

# ANNUAL REPORT 2022



**DOREEN POWER GENERATIONS  
AND SYSTEMS LIMITED**



## Letter of Transmittal

November 24, 2022

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 2022.**

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 2022 for your reference and record.

Thanking you,

Sincerely Yours,

For and on behalf of Doreen Power Generations and Systems Limited

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

## NOTICE OF THE 15<sup>th</sup> ANNUAL GENERAL MEETING OF DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting (AGM) of Doreen Power Generations and Systems Ltd. will be held on Sunday, 18 December 2022 through virtual Platform (Link: <https://doreenpower.bdvirtualagm.com>) at 11:00 AM to transact the following businesses:

### : AGENDA :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2022 together with the Report of the Auditors thereon and the Report of the Directors
2. To declare Dividend for the year ended 30 June 2022
3. To elect/ re-elect Director(s) of the Company
4. To approve Appointment of Independent Director
5. To appoint/ re-appoint Auditors for the year ending 30 June 2023 and fix their remuneration
6. To appoint/ re-appoint Corporate Governance Auditors for the year ending 30 June 2023 and fix their remuneration
7. To consider approval for mutual transactions of temporary loans and corporate guarantee with subsidiaries and/or sister concerns

By Order of the Board

Dated:  
Dhaka, Bangladesh  
24 November 2022

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

### : NOTES :

1. The 'Record Date' in lieu of Book Closure was Sunday, November 06, 2022. The Shareholders whose names appeared in the Members' Register of the Company under CDS on Record Date (06 November 2022) will be eligible to attend the 15<sup>th</sup> AGM and would be qualified to receive dividend.
2. A member eligible to attend and vote at the AGM may appoint a proxy to attend the meeting and take part in the proceedings thereof on his/her behalf. The scanned copy of "Proxy Form", duly signed and affixed with revenue stamp of BDT 100 must be sent through email to [info@doreenpower.com](mailto:info@doreenpower.com) or deposit at the Registered Office of the Company not later than 72 hours before commencement of the AGM.
3. Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 08 July 2021, the AGM will be held virtually, which will be conducted via live webcast by using digital platform. For login into the system, the shareholders need to put their 16-digit Beneficial Owner (BO) Number and other credentials as a proof of their identity. Link (<https://doreenpower.bdvirtualagm.com>) of the meeting and login details will be notified to the respective Member's email address or phone number. Full login/participation process for the Digital Platform will also be available on the Company's website: [www.doreenpower.com](http://www.doreenpower.com).
4. Pursuant to the Bangladesh Securities & Exchange Commission Notification No. BSEC/CMRRCD/ 2006-158/208/Admin/81 dated 20 June 2018, we will send the Annual Report of the company in soft form to the e-mail address of the shareholders available in their Beneficial Owners (BO) accounts maintained with the Depository. Shareholders may also collect the printed copy of the Annual Report from the registered office address of the company. Soft copy of the Annual Report-2022, Notice of AGM and Proxy Form will also be available at the website of the Company i.e. [www.doreenpower.com](http://www.doreenpower.com).
5. 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 December 01, 2022.
6. 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 December 01, 2022.

### SPECIAL NOTE

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

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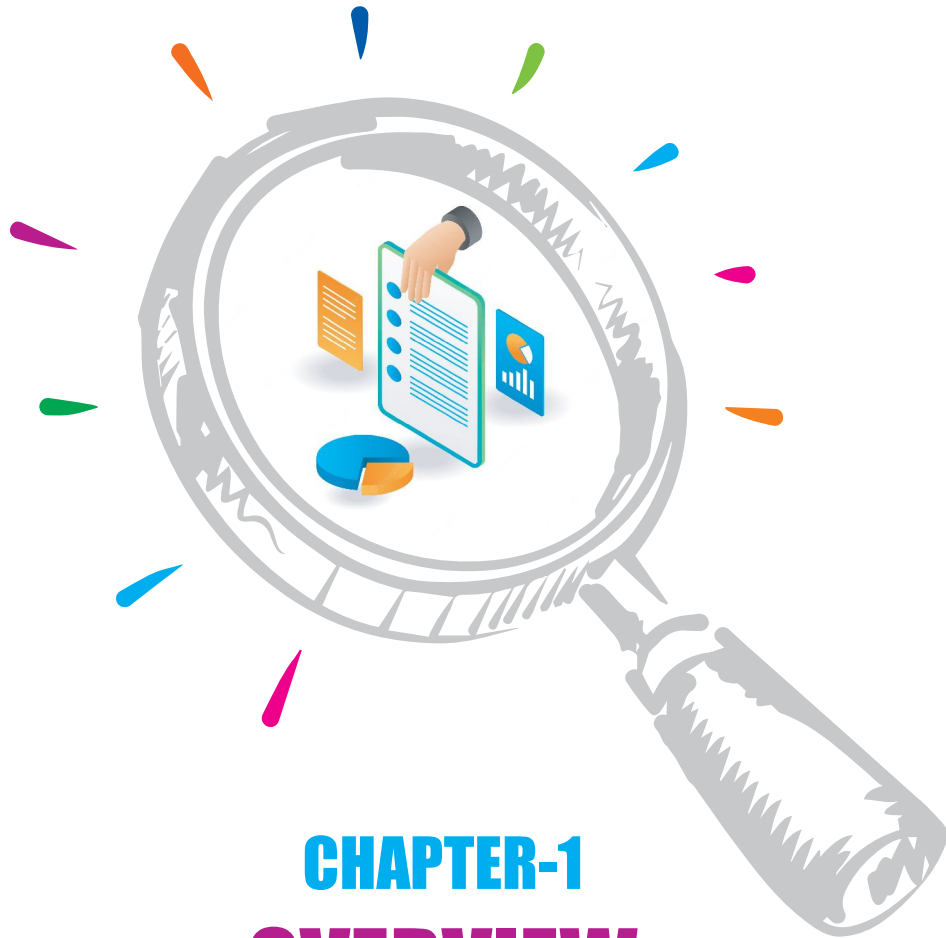
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# CHAPTER-1 OVERVIEW

## 1.1 VISION, MISSION & MAIN OBJECTIVE



### 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 RECOGNITION & AWARDS

The Company has been Awarded "ICMAB Best Corporate Award" for three consecutive years from 2018 to 2020 for ensuring good Corporate Governance.



**ICMAB Best  
Corporate  
Award-2018**



**ICMAB Best  
Corporate  
Award-2019**



**ICMAB Best  
Corporate  
Award-2020**

## 1.3 SUCCESS MILESTONES

<b>2007</b> <b>20 August</b> <b>11 October</b>	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
<b>2008</b> <b>12 November</b> <b>21 December</b>	Start Commercial operation of 22MW Power Plant at Tangail  Start Commercial operation of 22MW Power Plant at Narsingdi
<b>2009</b> <b>16 February</b>	Start Commercial operation of 22MW Power Plant at Feni
<b>2011</b> <b>30 October</b> <b>22 December</b>	Conversion into Public Limited Company Accomplished credit rating by CRAB (Rating long term loan by AA2)
<b>2012</b> <b>25 July</b> <b>29 July</b> <b>25 June</b> <b>25 June</b>	Appointment of Issue Manager Submission of Prospectus to BSEC Formation of Dhaka Southern Power Generations Limited Formation of Dhaka Northern Power Generations Limited
<b>2013</b> <b>07 January</b> <b>07 January</b> <b>05 August</b>	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 financial a 55MW power plant of its subsidiary DSPGL
<b>2014</b> <b>09 April</b>	Getting sanction letter for loan of BDT 2932.00 Million for financial a 55MW power plant of its subsidiary DNPGL



## 1.3 SUCCESS MILESTONES

<b>2015</b>	<b>30 November</b>	Approved the prospectus from BSEC
<b>2016</b>	<b>07 January</b> <b>13 January</b> <b>22 February</b> <b>10 March</b> <b>30 March</b> <b>06 April</b> <b>17 June</b> <b>17 August</b>	Issuance Consent letter by BSEC Issuance Prospectus of the Company Subscription of Shares Lottery of Shares Allotment same to General investor Listing with DSE and CSE First trading in Both Stock Exchanges Started commercial operation of 55 MW Power Plant of its subsidiary DSPGL Started commercial operation of 55 MW Power Plant of its subsidiary DNPGL
<b>2017</b>	<b>15 May</b> <b>18 June</b> <b>26 October</b>	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 had ownership of 60% shares of CPGL at inception Land purchase agreement for CPGL
<b>2019</b>	<b>11 April</b> <b>15 December</b>	Increased ownership in CPGL from 60% to 99.90% Achieved the ICMAB Best Corporate Award 2018 (3rd Position) in Power Sector
<b>2021</b>	<b>25 February</b> <b>30 December</b>	Achieved the ICMAB Best Corporate Award 2019 (3rd Position) in Power Sector Achieved the ICMAB Best Corporate Award 2020 (2nd Position) in Power Sector
<b>2022</b>	<b>11 February</b>	Started commercial operation of 115 MW Power Plant of its subsidiary Chandpur Power Generations Limited (CPGL)

## 1.4 CORPORATE DIRECTORY

BOARD OF DIRECTORS	<p><b>Mrs. Anjabeen Alam Siddique</b> Nominated by: Asian Entech Power Corporation Ltd.</p> <p><b>Mr. Tahzeeb Alam Siddique</b> <b>Mr. Md. Abul Hasnat</b> Nominated by: Asian Entech Power Corporation Ltd.</p> <p><b>Mr. Md. Ali Akbar</b> Nominated by: Asian Entech Power Corporation Ltd.</p> <p><b>Mr. Md. Towfiqul Islam Khan</b></p>	<p>Chairman (Non Executive)</p> <p>Managing Director</p> <p>Director (Non Executive)</p> <p>Director (Non Executive)</p> <p>Independent Director</p>
AUDIT COMMITTEE	<p><b>Mr. Md. Towfiqul Islam Khan</b>, Independent Director</p> <p><b>Mr. Md. Abul Hasnat</b>, Director</p> <p><b>Mr. Md. Ali Akbar</b>, Director</p>	<p>Chairman</p> <p>Member</p> <p>Member</p>
NOMINATION AND REMUNERATION COMMITTEE	<p><b>Mr. Md. Towfiqul Islam Khan</b>, Independent Director</p> <p><b>Mr. Md. Abul Hasnat</b>, Director</p> <p><b>Mr. Md. Ali Akbar</b>, Director</p>	<p>Chairman</p> <p>Member</p> <p>Member</p>
COMPANY SECRETARY & Secretary of Audit Committee and NRC	<p><b>Mr. Masudur Rahman Bhuiyan FCS</b></p>	
EXECUTIVE COMMITTEE	<p><b>Mr. Tahzeeb Alam Siddique</b>, Managing Director</p> <p><b>Mr. Mostafa Moin</b>, Chief Executive Officer</p> <p><b>Mr. Abul Hossain</b>, Chief Development Officer</p> <p><b>Mr. Md. Wahiduzzaman Khan</b>, Chief Operating Officer (HFO Plants)</p> <p><b>Mr. Md. Mostafizur Rahman</b>, Chief Operating Officer (Gas Based Plants)</p> <p><b>Mr. Iqbal Hossain</b>, Chief Administrative Officer</p> <p><b>Mr. Afroz Alam</b>, Chief Financial Officer</p> <p><b>Mr. Sultan Reza Bin Mahmud</b>, Sr. GM (Plant In-charge)</p> <p><b>Major Md. Salimur Rahman (retd.)</b> GM (Oil &amp; Shipping)</p> <p><b>Mr. Md. Taimur Alam</b>, FCMA, Head of Internal Audit &amp; Compliance</p> <p><b>Mr. Muhammad Amzad Shakil</b>, FCA, DGM-Finance &amp; Accounts</p> <p><b>Mr. Masudur Rahman Bhuiyan FCS</b>, DGM &amp; Company Secretary</p>	<p>Chairman</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Secretary</p>
OPERATION AND MAINTANANCE COMMITTEE	<p><b>Mr. Mostafa Moin</b>, Chief Executive Officer</p> <p><b>Mr. Md. Wahiduzzaman Khan</b>, Chief Operating Officer</p> <p><b>Mr. Md. Mostafizur Rahman</b>, Chief Operating Officer (Gas Based Plants)</p> <p><b>All of Plant In-charge</b></p>	<p>Chairman</p> <p>Member</p> <p>Member</p> <p>Member</p>
REGISTERED OFFICE	<p>Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh.</p>	

## 1.4 CORPORATE DIRECTORY

### CORPORATE OFFICE

192/A, Eastern Road, Lane-1, New DOHS Mohakhali, Dhaka-1206  
Phone: +88-02222260744, Fax: +88-02222260766  
E-mail: [info@doreenpower.com](mailto:info@doreenpower.com), Website: [www.doreenpower.com](http://www.doreenpower.com)

### STATUTORY AUDITORS

**ACNABIN Chartered Accountants**  
(Member of BAKER TILLY INTERNATIONAL)  
BDBL Bhaban (Level-13 & 14) 12 Karwan Bazar Commercial Area  
Dhaka-1215, Bangladesh, Dhaka.  
Phone: +880-2-8144347 to 52, Fax: +880-2-8144353

### LEGAL ADVISOR

**VERTEX CHAMBERS**  
Millennium Castle (5th Floor), Plot 47, Road 27  
Block A, Banani, Dhaka 1213, Bangladesh.  
Office: +8802 555034815-16, [www.vertexchambers.com](http://www.vertexchambers.com)

### CORPORATE GOVERNANCE AUDITOR

**SARashid & Associates**  
Chartered Secretaries  
Noakhali Tower (12th Floor, 13-D), 55/B Purana Paltan, Dhaka-1000, Bangladesh  
Phone: +88 02 9556595, +88 02 9558796, +880-1755944966

### 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

Elenga, Tangail	Daulatpur, Nawabganj
Chinispur, Narsingdi	Singair, Manikganj
Debipur, Feni	Icholi, Chandpur

### MAIN BANKERS

Mutual Trust Bank Limited	Islami Bank Bangladesh Limited
Trust Bank Limited	The City Bank Limited
NCC Bank Limited	Dhaka Bank Limited





## 1.5 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 thereafter its securities (shares) was listed with both Stock Exchanges of Bangladesh i.e. Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Trading of Shares of the Company started on 06 April 2016.

DPGSL has setup 3 power plants for generating and supplying 66 MW of electricity to Bangladesh Power Developments 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 Narshinghdi plant for a period of 15 years each. 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.

DPGSL through its three subsidiaries Dhaka Southern Power Generations Ltd. (DSPGL), Dhaka Northern Power Generations Ltd. (DNPGL) and Chandpur Power Generations Ltd. (CPGL) have implemented 03 (three) HFO based power plants of total 225 MW capacity. Southern Power has started commercial operation on 17 June 2016, Northern Power has started commercial operation on 17 August 2016 and Chandpur Power has started commercial operation on 11 February 2022. All power plants were commissioned with MAN Diesel and Turbo, Germany engines. Every plant will generate and supply electricity to BPDB for 15 years from CODs as per Power Purchase Agreements (PPA).

DPGSL owns 99.15% stake of Dhaka Southern Power Generations Limited, 99.40% stake of Dhaka Northern Power Generations Limited and 99.90% stake of Chandpur Power Generations Limited.

## NATURE OF BUSINESS

Electricity is the principal product of the Company. Under private sector power generation policy of Bangladesh, the Company is selling 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%
	Narshingdi Power Plant	22 MW	21.12.2008	100%
	Feni Power Plant	22 MW	16.02.2009	100%
Dhaka Southern Power Generations Ltd. (DSPGL)	Daulatpur, Nawabganj	55 MW	17.06.2016	99.15 %
Dhaka Northern Power Generations Ltd. (DNPGL)	Singair, Manikganj	55 MW	17.08.2016	99.40 %
Chandpur Power Generations Limited (CPGL)	Icholi Ghat, Chandpur	115 MW	11.02.2022	99.90%





## 1.6 MESSAGE FROM CHAIRMAN

Dear Shareholders,

Assalamu Alaikum Warahmatullah.

We are delighted to welcome you all to the 15th Annual General Meeting (AGM) of Doreen Power Generations and Systems Limited (DPGSL). I am pleased to present before you the Annual Report and Audited Financial Statements of the Company for the year ended 30 June 2022. The performance of the Company has been remarkable considering the adverse impact of Ukraine war and lingering COVID-19 pandemic impact on the world economy as well as on our country's economy. Company's progress over the last few years, especially in terms of electricity generation, revenue growth, profitability and exploration of new investment opportunities was remarkable.

You will be happy to know that your company along with its three subsidiaries (Group) has generated 1,268.22 million kWh of electricity at average capacity utilization of 65.77% in last year despite having volatility in global energy market and adverse effect of COVID 19 pandemic on the economy.

The Group has generated total revenue of Tk. 15,024.10 million during the year 2021-22 to make a gross profit of Tk. 3,094.02 million and net profit of Tk. 1,677.66 million compared to revenue Tk. 6,656.73 million, gross profit Tk. 1,665.76 million and net profit Tk. 1,176.13 million during the year 2020-21. Revenue has increased by 125.70% mainly for newly added revenue from Chandpur Power and increase in sale revenue of two existing subsidiaries (DSPGL & DNPGL) which has resulted from increase in demand for electricity in the economy as well as increase in energy payment for increase in fuel price in international market. As a result, gross profit has increased by only 86.86%. Moreover, profit after tax has increased by only 42.64% for incurring huge foreign exchange loss arisen from significant devaluation of Bangladeshi Taka against US Dollar on which management had no control.

At the end of 2021-22, total equity of the company stood Tk. 8,595.14 million out of which Tk. 6,019.89 million is accumulated profit (retained earnings). All the engines of Dhaka Southern Power and Dhaka Northern Power are scheduled to have major overhauling with in next financial year which would require about Tk.1,000 million and considering the future investment opportunities, directors have recommended to declare 12% stock dividend for all shareholders and 18% cash dividend only for general shareholders (not for Directors/Sponsors). I hope you would happily approve the recommended dividend.

Almost every economy in the World is shattered with inflation, crisis of energy and commodity, fear of recession and famine, loss of income, high interest rates and depreciation of local currencies.

Our country is also suffering for energy crisis, devaluation of BDT against USD and other foreign currencies, rapid decline of foreign exchange reserves. As a Major contributor of the economy power sector is also badly affected by these negative economic conditions. Hope we will be able to overcome the crisis with various initiatives taken by Government including others to encourage more foreign remittance and discourage import of non-essential goods.

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 sincerely show my immense gratitude to our Board Members for their continued guidance and active engagement and to 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 the dedication, commitment and contributions made bring the success of the company. I sincerely look forward to welcoming you at our 16th AGM in 2023.

Thank you ladies and gentlemen.



**Anjabeen Alam Siddique**  
Chairman

## 1.7 KEY OPERATING AND FINANCIAL HIGHLIGHTS

Amount in Million (BDT)

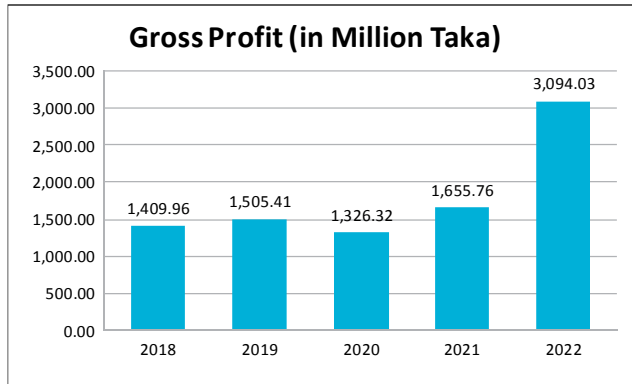
PARTICULARS		30.06.2022	30.06.2021	30.06.2020	30.06.2019	30.06.2018
		Taka	Taka	Taka	Taka	Taka
<b>Operating Data</b>						
Turnover		15,024.10	6,656.73	4,746.32	7,021.68	6,660.50
Cost of Sales		11,930.07	5,000.97	3,419.20	5,516.27	5,250.53
Gross Profit		3,094.03	1,655.76	1,326.32	1,505.41	1,409.96
General & Admin Expenses		309.11	142.01	139.36	116.95	118.57
Operating Profit		2,784.91	1,513.75	800.58	1,388.46	1,291.39
Financial Expenses		1,111.33	344.09	386.38	464.65	460.75
Net Profit Attributable to Owners		1,667.94	1,168.59	797.80	918.27	829.28
<b>Balance Sheet Data</b>						
Paid up Capital		1,617.13	1,443.87	1,312.61	1,161.6	1,056.00
Shareholders' Equity		8,595.14	6,989.88	5,865.11	5,133.26	4,316.62
Non-Current Assets		15,724.16	15,923.37	10,249.74	10,319.12	10,682.15
Non-Current Liabilities		7,556.90	7,803.73	4,218.56	4,755.91	5,553.84
Current Assets		12,952.90	5,600.08	3,640.47	3,904.99	2,929.10
Current Liabilities		12,477.44	6,692.14	3,778.07	4,311.24	3,740.78
Total Assets		28,677.06	21,523.45	13,890.21	14,224.11	13,611.25
Total Liabilities		20,034.34	14,495.87	7,996.64	9,067.15	9,294.63
<b>Profitability Ratios</b>						
Gross Profit Ratio		20.59%	24.87%	27.93%	21.44%	21.17%
Operating Profit Ratio		18.54%	22.74%	25.01%	19.77%	19.39%
Net Profit Ratio		11.17%	17.67%	16.90%	13.15%	12.49%
Return on Total Assets		6.68%	6.64%	5.71%	6.64%	6.39%
Return on Capital Employed		17.95%	12.14%	11.92%	14.04%	13.37%
Return on Equity		21.41%	18.20%	14.52%	19.50%	21.35%
Price Earnings Ratio (Times)		7.44	8.02	9.39	9.89	12.65
<b>Other Data</b>						
Earning Per Share (EPS)		10.31	8.09	6.08	7.91	7.14
Operatin Cash Flow Per Share		(32.22)	6.46	15.12	7.25	9.86
Dividend	Cash	18%	13%	10%	17%	15%
	Stock	12%	12%	10%	13%	10%

## 1.8 PERFORMANCE INDICATORS

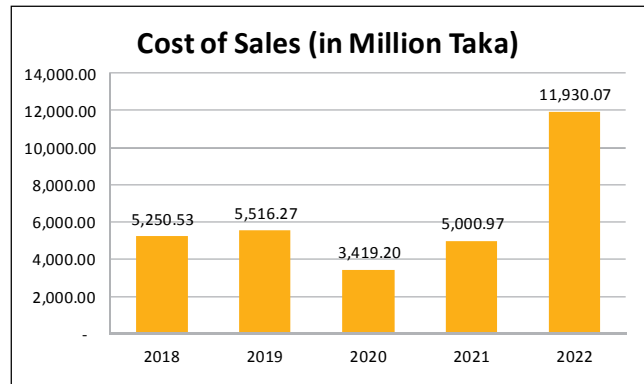
Amount in Million (BDT)

PARTICULARS	2022		2021		2020		2019		2018	
	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.	Consol.	Indiv.
<b>Liquidity Ratios as on 30 June:</b>										
Current Ratio (Times)	1.04	0.38	0.84	0.19	0.96	0.84	0.91	0.65	0.78	0.75
Quick Ratio (Times)	0.91	0.35	0.71	0.16	0.82	0.77	0.66	0.57	0.66	0.68
Times Interest Earned Ratio (Times)	2.51	1.87	4.40	2.10	3.07	2.56	2.99	2.35	2.80	2.80
Debt to Equity Ratio (Times)	2.21	0.14	1.92	0.20	1.28	0.29	1.69	0.32	2.15	0.45
Debt to Total Assets Ratio (Times)	0.67	0.06	0.63	0.11	0.55	0.21	0.61	0.23	0.68	0.31
<b>Operating Ratios (Times) for the ended 30 June:</b>										
Accounts Receivable Turnover Ratio	1.61	2.91	3.94	4.43	3.97	3.10	4.66	3.94	4.64	3.90
Inventory Turnover Ratio (Times)	7.52	9.25	5.93	14.65	8.60	19.72	5.15	13.41	10.97	15.32
Asset Turnover Ratio (Times)	0.52	0.19	0.31	0.20	0.34	0.25	0.49	0.23	0.49	0.23
Debt Service Coverage Ratio (Times)	0.27	0.93	0.34	1.12	0.44	0.83	0.44	0.83	0.46	0.87
<b>Profitability Ratios for the year ended 30 June:</b>										
Gross Margin Ratio	20.59	26.53	24.87	27.00	27.93	30.05	21.44	33.35	21.17	34.48
Operating Income Ratio	18.54	23.29	22.74	23.67	25.01	26.42	19.77	29.33	19.39	30.54
Net Income Ratio	11.17	10.98	17.67	12.39	16.90	16.22	13.15	16.86	12.49	19.69
Return on Assets Ratio	6.68	2.18	6.64	2.82	5.71	4.11	6.64	3.90	6.39	4.62
Return on Equity Ratio	21.41	3.95	18.20	4.39	14.52	5.64	19.50	5.51	21.35	6.85
Earnings Per Share (EPS) (Tk.)	10.31	0.93	8.09	1.13	6.08	1.54	7.91	1.63	7.14	1.92
<b>Net Assets Value (NAV) per Share (Tk.) as on 30 June:</b>										
NAV per Share (Tk.)	53.15	23.84	43.22	23.29	36.27	22.56	31.34	21.72	26.35	20.81

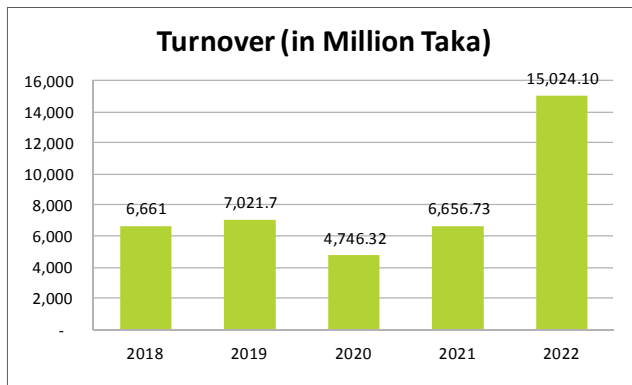
# Bar Diagrams of Performance Indicators



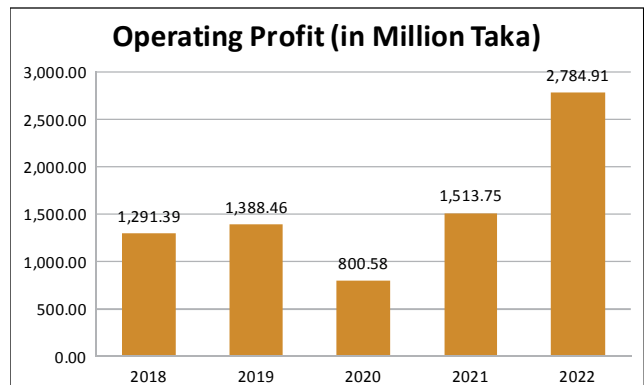
Gros Profit for the year 2017-18 to 2021-22



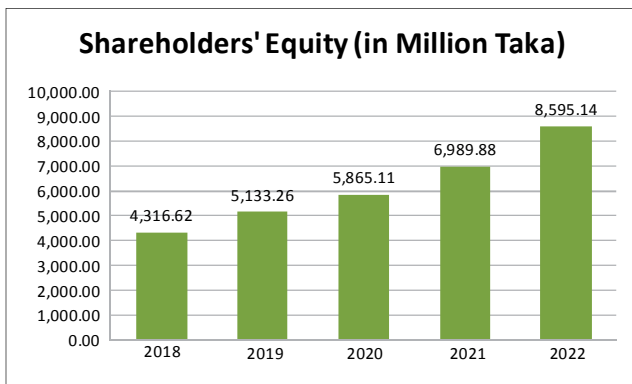
Cost of Sales for the year 2017-18 to 2021-22



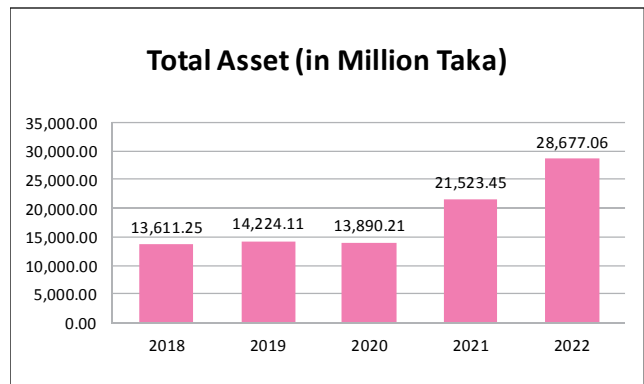
Turnover for the year 2017-18 to 2021-22



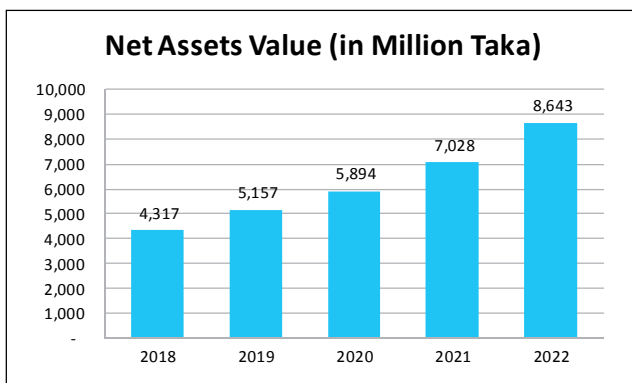
Operating Profit for the year 2017-18 to 2021-22



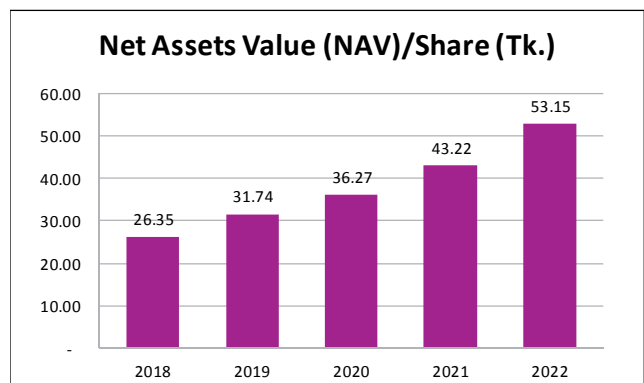
Shareholder's Equity for the year 2017-18 to 2021-22



Total Asset for the year 2017-18 to 2021-22



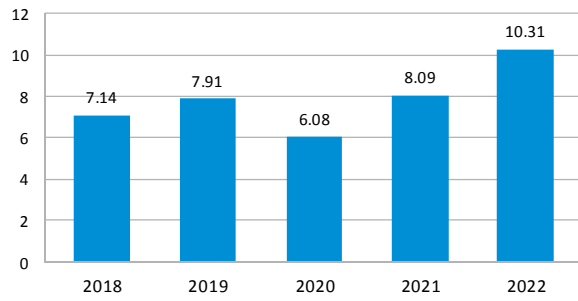
Net Assets for the year ended 30 June 2018 to 30 June 2020



Net Assets Value (NAV) for the year 2017-18 to 2021-22

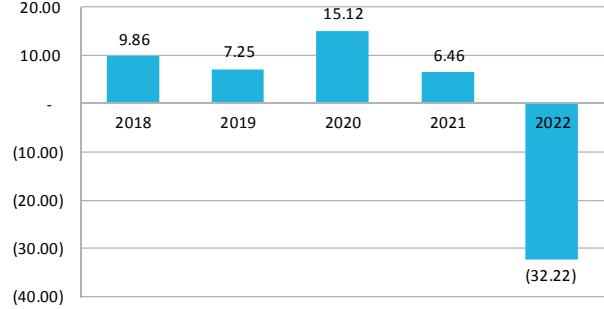


### Earnings Per Share (EPS) (Tk.)



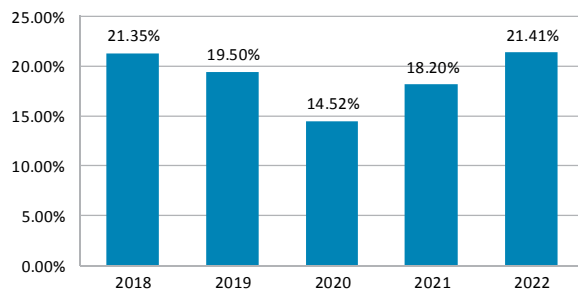
Earnings Per Share (EPS) for the year 2017-18 to 2021-22

