evidently, the Company and the Group are highly dependent on long term liabilities to operate the business. Therefore, long term loan has been considered as key audit area.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the long term loans. Our audit procedures included, among others, the followings:

- Understood and reviewed the nature or types of loans;
- Reviewed the board minutes for arrangements of the loans;
- Obtained the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans;
- Recalculated the interest related to loans;
- Checked the adjustments or repayments of loans through bank statements as per repayment schedule;
- Reviewed the segregation between current and non-current portion of loans;
- Observed whether there is any overdue payment relevant to loans; and
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

The procedures above did not identify any issues with regard to the long term loans.

### **Other Matter**

The Group comprises the parent, Doreen Power Generations and Systems Limited, and its three subsidiaries namely Dhaka Northern Power Generations Limited, Dhaka Southern Power Generations Limited and Chandpur Power Generations Limited. The financial statements of two subsidiaries namely, Dhaka Northern Power Generations Limited and Dhaka Southern Power Generations Limited have been audited by ACNABIN, Chartered Accountants and another subsidiary, Chandpur Power Generations Limited, has been audited by MABS & J Partners, Chartered Accountants. The auditors of subsidiaries have expressed an unmodified opinion on those financial statements on 30 June 2019.

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statements of profit or loss and other comprehensive income along with the annexed notes 1 to 41 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Group's and the Company's business.

Dhaka, 31 August 2019



**Chartered Accountants**

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Consolidated Statement of Financial Position

As at 30 June 2019

	Notes	2019 Taka	2018 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>10,319,120,396</b>	<b>10,682,153,400</b>
Property, plant and equipment	4(a)	9,551,358,171	9,887,893,590
Capital work in progress	5(a)	3,109,270	42,448,899
Investments	6(a)	764,652,955	751,810,911
<b>Current Assets</b>			
		<b>3,904,987,995</b>	<b>2,929,096,322</b>
Inventories	7(a)	1,070,347,178	478,512,664
Trade & other receivables	8(a)	1,505,416,904	1,433,924,835
Advance, deposit & prepayments	9(a)	395,175,172	367,512,972
Current A/C with Subsidiaries & Sister Concerns	10(a)	912,993,994	568,291,168
Cash and bank balance	11(a)	21,054,745	80,854,684
<b>TOTAL ASSETS</b>		<b>14,224,108,391</b>	<b>13,611,249,722</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
		<b>5,133,257,046</b>	<b>4,260,394,400</b>
Share capital	12	1,161,600,000	1,056,000,000
Share premium	13	361,849,889	361,849,889
Retained earnings	14(a)	2,925,612,897	2,129,042,678
Revaluation surplus	15	684,194,260	713,501,833
Non- controlling interest	16	23,700,163	56,228,686
<b>Total Equity</b>		<b>5,156,957,209</b>	<b>4,316,623,086</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
		<b>4,755,905,903</b>	<b>5,553,844,412</b>
Long term loan net off current maturity	17(a)	4,754,827,033	5,552,765,541
Deferred tax liability	18	1,078,870	1,078,870
<b>Current Liabilities</b>			
		<b>4,311,245,279</b>	<b>3,740,782,224</b>
Trade payables	19(a)	183,002,397	189,855,286
Current portion of long term loan	20(a)	834,671,596	744,785,901
WPPF and WF payable	21	9,279,348	9,279,348
Short term loan	22(a)	3,150,889,774	2,693,893,135
Liabilities for expenses and others	23(a)	132,014,556	101,765,460
Provision for income tax	24(a)	1,387,608	1,203,096
<b>TOTAL LIABILITIES</b>		<b>9,067,151,182</b>	<b>9,294,626,636</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14,224,108,391</b>	<b>13,611,249,722</b>
<b>Consolidated Net Assets Value (NAV) per share</b>	25(a)	<b>44.19</b>	<b>36.68</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

  
Company Secretary

  
Managing Director

  
Chairman

As per our annexed report of same date

Dhaka  
31 August 2019

  
Chartered Accountants

**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2019

		2019 Taka	2018 Taka
Revenue	26(a)	7,021,677,166	6,660,495,190
Less: Cost of sales	27(a)	5,516,266,139	5,250,534,560
<b>Gross Profit</b>		<b>1,505,411,027</b>	<b>1,409,960,630</b>
Less: Operating expenses			
General and administrative expenses	28(a)	116,947,738	118,566,702
<b>Gross Operating Profit for the year</b>		<b>1,388,463,289</b>	<b>1,291,393,928</b>
Less: Financial expense	29(a)	464,649,986	460,751,796
<b>Net Operating Profit for the year</b>		<b>923,813,303</b>	<b>830,642,132</b>
Add: Non Operating Income			
Finance income	30(a)	1,158,728	1,829,050
<b>Net Profit before income tax</b>		<b>924,972,030</b>	<b>832,471,182</b>
Less: Current tax expense	31(a)	1,387,904	776,663
<b>Net Profit after income tax</b>		<b>923,584,126</b>	<b>831,694,519</b>
Other Comprehensive income		-	-
<b>Total Comprehensive income</b>		<b>923,584,126</b>	<b>831,694,519</b>
<b>Attributable to:</b>		<b>918,272,268</b>	<b>829,275,457</b>
Shareholders of the Company		5,311,858	2,419,062
Non controlling interest		923,584,126	831,694,519
<b>Consolidated Earning per share (EPS)/Restated EPS</b>	32(a)	<b>7.91</b>	<b>7.14</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

  
**Company Secretary**

  
**Managing Director**

  
**Chairman**

Dhaka  
31 August 2019

As per our annexed report of same date

  
**Chartered Accountants**

## DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

### Consolidated Statement of Changes in Equity

For the year ended 30 June 2019

(Amount in Taka)

Particulars	Share capital	Share Premium	Revaluation surplus	Retained earnings	Sub-Total	Non controlling interest	Total Equity
Balance as at 01 July 2018	1,056,000,000	361,849,889	713,501,833	2,129,042,678	4,260,394,400	56,228,686	4,316,623,086
Adjustment for change in holding percentage of Non Controlling Interest	-	-	-	(2,059,619)	(2,059,619)	(37,840,381)	(39,900,000)
Net Profit for the year	-	-	-	918,272,268	918,272,268	5,311,858	923,584,126
Stock Dividend for the Year 2017-2018	105,600,000	-	-	(105,600,000)	-	-	-
Cash Dividend for the Year 2017-2018	-	-	-	(43,350,003)	(43,350,003)	-	(43,350,003)
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-	-	-
<b>Balance as at 30 June 2019</b>	<b>1,161,600,000</b>	<b>361,849,889</b>	<b>684,194,260</b>	<b>2,925,612,897</b>	<b>5,133,257,046</b>	<b>23,700,163</b>	<b>5,156,957,209</b>
Balance as at 01 July 2017	960,000,000	361,849,889	742,809,406	1,387,213,958	3,451,873,253	21,055,314	3,472,928,568
Adjustment for change in holding percentage of non-controlling interest	-	-	-	3,245,689	3,245,689	(3,245,689)	-
Net profit for the year	-	-	-	829,275,457	829,275,457	2,419,062	831,694,519
Stock dividend for the Year 2016-2017	96,000,000	-	-	(96,000,000)	-	-	-
Cash dividend for the Year 2016-2017	-	-	-	(24,000,000)	(24,000,000)	-	(24,000,000)
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-	-	-
Share Capital	-	-	-	-	-	36,000,000	36,000,000
<b>Balance as at 30 June 2018</b>	<b>1,056,000,000</b>	<b>361,849,889</b>	<b>713,501,833</b>	<b>2,129,042,678</b>	<b>4,260,394,400</b>	<b>56,228,686</b>	<b>4,316,623,086</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

Dhaka  
31 August 2019

Company Secretary

Managing Director

Chairman

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Consolidated Statement of Cash Flows

For the year ended 30 June 2019

	2019 Taka	2018 Taka
<b>A. Cash flows from operating activities</b>		
Receipt from customers	6,942,501,000	6,469,761,093
Payment to suppliers others	(5,544,607,530)	(4,734,379,767)
Payment for direct expenses and administrative expenses	(92,316,583)	(127,868,641)
<b>Cash generated from operating activities</b>	<b>1,305,576,888</b>	<b>1,607,512,685</b>
Financial expenses paid	(462,273,296)	(460,751,796)
Income Tax Paid	(1,203,392)	(1,985,240)
<b>Net cash flow from operating activities</b>	<b>842,100,199</b>	<b>1,144,775,649</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant & equipment	(179,008,717)	(167,930,796)
Capital work in progress	(234,270)	(33,448,899)
Investment in FDR	(12,842,044)	(2,760,911)
Interest received	990,536	1,918,101
Paid to subsidiaries and sister concerns	(344,702,826)	(446,903,146)
Investment in subordinated loan	-	(746,300,000)
Insurance Claim Received	7,852,288	6,000,000
Investment in Chandpur Power Generations Ltd.	(39,900,000)	-
Advance payment for land and land development	(40,130,918)	(56,805,307)
<b>Net cash used in investing activities</b>	<b>(607,975,951)</b>	<b>(1,446,230,958)</b>
<b>C. Cash flows from financing activities</b>		
Received from/(Repayment of) short term loan	456,996,639	1,015,256,052
Proceeds from share money deposit	-	36,000,000
Repayment of long term loan	(708,052,813)	(674,152,171)
Dividend paid	(42,868,012)	(23,670,869)
<b>Net cash flows from financing activities</b>	<b>(293,924,186)</b>	<b>353,433,013</b>
<b>D. Net increase/(decrease) in cash and bank balance (A+B+C)</b>	<b>(59,799,938)</b>	<b>51,977,704</b>
E. Unrealized foreign exchange gain/ (loss)	-	-
F. Cash and bank balances at beginning of the period	80,854,684	28,876,980
<b>G. Cash and bank balances at the end of the period</b>	<b>21,054,745</b>	<b>80,854,684</b>
<b>Consolidated Net Operating Cash Flow per share (NOCFPS) [Note: 33(a)]</b>	<b>7.25</b>	<b>9.86</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

Dhaka  
31 August 2019

  
Company Secretary

  
Managing Director

  
Chairman

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Statement of Financial Position

As at 30 June 2019

	Notes	2019 Taka	2018 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>4,397,883,407</b>	<b>4,370,945,896</b>
Property, plant and equipment	4	2,598,461,277	2,604,661,086
Capital work in progress	5	-	39,573,899
Investments	6	1,799,422,130	1,726,710,911
<b>Current Assets</b>		<b>454,469,161</b>	<b>495,254,345</b>
Inventories	7	55,843,847	48,560,217
Trade & other receivables	8	285,456,718	290,901,971
Advance, deposit & prepayments	9	27,105,197	38,389,420
Current A/C with Subsidiaries & Sister Concerns	10	77,297,065	116,087,942
Cash and bank balances	11	8,766,334	1,314,795
<b>TOTAL ASSETS</b>		<b>4,852,352,568</b>	<b>4,866,200,241</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>3,512,033,592</b>	<b>3,365,997,723</b>
Share capital	12	1,161,600,000	1,056,000,000
Share premium	13	361,849,889	361,849,889
Retained earnings	14	1,304,389,444	1,234,646,001
Revaluation surplus	15	684,194,260	713,501,833
<b>Non-Current Liabilities</b>		<b>637,739,733</b>	<b>843,866,560</b>
Long term bank loan net off current maturity	17	636,660,863	842,787,690
Deferred tax liability	18	1,078,870	1,078,870
<b>Current Liabilities</b>		<b>702,579,243</b>	<b>656,335,958</b>
Trade payable	19	167,030,846	168,415,195
Current portion of long term bank loan	20	367,112,857	311,454,612
WPPF and WF payable	21	9,279,348	9,279,348
Short term bank loan	22	129,665,822	144,622,486
Liabilities for expenses and others	23	28,674,043	21,744,765
Provision for income tax	24	816,327	819,553
<b>TOTAL LIABILITIES</b>		<b>1,340,318,976</b>	<b>1,500,202,518</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,852,352,568</b>	<b>4,866,200,241</b>
<b>Net Assets Value (NAV) per share</b>	25	<b>30.23</b>	<b>28.98</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

  
Company Secretary

  
Managing Director

  
Chairman

As per our annexed report of same date

Dhaka  
31 August 2019

  
Chartered Accountants

**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2019

	Notes	2019 Taka	2018 Taka
Revenue	26	1,123,366,840	1,135,785,948
Less: Cost of sales	27	748,755,347	744,170,308
<b>Gross Profit</b>		<b>374,611,493</b>	<b>391,615,640</b>
Less: Operating expenses			
General and administrative expenses	28	45,130,734	44,730,605
<b>Gross Operating Profit for the year</b>		<b>329,480,759</b>	<b>346,885,035</b>
Less: Financial expense	29	140,303,025	123,711,813
<b>Net Operating Profit for the year</b>		<b>189,177,735</b>	<b>223,173,222</b>
Add: Non Operating Income			
Finance income	30	622,334	733,783
<b>Profit before income tax</b>		<b>189,800,068</b>	<b>223,907,005</b>
Less: Income tax expense	31	414,196	321,668
<b>Net Profit after income tax</b>		<b>189,385,872</b>	<b>223,585,338</b>
Other Comprehensive income		-	-
<b>Total Comprehensive income</b>		<b>189,385,872</b>	<b>223,585,338</b>
<b>Earning per share (EPS)/Restated EPS</b>	32	<b>1.63</b>	<b>1.92</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

  
**Company Secretary**

  
**Managing Director**

  
**Chairman**

Dhaka  
31 August 2019

As per our annexed report of same date

  
**Chartered Accountants**

## DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Statement of Changes in Equity

For the year ended 30 June 2019

(Amount in Taka)

Particulars	Share capital	Share Premium	Revaluation surplus	Retained earnings	Total Equity
<b>Balance as at 01 July 2018</b>					
Net Profit for the year	1,056,000,000	361,849,889	713,501,833	1,234,646,001	3,365,997,723
Stock Dividend for the year 2017-2018	-	-	-	189,385,872	189,385,872
Cash Dividend for the year 2017-2018	105,600,000	-	-	(105,600,000)	-
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	-	(43,350,003)	(43,350,003)
			(29,307,573)	29,307,573	-
<b>Balance as at 30 June 2019</b>	<b>1,161,600,000</b>	<b>361,849,889</b>	<b>684,194,260</b>	<b>1,304,389,444</b>	<b>3,512,033,592</b>
<b>Balance as at 01 July 2017</b>					
Net Profit for the year	960,000,000	361,849,889	742,809,406	1,101,753,090	3,166,412,385
Stock Dividend for the year 2016-2017	-	-	-	223,585,338	223,585,338
Cash Dividend for the year 2016-2017	96,000,000	-	-	(96,000,000)	-
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	-	(24,000,000)	(24,000,000)
			(29,307,573)	29,307,573	-
<b>Balance as at 30 June 2018</b>	<b>1,056,000,000</b>	<b>361,849,889</b>	<b>713,501,833</b>	<b>1,234,646,001</b>	<b>3,365,997,723</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

Dhaka

31 August 2019

Company Secretary



Managing Director



Chairman





# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2019

	2019 Taka	2018 Taka
<b>A. Cash flows from operating activities</b>		
Receipt from customers	1,121,127,997	1,099,395,460
Payment to suppliers others	(547,295,672)	(576,529,073)
Payment for direct expenses and administrative expenses	(38,612,013)	(49,375,013)
<b>Cash generated from operating activities</b>	<b>535,220,313</b>	<b>473,491,374</b>
Financial expenses paid	(140,303,025)	(123,711,813)
Income Tax Paid	(417,422)	(1,764,410)
<b>Net cash flow from operating activities</b>	<b>394,499,866</b>	<b>348,015,151</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(153,141,157)	(134,478,932)
Capital work in progress	-	(39,573,899)
Interest received	454,142	822,834
Insurance claim received	7,852,288	6,000,000
Received from subsidiaries and sister concerns	38,790,877	46,412,065
Investment in FDRs	(2,811,219)	(2,760,911)
Investment in Chandpur Power Generations Ltd.	(69,900,000)	(54,000,000)
<b>Net cash used in investing activities</b>	<b>(178,755,069)</b>	<b>(177,578,843)</b>
<b>C. Cash flows from financing activities</b>		
Received from/(Repayment of) short term loan	(14,956,664)	(43,154,074)
Repayment of long term loan	(150,468,582)	(107,741,261)
Dividend paid	(42,868,012)	(23,670,869)
<b>Net cash used in financing activities</b>	<b>(208,293,258)</b>	<b>(174,566,204)</b>
<b>D. Net decrease in cash and bank balance (A+B+C)</b>	<b>7,451,539</b>	<b>(4,129,896)</b>
E. Unrealized foreign exchange gain/ (loss)	-	-
F. Cash and bank balances at beginning of the period	1,314,795	5,444,690
<b>G. Cash and bank balances at the end of the period</b>	<b>8,766,334</b>	<b>1,314,795</b>
<b>Net Operating Cash Flow per share (NOCFPS)</b>	<b>3.40</b>	<b>3.00</b>

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.

