



ASHUGANJ POWER STATION COMPANY LTD.

(An Enterprise of Bangladesh Power Development Board)



**ANNUAL REPORT
2017-18**





Ashuganj Power Station Company Limited
Ashuganj Brahmanbaria-3402
Bangladesh

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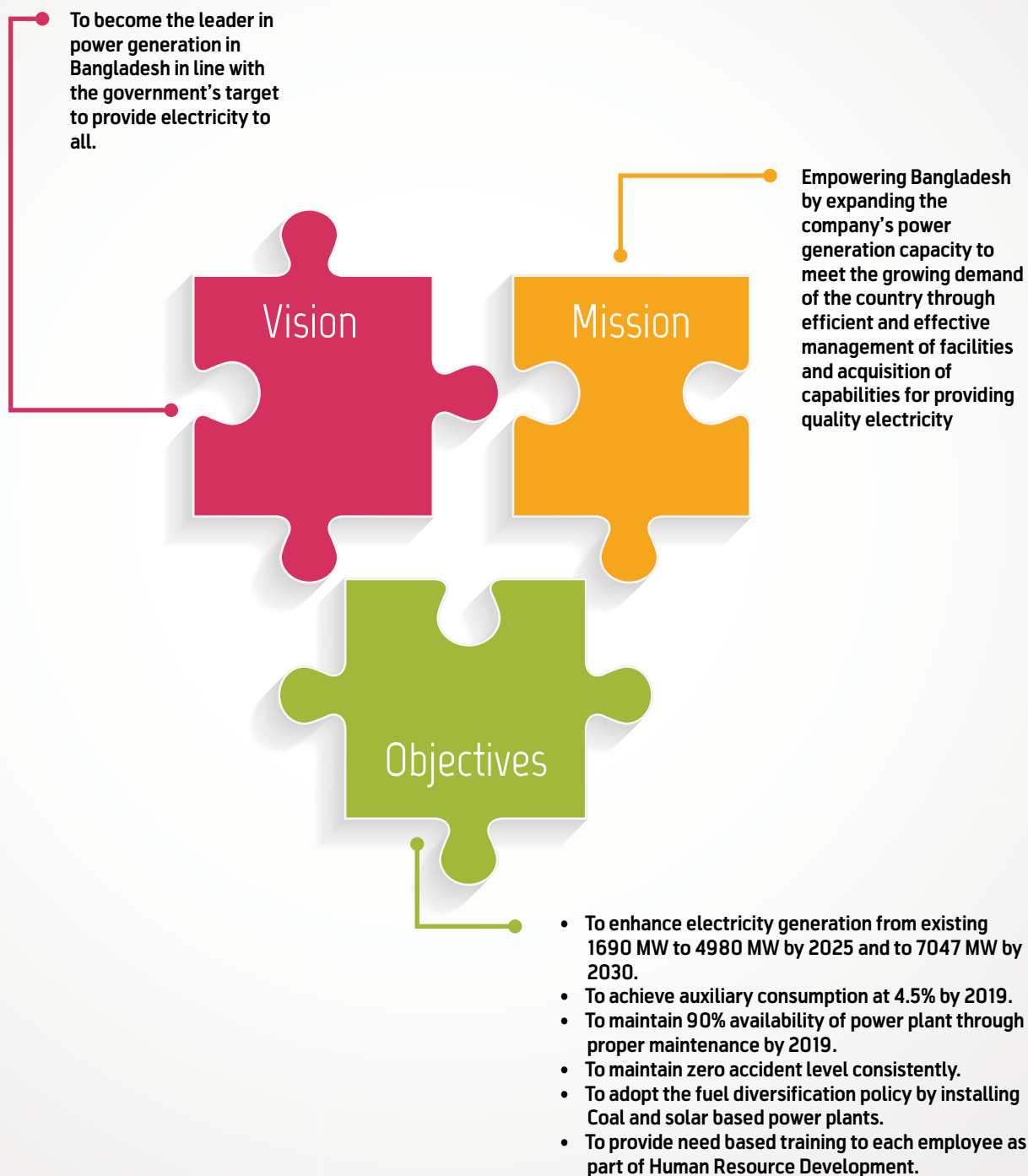


ABOUT APSCL

Corporate Ethos
Company Information
APSCL at a Glance
Corporate Directory



CORPORATE ETHOS



COMPANY INFORMATION

Ashuganj power Station Company Limited (APSCL) is one of the largest power generation company in Bangladesh having installed capacity of about 19% (as on August, 2018) of total electricity generation capacity in the public sector of the country. At present, the total capacity of its eight(8) units is 1690 MW.