### Operating Cash Flow per Share (Tk.)



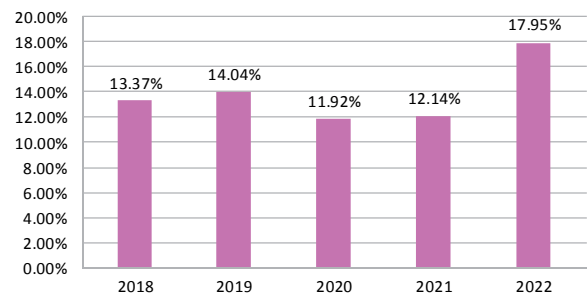
Operating Cash Flow per Share for the year 2017-18 to 2021-22

### Return on Equity Ratio



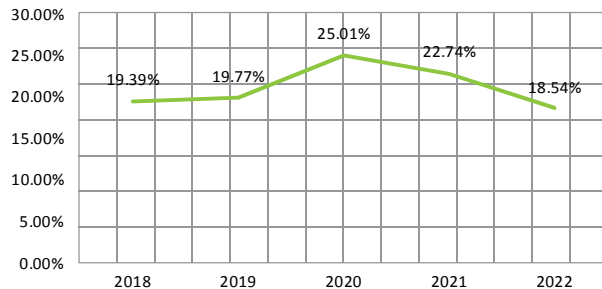
Return on Equity Ratio for the year 2017-18 to 2021-22

### Return on Capital Employed



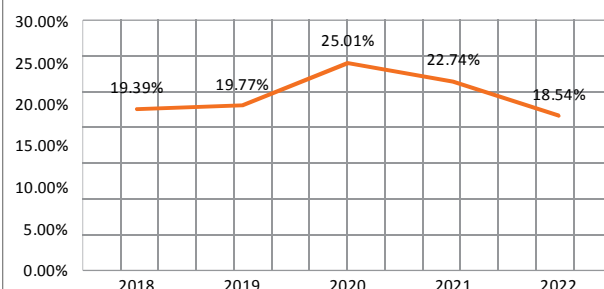
Return on Capital Employed for the year 2017-18 to 2021-22

### Operating Profit Ratio



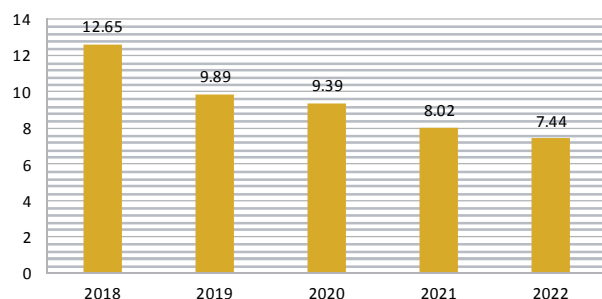
operating Profit for the year 2017-18 to 2021-22

### Net Profit Ratio



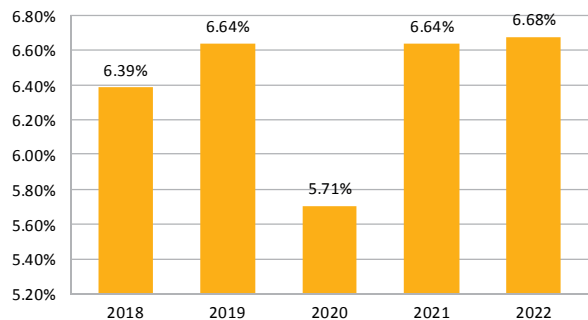
Net Profit for the year 2017-18 to 2021-22

### Price Earning Ratio



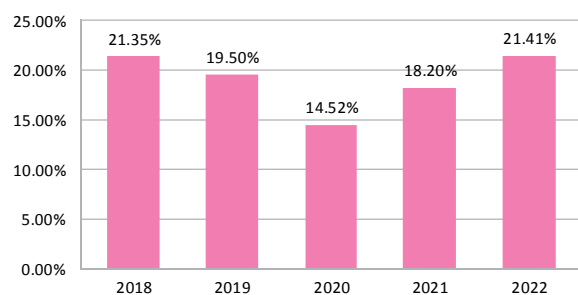
Price Earning Ratio for the year 2017-18 to 2021-22

### Return on Total Asset Ratio



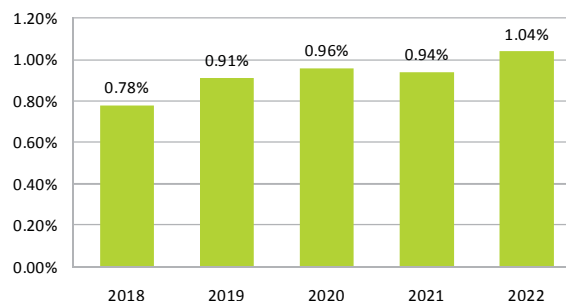
Return on Total Asset Ratio for the year 2017-18 to 2021-22

### Return on Equity Ratio



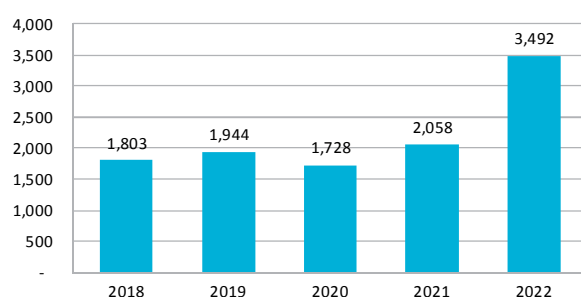
Return on Equity Ratio for the year 2017-18 to 2021-22

### Current Ratio



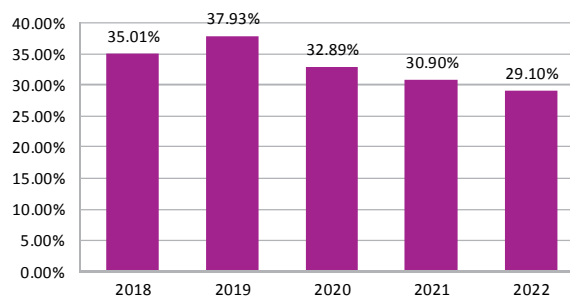
Current Ratio for the year 2017-18 to 2021-22

### EBITDA (in Million Taka)



EBITDA for the year 2017-18 to 2021-22

### Dividend Payout Ratio



Dividend pay out ratio for the year 2017-18 to 2021-22



## **CHAPTER-2**

# **ORGANIZATION AND PROCESSES**

## 2.1 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. Md. Towfiqul Islam Khan**  
Independent Director

## 2.2 AUDIT COMMITTEE

**Mr. Md. Towfiqul Islam Khan**, Independent Director (Chairman)

**Mr. Md. Abul Hasnat**, Non-Executive Director (Member)

**Mr. Md. Ali Akbar**, Non-Executive Director (Member)

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## 2.3 NOMINATION AND REMUNERATION COMMITTEE (NRC)

**Mr. Md. Towfiqul Islam Khan**, Independent Director (Chairman)

**Mr. Md. Abul Hasnat**, Non-Executive Director (Member)

**Mr. Md. Ali Akbar**, Non-Executive Director (Member)

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## 2.4 COMPANY SECRETARY AND SECRETARY OF AUDIT COMMITTEE & NRC

**Mr. Masudur Rahman Bhuiyan** FCS





## 2.5 BRIEF PROFILE OF DIRECTORS

**Mrs. Anjabeen Alam Siddique**  
Chairman (Non-Executive)  
[Nominated by Asian Entech  
Power Corporation Limited]

Mrs. Anjabeen Alam Siddique is a nominee director of Asian Entech Power Corporation Limited, 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. She also holds the director position in other subsidiary and sister concerns, which are shown under title "Disclosures of Directors' Interest".

**Mr. Tahzeeb Alam Siddique**  
Managing Director

Mr. Tahzeeb Alam Siddique, a Masters in Public Administration from Cornell University, USA aged 46 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 Mr. Tahzeeb Alam Siddique the company enhanced its capacity from 66 MW to 291 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. He also holds the director position in other subsidiary and sister concerns, which are shown under title "Disclosures of Directors' Interest".

**Mr. Md. Abul Hasnat**  
Director (Non-Executive)  
[Nominated by Asian Entech  
Power Corporation Limited]

Mr. Md. Abul Hasnat is a nominee director of Asian Entech Power Corporation Limited, a Master of Arts from Dhaka University, aged 63 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. He also holds the director position in other subsidiary and sister concerns, which are shown under title "Disclosures of Directors' Interest".

**Mr. Md. Ali Akbar**  
Director (Non-Executive)  
[Nominated by Asian Entech  
Power Corporation Limited]

Mr. Md. Ali Akbar is a nominee director of Asian Entech Power Corporation Limited, 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. He also holds the director position in other subsidiary and sister concerns, which are shown under title "Disclosures of Directors' Interest".

**Mr. Md. Towfiqul Islam Khan**  
Independent Director

Mr. Md. Towfiqul Islam Khan, Barrister-at-Law, Advocate, Supreme Court of Bangladesh has been appointed to the Board as an Independent Director on December 12, 2021 in compliance with Corporate Governance Code. He has more than 10 years of experience in law practice. He is serving as legal advisor in various reputed Bank and Companies in our Country. He holds LL.B (Hons) degree from University of London, UK, and has completed PGD in Bar Professional Training at Northumbria University, UK. He is a member of the Honorable Society of Lincoln's Inn (UK) and has been called to the Bar of England and Wales (NP). He is also a member of Dhaka Bar Association and the Supreme Court Bar Association.

## 2.6 DISCLOSURES OF DIRECTORS' INTEREST

Name of Directors & their position in DPGSL	Entities where they have interests	Position
<b>Anjabeen Alam Siddique</b> Chairman	Doreen Power House & Technologies Ltd.	Director
	Asian Entech Power Corporation Ltd.	Director
	Dhaka Northern Power Generations Limited	Director
	Dhaka Southern Power Generations Limited	Director
	Banco Energy Generation Ltd.	Director
	Chandpur Power Generations Ltd.	Director
	Manikgonj Power Generations Ltd.	Director
	Doreen Trading Limited	Director
	Pacific Dredging Limited	Director
<b>Tahzeeb Alam Siddique</b> Managing Director	Doreen Fashions Ltd.	Director
	Doreen Washing Plant Ltd.	Director
	Doreen Apparels Ltd.	Director
	Nurun Nahar Textile Ltd.	Director
	Eastern Cement Industries Ltd.	Director
	Doreen Garments Limited	Director
	Doreen Power House and Technologies Ltd.	Managing Director
	Asian Entech Power Corporation Ltd.	Managing Director
	Dhaka Northern Power Generations Limited	Managing Director
	Dhaka Southern Power Generations Limited	Managing Director
	Banco Energy Generation Ltd.	Managing Director
	Chandpur Power Generations Ltd.	Managing Director
	Manikgonj Power Generations Ltd.	Managing Director
	Doreen Trading Limited	Managing Director
	Pacific Dredging Limited	Managing Director
<b>Md. Abul Hasnat</b> Director	Dhaka Northern Power Generations Limited	Director
	Dhaka Southern Power Generations Limited	Director
	Banco Energy Generation Ltd.	Director
	Doreen Power House and Technologies Ltd.	Director
	Chandpur Power Generations Ltd.	Director
	Asian Entech Power Corporation Ltd.	Shareholder
<b>Md. Ali Akbar</b> Director	Dhaka Northern Power Generations Limited	Director
	Dhaka Southern Power Generations Limited	Director
	Chandpur Power Generations Ltd.	Director
	Asian Entech Power Corporation Ltd.	Shareholder



## 2.7 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. Md. Mostafizur Rahman**

Chief Operating Officer (Gas Based Plants)

### **Mr. Iqbal Hossain**

Chief Administrative Officer

### **Mr. Afroz Alam**

Chief Financial Officer

### **Mr. Sultan Reza Bin Mahmud**

Senior General Manager (Plant In-Charge)

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

General Manager (Oil & Shipping)

### **Mr. Md. Abul Kalam Azad**

General Manager (Plant in Charge)

### **Mr. Masudur Rahman Bhuiyan FCS**

Deputy General Manager & Company Secretary

### **Mr. Md. Taimur Alam, FCMA**

Head of Internal Audit & Compliance

### **Mr. Muhammad Amzad Shakil, FCA**

Deputy General Manager (Finance & Accounts)

### **Mr. Mohammad Salah Uddin**

Head of HR & Admin

### **Mr. Monjurul Nasim**

Head of Civil Engineering

### **Mr. Md. Kafiul Masud**

Assistant General Manager (Plant In-Charge)

## 2.8 BRIEF PROFILE OF THE SENIOR EXECUTIVES



**Mr. Mostafa Moin**  
Chief Executive Officer

Mostafa Moin has obtained Bachelor of Business Administration (BBA) degree from a 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, Switzerland, Sweden, Austria, Italy, France, England, Malaysia, Singapore, Indonesia, Bangkok, Dubai, Nepal, India for business purpose.



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

Mr. 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 from 1990 for 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 new projects and subsequent development of existing Power Projects. He has successfully completed several gas fired Engine & Turbine based Power projects.

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.



**Mr. Md. Wahiduzzaman Khan**  
Chief Operating Officer, HFO Based Plants

Mr. Md. Wahiduzzaman Khan 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 24 years experience in the power sector prior to joining Doreen Power.



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

Mr. Md. Mostafizur Rahman 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. Iqbal Hossain**  
Chief Administrative Officer

Mr. Iqbal Hossain has completed his post graduate degree in Business Administration from Belgium. He has 22 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, UK, Belgium, Netherland, Luxemburg, Cyprus, France, Germany, Austria, Turkey, UAE, Singapore, Malaysia, Thailand, India etc. for business, study and pleasure purposes and gathered practical and theoretical business knowledge.



**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 24 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 carrier he has attend several training program and workshop on corporate finance, Tax, VAT, Internal control system and regularities requirement. He also visit several countries i:e: Sweeden, Italy, Dubai, Malaysia, Bangkok and India for business purpose.





**Mr. Sultan Reza Bin Mahmud**  
Sr. General Manager & Plant In-Charge

Mr. Sultan Reza Bin Mahmud is serving in Doreen Power Generations and Systems Limited as Senior General Manager and Plant in charge of Tangail 22 MW Power Plant. He has 31 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. Prior to joining in Doreen Power, he worked in Energis Power Corporation, Summit Power Limited and Merchant Navy.

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.



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

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 organization 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.



**Mr. Md. Abul Kalam Azad**  
General Manager & Plant In-Charge

Mr. Md. Abul Kalam Azad is serving as General Manager and Plant in Charge of Dhaka Northern Power Generations Ltd. He completed his graduation from Dhaka University in 1987. He joined as an Engineering Cadet at Foreign going vessel in 1989. He obtained a Marine Engineering Certificate (COC) from the Department of shipping in 1995. He worked in various Foreign going Vessels as Marine Engineer Officer and also Chief Engineer at near Coastal voyage. He left Sea service and completed MBA degree in Finance from Khulna University. He worked as Marine Transport Manager under Abul Khair Group. He also worked for a long time with Wartsila Power plant as Sr. Superintendent Engineer (O&M) 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 plants. He has a total 30 years of experience (O&M) of Merchant Ship, HFO based power plant of different capacities, Erection, Installation, Commissioning, Operation, Maintenance and General Administration. He obtained Marine Diploma from BIMT, Management Training from BIM, , Integrated Management System ISO 9001(Quality Management), ISO 14001(Environmental Management) and ISO 18001(Occupational Safety and Health) from Bureau Veritas and Foreign Training O&M of 18V48/60 TS diesel engine from Germany and RO system (O&M) from Malaysia.





**Mr. Masudur Rahman Bhuiyan FCS**  
Deputy General Manager & 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 17 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, BEREC, DOE, Banks and Central Bank.

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



**Mr. Md. Taimur Alam FCMA**  
Head of Internal Audit and Compliance

Mr. Md. Taimur Alam completed his masters degree in Accounting from Dhaka College under the National University. Later he qualified Cost & Management accounting professional qualification from the Institute of Cost & Management Accountants of Bangladesh (ICMAB). He is a Fellow Member of 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 Manager (Finance). He has 17 years experiences in the various fields of Accounting, Finance and Internal Audit.



**Mr. Muhammad Amzad Shakil FCA**  
Deputy General Manager (Finance & Accounts)

Mr. Muhammad Amzad Shakil is a Fellow 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 12 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. Mohammad Salah Uddin**  
Head of HR & Admin

Mr. Mohammad Salah Uddin joined in 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 & Jahangirnagar University, 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. Monjurul Nasim**  
Head of Civil Engineering

Mr. Monjurul Nasim has obtained Bachelor of Science in Civil Engineering degree from KUET on 1995. He joined Doreen Engineering & Construction Ltd. (DECL), a sister company of Doreen Power in 2015. He has 27 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. Md. Kafiul Masud**  
AGM & Plant In-Charge

Mr. Md. Kafiul Masud has joined in Doreen Power in 2021. He is a Mechanical Engineer by education and a power plant engineer by profession. He has 15 years of profound experience in power plant operation, maintenance, EPC & warranty related works. Prior to his joining in Doreen Power he worked for Wartsila Bangladesh Limited (Khulna Plant), Energypac Power Generations Limited & Energypac Power Venture Chittagong Limited. He has very good work experience on Wartsila, Rolls-Royce and MAN engines.

Md. Kafiul Masud has obtained his B. Sc. in Mechanical Engineering degree from Khulna University of Engineering & Technology (KUET). He also has MBA degree major in Finance & Banking from University of Chittagong. In addition with his academic qualification he has participated numerous training on power plant management, operation and maintenance.

## 2.9 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.

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

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.

### INTERNAL AUDIT

An internal audit is the examination, monitoring and analysis of activities related to the 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 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 International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and reports to the Board accordingly.

**Audit Committee's involvement in the review of 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 promote 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 give 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 controls is adequate to protect against any type of fraud or irregularity or material infringement and to report to the Board on a timely basis. The Audit Committee reviews the measures taken by the management relating to 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 interest 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.

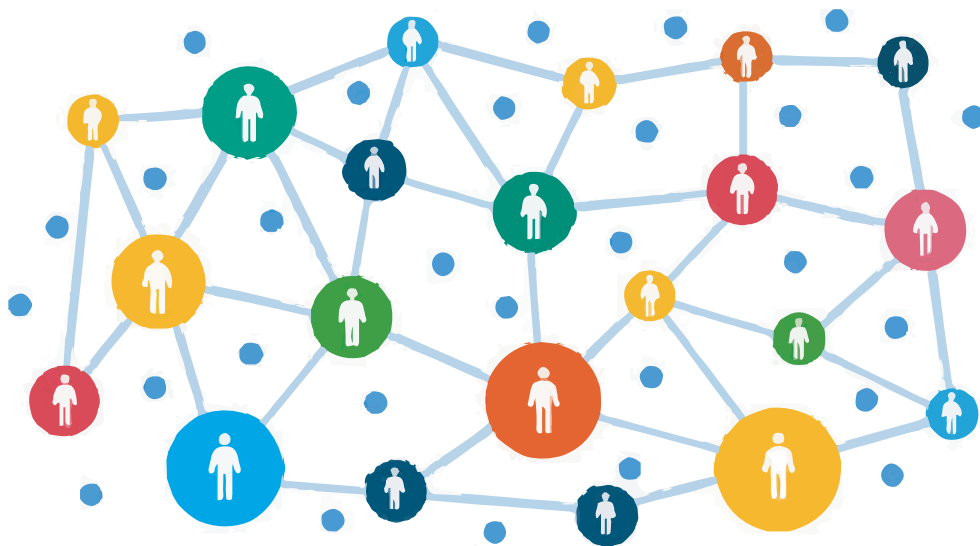
## 2.10 RISK MANAGEMENT FRAMEWORK

### 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 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 Rules and Regulations of BSEC and 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 Company holds its Annual General Meetings (AGMs) regularly. Due to COVID-19 pandemic, the AGM was held virtually using digital platform in 2021. The digital platform and online voting system was provided by Satcom IT Limited. M/s Jasmin & Associates, Chartered Secretaries, performed the responsibilities of Independent Scrutinizer.

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 SHAREHOLDERS AND OTHER STAKEHOLDERS

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

Events for the Year	2021-2022	2020-2021
Publication of Financial Statements for the 1st Quarter	14.11.2021	14.11.2020
Publication of Financial Statements for the 2nd Quarter	19.01.2022	27.01.2021
Publication of Financial Statements for the 3rd Quarter	17.04.2022	29.04.2021
Publication of Financial Statements for the Year-End	25.09.2022	18.10.2021
Record Date for AGM	06.11.2022	09.11.2021
Dispatch of Notice for the AGM along with Annual Report	24.11.2022	13.11.2021
Date of AGM	18.12.2022	05.12.2021

### 3.3 REDRESSAL 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 has created various mechanisms.

For those Shareholders who are unable to attend the shareholders' meetings, the company provides proxy forms which allow shareholders to exercise their votes 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 party 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.

### 3.4 COMMUNICATION OF INVESTORS' QUERIES

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

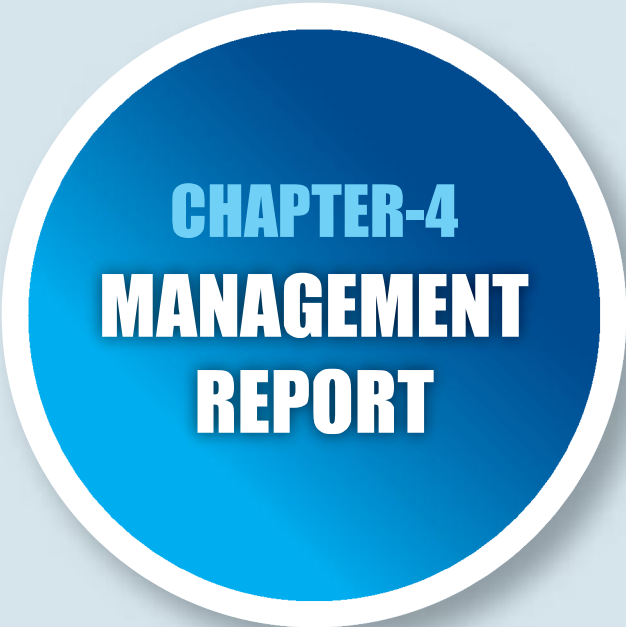
192/A, Eastern Road (4th Floor), Lane-01, New DOHS, Mohakhali, Dhaka-1206

or

Email: [info@doreenpower.com](mailto:info@doreenpower.com)

### 3.5 WEBSITE OF THE COMPANY

<http://www.doreenpower.com>



## **CHAPTER-4** **MANAGEMENT** **REPORT**



## 4.1 MANAGING DIRECTOR'S STATEMENT

Dear Valued Shareholders,  
Assalamu Alaikum Wa Rahmatullah

I am pleased to present before you the Annual Report that explains the financial position, achievement and performance of another successful year of your company considering the adverse impact of ongoing Russia-Ukraine war and lingering COVID-19 pandemic impact.

With your co-operation and support, Doreen Power including its subsidiaries has been able to maintain and enhance its operational efficiency and business performance in last financial years. We are continuously striving to improve efficiency in operation, maximization of electricity generation and cost effectiveness in all aspects 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 for the year ended 30 June 2022 has been given separately.

Compared to the performance of last year, consolidated revenue has increased by 125.70% (from Tk. 6,656.73 million to Tk. 15,024.10 million) mainly for newly added revenue from Chandpur Power and increase in sale revenue of two existing subsidiaries (DSPGL & DNPGL) which has resulted from increase in demand for electricity in the economy as well as increase in HFO price in global market. For the same reasons the cost of sales has increased by 138.56% which is higher compared to increase in revenue is because of significant increase of HFO price. As a result, gross profit has increased by only 86.86%. For incurring huge foreign exchange loss arisen from significant devaluation of Bangladeshi Taka against US Dollar profit after tax have increased by only 42.64%.

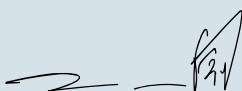
Doreen Power has been stepping forward with a long term vision in order to achieve excellence in the fuel and power sector of the country by exploring new investment opportunities.

Our six power plants including three plants own by three subsidiaries are operating efficiently and effectively as per plan and requirement. Chandpur Power with 115 MW capacity has started commercial operation from 11 February 2022 and running efficiently.

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 to our all shareholders, customers, regulators, bankers, business partners, other stakeholders for extending their support and cooperation and to 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



## 4.2 DIRECTORS' REPORT

Bismillahir Rahmanir Rahim.

Dear Shareholders,

Assalamu Alaikum.

The Board of Directors of Doreen Power Generations and Systems Limited (DPGSL) have the pleasure to welcome you all to the 15th 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 2022 together with the Auditors' Report thereon and the Directors' Report for your consideration and adoption.

The Directors like to furnish a clear picture of the Company to its valued shareholders. The reports on internal audit and internal control system, on risk management framework and on corporate governance annexed hereto and tables, graphs and profiles shown separately will be treated as integral parts of this report.



#### 4.1 GLOBAL AND NATIONAL ECONOMY

The global economy is experiencing a number of turbulent challenges. Inflation higher than seen in several decades, tightening financial conditions in most regions, Russia's invasion of Ukraine, appreciation of US dollar in most countries and the lingering COVID-19 pandemic all weigh heavily on the outlook. The war in Ukraine is leading to soaring prices and volatility in energy markets, with improvements in activity in energy exporters more than offset by headwinds in most other economies. The invasion of Ukraine has also led to a significant increase in agricultural commodity prices, which is exacerbating food insecurity and extreme poverty in many emerging market and developing economies (EMDEs).

Global economic growth is projected to slow from 5.7 percent in 2021 to 2.9 percent in 2022 as per the World Bank's Global Economic Prospect, June 2022. Global growth is set to reach average 3 percent in 2023 and 2024. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

According to Bangladesh Bureau of Statistics (BBS), 6.94% GDP growth was achieved in 2020-21, and 7.25% is projected for 2021-22. Government has set 7.50% growth target for 2022-23 while World Bank has projected 6.40% growth for 2022, 6.70% for 2023 and 6.90% for 2024.

The war in Ukraine has put pressure on global supply chain of food, energy and key raw materials. Most of the currencies have lost values against US dollar. Bangladesh being an import dependent country, Bangladeshi Taka has also experienced devaluation and inflation has made a big impact on consumer purchasing power. Observing a decline in remittance, the government has rapidly responded to address the crisis by encouraging more foreign remittance from the wage earners and discouraging import of luxury goods. We expect that with these the country will be able to address the difficult situation.

The inauguration of Padma Bridge will bring revolutionary changes in the communication system in the South Asian regions as well as in the internal communication system due to its alignment in the Asian Highway (AH-1). This bridge will play a significant role in the socio-economic development by raising GDP by 1.20 percent and reducing poverty by 0.84 percent approximately.

#### 4.2 INDUSTRY SCENARIO AND FUTURE OUTLOOK OF THE INDUSTRY

The power and energy sector is under pressure due to rise in import cost of petroleum and LNG and partly that of coal. Ukraine war has posed major challenge for global energy market and has created high uncertainty and risks in energy supply, energy price, energy sustainability and future clean energy targets. With depleting domestic reserve of natural gas, there is a considerable rise of unmet demand for natural gas. This unmet demand has been met by increasing import of LNG.

Due to payment delays and exchange rate fluctuations, private power producers are worried of incurring around Tk.4,400 crore loss in the running calendar year. Generally, the Independent Power Producers (IPP) used to receive the bill within 45 to 60 days of invoice submission. But due to volatile energy prices in the global market, insufficient subsidy disbursement from the Finance Division and lower retail price of electricity, IPPs are getting payment after 5 or more months.

At present, the installed generation capacity has been increased to 25,284 MW including captive and renewable energy. Per capita power generation has increased to 560 kWh. The power distribution line has increased to 6.19 lakh km and the number of consumers has increased to 4.19 crore. At present, government has brought all its citizen under 100 percent electricity facility. As per vision 2041, the government is working towards to implement power generation capacity of 40,000 MW by 2030, and 60,000 MW by 2041 as per Power System Master Plan.

Considering the country's energy security and fuel diversification plan, government has planned to generate power from coal, dual-fuel, and nuclear power to reduce the dependence on natural gas. Furthermore, government has taken different steps to produce environment friendly electricity from renewable energy.

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 in 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.

#### **Facilities and Incentives Enjoyed By The Group**

Among the above facilities DPGSL has already enjoyed 13.50 years tax exemption period and it's two subsidiaries (DNPGSL and DSPGL) have enjoyed 6 years tax exemption period each and another subsidiary CPGL has enjoyed 05 months tax exemption out of it's 13 years exemption period. All the companies of the Group have imported plant equipment without payment of customs duties, VAT and any other surcharges as well as import permit fee. The Group has been enjoying exemption from paying customs duties, VAT and any other surcharges as well as import permit fee in importing spare parts. Impact of availing the above incentives and facilities has been reflected on the profitability of the company, the benefits of which has been ultimately enjoyed by the shareholders.

#### **4.3 PERFORMANCE OF THE COMPANY**

DPGSL is one of the largest private sector power generation companies in Bangladesh which has started its power generation in November 2008 and proved its ability by successfully completing more than a decade of commercial operation.

The company was incorporated as a private limited company in 2007 and converted into public limited company in 2011 and became listed with the DSE and CSE in 2016. It owns almost 100% shares of its three subsidiaries namely Dhaka Southern Power Generations Ltd. (99.15% owned), Dhaka Northern Power Generations Ltd. (99.40% owned) and Chandpur Power Generations Limited (99.90% owned). Commercial

Operation of Dhaka Northern Power Plant and Dhaka Southern Power Plant having 55 MW capacity each has started in mid 2016; and Chandpur Power Plant has started commercial operation in February 2022.

During the year 2021-22, all six power plants were available to generate and supply to the extent required as per the Power Purchase Agreement (PPA), indicating excellent operational performance of your Company. As a result, this year our Group's power plants could deliver total 1,268.21 million Kwh of electricity to the national grid.

Name of Power Plant	Installed Capacity (Mwh)	Net Energy Output (Mwh)		Gas/HFO Consumption (Cubic Feet/MT)		Revenue (in million BDT)	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Feni Plant	192,720	156,350	160,004	46,381,465	46,109,167	468.64	461.30
Narsingdi Plant	192,720	139,860	133,128	39,074,876	36,579,853	439.03	424.76
Tangail Plant	192,720	161,114	141,198	44,511,552	40,799,995	461.96	433.86
Northern Plant	481,800	297,603	231,844	59,297	50,858	4,895.29	2,642.75
Southern Plant	481,800	307,941	237,896	59,469	47,468	4,967.00	2,700.35
Chandpur Plant	1,007,400	205,353	-	39,562	-	3,789.64	-

#### 4.4 REPORT ON RISKS AND CONCERNS

The Board of Directors of DPGSL 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 i.e. Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB) under the conditions of 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 41.1 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, trade payable, liabilities for expenses and provision for income tax have been disclosed in note 41.2 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 purchase of spare parts and furnace oil that are denominated in a currency other than the functional currency, primarily Euro and US Dollars. Such risk may be 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 may be 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.

#### 4.5 OPERATIONAL AND FINANCIAL RESULTS

The Directors are pleased to present the comparative operational and financial results (consolidated) for the year ended 30 June 2022 based on the year ended 30 June 2021:

Particulars	Amount (Taka)		% of Change
	2021-2022	2020-2021	
Revenue	15,024,099,403	6,656,732,440	Increased by 125.70%
Cost of Sales	11,930,074,748	5,000,968,629	Increased by 138.56%
Gross Profit	3,094,024,654	1,655,763,811	Increased by 86.86%
Profit Before Tax	1,681,209,386	1,179,779,534	Increased by 42.50%
Profit After Tax	1,677,664,697	1,176,136,144	Increased by 42.64%

Consolidated revenue has increased by 125.70% mainly for increase in sale revenue of two subsidiaries (DSPGL & DNPGL) which has resulted from increase in demand for electricity in the economy as well as increase in energy payment for increase in fuel price in international market and revenue has also increased for addition of sale revenue generated from CPGL. For the same reasons the cost of sales has increased by 138.56% which is higher compared to increase in revenue is because of significant increase in fuel price in international market coupled with adverse impact of foreign exchange rate. As a result, gross profit has increased by only 86.86%. On the other hand, profit before tax and after tax has increased by only 42.50% and 42.64% respectively due to significant increase in financial expenses for incurring huge foreign exchange loss arisen from significant devaluation of Bangladeshi Taka against US Dollar and other foreign currencies.

#### 4.6 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.

#### 4.7 RELATED PARTY TRANSACTIONS

During the year, with approval of the Board, some transactions have taken place as temporary loans between the Company and its subsidiaries and/or sister concerns in order to meet emergency business needs by charging/paying interests on outstanding balances at prevailing interest rates. This matter is placed in the AGM for approval of the valued shareholders. These transactions with other related party transactions of the Company during the year have been disclosed in note-43 of the Notes to the Financial Statements complying the requirements of IAS 24 and it is stated that all such transactions have taken place on a commercial basis.