Dhaka  
31 August 2019

  
Company Secretary

  
Managing Director

  
Chairman

## DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

### Notes to the Consolidated & Separate Financial Statements

As at and for the year ended 30 June 2019

#### 1. Reporting entity

Doreen Power Generations and Systems Limited ("the Company") was incorporated on 20 August 2007 as a private Company limited by shares and converted into a public limited Company on 29 October 2011. Asian Entech Power Corporation Limited and OPG Energy (Pvt.) Limited participated in a bidding process of three power plants through joint venture agreement and won the bids. Then they formed Doreen Power Generations and Systems Limited to implement the 3 (three) power plants and the Company has done all that was necessary as per contract with the Government of Bangladesh "Supply, Installation and Putting in Commercial Operation of 22 MW Gas Fired Power Plant at Feni, Tangail and Narsingdi each on Build Own and Operate (BOO) basis for a term of 15 years". The Project was approved by the Bangladesh Power Development Board and the Rural Electrification Board vide Memo No. 199-BPDB (Sectt.)/(Dev.)/Feni/175 dated 23 March 2009 and Memo No. 1030-BPDB (Sectt.)/(Dev.)Tangail/ 175 dated 17 December 2008 and Memo No. REB/SE (G)/100.01 (2.03) Narshingdi/193 dated 20 January 2009 respectively.

The registered office of the Company is situated at Walsow Tower, 21, Kazi Nazrul Islam Avenue, Dhaka-1000 and the operational Headquarter is located at House # 192/A, Road # 01, Mohakhali DOHS, Dhaka -1206.

The Company has been listed with Dhaka Stock Exchange (DSE) and Chottagram Stock Exchanges (CSE) since 30 March 2016.

#### 1.2 Subsidiaries of the Company

The Company has three subsidiaries, namely Dhaka Northern Power Generations Limited (DNPGL), Dhaka Southern Power Generations Limited (DSPGL) and Chandpur Power Generations Limited (CPGL). DNPGL and DSPGL are in operation whereas CPGL is yet to start commercial operation.

##### a) Dhaka Northern Power Generations Limited (DNPGL)

DNPGL was incorporated on 25 June 2012 as a private Company limited by shares with the Registrar of Joint Stock and Firms (RJSC&F). The Company has signed a power supply agreement with Bangladesh Power Development Board (BPDB) on 07 January 2013 to provide 55 MW net electrical power for a term of 15 years. It has started commercial operation on 17 August 2016. Doreen Power Generations and Systems Limited owns 99.40% shares of the Company.

##### b) Dhaka Southern Power Generations Limited (DSPGL)

DSPGL was incorporated on 25 June 2012 as a private Company limited by shares with RJSC&F. The Company has signed a power supply agreement with Bangladesh Power Development Board (BPDB) on 07 January 2013 to provide 55 MW net electrical power for a term of 15 years. It has started commercial operation on 17 June 2016. Doreen Power Generations and Systems Limited owns 99.145% shares of the Company.

##### c) Chandpur Power Generations Limited (CPGL)

CPGL was incorporated on 18 June 2017 as a private Company limited by shares with RJSC&F. The Company has signed a power supply agreement with Bangladesh Power Development Board (BPDB) dated 17 January 2018 for 115 MW net electrical power for a term of 15 years. Its construction work is on going and management hopes to start commercial operation by May 2020. Doreen Power Generations and Systems Limited owns 99.90% shares of the Company.

Information regarding statutory auditors and accounting period of these subsidiary companies is given below:

SL #	Name of the Company	Accounting Period	Statutory Auditor
1	Dhaka Northern Power Generations Limited	July -June	ACNABIN Chartered Accountants
2	Dhaka Southern Power Generations Limited	July -June	
3	Chandpur Power Generations Limited	July -June	MABS & J Partners Chartered Accountants

### 1.3 Nature of Business

The principal activity of the Company is to set up power plants for generation and supply of electricity. Operational details of the company is given below:

Location of Plant	Licensed Capacity by BERC (Net) (MW)	Saleable Capacity by PPA (Net) (MW)	Installed Capacity (MW)	Commissioned Capacity (MW)	Date of Commercial operation
Feni	23.216	22	23.216 (100%)	22	16 February 2009
Tangail	23.216	22	23.216 (100%)	22	12 November 2008
Narshingdi	23.216	22	23.216 (100%)	22	21 December 2008
<b>Total</b>	<b>69.648</b>	<b>66</b>	<b>69.648</b>	<b>66</b>	

### 1.4 Power Purchase Agreement (PPA)

The Company has signed two power supply agreements with Bangladesh Power Development Board (BPDB) vide agreement # 09681 dated 11 October 2007 for 22 MW power from Feni plant and agreement # 09683 dated 11 October 2007 for 22 MW power from Tangail Plant. Another agreement was signed with Rural Electrification Board (REB) on 11 October 2007 for 22 MW for supply of Electricity from Narsingdi plant. All the agreements are for a term of 15 years to provide 44 MW net electrical power to BPDB and 22 MW net electrical power to REB.

These agreements are effective upon signing and shall be terminated after 15 years from the date of commercial operation, unless extended or earlier terminated in pursuant of the provision of the agreements. The purpose of these agreements is to supply of electrical power and energy by the Company to BPDB and REB under the terms and conditions provided in the agreements. According to the agreements, the Company has built the facilities on its own cost and other responsibilities in accordance with the provisions of the agreements and within the technical limits are being followed.

The Power Purchase Agreements (PPA) stipulates two elements tariff as provided in schedule-5 of the agreements for the purchase of dependable capacity and net energy output which is specific for each year throughout the term. Each annual reference tariff is composed of two components:

A. Reference capacity price; and

B. Reference energy price Reference energy price

From and after the date of commercial operation, the capacity payment and energy payment payable to the Company for dependable capacity and net energy output in any period during the term shall be calculated based on the reference capacity price and the reference energy price respectively.

### 1.5 Gas supply agreements

The Company has signed three gas supply agreements for its three plants out of which two agreements are with Titas Gas Transmission and Distribution Company Limited (TGTDC) for Tangail and Narsingdi plant and one agreement with Bakhrabad Gas Systems Limited (BGSL) for Feni plant for a term of 15 years.

These agreements are effective upon signing and shall continue subject to the other provisions of those agreements for the period that ends on the expiry date which is the expiration date of the terms of the power purchase agreements. Subject to the terms and condition of those agreements and availability of gas, TGTDC and BGSL shall sell and supply gas to all the plants of the Company's requirements for gas for the facility during the terms thereof to meet start up, commissioning and operation of the plants of the Company shall accept, receive and pay for gas seller at a gas price set by the Government or any authority assigned by it from time to time.

## **2. Basis of preparation of the financial statements**

### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 1987, The Securities and Exchange Ordinance 1969 and other applicable laws and regulations.

### **2.2 Other regulatory compliance**

In addition to the above, the group entities are also required to comply with the following laws and regulations:

The Income Tax Ordinance, 1984;  
The Income Tax Rules, 1984;  
The Value Added Tax Act, 1991;  
The Value Added Tax Rules, 1991;  
The Bangladesh Labour Act (Amendment 2013), 2006;  
The Bangladesh Labour Rules, 2015; and  
The Banking Companies Act, 1991.

### **2.3 Authorization for issue**

These financial statements were authorized for issue by the Board of Directors on 31 August 2019.

### **2.4 Basis of measurement**

These financial statements have been prepared under the historical cost convention except for some classes of property, plant and equipment which are measured at revalued amount assuming that the contract with the Government will be renewed after expiry of the tenure of existing contract.

### **2.5 Going concern assumption**

The financial statements have been prepared on going concern basis. The management does not foresee any significant uncertainties regarding going concern issue within the next twelve months from the date when the financial statements are authorized for issue.

### **2.6 Components of Financial Statements:**

The Financial Statements of the Company consist of the following components:  
Consolidated & Separate Statement of Financial Position;  
Consolidated & Separate Statement of Profit or Loss and Other Comprehensive Income;  
Consolidated & Separate Statement of Changes in Equity;  
Consolidated & Separate Statement of Cash Flows; and  
Notes to the Financial Statements

### **2.7 Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (BDT), which is also the functional currency of the Company. The amounts in these financial statements have been rounded off to the nearest integer. Because of these rounding off, in some instances the totals may not match the sum of individual balances.

### **2.8 Use of estimates and judgments**

The preparation of the consolidated financial statements of the group and the separate financial statements of the Company requires management to make and apply consistently the judgments, estimates and assumptions for records and balances 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. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note: 4 Property, plant and equipment  
Note: 7 Inventories

Note: 8 Trade and other receivables  
Note: 18 Deferred tax liability  
Note: 24 Provision for income tax

## 2.9 Reporting Period

These financial period of the company covers twelve months from 1 July to 30 June and is being followed consistently.

## 2.10 Applicable accounting standards

The Company's status of compliance with applicable Financial Reporting Standards is as under:

IASs	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
18	Revenue	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
27	Separate Financial Statements	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
39	Financial Instruments: Recognition and Measurement	Complied
IFRSs	Title	Remarks
3	Business Combinations	N/A
7	Financial Instruments: Disclosures	Complied
9	Financial Instruments	Complied
10	Consolidated Financial Statements	Complied
12	Disclosure of Interest in Other Entities	Complied
13	Fair Value Measurement	Complied
15	Revenue from contracts with customers	Complied

## 3. Significant accounting policies

The accounting policies and methods set out below have been applied consistently to all periods presented in these financial statements by the Company.

### 3.1 Basis of consolidation

#### (a) Subsidiary

Subsidiary is an enterprise controlled by the parent entity. Control exists when the parent entity has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Dhaka Northern Power Generations Limited ((99.40%), Dhaka Southern Power Generations Limited (99.145%) and Chandpur Power Generations Limited (99.90%) are subsidiaries of Doreen Power Generations and Systems Ltd.

(b) Transactions eliminated on consolidation

Intra-Group balances, transactions and any unrealized gains arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

## **3.2 Property, plant and equipment**

### **3.2.1 Recognition and measurement**

Items of property, plant and equipment are measured at historical cost except land & land development, building & premises and power plant which are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any, in accordance with the requirements of International Accounting Standard 16: Property, Plant and Equipment. Historical cost includes expenditures that are directly attributable to the acquisition of the items of property, plant and equipment.

### **3.2.2 Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they incurred.

The cost of overhauling for replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. As the benefits of such major overhauling are consumed over 5 years, the cost of such items are recognized separately in the carrying amount of respective power plant in accordance with IAS 16: Property, Plant and Equipment.

### **3.2.3 Revaluation of assets**

Financial statement of the Company have been prepared on historical cost basis. However, the prices of assets have been increased substantially due to high inflationary trend. In this circumstance, the management of Doreen Power Generations and Systems Limited decided to determine fair market value of the assets and liabilities through revaluation. The Company revaluated its land and land development, building & premises and power plants as on 30 June 2012 by Rahman Mostafa Alam & Co., Chartered Accountants and the revaluation surplus has been incorporated in the financial statement as on 1 July 2012.

### **3.2.4 Depreciation**

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other fixed assets, depreciation is provided using straight line method to allocate the costs over their estimated useful lives. Items of Property, Plant and Equipment (PPE) are depreciated from immediately following month when the assets are ready for use. In case of disposals, no depreciation is charged for the month of disposal. The annual depreciation rates applicable to different category of PPE are as follows:

Category of PPE	Rate of depreciation (%)
Buildings & Premises	5%
Office Decoration & Renovation	20%
Power Plant	3.33%
Machine Overhauling	20%
Furniture and Fixture	20%
Office Equipment	20%
Office Car /Vehicle	20%

### 3.3 Pre-operating revenue expenses

Pre-operating revenue expense of the subsidiaries have been charged in the statement of profit or loss and other comprehensive income of the subsidiaries and in the consolidated statement of Profit or Loss and Other Comprehensive Income of the Group.

### 3.4 Inventories

#### 3.4.1 Nature of inventories

Inventories comprise of spare parts, lube oil, grease, collent, multipurpose cleaners, bullab etc. These are used for the operation and maintenance of power plants.

#### 3.4.2 Valuation of the inventories

Inventories are stated at the lower of cost and net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items, if any. Cost is calculated on Weighted Average method.

### 3.5 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. Until 30 June 2018, the Company was following IAS-39: 'Financial Instruments: Recognition and Measurement' and IAS-32: 'Financial Instruments: Presentation' for recognition and presentation of financial instruments. However, the management has completed its assessment of IFRS-9: 'Financial Instruments', effective from 01 July 2018 for the Company and concluded that adoption and application of this new standard does not have any material impact on recognition and presentation of the Company's financial instruments. The management has assessed that no restatement is required in year of initial adoption. As a result, the comparative information provided will, continue to be accounted for in accordance with the Company's previous accounting policy.

#### 3.5.1 Financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include, trade and other receivable, advances, deposits and prepayments, loan to related companies and cash and bank balances etc.

##### a) Trade and other receivables

Trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, trade and other receivables are measured at amortised cost using the effective interest method, less any expected credit loss.

##### b) Cash and bank balance

Cash and bank balance include cash in hand and cash at bank which are held and available for use by the Company without any restriction.

#### 3.5.2 Financial liabilities

The Company recognizes all financial liabilities on the trade date which is the date the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise loans, trade creditors and other financial obligations.



#### **a) Trade and other payables**

These liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

#### **b) Loans and borrowings**

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

#### **c) Provisions**

A provision is recognized on the date of financial position if, as a result of past events, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **3.6 Impairment**

#### **3.6.1 Financial assets**

Expected credit loss (ECL) has been calculated applying the simplified approach permitted by IFRS-9, which requires the use of lifetime expected loss provision for all receivables. There is no material change to the bad debt provisioning of the receivables.

On other financial assets, the Company recognizes a loss allowance for expected credit losses where there have been a Significant Increase in Credit Risk (SICR) considering all reasonable and supportable information including that which is forward-looking.

#### **3.6.2 Non financial assets**

The recoverable amount of an asset is the greater of its value in use and its fair value cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amount of the assets in the CGU on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 recognized.

### **3.7 Contingent liabilities and assets**

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company.

### **3.8 Workers' profit participation fund and welfare fund**

The Company made a provision for Workers' Profit Participation and Welfare Funds (WPPF) @ 5% of net profit before tax till 31 March 2017 as per the Bangladesh Labour Act (Amendment 2013), 2006. Bangladesh Independent Power Producers Association (BIPPA) requested vide their letter # BIPPA/SGO/MoPE&MR/2017/049 dated 13/03/2017 to the Ministry of Power, Energy and Mineral Resources to take up the matter with the Ministry of Labour and Employment to exempt the Power Producers in private sector from implementation of WPPF as per Labour Act 2006 (Amendment 2013) as it is highly capital intensive industry. Accordingly, the Ministry of Power, Energy and Mineral Resources requested vide its letter # 27.00.0000.071.31.002.2013.278 dated 31/05/2017 to the Ministry of Labour and Employment to take necessary steps in this regard.



The matter is under consideration of the Ministry. In view of the above, the management has decided not to provide further provision for WPPF from 01 April 2017 until the decision of the Ministry of Labour & Employment is made out. This is supported by opinion obtained by the Company from external legal counsel.

### **3.9 Revenue**

Until 30 June 2018, the Company was following IAS-18: 'Revenue' for recognizing its sales revenue, interest income and others. However, the management has completed its assessment of IFRS-15: 'Revenue from contracts with customers', effective from 01 July 2018 for the Company and concluded that adoption and application of this new standard does not have any impact on the timing of revenue recognition based on the Company's current revenue streams. Hence, no restatement in this respect is required in the year of initial adoption. As a result, the comparative information provided will continue to be accounted for in accordance with the Company's previous accounting policy.

Revenue is recognized in the statement of profit or loss and other comprehensive income upon supply of electricity, quantum of which is determined by survey of meter reading at the end of each month. Revenue is measured at fair value of consideration received or receivable.

### **3.10 Taxation**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. No provision is required for income tax on the Company's profits as the Company is exempted from tax for a period of fifteen years from start of its commercial production on 12 November 2008 vide SRO no.188-AIN/AIKOR/2009 dated 01 July 2009 of NBR.

### **3.11 Deferred tax**

The Company is enjoying 15 years tax exemption and there is considerable uncertainty with regard to the taxation of such companies after expiry of the tax exemption period. So, the management feels it is not possible to make a reasonable estimate of deferred tax assets/liabilities at this stage regarding the components which are related to tax exempted business.

### **3.12 Non-controlling interest**

Non-controlling interest is that portion of the profit or loss and net assets of the subsidiaries namely Dhaka Northern Power Generations Ltd. and the Dhaka Southern Power Generations Ltd. and Chandpur Power Generations Limited, attributable to equity interests that are not owned, directly or indirectly through subsidiaries by the parent, Doreen Power Generations and Systems Limited.

### **3.13 Transactions in foreign currencies**

Foreign currency transactions are translated into Bangladesh taka at the rates ruling on the date of transaction. All foreign currency monetary assets and liabilities at the date of financial position are retranslated using rates prevailing on that day. Exchange differences at the date of financial position are charged/credited to the statement of profit or loss and other comprehensive income.

### **3.14 Finance income and expenses**

Finance income comprises interest income on funds invested, bank deposits and intercompany loan. Interest income is recognized using accrual principle.

Finance expenses comprise interest expenses on loan, overdraft, mortgage charges, bank charge, trustee fees, interest on commercial paper and commission on bank guarantee. All borrowing costs are recognized in the statement of Profit or Loss and other comprehensive income using effective interest rate method.