As a part of the power Sector Development and reform program of the Government of Bangladesh (GoB), Ashuganj power Station Company Limited (APSCL) has been incorporated under the Companies act 1994 on June 28, 2000. The registration no. of APSCL is 40630 (2328)/2000. Ashuganj power Station (APS) Complex (with its assets and liabilities) had been transferred to the APSCL through a provisional vendor's agreement signed between BPDB and APSCL on May 22, 2003.

All the activities of the company started formally on June 1, 2003. From that day, the overall activities of the company along with operation, maintenance and development of the company are vested upon a management team consisting of the Managing Director, Executive Director (Engineering), Executive Director (Finance) and Executive Director (Planning& Project). Its registered office is situated at Ashuganj, Brahmanbaria. Recently, the Corporate Office of APSCL shifted to Dhaka in its owned commercial space at Bijoy Nagar, Dhaka. Primarily, Office of Managing Director, Executive Director (Finance), Company Secretary and their concerned offices working in the Corporate Office. Right now, 99.99% of total shares of APSCL owned by BPDB and rest of the shares owned by Finance Division, Planning Division, Power Division & Energy Division of Government of the People's Republic of Bangladesh.

Present Power Generation Capacity of the Company at a Glance is shown below:

| Name of the Unit | Year of Commissioning | Installed Capacity (MW) | Present Net Capacity (MW) |
|--|-----------------------|-------------------------|---------------------------|
| Unit - 3 | 1986 | 150 | 129 |
| Unit - 4 | 1987 | 150 | 137 |
| Unit - 5 | 1988 | 150 | 128 |
| 50 MW | 2011 | 53 | 45 |
| 225 MW | 2015 | 223 | 223 |
| 200 MW Modular (Co-Owner with United Enterprise) | 2015 | 195 | 199 |
| 450MW CCPP (South) | 2016 | 383 | 359 |
| 450MW CCPP (North) | 2017 | 386 | 360 |
| 8 Units | Total | 1690 | 1580 |

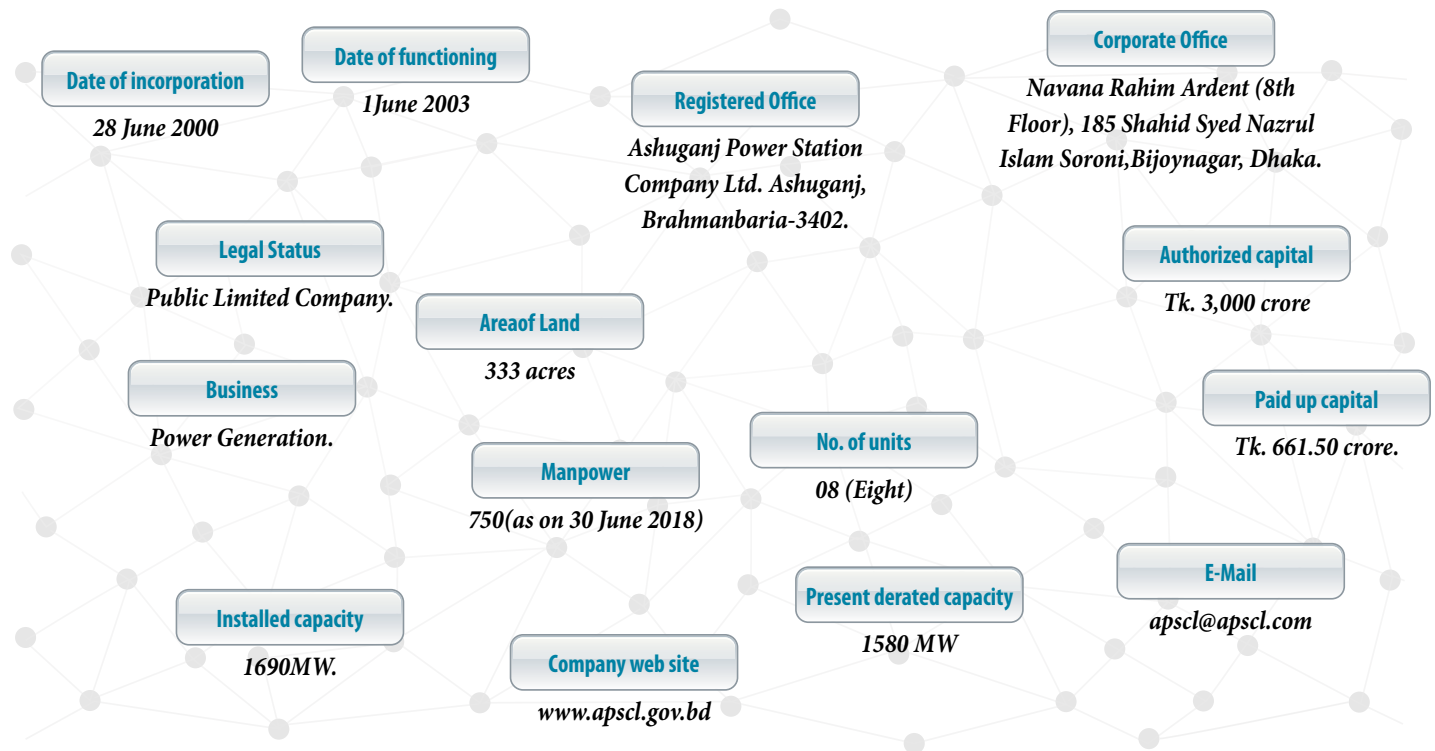
Electricity generated by APSCL is supplied to the national grid and distributed to the consumers throughout the whole country. APSCL plays a significant role in the national economic development by generating about 10% (as on August 2018) of total electricity generation of the country. Natural gas from Bakhrabad Gas Distribution Company Limited is used as primary fuel for electricity generation and water from the river meghna is used for steam generation and cooling of the plants. The main portion of the used water is discharging through channels for irrigation in the dry season and the remaining portion of used water is discharging through channels to river after cooling. It is well known that this water irrigates about 36,000 acres of land of Brahmanbaria District and adjacent area.