#### 4.8 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.

#### 4.9 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 and global economic turmoil, business had to face difficulties in forth quarter and electricity generation was badly impacted.

#### 4.10 REMUNERATION TO DIRECTORS

Remuneration, performance and other related perquisites/benefits of Directors are reviewed by the Nomination and Remuneration Committee (NRC). During the year ended 30 June 2022, only the Managing Director was paid remuneration/ allowance amounting Tk.1,320,000. No other Director (even the Independent Director) did take any remuneration/ allowance from the Company as disclosed in Note - 45 to the financial statements.

#### 4.11 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
- 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.
- viii) 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.

#### 4.12 KEY OPERATING AND FINANCIAL DATA

Directors are pleased to present the Key Operating and Financial Data for the last year as well as previous 5 (five) years in the table below:

PARTICULARS	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
	Taka	Taka	Taka	Taka	Taka
<b>Revenue</b>	15,024,099,403	6,656,732,440	4,746,318,581	7,021,677,166	6,660,495,190
Cost of Sales	(11,930,074,748)	(5,000,968,629)	(3,420,871,587)	(5,516,266,139)	(5,250,534,560)
<b>Gross profit</b>	<b>3,094,024,654</b>	<b>1,655,763,811</b>	<b>1,325,446,993</b>	<b>1,505,411,027</b>	<b>1,409,960,630</b>
General & Admin. Exp.	(309,110,181)	(142,013,064)	(138,484,575)	(116,947,738)	(118,566,702)
<b>Profit from Operation</b>	<b>2,784,914,474</b>	<b>1,513,750,748</b>	<b>1,186,962,418</b>	<b>1,388,463,289</b>	<b>1,291,393,928</b>
<b>Non-operating Income</b>	7,629,582	10,123,809	2,112,462	1,158,728	1,829,050
Financial Expense	(1,111,334,669)	(344,095,022)	(386,380,325)	(464,649,986)	(460,751,796)
<b>Non-operating Loss</b>	<b>(1,103,705,087)</b>	<b>(333,971,213)</b>	<b>(384,267,863)</b>	<b>(463,491,259)</b>	<b>(458,922,746)</b>
<b>Net profit before income tax</b>	<b>1,681,209,386</b>	<b>1,179,779,534</b>	<b>802,694,555</b>	<b>924,972,030</b>	<b>832,471,182</b>
Current tax expense	(3,544,689)	(3,643,390)	(431,757)	(1,387,904)	(776,663)
<b>Net profit after income tax</b>	<b>1,677,664,697</b>	<b>1,176,136,144</b>	<b>802,262,798</b>	<b>923,584,126</b>	<b>831,694,519</b>
Dividend	30%	25%	20%	30%	25%
Share Capital	1,617,133,050	1,443,868,800	1,312,608,000	1,161,600,000	1,056,000,000
Net Non-Current Assets	15,724,159,815	15,923,373,903	10,249,739,424	10,319,120,396	10,682,153,400
EPS	10.31	8.09	6.08	7.91	7.14

#### 4.13 MANAGEMENT'S DISCUSSION AND ANALYSIS

As per Corporate Governance Code issued by BSEC, a Management's Discussion and Analysis presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements signed by Managing Director has been annexed as Annexure-II.

#### 4.14 DECLARATION OF DIVIDEND

The Board has recommended 18% cash dividend for all shareholders excluding the Sponsors/ Directors and 12% stock dividend for all shareholders for the year ended 30 June 2022. The Sponsors/Directors hold 107.71 million shares of Tk. 10 each out of total 161.71 million shares of the Company and the amount of cash dividend to be payable to the general shareholders is Tk. 97.20 million. So, the shareholders are entitled to get 12 (twelve) bonus shares of Tk. 10 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' Register as on the Record Date (06 November 2022) shall be eligible to receive the dividends subject to approval by the shareholders in the Annual General Meeting (AGM).

The Directors state that, no bonus share or stock dividend has been declared during the year or shall be declared in future as interim dividend.

#### 4.15 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 15th Annual General Meeting, Mr. Md. Abul Hasnat and Mr. Md. Ali Akbar will retire from the office of Director. They are however eligible for re-appointment/re-election. As required by BSEC's



Corporate Governance Code [condition 1.5 (xxii)], their details is disclosed separately under Profiles of Directors and Disclosures of Directors' Interest.

#### 4.16 APPOINTMENT OF INDEPENDENT DIRECTOR

Mr. Md. Towfiqul Islam Khan, Barrister-at-Law was appointed as Independent Director of the Company for term of 3 (three) years with effect from 12 December 2021. But he intimated his intention for early retirement to the Board on 25th October 2022 subsequently the Board advised the NRC to search for an eligible individual to be appointed as an Independent Director of the Company.

The NRC after considering the biography of Dr. Muhammad Shahin Miah, PhD, CPA, Associate Professor of Accounting, Department of International Business, University of Dhaka in accordance with necessary criteria for appointment of Independent Director, recommends to the Board for his appointment as Independent Director of the Company. Based on the recommendation of the NRC the Board in its meeting held on 06 November 2022 appointed Dr. Muhammad Shahin Miah, PhD, CPA as Independent Director of the Company subject to approval from BSEC and decided that the matter would be placed before the shareholders for their approval in the upcoming AGM.

#### 4.17 APPOINTMENT OF SAME PERSON AS MANAGING DIRECTOR IN SUBSIDIARIES AND/OR SISTER CONCERNS

For greater benefit of the Group's business, the Directors in their meeting have considered the matter and gave consent to Mr. Tahzeeb Alam Siddique (Managing Director of the Company) to serve as Managing Director of its subsidiaries and sister companies that have been engaged in doing same type of business. This has been approved by the honorable shareholders in the 14th AGM.

#### 4.18 APPOINTMENT OF AUDITORS

M/s. ACNABIN, Chartered Accountants, having office at BDBL Bhaban (Level 13), 12 Kawran Bazar Commercial Area, Dhaka, Bangladesh, was appointed as the Auditors by the company in its 14th AGM for a term till the conclusion of 15th AGM of the Company. M/s. ACNABIN, Chartered Accountants have completed assignment of audit and will retire at the 15th AGM and being qualified, has expressed their willingness to be re-appointed as Auditors for the next term. The Audit Committee and the Board have recommended for their re-appointment as Auditors for the next term till conclusion of the 16th AGM. The matter is placed for the consideration of the honorable shareholders.

#### 4.19 APPOINTMENT OF CORPORATE GOVERNANCE AUDITORS

M/s. SARashid & Associates, having office at 13-D, 55/B, Noakhali Tower, Purana Paltan, Dhaka, Bangladesh, was appointed as the Corporate Governance Auditors by the company in its 14th AGM to provide the certificate on compliance of the Corporate Governance Code. M/s. SARashid & Associates have completed assignment of certification and will retire at the 15th AGM and being qualified has expressed their willingness to be re-appointed for the next term. The Audit Committee and the Board have recommended for their re-appointment. The matter is placed for due approval by the shareholders.

#### 4.20 BOARD MEETINGS AND ATTENDANCE

The Directors meet regularly for smooth operation and management of Company and recorded the minutes as per provisions of BSS of ICSB. During the year ended 30 June 2022, a total of 8 (Eight) Board Meetings were held. Attendance of the Directors in the meetings was as follows:

NAME & DESIGNATION OF DIRECTORS	TENURE OF DIRECTORSHIP	NUMBER OF MEETINGS	
		HELD	ATTENDED
Mrs. Anjabeen Alam Siddique, Chairman	Since 23.12.2015	08	08
Mr. Tahzeeb Alam Siddique, Managing Director	Since 03.04.2019	08	08
Mr. Md. Abul Hasnat, Director	Since 18.03.2019	08	08
Mr. Md. Ali Akbar, Director	Since 18.03.2019	08	08
Mr. Mahtab Bin-Ahmed, Independent Director	23.12.2015 - 11.12.2021	02	02
Barrister Md. Towfiqul Islam Khan	Since 12.12.2021	06	04

The Directors who could not attend the Board Meetings were granted leave of absence.

#### 4.21 THE PATTERN OF SHAREHOLDING

As per condition 1(5)(xxiii) of the Corporate Governance Code issued by BSEC, the shareholding pattern as on 30 June 2022 was as follows:

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	102,749,745	1,027,497,450	63.54%
2	OPG Energy Pvt. Ltd.	Sponsor Company	110,266	1,102,660	0.07%
<b>B.(i) Directors and their spouses and minor children (name wise details)</b>					
1	Mrs. Anjabeen Alam Siddique	Chairman [Nominated by Asian Entech Power Corporation Limited]	994,150	9,941,500	0.61%
2	Mr. Tahzeeb Alam Siddique	Managing Director	3,423,042	34,230,420	2.12%
3	Mr. Md. Ali Akbar	Director [Nominated by Asian Entech Power Corporation Limited]	5,516	55,160	0.003%
4	Mr. Md. Abul Hasnat	Director [Nominated by Asian Entech Power Corporation Limited]	2,357	23,570	0.001%
5	Barrister Md. Towfiqul Islam Khan	Independent Director	Nil	Nil	Nil
<b>B.(ii) CEO, CFO, Company Secretary &amp; Head of Internal Audit and their spouses and minor children (name wise details)</b>					
1	Mr. Mostafa Moin	Chief Executive Officer	Nil	Nil	Nil
2	Mr. Afroz Alam	Chief Financial Officer	Nil	Nil	Nil
3	Mr. Masudur Rahman Bhuiyan FCS	Company Secretary	Nil	Nil	Nil
4	Mr. Taimur Alam FCMA	Head of Internal Audit	Nil	Nil	Nil
<b>C. Executives [Top 5 salaried employees]</b>					
1	Mr. Md. Wahiduzzaman Khan	Chief Operating Officer (HFO Plants)	Nil	Nil	Nil
2	Engr. Md. Mostafizur Rahman	Chief Operating Officer (Gas Plants)	Nil	Nil	Nil
3	Mr. Iqbal Hossain	Chief Administrative Officer	Nil	Nil	Nil
4	Mr. Sultan Reza Bin Mahmud	Sr. GM & Plant In Charge	Nil	Nil	Nil
5	Mr. Md. Motiur Rahman	AGM & Plant In Charge	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	102,749,745	1,027,497,450	63.54%

#### 4.22 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. Company along with its three subsidiaries has spent Tk. 10,991,000 in CSR activities by donating Surgical PPE, General Surgery OT Table, X-Ray Film, NRB Mask, Dead Body Bag, D. Dimer, S. Ferritin & CRP Test Kit, High Flow Oxygen Therapy Machine and Oxygen Mask in different hospitals of the country. 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.

#### 4.23 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) was formed on 30 December 2018 as the sub-committee of the Board and was re-constituted on 12 December 2021 to include Barrister Md. Towfiqul Islam Khan. The NRC consists of three non-executive directors and the chairman of the committee is an independent director. Barrister Md. Towfiqul Islam Khan is the chairman of the committee and Mr. Md. Ali Akbar and Mr. Md. Abul Hasnat are members of the committee. Mr. Masudur Rahman Bhuiyan, Company Secretary, is the secretary of the Committee. The NRC was set up with clear terms of reference. The NRC is responsible to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives as well as a policy for formal process of considering remuneration of directors and top-level executives. The NRC met twice during the year 2021-22. The report of NRC is attached as Annexure-III of this Report.

#### 4.24 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 Code is shown at Annexure - XI and a separate Report on Corporate Governance is placed as Annexure - IX. Certificate on Compliance with Corporate Governance Code shall be placed as Annexure - X of this Report.

#### 4.25 DISCLOSURE REGARDING COMPLIANCE WITH APPLICABLE BSS

DPGSL conducts its Board meetings and record the minutes of the meetings as well as keeps 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 the Corporate Governance Code. A statement on compliance with BSS-1 is placed as Annexure XII of this report.

#### 4.26 ACKNOWLEDGEMENT

The Directors like to extend 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. The Directors 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.

The Directors sincerely look forward to welcoming you at our next Annual General Meeting. May you all have peaceful and progressive life.

Thank you all.

For and on behalf of the Board of Directors



**Anjabeen Alam Siddique**

Chairman

Dated: 06 November 2022

## 4.3 CONTRIBUTION TO THE NATIONAL EXCHEQUER AND ECONOMY

Electricity is a major contributor to a nation's economic development. It is the wheel that drives most aspects of everyday life in society. Electricity is the source of fuel for so many sectors of an economy. This year our Company has supplied 1,268 million kwh of electricity to the national grid. It has contributed remarkably in increasing industrial productions and providing more job opportunities in the country

Your Company along with its' three subsidiaries has contributed a significant amount of money to the national exchequer in the form of different duties, taxes and VAT while importing furnace oil and spare parts for the power plants, source VAT & tax on suppliers invoices and paying corporate income tax for taxable income. Details of the contribution to the National Exchequer are as follows:

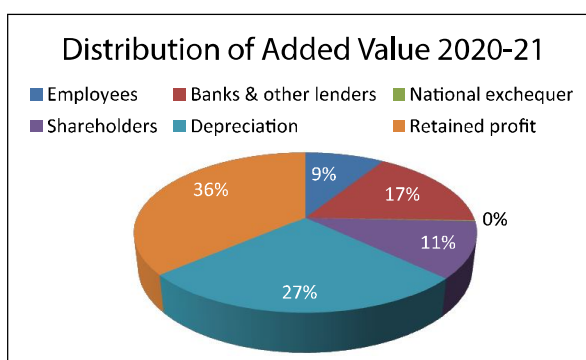
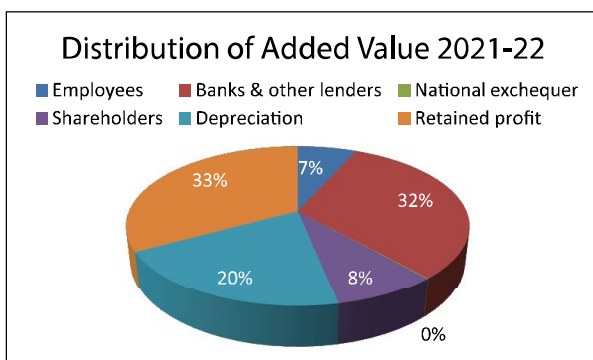
Forms of Contribution to the Exchequer	Amount in Taka	
	2021-2022	2020-2021
Salary taxes	7,130,295	6,612,904
Customs duties, RD, SD, AIT and other taxes on import of furnace oil and spare parts	2,264,319,266	924,279,415
Corporate income tax	3,544,689	3,643,390
AIT of suppliers	25,212,096	24,897,542
AIT on dividend on shares	8,996,324	6,189,157
VAT of suppliers	8,382,597	7,322,121
<b>Total Contribution to National Exchequer</b>	<b>2,317,585,267</b>	<b>941,222,092</b>

## 4.4 VALUE ADDED STATEMENT

A Value added statement (VAS) is considered as part of social responsibility accounting. A value added statement shows the amount of value created by the Company and its distribution to the stakeholders who have contributed to its creation such as employees, government, creditors, owners and retention by the Company.

Value Addition	2021-22	%	2020-21	%
Revenue	15,024.10		6,656.73	
Other income including interest income	7.63		10.12	
Cost of sales, excluding depreciation	( 11,236.40)		( 4,454.16)	
Other operating expenses, excluding depreciation	(296.09 )		(134.21)	
<b>Total Value Added</b>	<b>3,499.24</b>	<b>100%</b>	<b>2,078.48</b>	<b>100%</b>

<b>Distribution of added value:</b>				
To employees as salaries and allowances	232.34	6.64%	186.22	8.96%
To banks and other lenders	1,111.33	31.76%	344.10	16.56%
To National exchequer	3.54	0.10%	3.64	0.18%
To shareholders as dividend	291.26	8.32%	235.94	11.35%
	<b>1,638.47</b>	<b>46.82%</b>	<b>769.90</b>	<b>37.04%</b>
<b>Retained for reinvestment &amp; future growth:</b>				
Depreciation	706.69	20.20%	554.61	26.68%
Retained earnings	1,154.08	32.98%	753.97	36.28%
	<b>1,860.77</b>	<b>53.18%</b>	<b>1308.58</b>	<b>62.96%</b>
<b>Total Distribution of Added Value</b>	<b>3,499.24</b>	<b>100%</b>	<b>2,078.48</b>	<b>100%</b>



## 4.5 HUMAN RESOURCE ACCOUNTING

Human resource is an asset whose value gets appreciated over the period of time provided placed, applied and developed in the right direction. The main objective of human resource accounting is to facilitate the management to get information on the cost and value of human resources. Doreen Power uses Lev and Schwartz model to assess the value of human resources. As per the model, human resource of a company is the summation of all the net present value of all future expenditure on employees.

The value of human capital is Tk. 1,862.21 million for 2021-2022 and Tk. 1,490.40 for 2020-2021.

Amount in million Taka

Particulars	2021-2022	2020-2021
No. of employee	699	674
Revenue	15,114.10	6,656.73
Net Profit after Tax	1,677.66	1,176.14
Value of Human Resource (VHR)	1,862.21	1,490.40
Revenue per employee	21.62	9.88
Net Profit per employee	2.40	1.75
Revenue/Value of HR	8.12	4.47
Net Profit/ Value of HR	0.90	0.79

\* VHR is the NPV of all future expenditure on employees as per Lev and Schwartz model.

### Other Relevant Information of Human Capital

Particulars	2021-2022	2020-2021
New employment during the period	88	121
Turnover ratio during the period	17.45%	9.20%
Total promotion during the period	20	21
Employment of qualified professionals	3	3
Employment of part qualified professionals	10	7





## **CHAPTER-5** **ANNEXURE**



## DECLARATION BY CEO & CFO

Date: 25 September 2022

The Board of Directors  
Doreen Power Generations and Systems Limited  
House # 192/A, Road-01, Mohakhali DOHS, Dhaka-1206

**Subject: Declaration on Financial Statements for the year ended on 30 June 2022**

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:

- (1) The Financial Statements of Doreen Power Generations and Systems Limited for the year ended on 30 June 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2022 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) 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 of Directors or its members.

Sincerely yours,



**(Mostafa Moin)**  
Chief Executive Officer



**(Afroz Alam)**  
Chief Financial Officer



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements is given below:

### (a) Accounting policies and estimation for preparation of financial statements

We have applied accounting policies consistently to all periods presented in preparing the financial statements. We have applied International Accounting Standards (IASs) and International Financial reporting Standards (IFRSs) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are mentioned details in note 2 and 3 of the financial statements.

In the absence of applicable IFRSs to any particular transactions, other events or conditions, we have used our best judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable.

### (b) Changes in accounting policies and estimation

We generally change accounting policy only when the change is required by an IFRS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. There was no change in accounting policies and estimation during the reporting period.

### (c) Comparative analysis 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

A comparative analysis of financial highlights for current financial year with immediate preceding five financial years has been presented in Key Operating and Financial Highlights section of the report.

Key Operating and Financial Highlights present the following summary:

- Revenue has increased over the years since 2017 by 125.57% and on average by 25.11% each year which has stood at Tk. 15,024.10 million for the year ended 30 June 2022.
- Net Profit attributable to owners of the Company has also increased over the years since 2017 by 101.13% and on average by 20.23% each year which has stood at Tk. 1,667.94 million for the year ended 30 June 2022.
- Total Assets of the Company have increased over the years since 2017 by 110.69% and on average by 22.21% each year which has stood at Tk. 28,677.06 million for the year ended 30 June 2022.
- Shareholders' Equity has increased over the years since 2017 by 101.75% and on average by 20.35% each year which has stood at Tk. 8,595.14 million for the year ended 30 June 2022.
- Earning Per Share (EPS) has increased over the years since 2017 by 101.13% and on average by 20.23% each year which has stood at Tk. 10.31 per Share for the year ended 30 June 2022.
- Net Asset Value (NAV) per share has increased over the years since 2017 by 101.75% and on average by 20.35% each year which has stood at Tk. 53.15 for the year ended 30 June 2022.
- Company is distributing 20% to 30% dividend each year regularly.

### (d) Comparing financial performance or results and financial position as well as cash flows with the peer industry scenario

As presented in the Key Operating and Financial Highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameter are as following:

Listed Company	DPGSL	Summit Power	United Power	Baraka Power	Baraka Potenga	Shahjibazar Power	Industry Average
EPS (Tk.)	10.31	3.87	17.21	2.13	1.25	4.30	6.51
P/E (Times)	5.92	9.30	12.44	10.00	23.44	10.43	11.84
NAV per Share (Tk.)	53.15	35.72	56.38	22.43	28.92	38.19	39.13
Dividend (%)	30	20	170	10	10	20	43.33
NOCFPS (Tk.)	(32.22)	5.91	1.89	(0.59)	4.13	6.85	(2.34)
Net Profit (Mn)	1,667.94	4,129	9,976.56	501.54	216.24	771.65	2,877.19
Net Assets (Mn)	8,595	38,148	32,683	5,281	5,003	6,853	16,094
No. of Shares (Mn)	161.71	1,067.87	579.70	235.46	172.99	179.45	399.53

Earnings per share and NAV per share of the Company is above in the industry average and other parameters are below the industry average as depicted in the above tabular presentation. However, below industry average Price Earning Ratio indicates possibility of further share price hike of the Company's share.

**(e) Financial and economic scenario of the country and the globe**

The global economy is passing difficult time for higher inflation resulting from significant increase in energy price and commodity price for Russia's invasion of Ukraine. Appreciation of US dollar in most countries and the lingering COVID-19 pandemic recovery made the situation worse. Significant increase in agricultural commodity prices is intensifying food insecurity and extreme poverty in many emerging market and developing economies (EMDEs).

The war in Ukraine has put pressure on global supply chain of food, energy and key raw materials. Bangladesh being an import dependent country, Bangladeshi Taka has experienced significant devaluation and inflation has made a big impact on consumer purchasing power. Balance of Payments (BoP) deficit is widening day by day and foreign currency reserves declining faster than expected. Government has rapidly responded to address the crisis by encouraging more foreign remittance from the wage earners and discouraging import of luxury goods. Over the medium term, the balance of payments is projected to return to surplus as import cost is declining and remittance is expected to grow for different initiatives and incentive.

**(f) Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company**

The risks and concerns related to Company's financial statements are as follows:

- To understand, identify and recognized cross boarder transactions properly;
- To understand, identify and recognized foreign currency based transaction including its timely currency valuation properly;
- Recent development in world financial market has boosted the interest rate volatility;
- Recognition of revenue and trade receivables in line with contractual provisions has become a concern in preparation and presentation of reliable financial statements.

To mitigate the above risk concerns and challenges, the Company has a well set of internal control system including the Internal Audit team under the guidance of Audit. Talented pool of employees are well aware of the risk concerns and they are nominated for training and workshop program for skill development in the challenging areas so that they can identify, measure, recognize and take necessary steps to mitigate risks.

**(g) Future plan for company's operation, performance and financial position, with justification thereof**

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

Bangladesh Power Development Board has taken a massive capacity expansion plan to achieve 34,000 MW Capacity according to PSMP-2010 by 2030 with the aim to provide quality and reliable electricity to all people of the Country to sustain its economic growth of over 7 percent and desired social development.

Our six power plants including three plants owned by three subsidiaries of the Company are operating efficiently and effectively as per plan and requirement. We are planning to expand our business in renewable energy sector in future.



**Tahzeeb Alam Siddique**  
Managing Director

## REPORT OF AUDIT COMMITTEE

For the year ended 30 June 2022

### Formation of the Committee

Audit Committee of the Company re-constituted on 18 March 2019 comprises the following board members:

**Barrister Md. Towfiqul Islam Khan**, Independent Director - Chairman

**Mr. Md. Abul Hasnat**, Non-Executive Director - Member

**Mr. Md. Ali Akbar**, Non-Executive Director - 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
Barrister Md. Towfiqul Islam Khan	02	02
Mr. Mahtab Bin Ahmed (Ex-Chairman)	02	02
Mr. Md. Abul Hasnat	04	04
Mr. Md. Ali Akbar	04	04

Minutes of the Committee are properly recorded.

### Role of the Committee

The TOR specifying the roles and responsibilities of the Committee have been laid down by the board and the same are in line with the Corporate Governance Code. TOR of Audit Committee has been published on the website.

### Major Activities of the Audit Committee

During the year ended 30 June 2022 and during the period till the date of this report, Audit Committee has-

- overseen the financial reporting process and monitored choice of accounting policies and principles;
- monitored the internal audit plan and compliance process and gave direction to the Internal Auditors to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and reviewed the Internal Audit and Compliance Report;
- reviewed the adequacy of internal audit function, reviewed the work of the Internal Audit Department and recommended where appropriate for carrying out audit in depth to ensure that the Company or its assets are not exposed to undue risk;
- reviewed the quarterly, half-yearly and yearly financial statements, along with the management, and recommended to the Board for consideration and approval;
- reviewed the integrity of the annual financial statements of the Company to ensure that these reflect a true and fair view of the Company's state of affairs;
- held meeting with the external / statutory auditors for review of the annual financial statements before recommending to the Board approval or adoption;
- overseen the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and monitored performance of external auditors before recommending to the Board for re-appointment of external / statutory auditors for the current term;

- h) monitored the hiring of new external / statutory auditors and recommended to the Board for appointment for the next term;
- i) reviewed the Management's Discussion and Analysis for disclosing in the Annual Report;
- j) reviewed statement of all related party transactions submitted by the management;
- k) 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;
- l) reviewed Financial Statements and investments of the subsidiary companies.
- m) reviewed the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC) including Corporate Governance Code.

### Reporting of the Committee

Audit Committee is primarily responsible to report for its roles and activities to the Board.

Based on the reviews conducted during the period as mentioned above, Audit Committee reasonably believes and reports 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.

Pursuant to Condition No. 5.6 of the Corporate Governance Code, the Committee reports that it did not find any conflict of interest or any fraud, irregularity or material defect in the Internal Control System and there was no infringement of laws, rules and regulations also.

The Committee is of the view that the level risks associated with the business of the Company is adequately controlled.

On behalf of Audit Committee



**Barrister Md. Towfiqul Islam Khan**

Chairman of the Committee

25 September 2022



## REPORT OF NOMINATION & REMUNERATION COMMITTEE

For the year ended 30 June 2022 and up to 06 November 2022

### Formation of the Committee

The Board of Directors of Doreen Power Generations and Systems Ltd. in its meeting held on 30 December 2018 constituted Nomination and Remuneration Committee (NRC) as a sub-committee of the Board pursuant to condition no. 6 of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC). NRC was re-constituted on 12 December 2021 to include Barrister Md. Towfiqul Islam Khan after his appointment as Independent Director in place of Mahtab Bin Ahmed who has completed his second tenure on 11 December 2021.

**Barrister Md. Towfiqul Islam Khan** Independent Director - Chairman

**Mr. Md. Abul Hasnat**, Non-Executive Director - Member

**Mr. Md. Ali Akbar**, Non-Executive Director - Member

Company Secretary acts as the Secretary of the Committee.

### Role of the Committee

The TOR specifying the roles and responsibilities of the Committee have been laid down by the Board and the same are in line with the Corporate Governance Code.

### Meetings of the Committee

The Committee had its two (02) meetings during the year ended 30 June 2022. Attendance of the Members was as follows :

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Barrister Md. Towfiqul Islam Khan	01	01
Mr. Mahtab Bin Ahmed (Ex-Chairman)	01	01
Mr. Md. Abul Hasnat	02	02
Mr. Md. Ali Akbar	02	02

Minutes of the Committee are properly recorded.

### Major Activities of the Committee

During the year ended 30 June 2022 and up to the date of this report, the committee has-

- Reviewed the policies for selection, transfer, evaluation, promotion and removal of employees; and human resource and training policies and practices of the company;
- Recommended Nomination Policy, Remuneration Policy, Board's Diversity Policy and Guidelines for Evolution Criteria;
- Recommended for re-election/ re-appointment of Mr. Md. Abul Hasnat & Mr. Md. Ali Akbar as Director;
- Recommended for appointment of Barrister Md. Towfiqul Islam Khan as Independent Director;
- Recommended for appointment of Dr. Muhammad Shahin Miah, PhD, CPA as Independent Director in order to avoid the probable casual vacancy as the existing Independent Director has submitted his intention for early retirement.

On behalf of Nomination & Remuneration Committee



**Barrister Md. Towfiqul Islam Khan**

Chairman of the Committee

06 November 2022

## NOMINATION POLICY

### Background:

As provided in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission through its notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, every company listed with any stock exchange in Bangladesh shall have to have nomination policy and disclose the same in its annual report; and the Nomination and Remuneration Committee (NRC) shall assist the Board of Directors in formulation of such policy. Accordingly, based on the recommendation of NRC, the Board of Directors of Doreen Power Generations and Systems Ltd. has adopted this Nomination Policy applicable for Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

### Definitions:

"Act" means the Companies Act, 1994 as amended from time to time.

"Code" means the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 as amended from time to time.

"Company" means Doreen Power Generations and Systems Ltd.

"Board" means Board of Directors of the Company.

"Employee" means employee of the Company.

"Key Managerial Personnel" (KMP) refers to key managerial personnel includes

- (i) Managing Director (MD), or Chief Executive Officer (CEO);
- (ii) Chief Financial Officer (CFO);
- (iii) Company Secretary (CS); and
- (iv) Head of Internal Audit & Compliance (HIAC)

"Listing Regulations" means DSE and CSE Listing Regulations 2015 as amended from time to time.

"NRC" means Nomination and Remuneration Committee of Board of Directors of the Company.

"Senior Management" or "Senior Management Personnel" means employees of the company, who are one level below the MD/CEO, and shall include Chief Financial Officer, Company Secretary and Head of Internal Audit & Compliance

### (I) General Appointment Criteria:

(a) NRC shall ensure that the procedure for appointing Directors, Key Managerial Personnel (KMP) and Senior Management Personnel is transparent, unbiased, and equitable with ethical standards of integrity & probity. NRC shall consider the qualification, positive attributes, expertise, experience and independence of the person for appointment as Director, KMP or as Senior Management Personnel and accordingly recommend to the Board his/her appointment.

(b) NRC of the Company should ensure that the person so appointed as Director, Independent Director possess adequate qualification, expertise and experience for being appointed as a Director/ Independent Director under the Companies Act, 1994, Listing Regulations and Corporate Governance Code of BSEC or any other enactment for the time being in force.

(c) NRC of the Company shall also evaluate the qualitative factors and appointment criteria regarding the appointment of Directors, KMP and Senior Management Personnel at the time of recommendation to the Board.

### **(II) Other Appointment Criteria:**

Enhancing the competency of the Board and attracting as well as retaining talented employees for role of KMP/ Top Level Executive shall be the basis for the NRC to select a candidate for his/her appointment. When recommending a candidate for appointment, the NRC shall consider that:

- (a) The appointee is assessed against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits in diversifying the Board;
- (b) The appointee acts objectively and constructively, carry outs responsibilities to contribute to the Company's growth and for the best interest of the Company
- (c) The area to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors/ KMP/ Senior Management Personnel and enhance the efficiency of the Company;
- (d) The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- (e) Applicable provisions of the Code and other laws have been complied with.

### **(III) Removal:**

Due to any disqualification mentioned in the Companies Act, 1994, Listing Regulations and Corporate Governance Code of BSEC or under any other applicable Acts, rules, and regulations, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to compliance with the provisions of the said Act, rules and regulations. The removal shall also be based on principles of natural justice.

### **Amendment and Disclosures:**

Subject to the approval of the Board, NRC reserves its right to review and recommend for amending this Policy, as and when required, to ascertain its appropriateness as per the needs of the Company.

A summary of this Policy will be included annually in the Annual Report. This Policy will also be available on the company's website: [www.doreenpower.com](http://www.doreenpower.com)

## REMUNERATION POLICY

### Background:

As provided in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission through its notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, every company listed with any stock exchange in Bangladesh shall have to have remuneration policy and disclose the same in its annual report; and the Nomination and Remuneration Committee (NRC) shall assist the Board of Directors in formulation of such policy. Accordingly, based on the recommendation of NRC, the Board of Directors of Doreen Power Generations and Systems Ltd. has adopted this Remuneration Policy applicable for Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

### Definitions:

"Act" means the Companies Act, 1994 as amended from time to time.

"Code" means the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 as amended from time to time.

"Company" means Doreen Power Generations and Systems Ltd.

"Board" means Board of Directors of the Company.

"Employee" means employee of the Company.

"Key Managerial Personnel" (KMP) refers to key managerial personnel includes

- (i) Managing Director (MD), or Chief Executive Officer (CEO);
- (ii) Chief Financial Officer (CFO);
- (iii) Company Secretary (CS); and
- (iv) Head of Internal Audit & Compliance (HIAC)

"Listing Regulations" means DSE and CSE Listing Regulations 2015 as amended from time to time.

"NRC" means Nomination and Remuneration Committee of Board of Directors of the Company.