### **3.15 Earnings per share**

The Company presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS has been calculated in compliance with the requirements of IAS-33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

### **Current Year (2018-2019)**

The Bonus Shares issued during current year were treated as if they always had been in issue. Hence, in computing the Basic EPS of current year, the total number of shares including the said bonus shares has been considered as the Weighted Average Number of Shares outstanding during the current year.

### **Earlier Periods**

The number of shares outstanding before the bonus issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issue had occurred at the beginning of the earliest periods reported, and accordingly, in calculating the adjusted EPS of earlier periods, the total number of shares including the subsequent bonus issued in current year has been considered as the Weighted Average number of Shares outstanding during the earlier periods. The basis of computation of number of shares as stated above is in line with the provisions of IAS 33: Earnings per Share. The logic behind this basis, as stated in the said IAS is that the Bonus Shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources.

### **3.16 Events after the reporting period**

Events after the reporting period that provide additional information about the Company's positions at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. There are no material events that had occurred after the reporting period to the date of issue of these financial statements, which either require adjustments or disclosure in these financial statements.

### **3.17 Standards issued but not yet effective for the Company**

IFRS-16: Leases has been effective from the period beginning on or after 01 January 2019 requires leasees to recognize a lease liability reflecting future lease payments and a right-of-use asset for lease contracts, subject to limited exceptions for short-term leases and leases of low value assets. The quantitative impact of IFRS-16 on the Company's net assets and results is in the process of being assessed, and the management has collated its initial data set to determine the impact on the Company. IFRS-16 will have insignificant impact on the balance sheet and immaterial impact on key components within the income statement. IFRS-16 will not have any impact on the underlying commercial performance of the Company, nor the cash flows generated in the year.

### **3.18 Comparative information**

Comparative information has been disclosed in respect of the period in accordance with IAS-1: Presentation of Financial Statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

### **3.19 General**

Previous year's figures have been rearranged where required. Details of the rearrangements are given under note 41.

	2019 Taka	2018 Taka
<b>4. Property, plant and equipment</b>		
<b>A. Cost/valuation</b>		
Opening Balance	3,411,564,759	3,255,705,699
Add: Addition during the year	192,715,056	155,859,060
	3,604,279,815	3,411,564,759
Less: Disposal during the year	17,159,911	-
	<b>3,587,119,904</b>	<b>3,411,564,759</b>
<b>(B) Accumulated depreciation</b>		
Opening Balance	806,903,673	648,661,933
Add: Charged during the year	198,914,865	158,241,741
	1,005,818,538	806,903,673
Less: Adjustment for disposal	17,159,911	-
	<b>988,658,627</b>	<b>806,903,673</b>
<b>(C) Written down value (A-B)</b>	<b>2,598,461,277</b>	<b>2,604,661,086</b>
(Schedule of property, plant and equipment is given in Annexure - A)		
<b>4(a) Consolidated Property, plant and equipment</b>		
Doreen Power Generations and Systems Limited (Note: 4)	2,598,461,277	2,604,661,086
Dhaka Northern Power Generations Limited	3,542,611,705	3,715,743,179
Dhaka Southern Power Generations Limited	3,410,285,189	3,567,489,325
	<b>9,551,358,171</b>	<b>9,887,893,590</b>
<b>5. Capital Work In Progress</b>		
Opening balance	39,573,899	21,380,128
Add: Addition during the year	-	39,573,899
	39,573,899	60,954,027
Less: Transferred to property, plant & equipment	39,573,899	21,380,128
	-	<b>39,573,899</b>
Capital work in progress includes the Spare parts for Overhauling.		
<b>5(a) Consolidated Capital Work In Progress</b>		
Doreen Power Generations and Systems Limited	-	39,573,899
Chandpur Power Generations Limited	3,109,270	2,875,000
	<b>3,109,270</b>	<b>42,448,899</b>
<b>6. Investments</b>		
Investment in Rupali Engineers and Traders Ltd.	26,000	26,000
Investment in Subsidiaries (Note: 6.1)	1,791,100,000	1,721,200,000
Investment in FDR	8,296,130	5,484,911
	<b>1,799,422,130</b>	<b>1,726,710,911</b>
<b>6.1 Investments in subsidiaries</b>		
Dhaka Northern Power Generations Limited (Note: 6.1.1)	977,100,000	977,100,000
Dhaka Southern Power Generations Limited (Note: 6.1.2)	684,100,000	684,100,000
Chandpur Power Generations Limited (Note: 6.1.3)	129,900,000	60,000,000
	<b>1,791,100,000</b>	<b>1,721,200,000</b>

Doreen Power Generations and Systems Limited has acquired 399,000 shares of Chandpur Power Generations Limited (CPGL) from Doreen Power House and Technologies Limited on 11 April 2019 at price of Tk.100 per share. During the year Company has also invested Tk.30,000,000 as share money deposit to CPGL.

**6(a) Consolidated investment**

	2019 Taka	2018 Taka
Doreen Power Generations and Systems Limited (Note: 6)	1,799,422,130	1,726,710,911
Dhaka Northern Power Generations Limited	314,300,000	314,300,000
Dhaka Southern Power Generations Limited	442,030,825	432,000,000
	<b>2,555,752,955</b>	<b>2,473,010,911</b>
Less: Investment in subsidiaries (Note: 6.1)	1,791,100,000	1,721,200,000
	<b>764,652,955</b>	<b>751,810,911</b>

**7. Inventories of the Company**

Spare parts (Maintenance)	49,032,444	45,159,911
Lube oil	6,811,403	3,153,186
Grease	-	89,500
Bulab, Multi-purpose Cleaner	-	157,620
	<b>55,843,847</b>	<b>48,560,217</b>

All the items are fast moving and used in the plant regularly in normal course of business.

**Movement of Inventory items is given below:****(Amount in Taka)**

Inventory	Balance as at 01 July 2018	Purchase during the year	Consumption during the year	Balance as at 30 June 2019
Spare parts	45,159,911	71,179,395	67,306,862	49,032,444
Lube Oil	3,153,186	36,228,060	32,569,843	6,811,403
Grease	89,500	478,408	567,908	-
Bulab, Multipurpose Cleaner	157,620	1,117,100	1,274,720	-
	<b>48,560,217</b>	<b>109,002,963</b>	<b>101,719,333</b>	<b>55,843,847</b>

**7(a) Consolidated inventories**

Doreen Power Generations and Systems Limited (Note: 7)	55,843,847	48,560,217
Dhaka Northern Power Generations Limited (Note: 7.1)	544,929,748	39,990,982
Dhaka Southern Power Generations Limited (Note: 7.1)	469,573,583	389,961,464
	<b>1,070,347,178</b>	<b>478,512,664</b>

**8. Trade and other receivables**

Bangladesh Power Development Board (BPDB)	219,349,354	214,868,187
Rural Electrification Board (REB)	64,435,763	66,678,087
Insurance claim receivables	1,454,992	9,307,280
Interest income receivables	216,609	48,417
	<b>285,456,718</b>	<b>290,901,971</b>

In accordance with para (iii) (a) of clause 13.3 of Power Purchase Agreement, "Late payment shall bear interest at a rate per annum equal to the bank rate and shall be computed for the actual number of days on the basis of a three hundred sixty five (365) Day year".

The Company did not charge any interest for the time being on the receivables to BPDB and REB considering the strategic reasons but the Company is actively considering applying the clause to charge interest on the receivables. Upon realization of the principal amount, the Company shall pursue collection of interest separately.

**I. Debt considered good in respect of which the Company is fully secured**

Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. All the receivables from BPDB and REB were subsequently received by the Company.

## II. Debt considered good for which the Company hold no security

Receivables are unsecured but considered good.

## III. Debt due by directors or other officers of the Company

There is no such trade debtors due by or to directors or other officers of the Company.

## IV. Debt considered doubtful or bad

Management considered the trade debtors are collectable and thus no provision had been made for any doubtful receivable.

## V. The maximum amount due by directors or other officers of the Company

There are no such debt in this respect as at 30 June 2019.

2019 Taka	2018 Taka
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The aging of above trade and other receivables as at the statement of financial position date was:

Past due 0-30 days	125,354,205	119,854,154
Past due 31-90 days	158,647,521	161,740,537
Past due more than 90 days	1,454,992	9,307,280
	<b>285,456,718</b>	<b>290,901,971</b>

### 8(a) Consolidated Trade and other receivables

Doreen Power Generations and Systems Limited (Note: 8)	285,456,718	290,901,971
Dhaka Northern Power Generations Limited	616,905,468	606,890,759
Dhaka Southern Power Generations Limited	603,054,718	536,132,105
	<b>1,505,416,904</b>	<b>1,433,924,835</b>

### 9. Advance, deposit and prepayments of the Company

Advance (Note: 9.1)	9,970,123	19,291,337
Deposits (Note: 9.2)	13,182,762	13,198,221
Prepayments (Note: 9.3)	3,952,312	5,899,862
	<b>27,105,197</b>	<b>38,389,420</b>

a) All the advances & deposits are considered goods and recoverable.

b) There is no amount due from directors of the company.

#### 9.1 Advance

Advances to staff & others	810,674	1,512,174
Advance tax	979,999	606,271
Advance against Land Purchase	-	3,898,200
Advance against LC for spare parts	526,350	12,101,573
LC Margin for spare parts	7,653,100	1,173,119
	<b>9,970,123</b>	<b>19,291,337</b>

\*Advance against LC for spare parts includes LC commissions, marine insurance charges, others LC opening expenses.

#### 9.2 Deposits

Falcon Securities Limited	200,718	200,718
Margin on bank guarantee	12,482,044	12,497,503
Security deposit to Central Depository Bangladesh Limited (CDBL)	500,000	500,000
	<b>13,182,762</b>	<b>13,198,221</b>

### 9.3 Prepayment

	2019 Taka	2018 Taka
BERC license fee	27,600	27,600
Commission on bank guarantee	2,134,272	882,108
Prepayments for C&F and EIA expenses	26,670	3,551,396
Advance to Adex Power	325,000	-
Insurance premium	1,438,770	1,438,758
	<b>3,952,312</b>	<b>5,899,862</b>

### 9(a) Consolidated advance, deposits and prepayments

Doreen Power Generations and Systems Limited (Note: 9)	27,105,197	38,389,420
Dhaka Northern Power Generations Limited	250,034,306	246,907,491
Dhaka Southern Power Generations Limited	25,787,796	28,874,754
Chandpur Power Generations Limited	92,247,873	53,341,307
	<b>395,175,172</b>	<b>367,512,972</b>

The aging of Advances, Deposits & Prepayments as at the statement of financial position date was as follows:

Past due 0-30 days	837,344	5,063,570
Past due 31-90 days	9,618,220	14,713,450
Past due 91-180 days	3,114,271	1,488,379
Past due more than 180 days	13,535,362	17,124,021
	<b>27,105,197</b>	<b>38,389,420</b>

The details breakup of Advance, Deposit and Prepayments as per requirement of Schedule XI of the Companies Act, 1994 stated below:

Advance, Deposit and Prepayments exceeding 6 months	13,535,362	17,124,021
Advance, Deposit and Prepayments not exceeding 6 months	13,569,835	21,265,399
Other Advance, Deposits & Prepayments less provision	17,135,074	19,098,083
Advance, Deposits and Prepayments considered Good and Secured	26,294,523	36,877,246
Advance, Deposits and Prepayments considered Good without Security	810,674	1,512,174
Advance, Deposits and Prepayments considered Doubtful or Bad	-	-
Advance, Deposits and Prepayments due by Directors	-	-
Advance, Deposits and Prepayments due by Other Officers (against Salary)	66,000	66,000
Advance, Deposits and Prepayments due from Companies under same mgt	-	-
Maximum Advance, Deposits & Prepayments due by Directors	-	-

### 10. Current A/C with Subsidiaries & Sister Concerns

Asian Entech Power Corporations Ltd.	1,383,101	1,300,000
Banco Energy Generation Limited	(36,218,000)	(9,248,000)
Bhairob Power Limited	-	4,113,000
Chandpur Power Generations Limited	(1,260,451)	(1,994,300)
Dhaka Northern Power Generations Limited (Note: 10.1)	(160,470,830)	(82,249,291)
Dhaka Southern Power Generations Limited	181,235,432	296,005,847
Doreen Garments Ltd.	4,200,000	1,800,000
Doreen Power House and Technologies Ltd.	48,017,813	(97,749,314)
Manikgonj Power Generations Limited	40,360,000	4,060,000
Rupali Engineers and Traders Ltd.	50,000	50,000
	<b>77,297,065</b>	<b>116,087,942</b>

- 10.1** The Board of Directors presenting in the meeting of Doreen Power Generations and Systems Limited held on 12 July 2018 decided to give or take temporary loan up to Tk. 20 crore through current account maintained with its subsidiaries and sister concerns namely Dhaka Northern Power Generations Limited, Dhaka Southern Power Generations Limited and Chandpur Power Generations Limited, Banco Energy Generation Limited, Doreen Power House and Technologies Limited, Doreen Garments Limited, Manikgonj Power Generations Limited, Doreen Garments Limited, Rupali Engineers Limited and Asian Entech Power Corporations Limited for emergency business need and charged/paid interest on outstanding balance.
- 10.2** Positive figure indicates debit balance (receivable) and negative (...) figure indicates credit balance of current A/C.

2019 Taka	2018 Taka
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**10(a) Consolidated Current A/C with Subsidiaries & Sister Concerns**

Doreen Power Generations and Systems Limited (Note:10)  
Dhaka Northern Power Generations Limited  
Chandpur Power Generations Ltd.  
Dhaka Southern Power Generations Limited

77,297,065	116,087,942
479,539,725	392,855,230
25,979,554	38,026,060
330,177,650	21,321,936
<b>912,993,994</b>	<b>568,291,168</b>
-	-
<b>912,993,994</b>	<b>568,291,168</b>

Less: Intercompany Transaction

**11. Cash and bank balance**

Cash in Hand  
Cash at Bank

(Note: 11.1)

314,730	28,536
8,451,604	1,286,259
<b>8,766,334</b>	<b>1,314,795</b>

**11.1 Cash at bank**

Name of the Bank	Branch Name	Account Name
Bank Asia Limited	Corporate	CD A/C 000233011084
Bank Asia Limited	Shantinagar	SOD A/C 03533000260
BRAC Bank Limited	Gulshan	CD # 1501202461190001
Dhaka Bank Limited	Baridhara	CD A/C 218-100-2671
Islami Bank BD Ltd.	HOCB	AWCA # 205021301001818
NCC Bank Limited	Moiijheel	CD A/C 0210014963
NCC Bank Limited	Moiijheel	STD A/C 0002-0325000920
Prime Bank Limited	Mohakhali	CD # 11011080011964
The City Bank Ltd.	Gulshan-2	CA # 1101823203002 (Dividend)
The City Bank Ltd.	Gulshan-2	CA # 1101823203003 (Dividend)
The City Bank Ltd.	Gulshan-2	CA # 1101823203004 (Dividend)
The City Bank Ltd.	Gulshan	CA # 1101823203001
The City Bank Ltd.	Gulshan	SND# 3101823203001

6,143	7,293
2,000	4,300
21,515	21,128
49,826	146,976
8,175	9,325
322,436	-
5,881	6,903
180,417	272,593
229,016	229,856
271,849	331,246
531,683	-
6,760,104	169,676
62,559	86,963
<b>8,451,604</b>	<b>1,286,259</b>

	2019 Taka	2018 Taka
<b>11(a) Consolidated cash and bank balance</b>		
Doreen Power Generations and Systems Limited (Note: 11)	8,766,334	1,314,795
Dhaka Northern Power Generations Limited	1,167,263	77,550,328
Dhaka Southern Power Generations Limited	10,939,832	1,324,881
Chandpur Power Generations Limited	181,317	664,680
	<b>21,054,745</b>	<b>80,854,684</b>

**12. Share capital**  
**Authorized capital**

200,000,000 ordinary shares of Taka 10 each	<b>2,000,000,000</b>	<b>2,000,000,000</b>
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**Issued, Subscribed and Paid up Capital**

60,000,000 ordinary shares issued for cash	600,000,000	600,000,000
20,000,000 ordinary shares issued through IPO	200,000,000	200,000,000
16,000,000 ordinary shares issued as Stock dividend for year 2015-16	160,000,000	160,000,000
9,600,000 ordinary shares issued as Stock dividend for year 2016-17	96,000,000	96,000,000
10,560,000 ordinary shares issued as Stock dividend for year 2017-18	105,600,000	-
	<b>1,161,600,000</b>	<b>1,056,000,000</b>

**12.1 A distribution schedule of the above shares is given below:**

Name of shareholders	% of Holding	No. of shares		Amount in Taka	
		30.06.2019	30.06.2018	30.06.2019	30.06.2018
Asian Entech Power Corporation Ltd.	63.538%	73,805,993	73,459,994	738,059,930	734,599,940
OPG Energy Pvt. Ltd.	0.068%	79,206	72,006	792,060	720,060
Ms. Parveen Alam Siddique	0.258%	300,000	2,508,000	3,000,000	25,080,000
Ms. Tahzeeb Alam Siddique	2.117%	2,458,800	-	24,588,000	-
Ms. Anjabeen Alam Siddique	0.615%	714,107	649,189	7,141,070	6,491,890
Mr. Md. Ali Akbar	0.003%	3,963	3,603	39,630	36,030
Ms. Hamida Matin	0.003%	3,963	3,603	39,630	36,030
Ms. Afza Hasnat	0.003%	3,963	3,603	39,630	36,030
General Investors	33.394%	38,790,005	28,900,002	387,900,050	289,000,020
	<b>100%</b>	<b>116,160,000</b>	<b>105,600,000</b>	<b>1,161,600,000</b>	<b>1,056,000,000</b>

The shares are listed with the Dhaka & Chittagong Stock Exchanges and quoted at Taka 78.20 and Taka 79.40 respectively on closing date.