"Senior Management" or "Senior Management Personnel" means employees of the company, who are one level below the MD/CEO, and shall include Chief Financial Officer, Company Secretary and Head of Internal Audit & Compliance

### (I) Remuneration to Directors, KMP and Senior Management:

(a) NRC endeavor to ensure that the remuneration structure for Directors, Key Managerial Personnel (KMP) and Senior Management is fair, competitive (internal and external) under transparent policies and appropriate for the sector in which it operates.

(b) The remuneration of Directors, KMP and Senior Management and other employees shall be reviewed annually and the increment shall be recommended to and approved by the Board based on the individual responsibilities, performance, experience, leadership abilities, and initiative taking abilities and knowledge base as well as performance of the Company.

(c) The remuneration to be paid to the Directors shall be governed by the provisions of Companies Act, 1994 and in line with Articles of Association which shall be reviewed by the NRC and recommended to the Board subject to the prior/ post approval of the shareholders in the General Meeting.

(d) The remuneration for any executive role, KMP and other Senior Management will be reviewed by the NRC and recommended to the Board for approval in line with the balance between fixed and incentive pay reflecting short and long-term performance for the company and its goals.

## **(II) Remuneration to Non-executive and Independent Director:**

Non-Executive Directors and Independent Directors may be remunerated by way of attendance fees only for attending meetings of Board and Committees as per the Articles of Association of the Company and in compliance with applicable laws and regulations.

### **Amendment and Disclosures:**

Subject to the approval of the Board, NRC reserves its right to review and recommend for amending this Policy, as and when required, to ascertain its appropriateness as per the needs of the Company.

A summary of this Policy will be included annually in the Annual Report. This Policy will also be available on the company's website: [www.doreenpower.com](http://www.doreenpower.com)

## BOARD'S DIVERSITY POLICY

### Background:

As provided in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission through its notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, every company listed with any stock exchange in Bangladesh shall have to have a policy on Board's Diversity; and the Nomination and Remuneration Committee (NRC) shall assist the Board of Directors in formulation of such policy. Accordingly, based on the recommendation of NRC, the Board of Directors of Doreen Power Generations and Systems Ltd. has adopted this Board's Diversity Policy.

### Definitions:

"Act" means the Companies Act, 1994 as amended from time to time.

"Code" means the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 as amended from time to time.

"Company" means Doreen Power Generations and Systems Ltd.

"Board" means Board of Directors of the Company.

"Employee" means employee of the Company.

"Independent Director" means the Independent Directors of the Company.

"Listing Regulations" means DSE and CSE Listing Regulations 2015 as amended from time to time.

"NRC" means Nomination and Remuneration Committee of Board of Directors of the Company.

### The Policy:

The Board of Directors of Doreen Power Generations and Systems Ltd. believes that Board's diversity enhance the quality of Board's performance and helps to realize the strategic objectives and go for sustainable development. The Board confers its great emphasis on ensuring broader diversity in its membership on the basis of age, gender, experience, ethnicity, educational background, nationality as well as on personal attributes to provide all round perspectives and insights for appropriate decision making.

NRC shall make recommendations for devising the Policy on Board's diversity and make assessments along with recommendations in maintaining a proper mix of Executive, Non-executive and Independent Directors. NRC shall periodically review the balance in its composition in regards to gender, age, educational background, ethnicity, professional experience, skills, knowledge and any other factors deemed relevant and/or applicable.

NRC shall ensure that in making its recommendation there will be no discrimination, directly or indirectly, on grounds of religion, ethnicity, cultural background, country of origin, nationality, marital status, gender, age, or disability which does not hinder a person's ability to function as a Board member.

NRC shall also ensure that composition of the Board meets the requirements of the Code and other applicable Rules and Regulations.

### Amendment and Disclosures:

Subject to the approval of the Board, NRC reserves its right to review and recommend for amending this Policy, as and when required, to ascertain its appropriateness as per the needs of the Company.

A summary of this Policy will be included annually in the Annual Report. This Policy will also be available on the company's website: [www.doreenpower.com](http://www.doreenpower.com)



## GUIDELINE FOR BOARD EVALUATION CRITERIA

### Background:

As provided in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission through its notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, every company listed with any stock exchange in Bangladesh shall have to have Board Evaluation Criteria; and Nomination and Remuneration Committee (NRC) shall assist the Board of Directors in formulation of such criteria. Accordingly, based on the recommendation of NRC, the Board of Directors of Doreen Power Generations and Systems Ltd. has adopted this Guideline for Board Evaluation Criteria.

### Definitions:

"Act" means the Companies Act, 1994 as amended from time to time.

"Code" means the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 as amended from time to time.

"Company" means Doreen Power Generations and Systems Ltd.

"Board" means Board of Directors of the Company.

"Chairman/Chairperson" means the Chairman/Chairperson of the Board of Directors of the Company.

"Independent Director" means the Independent Directors of the Company.

"Employee" means employee of the Company.

"Listing Regulations" means DSE and CSE Listing Regulations 2015 as amended from time to time.

"NRC" means Nomination and Remuneration Committee of Board of Directors of the Company.

### Objective:

This criteria aims :

- (i) to ensure compliance with applicable provisions of the Code relating to formulating the criteria for evaluation of performance of independent directors and the Board;
- (ii) to adopt best practices to manage the affairs of the Company in seamless manner; and
- (iii) to achieve good corporate governance as well as sustained long-term value creation for stakeholders.

### Evaluation Factors:

NRC is responsible for monitoring the effectiveness of the Board. In terms of the requirements of the Code, the Board shall cause to carry out an annual evaluation of its over-all performance relating to monitoring of internal controls, financial reporting and preparation of external financial statements and safeguarding of assets. NRC shall recommend and review from time to time the criteria for evaluation of performance of the entire Board, the Directors and the CEO.

Evaluations shall be led by the Chair of the Board and assisted by the Company Secretary. While evaluating the performance, it has to be always considered the appropriate benchmarks as per industry standards and the performance of the Company.

### Rating Scale:

Particulars	*Rating
Strongly Agree	4
Agree	3
Disagree	2
Strongly Disagree	1

\* If the decimal number of any average rating is more than half it shall be rounded to the nearest whole number.

The evaluation framework shall be adopted by NRC and approved by the Board of Directors. NRC shall oversee and make report with recommendation to the Board in evaluating performance of all Directors as well as the Board as a whole towards achieving the strategic goals of the organization with a view to identifying areas of governance improvement.

The Company has chosen the following criteria for evaluation of performance of Independent Director and the Board:

Sl. No.	Assessment Criteria	Rating	Remarks/ Comments
1	The Board of Directors of the Company is effective in decision making.		
2	The Board of Directors is effective in developing a Corporate Governance structure that allows and encourages the Board to fulfill its responsibilities.		
3	Is the Board as a whole up to date with latest developments in the regulatory environment and the market?		
4	The Board oversees the role of the Independent Auditor from selection to termination and has an effective process to evaluate the Independent Auditor's qualifications and performance.		
5	The Board of Directors is effective in providing necessary advice and suggestions to the Company's management.		
6	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
7	The information provided to Directors prior to Board Meetings meets expectations in terms of level of details.		
8	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9	The Board Chairman/Chairperson effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.		
10	The Board appropriately considers internal audit reports, recommendations, management's responses, steps towards improvement and risk mitigation plan.		
11	The Board reviews the company's financial performance on a regular basis.		
12	The Board considers the Internal Audit plan and provides recommendation.		
<b>Additional Criteria for Independent Directors</b>			
1	Attendance and participations in the meetings		
2	Raising of concerns to the Board		
3	Initiative in terms of new ideas and planning for the Company		
4	Rendering independent, unbiased opinion and resolution of issues at meetings		
5	Safeguard of confidential information		
6	Safeguarding interest of whistle-blowers under vigil mechanism		

#### **Amendment and Disclosures:**

Subject to the approval of the Board, NRC reserves its right to review and recommend for amending this Guideline, as and when required, to ascertain its appropriateness as per the needs of the Company.

A summary of this Guideline will be included annually in the Annual Report. This Guideline will also be available on the company's website.

## 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 Code which are mandatory to comply with by all the issuers of securities listed with the stock exchanges of Bangladesh. DPGSL has ensured compliance of all conditions of the said Code. 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 comprising Executive, Non-Executive and Independent 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.

### B. Independent Director(s)

In the Board there is One Independent Director having required qualification as per Corporate Governance Code. The Independent Director is appointed by the Board for a period of 3 (three) years and such appointment is duly approved in the AGM.

### C. Chairman, Managing Director and CEO

In DPGSL 3 (three) individuals are performing the functions of the Chairman, the Managing Director and the CEO. The roles of the Chairman, the Managing Director and the CEO have been laid down by the Board.

### D. Audit Committee

An Audit Committee is formed with 3 (three) directors headed by the Independent Director. All the members are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. A Report of the Audit Committee is prepared annually and disclosed in the Annual Report.

### E. Nomination and Remuneration Committee

A Nomination and Remuneration Committee is formed with 3 (three) directors headed by the Independent Director. All the members are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. A Report of the Committee is prepared annually and disclosed in the Annual Report.

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

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

## G. Statutory Auditor

The Auditor of the Company is duly appointed and performs their duties as per relevant laws. As guided by the Corporate Governance Code of BSEC (condition # 7), the Company does not engage its external / statutory auditor to perform any of the services of the Company that are not permissible. Notable that, no partner or employee of the external audit firm or any of their family members possesses any share of the Company during the year.

## H. Financial Statements

The Directors confirm, to the best to 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 2022 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.

## I. Subsidiary Company(ies)

As per condition # 2 of BSEC's Corporate Governance Code, 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 companies.

## J. Compliance of Corporate Governance Code

The company is committed to comply with all conditions of Corporate Governance Code as applicable or practicable by the company, and any departure or inability to comply with any condition(s) is duly disclosed. A statement on Compliance Status is prepared and published in the Annual Report as per Condition No. 9 (3) of the Code. A Firm of Practicing Chartered Secretary is engaged as Corporate Governance Auditor and for issuing a certificate regarding such compliance and the Certificate is published in the Annual report.



**Anjabeen Alam Siddique**

Chairman

Dated: Dhaka, 25 September 2022

**SARashid & Associates**  
(Chartered Secretaries)

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**S. Abdur Rashid FCS**  
MBS, MBA (Finance), PGDHRM, LLB, MIPM  
Chartered Secretary in Practice  
Private Practice Certificate No.: 003

**Report to the Shareholders of  
Doreen Power Generations and Systems Ltd.  
on  
Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Doreen Power Generations and Systems Ltd. for the year ended on 30 June 2022. 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 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 except as stated in the remarks column of the Statement on Status of Compliance of the Code prepared by the Directors of the Company;
- (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.

Place : Dhaka  
Dated : 20 November 2022



For  
**SARashid & Associates**

  
**S. Abdur Rashid FCS**  
Chartered Secretary in Practice

## Annexure - XI

### STATUS OF COMPLIANCE ON CORPORATE GOVERNANCE CODE

[As per Annexure-C and Condition No. 1(5)(xxvii) of the Corporate Governance Code]

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

#### (Report under condition no. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1</b>	<b>BOARD OF DIRECTORS</b>			
1(1)	Size of the Board of Directors: [Number of Board Members to be 5–20]	✓		
<b>1(2)</b>	<b>Independent Directors:</b>			
1(2)(a)	Number of Independent Directors [No. of ID(s) to be at least 1 and 1/5 of Total No.]	✓		
1(2)(b)(i)	ID(s) to hold no share or less than 1% shares			
1(2)(b)(ii)	ID(s) not to be a sponsor or connected with any sponsor or director or shareholder holding 1% or more shares on the basis of family relationship	✓		
1(2)(b)(iii)	ID(s) not to be an executive of the company in immediately preceding two financial years	✓		
1(2)(b)(iv)	ID(s) not to have any pecuniary or otherwise relationship with the company or its subsidiary/associated companies	✓		
1(2)(b)(v)	ID(s) not to be member/ TREC holder/ director/ officer (excepting ID) of any stock exchange	✓		
1(2)(b)(vi)	ID(s) not to be shareholder/ director/ officer of any member or TREC holder of stock exchange or intermediary of capital market	✓		
1(2)(b)(vii)	ID(s) not to be partner/ executive at present or during preceding 3 years of the company's statutory audit firm or firm engaged in internal audit or special audit or professional certifying compliance of the Code	✓		
1(2)(b)(viii)	ID(s) not to be ID in more than five listed companies	✓		
1(2)(b)(ix)	ID(s) not having been convicted as a defaulter in payment of any loan of a bank or NBFI	✓		
1(2)(b)(x)	ID(s) not having been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	Appointment(s) of ID(s) to be made by the Board and approved in the AGM	✓		
1(2)(d)	Post of ID not to remain vacant for more than 90 days	✓		
1(2)(e)	Tenure of an ID to be 3 years (may be extended for 1 tenure only and may be reappointed after a gap of 1 tenure after completion of 2 tenures)	✓		
<b>1(3)</b>	<b>Qualification of Independent Director:</b>			
1(3)(a)	An ID to be a knowledgeable individual with integrity, being able to ensure compliance with financial laws, regulatory requirements and corporate laws and having ability make meaningful contribution to the business	✓		
1(3)(b)(i)	An ID to be a Business Leader (being present or former promoter / director of a company listed or having paid-up capital of 100 million or a member of chamber/ association)			NA



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(ii)	An ID to be a Corporate Leader (being present or former MD/ CEO/ AMD/ DMD/ COO/ CFO/ CS/ HIAC/ HAHR/ Equivalent of a company listed or having paid-up capital of 100 million)			NA
1(3)(b)(iii)	An ID to be a former official of government or statutory or autonomous or regulatory body in not below 5th Grade having Degree in Economics/ Commerce/ Law			NA
1(3)(b)(iv)	An ID to be a University Teacher having educational background in Economics/ Commerce/ Business/ Law			NA
1(3)(b)(v)	An ID to be a Professional (Advocate of Bangladesh Supreme Court/ CA/ C&MA/ CFA/ CCA/ CPA/ CMA/ CS or Equivalent)	✓		ID is an Advocate of Bangladesh Supreme Court having 10 years of experience in his field
1(3)(c)	An ID to have at least 10 (ten) years of experiences	✓		
1(3)(d)	Relaxing Qualifications/Experiences subject to prior approval of the Commission in special cases			NA
<b>1(4)</b>	<b>Duality of Chairperson and MD or CEO:</b>			
1(4)(a)	Positions of Chairperson and MD and/or CEO to be filled by different individuals	✓		
1(4)(b)	MD and/or CEO of a listed company not to hold the same position in another listed company	✓		
1(4)(c)	Chairperson to be elected from among the Non-Executive Directors	✓		
1(4)(d)	Board to clearly define respective roles and responsibilities of Chairperson and MD and/or CEO	✓		
1(4)(e)	In absence of Chairperson in a Board Meeting, to elect an Non-Executive Director as Chairperson for that meeting; and reason of such absence to be duly recorded in the minutes			NA
<b>1(5)</b>	<b>Directors' Report (DR) to Shareholders:</b>			
1(5)(i)	DR to include Statement on Industry Outlook and possible future developments	✓		
1(5)(ii)	DR to include Statement on Segment-wise or Product-wise Performance	✓		
1(5)(iii)	DR to include Statement on risks and concerns	✓		
1(5)(iv)	DR to include Statement on COGS, Gross Profit and Net Profit Margins	✓		
1(5)(v)	DR to include Statement on Continuity of Extra-Ordinary Activities and their implications (gain or loss)			NA
1(5)(vi)	DR to include Statement on nature of related party and amount, nature and basis of related party transactions	✓		
1(5)(vii)	DR to include Statement on utilization of proceeds raised through public issues, rights issues and/or any other instruments			NA
1(5)(viii)	DR to include Explanation, if financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc			NA
1(5)(ix)	DR to include Explanation about significant variance between Quarterly and Annual Financial Statements	✓		
1(5)(x)	DR to include Statement on Remuneration to Directors including IDs	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xi)	DR to include Disclosure on Preparation of and Fair Presentation in the Financial Statements	✓		
1(5)(xii)	DR to include Disclosure on Maintaining proper books of account	✓		
1(5)(xiii)	DR to include Disclosure on Consistent Application of appropriate accounting policies, and accounting estimates being reasonable and prudent	✓		
1(5)(xiv)	DR to include Disclosure on Following Applicable IAS/IFRS, and adequate disclosure for any departure there-from, if any	✓		
1(5)(xv)	DR to include Disclosure on Soundness in Design and effective implementation and monitoring of Internal Control System	✓		
1(5)(xvi)	DR to include Disclosure on Protection of Minority Shareholders from abusive actions by, or in the interest of, controlling shareholders, and having effective means of redress	✓		
1(5)(xvii)	DR to include Statement on ability of the Company to continue as a going concern or disclosure of inability to be going concern along with facts and reasons thereof	✓		
1(5)(xviii)	DR to include Statement on significant deviations from last year's operating results highlighting reasons thereof	✓		
1(5)(xix)	DR to include summary of key operating and financial data of last 5 years	✓		
1(5)(xx)	DR to include Statement on reasons for non declaration of Dividend (cash or stock) for the year			NA
1(5)(xxi)	DR to include Statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	✓		
1(5)(xxii)	DR to include Statement on Number of Board Meetings held and attendance of each director	✓		
1(5)(xxiii)	DR to include Report on Pattern of Shareholding:			
1(5)(xxiii)(a)	DR to include disclosure of aggregate number of shares held by Parent/ Subsidiary/ Associated Cos. and other related parties (name-wise details)	✓		
1(5)(xxiii)(b)	DR to include disclosure of aggregate number of shares held by Directors, CEO, CS, CFO, HIAC and their spouses & children (name-wise details)	✓		
1(5)(xxiii)(c)	DR to include disclosure of aggregate number of shares held by Top 5 Salaried Employees other than Directors, CEO, CS, CFO and HIAC	✓		
1(5)(xxiii)(d)	DR to include disclosure of aggregate number of shares held by Shareholders holding 10% or more voting interest (name-wise details)	✓		
1(5)(xxiv)	<b>In case of appointment/ re-appointment of a director, disclosure to be made to the shareholders:</b>			
1(5)(xxiv)(a)	DR to include a brief resume of the director, in case of his/her appointment/ re-appointment	✓		
1(5)(xxiv)(b)	DR to include a disclosure regarding nature of expertise in specific functional areas of the director, in case of his/her appointment/ re-appointment	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxiv)(c)	DR to include a disclosure regarding names of companies in which the director holds directorship and membership of committees of the board, in case of his/her appointment/ re-appointment	✓		
1(5)(xxv)	<b>DR to include Management's Discussion and Analysis (MDA) signed by CEO or MD:</b>			
1(5)(xxv)(a)	DR to include MDA having brief discussion focusing on accounting policies & estimation for preparation of FSs	✓		
1(5)(xxv)(b)	DR to include MDA having brief discussion focusing on 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)	DR to include MDA having brief discussion focusing on comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current year with immediate preceding five years explaining reasons thereof	✓		
1(5)(xxv)(d)	DR to include MDA having brief discussion focusing on comparison of financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1(5)(xxv)(e)	DR to include MDA having brief discussion focusing on brief explanation of the financial and economic scenario of the country and the globe	✓		
1(5)(xxv)(f)	DR to include MDA having brief discussion focusing on risks and concerns issues related to FSs, explaining such risk and concerns mitigation plan of the company	✓		
1(5)(xxv)(g)	DR to include MDA having brief discussion focusing on future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e. actual position	✓		
1(5)(xxvi)	DR to include disclosure on declaration or certification by CEO and CFO to the Board as required under condition No. 3(3)	✓		
1(5)(xxvii)	DR to include disclosure on the report as well as certificate regarding compliance of conditions of the Code as required under condition No. 9	✓		
<b>1(6)</b>	<b>Meetings of the Board of Directors:</b> To conduct Board Meetings, to record minutes and to keep required books and records in line with BSS	✓		
<b>1(7)</b>	<b>Code of Conduct for Chairperson, other Board Members and CEO:</b>			
1(7)(a)	Code of Conduct (COC) for Chairperson, other board members and CEO to be laid down by the Board based on recommendation of NRC	✓		
1(7)(b)	COC, as recommended by NRC, including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers and independency, to be posted on company's website	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY			
2(a)	Provisions relating to the composition of the Board of the holding company to be made applicable to the composition of the Board of the subsidiary company	✓		
2(b)	At least one ID to be common on the boards of both holding and subsidiary companies	✓		
2(c)	Minutes of Board Meeting of subsidiary co. to be placed for review at the following Board Meeting of holding co.	✓		
2(d)	Minutes of respective Board Meeting of holding co. to state that affairs of subsidiary co. have been reviewed	✓		
2(e)	Audit Committee of holding company to review FSs, particularly the investments of subsidiary company	✓		
3	MD / CEO, CFO, HIAC and CS			
3(1)	Appointment:			
3(1)(a)	Board to appoint MD/CEO, CS, CFO and HIAC	✓		
3(1)(b)	Positions of MD/CEO, CS, CFO and HIAC to be filled by different individuals	✓		
3(1)(c)	MD/CEO, CS, CFO and HIAC not to hold any executive position in any other company at the same time	✓		MD holds the position of MD in subsidiaries and sister concerns of similar type of business with due permission from MOC, as per sec. 109 of The Companies Act 1994
3(1)(d)	Board to clearly define respective roles, responsibilities and duties of CFO, HIAC and CS	✓		
3(1)(e)	MD/CEO, CS, CFO and HIAC not to be removed from their position without approval of the Board as well as immediate dissemination to BSEC and stock exchanges	✓		
3(2)	Requirement to attend Board Meetings: MD/CEO, CS, CFO and HIAC to attend the meetings of the Board except such part of a meeting involving consideration of agenda item of their personal matters	✓		
3(3)	Duties of MD/CEO and CFO:			
3(3)(a)(i)	MD/CEO and CFO to certify, to the best of their knowledge and belief, that they have reviewed the FSs which omit no material fact or contain no materially untrue or misleading statement	✓		
3(3)(a)(ii)	MD/CEO and CFO to certify, to the best of their knowledge and belief, that they have reviewed the FSs which together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓		
3(3)(b)	MD/CEO and CFO to certify that no transaction is fraudulent, illegal or in violation of company's code of conduct for the company's Board or its members	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(c)	Certification of MD/CEO and CFO to be disclosed in the Annual Report	✓		
<b>4</b>	<b>BOARD's COMMITTEE</b>			
	For ensuring good governance in the company, at least			
4(i)	Board to have Audit Committee as its sub-committee	✓		
4(ii)	Board to have Nomination and Remuneration Committee (NRC) as its sub-committee	✓		
<b>5</b>	<b>AUDIT COMMITTEE</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors:</b>			
5(1)(a)	Company to have Audit Committee as a sub-committee of the Board	✓		
5(1)(b)	Audit Committee to assist the Board in ensuring the financial statements to reflect true and fair view of company's affairs and a good monitoring system	✓		
5(1)(c)	Audit Committee to be responsible to the Board; duties of Audit Committee to be clearly set forth in writing	✓		
<b>5(2)</b>	<b>Constitution of the Audit Committee:</b>			
5(2)(a)	Audit Committee to be composed of at least 3 members	✓		
5(2)(b)	Members of Audit Committee to be non-executive directors excepting Chairperson, to be appointed by the Board, to include at least one Independent Director	✓		
5(2)(c)	All Members of Audit Committee to be "financially literate"; at least one to have accounting or related financial management expertise with at least 10 years of corporate management or professional experiences	✓		
5(2)(d)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately or within one month	✓		
5(2)(e)	CS to act as the secretary of Audit Committee	✓		
5(2)(f)	No quorum in Audit Committee meeting to constitute without at least one ID	✓		
<b>5(3)</b>	<b>Chairperson of the Audit Committee:</b>			
5(3)(a)	Chairperson of Audit Committee to be an ID, to be selected by the Board	✓		
5(3)(b)	In the absence of Chairperson of Audit Committee, one member to be elected as Chairperson for that meeting if there is a quorum and the reason of absence of the regular Chairperson to be duly recorded in the minutes			NA
5(3)(c)	Chairperson of Audit Committee, or in absence of Chairperson any member to be selected, to remain present in AGM, and reason for absence of regular Chairperson to be recorded in the minutes of AGM	✓		
<b>5(4)</b>	<b>Meeting of the Audit Committee:</b>			
5(4)(a)	Audit Committee to conduct at least four meetings in a financial year; and to have authority to convene emergency meeting at the request of any member of the Committee	✓		
5(4)(b)	Quorum of Audit Committee Meeting to be constituted in presence of two members or two thirds of members, whichever is higher, presence of an ID is a must	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(5)	Role of Audit Committee (AC):			
5(5)(a)	AC to oversee the financial reporting process	✓		
5(5)(b)	AC to monitor choice of accounting policies and principles	✓		
5(5)(c)	AC to monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and to review the Internal Audit and Compliance Report	✓		
5(5)(d)	AC to oversee hiring and performance of external or statutory auditors	✓		
5(5)(e)	AC to hold meeting with the auditors or statutory for review of annual FSs before submission to the Board	✓		
5(5)(f)	AC to review along with the management, annual FSs before submission to the Board	✓		
5(5)(g)	AC to review along with the management, quarterly and half yearly FSs before submission to the Board	✓		
5(5)(h)	AC to review the adequacy of internal audit function	✓		
5(5)(i)	AC to review MDA before disclosing in Annual Report	✓		
5(5)(j)	AC to review statement of all related party transactions	✓		
5(5)(k)	AC to review Management Letters or Letter of Internal Control Weakness issued by statutory auditors			NA
5(5)(l)	AC to oversee the determination of audit fees and to evaluate the performance of external auditors	✓		
5(5)(m)	AC to oversee whether the proceeds raised through IPO or RPO or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by BSEC Management to disclose to the AC, on quarterly basis, about uses of the proceeds by major category Company to prepare, on annual basis, a statement of proceeds utilized for the purposes other than those stated in offer document or prospectus for publication in Annual Report along with comments of the AC			NA
5(6)	Reporting of the Audit Committee:			
5(6)(a)	Reporting to the Board of Directors:			
5(6)(a)(i)	Audit Committee to report on its activities to the Board	✓		
5(6)(a)(ii)(a)	Audit Committee to report on conflicts of interests, if any, to the Board immediately			NA
5(6)(a)(ii)(b)	Audit Committee to report on suspected/presumed fraud or irregularity or material defect in internal control process or in FSs, if any, to the Board immediately			NA
5(6)(a)(ii)(c)	Audit Committee to report on suspected infringement of laws, regulatory compliances including securities related laws, rules, regulations, if any, to the Board immediately			NA
5(6)(a)(ii)(d)	Audit Committee to report on any other matter which it deems necessary to disclose to the Board immediately			NA
5(6)(b)	Reporting to the Authorities: Audit Committee to report its findings to BSEC, if it finds that the rectification proposed to the Board has been unreasonably ignored, upon reporting of such matters to the Board for three times or completion six months from the date of first reporting, whichever is earlier			NA

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(7)	<b>Reporting to Shareholders and General Investors:</b> Report on activities of Audit Committee during the year to be signed by its Chairperson of Audit Committee and to be disclosed in the Annual Report	✓		
6	<b>NOMINATION AND REMUNERATION COMMITTEE (NRC)</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	Company to have NRC as sub-committee of the Board	✓		
6(1)(b)	NRC to assist the Board in formulation of nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives and policy for formal process of considering their remuneration	✓		
6(1)(c)	ToR of NRC to be clearly set forth in writing covering the areas stated at the condition no. 6(5)(b)	✓		
6(2)	<b>Constitution of the NRC:</b>			
6(2)(a)	NRC to comprise at least 3 members including an ID	✓		
6(2)(b)	All members of NRC to be non-executive directors	✓		
6(2)(c)	NRC Members to be nominated/appointed by the Board	✓		
6(2)(d)	Board to have authority to remove and appoint any member of NRC	✓		
6(2)(e)	Board to fill vacancy in the NRC within 180 days of occurring any vacancy	✓		
6(2)(f)	Chairperson of NRC to have discretion to appoint or co-opt any external expert and/or member(s) of staff as advisor / non-voting member, if advice or suggestion from such person is felt required or valuable for NRC			NA
6(2)(g)	The Company Secretary to act as secretary of NRC	✓		
6(2)(h)	Quorum of NRC meeting not to constitute without an ID	✓		
6(2)(i)	No member of NRC to receive any remuneration, directly or indirectly, for any advisory or consultancy or otherwise, other than Director's Fees or Honorarium	✓		
6(3)	<b>Chairperson of the NRC</b>			
6(3)(a)	Chairperson of NRC to be an ID, selected by the Board	✓		
6(3)(b)	In the absence of Chairperson of NRC, one of the members to be elected as Chairperson for that meeting if there is a quorum and the reason of absence of the regular Chairperson to be duly recorded in the minutes			NA
6(3)(c)	Chairperson of NRC, or in absence of Chairperson any member to be selected, to remain present in AGM to answer the queries of the shareholders, and reason for such absence to be recorded in the minutes of AGM	✓		
6(4)	<b>Meeting of the NRC</b>			
6(4)(a)	NRC to conduct at least one meeting in a financial year	✓		
6(4)(b)	Chairperson of NRC to have discretion to convene any emergency meeting upon request by any member			NA
6(4)(c)	Quorum of NRC meeting to be constituted in presence of two members or two thirds of members, whichever is higher, where presence of an ID is a must	✓		



Condition No.	Title	Compliance Status (Put V in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(4)(d)	Proceedings of each meeting of NRC to be duly recorded in the minutes and such minutes to be confirmed in the next meeting of NRC	√		
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC to be independent and responsible or accountable to the Board and to the shareholders	√		
6(5)(b)	NRC to oversee, among others, the specified matters and to make report with recommendation to the Board:			
6(5)(b)(i)	NRC to oversee formulating criteria for determining qualifications, positive attributes and independence of a director and to recommend a policy to the Board, relating to remuneration of directors and top level executives			
6(5)(b)(i)(a)	<i>While formulating Nomination &amp; Remuneration Criteria or Policy and making report with recommendation to the Board, NRC to consider the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully</i>	√		TOR of NRC includes this role
6(5)(b)(i)(b)	<i>While formulating Nomination &amp; Remuneration Criteria or Policy and making report with recommendation to the Board, NRC to consider the relationship of remuneration to performance to be clear and to meet appropriate performance benchmarks</i>	√		TOR of NRC includes this role
6(5)(b)(i)(c)	<i>While formulating Nomination &amp; Remuneration Criteria or Policy and making report with recommendation to the Board, NRC to consider the remuneration to directors and top level executives to involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals</i>	√		TOR of NRC includes this role
6(5)(b)(ii)	NRC to oversee devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality, and to make report with recommendation to the Board	√		
6(5)(b)(iii)	NRC to oversee identifying persons who are qualified to become directors and who may be appointed in top level executive positions in accordance with the criteria laid down, and to recommend their appointment and removal to the Board	√		
6(5)(b)(iv)	NRC to oversee formulating the criteria for evaluation of performance of independent directors and the Board, and to make report with recommendation to the Board	√		
6(5)(b)(v)	NRC to oversee identifying the company's needs for employees at different levels and determining their selection, transfer, replacement and promotion criteria, and to make report with recommendation to the Board	√		
6(5)(b)(vi)	NRC to oversee developing, recommending and reviewing annually the company's human resources and training policies, and to make report with recommendation to the Board	√		
6(5)(c)	Company to disclose nomination and remuneration policy, evaluation criteria and the activities of NRC during the year at a glance in the annual report	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7	EXTERNAL OR STATUTORY AUDITORS			
7(1)	External or Statutory Auditors ["Auditors"] not to be engaged to perform certain services of the company:			
7(1)(i)	Auditors not to be engaged to perform appraisal or valuation services or fairness opinions	✓		
7(1)(ii)	Auditors not to be engaged to perform designing and implementation of Financial Information Systems	✓		
7(1)(iii)	Auditors not to be engaged to perform Book Keeping or other services related to the accounting records or FSs	✓		
7(1)(iv)	Auditors not to be engaged in Broker-Dealer services	✓		
7(1)(v)	Auditors not to be engaged in Actuarial services	✓		
7(1)(vi)	Auditors not to be engaged to perform Internal Audit services or special audit services	✓		
7(1)(vii)	Auditors not to be engaged to perform any service that the Audit Committee determines	✓		
7(1)(viii)	Auditors not to be engaged to perform Audit or Certification Services on Compliance of Corporate Governance as required under condition no. 9(1)	✓		
7(1)(ix)	Auditors not to be engaged to perform any other service that creates conflict of interest	✓		
7(2)	No partner or employee of the external audit firms or his/her family members to possess any share during the tenure of assignment	✓		
7(3)	Representative of external or statutory auditors to remain present in the Shareholders' Meetings (AGM or EGM) to answer the queries of the shareholders	✓		
8	MAINTAINING A WEBSITE BY THE COMPANY			
8(1)	The company to have an official website linked with the website of the stock exchange	✓		
8(2)	The company to keep the website functional from the date of listing	✓		
8(3)	The company to make available detailed disclosures on the website as required under the listing regulations	✓		
9	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
9(1)	Company to obtain a certificate from Practicing CA, CMA or CS regarding Compliance of Conditions of the Code and to disclose such certificate in Annual Report	✓		
9(2)	The professional providing certificate on compliance of the Code to be appointed by the shareholders in AGM	✓		
9(3)	Directors to state in DR, in accordance with Annexure-C of the Code, whether all conditions of the Code have been complied with or not	✓		

## Annexure - XII

### REPORT ON COMPLIANCE WITH BANGLADESH SECRETARIAL STANDARD – 1 [ BSS-1 ] [Secretarial Standard on Meetings of Board of Directors]

Name of the Entity : Doreen Power Generations and Systems Ltd.

Reporting Period : For the Year ended 30 June 2022

No.	Standard	(Put √ Mark in Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1.1.1	Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	√		
1.2.1	Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, the Notice shall be sent to him by such mode.	√		
1.2.2	The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	√		
1.2.3	The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	√		
1.2.4	Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	√		
1.2.5	Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	√		
1.2.6	The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	√		
1.2.7	Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice.	√		
1.2.8	The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter notice shall be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes.	√		
1.2.9	Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.	√		
2.1.1	The Board shall meet at least once in every quarter of a calendar year i.e. in three months, and at least four Meetings are to be held in each year. The maximum interval between any two Meetings shall not be more than 90 days.	√		
2.2.1	Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.	√		
3.1.1	Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present.	√		
3.1.2	Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.	√		

No.	Standard	(Put ✓ Mark in Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
3.2.1	The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.	✓		
4.1.1	An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting.	✓		
4.2.1	Leave of absence shall be granted to a Director only when a request for such leave has been communicated to the Secretary or to the Board or to the Chairman.	✓		
5.1.1	Every company shall have a Chairman who will preside over the Meetings of the Board.	✓		
5.1.2	It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.	✓		
5.1.3	The Chairman shall then conduct the proceedings of the Meeting and ensure that only those items of business as have been set out in the Agenda are transacted and ideally in the order in which the items appear on the Agenda.	✓		
5.1.4	The Chairman shall encourage deliberations and debate and assess the sense of the Meeting. The Chairman shall ensure that the proceedings of the Meeting are correctly recorded and, in doing so, he may include or exclude any matter as he deems fit.	✓		
5.2.1	The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.	✓		
6.1.1	A Resolution proposed to be passed by circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.			N/A
6.1.2	The Resolution as to be passed by circulation and the supporting papers shall be circulated by hand, or by post, or by facsimile, or by e-mail or by any other electronic mode.			N/A
6.2.1	The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier			N/A
6.2.2	Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.			N/A
6.3.1	The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation.	✓		
6.3.2	Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation	✓		
6.3.3	In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	✓		
7.1.1	Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.			N/A

No.	Standard	(Put ✓ Mark in Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
7.1.2	The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	✓		
7.1.3	The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	✓		
7.1.4	The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	✓		
7.1.5	Minutes shall not be pasted or attached to the Minutes Book.	✓		
7.1.6	Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	✓		
7.1.7	Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	✓		
7.1.8	Minutes of an earlier Meeting shall be noted at the next Meeting.	✓		
7.1.9	Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	✓		
7.1.10	The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting	✓		
7.2.1	The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	✓		
7.2.2	Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	✓		
7.2.3	The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes.	✓		
7.2.4	Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	✓		
7.3.1	The Minutes of all Meetings shall be preserved permanently.	✓		
7.3.2	If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	✓		
7.3.3	All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	✓		
8.1.1	The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	✓		

## STATUS OF IAS AND IFRS COMPLIANCE OF THE GROUP

Sl. No.	Title	Status
IAS 01	Presentation of Financial Statements	Complied
IAS 02	Inventories	Complied
IAS 07	Statement of Cash Flows	Complied
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant & Equipment	Complied
IAS 19	Employee Benefits	Complied
IAS 20	Accounting of Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Separate Financial Statements	Complied
IAS 28	Investments in Associates	N/A
IAS 33	Earnings Per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	N/A
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS 01	First-time adoption of International financial Reporting Standards	N/A
IFRS 02	Share-based Payment	N/A
IFRS 03	Business Combinations	N/A
IFRS 04	Insurance Contracts	N/A
IFRS 05	Non-current Assets Held for Sale and Discontinued Operations	N/A
IFRS 06	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 07	Financial Instruments: Disclosures	Complied
IFRS 08	Operating Segments	N/A
IFRS 09	Financial Instruments	Complied
IFRS 10	Consolidated Financial Statements	Complied
IFRS 11	Joint Arrangements	N/A
IFRS 12	Disclosure of Interest in Other Entities	Complied
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from Contracts with Customers	Complied
IFRS 16	Leases	Complied



## CHAPTER-6

The background of the title section is a complex digital illustration. It features a dark blue field filled with a network of glowing blue lines and nodes, resembling a data or communication network. Overlaid on this are several financial-themed elements: a large, thick orange arrow pointing diagonally upwards and to the right; a blue arrow pointing horizontally to the right; a candlestick chart with blue and orange bars; and three stylized, overlapping triangles in green, yellow, and orange at the bottom left. The title text is centered over the right side of these elements.

# **Auditors' Report and Audited Financial Statements and Brief Disclosures of Subsidiaries**



## Independent Auditor'S Report

To the Shareholders of Doreen Power Generations and Systems Limited

### Report on the Audit of the 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 2022, 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 2022, 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 Auditor's 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-3.7(b) 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:

Key audit area	Our responses
<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. 2,132,838,028 for Doreen Power Generations and Systems Limited and Tk. 15,675,344,730 for the Group at the reporting date.</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	
<p>Current Account (Receivable) with subsidiaries and sister concerns represent the account, which are maintained for the transactions between parent and subsidiaries and sister concerns. At the reporting date, the balances of" the Company" and "the Group" were Tk. 603,578,430 and Tk. 1,804,919,160 and the Current Account (Payable) with subsidiaries and sister concerns, At the reporting date, the balances of "the Company" and "the Group" were Tk. 2,677,296,666 and Tk. Nil.</p> <p>The 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.</p>	<p>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:</p> <ul style="list-style-type: none"> <li>• Understanding and analyzing the nature and reasons for Current Accounts;</li> <li>• Studying board minutes for the approval of loan to the subsidiaries and sister concerns;</li> <li>• Independently reviewed the financial capabilities of subsidiaries and sister concerns to meet the obligations;</li> <li>• Independently reviewed the financial statements of subsidiaries and sister concerns;</li> <li>• Checked the transactions between the Group entities on sample basis;</li> <li>• Performing impairment test on the receivable and payable balances of parent and subsidiaries &amp; sister concerns;</li> <li>• Confirming major balances with the Group entities;</li> <li>• Recalculating interest portion on the balances of current accounts and recording thereof; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul> <p>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.</p>
Refer to the note no. 11 and 11(a) , also 25 and 25 (a) to the financial statements	

<b>Long term Loans</b>	
<p>At reporting date, the position of long-term loans remains amounting to Tk. 8,777,548,929 for Group and Tk. 469,230,223 for Doreen Power Generations and Systems Limited, 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.</p>	<p>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:</p> <ul style="list-style-type: none"> <li>• Understood and reviewed the nature or types of loans;</li> <li>• Reviewed the board minutes for arrangements of the loans;</li> <li>• Obtained the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans;</li> <li>• Recalculated the interest related to loans;</li> <li>• Checked the adjustments or repayments of loans through bank statements as per repayment schedule;</li> <li>• Reviewed the segregation between current and non-current portion of loans;</li> <li>• Observed whether there is any overdue payment relevant to loans; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul> <p>The procedures above did not identify any issues with regard to the long-term loans.</p>
<p>Refer to the note no. 18 and 18(a), 23 and 23(a) to the financial statements</p>	

Revenue	
<p>At reporting period, the revenue of Doreen Power Generations and Systems Limited and Group was Tk. 1,372,178,828 and Tk. 15,024,099,403 respectively.</p> <p>Revenue is recognized when the performance obligation is satisfied by transferring goods or services to a customer, either in a point in time or over time. It is a matter of consideration whether revenue may be misstated due to recognition of sales transaction before performance obligation being satisfied. Therefore, it is a matter of concern that revenue may be misstated.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the followings:</p> <ul style="list-style-type: none"> <li>• Performing analytical procedures to find the reason of decreasing the revenue;</li> <li>• Analyzing and assessing the reasonableness for decreasing the revenue in group level;</li> <li>• Understanding the generating process of revenue;</li> <li>• Assessing the risks involved in revenue generation process;</li> <li>• Checking the reasonableness of the calculation of revenue as per PPA (schedule-5);</li> <li>• Verifying the timing of revenue recognition;</li> <li>• Critically verifying the recording process of revenue; and</li> <li>• In overall, assessing the appropriateness and presentation of disclosures against relevant standards.</li> </ul> <p>The procedures above did not identify any issues with regard to revenue.</p>
Refer to the note no. 32 and 32(a) to the financial statements	

### 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 Hoda Vasi Chowdhury & Co. and another subsidiary, Chandpur Power Generations Limited, has been audited by Aziz Halim Khair Choudhury, Chartered Accountants. The auditors of subsidiaries have expressed an unmodified opinion on those financial statements on 30 June 2022. The financial statements of the Group and financial statements of Doreen Power Generations and Systems Limited for the year ended 30 June 2021 were audited by Hoda Vasi Chowdhury & Co. and also expressed an unmodified opinion on those financial statements on 30 June 2021.

### 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 auditor's 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and 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 47 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,  
25 September 2022

Signed for and on behalf of  
**ACNABIN**  
Chartered Accountants



**Md. Moniruzzaman, FCA**  
Partner

ICAB Enrollment No. 787  
DVC : 2210050787AS541030

**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Consolidated Statement of Financial Position**

As at 30 June 2022

	Notes	30.06.2022 Taka	30.06.2021 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4(a)	15,675,344,730	8,959,787,557
Right of Use (ROU) Assets	5(a)	38,322,483	45,714,761
Capital work in progress	6(a)	-	6,182,400,431
Investments	7(a)	10,492,602	12,951,746
<b>Current Assets</b>		<b>12,952,898,014</b>	<b>6,322,599,889</b>
Inventories	8 (a)	1,586,932,236	819,759,433
Trade & other receivables	9(a)	9,341,151,032	1,688,616,402
Advance, deposit & prepayments	10(a)	166,330,714	316,812,314
Current A/C (Receivable) with Subsidiaries and Sister Concerns	11(a)	1,804,919,160	2,497,841,672
Cash and bank balance	12(a)	53,564,872	999,570,068
<b>TOTAL ASSETS</b>		<b>28,677,057,830</b>	<b>21,523,454,384</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	13	1,617,133,050	1,443,868,800
Share premium	14	361,849,889	361,849,889
Retained earnings	15(a)	6,019,889,192	4,558,580,163
Revaluation surplus	16	596,271,541	625,579,114
Non- controlling interest	17	47,575,330	37,704,382
<b>Total Equity</b>		<b>8,642,719,002</b>	<b>7,027,582,348</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Long term loan net off current protion	18(a)	7,498,440,782	7,746,049,724
Lease liability	19(a)	33,769,999	35,036,409
Deferred revenue	20(a)	23,606,324	21,570,251
Deferred tax liability	21	1,078,870	1,078,870
<b>Current Liabilities</b>		<b>12,477,442,853</b>	<b>6,692,136,783</b>
Trade payables	22(a)	208,238,421	220,493,066
Current portion of long term loan	23(a)	1,279,108,147	1,003,757,527
Current portion of lease liability	24(a)	9,550,000	9,550,000
Current A/C (Payable) with Subsidiaries and Sister Concerns	25(a)	-	558,791,544
Short term loan	26(a)	10,348,301,041	4,756,570,877
Interest Payable	27	281,725,179	57,668,216
Unclaimed Dividend Account	28	1,658,027	1,556,126
Liabilities for expenses and others	29(a)	346,403,529	79,975,005
Provision for income tax	30(a)	2,458,509	3,774,422
<b>TOTAL LIABILITIES</b>		<b>20,034,338,828</b>	<b>14,495,872,036</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,677,057,830</b>	<b>21,523,454,384</b>
<b>Consolidated Net Assets Value (CNAV) per share</b>	31(a)	<b>53.15</b>	<b>43.22</b>

The annexed notes from 01 to 47 form an integral part of these Consolidated Financial Statements.

  
**Company Secretary**


  
**Managing Director**

  
**Chairman**

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

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

Dhaka  
25 September 2022

  
**Md. Moniruzzaman, FCA**  
**Partner**  
ICAB Enrollment No. 787

**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2022

	Notes	2021-2022 Taka	2020-2021 Taka
Revenue	32(a)	15,024,099,403	6,656,732,440
Less: Cost of sales	33(a)	11,930,074,748	5,000,968,629
<b>Gross Profit</b>		<b>3,094,024,654</b>	<b>1,655,763,811</b>
Less: General and administrative expenses	34(a)	309,110,181	142,013,064
<b>Gross Operating Profit for the year</b>		<b>2,784,914,474</b>	<b>1,513,750,748</b>
Less: Financial expense	35(a)	1,111,334,669	344,095,022
<b>Net Operating Profit for the year</b>		<b>1,673,579,804</b>	<b>1,169,655,725</b>
Add: Non-operating income	36(a)	7,629,582	10,123,809
<b>Net Profit before income tax</b>		<b>1,681,209,386</b>	<b>1,179,779,534</b>
Less: Income tax expense	37(a)	3,544,689	3,643,390
<b>Net Profit after income tax</b>		<b>1,677,664,697</b>	<b>1,176,136,144</b>
Other Comprehensive income		-	-
<b>Total Comprehensive income</b>		<b>1,677,664,697</b>	<b>1,176,136,144</b>
<b>Attributable to:</b>			
Shareholders of the Company		1,667,943,749	1,168,592,523
Non controlling interest		9,720,948	7,543,621
		<b>1,677,664,697</b>	<b>1,176,136,144</b>
<b>Consolidated Earning per share (CEPS)/restated CEPS</b>	38(a)	<b>10.31</b>	<b>7.23</b>

The annexed notes from 01 to 47 form an integral part of these Consolidated Financial Statements.

  
**Company Secretary**

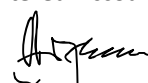
  
**Managing Director**

  
**Chairman**

This is the Consolidated Statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka  
25 September 2022

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

  
**Md. Moniruzzaman, FCA**  
**Partner**  
ICAB Enrollment No. 787

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2022

(Amount in Taka)

Particulars	Share capital	Share Premium	Revaluation surplus	Retained earnings	Sub-Total	Non controlling interest	Total Equity
Balance as at 01 July 2021	1,443,868,800	361,849,889	625,579,114	4,558,580,163	6,989,877,966	37,704,382	7,027,582,348
Net profit for the period	-	-	-	1,667,943,749	1,667,943,749	9,720,948	1,677,664,697
Stock dividend for the year 2020-2021	173,264,250	-	-	(173,264,250)	-	-	-
Cash dividend for the year 2020-2021	-	-	-	(62,678,044)	(62,678,044)	-	(62,678,044)
Share issue	-	-	-	-	-	150,000	150,000
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-	-	-
<b>Balance as at 30 June 2022</b>	<b>1,617,133,050</b>	<b>361,849,889</b>	<b>596,271,541</b>	<b>6,019,889,192</b>	<b>8,595,143,672</b>	<b>47,575,330</b>	<b>8,642,719,002</b>
Balance as at 01 July 2020	1,312,608,000	361,849,889	654,886,687	3,535,771,662	5,865,116,238	28,460,761	5,893,576,999
Net profit for the period	-	-	-	1,168,592,523	1,168,592,523	7,543,621	1,176,136,144
Stock dividend for the year 2019-2020	131,260,800	-	-	(131,260,800)	-	-	-
Cash dividend for the year 2019-2020	-	-	-	(43,830,795)	(43,830,795)	-	(43,830,795)
Share issue	-	-	-	-	-	1,701,200	1,701,200
Share money deposit	-	-	-	-	-	(1,200)	(1,200)
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-	-	-
<b>Balance as at 30 June 2021</b>	<b>1,443,868,800</b>	<b>361,849,889</b>	<b>625,579,114</b>	<b>4,558,580,163</b>	<b>6,989,877,966</b>	<b>37,704,382</b>	<b>7,027,582,348</b>

The annexed notes from 01 to 47 form an integral part of these Consolidated Financial Statements

Dhaka

25 September 2022

Company Secretary

Managing Director

Chairman

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	2021-2022 Taka	2020-2021 Taka
<b>A. Cash flows from operating activities</b>		
Receipt from customers	7,370,745,848	6,171,860,862
Payment to suppliers others	(12,045,907,972)	(4,795,281,689)
Payment for direct expenses and administrative expenses	(100,634,900)	(120,897,868)
<b>Cash generated from operating activities</b>	<b>(4,775,797,023)</b>	<b>1,255,681,305</b>
Financial expenses paid	(428,657,733)	(321,399,867)
Income Tax Paid	(5,583,969)	(1,870,455)
<b>Net cash (used in)/flow from operating activities</b>	<b>(5,210,038,725)</b>	<b>932,410,982</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(158,217,195)	(274,264,163)
Capital work in progress	(739,182,869)	(5,792,530,819)
Encashment of/(Investment in) FDR	2,459,145	(3,471,134)
Interest income received	8,472,327	8,140,632
Received from/(Paid to) subsidiaries and sister concerns	134,130,968	157,991,986
Received from sale of non-current asset	2,684,934	-
<b>Net cash used in investing activities</b>	<b>(749,652,689)</b>	<b>(5,904,133,498)</b>
<b>C. Cash flows from financing activities</b>		
Received from/(Repayment of) short term loan	5,591,730,164	2,332,520,083
Proceeds from share money deposit	150,000	1,700,000
Received from/(Repayment of) long term loan	27,741,678	3,602,243,816
Dividend paid	(62,576,143)	(43,571,946)
<b>Net cash flows from financing activities</b>	<b>5,557,045,698</b>	<b>5,892,891,952</b>
<b>D. Net increase/(decrease) in cash and bank balance (A+B+C)</b>	<b>(402,645,716)</b>	<b>921,169,437</b>
E. Unrealized foreign exchange gain/ (loss)	(543,359,480)	-
F. Cash and bank balances at beginning of the year	999,570,068	78,400,632
<b>G. Cash and bank balances at the end of the year</b>	<b>53,564,872</b>	<b>999,570,068</b>
<b>Consolidated Net Operating Cash Flow per share (CNOCFPS) [Note: 39(a)]</b>	<b>(32.22)</b>	<b>5.77</b>

The annexed notes from 01 to 47 form an integral part of these Consolidated Financial Statements.

Dhaka  
25 September 2022

  
Company Secretary

  
Managing Director

  
Chairman



**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Statement of Financial Position**

As at 30 June 2022

ASSETS	Notes	30.06.2022 Taka	30.06.2021 Taka
<b>Non-Current Assets</b>		<b>6,055,750,297</b>	<b>6,074,256,996</b>
Property, plant and equipment	4	2,132,838,028	2,297,588,242
Right of Use (ROU) Assets	5	4,086,351	5,253,879
Investments	7	3,918,825,918	3,771,414,876
<b>Current Assets</b>		<b>1,251,202,425</b>	<b>424,896,337</b>
Inventories	8	109,027,671	65,469,759
Trade and other receivables	9	471,913,060	296,581,452
Advance, deposit and prepayments	10	57,838,462	30,824,570
Current A/C (Receivable) with Subsidiaries and Sister Concerns	11	603,578,430	24,590,430
Cash and bank balances	12	8,844,803	7,430,125
<b>TOTAL ASSETS</b>		<b>7,306,952,722</b>	<b>6,499,153,333</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>3,854,713,095</b>	<b>3,766,785,902</b>
Share capital	13	1,617,133,050	1,443,868,800
Share premium	14	361,849,889	361,849,889
Retained earnings	15	1,279,458,616	1,335,488,100
Revaluation surplus	16	596,271,541	625,579,114
<b>Non-Current Liabilities</b>		<b>174,774,162</b>	<b>464,050,522</b>
Long term loan net of current maturity	18	151,757,839	437,449,809
Lease liability	19	2,919,526	3,951,593
Deferred revenue	20	19,017,927	21,570,251
Deferred tax liability	21	1,078,870	1,078,870
<b>Current Liabilities</b>		<b>3,277,465,465</b>	<b>2,268,316,909</b>
Trade payable	22	179,804,555	191,332,802
Current portion of long term loan	23	317,472,384	303,361,018
Current portion of lease liability	24	1,500,000	1,500,000
Current A/c (Payable) with subsidiaries and sister concerns	25	2,677,296,666	1,749,754,528
Short term loan	26	81,109,900	-
Unclaimed Dividend Account	28	1,658,027	1,556,126
Liabilities for expenses and others	29	17,862,623	20,303,459
Provision for income tax	30	761,311	508,976
<b>TOTAL LIABILITIES</b>		<b>3,452,239,627</b>	<b>2,732,367,431</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,306,952,722</b>	<b>6,499,153,333</b>
<b>Net Assets Value (NAV) per share</b>	31	<b>23.84</b>	<b>23.29</b>

The annexed notes from 01 to 47 form an integral part of these Financial Statements.

  
**Company Secretary**


  
**Managing Director**

  
**Chairman**

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

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

Dhaka  
25 September 2022

  
**Md. Moniruzzaman, FCA**  
**Partner**  
ICAB Enrollment No. 787  
DVC : 2210050787AS541030

**DOREEN POWER GENERATIONS AND SYSTEMS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2022

	Notes	2021-2022 Taka	2020-2021 Taka
Revenue	32	1,372,178,828	1,313,639,927
Less: Cost of sales	33	1,008,199,388	958,899,146
<b>Gross Profit</b>		<b>363,979,440</b>	<b>354,740,781</b>
Less: General and administrative expenses	34	44,365,900	43,819,042
<b>Gross Operating Profit for the year</b>		<b>319,613,540</b>	<b>310,921,738</b>
Less: Financial expense	35	170,730,261	148,365,694
<b>Net Operating Profit for the year</b>		<b>148,883,279</b>	<b>162,556,044</b>
Add: Non-operating income	36	2,398,450	390,237
<b>Profit before income tax</b>		<b>151,281,729</b>	<b>162,946,281</b>
Less: Income tax expense	37	676,492	228,324
<b>Net Profit after income tax</b>		<b>150,605,237</b>	<b>162,717,956</b>
Other Comprehensive income		-	-
<b>Total Comprehensive income</b>		<b>150,605,237</b>	<b>162,717,956</b>
<b>Earning Per Share (EPS)/Restated EPS</b>	38	<b>0.93</b>	<b>1.01</b>

The annexed notes from 01 to 47 form an integral part of these Financial Statements.

  
**Company Secretary**


  
**Managing Director**

  
**Chairman**

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

Dhaka  
25 September 2022

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

  
**Md. Moniruzzaman, FCA**  
**Partner**  
ICAB Enrollment No. 787  
DVC : 2210050787AS541030

## DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Statement of Changes in Equity

For the year ended 30 June 2022

(Amount in Taka)

Particulars	Share capital	Share Premium	Revaluation surplus	Retained earnings	Total Equity
<b>Balance as at 01 July 2021</b>	1,443,868,000	361,849,889	625,579,114	1,335,488,100	3,766,785,902
Net profit for the period	-	-	-	150,605,237	150,605,237
Stock dividend for the year 2020-21	173,264,250	-	-	(173,264,250)	-
Cash dividend for the year 2020-21	-	-	-	(62,678,044)	(62,678,044)
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-
<b>Balance as at 30 June 2022</b>	<b>1,617,133,050</b>	<b>361,849,889</b>	<b>596,271,541</b>	<b>1,279,458,616</b>	<b>3,854,713,095</b>
<b>Balance as at 01 July 2020</b>	1,312,608,000	361,849,889	654,886,687	1,318,554,165	3,647,898,741
Net profit for the period	-	-	-	162,717,956	162,717,956
Stock dividend for the year 2019-20	131,260,800	-	-	(131,260,800)	-
Cash dividend for the year 2019-20	-	-	-	(43,830,795)	(43,830,795)
Revaluation surplus realized (Depreciation on increased value of assets due to revaluation)	-	-	(29,307,573)	29,307,573	-
<b>Balance as at 30 June 2021</b>	<b>1,443,868,800</b>	<b>361,849,889</b>	<b>625,579,114</b>	<b>1,335,488,100</b>	<b>3,766,785,902</b>

The annexed notes from 01 to 47 form an integral part of these Financial Statements.

Dhaka

25 September 2022



Company Secretary



Managing Director



Chairman

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2022

Notes	2021-2022 Taka	2020-2021 Taka
<b>A. Cash flows from operating activities</b>		
Received from customers	1,194,212,485	1,424,424,452
Payment to suppliers and others	(881,591,291)	(819,436,717)
Payment for general and administrative expenses	(46,582,307)	(46,741,144)
<b>Cash generated from operating activities</b>	<b>266,038,886</b>	<b>558,246,592</b>
Financial expenses paid	(169,178,289)	(147,810,789)
Income Tax Paid	(1,038,614)	(580,583)
<b>Net cash generated from operating activities</b>	<b>95,821,984</b>	<b>409,855,219</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(44,573,058)	(53,419,434)
Interest received	468,608	1,190,716
Received from sale of non-current asset	2,684,934	-
Received from/(paid to) subsidiaries and sister concerns	348,554,138	1,695,605,036
Investment in FDRs	(411,042)	(548,807)
Investment in Chandpur Power Generations Ltd.	(147,000,000)	(1,702,350,000)
<b>Net cash flow from/(used in) investing activities</b>	<b>159,723,580</b>	<b>(59,522,488)</b>
<b>C. Cash flows from financing activities</b>		
Received from/(repayment of) short term loan	81,109,900	-
Repayment of long term loan	(271,580,604)	(317,054,140)
Dividend paid	(62,576,143)	(43,571,947)
<b>Net cash used in financing activities</b>	<b>(253,046,847)</b>	<b>(360,626,086)</b>
<b>D. Net increase/(decrease) in cash and bank balances (A+B+C)</b>	<b>2,498,716</b>	<b>(10,293,356)</b>
E. Unrealized foreign exchange gain/ (loss)	(1,084,039)	-
F. Cash and bank balances at beginning of the year	7,430,125	17,723,481
<b>G. Cash and bank balances at the end of the year</b>	<b>8,844,803</b>	<b>7,430,125</b>
<b>Net Operating Cash Flow per share (NOCFPS)</b> (Note: 39)	<b>0.59</b>	<b>2.53</b>

The annexed notes from 01 to 47 form an integral part of these Financial Statements.

Dhaka  
25 September 2022

  
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 2022

#### 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. The Company has been listed with Dhaka Stock Exchange (DSE) and Chottagram Stock Exchanges (CSE) since 30 March 2016. The Company has three 22 MW Gas Fired Power Plant at Feni, Tangail and Narsingdi on Build Own and Operate (BOO) basis for a term of 15 years". These plants are supplying electricity to Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB) as per PPA signed with these two government bodies. Besides these, the Company holds almost 100% shares of three subsidiary companies of total 225 MW HFO based power plants.

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.

#### 1.2 Subsidiaries of the Company

Dhaka Northern Power Generations Limited (DNPGL), Dhaka Southern Power Generations Limited (DSPGL) and Chandpur Power Generations Limited (CPGL) are three subsidiaries of the Company which are in 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 electricity 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 electricity 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 electricity for a term of 15 years. It has started commercial operation on 11 February 2022. 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 No.	Name of the Company	Financial year	Statutory Auditor
1	Dhaka Northern Power Generations Limited	July -June	Hoda Vasi Chowdhury & Co. Chartered Accountants
2	Dhaka Southern Power Generations Limited	July -June	
3	Chandpur Power Generations Limited	July -June	Aziz Halim Khair Choudhury 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 Bangladesh Rural Electrification Board (BREB) 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 electricity to BPDB and 22 MW net electricity to BREB. The Power Purchase Agreement between BPDB and DPGSL & BREB and DPGSL will be expired on 16 February 2024 for Feni plant, 12 November 2023 for Tangail plant and 21 December 2023 for Narshingdi plant considering the date of commercial production.

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 BREB under the terms and conditions provided in the agreements. For this purpose, the Company will build, operate and maintain the facility, all of its own expenses and responsibility in accordance with the provisions of the agreements and within the technical limits and each of the schedules that are parts of those agreements.

The Power Purchase Agreements (PPA) stipulates two elements of 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

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 with Titas Gas Transmission and Distribution Company Limited (TGTDC) and Bakhraabad Gas Systems Limited (BGSL) for Tangail -22 MW power Plant, Narsingdi- 22 MW Power plant and Feni- 22 MW Power 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 hereof 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 and Supplementary Duty Act, 2012;  
The Value Added Tax and Supplementary Duty Rules, 2016;  
The Bangladesh Labour Act (Amendment 2013), 2006;  
The Bangladesh Labour Rules, 2015; and

### **2.3 Authorization for issue**

These financial statements were authorized for issue by the Board of Directors on 25 September 2022.

### **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. The Power Purchase Agreement between BPDB and DPGSL & BERB and DPGSL will be expired on 16 February 2024 for Feni plant, 12 November 2023 for Tangail plant and 21 December 2023 for Narshingdi plant considering the date of commercial production.

### **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 Consolidated & Separate 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 judgements**

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: 8 Inventories  
Note: 9 Trade and other receivables

Note: 21 Deferred tax liability  
Note: 29 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
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
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
16	Leases	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 Ltd. (DNPGL), Dhaka Southern Power Generations Ltd. (DSPGL) and Chandpur Power Generations Ltd. (CPGL) are almost wholly owned (99.40% of DNPGL, 99.145% of DSPGL and 99.90% of CPGL) 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 and 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 will be consumed over 5 years, the cost of such has been recognized separately in the carrying amount of respective power plant in accordance with IAS 16: Property, Plant and Equipment. The Company underwent the second phase of its expected major overhauling in 2012-13 of its plant and machinery. However, the carrying amount of the replaced capital spare parts relating to major overhauling has to be derecognized. Previously, the related assets were not segregated and were thus depreciated over the life of the plant which was 30 years. Now the useful life has been changed to 5 years and required adjustments were provided in the financial statements.

#### **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 during the last few years due to high inflationary trend. In this circumstance, 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 in which the asset comes into use or capitalized. 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%

### 3.2.5 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.

### 3.2.6 Lease

#### From the view point of Lessee

##### Right of use assets

Group has applied IFRS 16: "Leases" for the first time where the Group has measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application.

In according to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement the company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the company measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

##### Lease Liability

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

#### From the view point of Lessor

A lessor shall recognize lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Group is recognizing revenue for capacity payment complying IFRS 16 from the view point of lessor.

### 3.3 Inventories

#### 3.3.1 Nature of inventories

Inventories comprises of spare parts, lube oil, Furnace Oil etc. These are used for in the operation and maintenance of power plants.

#### 3.3.2 Valuation of the inventories

Inventories are stated at the lower of cost or net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items, if any. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale. Cost is calculated on Weighted Average method.

### 3.4 Financial Instruments

#### Classification and measurement of financial assets and financial liabilities

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

## Classification and measurement of financial assets and financial liabilities

IFRS-9 largely retains the existing requirements in IAS-39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS-39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS-9 has not had a significant effect on the Company's accounting policies related to financial liabilities. The impact of IFRS-9 on the classification and measurement of financial assets is set out below.

Under IFRS-9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS-9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

### **A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL**

- i. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:**

- i. it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

### **The following accounting policies apply to the subsequent measurement of financial assets.**

#### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

#### **Financial assets at amortized cost**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss. Trade receivables are classified as Financial assets measured at amortized cost.

### Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

### Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

### Impairment of financial assets

IFRS-9 replaces the 'incurred loss' model in IAS-39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. The Company measures loss allowances at an amount equal to ECL from trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held).

### Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement.

### **3.4.1 Financial assets**

The Group initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date the group/Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial asset when the contractual rights to 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 receivables are carried at original invoice amount less an estimate made for doubtful debts, if any, based on a review of all outstanding amounts at the period end.

#### **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.

### **3.4.2 Financial liabilities**

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

## **3.5 Impairment**

### **3.5.1 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.

### 3.5.2 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 recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amount of the assets in the CGU on a pro rata basis. Impairment losses recognized 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 amortization, if no impairment loss had been recognized.