**12.2 A distribution schedule of the shares at the reporting date is given below following the requirement of listing regulation:**

Share holding range	% of holding 2019	% of holding 2018	30.06.2019 No of shares	30.06.2018 No of shares
Up to 499	0.52%	0.60%	608,609	631,871
500-5,000	4.11%	4.83%	4,771,614	5,104,299
5,001-10,000	2.01%	2.30%	2,337,356	2,430,807
10,001-20,000	2.41%	2.66%	2,804,070	2,806,327
20,001-30,000	1.59%	1.55%	1,846,597	1,637,064
30,001-40,000	0.86%	0.78%	1,004,771	824,890
40,001-50,000	0.72%	0.98%	838,044	1,031,783
50,001-100,000	2.34%	1.95%	2,719,698	2,063,161
100,001-1,000,000	7.79%	8.41%	9,044,917	8,876,336
Above 1,000,000	77.64%	75.94%	90,184,324	80,193,462
	<b>100%</b>	<b>100%</b>	<b>116,160,000</b>	<b>105,600,000</b>



	2019 Taka	2018 Taka
<b>13. Share Premium</b>		
20,000,000 shares issued @ Tk 19 premium in 2015-16	380,000,000	380,000,000
Less: IPO Expenses	18,150,111	18,150,111
	<b>361,849,889</b>	<b>361,849,889</b>
<b>14. Retained earnings</b>		
Opening Balance	1,234,646,001	1,101,753,091
Net Profit for the Year	189,385,872	223,585,338
Add: Revaluation surplus realized (Note:15)	29,307,573	29,307,573
Less: Stock dividend declared for the year (10%)	(105,600,000)	(96,000,000)
Cash dividend declared for the year (15%)	(43,350,003)	(24,000,000)
	<b>1,304,389,444</b>	<b>1,234,646,001</b>
<b>14(a) Consolidated retained earnings</b>		
Opening Balance	2,129,042,678	1,387,213,958
Adjustment for change in holding percentage of Non-Controlling Interest	(2,059,619)	3,245,689
	2,126,983,058	1,390,459,648
Add: Net Profit for the period	918,272,268	829,275,457
Revaluation surplus realized (Note:15)	29,307,573	29,307,573
Less: Stock dividend declared for the year (10%)	(105,600,000)	(96,000,000)
Cash dividend declared for the year (15%)	(43,350,003)	(24,000,000)
	<b>2,925,612,897</b>	<b>2,129,042,678</b>
<b>14.1</b>	Revaluation surplus amounting to Tk.29,307,573 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost as per the requirement of IAS-16." Property, Plant and Equipment"	
<b>15. Revaluation surplus</b>		
Land and land development, building & premises and power plant was revalued at 01 July 2012 by an independent valuer named Rahman Mostafa Alam and Co., Chartered Accountants. Market value approach of valuation was used for land and land development and replacement cost approach of valuation was used for building & premises and power plant. Since then there was no significant change in the fair value of assets and hence, no revaluation or impairment was required.		
Opening Balance	713,501,833	742,809,406
Transfer to retained earnings for depreciation on revalued value of assets	(29,307,573)	(29,307,573)
	<b>684,194,260</b>	<b>713,501,833</b>
<b>16. Non- Controlling Interest</b>		
Dhaka Southern Power Generations Limited (Note: 16.1)	12,474,530	9,491,833
Dhaka Northern Power Generations Limited (Note: 16.2)	11,134,165	8,801,633
Chandpur Power Generations Limited (Note: 16.3)	91,469	37,935,219
	<b>23,700,163</b>	<b>56,228,686</b>
<b>16.1 Dhaka Southern Power Generation Limited</b>		
Paid up capital	793,500,000	793,500,000
Retained earnings	665,361,003	316,548,404
Total net assets	<b>1,458,861,003</b>	<b>1,110,048,404</b>
Non-controlling interest @ 0.8551%	<b>12,474,530</b>	<b>9,491,833</b>

## 16.2 Dhaka Northern Power Generation Limited

Paid up capital	983,000,000	983,000,000
Retained earnings	872,694,099	483,938,911
<b>Total net assets</b>	<b>1,855,694,099</b>	<b>1,466,938,911</b>
Non-controlling interest @ 0.60%	<b>11,134,165</b>	<b>8,801,633</b>

## 16.3 Chandpur Power Generation Limited

Paid up capital	100,000,000	100,000,000
Retained loss	(8,531,486)	(5,161,953)
<b>Total net assets</b>	<b>91,468,514</b>	<b>94,838,047</b>
Non-controlling interest @ 0.10% and 40%	<b>91,469</b>	<b>37,935,219</b>

On 11 April 2019 Doreen Power Generations and Systems Limited acquired 399,000 shares of Chandpur Power Generations Limited from Doreen Power House and Technologies Limited at price of Tk.100 per share and the new shareholding stood at 99.90% at the reporting date. As a result, non-controlling interest decreased to 0.10% from 40%.

## 17. Long term loan net off current maturity

TCBL TL A/C # 9191823203001	236,538,146	338,099,272
TCBL TL A/C # 9171823203001	1,567,028	2,011,044
TCBL TL A/C # 9171823203002	12,842,907	16,604,952
TCBL TL A/C # 9171823203003	116,505,747	143,995,396
TCBL TL A/C # 9191823203003	27,926,418	41,722,219
TCBL TL A/C # 9191823203002	426,656,894	611,809,419
TCBL TL A/C # 9171823203004	9,421,946	-
TCBL TL A/C # 9171823203005	5,358,991	-
TCBL TL A/C # 9171823203006	46,539,040	-
TCBL TL A/C # 9171823203007	45,061,342	-
Loan from IPDC	75,355,261	-
	1,003,773,720	1,154,242,302
Less: Current portion of long term loan (Note: 20)	367,112,857	311,454,612
	<b>636,660,863</b>	<b>842,787,690</b>

The above loan facilities from The City Bank Limited under the following terms and conditions:

Particulars	Sanctioned Limit	Tenor	Nature	Purpose
TCBL term loan-A/C 9191823203001	29 Crore	5 Years	Term loan	To take over existing term loan of NCCB
TCBL term loan A/C 9191823203002	52.02 Crore	5 Years	Term loan	To takeover existing HPSM (Ijhara Bond with IBBL
TCBL term loan A/C 9191823203003	55.95 Crore	5 Years	Term loan	To pay the accepted liabilities against import all necessary items to execute the Gen Set overhauling power plants
IPDC Finance Ltd.	10.00 Crore	3 Years	Term loan	To procure Spare Parts and support overhauling works

	2019 Taka	2018 Taka
<b>17(a) Consolidated long term bank loan-net off current maturity</b>		
Doreen Power Generations and Systems Limited (Note: 17)	636,660,863	842,787,690
Dhaka Northern Power Generations Limited	2,015,996,127	2,327,981,748
Dhaka Southern Power Generations Limited	2,102,170,043	2,381,996,103
	<b>4,754,827,033</b>	<b>5,552,765,541</b>

## 18. Deferred Tax Liability

### Deferred tax relating to Profit and Loss Account components

The Company is exempted from tax for a period of fifteen (15) years from the start of its commercial production. So there is considerable uncertainty with regard to the taxation of such companies after expiry of the tax exemption period and management feels it is not possible to make a reasonable estimate of deferred tax assets/liabilities at this stage.

### Deferred tax relating to component of other comprehensive income

Revaluation reserve on Building & Premises and Power Plant are related to exempted business of the Company and are realized through usage of these assets with the passes of time. So, no deferred tax is recognized on these components as there is reasonable uncertainties about future taxation of the Company. But, the management has decided to recognize deferred tax on revaluation reserve of Land and Land Development as it should pay advance income tax @ 3.00% (final settlement of tax), if it wishes to realize the gain through sale.

Deferred tax relating to component of other comprehensive income	<b>1,078,870</b>	<b>1,078,870</b>
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### Deferred tax calculation details:

	Carrying amount Taka	"Tax base " Taka	Taxable temporary difference Taka
<b>As at 30 June 2019</b>			
Revaluation reserve of Land & Land Development	35,962,317	-	35,962,317
Applicable tax rate			3.00%
<b>Deferred tax liability</b>			<b>1,078,870</b>
<b>As at 30 June 2018</b>			
Revaluation reserve of Land & Land Development	35,962,317	-	35,962,317
Applicable tax rate			3.00%
<b>Deferred tax liability</b>			<b>1,078,870</b>

Deferred tax (asset)/liability has been recognized and measured as per IAS 12 'Income taxes' and as per Rule 17II clause C of Income Tax Rule 1984 and accordingly capital gain tax has been charged on the Revaluation Reserve of Land and Land Development @ 3.00%.

## 19. Trade payables of the Company

Gas bill payable to Titas Gas Transmission Limited	87,402,076	99,661,485
Gas bill payable to Bakhrabad Gas Systems Limited	63,767,260	56,896,540
Lubricant bill payable to MJL Bangladesh Limited	1,178,930	1,178,930
Rangs Petroleum Limited	14,682,580	10,678,240
	<b>167,030,846</b>	<b>168,415,195</b>

Aging of the above payables is given below:

Past due 0-30 days

Past due 31-90 days

Past due over 91 days

All the trade payables are regular in payments.

2019 Taka	2018 Taka
35,748,235	32,552,740
64,213,722	77,339,065
67,068,889	58,523,390
<b>167,030,846</b>	<b>168,415,195</b>

**19(a) Consolidated trade payables**

Doreen Power Generations and Systems Limited (Note: 19)

Dhaka Northern Power Generations Limited

Dhaka Southern Power Generations Limited

167,030,846	168,415,195
5,331,014	10,638,637
10,640,537	10,801,454
<b>183,002,397</b>	<b>189,855,286</b>

**20. Current portion of long term loan of the Company**

TCBL TL A/C # 9191823203001

TCBL TL A/C # 9171823203001

TCBL TL A/C # 9171823203002

TCBL TL A/C # 9171823203003

TCBL TL A/C # 9191823203003

TCBL TL A/C # 9191823203002

TCBL TL A/C # 9171823203004

TCBL TL A/C # 9171823203005

TCBL TL A/C # 9171823203006

TCBL TL A/C # 9171823203007

Loan from IPDC

91,564,128	91,564,128
520,165	637,212
4,342,544	5,365,188
34,249,695	41,568,444
12,320,844	12,319,644
159,999,996	159,999,996
3,024,420	-
1,650,456	-
14,465,100	-
13,023,000	-
31,952,509	-
<b>367,112,857</b>	<b>311,454,612</b>

**20(a) Consolidated current portion of long term loan**

Doreen Power Generations and Systems Limited (Note: 20)

Dhaka Northern Power Generations Limited

Dhaka Southern Power Generations Limited

367,112,857	311,454,612
309,786,822	275,540,414
157,771,917	157,790,875
<b>834,671,596</b>	<b>744,785,901</b>

**21. WPPF and WF Payable**

Opening balance

Less: Paid during the year

9,279,348	16,569,348
-	7,290,000
<b>9,279,348</b>	<b>9,279,348</b>

**22. Short term loan**

Liabilities against UPAS L/Cs

TCBL -SOD-9201823203001 (Note# 21.01)

TCBL- STL-6881823203008

TCBL- STL-6881823203009

TCBL- STL-6881823203001

TCBL- STL-6881823203002

TCBL- STL-6881823203003

NCC Bank Limited -A/C 0210014963

Loan from IPDC

61,252,642	25,799,196
61,774,011	61,801,030
4,784,751	-
1,854,418	-
-	395,388
-	1,484,383
-	1,266,885
-	3,875,604
-	50,000,000
<b>129,665,822</b>	<b>144,622,486</b>

The above loan facilities are from The City Bank Limited and IPDC Finance Limited under the following terms and conditions:

Bank	Sanctioned Limit	Tenor	Nature	Status
The City Bank Ltd.	6.00 crore	1 year	Secured Over Draft (SOD)	Revolving
	14.25 crore	1 year	Short Term Loan	
IPDC Finance Ltd.	5.00 crore	1 year	Short Term	One-off

## 22(a) Consolidated short term loan

Doreen Power Generations and Systems Limited (Note: 22)  
Dhaka Northern Power Generations Limited  
Dhaka Southern Power Generations Limited

2019 Taka	2018 Taka
129,665,822	144,622,486
1,519,751,004	1,280,910,699
1,501,472,948	1,268,359,950
<b>3,150,889,774</b>	<b>2,693,893,135</b>

## 23. Liabilities for expenses and others

Salary and allowances payable  
Land lease rent payable to REB  
Security bill payable to Falcon Security  
Printing Bill payable  
Payable to Gas Gen & Equipment Ltd.  
Withholding Tax & VAT payable  
Service bill payable to Clark Energy, Energypac & MAN Energy  
Utility bills payable  
Audit fee payable  
Internet and Telephone bill payable  
Maxi guard bill payable to SS Trade Link  
Payable to Bhai Bhai & Nahan Enterprise  
Dormitory expense payable  
Spare parts bill payable to Khaja Ajmeri  
Car Maintenance Bill payable  
Credit rating fee payable  
C & F bill payable  
Coolant bills payable to Aquacare, JTZ & Pacific  
Spare Parts Bill payable to Active Energy  
Payable to Reverie Power against Machine Service  
Payable to Feather Line & Process Automation  
Payable to BGIC & Green Delta Insurance  
Consultancy Fee Payable to Miah/Adroit  
Dividend payable  
Office Rent Payable  
Service bill payable to Atlas Energy Limited  
Payable to ICEL & Kamal Trading  
Payable to Delcott & Nordroy  
Payable to Salina Metal & Safety Fire Protection

7,648,692	6,485,421
1,875,000	1,875,000
67,596	67,596
3,482	3,482
139,300	139,300
1,843,183	1,835,365
2,986,489	4,582,626
52,186	123,125
460,000	460,000
79,119	66,738
362,750	361,397
815,000	15,000
168,500	80,500
3,734,400	1,627,500
70,000	70,000
113,000	50,000
2,124,724	115,750
685,075	544,175
115,300	115,300
198,645	200,000
65,341	6,231
896,459	578,839
-	147,000
1,043,092	561,101
2,418,013	1,246,013
60,000	60,000
205,233	-
293,814	326,706
149,650	600
<b>28,674,043</b>	<b>21,744,765</b>

- a) All accrued expenses are paid on regular basis; and  
b) Salary and Allowances for the month of June 2019 has been paid in subsequent month.  
c) Dividend payable is the balance of the dividend refunded/unclaimed during the year.

		2019 Taka	2018 Taka
<b>23(a)</b>	<b>Consolidated liabilities for expenses</b>		
	Doreen Power Generations and Systems Limited (Note: 23)	28,674,043	21,744,765
	Dhaka Northern Power Generations Limited	42,398,560	31,871,691
	Dhaka Southern Power Generations Limited	60,892,453	48,080,004
	Chandpur Power Generations Limited	49,500	69,000
		<b>132,014,556</b>	<b>101,765,460</b>
<b>24.</b>	<b>Provision for income tax</b>		
	Opening balance	819,553	2,262,295
	Provision made during the year (Note: 31)	155,583	321,668
		975,136	2,583,963
	Less: Settlement during the year	158,809	1,764,410
		<b>816,327</b>	<b>819,553</b>
<b>24(a)</b>	<b>Consolidated provision for income tax</b>		
	Doreen Power Generations and Systems Limited (Note: 24)	816,327	819,553
	Dhaka Northern Power Generations Limited	530,589	355,870
	Dhaka Southern Power Generations Limited	40,693	27,674
		<b>1,387,608</b>	<b>1,203,096</b>
<b>25</b>	<b>Net Asset Value (NAV) Per Share</b>		
	Net Assets (Total Assets- Liabilities)	3,512,033,592	3,365,997,723
	Number of ordinary shares outstanding (Denominator) (Note: 32.1)	116,160,000	116,160,000
		<b>30.23</b>	<b>28.98</b>
<b>25(a)</b>	<b>Consolidated Net Asset Value (CNAV) Per Share</b>		
	Net Assets (Total Assets- Liabilities)	5,133,257,046	4,260,394,400
	Number of ordinary shares outstanding (Denominator) (Note: 32.1)	116,160,000	116,160,000
		<b>44.19</b>	<b>36.68</b>
<b>26</b>	<b>Revenue</b>		
	Bangladesh Power Development Board (BPDB)	767,594,227	768,068,511
	Rural Electrification Board (REB)	355,772,613	367,717,437
		<b>1,123,366,840</b>	<b>1,135,785,948</b>
	<b>Plant wise details:</b>		
	Tangail Plant	377,857,780	380,434,897
	Narsingdi Plant	355,772,613	367,717,437
	Feni Plant	389,736,447	387,633,614
		<b>1,123,366,840</b>	<b>1,135,785,948</b>

Unit/Quantity wise schedule of sales relating to the financial statements for the year ended 30 June 2019 as required under Schedule XI, Part-II of the Companies Act 1994 is given:

Particulars	From 01.07.18 to 30.06.19		From 01.07.17 to 30.06.18	
	Kilowatt	Amount (Tk.)	Kilowatt	Amount (Tk.)
Bangladesh Power Development Board	296,215,396	767,594,227	300,958,557	768,068,511
Rural Electrification Board	119,770,429	355,772,613	134,458,848	367,717,437
<b>Total</b>	<b>415,985,826</b>	<b>1,123,366,840</b>	<b>435,417,405</b>	<b>1,135,785,948</b>

		2019 Taka	2018 Taka
<b>26 (a) Consolidated Revenue</b>			
Doreen Power Generations and Systems Ltd.	(Note: 26)	1,123,366,840	1,135,785,948
Dhaka Northern Power Generations Limited		3,011,473,575	2,850,707,472
Dhaka Southern Power Generations Limited		2,886,836,751	2,674,001,770
		<b>7,021,677,166</b>	<b>6,660,495,190</b>
<b>27 Cost of sale</b>			
Gas consumption		382,615,516	398,306,400
Direct expenses	(Note: 27.1)	366,139,831	345,863,908
		<b>748,755,347</b>	<b>744,170,308</b>
<b>Plant wise details of Gas consumption</b>			
Tangail Plant		135,940,305	136,732,055
Narsingdi Plant		106,246,528	119,989,602
Feni Plant		140,428,683	141,584,743
		<b>382,615,516</b>	<b>398,306,400</b>

**Disclosure as per requirement of Schedule XI, Part II, Para 8 of the Companies Act 1994:**

Consumption during the year	From 01.07.18 to 30.06.19		From 01.07.17 to 30.06.18	
	Cubic feet	Amount	Cubic feet	Amount
Tangail Power Plant	43,019,120	135,940,305	43,269,638	136,732,055
Narsingdi Power Plant	33,622,320	106,246,528	37,971,393	119,989,602
Feni Power Plant	44,439,457	140,428,683	44,805,364	141,584,743
	<b>121,080,897</b>	<b>382,615,516</b>	<b>126,046,395</b>	<b>398,306,400</b>

**27.1 Direct Expenses**

Lubricants Expenses	32,569,843	37,333,783
Direct labor charge	764,320	300,500
Spare parts	67,306,862	86,735,292
Salary & Wages	46,306,121	40,744,790
Operational & maintenance expense	18,849,255	21,855,644
Land lease rent to REB	1,500,000	1,500,000
Depreciation	198,843,430	157,393,899
	<b>366,139,831</b>	<b>345,863,908</b>

\*\*\* Spare parts consumption and operational and maintenance expense decreased significantly compared to last year since a major overhauling was done using major spare parts this year. On the other hand, depreciation expense has increased due to charging depreciation on newly capitalized major overhauling expenditure.

**27 (a) Consolidated Cost of sale**

Doreen Power Generations and Systems Ltd.	(Note: 27)	748,755,347	744,170,308
Dhaka Northern Power Generations Limited		2,428,081,150	2,315,513,281
Dhaka Southern Power Generations Limited		2,339,429,642	2,190,850,971
		<b>5,516,266,139</b>	<b>5,250,534,560</b>

## 28 General and administrative expenses

	2019 Taka	2018 Taka
Salaries & allowances	9,203,050	9,285,321
Director's remuneration	3,960,000	3,960,000
Audit fee	460,000	460,000
Utility bills	389,419	368,530
Advertisement expense	1,374,188	753,382
AGM Expenses	1,031,665	1,092,555
Membership fee of BIPPA	-	250,000
BERC license Fee	165,600	165,600
Books and periodicals	380	22,070
Car fuel expenses	1,371,741	1,098,150
Car maintenance expense	245,630	326,450
Carrying expenses	628,400	592,900
Common stock for official use	286,817	52,204
Corporate social responsibility	25,000	600,000
Credit Rating fee	74,900	80,500
Electric pole expense	420,000	-
Entertainment expenses	75,115	176,299
Environment compliance cost	281,879	811,860
Fooding expense	2,558,583	2,039,428
Gardening expense	-	10,280
Insurance premium	6,539,297	6,539,297
Internet bill	326,922	322,514
Legal and professional fee	57,500	238,046
Licenses and other fees	421,490	1,018,960
DSE, CSE and CDBL annual fee	1,896,425	1,503,716
Medical expense	17,432	12,450
Mobile and telephone bill	579,405	626,302
Office maintenance	830,550	837,192
Office rent	1,380,000	1,452,000
Overtime	57,730	78,870
Postage	25,916	63,244
Printing expense	130,255	164,410
Rent, rates and taxes	73,429	181,605
Repair and maintenance	122,900	75,600
Security service bill	-	752,100
Software expense	25,500	70,000
Surcharge on gas bill	8,923,586	6,985,294
Survey expenses	-	7,500
Human resource development expense	28,400	-
Travelling and conveyance allowance	650,030	541,014
Uniform expenses	420,165	267,120
Depreciation	71,435	847,842
	<b>45,130,734</b>	<b>44,730,605</b>



		2019 Taka	2018 Taka
<b>28(a) Consolidated General &amp; Administrative Expenses</b>			
Doreen Power Generations and Systems Ltd.	(Note: 28)	45,130,734	44,730,605
Dhaka Northern Power Generations Limited		33,596,661	35,225,559
Dhaka Southern Power Generations Limited		37,259,300	37,689,846
Chandpur Power Generations Limited		961,043	920,692
		<b>116,947,738</b>	<b>118,566,702</b>
<b>29 Finance expenses</b>			
Interest on overdraft loan account		7,104,070	5,881,349
Bank guarantee Commission		878,968	2,332,310
Bank charge		1,698,520	332,165
Interest on long term and short term loan		130,621,467	108,500,524
Interest on commercial paper		-	6,999,757
Foreign exchange (gain)/loss		-	(334,292)
		<b>140,303,025</b>	<b>123,711,813</b>
<b>29(a) Consolidated Finance Expenses</b>			
Doreen Power Generations and Systems Ltd.	(Note: 29)	140,303,025	123,711,813
Dhaka Northern Power Generations Limited		161,236,933	169,945,292
Dhaka Southern Power Generations Limited		160,701,539	163,066,168
Chandpur Power Generations Limited		2,408,490	4,028,523
		<b>464,649,986</b>	<b>460,751,796</b>
<b>30 Finance income</b>			
Interest income from bank deposit		<b>622,334</b>	<b>733,783</b>
<b>30(a) Consolidated Finance Income</b>			
Doreen Power Generations and Systems Ltd.	(Note: 30)	622,334	733,783
Dhaka Northern Power Generations Limited		499,198	1,016,770
Dhaka Southern Power Generations Limited		37,196	78,497
		<b>1,158,728</b>	<b>1,829,050</b>
<b>31 Income Tax Expense</b>			
Provision for current period		155,583	183,446
Shortfall in provision for last year		258,613	138,222
		<b>414,196</b>	<b>321,668</b>
<b>31(a) Consolidated Provision for Income Tax</b>			
Doreen Power Generations and Systems Ltd.	(Note: 31)	414,196	321,668
Dhaka Northern Power Generations Limited		302,840	379,922
Dhaka Southern Power Generations Limited		670,868	75,074
		<b>1,387,904</b>	<b>776,663</b>
<b>32 Earning per share</b>			
Net Profit attributable to the ordinary shareholders (Tk.)		189,385,872	223,585,338
Weighted average number of shares (Nos.)	(Note: 32.1)	116,160,000	116,160,000
Basic Earning per share (EPS)/Restated EPS (Tk.)		<b>1.63</b>	<b>1.92</b>

	2019 Taka	2018 Taka
<b>32.1 Weighted Average Number of Shares Outstanding</b>		
Number of shares before bonus share issued in 2018-19	105,600,000	105,600,000
Bonus shares issued in 2018-19	10,560,000	10,560,000
Weighted average number of shares outstanding (Restated)	<b>116,160,000</b>	<b>116,160,000</b>

\* Weighted average number of shares outstanding has been restated/adjusted (as per Para-64 of IAS-33) by the number of Stock Dividend 10,560,000 issued during 2018-19 for income year 2017-18.

### 32.2 Diluted Earnings per share

No diluted earnings per share is required to be calculated for the periods presented as the has no dilutive potential ordinary shares.

### 32(a) Consolidated Earning per share

Net Profit attributable to the ordinary shareholders (Tk.)	918,272,268	829,275,457
Weighted average number of shares (Nos.) (Note: 32.1)	116,160,000	116,160,000
Basic Earning per share (EPS)/Restated EPS (Tk.)	<b>7.91</b>	<b>7.14</b>

### 33 Net operating cash flow per share (NOCFPS)

Net operating cash flows	394,499,866	348,015,151
Weighted average number of ordinary shares (Note: 32.1)	116,160,000	116,160,000
Basic Earning Per Share (EPS)/Restated EPS (Tk.)	<b>3.40</b>	<b>3.00</b>

### 33(a) Consolidated Net operating cash flow per share (CNOCFPS)

Net operating cash flows (Note: 32.1)	842,100,199	1,144,775,649
Weighted average number of ordinary shares	116,160,000	116,160,000
	<b>7.25</b>	<b>9.86</b>

\*\*\* Consolidated NOCFPS for 2018-2019 reduced due to significant increase in inventory (HFO) of two subsidiaries of the Company in their separate financial statements.

### 34 Reconciliation of net profit with cash flow from operating activities

Net profit after income tax	189,385,872	223,585,338
<b>Adjustment for:</b>		
Depreciation	198,914,865	158,241,741
Interest income from bank deposits	(454,142)	(822,834)
Insurance claim received	(7,852,288)	(6,000,000)
<b>Changes in:</b>		
Inventories	(7,283,630)	1,170,232
Trade and other receivables	5,445,253	(30,301,437)
Advance, deposit and prepayments	11,284,224	1,188,836
Trade payable	(1,384,348)	7,888,269
Liabilities for expenses and others	6,447,287	1,797,750
Provision for income tax	(3,226)	(1,442,742)
<b>Net cash flow from operating activities</b>	<b>394,499,866</b>	<b>348,015,151</b>

2019 Taka	2018 Taka
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### 34(a) Consolidated reconciliation of net profit with cash flow from operating activities

Net profit after income tax	923,584,126	831,694,519
<b>Adjustment for:</b>		
Depreciation	555,118,035	512,082,088
Interest income from bank deposits	(990,536)	(1,918,101)
Insurance claim received	(7,852,288)	(6,000,000)
<b>Changes in:</b>		
Inventories	(591,834,515)	(10,714,529)
Trade and other receivables	(71,492,070)	(184,645,047)
Advance, deposit and prepayments	12,468,719	(3,423,066)
Trade payable	(6,852,888)	18,393,330
Liabilities for expenses and others	29,767,105	(2,194,968)
Provision for income tax	184,512	(1,208,577)
<b>Net cash flow from operating activities</b>	<b>842,100,199</b>	<b>1,144,775,649</b>

## 35 Financial risk management

International Financial Reporting Standard (IFRS-7): Financial Instruments: Disclosures - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the companies policies for controlling risks and exposures. The company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Currency risk
- Interest rate risk

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.

### 35.1 Credit risk

Credit risk is the risk of financial loss to the company 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 Government entity, Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDB) under the conditions of the long term Power Purchase Agreement (PPA).

**Exposure to credit risk**

The maximum exposure to credit risk at the reporting date was:

	2019 Taka	2018 Taka
Trade and other receivables	285,456,718	290,901,971
Advance, deposit & prepayments	27,105,197	38,389,420
Current A/C with Subsidiaries & Sister Concerns	77,297,065	116,087,942
Cash and bank balance	8,766,334	1,314,795
	<b>398,625,314</b>	<b>446,694,128</b>

**(a) Aging of trade and other receivables**

Past due 0-30 days	125,354,205	119,854,154
Past due 31-90 days	158,647,521	161,740,537
Past due more than 90 days	1,454,992	9,307,280
	<b>285,456,718</b>	<b>290,901,971</b>

**(b) Credit exposure by credit rating**

Trade receivables	285,456,718	71.61%
Advance, deposit & prepayments	27,105,197	6.80%
Current A/C with Subsidiaries & Sister Concerns	77,297,065	19.39%
Cash and bank balance :		
Cash on hand	314,730	0.08%
Cash at bank	8,451,604	2.12%
Bank Asia Limited	8,143	0.0020%
BRAC Bank Limited	21,515	0.0054%
Dhaka Bank Limited	49,826	0.0125%
Islami Bank Bangladesh Limited	8,175	0.0021%
NCC Bank Limited	328,317	0.0824%
The City Bank Limited	7,855,211	1.9706%
Prime Bank Limited	180,417	0.0453%

**35.2 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity 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 risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities as at 30 June 2019:

Particulars	Carrying Amount Taka	Maturity period	Nominal interest rate	Within 6 months or less	Within 6 -12 months	More than 1 year
	Taka	Taka	%	Taka	Taka	Taka
Long term loan	636,660,863	-	12.00	-	-	636,660,863
Deferred tax liability	1,078,870	-	-	-	-	1,078,870
Trade payable	167,030,846	Oct-19	-	167,030,846	-	-
Current portion of long term loan	367,112,857	Jun-20	12.00 12-15	131,941,884	235,170,973	-
Short term bank loan	129,665,822	Mar-20	-	67,891,811	61,774,011	-
WPP & welfare fund	9,279,348	Jun-20	-	-	9,279,348	-
Liabilities for expenses	28,674,043	Dec-19	-	28,674,043	-	-
Provision for Income Tax	816,327	Jan-20	-	816,327	-	-
	<b>1,340,318,975</b>			<b>396,354,911</b>	<b>306,224,332</b>	<b>637,739,733</b>

### 35.3 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### 35.4 Currency risk

The Company is exposed to currency risk on purchases of spare parts of plant and machinery that are denominated in a currency other than the functional currency primarily Euro and U. S. Dollars. The effects of foreign purchase are insignificant to the Company. The Company has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2019. There are no foreign currency monetary assets and liabilities as at 30 June 2019 resulting net exposure to foreign currency risk is nil.

### 35.5 Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local currency loans are however not significantly affected by fluctuations in interest rates as the rate is below from market rate. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

## 36 Contingent liabilities/ Off balance sheet items

### 36.1 Commitments

Letter of credit -The City Bank Limited

2019 Taka	2018 Taka
--------------	--------------

**81,224,530**

**65,580,000**

### 36.2 Contingent liabilities

#### Bank guarantee

The City Bank Limited  
Islami Bank Bangladesh Limited  
NCC Bank Limited

127,725,259	91,736,342
55,890,000	55,890,000
55,611,080	88,509,380
<b>239,226,339</b>	<b>236,135,722</b>

(See Annexure-C for details)

### 37 i) Related party transactions

During the year, the company carried out a number of transactions with related parties the normal course of business. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS-24: Related Party Disclosure.

#### a) Transactions with key management personnel

##### Loans to directors

During the period/year, no loan was given to the directors of the Company.

##### Key management personnel compensation

Key management personnel compensation comprised the following:

	2019 Taka	2018 Taka
<b>Remuneration (Short-term benefit)</b>	<b>3,960,000</b>	<b>3,960,000</b>

Key management personnel includes the Company's directors. Compensation includes salaries and other non- cash benefits.

#### b) Other related party transactions of the Company:

Particulars	Relationship	Nature of transaction	Net transaction during the period	Outstanding as on 30.06.2019	Outstanding as on 30.06.2018
Doreen Power House & Technologies Ltd.	Sister Concern	Temporary Loan	145,767,127	48,017,813	(97,749,314)
Dhaka Northern Power Generations Limited	Subsidiary Company	Temporary Loan	(78,221,539)	(160,470,830)	(82,249,291)
Dhaka Southern Power Generations Ltd.	Subsidiary Company	Temporary Loan	(114,770,415)	181,235,432	296,005,847
Banco Energy Generation Ltd.	Common Directors	Temporary Loan	(26,970,000)	(36,218,000)	(9,248,000)
Chandpur Power Generations Ltd.	Subsidiary Company	Temporary Loan	733,849	(1,260,451)	(1,994,300)
		Investment	69,900,000	129,900,000	60,000,000
Asian-Entech Power Corp. Ltd.	Parent Company	Temporary Loan	83,101	1,383,101	1,300,000
Bhairob Power Ltd.	Common Directors	Temporary Loan	(4,113,000)	-	4,113,000
Manikgonj Power Generations Ltd.	Sister Concern	Temporary Loan	36,300,000	40,360,000	4,060,000
Doreen Garments Ltd.	Common Directors	Temporary Loan	2,400,000	4,200,000	1,800,000
Rupali Engineers & Traders Limited	Sister Concern	Temporary Loan	-	50,000	50,000
<b>Total</b>			<b>31,109,123</b>	<b>207,197,065</b>	<b>176,087,942</b>

ii) Particulars of Directors of Doreen Power Generations and Systems Limited as at 30 June 2019:

Name of Directors	BOD of Doreen Power Generations and Systems Ltd.	Entities where they have interests
Tahzeeb Alam Siddique	Managing Director	Doreen Fashions Ltd. Doreen Washing Plant Ltd. Doreen Apparels Ltd. Nurun Nahar Textile Ltd. Eastern Cement Industries Ltd. Doreen Hotel and Resorts Ltd. Doreen Power House & Tech. Ltd. Doreen Garments Limited Asian Entech Power Corp. Ltd. Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Banco Energy Generation Ltd. Bhairob Power Limited Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd.
Anjabeen Alam Siddique	Chairman	Doreen Power House & Tech. Ltd. Asian Entech Power Corp. Ltd. Saiham Power Plant Ltd. Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Banco Energy Generation Ltd. Bhairob Power Limited Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd.
Mahatab Bin Ahmed	Independent Director	Pilcrow Packaging and Trading Parlen Technologies Stalemate Arvin Maintenance and Mgt. Services Limited Bay Real Estate & Bay Footwear Ltd.
Md. Ali Akbar	Director	Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Chandpur Power Generations Ltd.
Md. Abul Hasnat	Director	Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Doreen Power House & Tech. Ltd. Banco Energy Generation Ltd. Chandpur Power Generations Ltd.