### 3.6 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.

### 3.7 Employee benefits

The Company operates a defined contributory provident fund for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the deed. The details of employee benefits are as under:

#### a) Provident fund (Defined contribution plan)

The Company has a unrecognized provident fund scheme (Defined Contribution Plan) for employees of the Company eligible to be members of the fund in accordance with the rules of the provident fund. All permanent employees contribute 7.00% of their basic salary to the provident fund and the Company also makes equal contribution. No valuation was done to quantify actuarial liabilities as per IAS 19: Employee Benefits.

#### b) Workers' profit participation fund and welfare fund

The Company made a provision for Workers' Profit Participation and Welfare funds @ 5% of net profit before tax till 31 March 2017 as per Bangladesh Labor Act (Amendment 2013), 2006. Bangladesh Independent Power Producers Association (BIPPA) has 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 Labor and Employment to exempt the Power Producers in private sector from implementation of WPPF as per Labor Act 2006 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 Labor 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 to suspend making of further provision for WPPF from 01 April 2017 until the decision of the Ministry of Labor & Employment is known.

### 3.8 Revenue

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. Revenue under Power Purchase Agreement (PPA) comprises capacity payment and energy payments. Capacity component of revenue is recognized according to the terms set out in the PPA. Energy component of revenue is calculated based on electricity delivered. Revenue is recognized as per IFRS 15: Revenue from Contract with Customers.

#### a) Capacity revenue

Capacity revenue is recognized in "Statement of profit or loss and other comprehensive income" on a straight line basis over the 15 years term of the PPA where the PPA are considered to be or to contain operating leases as IFRS 16 clarifies the basis of computing the fixed element of revenue.



## **b) Deferred Revenue**

Deferred revenue comprises the difference between capacity revenue received from customers (i.e. BREB & BPDB) and capacity revenue recognized in "Statement of profit or loss and other comprehensive income" in relation to the PPA. The amount is recognized in "Statement of profit or loss and other comprehensive income" on a straight line basis over the term of the PPA.

### **3.9 Taxation**

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. However adequate provision is being calculated for income arising from other source as per the Income Tax Ordinance 1984.

### **3.10 Deferred tax**

The Group 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.

### **3.11 Non-controlling interest**

Non-controlling interest is that portion of the profit or loss and net assets of the subsidiaries (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).

### **3.12 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.

### **3.13 Finance income and expenses**

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

Finance expenses comprise interest expenses on loan, overdraft, mortgage charges, bank charge, trustee fees 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.

### **3.14 Earnings per share**

The Group presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods.

### **3.15 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 could affect the figures stated in the financial statements.

### **3.16 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.

### **3.17 General**

Previous year's figures have been rearranged where required (Refer to note 47).

	30.06.2022 Taka	30.06.2021 Taka
<b>4. Property, plant and equipment</b>		
<b>A. Cost/revaluation</b>		
Opening Balance	3,667,928,375	3,613,033,942
Add: Addition during the year	44,573,058	54,894,434
	3,712,501,433	3,667,928,375
Less: Disposal during the year	3,622,679	-
	<b>3,708,878,754</b>	<b>3,667,928,375</b>
<b>(B) Accumulated depreciation</b>		
Opening Balance	1,370,340,134	1,174,294,262
Add: Charged during the year	208,650,592	196,045,872
	1,578,990,725	1,370,340,134
Less: Adjustment for disposal	2,949,999	-
	<b>1,576,040,726</b>	<b>1,370,340,134</b>
<b>(C) Written down value (A-B)</b>	<b>2,132,838,028</b>	<b>2,297,588,242</b>
(Schedule of property, plant and equipment is given in <b>Annexure-A</b> )		
<b>4(a) Consolidated Property, plant and equipment</b>		
Doreen Power Generations and Systems Limited (Note: 4)	2,132,838,028	2,297,588,242
Dhaka Northern Power Generations Limited	3,434,363,337	3,426,083,760
Dhaka Southern Power Generations Limited	3,156,918,188	3,236,115,555
Chandpur Power Generations Limited	6,951,225,177	-
	<b>15,675,344,730</b>	<b>8,959,787,557</b>
<b>5. Right of Use (ROU) Assets</b>		
<b>(A) Valuation</b>		
Opening balance	7,588,936	7,588,936
Add: Addition during the year	-	-
	7,588,936	7,588,936
<b>(B) Accumulated depreciation</b>		
Opening Balance	2,335,057	1,167,529
Add: Charged during the year	1,167,528	1,167,528
	3,502,585	2,335,057
<b>(C) Written down value (A-B)</b>	<b>4,086,351</b>	<b>5,253,879</b>
<b>5(a) Right of Use (ROU) Assets</b>		
Doreen Power Generations and Systems Limited	4,086,351	5,253,879
Dhaka Southern Power Generations Limited	34,236,132	40,460,882
	<b>38,322,483</b>	<b>45,714,761</b>
<b>6. Capital Work In Progress of the Company</b>		
Opening balance	-	1,475,000
Add: Addition during the year	-	52,718,457
	-	54,193,457
Less: Transferred to property, plant and equipment	-	54,193,457
	-	-
**Capital work in progress includes the Spare parts for Overhauling.		
<b>6(a) Consolidated capital work-in-progress</b>		
Doreen Power Generations and Systems Limited	-	-
Chandpur Power Generations Limited	-	6,182,400,431
	-	<b>6,182,400,431</b>

	30.06.2022 Taka	30.06.2021 Taka
<b>7. Investments</b>		
Investment in Rupali Engineers and Traders Ltd.	26,000	26,000
Investment in Subsidiaries (Note: 7.1)	3,908,950,000	3,761,950,000
Investment in FDR	9,849,918	9,438,876
	<b>3,918,825,918</b>	<b>3,771,414,876</b>
<b>7.1 Investments in subsidiaries</b>		
Dhaka Northern Power Generations Limited	977,100,000	977,100,000
Dhaka Southern Power Generations Limited	684,100,000	684,100,000
Chandpur Power Generations Limited	2,247,750,000	2,100,750,000
	<b>3,908,950,000</b>	<b>3,761,950,000</b>

During the period, Doreen Power Generations and Systems Limited has invested additional Tk.147,000,000 to purchase 1,470,000 no. of ordinary shares of Chandpur Power Generations Limited @ Tk.100 each.

<b>7(a) Consolidated investments</b>		
Doreen Power Generations and Systems Limited (Note: 7)	3,918,825,918	3,771,414,876
Dhaka Northern Power Generations Limited	-	2,897,438
Dhaka Southern Power Generations Limited	616,684	589,433
Chandpur Power Generations Limited	-	-
	<b>3,919,442,602</b>	<b>3,774,901,746</b>
Less: Investment in subsidiaries (Note: 7.1)	3,908,950,000	3,761,950,000
	<b>10,492,602</b>	<b>12,951,746</b>
<b>8. Inventories</b>		
Spare parts	97,587,029	57,535,210
Lube oil	11,440,642	7,934,550
	<b>109,027,671</b>	<b>65,469,759</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 2021	Purchase during the period	Consumption during the period	Balance as at 30 June 2022
Spare parts	57,535,210	128,704,439	88,652,620	97,587,029
Lube Oil	7,934,550	41,214,800	37,708,708	11,440,642
	<b>65,469,759</b>	<b>169,919,239</b>	<b>126,361,327</b>	<b>109,027,671</b>

As the Company deals in large number of items which vary in units, item-wise quantity statement of inventories could not be given.

<b>8(a) Consolidated inventories</b>		
Doreen Power Generations and Systems Limited (Note: 8)	109,027,671	65,469,759
Dhaka Northern Power Generations Limited	489,109,040	398,839,880
Dhaka Southern Power Generations Limited	583,467,256	350,619,793
Chandpur Power Generations Limited	405,328,270	4,830,000
	<b>1,586,932,236</b>	<b>819,759,433</b>
<b>9. Trade and other receivables of the Company</b>		
Bangladesh Power Development Board (BPDB)	392,085,847	221,729,058
Bangladesh Rural Electrification Board (REB)	79,605,132	74,547,901
Interest income receivables	222,081	304,493
	<b>471,913,060</b>	<b>296,581,452</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 BREB 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 2022.

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

The aging of above trade and other receivables as at the statement of financial position date was:	30.06.2022 Taka	30.06.2021 Taka
Past due 0-30 days	113,938,891	147,903,404
Past due 31-90 days	189,030,614	148,678,048
Past due more than 90 days	168,943,555	-
	<b>471,913,060</b>	<b>296,581,452</b>

**9(a) Consolidated Trade and other receivables**

Doreen Power Generations and Systems Limited (Note: 9)	471,913,060	296,581,452
Dhaka Northern Power Generations Limited	2,503,045,934	417,515,171
Dhaka Southern Power Generations Limited	2,571,952,244	971,734,407
Chandpur Power Generations Limited	3,794,239,794	2,785,372
	<b>9,341,151,032</b>	<b>1,688,616,402</b>

**10. Advance, deposit and prepayments of the Company**

Advance (Note: 10.1)	36,824,909	11,821,643
Deposits (Note: 10.2)	16,355,924	15,029,424
Prepayments (Note: 10.3)	4,657,629	3,973,504
	<b>57,838,462</b>	<b>30,824,570</b>

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

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

**10.1 Advance**

Advances to staff & others	3,026,184	2,260,739
Advance income tax	1,566,266	951,809
Advance against LC for spare parts	31,831,469	852,551
LC Margin for spare parts	400,989	7,756,544
	<b>36,824,909</b>	<b>11,821,643</b>

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

**10.2 Deposits**

Falcon Securities Limited	133,733	133,733
Margin on bank guarantee	15,722,191	14,395,691
Security deposit to Central Depository Bangladesh Limited (CDBL)	500,000	500,000
	<b>16,355,924</b>	<b>15,029,424</b>

	30.06.2022 Taka	30.06.2021 Taka
<b>10.3 Prepayment</b>		
BERC license fee	197,400	27,600
Bank guarantee commission	1,508,018	2,222,520
Prepayments for C&F and EIA expenses	170,190	170,190
Advance to other suppliers	407,830	670,610
Insurance premium	2,374,191	882,584
	<b>4,657,629</b>	<b>3,973,504</b>
<b>10(a) Consolidated advance, deposits and prepayments</b>		
Doreen Power Generations and Systems Limited (Note: 10)	57,838,462	30,824,570
Dhaka Northern Power Generations Limited	19,203,647	190,853,385
Dhaka Southern Power Generations Limited	17,546,660	15,048,388
Chandpur Power Generations Limited	71,741,944	80,085,971
	<b>166,330,714</b>	<b>316,812,314</b>

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

Past due 0-30 days	3,196,374	2,430,929
Past due 31-90 days	34,606,650	9,491,679
Past due 91-180 days	3,074,284	3,174,329
Past due more than 180 days	16,961,154	15,727,634
	<b>57,838,462</b>	<b>30,824,570</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	16,961,154	15,727,634
Advance, Deposit and Prepayments not exceeding 6 months	40,877,308	15,096,937
Other Advance, Deposits & Prepayments less provision	21,013,553	19,002,928
Advance, Deposits and Prepayments considered Good and Secured	54,812,278	28,563,831
Advance, Deposits and Prepayments considered Good without Security	3,026,184	2,260,739
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)	-	-
Advance, Deposits and Prepayments due from Companies under same mgt	-	-
Maximum Advance, Deposits & Prepayments due by Directors	-	-

#### 11. Current A/C (Receivable) with Subsidiaries and Sister Concerns

Asian Entech Power Corporations Limited	-	659,254
Chandpur Power Generations Limited	263,588,296	-
Doreen Garments Ltd.	-	23,931,176
Doreen Power House and Technologies Ltd.	339,990,134	-
	<b>603,578,430</b>	<b>24,590,430</b>

- 11.1** The Board of Directors presenting in the meeting of Doreen Power Generations and Systems Limited held on 06 July 2021 decided to give or take temporary loan up to Tk. 160 crore through current account maintained with it's 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 and Asian Entech Power Corporation Limited for emergency business need and charged/paid interest on outstanding balance at prevailing interest rate.

			30.06.2022 Taka	30.06.2021 Taka
<b>11(a)</b>	<b>Consolidated Current A/C with Subsidiaries &amp; Sister Concerns</b>			
	Doreen Power Generations and Systems Limited (Note:11)		603,578,430	24,590,430
	Dhaka Northern Power Generations Limited		1,922,285,869	1,573,794,240
	Chandpur Power Generations Ltd.		577,400,270	893,183,471
	Dhaka Southern Power Generations Limited		1,378,951,258	1,197,236,515
			4,482,215,826	3,688,804,656
	Less: Inter-company balances		2,677,296,666	1,190,962,984
<b>12.</b>	<b>Cash and bank balance</b>		<b>1,804,919,160</b>	<b>2,497,841,672</b>
	Cash in Hand		296,701	296,905
	Cash at Bank		8,548,102	7,133,220
			<b>8,844,803</b>	<b>7,430,125</b>
<b>12.1</b>	<b>Cash at bank</b>			
	<b>Name of the Bank</b>	<b>Branch Name</b>	<b>Account Name</b>	
	Bank Asia Limited	Corporate	CD A/C 000233011084	4,763
	Bank Asia Limited	Shantinagar	SOD A/C 03533000260	620
	BRAC Bank Limited	Gulshan	CD # 1501202461190001	21,131
	Dhaka Bank Limited	Baridhara	CD A/C 218-100-2671	45,027
	Islami Bank BD Ltd.	HOCB	AWCA # 205021301001818	6,796
	Mutual Trust Bank Ltd. Banani		CD # 0034-0210009319	373,532
	Mutual Trust Bank Ltd. Banani		SND # 0034-0320000922	3,939,465
	NCC Bank Limited	Moiijheel	CD A/C 0210014963	738,823
	NCC Bank Limited	Moiijheel	STD A/C 0002-0325000902	4,233
	Prime Bank Limited	Mohakhali	CD # 11011080011964	188,563
	The City Bank Ltd.	Gulshan-2	CA#1101823203005 (Dividend)	350,653
	The City Bank Ltd.	Gulshan-2	CA#1101823203003 (Dividend)	291,483
	The City Bank Ltd.	Gulshan-2	CA#1101823203004 (Dividend)	293,966
	The City Bank Ltd.	Gulshan-2	CA#1101823203006 (Dividend)	361,795
	The City Bank Ltd.	Gulshan-2	SND#3101823203002 (Dividend)	-
	The City Bank Ltd.	Gulshan-2	CA#1101823203002 (Dividend)	222,667
	The City Bank Ltd.	Gulshan	CA # 1101823203001	284,624
	The City Bank Ltd.	Gulshan	SND# 3101823203001	5,079
			<b>8,548,102</b>	<b>7,133,220</b>
<b>12(a)</b>	<b>Consolidated cash and bank balance</b>			
	Doreen Power Generations and Systems Limited (Note: 12)		8,844,803	7,430,125
	Dhaka Northern Power Generations Limited		13,226,901	279,471,208
	Dhaka Southern Power Generations Limited		7,455,499	1,339,367
	Chandpur Power Generations Limited		24,037,669	711,329,368
			<b>53,564,872</b>	<b>999,570,068</b>
<b>13.</b>	<b>Share capital</b>			
	<b>Authorized capital</b>			
	200,000,000 ordinary shares of Taka 10 each		<b>2,000,000,000</b>	<b>2,000,000,000</b>
	<b>Issued, Subscribed and Paid up Capital</b>			
	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	105,600,000
	15,100,800 ordinary shares issued as Stock dividend for year 2018-19		151,008,000	151,008,000
	13,126,080 ordinary shares issued as Stock dividend for year 2019-20		131,260,800	131,260,800
	17,326,425 ordinary shares issued as Stock dividend for year 2020-21		173,264,250	-
			<b>1,617,133,050</b>	<b>1,443,868,800</b>

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

Name of shareholders	% of Holding	No. of shares		Amount in Taka	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
Asian Entech Power Corporation Ltd.	63.538%	102,749,745	91,740,846	1,027,497,450	917,408,460
OPG Energy Pvt. Ltd.	0.068%	110,266	98,452	1,102,660	984,520
Ms. Parveen Alam Siddique	0.258%	417,648	372,900	4,176,480	3,729,000
Mr. Tahzeeb Alam Siddique	2.117%	3,423,042	3,056,288	34,230,420	30,562,880
Ms. Anjabeen Alam Siddique	0.615%	994,150	887,634	9,941,500	8,876,340
Mr. Md. Ali Akbar	0.003%	5,516	4,925	55,160	49,250
Ms. Hamida Matin	0.003%	5,516	4,925	55,160	49,250
Ms. Afza Hasnat	0.003%	5,516	4,925	55,160	49,250
Md. Abul Hasnat	0.001%	2,357	2,105	23,570	21,050
General Investors	33.392%	53,999,549	48,213,880	539,995,490	482,138,800
	<b>100%</b>	<b>161,713,305</b>	<b>144,386,880</b>	<b>1,617,133,050</b>	<b>1,443,868,800</b>

The shares are listed with the Dhaka & Chittagong Stock Exchanges and quoted at Taka 76.70 and Taka 75.90 respectively on closing date.

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

Share holding range	% of holding 2022	% of holding 2021	30.06.2022	30.06.2021
			No of shares	No of shares
Up to 499	0.42%	0.40%	674,049	582,393
500-5,000	2.64%	2.53%	4,272,520	3,646,694
5,001-10,000	1.75%	1.68%	2,828,936	2,418,744
10,001-20,000	1.84%	1.65%	2,980,831	2,378,489
20,001-30,000	1.43%	1.00%	2,309,610	1,439,979
30,001-40,000	1.01%	0.81%	1,631,900	1,174,335
40,001-50,000	0.94%	0.77%	1,515,301	1,105,661
50,001-100,000	2.94%	1.90%	4,761,608	2,737,694
100,001-1,000,000	10.74%	7.74%	17,371,376	11,178,605
Above 1,000,000	76.29%	81.53%	123,367,174	117,724,286
	<b>100%</b>	<b>100%</b>	<b>161,713,305</b>	<b>144,386,880</b>

**14. Share Premium**

20,000,000 shares issued @ Tk 19 premium in 2015-16

Less: IPO Expenses

30.06.2022 Taka	30.06.2021 Taka
380,000,000	380,000,000
18,150,111	18,150,111
<b>361,849,889</b>	<b>361,849,889</b>

**15. Retained earnings**

Opening Balance  
Net Profit for the Year  
Add: Revaluation surplus realized (Note:16)  
Less: Stock dividend declared for the year (12% & 10%)  
Cash dividend declared for the year (13 & 10%)

1,335,488,100	1,318,554,165
150,605,237	162,717,956
29,307,573	29,307,573
(173,264,250)	(131,260,800)
(62,678,044)	(43,830,795)
<b>1,279,458,616</b>	<b>1,335,488,100</b>

**15(a) Consolidated retained earnings**

Opening Balance  
Add: Net Profit for the period  
Revaluation surplus realized (Note:16)  
Less: Stock dividend declared for the year (12 % & 10%)  
Cash dividend declared for the year (13% & 10%)

4,558,580,163	3,535,771,662
1,667,943,749	1,168,592,523
29,307,573	29,307,573
(173,264,250)	(131,260,800)
(62,678,044)	(43,830,795)
<b>6,019,889,192</b>	<b>4,558,580,163</b>



30.06.2022  
Taka

30.06.2021  
Taka

- 15.1 Revaluation surplus amounting Tk.29,307,573 has been transferred from 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"

#### 16. Revaluation surplus

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	625,579,114	654,886,687
Transfer to retained earnings for depreciation on revalued value of assets	(29,307,573)	(29,307,573)

**596,271,541** **625,579,114**

#### 17. Non- Controlling Interest

Dhaka Southern Power Generations Limited (Note: 17.1)	25,282,558	19,706,461
Dhaka Northern Power Generations Limited (Note: 17.2)	19,863,021	15,939,153
Chandpur Power Generations Limited (Note: 17.3)	2,429,752	2,058,769

**47,575,330** **37,704,382**

#### 17.1 Dhaka Southern Power Generation Limited

Paid up capital	793,500,000	793,500,000
Retained earnings	2,163,200,621	1,511,101,772

**Total net assets** **2,956,700,621** **2,304,601,772**

Non-controlling interest @ 0.8551% **25,282,558** **19,706,461**

#### 17.2 Dhaka Northern Power Generation Limited

Paid up capital	1,130,450,000	1,130,450,000
Retained earnings	2,180,053,431	1,526,075,438

**Total net assets** **3,310,503,431** **2,656,525,438**

Non-controlling interest @ 0.60% **19,863,021** **15,939,153**

#### 17.3 Chandpur Power Generation Limited

Paid up capital	2,250,000,000	2,102,850,000
Retained profit loss	179,751,852	(41,230,766)

**Total net assets** **2,429,751,852** **2,061,619,234**

Non-controlling interest @ 0.10% **2,429,752** **2,058,769**

#### 18. Long term loan net off current maturity

MTB TL A/C # 00341113000135	439,472,770	688,302,892
MTB TL A/C # 00340178000210	29,757,452	45,971,905
Loan from IPDC	-	6,536,029

469,230,222 740,810,826

Less: Current portion of long term loan (Note: 23) **317,472,384** **303,361,018**

**151,757,839** **437,449,809**

The above loan facilities are taken under the following terms and conditions:

Particulars	Sanctioned Limit	Tenor	Nature	Purpose
MTB TL A/C # 00341113000135	94 Crore	3.4 Years	Term loan	Takeover existing short & long term loan & UPAS liabilities of TCBL
MTB TL A/C # 00340178000210	6.00 Crore	3 Years	Term loan	To takeover existing overdraft facility of TCBL
IPDC Finance Ltd.	10.00 Crore	3 Years	Term loan	To procure Spare Parts and support overhauling works

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Taka

30.06.2021  
Taka

#### Security details

The loans are secured by:

- 1) Registered Mortgage of Project Land measuring 131.64 decimal(approx.) in Feni Plant.
- 2) Registered Mortgage of Project Land measuring 241 decimal(approx.) in Tangail Plant.
- 3) First ranking charge with RJSC over fixed and floating assets of the Company covering total limits.
- 4) Personal guarantee from all the Directors.
- 5) Corporate guarantee from sister concerns;
- 6) Post dated cheques.

#### 18(a) Consolidated long term loan-net off current maturity

Doreen Power Generations and Systems Limited (Note: 18)  
Dhaka Northern Power Generations Limited  
Dhaka Southern Power Generations Limited  
Chandpur Power Generations Limited

151,757,839	437,449,809
1,052,621,950	1,311,866,821
1,229,874,176	1,261,723,895
5,064,186,817	4,735,009,200
<b>7,498,440,782</b>	<b>7,746,049,724</b>

#### 19. Land Lease liability - net off current maturity

Opening Lease liability  
Add: Interest charged during the year

5,451,593	6,396,688
467,934	554,905
5,919,526	6,951,593
1,500,000	1,500,000
4,419,526	5,451,593
1,500,000	1,500,000
<b>2,919,526</b>	<b>3,951,593</b>

Less: Payment made during the year  
Closing lease liability  
Less: Current portion of lease liability

#### 19(a) Consolidated lease liability

Doreen Power Generations and Systems Limited  
Dhaka Southern Power Generations Limited

2,919,526	3,951,593
30,850,473	31,084,816
<b>33,769,999</b>	<b>35,036,409</b>

#### 20. Deferred revenue

Tangail Plant  
Narshingdi Plant  
Feni Plant

5,730,575	6,777,279
6,368,488	7,209,023
6,918,865	7,583,949
<b>19,017,927</b>	<b>21,570,251</b>

Movement of deferred revenue is given below:

Plant Name	Balance as on 01 July 2021	Adjustment during the period	Balance as on 30 June 2022	Balance as on 30 June 2021
Tangail Plant	6,777,279	(1,046,704)	5,730,575	6,777,279
Narshingdi Plant	7,209,023	(840,535)	6,368,488	7,209,023
Feni Plant	7,583,949	(665,085)	6,918,865	7,583,949
<b>Total</b>	<b>21,570,251</b>	<b>(2,552,323)</b>	<b>19,017,927</b>	<b>21,570,251</b>

Deferred revenue is the difference between capacity revenue received from customers and capacity revenue recognized in "Statement of profit or loss and other comprehensive income" in relation to the PPA as per IFRS 16.

#### 20(a) Consolidated deferred revenue

Doreen Power Generations and Systems Limited  
Chandpur Power Generations Limited

19,017,927	21,570,251
4,588,397	-
<b>23,606,324</b>	<b>21,570,251</b>

## 21. 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.

	30.06.2022 Taka	30.06.2021 Taka							
Deferred tax relating to component of other comprehensive income	<u>1,078,870</u>	<u>1,078,870</u>							
Deferred tax calculation details:									
	<table><tr><td>Carrying amount</td></tr><tr><td>Taka</td></tr></table>	Carrying amount	Taka	<table><tr><td>Tax base</td></tr><tr><td>Taka</td></tr></table>	Tax base	Taka	<table><tr><td>Taxable temporary difference</td></tr><tr><td>Taka</td></tr></table>	Taxable temporary difference	Taka
Carrying amount									
Taka									
Tax base									
Taka									
Taxable temporary difference									
Taka									
As at 30 June 2022									
Revaluation reserve of Land	35,962,317	-	35,962,317						
Applicable tax rate			3.00%						
Deferred tax liability			<u>1,078,870</u>						
As at 30 June 2021									
Revaluation reserve of Land & Land Development	35,962,317	-	35,962,317						
Applicable tax rate			3.00%						
Deferred tax liability			<u>1,078,870</u>						

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%.

## 22. Trade payables of the Company

Gas bill payable to Titas Gas Transmission Limited	94,843,922	89,119,529
Gas bill payable to Bakhraabad Gas Systems Limited	65,239,233	82,599,085
Lubricant bill payable	19,721,400	19,614,188
	<b>179,804,555</b>	<b>191,332,802</b>
Aging of the above payables is given below:		
Past due 0-30 days	49,718,520	53,620,593
Past due 31-90 days	42,815,302	66,259,388
Past due over 91 days	87,270,733	71,452,821
	<b>179,804,555</b>	<b>191,332,802</b>

All the trade payables are regular in payments.

		30.06.2022 Taka	30.06.2021 Taka
<b>22(a)</b>	<b>Consolidated trade payables</b>		
	Doreen Power Generations and Systems Limited (Note: 22)	179,804,555	191,332,802
	Dhaka Northern Power Generations Limited	11,824,834	5,353,368
	Dhaka Southern Power Generations Limited	6,333,592	5,388,387
	Chandpur Power Generations Limited	10,275,440	18,418,509
		<b>208,238,421</b>	<b>220,493,066</b>
<b>23.</b>	<b>Current portion of long term loan of the Company</b>		
	MTB TL A/C # 00341113000135	296,138,378	276,878,479
	MTB TL A/C # 00340178000210	21,334,006	19,946,510
	Loan from IPDC	-	6,536,029
		<b>317,472,384</b>	<b>303,361,018</b>
<b>23(a)</b>	<b>Consolidated current portion of long term loan</b>		
	Doreen Power Generations and Systems Limited (Note: 23)	317,472,384	303,361,018
	Dhaka Northern Power Generations Limited	342,955,414	362,060,782
	Dhaka Southern Power Generations Limited	187,421,158	338,335,728
	Chandpur Southern Power Generations Limited	431,259,191	-
		<b>1,279,108,147</b>	<b>1,003,757,527</b>
<b>24.</b>	<b>Current portion lease liability of the Company</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>24(a)</b>	<b>Consolidated current portion of lease liability</b>		
	Doreen Power Generations and Systems Limited	1,500,000	1,500,000
	Dhaka Southern Power Generations Limited	8,050,000	8,050,000
		<b>9,550,000</b>	<b>9,550,000</b>
<b>25.</b>	<b>Current A/c (Payable) with subsidiaries and sister concerns</b>		
	Banco Energy Generation Limited	-	272,284
	Chandpur Power Generations Limited	-	68,870,208
	Dhaka Northern Power Generations Limited	1,600,929,669	570,385,158
	Dhaka Southern Power Generations Limited	1,076,366,997	551,707,618
	Doreen Power House and Technologies Ltd.	-	546,183,992
	Manikgonj Power Generations Limited	-	12,335,268
		<b>2,677,296,666</b>	<b>1,749,754,528</b>
<b>25(a)</b>	<b>Consolidated current A/c (Payable) with subsidiaries and sister concerns</b>		
	Doreen Power Generations and Systems Limited	2,677,296,666	1,749,754,528
	Dhaka Northern Power Generations Limited	-	-
	Chandpur Power Generations Ltd.	-	-
	Dhaka Southern Power Generations Limited	-	-
		2,677,296,666	1,749,754,528
	Less: Inter-Company Balances	2,677,296,666	1,190,962,984
		-	<b>558,791,544</b>
<b>26</b>	<b>Short term loan of the Company</b>	<b>81,109,900</b>	-
	Accepted Liabilities against UPAS L/Cs		
<b>26(a)</b>	<b>Consolidated short term loan</b>		
	Doreen Power Generations and Systems Limited	81,109,900	-
	Dhaka Northern Power Generations Limited	3,517,334,972	1,911,253,298
	Dhaka Southern Power Generations Limited	3,286,316,137	1,829,227,229
	Chandpur Power Generations Limited	3,463,540,033	1,016,090,350
		<b>10,348,301,041</b>	<b>4,756,570,877</b>

		30.06.2022 Taka	30.06.2021 Taka
<b>27. Consolidated interest payable</b>			
Doreen Power Generations and Systems Limited		-	-
Dhaka Northern Power Generations Limited		37,977,166	23,578,153
Dhaka Southern Power Generations Limited		30,703,334	21,214,678
Chandpur Power Generations Limited		213,044,679	12,875,384
		<b>281,725,179</b>	<b>57,668,216</b>
<b>28. Unclaimed Dividend Account</b>			
Payable for 2016		-	215,675
Payable for 2017		-	292,779
Payable for 2018		382,131	389,051
Payable for 2019		257,382	295,151
Payable for 2020		367,572	363,471
Payable for 2021		650,943	-
		<b>1,658,027</b>	<b>1,556,126</b>
<b>29. Liabilities for expenses and others</b>			
Salary and allowances payable		7,822,844	6,739,736
Land lease rent payable to BREB		375,000	-
Printing bill payable		-	124,232
Withholding Tax & VAT payable		1,438,315	1,371,682
Service bill payable to Clark Energy & MAN Energy		475,302	358,691
Audit fee payable		575,000	517,500
Internet and Telephone bill payable		75,407	115,222
Maxi guard bill payable to SS Trade Link		-	362,750
Payable to Bhai Bhai & Nahan Enterprise		375,000	888,000
Dormitory expense payable		167,800	167,800
Spare parts bill payable to Khaja Ajmeri		2,784,400	3,596,400
Credit rating fee payable		-	75,250
C & F bill payable		3,115,000	1,772,830
Coolant bills payable to Aquacare, JTZ & Pacific		262,274	705,224
Payable to Active Energy, Feather Line, Reverie Power & others		92,526	303,726
Office rent payable		-	2,295,303
Payable to Adex Power, Salina Metal & others		303,755	909,114
		<b>17,862,623</b>	<b>20,303,459</b>
a) All accrued expenses are paid on regular basis; and			
b) Salary and Allowances for the month of June 2022 has been paid in subsequent month.			
<b>29(a) Consolidated liabilities for expenses</b>			
Doreen Power Generations and Systems Limited (Note: 29)		17,862,623	20,303,459
Dhaka Northern Power Generations Limited		107,848,267	18,557,896
Dhaka Southern Power Generations Limited		14,770,121	13,383,888
Chandpur Power Generations Limited		205,922,518	27,729,762
		<b>346,403,529</b>	<b>79,975,005</b>
<b>30 Provision for income tax</b>			
Opening balance		508,976	576,755
Provision made during the year (Note: 37)		252,335	96,122
		761,311	672,878
Less: Settlement during the year		-	163,902
		<b>761,311</b>	<b>508,976</b>
<b>30(a) Consolidated provision for income tax</b>			
Doreen Power Generations and Systems Limited (Note: 30)		761,311	508,976
Dhaka Northern Power Generations Limited		168,694	259,325
Dhaka Southern Power Generations Limited		124,308	133,947
Chandpur Power Generations Limited		1,404,197	2,872,174
		<b>2,458,509</b>	<b>3,774,422</b>

**31. Net Asset Value (NAV) Per Share**

Net Assets (Total Assets- Liabilities)

Number of ordinary shares outstanding (Denominator) (Note: 38.1)

**30.06.2022**  
**Taka****30.06.2021**  
**Taka**

3,854,713,095

161,713,305

**23.84**

3,766,785,902

161,713,305

**23.29****31(a) Consolidated Net Asset Value (CNAV) Per Share**

Net Assets (Total Assets- Liabilities)

Number of ordinary shares outstanding (Denominator) (Note: 38.1)

8,595,143,672

161,713,305

**53.15**

6,989,877,966

161,713,305

**43.22****32. Revenue**

Bangladesh Power Development Board (BPDB)

Bangladesh Rural Electrification Board (BREB)

Add/less: Deferred revenue (Impact of straight-lining by IFRS-16)

**2021-2022**  
**Taka****2020-2021**  
**Taka**

930,596,427

439,030,078

1,369,626,505

2,552,323

**1,372,178,828**

895,162,286

424,757,788

1,319,920,074

(6,280,147)

**1,313,639,927****Plant wise details:**

Feni Plant

Narsingdi Plant

Tangail Plant

468,635,878

439,030,078

461,960,548

**1,369,626,505**

461,298,443

424,757,788

433,863,842

**1,319,920,074**

Unit/Quantity wise schedule of sales relating to the financial statements for the year ended 30 June 2022 as required under Schedule XI, Part-II of the Companies Act 1994 is given:

Particulars	From 01.07.21 to 30.06.22		From 01.07.20 to 30.06.21	
	Kilowatt	Amount (Tk.)	Kilowatt	Amount (Tk.)
Bangladesh Power Development Board	317,464,631	930,596,427	301,203,598	895,162,286
Bangladesh Rural Electrification Board	139,859,856	439,030,078	133,128,720	424,757,788
<b>Total</b>	<b>457,324,487</b>	<b>1,369,626,505</b>	<b>434,332,318</b>	<b>1,319,920,074</b>

**32 (a) Consolidated Revenue**

Doreen Power Generations and Systems Ltd. (Note: 32)

Dhaka Northern Power Generations Limited

Dhaka Southern Power Generations Limited

Chandpur Power Generations Limited

1,372,178,828

4,895,285,903

4,966,997,163

3,789,637,509

**15,024,099,403**

1,313,639,927

2,642,745,771

2,700,346,742

-

**6,656,732,440**

\*\* Revenue of DNPGL and DSPGL has increased significantly due to significant increase in electricity demand from BPDB and significant increase in HFO price in international market compared to last year. CPGL has started electricity generation from 11 February 2022 after Commercial Operation Date.