**38 Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994:**

The company had 176 permanent employees as at 30 June 2019 and 166 permanent employees and as at 30 June 2018 and a varying number of seasonal and temporary workers as required. All permanent employees receive remuneration in excess of Tk. 36,000 per annum each.

	2019 No.	2018 No.
<b>Number of Employee:</b>		
Head Office Staff	26	25
Plant Staff	150	141
	<b>176</b>	<b>166</b>

**39 (i) Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994:**

Managing Director remuneration and benefit	<b>3,960,000</b>	<b>3,960,000</b>
--	------------------	------------------

No Board Meeting attendance fees have been provided to the director of the company.

**(ii) Disclosure as per Schedule XI, Part II, Para 7 of the Companies Act 1994:**

Name of Plant	Capacity (Mwh)	Actual Production (Mwh)		Capacity Utilization	
		2018-2019	2017-2018	2018-2019	2017-2018
Tangail Plant	192,720	141,895	149,069	74%	77%
Narsingdi Plant	192,720	119,770	134,459	62%	70%
Feni Plant	192,720	154,320	151,889	80%	79%

**40 Events after the reporting period**

The financial statements (both consolidated and separate financial statements) were authorized by Board of Directors on 31 August 2019 for publication. The Board of Directors recommended 13% stock dividend (to all shareholders) and 17% cash dividend (for all shareholders excluding the sponsors/Directors) for the year ended on 30 June 2019 on their board meeting held on 31 August 2019. Therefore, the amount of cash dividend to be payable to the general shareholders is Tk. 65.94 million.

**41 Comparative information**

**41.1** No significant rearrangement is made in the comparative information of separate financial statements of the Company to conform to current year's presentation.

**41.2** Operational insurance premium payable Tk.467,050 is presented under "Liabilities for expenses" (note # 17) in the financial statements of Dhaka Northern Power Generations Limited (DNPGL) in the current year which was presented under "Advance, deposit and prepayments" as negative figure in last year (note # 9). Due to the rearrangement of operational insurance premium payable, comparatives of DNPGL has been changed and consequently, comparatives of the consolidated financial statements of Doreen Power Generations and Systems Limited has been rearranged with the corresponding impact on the value of consolidated advance, deposit and pre-payments and liabilities for expenses as well as the value of total assets and total equity and liabilities. Note that this rearrangement does not have any impact on the comparative Net Asset Value (NAV) of the Group reported on 30 June 2018.

Dhaka  
31 August 2019

  
**Company Secretary**

  
**Managing Director**

  
**Chairman**



**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Schedule of Property, plant and Equipment**

As at 30 June 2019

(Amount in Taka)

Category of assets	Cost				Depreciation				Written Down Value as at 30 June 2019
	Balance as at 01 July 2018	Addition during the year	Disposal/ adjustment	Balance as at 30 June 2019	Rate (%)	Balance as at 01 July 2018	Addition during the year	Disposal/ adjustment	Balance as at 30 June 2019
<b>a. Freehold Assets</b>									
Land & land development	80,419,571	3,898,200	-	84,317,771	-	-	-	-	84,317,771
Building & premises	145,465,124	-	-	145,465,124	5%	43,529,494	7,273,256	-	50,802,751
Office decoration & renovation	8,654,799	-	8,654,799	-	20%	8,654,798	1	8,654,799	-
Power plant	1,778,189,065	-	-	1,778,189,065	3.33%	326,642,041	59,213,696	-	1,392,333,328
Machine overhauling	473,578,336	188,585,456	-	662,163,792	20%	217,513,384	103,048,905	-	341,601,504
Furniture & fixture	1,942,260	-	1,942,259	1	20%	1,942,259	-	1,942,259	1
Office electrical equipment	6,688,623	231,400	6,562,853	357,170	20%	6,575,430	71,434	6,562,853	273,159
Office car/vehicle	15,413,583	-	-	15,413,583	20%	15,413,572	-	-	11
<b>Sub Total</b>	<b>2,510,351,361</b>	<b>192,715,056</b>	<b>17,159,911</b>	<b>2,685,906,506</b>		<b>620,270,978</b>	<b>169,607,292</b>	<b>17,159,911</b>	<b>1,913,188,147</b>
<b>b. Revalued Assets</b>									
Land & land development	35,962,317	-	-	35,962,317	-	-	-	-	35,962,317
Building & premises	29,623,482	-	-	29,623,482	5%	8,887,044	1,481,174	-	19,255,264
Power plant	835,627,599	-	-	835,627,599	3.33%	177,745,651	27,826,399	-	630,055,549
<b>Sub Total</b>	<b>901,213,398</b>	<b>-</b>	<b>-</b>	<b>901,213,398</b>		<b>186,632,695</b>	<b>29,307,573</b>	<b>-</b>	<b>685,273,130</b>
<b>Grand Total as of 30 June 2019</b>	<b>3,411,564,759</b>	<b>192,715,056</b>	<b>17,159,911</b>	<b>3,587,119,904</b>	<b>-</b>	<b>806,903,673</b>	<b>198,914,865</b>	<b>17,159,911</b>	<b>2,598,461,277</b>
<b>Grand Total as of 30 June 2018</b>	<b>3,255,705,699</b>	<b>155,859,060</b>	<b>-</b>	<b>3,411,564,759</b>		<b>648,661,933</b>	<b>158,241,741</b>	<b>-</b>	<b>2,604,661,086</b>

a) Depreciation of Building & premises, Power plant and Machine overhauling have been charged as direct expenses

b) Other depreciation has been charged as administrative expenses

198,843,430

71,435

198,914,865

## Doreen Power Generations and Systems Limited

### Statement of Land

As at 30 June 2019

Annexure-B

SL. No.	Deed No.	Date of Registration	Land Area (Decimals)	Deed Value of Land (Taka)	Registration	Mutation (Area)	Location
1	10324	31.12.07	16.00	600,000	✓	✓	Feni
2	333	13.01.08	17.00	340,000	✓	✓	Feni
3	306	15.01.08	17.00	340,000	✓	✓	Feni
4	1799	25.02.08	15.00	1,950,000	✓	✓	Feni
5	1798	25.02.08	11.00	1,320,000	✓	✓	Feni
6	3397	07.04.08	15.00	450,000	✓	✓	Feni
7	2693	29.04.08	164.57	2,000,000	✓	✓	Tangail
8	3511	05.06.08	55.00	800,000	✓	✓	Tangail
9	7325	13.10.11	21.43	1,500,000	✓	✓	Tangail
10	9196	01.11.09	8.00	760,000	✓	✓	Feni
11	9575	19.11.09	10.00	360,000	✓	✓	Feni
12	9574	19.11.09	16.00	1,520,000	✓	✓	Feni
13	10726	30.12.12	6.64	1,460,000	✓	✓	Feni
14	5756	14.08.16	13.00	3,560,000	✓	✓	Feni
<b>Sub Total</b>			<b>385.64</b>	<b>16,960,000</b>			
Add: Registration, development and other cost				67,357,771			
<b>Total</b>				<b>84,317,771</b>			

All the lands are subject to mortgage against loans in favor to The City Bank Limited.

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## List of Outstanding Bank Guarantee

As at 30 June 2019

Annexure-C

SL. No.	Bank Guarantee No.	Date	Expiry Date	In favor of	Guarantee Issuing Bank	Purpose	Name of Plant	BG Amount (TK.)	Cash Margin (TK.)
1	186SD0007318	20.11.2018	19.11.2023	Titas Gas Transmission & Distribution Company Limited	The City Bank Ltd.	As "security deposit" to gas supplying authority for taking gas connection to Power Plant	Tangail Plant	16,449,160	822,458
2	186SD0008318	18.12.2018	17.12.2023	Titas Gas Transmission & Distribution Company Limited	The City Bank Ltd.	As "security deposit" to gas supplying authority for taking gas connection to Power Plant	Narsingdi Plant	16,449,160	822,458
3	24/2009	21.01.2009	20.01.2019	Bakhrabad Gas Systems Limited	NCC Bank Ltd.	As "security deposit" to gas supplying authority for taking gas connection to Power Plant	Feni Plant	16,449,160	822,458
4	241/2009	20.07.2009	20.07.2010	Rural Electrification Board	NCC Bank Ltd.	As "Operational Bond"	Narsingdi Plant	36,677,920	1,833,546
5	67/2015	27.05.2015	26.11.2015	The Chief Controller of Import & Export	NCC Bank Ltd.	For repairing faulty Cylinder Head	Head Office	62,500	62,500
6	112/2015	23.09.2015	22.03.2016	The Chief Controller of Import & Export	NCC Bank Ltd.	For repairing of one unserviceable faulty Short Block	Head Office	391,000	39,100
7	139/2015	23.11.2015	22.05.2016	The Chief Controller of Import & Export	NCC Bank Ltd.	For repairing of one failed Short Block	Head Office	400,500	400,500
8	53/2016	02.05.2016	01.11.2016	The Chief Controller of Import & Export	NCC Bank Ltd.	Goods for repairing of Alternator Stator and alternator Rotor	Head Office	463,500	463,500
9	182/2016	19.12.2016	17.09.2017	The Chief Controller of Import & Export	NCC Bank Ltd.	Export & re-import of repaired Alternator Rotor	Narsingdi Plant	470,000	470,000
10	192/2016	26.12.2016	25.06.2017	The Chief Controller of Import & Export	NCC Bank Ltd.	For repairing of two faulty Short Block	Head Office	696,500	696,500
11	IBBLHOC/DORE EN /BID/16/03	04.08.2016	07.11.2017	Secretary, Bangladesh Power Development Board	Islami Bank Bangladesh Ltd.	Tender security for a HFO based 100+/- 15% MW Power Plant	Bagerhat	55,890,000	5% in FDR Form

SL. No.	Bank Guarantee No.	Date	Expiry Date	In favor of	Guarantee Issuing Bank	Purpose	Name of Plant	BG Amount (TK.)	Cash Margin (TK.)
12	186SD0000217	22.01.2017	21.07.2017	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Goods for repair work of two faulty Short Block	Narsingdi Plant	693,166	693,166
13	186SD0000617	19.02.2017	25.01.2019	The Manager, NCCBL, Motijheel main Branch	The City Bank Ltd.	Extending the Bank Guarantees in favour of Titas Gas, in favour of Titas Gas,	Head Office	49,348,000	2,467,400
14	186SD0000717	19.02.2017	25.07.2017	The Manager, NCCBL, Motijheel main Branch	The City Bank Ltd.	Counter Guarantees against BG given to REB, Customs Benapole, The Chief controller of IMP-Exp	Head Office	38,303,000	1,915,150
15	186SD0004117	29.11.2017	28.05.2018	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	414,960	20,748
16	186SD0000218	08.01.2018	07.07.2018	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Shortblock	Head Office	410,910	20,546
17	186SD0000418	18.01.2018	07.07.2018	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Shortblock	Head Office	416,000	20,800
18	186SD0000918	14.02.2018	13.08.2018	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	416,000	20,800
19	186SD0005518	13.09.2018	12.03.2019	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	732,812	36,641
20	186SD0005818	03.10.2018	02.04.2019	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	732,812	36,641
21	186SD0008018	17.12.18	17.12.2023	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	732,812	36,641
22	186SD0000219	10.01.19	09.07.2019	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	734,562	36,728
23	186SD0000319	13.01.19	12.07.2019	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	370,000	18,500
24	186SD0000719	29.01.19	12.07.2019	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	388,269	388,269
25	186SD0001919	16.04.19	15.10.2019	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	294,805	14,740
26	186SD0003219	28.05.19	Continuous	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	294,831	294,831
27	186SD0003419	13.06.19	12.12.2019	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	544,000	27,200
<b>TOTAL</b>								<b>239,226,339</b>	<b>12,482,044</b>



## **Directors' Report & Financial Statements of Subsidiary Companies**

## DIRECTORS' REPORT

### To The Shareholders of Dhaka Northern Power Generations Ltd.

For the Year Ended 30 June 2019

#### DEAR SHAREHOLDERS, COLLEAGUE, LADIES & GENTLEMEN

ASSALAMU ALAIKUM,

The directors are pleased to present their report on the activities of the company together with the Audited Financial Statements of the company for the period from 01 July 2018 to 30 June 2019.

#### REFERRAL:

In terms of provisions of section 184 of the Companies Act, 1994, rule 12 (and the schedule there under) of the Securities and Exchange Rules 1987 and International Accounting Standards-1, it is the pleasure for the Board of Directors to submit its report to the Shareholders for the period 01 July 2018 to 30 June 2019 in the following paragraphs.

#### BACKGROUND:

Dhaka Northern Power Generations Ltd. was incorporated on 25th June 2012 as a private company limited by shares. The company has signed Implementation Agreement with Power Division, The Ministry of Power, Energy and Mineral Resources, Power Purchase Agreement with Bangladesh Power Development Board (BPDB) and Land Lease Agreement with Rural Electrification Board (REB) on 7th January 2012 for developing a 55 MW HFO Fired Power Plant at Singair, Manikgonj on BOO basis for a term of 15 years". This power plant has started commercial operation on 17th August 2016 and continued its operation throughout the year successfully.

The registered office of the company is situated at Walsow Tower, 21, Kazi Nazrul Islam Avenue, Dhaka-1000.

The Authorized Capital is Tk. 1,500,000,000 (One Hundred and Fifty Crore) divided into 15,000,000 shares of Tk. 100 each. The paid-up capital as on 30 June 2019 stood at Tk 983,000,000/- consisting of 9,830,000 ordinary shares of Tk. 100/- each.

#### SHAREHOLDING:

The Shareholding status as on 30 June 2019 of the company is as under:

Name of Shareholder	Number	Value	Percentage
Doreen Power Generations and Systems Ltd.	9,771,000	977,100,000	99.40%
Rupali Engineers and Traders Ltd.	59,000	5,900,000	0.60%

#### COMPANYS OPERATIONS:

The position of its performance for the year ended 30 June 2019 is given bellow:

Particulars	30 June 2019
	<b>Taka</b>
Shareholders' Equity	983,000,000
Retained Earnings	872,694,100
Non-current Liabilities	2,015,996,127
Current Liabilities	1,877,797,989
<b>Total Equity &amp; Liabilities</b>	<b>5,749,488,216</b>
Non-current Assets	3,856,911,705
Current Assets	1,892,576,510
<b>Total Assets</b>	<b>5,749,488,216</b>

Net Sales	3,011,473,575
Gross profit	583,392,426
<b>Net income after tax</b>	<b>388,755,189</b>

#### **APPOINTMENT OF AUDITORS:**

Existing Auditor, ACNABIN Chartered Accountants will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2019-2020.

#### **APPOINTMENT OF INDEPENDENT DIRECTOR:**

Mr. Mahtab Bin Ahmed-Independent Director of our holding company (Doreen Power Generations and Systems Limited) has been appointed as Independent Director by the Board of Director's Meeting Held on February 18, 2017 and was approved by the shareholders in the AGM.

#### **BOARD MEETINGS:**

During the year (01 July 2018 to 30 June 2019) 09 (number of) Board Meetings were held. The attendance record of the Directors is as follows:

<b>Name of the Directors</b>	<b>Position</b>	<b>Number of the Meetings held</b>	<b>Number of attendance</b>
Abu Sayeed Al Mahmood Swapan, Nominated By Rupali engineers & Traders Ltd.	Chairman (Resigned on 10.03.2019)	6	5
Mahbuba Alam, Nominated By Rupali engineers & Traders Ltd.	Chairman (Newly appointed on 10.03.2019)	3	3
Tahzeeb Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Managing Director	9	9
Anjabeen Alam Siddique, Nominated By Rupali engineers & Traders Ltd.	Director	9	8
Tanzeer Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Director (Resigned on 18)	6	5
Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director (Newly appointed on 10.03.2019)	3	3
Mahtab Bin Ahmed, Independent Director of Holding company (DPGSL)	Independent Director	9	7

#### **ACKNOWLEDGEMENT:**

The Directors are pleased to record with appreciation and gratitude the co-operation and support provided by Shareholders, Customers, Bankers, Suppliers, Workers and Employees of the company without whose active support the result would not have been possible.