**33. Cost of sale**

Gas consumption

Direct expenses

(Note: 33.1)

**2021-2022  
Taka****2020-2021  
Taka**

595,239,252

561,011,735

412,960,136

397,887,411

**1,008,199,388****958,899,146****Plant wise details of gas consumption**

Feni Plant

Narsingdi Plant

Tangail Plant

211,887,531

209,108,577

179,502,111

166,561,763

203,849,610

185,341,395

**595,239,252****561,011,735****Disclosure as per requirement of Schedule XI, Part II, Para 8 of the Companies Act 1994:**

Consumption during the year	From 01.07.21 to 30.06.22		From 01.07.20 to 30.06.21	
	Cubic meter	Amount (Tk.)	Cubic meter	Amount (Tk.)
Feni Power Plant	46,381,465	211,887,531	46,109,167	209,108,577
Narshingdi Power Plant	39,074,876	179,502,111	36,579,853	166,561,763
Tangail Power Plant	44,511,552	203,849,610	40,799,995	185,341,395
	<b>129,967,893</b>	<b>595,239,252</b>	<b>123,489,015</b>	<b>561,011,735</b>

**33.1 Direct Expenses**

Lubricants Expenses

Direct labor charge

Spare parts

Salaries and allowances

Operational and maintenance expense

Depreciation of right of use of lease land

Dormitory expense

Depreciation

37,708,708

33,116,223

162,607

78,285

88,652,620

94,039,595

61,174,875

54,955,950

14,888,508

17,942,045

1,167,528

1,167,528

779,128

739,961

208,426,163

195,847,824

**412,960,136****397,887,411****33 (a) Consolidated Cost of sale**

Doreen Power Generations and Systems Ltd.

(Note: 33)

Dhaka Northern Power Generations Limited

Dhaka Southern Power Generations Limited

Chandpur Power Generations Limited

1,008,199,388

958,899,146

3,867,717,412

2,001,908,090

3,938,883,571

2,040,161,392

3,115,274,377

-

**11,930,074,748****5,000,968,629**

\*\* Cost of sales of DNPGL and DSPGL has increased significantly for increased electricity generation due to increase in electricity demand from BPDB as well as increase in HFO price in international market compared to last year.



**34. General and administrative expenses**

	2021-2022 Taka	2020-2021 Taka
Salaries and allowances	9,805,393	9,750,031
Director's remuneration	1,320,000	1,320,000
Audit fee	632,500	517,500
Utility bills	750,254	661,203
Advertisement expense	1,715,113	779,098
AGM Expenses	315,000	315,000
BERC license Fee	168,600	165,600
Car fuel expenses	1,320,421	1,099,325
Car maintenance expense	136,520	132,300
Carrying expenses	1,452,270	1,172,020
Common stock for official use	91,159	113,000
Corporate social responsibility	4,141,000	2,791,515
Credit Rating fee	75,250	75,250
DSE, CSE and CDBL annual fee	2,551,651	2,282,510
Entertainment expenses	-	15,033
Environment compliance cost	537,050	131,560
Fooding expense	3,957,263	3,404,231
Gardening expense	26,428	25,698
Insurance premium	4,235,689	4,754,731
Internet bill	387,215	483,526
Land rates and taxes	104,045	121,570
Legal and professional fee	226,500	307,300
Licenses and other fees	366,730	359,313
Medical expense	196,138	226,552
Mobile and telephone bill	606,837	569,682
Office maintenance	639,531	545,988
Office rent	1,380,000	1,380,000
Overtime	243,150	138,689
Postage	64,075	128,640
Printing expense	374,850	297,350
Repair and maintenance	268,214	67,132
Software expense	72,500	72,000
Surcharge on gas bill	5,155,659	8,584,464
Human resource development expense	-	5,000
Travelling and conveyance allowance	440,296	409,313
Uniform allowance	384,170	418,870
Depreciation	224,428	198,048
	<b>44,365,900</b>	<b>43,819,042</b>

**34(a) Consolidated General & Administrative Expenses**

Doreen Power Generations and Systems Ltd.	(Note: 34)	44,365,900	43,819,042
Dhaka Northern Power Generations Limited		49,308,634	37,608,239
Dhaka Southern Power Generations Limited		60,898,009	37,594,397
Chandpur Power Generations Limited		154,537,638	22,991,385
		<b>309,110,181</b>	<b>142,013,064</b>

\*\* General and admin expenses of DNPGL and DSPGL has increased significantly due to increase in CSR expense, insurance expense, security service expense and depreciation expense compared to last year. Increase in case of CPGL is normal as it has started commercial operation from 11 February 2022.

**35. Finance expenses**

Bank guarantee commission
Bank charge
Interest on loan
Land mortgage expense
Loan processing fee
Foreign exchange loss/(gain)
Unwinding discount on lease arrangement

2021-2022 Taka	2020-2021 Taka
714,502	952,577
454,638	393,977
168,009,149	142,718,328
-	1,744,908
-	2,001,000
1,084,039	-
467,934	554,905
<b>170,730,261</b>	<b>148,365,694</b>

\*\* Finance expense of the Company has increased significantly due to charging additional interest on increased balance of outstanding inter-company loan payable to subsidiaries and sister concerns.

**35(a) Consolidated Finance Expenses**

Doreen Power Generations and Systems Ltd.	(Note: 35)
Dhaka Northern Power Generations Limited	
Dhaka Southern Power Generations Limited	
Chandpur Power Generations Limited	

170,730,261	148,365,694
324,175,884	104,813,542
313,963,586	87,446,104
302,464,939	3,469,681
<b>1,111,334,669</b>	<b>344,095,022</b>

\*\* Finance expense of subsidiary companies has increased significantly due to foreign exchange loss incurred for adverse impact of exchange rate and charging additional interest on increased amount of short term loan compared to last year.

**36. Non-operating income**

Gain on sale of an office car
Gain on land acquired by government
Interest income from deposit with bank

99,999	-
1,912,255	-
386,196	390,237
<b>2,398,450</b>	<b>390,237</b>

**36(a) Consolidated Non-Operating Income**

Doreen Power Generations and Systems Ltd.	(Note: 36)
Dhaka Northern Power Generations Limited	
Dhaka Southern Power Generations Limited	
Chandpur Power Generations Limited	

2,398,450	390,237
59,379	124,140
65,582	35,520
5,106,171	9,573,913
<b>7,629,582</b>	<b>10,123,809</b>

**37 Income tax expense**

Taxable income
Provision for tax on interest income & gain on car sale @ 20% & 22.50%
Provision for tax on govt. compensation for land @ 6%
Shortfall/(Excess) in provision for last year

2,398,450	390,237
97,239	87,803
155,096	-
424,157	140,521
<b>676,492</b>	<b>228,324</b>

**37.1 Reconciliation of effective tax rate**

Profit before tax
Income tax expense
Effective tax rate

151,281,729	162,946,281
676,492	228,324
<b>0.45%</b>	<b>0.140%</b>

Regular tax rate of the company
Effect of exemption
Effect of specific rate on compensation from govt.
Effect of disallowances and others adjustment
Effective tax rate

20.00%	22.50%
-19.93%	-22.45%
0.10%	0.00%
0.28%	0.09%
<b>0.45%</b>	<b>0.140%</b>

		2021-2022 Taka	2020-2021 Taka
<b>37(a) Consolidated income tax expense</b>			
Doreen Power Generations and Systems Ltd. (Note: 37)		676,492	228,324
Dhaka Northern Power Generations Limited		165,359	178,310
Dhaka Southern Power Generations Limited		1,218,730	364,582
Chandpur Power Generations Limited		1,484,108	2,872,174
		<b>3,544,689</b>	<b>3,643,390</b>

### 38. Earning per share

Net Profit attributable to the ordinary shareholders (Tk.)	150,605,237	162,717,956
Weighted average number of shares (Nos.) (Note: 38.1)	161,713,305	161,713,305
Basic Earning per share (EPS)/Restated EPS (Tk.)	<b>0.93</b>	<b>1.01</b>

### 38.1 Weighted Average Number of Shares Outstanding

No. of shares before bonus share issued in 2021 for IY 2020-21	144,386,880	144,386,880
Bonus shares issued in 2021 for Income Year (IY) 2020-21	17,326,425	17,326,425
Weighted average number of shares outstanding(Restated)	<b>161,713,305</b>	<b>161,713,305</b>

\*\* Weighted average number of shares outstanding has been restated/adjusted (as per Para-64 of IAS-33) by the number of Stock Dividend 17,326,425 issued during 2021 for income year 2020-2021.

### 38.2 Diluted earnings per share

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

### 38(a) Consolidated earning per share

Net Profit attributable to the ordinary shareholders (Tk.)	1,667,943,749	1,168,592,523
Weighted average number of shares (Nos.) (Note: 38.1)	161,713,305	161,713,305
Earning Per Share (EPS)/Restated EPS (Tk.)	<b>10.31</b>	<b>7.23</b>

\*\* EPS has increased significantly due to significant increase in revenue and net profit of two subsidiaries i.e. DNPG & DSPGL and newly added revenue and net profit of another subsidiary i.e. CPGL which has started commercial operation from 11 February 2022.

### 39. Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flows	95,821,984	409,855,219
Weighted average number of ordinary shares (Note: 38.1)	161,713,305	161,713,305
	<b>0.59</b>	<b>2.53</b>

### 39(a) Consolidated Net Operating Cash Flow Per Share (CNOCFPS)

Net operating cash flows (Note: 38.1)	(5,210,038,725)	932,410,982
Weighted average number of ordinary shares	161,713,305	161,713,305
	<b>(32.22)</b>	<b>5.77</b>

\*\* CNOCF has decreased significantly (i.e. become negative) because of significant increase in closing inventory for fuel price increase and significant increase in receivable from BPDB for delay in payment of revenue bills. [see note # 8(a) and 9(a)].

	2021-2022 Taka	2020-2021 Taka
<b>40. Reconciliation of net profit with cash flow from operating activities</b>		
Net profit after income tax	150,605,237	162,717,956
<b>Adjustment for:</b>		
Depreciation	208,650,592	196,045,872
Depreciation of right of use of lease land	1,167,528	1,167,528
Interest income from bank deposits	(468,608)	(1,190,716)
Gain on sale of non-current asset	(2,012,254)	-
Finance expense-Unwinding discount on lease arrangement	467,934	554,905
Unrealized foreign exchange loss	1,084,039	
<b>Changes in:</b>		
Inventories	(43,557,912)	(21,323,202)
Trade and other receivables	(175,331,608)	105,304,857
Advance, deposit and prepayments	(27,013,892)	(1,441,134)
Deferred revenue	(2,552,323)	6,280,147
Lease liabilities	(1,500,000)	(1,500,000)
Trade payable	(11,528,247)	(33,573,066)
Liabilities for expenses and others	(2,440,836)	(3,120,150)
Provision for income tax	252,335	(67,780)
<b>Net cash flow from operating activities</b>	<b>95,821,984</b>	<b>409,855,219</b>

**40(a) Consolidated reconciliation of net profit with cash flow from operating activities**

Net profit after income tax	1,677,664,697	1,176,136,144
<b>Adjustment for:</b>		
Depreciation	706,691,825	543,982,298
Depreciation of right of use of lease land	7,392,278	7,392,278
Interest income from bank deposits	(8,472,327)	(8,140,632)
Gain on sale of non-current asset	(2,012,254)	-
Finance expense-Unwinding discount on lease arrangement	4,258,591	4,704,497
Unrealized foreign exchange loss	543,359,480	
<b>Changes in:</b>		
Inventories	(767,172,803)	(291,277,970)
Trade and other receivables	(7,652,534,630)	(493,134,902)
Advance, deposit and prepayments	(38,554,120)	4,388,864
Deferred revenue	2,036,074	6,280,147
Lease liabilities	(5,525,000)	(13,575,000)
Trade payable	(12,254,645)	(15,181,136)
Interest Payable	135,058,866	42,791,104
Liabilities for expenses and others	201,341,156	(34,690,978)
Provision for income tax	(1,315,913)	2,736,268
<b>Net cash flow from operating activities</b>	<b>(5,210,038,725)</b>	<b>932,410,982</b>

**41. 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.

#### 41.1 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, Bangladesh Rural Electrification Board (BREB) and Bangladesh Power Development Board (BPDB) under the conditions of 15 years Power Purchase Agreement (PPA).

##### Exposure to credit risk

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

	2022 Taka	2021 Taka
Trade and other receivables	471,913,060	296,581,452
Advance, deposit & prepayments	57,838,462	30,824,570
Current A/C with Subsidiaries & Sister Concerns	603,578,430	24,590,430
Cash and bank balance	8,844,803	7,430,125
	<b>1,142,174,754</b>	<b>359,426,578</b>

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

Past due 0-30 days	113,938,891	147,903,404
Past due 31-90 days	189,030,614	148,678,048
Past due more than 90 days	168,943,555	-
	<b>471,913,060</b>	<b>296,581,452</b>

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

As at 30 June 2022		
	Amount	(%)
Trade receivables	471,913,060	41.32%
Advance, deposit & prepayments	57,838,462	5.06%
Current A/C with Subsidiaries & Sister Concerns	603,578,430	52.84%
<b>Cash and bank balance:</b>		
Cash in hand	296,701	0.03%
Cash at bank:	8,548,102	0.75%
Bank Asia Limited	-	0.00%
BRAC Bank Limited	20,834	0.00%
Dhaka Bank Limited	340,105	0.03%
Islami Bank Bangladesh Limited	105,840	0.01%
Mutual Trust Bank Limited	747,352	0.07%
NCC Bank Limited	586,908	0.05%
The City Bank Limited	6,559,340	0.57%
Prime Bank Limited	187,723	0.02%

## 41.2 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 2022:

Particulars	Carrying Amount	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	151,757,839	Oct-23	9.00	-	-	151,757,839
Lease liability	2,919,526	Dec-25	9.00	-	-	2,919,526
Deferred revenue	19,017,927	N/A	-	-	-	19,017,927
Deferred tax liability	1,078,870	N/A	-	-	-	1,078,870
Trade payable	179,804,555	Oct-22	-	179,804,555	-	-
Current portion of long term loan	317,472,384	Jun-23	9.00	156,941,450	160,530,934	-
Current portion of lease liability	1,500,000	Jun-23	9.00	750,000	750,000	-
Current A/c (Payable) with subsidiaries and sister concerns	2,677,296,666	Jun-23	6.00	1,740,242,833	535,459,333	401,594,500
Liabilities for expenses	17,862,623	Dec-22	-	17,862,623	-	-
Provision for Income Tax	761,311	Jan-23	-	-	761,311	-
	<b>3,369,471,701</b>			<b>2,095,601,461</b>	<b>697,501,578</b>	<b>576,368,662</b>

## 41.3 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.

## 41.4 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 2022.

## 41.5 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.

## 42. Contingent liabilities/ off balance sheet items

### 42.1 Commitments

Letter of credit -MTBL

2022  
Taka

2021  
Taka

4,009,895

77,565,440

### 42.2 Contingent liabilities

#### Bank guarantee

The City Bank Limited

Islami Bank Bangladesh Limited

NCC Bank Limited

Mutul Trust Bank Limited

95,466,672

55,890,000

39,161,920

75,392,661

265,911,253

96,149,772

55,890,000

39,161,920

73,383,060

264,584,752

(See Annexure-C for details)

#### Corporate Guarantee Issued

In favor of	Given to	Guarantee amount (Tk.)	Outstanding loan amount
Dhaka Northern Power Generations Limited	Trust Bank Limited	3,670,000,000	3,670,000,000
	Islami Bank Bangladesh Limited	300,000,000	300,000,000
Dhaka Southern Power Generations Limited	NCC Bank Limited	4,270,000,000	4,270,000,000
	Islami Bank Bangladesh Limited	300,000,000	300,000,000
Chandpur Power Generations Limited	Rupali Bank Limited	-	1,870,000,000
	Dhaka Bank Limited	4,000,000,000	5,200,000,000

All the three companies are almost 100% owned subsidiary of the company. No provision is required as per paragraph 4.2.1(C) of IFRS 9: Financial Instruments since no company has failed to repay the required loan amount which may make the company a party to the loan agreement.

### 42. 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:

##### Remuneration (Short-term benefit)

1,320,000

1,320,000

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

2022  
Taka

2021  
Taka



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

Name of Parties	Relationship	Nature of transaction	Net transaction during the period	Outstanding as on 30.06.2022	Outstanding as on 30.06.2021
Asian Entech Power Corp. Ltd.	Parent Company	Temporary Loan	(659,254)	-	659,254
Banco Energy Generation Ltd.	Common Directors	Temporary Loan	272,284	-	(272,284)
Doreen Power House & Technologies Ltd.	Sister Concern	Temporary Loan	886,174,126	339,990,134	(546,183,992)
Dhaka Northern Power Generations Limited	Subsidiary Company	Temporary Loan	(1,030,544,511)	(1,600,929,669)	(570,385,158)
Dhaka Southern Power Generations Ltd.	Subsidiary Company	Temporary Loan	(524,659,379)	(1,076,366,997)	(551,707,618)
Chandpur Power Generations Ltd.	Subsidiary Company	Temporary Loan	332,458,504	263,588,296	(68,870,208)
		Investment	147,000,000	2,247,750,000	2,100,750,000
Manikganj Power Generations Ltd.	Sister Concern	Temporary Loan	12,335,268	-	(12,335,268)
Doreen Garments Ltd.	Common Directors	Temporary Loan	(23,931,176)	-	23,931,176
Nur-E- Alam Siddique	Father of Managing Director	Office Rent	1,380,000	-	-
<b>Total</b>			<b>(200,174,138)</b>	<b>174,031,764</b>	<b>375,585,902</b>

\* Positive figure indicates debit balance(receivable) and negative figure indicates credit balance(payables) of current A/c.

**ii) Particulars of Directors of Doreen Power Generations and Systems Limited (DPGSL) as at 30 June 2022:**

<b>Name of Directors</b>	<b>BOD of Doreen Power Generations and Systems Ltd.</b>	<b>Entities where they have interests</b>
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. Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd. Doreen Trading Limited Pacific Dredging Limited
Anjabeen Alam Siddique	Chairman	Doreen Power House & Tech. Ltd. Asian Entech Power Corp. Ltd. Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Banco Energy Generation Ltd. Chandpur Power Generations Ltd. Manikgonj Power Generations Ltd. Doreen Trading Limited Pacific Dredging Limited
Md. Towfiqul Islam Khan	Independent Director	Dhaka Northern Power Generations Limited Dhaka Southern Power Generations Limited Chandpur Power Generations 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.

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

The company had 194 permanent employees as at 30 June 2022 and 186 permanent employees and as at 30 June 2021 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.

**Number of Employee:**

Head Office Staff

Plant Staff

	2022 No.	2021 No.
Head Office Staff	24	24
Plant Staff	170	162
	<b>194</b>	<b>186</b>

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

Managing Director remuneration and benefit

**1,320,000****1,320,000**

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 (Kwh)	Actual Production (Kwh)		Capacity Utilization	
		2021-2022	2020-2021	2021-2022	2020-2021
Tangail Plant	192,720,000	161,114,240	141,198,827	84%	73%
Narshingdi Plant	192,720,000	139,859,856	133,128,720	73%	69%
Feni Plant	192,720,000	156,350,391	160,004,770	81%	83%

**46. Events after the reporting period**

The financial statements (both consolidated and separate financial statements) were authorized by Board of Directors on 25 September 2022 for publication. The Board of Directors recommended 12% stock dividend (to all shareholders) and 18% cash dividend (for all shareholders excluding the sponsors/Directors) for the year ended on 30 June 2022 on their board meeting held on 25 September 2022. Therefore, the amount of cash dividend to be payable to the general shareholders is Tk. 97.20 million.

**47. Comparative information**

Necessary rearrangement is made in the comparative information of separate financial statements of the Company to conform to current year's presentation.

**47.1** Subordinated loan given to Banco Energy Generation Limited from Dhaka Northern Power Generations Limited Tk.314,300,000 and from Dhaka Southern Power Generations Limited Tk. 431,500,000 are included in Current a/c balance with Banco Energy Generation Limited [note # 11(a)] which were presented under Investments [note # 7(a)] in last year. Due to the rearrangement of "Subordinated Loan" comparatives have changed and consequently, comparatives of the consolidated financial statements of the Group are rearranged with the corresponding impact on the value of Non-current Assets and Current Assets. Note that this rearrangement does not have any impact on the comparative Net Asset Value (NAV) of the Group reported on 30 June 2022.

**47.2** Lubricant Oil used in engines during commissioning of Chandpur Power Generations Limited's plant is 23,280,592 included with the value of power plant under capital work in progress [note # 6(a)] and subsequently transferred to PPE which was included with the value of inventories in last year. Due to the rearrangement of "Lubricant Oil balance" comparatives have changed and consequently, comparatives of the consolidated financial statements of the Group are rearranged with the corresponding impact on the value of Non-current Assets and Current Assets. Note that this rearrangement does not have any impact on the comparative Net Asset Value (NAV) of the Group reported on 30 June 2022.

## DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

### Schedule of Property, plant and Equipment

As at 30 June 2022

(Amount in Taka)

Category of assets	Cost			Rate (%)	Depreciation			Written Down Value as at 30 June 2022
	Balance as at 01 July 2021	Addition during the year	Disposal/ adjustment		Balance as at 30 June 2022	Addition during the year	Disposal/ adjustment	
a. Freehold Assets								
Land & land development	84,600,986	-	672,679	-	-	-	-	83,928,307
Building and premises	145,465,124	-	-	5%	65,349,263	7,273,256	-	72,622,519
Office decoration & renovation	194,387	-	-	20%	38,877	38,877	-	77,755
Power plant	1,778,189,065	-	-	3.33%	504,283,128	59,213,696	-	563,496,824
Machine overhauling	742,055,977	44,441,158	-	20%	510,342,200	112,631,638	-	622,973,838
Furniture and fixture	164,901	41,100	-	20%	32,980	41,200	-	74,180
Office and electrical equipment	630,954	90,800	-	20%	324,698	144,351	-	469,048
Office car/vehicle	15,413,583	-	2,950,000	20%	15,413,572	-	2,949,999	10
Sub Total	2,766,714,977	44,573,058	3,622,679		1,095,784,719	179,343,018	2,949,999	1,272,177,738
b. Revalued Assets								
Land & land development	35,962,317	-	-	-	-	-	-	35,962,317
Building & premises	29,623,482	-	-	5%	13,330,567	1,481,174	-	14,811,741
Power plant	835,627,599	-	-	3.33%	261,224,848	27,826,399	-	289,051,247
Sub Total	901,213,398	-	-		274,555,415	29,307,573	-	303,862,988
Grand Total as of 30 June 2022	3,667,928,375	44,573,058	3,622,679	-	1,370,340,134	208,650,592	2,949,999	1,576,040,726
								2,132,838,028

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

208,426,163

b) Other depreciation has been charged as administrative expenses

224,428

208,650,592

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

As at 30 June 2021

(Amount in Taka)

Category of assets	Cost			Rate (%)	Depreciation			Written Down Value as at 30 June 2021
	Balance as at 01 July 2020	Addition during the year	Disposal/ adjustment		Balance as at 01 July 2020	Addition during the year	Disposal/ adjustment	
a. Freehold Assets								
Land & land development	84,317,771	283,215	-	-	-	-	-	84,600,986
Building and premises	145,465,124	-	-	5%	58,076,007	7,273,256	-	80,115,861
Office decoration & renovation	-	194,387	-	20%	-	38,877	-	155,510
Power plant	1,778,189,065	-	-	3.33%	445,069,432	59,213,696	-	1,273,905,937
Machine overhauling	687,862,521	54,193,457	-	20%	410,288,902	100,053,299	-	231,713,777
Furniture and fixture	1	164,900	-	20%	-	32,980	-	131,921
Office and electrical equipment	572,479	58,475	-	20%	198,507	126,191	-	306,256
Office car/vehicle	15,413,583	-	-	20%	15,413,572	-	-	11
Sub Total	2,711,820,544	54,894,434	-		929,046,420	166,738,299	-	1,670,930,258
b. Revalued Assets								
Land & land development	35,962,317	-	-	-	-	-	-	35,962,317
Building & premises	29,623,482	-	-	5%	11,849,392	1,481,174	-	16,292,916
Power plant	835,627,599	-	-	3.33%	233,398,449	27,826,399	-	574,402,751
Sub Total	901,213,398	-	-		245,247,842	29,307,573	-	626,657,983
Grand Total as of 30 June 2021	3,613,033,942	54,894,434	-	-	1,174,294,262	196,045,872	-	2,297,588,242

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

	195,847,824
	198,048
	196,045,872

## Doreen Power Generations and Systems Limited

### Statement of land and land development

As at 30 June 2022

Annexure-B

SL. No.	Deed No.	Date of Registration	Land Area (Decimals)	Deed Value of Land (Taka)	Mutation status	Mutation (Area)	Location
1	10324	31.12.07	16.00	600,000	✓	16.00	Feni
2	333	13.01.08	17.00	340,000	✓	17.00	Feni
3	306	15.01.08	17.00	340,000	✓	17.00	Feni
4	1799	25.02.08	15.00	1,950,000	✓	15.00	Feni
5	1798	25.02.08	11.00	1,320,000	✓	11.00	Feni
6	3397	07.04.08	15.00	450,000	✓	15.00	Feni
7	9196	01.11.09	8.00	760,000	✓	8.00	Feni
8	9575	19.11.09	10.00	360,000	✓	10.00	Feni
9	9574	19.11.09	16.00	1,520,000	✓	16.00	Feni
10	10726	30.12.12	6.64	1,460,000	✓	6.64	Feni
11	5756	14.08.16	13.00	3,560,000	✓	13.00	Feni
12	2693	29.04.08	164.57	2,000,000	✓	164.57	Tangail
13	3511	05.06.08	53.54	778,764	✓	53.54	Tangail
14	4896	05.08.08	5.00	142,857	✓	5.00	Tangail
15	7325	13.10.11	21.43	1,500,000	✓	21.43	Tangail
<b>Sub Total</b>			<b>389.18</b>	<b>17,081,621</b>		<b>389.18</b>	
Add: Registration, development and other cost				66,846,686			
<b>Total</b>				<b>83,928,307</b>			

All the lands are subject to mortgage against loans from Mutual Trust Bank Limited.

# DOREEN POWER GENERATIONS AND SYSTEMS LIMITED

## List of Outstanding Bank Guarantee

As at 30 June 2022

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	16,449,160	822,458
2	186SD0008318	18.12.2018	17.12.2023	Bakhrabad Gas Systems Ltd.	The City Bank Ltd.	As "Operational Bond"	Narsingdi	16,449,160	822,458
3	186SD0003519	02.07.2019	01.01.2024	Rural Electrification Board	NCC Bank Ltd.	For repairing Cylinder Head	Feni	16,449,160	822,458
4	241/2009	20.07.2009	20.07.2010			For repairing of failed Short Block	Narsingdi	36,677,920	1,833,546
5	67/2015	27.05.2015	26.11.2015			Goods for repairing of Alternator Stator and Rotor	Head Office	62,500	62,500
6	112/2015	23.09.2015	22.03.2016			Export & re-import of repaired Alternator Rotor		391,000	39,100
7	139/2015	23.11.2015	22.05.2016			For repairing of two Short Block		400,500	400,500
8	53/2016	02.05.2016	01.11.2016	The Chief Controller of Import & Export	NCC Bank Ltd.			463,500	463,500
9	182/2016	19.12.2016	17.09.2017				Narsingdi	470,000	470,000
10	192/2016	26.12.2016	25.06.2017				Head Office	696,500	696,500
11	IBBLHOC/DOREEN/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
12	186SD0000217	22.01.2017	21.07.2017	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	For repairing of two Short Block	Narsingdi	693,166	693,166
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



SL. No.	Bank Guarantee No.	Date	Expiry Date	In favor of	Guarantee Issuing Bank	Purpose	Name of Plant	BG Amount (TK.)	Cash Margin (TK.)
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	17.12.2018	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	10.01.2019	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	13.01.2019	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	186SD0001919	16.04.2019	15.10.2019					294,805	14,740
25	186SD0003419	13.06.2019	12.12.2019					544,000	27,200
26	186SD0003919	16.07.2019	Continuous	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Short block	Head Office	540,769	540,769
27	186SD0005319	23.09.2019	22.03.2020	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	295,750	14,788
28	186SD0006119	15.10.2019	22.03.2020	The Commissioner of Customs, Customs House, Ctg.	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	295,750	295,750
29	186SD0000120	08.01.2020	Continuous	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	95,542	95,542
30	186SD0000720	29.01.2020	Continuous	The Chief Controller of Import & Export	The City Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	95,542	95,542
31	MTB/Banani/BG/ Doreen Power/ 178/2020	29.06.2020	01.11.2020	The City Bank Ltd.	Mutual Trust Bank Ltd.	Take over of all non-funded liabilities under L/C	Head Office	21,539,073	-
32	MTB/Banani/BG/ Doreen Power/ 179/2020	29.06.2020	31.07.2024	The City Bank Ltd.	Mutual Trust Bank Ltd.	Counter Guarantees against BG given to Titas Gas, Customs Benapole, The Chief controller of IMP-Exp	Head Office	51,058,200	2,552,910
33	00108210F000299	05.09.2021	Continuous	The Chief Controller of Import & Export	Mutual Trust Bank Ltd.	Export & re-import of repaired Rotor & Stator	Head Office	406,125	406,125
34	MTS/CGU/IBG/0128/2020	29.10.2021	29.04.2021					392,894	392,894
35	00108220F000068	22.03.2022	Continuous					600,094	600,094
36	001082011CG00098	23.06.2021	23.12.2021	The Commissioner of Customs, Customs House, Ctg.	Mutual Trust Bank Ltd.	Export & re-import of repaired Alternator & Stator	Head Office	392,894	392,894
37	00108211CG000129	16.11.2021	Continuous					406,410	406,410
38	00108221CG000016	07.04.2022	Continuous					596,972	596,972
Total								265,911,253	15,722,191



## **6.2 Brief Disclosures of Subsidiaries**

**DIRECTOR'S REPORT**  
**To The Shareholders of Dhaka Northern Power Generations Ltd.**  
For the Year Ended 30 June 2022

**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 year ended 30 June 2022.

**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 year ended 30 June 2022 in the following paragraphs.

**BACKGROUND:**

Dhaka Northern Power Generations Ltd. was incorporated on 25 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 Bangladesh Rural Electrification Board (BREB) on 07 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 17 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 2022 stood at Tk 1,130,450,000 consisting of 11,304,500 ordinary shares of Tk. 100 each.