Looking forward for a bright future for all of us.

Thanking you,



**Tahzeeb Alam Siddique**  
Managing Director

# **Independent Auditor's Report**

## **To the Shareholders of Dhaka Northern Power Generations Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Dhaka Northern Power Generations Limited (the "Company"), which comprise the 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 and other explanatory information.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirement 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to note # 3.7 of the financial statements, which describes that the management of the Company decided not to make any further provision for Workers Profit Participation Fund (WPPF) as the Ministry of Power, Energy and Mineral Resources on request of Bangladesh Independent Power Producers Association (BIPPA) approached the Ministry of Labour and Employment to exempt the power producers in private sector from implementation of WPPF as required by the Labour Act 2006 (amended in 2013). The management of the company informed us that the matter is under active consideration of the government and management is hopeful that they will get the positive outcome. Our opinion is not modified in respect of this matter.

#### **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 financial statements that are free from material misstatement, whether due to fraud or error.

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 judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements 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 accounts; and
- d) The expenditure incurred was for the purpose of the company's business.

Dhaka,  
25 August 2019



**ACNABIN**

Chartered Accountants

# DHAKA NORTHERN POWER GENERATIONS LIMITED

## Statement of Financial Position

As at 30 June 2019

	Notes	AMOUNT IN TAKA	
		30.06.2019	30.06.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>3,856,911,705</b>	<b>4,030,043,179</b>
Property, Plant & Equipment	4	3,542,611,705	3,715,743,179
Investments	5	314,300,000	314,300,000
<b>Current Assets</b>		<b>1,892,576,510</b>	<b>1,364,194,790</b>
Inventories	6	544,929,749	39,990,982
Trades Receivables	7	616,905,468	606,890,759
Current A/C with Parent & Sister Concerns	8	479,539,725	392,855,230
Advance, Deposit & Prepayments	9	250,034,306	246,907,491
Cash and Bank Balance	10	1,167,263	77,550,328
<b>TOTAL ASSETS</b>		<b>5,749,488,216</b>	<b>5,394,237,969</b>
<b>Shareholders' Equity</b>		<b>1,855,694,100</b>	<b>1,466,938,911</b>
Issued, Subscribed and Paid up Capital	11.1	983,000,000	983,000,000
Retained Earnings	12	872,694,100	483,938,911
<b>Non-Current Liabilities</b>		<b>2,015,996,127</b>	<b>2,327,981,748</b>
Long term loan net off current maturity	13	2,015,996,127	2,327,981,748
<b>Current Liabilities</b>		<b>1,877,797,989</b>	<b>1,599,317,310</b>
Trade Payables	14	5,331,014	10,638,637
Current Portion of Long Term Loan	15	309,786,822	275,540,414
Short Term Loan	16	1,519,751,004	1,280,910,699
Liabilities for Expenses	17	42,398,560	31,871,691
Provision for Income Tax	18	530,589	355,870
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,749,488,216</b>	<b>5,394,237,969</b>
<b>Net Asset Value Per Share (NAVPS)</b>	25	<b>188.78</b>	<b>149.23</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

  
Company Secretary

  
Director

  
Managing Director

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka,  
25 August 2019

  
**ACNABIN**  
Chartered Accountants

**DHAKA NORTHERN POWER GENERATIONS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2019

	Notes	AMOUNT IN TAKA	
		2018-2019	2017-2018
<b>Revenue</b>	19	3,011,473,575	2,850,707,472
Less: Cost of Sales	20	2,428,081,149	2,315,513,281
<b>Gross Profit</b>		<b>583,392,426</b>	<b>535,194,191</b>
<b>Less: Operating Expenses</b>			
General and Administrative Expenses	21	33,596,661	35,225,559
<b>Gross Operating Profit for the year</b>		<b>549,795,765</b>	<b>499,968,632</b>
Less: Financial Expenses	22	161,236,933	169,945,292
<b>Net Operating Profit for the year</b>		<b>388,558,831</b>	<b>330,023,340</b>
<b>Add: Non- Operating Income</b>			
Finance Income		499,198	1,016,770
<b>Net Profit before Income Tax</b>		<b>389,058,029</b>	<b>331,040,110</b>
Less: Income tax expense	23	302,840	379,922
<b>Net Profit after Income Tax</b>		<b>388,755,189</b>	<b>330,660,189</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>388,755,189</b>	<b>330,660,189</b>
<b>Basic Earning Per Share (EPS)</b>	24	<b>39.55</b>	<b>33.64</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

  
**Company Secretary**

  
**Director**

  
**Managing Director**

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,  
25 August 2019

  
**ACNABIN**  
Chartered Accountants

## DHAKA NORTHERN POWER GENERATIONS LIMITED

### Statement of Changes in Equity

For the year ended 30 June 2019

AMOUNT IN TAKA

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2018	983,000,000	483,938,911	1,466,938,911
Net Profit for the year	-	388,755,189	388,755,189
<b>Balance as at 30 June 2019</b>	<b>983,000,000</b>	<b>872,694,100</b>	<b>1,855,694,100</b>

Balance as at 01 July 2017	983,000,000	153,278,722	1,136,278,722
Net Profit for the year	-	330,660,189	330,660,189
<b>Balance as at 30 June 2018</b>	<b>983,000,000</b>	<b>483,938,911</b>	<b>1,466,938,911</b>

*The annexed notes from 1 to 33 form an integral part of these Financial Statements.*

Dhaka,  
25 August 2019

  
Company Secretary

  
Director

  
Managing Director

# DHAKA NORTHERN POWER GENERATIONS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2019

Notes	AMOUNT IN TAKA	
	2018-2019	2017-2018
<b>A. Cash Flows From Operating Activities</b>		
Receipt from customers	3,001,458,866	2,700,027,695
Payment to Suppliers and others	(2,751,936,680)	(2,045,473,955)
Payment for General and Administrative Expenses	(32,971,195)	(29,298,178)
Financial Expenses Paid	(161,236,933)	(169,945,292)
Income tax Paid	(128,121)	(154,180)
<b>Net cash flow from operating activities</b>	<b>55,185,937</b>	<b>455,156,090</b>
<b>B. Cash Flows From Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(6,484,797)	(9,980,638)
Advance payment for land and land development	-	(3,764,000)
Advance payment for Lighter Vessel	-	9,000,000
Payment to Parent and Sister Concerns	(86,684,495)	(667,278,014)
Investment in subordinated loan to Banco Energy Gen. Ltd.	-	(314,300,000)
Interest Income	499,198	1,016,770
<b>Net cash used in investing activities</b>	<b>(92,670,094)</b>	<b>(985,305,882)</b>
<b>C. Cash Flows From Financing Activities</b>		
Repayment of Long Term Loan	(277,739,213)	(265,041,575)
Receipt of Short Term Loan	238,840,305	871,396,851
<b>Net cash (used in)/flow from financing activities</b>	<b>(38,898,908)</b>	<b>606,355,276</b>
<b>D. Net (decrease)/increase in Cash and bank balances (A+B+C)</b>	(76,383,065)	76,205,484
<b>E. Unrealized foreign exchange gain/(loss)</b>	-	-
<b>F. Cash and bank balances at beginning of the year</b>	77,550,328	1,344,844
<b>G. Cash and bank balances at end of the year</b>	<b>1,167,263</b>	<b>77,550,328</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>5.61</b>	<b>46.30</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

Dhaka,  
25 August 2019

  
Company Secretary

  
Director

  
Managing Director

# DIRECTORS' REPORT

## To The Shareholders of Dhaka Southern Power Generations Limited

For the Year Ended 30 June 2019

### DEAR SHAREHOLDERS, COLLEAGUE, LADIES & GENTLEMEN

ASSALAMU ALAIKUM,

The directors are pleased to present their report on the activities of the company together with the Audited Financial Statements of the company for the period from 01 July 2018 to 30 June 2019.

### REFFERAL:

In terms of provisions of section 184 of the Companies Act, 1994, rule 12 (and the schedule there under) of the Securities and Exchange Rules 1987 and International Accounting Standards-1, it is the pleasure for the Board of Directors to submit its report to the Shareholders for the period 01 July 2018 to 30 June 2019 in the following paragraphs.

### BACKGROUND:

Dhaka Southern Power Generations Ltd. was incorporated on 25th June 2012 as a private company limited by shares. The company has signed Implementation Agreement with Power Division, The Ministry of Power, Energy and Mineral Resources, Power Purchase Agreement with Bangladesh Power Development Board (BPDB) and Land Lease Agreement with Rural Electrification Board (REB) on 7th January 2012 for developing a 55MW HFO Fired Power Plant at Daulatpur, Nababganj on BOO basis for a term of 15 years". The 55 MW power plant has started commercial operation on 17th June 2016 and continued its operation throughout the year successfully.

The registered office of the company is situated at Walsow Tower, 21, Kari Nazrul Islam Avenue, Dhaka-1000.

The Authorized Capital is Tk. 1,000,000,000 (One Hundred Crore) divided into 10,000,000 Shares of Tk. 100 each. The paid-up capital as on 30 June 2019 stood at Tk. 793,500,000/- consisting of 7,935,000 ordinary shares of Tk. 100/- each.

### SHAREHOLDING:

The Shareholding status as on 30 June 2019 of the company is as under:

Name of Shareholder	Number	Value	Percentage
Doreen Power Generations and Systems Ltd.	7,867,150	786,715,000	99.14%
Rupali Engineers and Traders Ltd.	67,850	6,785,000	0.86%

### COMPANYS OPERATIONS:

The position of its performance for the year ended 30 June 2019 is given bellow:

Particulars	30 June 2019
	<b>Taka</b>
Shareholders' Equity	793,500,000
Retained Earnings	665,361,003
Non-current Liabilities	2,102,170,043
Current Liabilities	1,730,818,548
<b>Total Equity &amp; Liabilities</b>	<b>5,291,849,593</b>
Non-current Assets	3,852,316,014
Current Assets	1,439,533,579
<b>Total Assets</b>	<b>5,291,849,593</b>

Net Sales	2,886,836,751
Gross profit	547,407,109
<b>Net income after tax</b>	<b>348,812,599</b>

#### **APPOINTMENT OF AUDITORS:**

Existing Auditor, ACNABIN Chartered Accountants will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2019-2020.

#### **APPOINTMENT OF INDEPENDENT DIRECTOR:**

Mr. Mahtab Bin Ahmed-Independent Director of our holding company (Doreen Power Generations and Systems Limited) has been appointed as Independent Director by the Board of Director's Meeting Held on February 18, 2017 and was approved by the shareholders in the AGM.

#### **BOARD MEETINGS:**

During the year (01 July 2018 to 30 June 2019) 09 (number of) Board Meetings were held. The attendance record of the Directors is as follows:

<b>Name of the Directors</b>	<b>Position</b>	<b>Number of the Meetings held</b>	<b>Number of attendance</b>
Abu Sayeed Al Mahmood Swapan, Nominated By Rupali engineers & Traders Ltd.	Chairman (Resigned on 10.03.2019)	6	5
Mahbuba Alam, Nominated By Rupali engineers & Traders Ltd.	Chairman (Newly appointed on 10.03.2019)	3	3
Tahzeeb Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Managing Director	9	9
Anjabeen Alam Siddique, Nominated By Rupali engineers & Traders Ltd.	Director	9	8
Tanzeer Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Director (Resigned on 18)	6	5
Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director (Newly appointed on 10.03.2019)	3	3
Mahtab Bin Ahmed, Independent Director of Holding company (DPGSL)	Independent Director	9	7

#### **ACKNOWLEDGEMENT:**

The Directors are pleased to record with appreciation and gratitude the co-operation and support provided by Shareholders, Customers, Bankers, Suppliers, Workers and Employees of the company without whose active support the result would not have been possible.

Looking forward for a bright future for all of us.

Thanking you,



**Tahzeeb Alam Siddique**  
Managing Director

# **Independent Auditor's Report**

## **To the Shareholders of Dhaka Southern Power Generations Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Dhaka Southern Power Generations Limited (the "Company"), which comprise the 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 and other explanatory information.

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

#### **Emphasis of Matter**

We draw attention to note # 3.7 of the financial statements, which describes that the management of the Company decided not to make any further provision for Workers Profit Participation Fund (WPPF) as the Ministry of Power, Energy and Mineral Resources on request of Bangladesh Independent Power Producers Association (BIPPA) approached the Ministry of Labour and Employment to exempt the power producers in private sector from implementation of WPPF as required by the Labour Act 2006 (amended in 2013). The management of the company informed us that the matter is under active consideration of the government and management is hopeful that they will get the positive outcome. Our opinion is not modified in respect of this matter.

#### **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 financial statements that are free from material misstatement, whether due to fraud or error.

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 judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements 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 accounts; and
- d) The expenditure incurred was for the purpose of the company's business.

Dhaka,  
25 August 2019



**ACNABIN**

Chartered Accountants

# DHAKA SOUTHERN POWER GENERATIONS LIMITED

## Statement of Financial Position

As at 30 June 2019

	Notes	AMOUNT IN TAKA	
		30.06.2019	30.06.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>3,852,316,014</b>	<b>3,999,489,325</b>
Property, Plant & Equipment	4	3,410,285,189	3,567,489,325
Investments	5	442,030,825	432,000,000
<b>Current Assets</b>			
		<b>1,439,533,579</b>	<b>977,615,139</b>
Inventories	6	469,573,583	389,961,464
Trade Receivables	7	603,054,718	536,132,105
Current A/C with Parent & Sister Concerns	8	330,177,650	21,321,936
Advance, Deposit & Prepayments	9	25,787,796	28,874,754
Cash and Bank Balance	10	10,939,832	1,324,881
<b>TOTAL ASSETS</b>		<b>5,291,849,593</b>	<b>4,977,104,464</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' Equity</b>			
		<b>1,458,861,003</b>	<b>1,110,048,404</b>
Issued, Subscribed and Paid up Capital	11.1	793,500,000	793,500,000
Retained Earnings	12	665,361,003	316,548,404
<b>Non-Current Liabilities</b>			
		<b>2,102,170,043</b>	<b>2,381,996,103</b>
Long term loan net off current maturity	13	2,102,170,043	2,381,996,103
<b>Current Liabilities</b>			
		<b>1,730,818,548</b>	<b>1,485,059,957</b>
Trade Payable	14	10,640,537	10,801,454
Current Portion of Long Term Loan	15	157,771,917	157,790,875
Short Term Loan	16	1,501,472,948	1,268,359,950
Liabilities for Expenses	17	60,892,453	48,080,004
Provision for Income Tax	18	40,693	27,674
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,291,849,593</b>	<b>4,977,104,464</b>
<b>Net Asset Value Per Share (NAVPS)</b>			
	25	<b>183.85</b>	<b>139.89</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

  
Company Secretary

  
Director

  
Managing Director

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka,  
25 August 2019

  
ACNABIN  
Chartered Accountants

**DHAKA SOUTHERN POWER GENERATIONS LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended 30 June 2019

	Notes	AMOUNT IN TAKA	
		2018-2019	2017-2018
<b>Revenue</b>	19	2,886,836,751	2,674,001,770
Less: Cost of Sales	20	2,339,429,642	2,190,850,971
<b>Gross Profit</b>		<b>547,407,109</b>	<b>483,150,799</b>
<b>Less: Operating Expenses</b>			
General and Administrative Expenses	21	37,259,300	37,689,846
<b>Gross Operating Profit for the year</b>		<b>510,147,809</b>	<b>445,460,953</b>
Less: Financial Expenses	22	160,701,539	163,066,168
<b>Net Operating Profit for the year</b>		<b>349,446,270</b>	<b>282,394,785</b>
<b>Add: Non- Operating Income</b>			
Financial Income		37,196	78,497
<b>Net Profit before Tax</b>		<b>349,483,466</b>	<b>282,473,282</b>
Less: Income tax expense	23	670,868	75,074
<b>Net Profit after Tax</b>		<b>348,812,599</b>	<b>282,398,208</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>348,812,599</b>	<b>282,398,208</b>
<b>Basic Earning Per Share (EPS)</b>	24	<b>43.96</b>	<b>35.59</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

  
**Company Secretary**

  
**Director**

  
**Managing Director**

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,  
25 August 2019

  
**ACNABIN**  
Chartered Accountants

## DHAKA SOUTHERN POWER GENERATIONS LIMITED

### Statement of Changes in Equity

For the year ended 30 June 2019

AMOUNT IN TAKA

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as at 01 July 2018	793,500,000	-	316,548,404	1,110,048,404
Net Profit for the year	-	-	348,812,599	348,812,599
<b>Balance as at 30 June 2019</b>	<b>793,500,000</b>	<b>-</b>	<b>665,361,003</b>	<b>1,458,861,003</b>

Balance as at 01 July 2017	183,330,000	506,670,000	137,650,196	827,650,196
Share Money Deposit transferred to Share Capital	506,670,000	(506,670,000)	-	-
Bonus share for 2016-2017	103,500,000	-	(103,500,000)	-
Net Profit for the year	-	-	282,398,208	282,398,208
Balance as at 30 June 2018	793,500,000	-	316,548,404	1,110,048,404

*The annexed notes from 1 to 33 form an integral part of these Financial Statements.*

Dhaka,  
25 August 2019

  
**Company Secretary**

  
**Director**

  
**Managing Director**

# DHAKA SOUTHERN POWER GENERATIONS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2019

Notes	AMOUNT IN TAKA	
	2018-2019	2017-2018
<b>A. Cash Flows From Operating Activities</b>		
Receipt from customers	2,819,914,137	2,670,337,938
Payment to Suppliers and others	(2,245,375,178)	(2,112,376,739)
Payment for General and Administrative Expenses	(18,600,495)	(48,309,258)
Financial Expenses Paid	(160,701,539)	(163,066,168)
Income tax Paid	(657,849)	(66,650)
<b>Net cash flow from operating activities</b>	<b>394,579,077</b>	<b>346,519,123</b>
<b>B. Cash Flows From Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(19,382,763)	(23,471,226)
(Paid to)/Received from Parent & Sister Concerns	(308,855,714)	212,467,101
Subordinated loan	-	(431,500,000)
Investment in FDR	(10,030,825)	(500,000)
Interest Income	37,196	78,497
<b>Net cash used in investing activities</b>	<b>(338,232,106)</b>	<b>(242,925,628)</b>
<b>C. Cash Flows From Financing Activities</b>		
Repayment of Long Term Loan	(279,845,018)	(301,369,335)
Receipt of Short Term Loan	233,112,998	187,013,275
<b>Net cash used in financing activities</b>	<b>(46,732,020)</b>	<b>(114,356,060)</b>
<b>D. Net (decrease)/increase in Cash and bank balances (A+B+C)</b>	<b>9,614,951</b>	<b>(10,762,565)</b>
<b>E. Unrealized foreign exchange gain/(loss)</b>	<b>-</b>	<b>-</b>
<b>F. Cash and bank balances at beginning of the year</b>	<b>1,324,881</b>	<b>12,087,446</b>
<b>G. Cash and bank balances at end of the year</b>	<b>10,939,832</b>	<b>1,324,881</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>49.73</b>	<b>43.67</b>

The annexed notes from 1 to 33 form an integral part of these Financial Statements.

Dhaka,  
25 August 2019

  
Company Secretary

  
Director

  
Managing Director

**DIRECTORS' REPORT**  
**To The Shareholders of Chandpur Power Generations Limited**  
For the Year Ended 30 June 2019

**DEAR SHAREHOLDERS, COLLEAGUE, LADIES & GENTLEMEN**

ASSALAMU ALAIKUM,

The directors are pleased to present their report on the activities of the company together with the Audited Financial Statements of the company for the period from 01 July 2018 to 30 June 2019.

**REFFERAL:**

In terms of provisions of section 184 of the Companies Act, 1994, rule 12 (and the schedule there under) of the Securities and Exchange Rules 1987 and International Accounting Standards-1, it is the pleasure for the Board of Directors to submit its report to the Shareholders for the period 01 July 2018 to 30 June 2019 in the following paragraphs.

**BACKGROUND:**

Chandpur Power Generations Limited was incorporated under the Company act 1994 on 18 June 2017 with incorporation number C-138420/2017 as a private company limited by shares. The company has signed Implementation Agreement with Power Division, The Ministry of Power, Energy and Mineral Resources, Power Purchase Agreement with Bangladesh Power Development Board (BPDB) on 17 January 2018 for developing a 115 MW HFO Fired Power Plant at Icholi Ghat, Chandpur on BOO basis for a term of 15 years" The COD of this power plant was scheduled to be within 18 (eighteen) months from the date of signing of PPA with BPDB and contract period will be 15 years from the COD. DPGSL owns 99.90% shares in this company. Management is hopeful to finish the construction work of the plant and start its commercial operation by May 2020.

The registered office of the company is situated at Walsow Tower, 21, Kazi Nazrul Islam Avenue, Dhaka-1000.

The Authorized Capital is Tk. 100,000,000 (One Hundred Crore) divided into 1,000,000 shares of Tk. 100 each. The paid-up capital as on 30 June 2019 stood at Tk. 10,000,000/- consisting of 100,000 ordinary shares of Tk. 100/- each.

**SHAREHOLDING:**

The Shareholding status as on 30 June 2019 of the company is as under:

Name of Shareholder	Number	Value	Percentage
Doreen Power Generations and Systems Ltd.	999,000	99,900,000	99.99%
Rupali Engineers and Traders Ltd.	1,000	100,000	0.10%

**COMPANYS OPERATIONS:**

The position of its performance for the year ended 30 June 2019 is given bellow:

Particulars	30 June 2019
	Taka
Shareholders' Equity	100,000,000
Share Money Deposits	30,000,000
Retained Earnings/(loss)	(8,531,486)
Non-current Liabilities	-
Current Liabilities	49,500
<b>Total Equity &amp; Liabilities</b>	<b>121,518,014</b>
Non-current Assets	3,109,270
Current Assets	118,408,744
<b>Total assets</b>	<b>121,518,014</b>

Net Sales	-
Gross profit	-
<b>Net income after tax</b>	<b>(3,369,533)</b>

#### **APPOINTMENT OF AUDITORS:**

Existing Auditor, MABS & J Partners, Chartered Accountants will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2019-2020.

#### **BOARD MEETINGS:**

During the year (01 July 2018 to 30 June 2019) 06 (number of) Board Meetings were held. The attendance record of the Directors is as follows:

<b>Name of the Directors</b>	<b>Position</b>	<b>Number of the Meetings held</b>	<b>Number of attendance</b>
Tahzeeb Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Managing Director	6	6
Anjabeen Alam Siddique, Nominated By Rupali engineers & Traders Ltd.	Director	6	5
Parveen Alam, Nominated By Doreen Power House & Technologies Ltd.	Director (Resigned on 23 Jan 2019)	3	2
Tanzeer Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Director (Resigned on 23 Jan 2019)	3	2
Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director (Appointed on 23 Jan 2019)	3	3
Md. Abul Hasnat, Nominated By Doreen Power House & Technologies Ltd.	Director (Appointed on 23 Jan 2019)	3	2
Mahtab Bin Ahmed, Independent Director of Holding company (DPGSL)	Independent Director	6	5

#### **ACKNOWLEDGEMENT:**

The Directors are pleased to record with appreciation and gratitude the co-operation and support provided by Shareholders, Customers, Bankers, Suppliers, Workers and Employees of the company without whose active support the result would not have been possible.

Looking forward for a bright future for all of us.

Thanking you,



**Tahzeeb Alam Siddique**  
Managing Director

# **Independent Auditor's Report**

## **To the Shareholders of Chandpur Power Generations Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Chandpur Power Generations Limited (the "Company"), which comprise the 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 and other explanatory information.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirement 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to note # 3.7 of the financial statements, which describes that the management of the Company decided not to make any further provision for Workers Profit Participation Fund (WPPF) as the Ministry of Power, Energy and Mineral Resources on request of Bangladesh Independent Power Producers Association (BIPPA) approached the Ministry of Labour and Employment to exempt the power producers in private sector from implementation of WPPF as required by the Labour Act 2006 (amended in 2013). The management of the company informed us that the matter is under active consideration of the government and management is hopeful that they will get the positive outcome. Our opinion is not modified in respect of this matter.

#### **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 financial statements that are free from material misstatement, whether due to fraud or error.

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 judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements 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 accounts; and

Dhaka,  
25 August 2019



**ACNABIN**  
Chartered Accountants

# CHANDPUR POWER GENERATIONS LIMITED

## Statement Of Financial Position

As at 30 June 2019

	Notes	AMOUNT IN TAKA	
		30.06.2019	30.06.2018
ASSETS			
Non-Current Assets			
Capital work in progress	4	3,109,270	2,875,000
Current Assets			
Advance, Deposit and Prepayments	5	118,408,744	92,032,047
Current A/C with Parent & Sister Concerns	6	92,247,873	53,341,307
Cash and Bank Balance	7	25,979,554	38,026,060
		181,317	664,680
TOTAL ASSETS		121,518,014	94,907,047
EQUITY AND LIABILITIES			
Shareholders' Equity			
Issued, Subscribed and Paid up Capital	8	121,468,514	94,838,047
Share Money Deposits	9	100,000,000	100,000,000
Retained Earnings		30,000,000	-
		(8,531,486)	(5,161,953)
Current Liabilities			
Liabilities for Expenses	10	49,500	69,000
TOTAL EQUITY AND LIABILITIES		121,518,014	94,907,047

The accompanying notes from 1.00 to 12.00 are integral part of the this financial statements.


  
Company Secretary

  
Director

  
Managing Director

Signed in terms of our separate annexed report.

Dhaka,  
25 August 2019

  
MABS & J Partners  
Chartered Accountants

**CHANDPUR POWER GENERATIONS LIMITED**  
**Statement Of Profit Or Loss And Other Comprehensive Income**  
For the year ended 30 June 2019

	Notes	AMOUNT IN TAKA	
		2018-2019	2017-2018
Revenue		-	-
<b>Operating Expenses</b>			
General and Administrative Expenses	11	961,043	920,692
<b>Loss Before Interest and Income Tax</b>		<b>(961,043)</b>	<b>(920,692)</b>
Financial Expenses	12	2,408,490	4,028,523
<b>Loss Before Income Tax</b>		<b>(3,369,533)</b>	<b>(4,949,215)</b>
Less: Current year Income Tax		-	-
<b>Loss After Income Tax</b>		<b>(3,369,533)</b>	<b>(4,949,215)</b>

The accompanying notes from 1.00 to 12.00 are integral part of the this financial statements.

  
**Company Secretary**

  
**Director**

  
**Managing Director**

Signed in terms of our separate annexed report.

Dhaka,  
25 August 2019

  
**MABS & J Partners**  
Chartered Accountants

## CHANDPUR POWER GENERATIONS LIMITED

### Statement Of Changes In Equity

For the year ended 30 June 2019

AMOUNT IN TAKA

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on 01 July 2018	100,000,000	-	(5,161,953)	94,838,047
Share money deposit	-	30,000,000	-	30,000,000
Net Loss during the period	-	-	(3,369,533)	(3,369,533)
<b>Balance as on 30 June 2019</b>	<b>100,000,000</b>	<b>30,000,000</b>	<b>(8,531,486)</b>	<b>121,468,514</b>

Balance as on 01 July 2017	10,000,000	-	(212,738)	9,787,262
Share capital Issued	90,000,000	-	-	90,000,000
Net Loss during the period	-	-	(4,949,215)	(4,949,215)
<b>Balance as on 30 June 2018</b>	<b>100,000,000</b>	<b>-</b>	<b>(5,161,953)</b>	<b>94,838,047</b>

The accompanying notes from 1.00 to 12.00 are integral part of the this financial statements.


  
Company Secretary

  
Director

  
Managing Director

Signed in terms of our separate annexed report.

Dhaka,  
25 August 2019

  
MABS & J Partners  
Chartered Accountants

# CHANDPUR POWER GENERATIONS LIMITED

## Statement Of Cash Flows

For the year ended 30 June 2019

	AMOUNT IN TAKA	
	2018-2019	2017-2018
<b>A. Cash Flows From Operating Activities</b>	<b>(2,164,681)</b>	<b>(4,914,715)</b>
Payments for General and Administrative Expenses	(2,132,881)	(886,192)
Financial expenses paid	(31,800)	(4,028,523)
<b>B. Cash Flows From Investing Activities</b>	<b>(40,365,188)</b>	<b>(55,916,307)</b>
Capital work in progress	(234,270)	(2,875,000)
Payment for Land and Land Development	(40,130,918)	(53,041,307)
<b>C. Cash Flows From Financing Activities</b>	<b>42,046,506</b>	<b>51,495,702</b>
Received from Share Capital	-	90,000,000
Received from Share Money Deposit	30,000,000	-
Received from/(paid to) Parent & Sister Concerns	12,046,506	(38,504,298)
D. Net Inflows/ (Outflows) of Cash and Bank balance	(483,363)	(9,335,320)
Add: Cash and Bank Balance at beginning of the period	664,680	10,000,000
<b>E. Cash and Bank Balance at the end of the period</b>	<b>181,317</b>	<b>664,680</b>

The accompanying notes from 1.00 to 12.00 are integral part of the this financial statements.


  
Company Secretary

  
Director

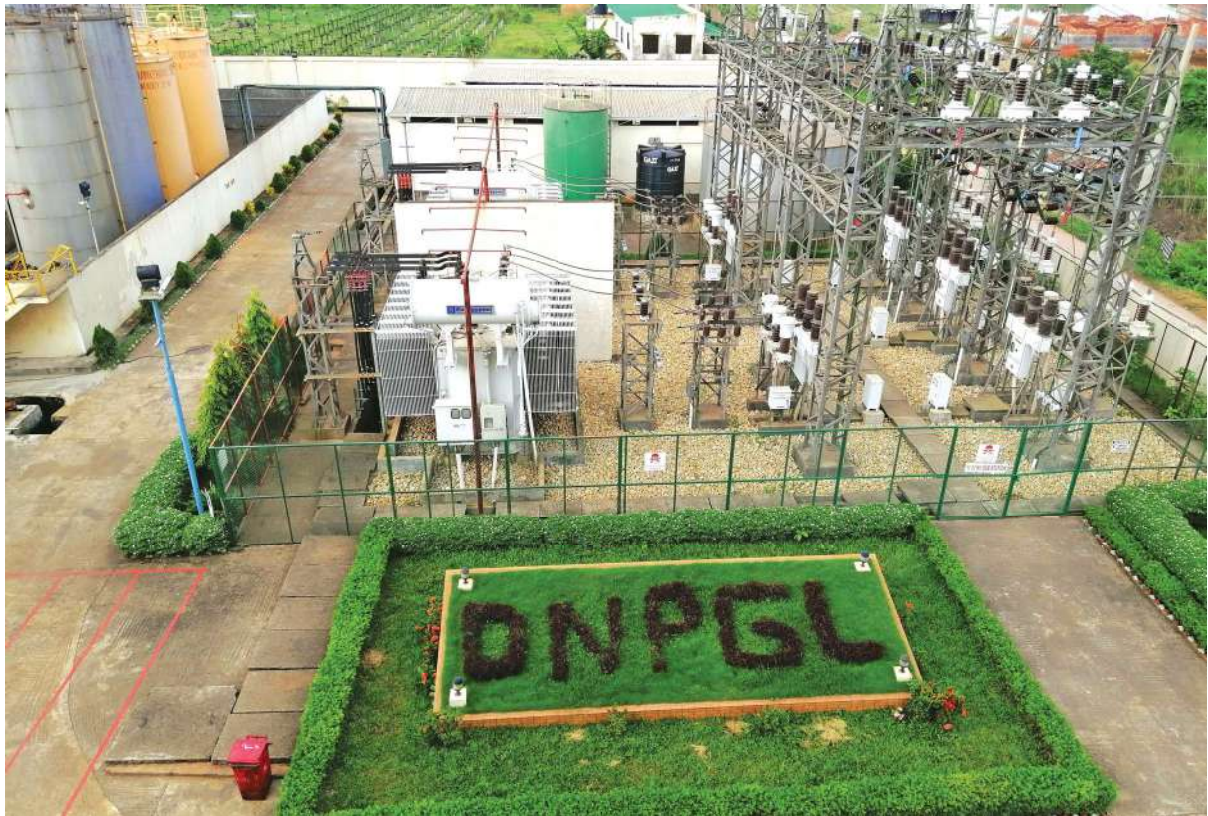
  
Managing Director

Signed in terms of our separate annexed report.

Dhaka,  
25 August 2019

  
MABS & J Partners  
Chartered Accountants





## Disclosure Check-list Regarding Corporate Governance

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## Doreen Power Generations and Systems Ltd.

Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000

### PROXY FORM

I/We .....

of .....

being a member of Doreen Power Generations and Systems Ltd. and entitled to vote, hereby appoint

Mr./Mrs./Ms .....

of .....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 12th Annual General Meeting (AGM) will be held on Thursday, 12 December 2019, at 11:00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka-1206 or at any adjournment thereof or at any ballot to be taken in consequence hereof.

Signature of Shareholder ..... Signature of Proxy .....

Signed this ..... Day of ..... 2019

Revenue  
Stamp of  
Tk. 20/-

BO ID:

#### No of Shares:

#### Note :

- (1) This form of proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's registered office.
- (2) Proxy is invalid if not signed and stamped as explained above.
- (3) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.

## Doreen Power Generations and Systems Ltd.

Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000

### ATTENDANCE SLIP

I hereby record my attendance at the 12th Annual General Meeting (AGM) will be held on Thursday, 12 December 2019, at 11:00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka-1206.

Name of the Member/Proxy .....

BO ID:

Signature ..... Date .....

N.B. Shareholders attending Meeting in person or by Proxy are requested to complete the Attendance Slip and deposit same at the entrance of the meeting.



CORPORATE OFFICE: House No.: 192/A, Lane-01, Mohakhali DOHS, Dhaka-1206  
REGISTERED OFFICE: Walsow Tower (16th Floor), 21 Kazi Nazrul Islam Avenue, Dhaka-1000  
Phone: 8860744, Fax: 8860766, e-mail: [info@doreenpower.com](mailto:info@doreenpower.com), [www.doreenpower.com](http://www.doreenpower.com)