**SHAREHOLDING:**

The Shareholding status as on 30 June 2022 of the company is as under:

Name of Shareholder	Number	Value	Percentage
Doreen Power Generations and Systems Ltd.	11,236,650	1,123,665,000	99.40%
Rupali Engineers and Traders Ltd.	67,850	6,785,000	0.60%
<b>Total</b>	<b>11,304,500</b>	<b>1,130,450,000</b>	<b>100%</b>

**COMPANYS OPERATIONS:**

The position of its performance for the year ended 30 June 2022 is given bellow:

Particulars	30 June 2022
	Taka
Shareholders' Equity	1,130,450,000
Retained Earnings	2,180,053,431
Non-current Liabilities	1,052,621,950
Current Liabilities	4,018,109,347
<b>Total Equity &amp; Liabilities</b>	<b>8,381,234,728</b>
Non-current Assets	3,434,363,337
Current Assets	4,946,871,391
<b>Total Assets</b>	<b>8,381,234,728</b>

Net Sales	4,895,285,903
Gross profit	1,027,568,491
<b>Net profit after tax</b>	<b>653,977,993</b>

#### APPOINTMENT OF AUDITORS:

Hoda Vasi Chowdhury & Co. Chartered Accountants was the auditor for last year and will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2022-2023.

#### APPOINTMENT OF INDEPENDENT DIRECTOR:

Mr. Towfiqul Islam Khan, Barrister at-Law -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 and will be place before the shareholders in the AGM for approval.

#### BOARD MEETINGS:

During the year (01 July 2021 to 30 June 2022) 06 (number of) Board Meetings were held. The attendance record of the Directors is as follows:

Name of the Directors	Position	Number of the Meetings held	Number of attendance
MS. Mahbuba Alam, Nominated By Rupali engineers & Traders Ltd.	Chairman	6	6
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	6
Mr. Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director	6	6
Mr. Towfiqul Islam Khan, Barrister at-Law Independent Director of Holding company (DPGSL)	Independent Director	4	4

#### 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

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### 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 statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

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

#### Emphasis of Matters

We draw attention to Note # 3.7.1 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) is yet to be formed.

Our opinion is not modified in respect of these matters.

#### Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable Laws and regulation 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.

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**National Office:** BTMC Bhaban (6th & 7th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Chattogram Office:** Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chattogram-4100, Bangladesh

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 gives a true and fair view.

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, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 32 dealt with by the report are in agreement with the books of account.



**Sk Md Tarikul Islam, FCA  
Partner**

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS895927

Dhaka; 14 September 2022



# DHAKA NORTHERN POWER GENERATIONS LIMITED

## Statement of Financial Position

As at 30 June 2022

	Notes	2022 Taka	2021 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>3,434,363,337</b>	<b>3,428,981,198</b>
Property, Plant & Equipment	4	3,434,363,337	3,426,083,760
Investments	5	-	2,897,438
<b>Current Assets</b>			
		<b>4,946,871,391</b>	<b>2,860,473,884</b>
Inventories	6	489,109,040	398,839,880
Trades Receivables	7	2,503,045,934	417,515,171
Current A/C with Parent and Sister Concerns	8	1,922,285,869	1,573,794,240
Advance, Deposit and Prepayments	9	19,203,647	190,853,385
Cash and Bank Balance	10	13,226,901	279,471,208
<b>TOTAL ASSETS</b>		<b>8,381,234,728</b>	<b>6,289,455,082</b>
<b>Shareholders' Equity</b>			
		<b>3,310,503,431</b>	<b>2,656,525,438</b>
Issued, Subscribed and Paid up Capital	11	1,130,450,000	1,130,450,000
Retained Earnings	12	2,180,053,431	1,526,075,438
<b>Non-Current Liabilities</b>			
		<b>1,052,621,950</b>	<b>1,311,866,821</b>
Long term loan	13	1,052,621,950	1,311,866,821
<b>Current Liabilities</b>			
		<b>4,018,109,347</b>	<b>2,321,062,823</b>
Trade Payables	14	11,824,834	5,353,368
Current Portion of Long Term Loan	15	342,955,414	362,060,782
Short Term Loan	16	3,517,334,972	1,911,253,298
Interest Payable	17	37,977,166	23,578,153
Liabilities for Expenses	18	107,848,267	18,557,896
Provision for Income Tax	19	168,694	259,325
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,381,234,728</b>	<b>6,289,455,082</b>

The annexed notes from 1 to 32 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.



**Sk Md Tarikul Islam, FCA**  
**Partner**

Dhaka; 14 September 2022

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS895927

**DHAKA NORTHERN POWER GENERATIONS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2022

	Notes	2022 Taka	2021 Taka
<b>Revenue</b>	20	4,895,285,903	2,642,745,771
Less: Cost of Sales	21	3,867,717,412	2,001,908,090
<b>Gross Profit</b>		<b>1,027,568,491</b>	<b>640,837,681</b>
<b>Less: Operating Expenses</b>			
General and Administrative Expenses	22	49,308,634	37,608,239
<b>Gross Operating Profit for the year</b>		<b>978,259,857</b>	<b>603,229,441</b>
Less: Financial Expenses	23	324,175,884	104,813,542
<b>Net Operating Profit for the year</b>		<b>654,083,973</b>	<b>498,415,899</b>
<b>Add: Non- Operating Income</b>			
Finance Income	24	59,379	124,140
<b>Net Profit before Income Tax</b>		<b>654,143,352</b>	<b>498,540,039</b>
Less: Income tax expense	25	165,359	178,310
<b>Net Profit after Income Tax</b>		<b>653,977,993</b>	<b>498,361,729</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>653,977,993</b>	<b>498,361,729</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share	26	<b>57.85</b>	<b>44.09</b>

The annexed notes from 1 to 32 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.



**Sk Md Tarikul Islam, FCA**  
**Partner**

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS895927

Dhaka; 14 September 2022

## DHAKA NORTHERN POWER GENERATIONS LIMITED

### Statement of Changes in Equity

For the year ended 30 June 2022

AMOUNT IN TAKA

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2021	1,130,450,000	1,526,075,438	2,656,525,438
Net Profit for the period	-	653,977,993	653,977,993
<b>Balance as at 30 June 2022</b>	<b>1,130,450,000</b>	<b>2,180,053,431</b>	<b>3,310,503,431</b>

Balance as at 01 July 2020	1,130,450,000	1,027,713,710	2,158,163,710
Net Profit for the period	-	498,361,729	498,361,729
<b>Balance as at 30 June 2021</b>	<b>1,130,450,000</b>	<b>1,526,075,438</b>	<b>2,656,525,438</b>

*The annexed notes from 1 to 32 form an integral part of these Financial Statements.*

Dhaka,  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director

# DHAKA NORTHERN POWER GENERATIONS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2022

Notes	2022 Taka	2021 Taka
<b>A. Cash Flows From Operating Activities</b>		
Receipt from customers	2,809,755,139	2,602,106,013
Payment to Suppliers and others	(3,779,806,650)	(1,845,708,402)
Payment for General and Administrative Expenses	38,790,956	(22,052,245)
<b>Cash generated from operating activities</b>	<b>(931,260,554)</b>	<b>734,345,366</b>
Financial Expenses Paid	(128,672,300)	(89,043,477)
Income tax Paid	(255,991)	(257,092)
<b>Net cash flow from operating activities</b>	<b>(1,060,188,845)</b>	<b>645,044,797</b>
<b>B. Cash Flows From Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(7,147,515)	(169,381,992)
(Payment to)/Received from Parent and Sister Concerns	(348,491,629)	(907,580,854)
Investment in FDR	2,897,438	311,402,562
Interest received	59,379	124,140
<b>Net cash used in investing activities</b>	<b>(352,682,326)</b>	<b>(765,436,144)</b>
<b>C. Cash Flows From Financing Activities</b>		
Repayment of Long Term Loan	(278,350,238)	(347,511,399)
Receipt from/(Repayment of) Short Term Loan	1,606,081,673	690,017,547
<b>Net cash (used in)/flows from financing activities</b>	<b>1,327,731,435</b>	<b>342,506,148</b>
<b>D. Net increase/(decrease) in cash and bank balance (A+B+C)</b>	<b>(85,139,736)</b>	<b>222,114,801</b>
E. Unrealized foreign exchange gain/(loss)	(181,104,571)	-
F. Cash and bank balances at beginning of the year	279,471,208	57,356,407
<b>F. Cash and Bank balances at end of the year</b>	<b>13,226,901</b>	<b>279,471,208</b>

The annexed notes from 1 to 32 form an integral part of these Financial Statements.

Dhaka,  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director

**DIRECTOR'S REPORT**  
**To The Shareholders of Dhaka Southern Power Generations Limited**  
For the Year Ended 30 June 2022

**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 year ended 30 June 2022.

**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 year ended 30 June 2022 in the following paragraphs.

**BACKGROUND:**

Dhaka Southern Power Generations Ltd. was incorporated on 25 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 Bangladesh Rural Electrification Board (BREB) on 07 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 17 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 2022 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 2022 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%
<b>Total</b>	<b>7,935,000</b>	<b>793,500,000</b>	<b>100%</b>

**COMPANYS OPERATIONS:**

The position of its performance for the year ended 30 June 2022 is given bellow:

Particulars	30 June 2021
	Taka
Shareholders' Equity	793,500,000
Retained Earnings	2,163,200,621
Non-current Liabilities	1,260,724,649
Current Liabilities	3,533,718,650
<b>Total Equity &amp; Liabilities</b>	<b>7,751,143,921</b>
Non-current Assets	3,191,771,004
Current Assets	4,559,372,917
<b>Total Assets</b>	<b>7,751,143,921</b>

Net Sales	4,966,997,163
Gross profit	1,028,113,592
<b>Net income after tax</b>	<b>652,098,849</b>

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

Hoda Vasi Chowdhury & Co. Chartered Accountants was the auditor for last year and will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2022-2023.

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

Mr. Towfiqul Islam Khan, Barrister at-Law -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 and will be place before the shareholders in the AGM for approval.

#### **BOARD MEETINGS:**

During the year (01 July 2021 to 30 June 2022) 06 (number of) Board Meetings were held. The attendance record of the Directors is as follows:

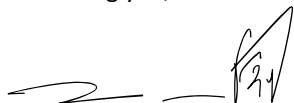
<b>Name of the Directors</b>	<b>Position</b>	<b>Number of the Meetings held</b>	<b>Number of attendance</b>
MS. Mahbuba Alam, Nominated By Rupali engineers & Traders Ltd.	Chairman	6	6
Tahzeeb Alam Siddique, Nominated By Doreen Power Generations & Systems Ltd.	Managing Director	6	6
Anjabeen Alam Siddique, Nominated By Rupali engineers & Traders Ltd.	Director	6	6
Mr. Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director	6	6
Mr. Towfiqul Islam Khan, Barrister at-Law Independent Director of Holding company (DPGSL)	Independent Director	4	4

#### **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

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### 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 statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

##### Basis for Opinion

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

##### Emphasis of Matters

We draw attention to note # 3.7.1 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 Labor and Employment to exempt the power producers in private sector from implementation of WPPF as required by the Labor Act 2006 (amended in 2013) is yet to be formed.

Our opinion is not modified in respect of these matters.

##### Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable Laws and regulation 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 gives a true and fair view.

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, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 33 dealt with by the report are in agreement with the books of account.



**Sk Md Tarikul Islam, FCA  
Partner**

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS924575

Dhaka; 14 September 2022

# DHAKA SOUTHERN POWER GENERATIONS LIMITED

## Statement of Financial Position

As at 30 June 2022

	Notes	2022 Taka	2021 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>3,191,771,004</b>	<b>3,277,165,870</b>
Property, Plant and Equipment	4	3,156,918,188	3,236,115,555
Right of Use (ROU) Assets	4.a	34,236,132	40,460,882
Investments	5	616,684	589,433
<b>Current Assets</b>			
		<b>4,559,372,917</b>	<b>2,535,978,470</b>
Inventories	6	583,467,256	350,619,793
Trade Receivables	7	2,571,952,244	971,734,407
Current A/C with Parent and Sister Concerns	8	1,378,951,258	1,197,236,515
Advance, Deposit and Prepayments	9	17,546,660	15,048,388
Cash and Bank Balance	10	7,455,499	1,339,367
<b>TOTAL ASSETS</b>		<b>7,751,143,921</b>	<b>5,813,144,340</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
		<b>2,956,700,621</b>	<b>2,304,601,772</b>
Issued, Subscribed and Paid up Capital	11	793,500,000	793,500,000
Retained Earnings	12	2,163,200,621	1,511,101,772
<b>Non-Current Liabilities</b>			
		<b>1,260,724,649</b>	<b>1,292,808,711</b>
Long Term Loan, net of current maturity	13	1,229,874,176	1,261,723,895
Lease Liability	14	30,850,473	31,084,816
<b>Current Liabilities</b>			
		<b>3,533,718,650</b>	<b>2,215,733,857</b>
Trade Payable	15	6,333,592	5,388,387
Current Portion of Long Term Loan	16	187,421,158	338,335,728
Current Portion of Lease Liability	17	8,050,000	8,050,000
Short Term Loan	18	3,286,316,137	1,829,227,229
Interest Payable	19	30,703,334	21,214,678
Liabilities for Expenses	20	14,770,121	13,383,888
Provision for income tax	21	124,308	133,947
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,751,143,921</b>	<b>5,813,144,340</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.



**Sk Md Tarikul Islam, FCA**  
**Partner**

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS924575

Dhaka; 14 September 2022

**DHAKA SOUTHERN POWER GENERATIONS LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended 30 June 2022

	Notes	2022 Taka	2021 Taka
<b>Revenue</b>	21	4,966,997,163	2,700,346,742
Less: Cost of Sales	22	3,938,883,571	2,040,161,392
<b>Gross Profit</b>		<b>1,028,113,592</b>	<b>660,185,350</b>
<b>Less: Operating Expenses</b>			
General and Administrative Expenses	23	60,898,009	37,594,397
<b>Gross Operating Profit for the year</b>		<b>967,215,583</b>	<b>622,590,953</b>
Less: Financial Expenses	24	313,963,586	87,446,104
<b>Net Operating Profit for the year</b>		<b>653,251,997</b>	<b>535,144,849</b>
<b>Add: Non- Operating Income</b>			
Financial Income	25	65,582	35,520
<b>Net Profit before Tax</b>		<b>653,317,579</b>	<b>535,180,369</b>
Less: Income tax expense	26	1,218,730	364,582
<b>Net Profit after Tax</b>		<b>652,098,849</b>	<b>534,815,787</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>652,098,849</b>	<b>534,815,787</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share	27	<b>82.18</b>	<b>67.40</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.



**Sk Md Tarikul Islam, FCA**  
**Partner**

Membership no.: 1238  
Hoda Vasi Chowdhury & Co  
Chartered Accountants  
DVC: 2209151238AS924575

Dhaka; 14 September 2022

## DHAKA SOUTHERN POWER GENERATIONS LIMITED

### Statement of Changes in Equity

For the year ended 30 June 2022

AMOUNT IN TAKA

Particulars	Share Capital	Retained Earnings	Total
Balance as at 01 July 2021	793,500,000	1,511,101,772	2,304,601,772
Net Profit for the year	-	652,098,849	652,098,849
<b>Balance as at 30 June 2022</b>	<b>793,500,000</b>	<b>2,163,200,621</b>	<b>2,956,700,621</b>

Balance as at 01 July 2020	793,500,000	976,285,985	1,769,785,985
Net Profit for the year	-	534,815,787	534,815,787
<b>Balance as at 30 June 2021</b>	<b>793,500,000</b>	<b>1,511,101,772</b>	<b>2,304,601,772</b>

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

Dhaka,  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director

# DHAKA SOUTHERN POWER GENERATIONS LIMITED

## Statement of Cash Flows

For the year ended 30 June 2022

Notes	2022 Taka	2021 Taka
<b>A. Cash Flows From Operating Activities</b>		
Receipt from customers	3,366,778,224	2,145,330,397
Payment to Suppliers and others	(3,987,712,583)	(2,107,319,488)
Payment for General and Administrative Expenses	(53,164,556)	(35,095,214)
<b>Cash generated from operating activities</b>	<b>(674,098,914)</b>	<b>2,915,696</b>
Financial Expenses Paid	(122,796,014)	(69,150,858)
Income tax Paid	(1,228,369)	(353,926)
<b>Net cash (used in)/flows operating activities</b>	<b>(798,123,297)</b>	<b>(66,589,088)</b>
<b>B. Cash Flows From Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(106,496,622)	(51,462,737)
Received from/(paid to) Parent & Sister Concerns	(181,714,743)	(458,363,665)
Investment in FDR/subordinated loan	(27,251)	431,475,111
Interest income received	66,685	37,236
<b>Net cash Flows used in investing activities</b>	<b>(288,171,931)</b>	<b>(78,314,055)</b>
<b>C. Cash Flows From Financing Activities</b>		
Repayment of Long Term Loan	(182,764,289)	(468,199,845)
Receipt from /(payment of) Short Term Loan	1,457,088,908	626,412,186
Repayment of lease obligation	(4,025,000)	(13,125,000)
<b>Net cash (used in)/flows from financing activities</b>	<b>1,270,299,619</b>	<b>145,087,341</b>
<b>D. Net (decrease)/increase in cash and bank balances (A+B+C)</b>	<b>184,004,391</b>	<b>184,198</b>
Unrealized foreign exchange gain/(loss)	(177,888,259)	-
E. Cash and bank balances at beginning of the year	1,339,367	1,155,169
<b>F. Cash and Bank balances at end of the year</b>	<b>7,455,499</b>	<b>1,339,367</b>

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

Dhaka,  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director

**DIRECTOR'S REPORT**  
**To The Shareholders of Chandpur Power Generations Limited**  
For the Year Ended 30 June 2022

**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 year ended 30 June 2022.

**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 year ended 30 June 2022 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". DPGSL owns 99.90% shares of the company. This power plant has started commercial operation on 11 February 2022 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.

Authorized Capital is TK. 2,300,000,000 divided into 23,000,000 ordinary shares of TK.100 each. Paid-up capital as on 30 June 2022 stood at Tk.2,250,000,000 consisting of 22,500,000 ordinary shares of Tk. 100 each.

**SHAREHOLDING:**

The Shareholding status as on 30 June 2022 of the company is as under:

Name of Shareholder	Number	Value	Percentage
Doreen Power Generations and Systems Ltd.	22,477,500	2,247,750,000	99.90%
Doreen Power House & Technologies Limited	22,500	2,250,000	0.10%
<b>Total</b>	<b>22,500,000</b>	<b>2,250,000,000</b>	<b>100%</b>

**COMPANYS OPERATIONS:**

The position of its performance for the year ended 30 June 2022 is given bellow:

Particulars	30 June 2022
	Taka
Shareholders' Equity	2,250,000,000
Retained Earnings/(loss)	179,751,852
Non-current Liabilities	5,068,775,214
Current Liabilities	4,325,446,058
<b>Total Equity &amp; Liabilities</b>	<b>11,823,973,124</b>
Non-current Assets	6,951,225,177
Current Assets	4,872,747,947
<b>Total assets</b>	<b>11,823,973,124</b>



Net Sales	3,789,637,509
Gross profit	674,363,132
<b>Net income/(loss) after tax</b>	<b>220,982,618</b>

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

Existing Auditor, Aziz Halim Khair Choudhury, Chartered Accountants will retire at this Annual General Meeting and being eligible, offered themselves for re-appointment as external auditors for the year 2022-2023.

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

Mr. Towfiqul Islam Khan, Barrister at-Law -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 and will be place before the shareholders in the AGM for approval.

#### **BOARD MEETINGS:**

During the year (01 July 2021 to 30 June 2022) 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 Doreen Power House & Technologies Ltd.	Director	6	6
Mr. Md. Ali Akbar, Nominated By Doreen Power Generations & Systems Ltd.	Director	6	6
Mr. Md. Abul Hasnat, Nominated By Doreen Power House & Technologies Ltd.	Director	6	6
Mr. Towfiqul Islam Khan, Barrister at-Law Independent Director of Holding company (DPGSL)	Independent Director	4	4

#### **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



# AZIZ HALIM KHAIR CHOUDHURY

## CHARTERED ACCOUNTANTS

Exclusive Correspondent Firm of PKF International

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### 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 accompanying financial statements of Chandpur Power Generations Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2022, 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 present fairly, in all material respects, the Financial Position of the company as at 30 June 2022, and its Financial Performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is produced in the context.

---

**Corporate Office:** House # 75/A, Abasar Bhaban (2nd Floor), Road # 5/A, Dhanmondi, Dhaka-1209.  
Tel: +8809613339090-92, E-mail: ahkc@ahkcbd.com, www.ahkcbd.com

<b>1. Revenue recognition</b>	
See note # 21 & 7 to the financial statements	
<b>Key audit matters</b>	<b>How the matters were addressed in our audit</b>
<p>At year end of the Company reported total revenue of BDT. 3,789,637,509.</p> <p>Revenue recognition is a key area of judgement, particularly in relation to the following fact:</p> <ul style="list-style-type: none"> <li>● Energy revenue is made on the survey of the meter reading. The customers (or the government authority in this context) would verify the electrical energy output through physical inspection of meter and/ or review of relevant reports generated from the meter. Upon agreement by both parties, the electrical energy delivered for the month is evidenced by the approvals of the professional engineers representing the group and the customer. The meter is calibrated and certified by independent professional engineers on a regular basis;</li> <li>● Capacity payments are recognized according to the terms set out in the Power Purchase Agreement (PPA);</li> </ul>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>● Assessed whether revenue recognition policies are applied through comparison with relevant accounting standards and industry practice, including the policy of not recognizing revenue where it is not probable that cash will be received.</li> <li>● Tested the Group's controls over revenue recognition, including reconciliations between sales and cash receipts system and general ledger;</li> <li>● Re-calculated the invoice amount as per Power Purchase Agreement (PPA);</li> <li>● Assessed the reasonableness of revenue as per Power Purchase Agreement (PPA) (schedule 5);</li> <li>● Assessed whether the implication of straight lining impact on revenue has been considered and reported accordingly;</li> <li>● Assessed the calculation of capacity or rental revenue, fuel revenue and variable &amp; operation maintenance revenue by ensuring that inputs used to the calculation have been derived properly; and</li> <li>● Assessed the Group's disclosure of its revenue recognition policies, including the estimation and uncertainty involved in recording revenue provisioning.</li> </ul>

<b>Property, plant and equipment (PPE)</b>	
See note # 4 to the financial statements	
<b>Key audit matters</b>	<b>How the matters were addressed in our audit</b>
<p>At the reporting date, the carrying value of the Company's property, plant and equipment amounted to Taka 6,951,225,177 which is 58.79% of total assets. The company capitalized PPE of BDT 6,951,225,177 in the current year.</p> <p>There are a number of areas where management judgment impacts the carrying value of Non-Current Assets, and the related depreciation. These include:</p> <ul style="list-style-type: none"> <li>• Determining which costs meet the criteria for capitalization;</li> <li>• The estimation of economic useful lives and residual values assigned to property, plant and equipment.</li> </ul> <p>The valuation of property, plant, and equipment was identified as a key audit matter due to the significance of management's judgments in determining its valuation.</p>	<p>Our audit procedures to assess the carrying value of PPE included the following:</p> <ul style="list-style-type: none"> <li>• We assessed the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment, including the key internal controls over the estimation of useful economic lives and residual values;</li> <li>• We assessed, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization;</li> </ul>

### Reporting on Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### 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, the Companies Act 1994 and other applicable laws and regulations 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 a part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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


**Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and other applicable laws and regulations. We, as required by law, further report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books are required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The information and explanations required by us have been received and found satisfactory;
- d) The Statement of Financial Position, and the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns; and
- e) The expenditure was incurred for the purpose of the Company's business.

Dhaka  
14 September 2022

Signed for & on behalf of  
**Aziz Halim Khair Choudhury**  
Chartered Accountants



Signed by

**Golam Fazlul Kabir FCA**  
**Partner**

ICAB Enrolment #: 1721  
DVC:2209181721AS449083

# CHANDPUR POWER GENERATIONS LIMITED

## Statement of Financial Position

As at 30 June 2022

	Notes	AMOUNT IN TAKA	
		30.06.2022	30.06.2021
<b>ASSETS</b>		<b>6,951,225,177</b>	<b>6,182,400,431</b>
<b>Non-Current Assets</b>	4	6,951,225,177	-
Capital work in progress	5	-	6,182,400,431
<b>Current Assets</b>		<b>4,872,747,947</b>	<b>1,692,214,182</b>
Inventories	6	405,328,270	4,830,000
Interest receivable	7	3,794,239,794	2,785,372
Advance, Deposit and Prepayments	8	71,741,944	80,085,971
Current A/C with Parent & Sister Concerns	9	577,400,270	893,183,471
Cash and Bank Balance	10	24,037,669	711,329,368
<b>TOTAL ASSETS</b>		<b>11,823,973,124</b>	<b>7,874,614,613</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>2,429,751,852</b>	<b>2,061,619,234</b>
Issued, Subscribed and Paid up Capital	11	2,250,000,000	2,102,850,000
Retained Earnings	12	179,751,852	(41,230,766)
<b>Non-current Liabilities</b>			
Long Term Loan	13	5,068,775,214	4,735,009,200
Deferred revenue	14	5,064,186,817	4,735,009,200
		4,588,397	-
<b>Current Liabilities</b>		<b>4,325,446,058</b>	<b>1,077,986,179</b>
Trade Payable	15	10,275,440	18,418,509
Current Portion of Long Term Loan	16	431,259,191	-
Short term loan	17	3,463,540,033	1,016,090,350
Interest Payable	18	213,044,679	12,875,384
Liabilities for Expenses	19	205,922,518	27,729,762
Provision for income tax	20	1,404,197	2,872,174
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,823,973,124</b>	<b>7,874,614,613</b>

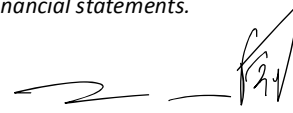
The annexed notes 1.00 to 29.00 are an integral part of the these financial statements.



Company Secretary



Director

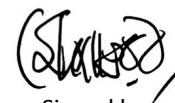


Managing Director

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

Dhaka  
14 September 2022

Signed for & on behalf of  
**Aziz Halim Khair Choudhury**  
Chartered Accountants  
Reg: 23556/79



Signed by  
**Golam Fazlul Kabir FCA**  
Partner

ICAB Enrolment #: 1721  
DVC:2209181721AS449083



**CHANDPUR POWER GENERATIONS LIMITED**  
**Statement of Profit or Loss And Other Comprehensive Income**  
For the year ended 30 June 2022

	Notes	AMOUNT IN TAKA	
		2021-2022	2020-2021
Revenue	21	3,789,637,509	-
Less: Cost of Sales	22	3,115,274,377	-
<b>Gross Profit</b>		<b>674,363,132</b>	<b>-</b>
<b>Operating Expenses</b>			
General and Administrative Expenses	23	154,537,638	22,991,385
<b>Profit/(Loss) Before Interest and Income Tax</b>		<b>519,825,494</b>	<b>(22,991,385)</b>
Financial Expenses	24	302,464,939	3,469,681
<b>Net Operating profit/(loss) for the year</b>		<b>217,360,555</b>	<b>(26,461,066)</b>
Finance Income	25	5,106,171	9,573,913
<b>Net Profit/(Loss) Before Tax</b>		<b>222,466,726</b>	<b>(16,887,154)</b>
Less: Income Tax Expense	26	1,484,108	2,872,174
<b>Net Profit/(Loss) After Tax</b>		<b>220,982,618</b>	<b>(19,759,328)</b>

*The annexed notes 1.00 to 29.00 are an integral part of the these financial statements.*

  
**Company Secretary**

  
**Director**

  
**Managing Director**

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

Dhaka  
14 September 2022

Signed for & on behalf of  
**Aziz Halim Khair Choudhury**  
Chartered Accountants  
Reg: 23556/79

  
Signed by

**Golam Fazlul Kabir FCA**  
**Partner**

ICAB Enrolment #: 1721  
DVC:2209181721AS449083

## CHANDPUR POWER GENERATIONS LIMITED

### Statement of Changes In Equity

For the year ended 30 June 2022

AMOUNT IN TAKA

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on 01 July 2021	2,102,850,000	-	(41,230,766)	2,061,619,234
Share issue	147,150,000	-	-	147,150,000
Net Profit during the period	-	-	220,982,618	220,982,618
<b>Balance as on 30 June 2022</b>	<b>2,250,000,000</b>	<b>-</b>	<b>179,751,852</b>	<b>2,429,751,852</b>

Balance as on 01 July 2020	398,798,800	1,200	(21,471,438)	377,328,562
Share issue	1,704,051,200	-	-	1,704,051,200
Share money deposit	-	(1,200)	-	(1,200)
Net Loss during the period	-	-	(19,759,328)	(19,759,328)
<b>Balance as on 30 June 2021</b>	<b>2,102,850,000</b>	<b>-</b>	<b>(41,230,766)</b>	<b>2,061,619,234</b>

The annexed notes 1.00 to 29.00 are an integral part of the these financial statements.

Dhaka  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director

## CHANDPUR POWER GENERATIONS LIMITED

### Statement of Cash Flows

For the year ended 30 June 2022

	AMOUNT IN TAKA	
	2021-2022	2020-2021
<b>A. Cash Flows From Operating Activities</b>	<b>(3,443,523,567)</b>	<b>(42,774,945)</b>
Receipt from customers	-	-
Payment to suppliers and others	(3,392,772,448)	(9,692,083)
Payments for General and Administrative Expenses	(39,678,993)	(17,009,266)
Financial expenses paid	(8,011,130)	(15,394,742)
Income Tax Paid	(3,060,996)	(678,854)
<b>B. Cash Flows From Investing Activities</b>	<b>(415,522,012)</b>	<b>(6,703,210,811)</b>
Acquisition of Property, Plant and Equipment	(739,182,869)	(5,792,530,819)
Received from/(paid to) Parent & Sister Concerns	315,783,201	(917,468,532)
Interest income received	7,877,655	6,788,541
<b>C. Cash Flows From Financing Activities</b>	<b>3,355,036,491</b>	<b>7,455,149,549</b>
Received from Share Capital	147,150,000	1,704,050,000
Received from Term Loan	760,436,808	4,735,009,200
Received from/(Payment of) Short Term Loan	2,447,449,683	1,016,090,350
<b>D. Net Inflows/(Outflows) of Cash and Bank balance</b>	<b>(504,009,088)</b>	<b>709,163,793</b>
Unrealized foreign exchange gain/(loss)	(183,282,611)	-
Add: Cash and Bank Balance at beginning of the period	711,329,368	2,165,575
<b>E. Cash and Bank Balance at the end of the period</b>	<b>24,037,669</b>	<b>711,329,368</b>

*The annexed notes 1.00 to 29.00 are an integral part of these financial statements.*

Dhaka  
14 September 2022

  
Company Secretary

  
Director

  
Managing Director



Doreen Power Generations and Systems Limited has been awarded "ICMAB Best Corporate Award 2020" -Silver Award. Mr. Afroz Alam, CFO & Mr. Amzad Shakil, DGM of Doreen Power are receiving trophy from Mr. Tipu Munshi, MP, Hon'ble Minister, Ministry of Commerce, GoB.



Senior officials of Doreen Power at "ICMAB Best Corporate Award" receiving program.





Managing Director Mr. Tahzeeb Alam Siddque, MP is distributing worm clothes among poor peoples as part of CSR.





Employees are taking part in fire safety training of power plant at regular interval.



Sapling plantation and nursing work around plant site as a part of environmental protection initiative.



Training program arranged by HRD at plant site for engineers.



Routine health check up program at plant office.

# CHECKLIST FOR ANNUAL REPORT REVIEW

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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./Ms. ....

of .....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 15<sup>th</sup> Annual General Meeting (AGM) will be held on Sunday, 18 December 2022 , through Digital Platform with the link **<https://doreenpower.bdvirtualagm.com>** at 11:00 a.m. at or at any adjournment thereof or at any ballot to be taken in consequence hereof.

As witness my hand this..... day of December 2022

Revenue  
Stamp of  
Tk. 100/-

.....  
(Signature of the Proxy)

Date:

.....  
(Signature of the Shareholder)

Date:

Register BO ID:

E-mail:

Phone:

**NOTE :**

- (1) This form of proxy, duly completed and signed and stamped at BDT 100 must be sent by e-mail to [info@doreenpower.com](mailto:info@doreenpower.com) or [masud@doreenpower.com](mailto:masud@doreenpower.com) at least 72 hours before the meeting.
- (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 through CDBL.



CORPORATE OFFICE: House # 192/A, Lane-1, Mohakhali DOHS , Dhaka-1206  
REGISTERED OFFICE: Walsow Tower, 21 Kazi Nazrul Islam Avenue, Dhaka-1000  
Phone: 02-2222-60744, Fax: 02-222260766, Email: [infodoreenpower.com](mailto:infodoreenpower.com), [www.doreenpower.com](http://www.doreenpower.com)