APSCL AT A GLANCE



CORPORATE DIRECTORY

CHAIRMAN:

Mr. Khaled Mahmood

DIRECTORS:

1. Professor Dr. Md. Quamrul Ahsan
2. Professor Mamtaz Uddin Ahmed
3. Mr. Sheikh Faezul Amin, PEng
4. Mr. Kamal Ahmed
5. Mr. S.M. Tarikul Islam
6. Mr. Abu Alam Chowdhury
7. Mr. Md. Azharul Islam
8. Mr. Ratan Chandra Pandit
9. Mr. Sayeed Ahmed
10. Ms. Tahmina Yeasmin
11. Mr. A M M Sazzadur Rahman

MANAGEMENT TEAM

1. Mr. A M M Sazzadur Rahman
Managing Director
2. Mr. Ajit Kumar Sarker
Executive Director (Planning & Project)
3. Mr. A K M Yaqub
Executive Director (Engineering)
4. Mr. Md. Mahfuzul Haque, FCMA
Executive Director (Finance)
5. Mr. Mohammad Abul Mansur, FCMA, ACS
Company Secretary

PROJECT DIRECTORS

1. Mr. Kshitish Chandra Biswas
Project Director (Chief Engineer), 400MW CCPP (East)
2. Mr. Shah Alam Khan, P.Eng.
Project Director (Chief Engineer), 450MW CCPP (North)
3. Mr. Md. Abdul Mazid
*Project Director (Chief Engineer), Patuakhali 1320 MW STPP
Land acquisition, development & protection project*
4. Mr. Md. Kamruzzaman Bhuyan
*Project Director (Superintendent Engineer), 225MW CCPP
Project*

OPERATIONAL MANAGEMENT TEAM

1. Mr. Anwar Hossain
Chief Engineer (Operation and Maintenance)
2. Mr. Ratan Kumar Paul
Deputy General Manager (Finance & Accounts)
3. Mr. Bikash Ranjan Roy
Superintendent Engineer (Electrical Maintenance)

4. Mr. Nur Mohammad
Superintendent Engineer (Operation)
5. Mr. Muhammad Rokon Miah
*Superintending Engineer (Electrical), Ashuganj 450MW CCPP
(South) Project*
6. Mr. Haris Mohammad Wahedi
*Superintending Engineer (Mechanical), Ashuganj 450MW CCPP
(North) Project*
7. Mr. Nur Mohammad Mostafa Kamal
*Superintending Engineer (Mechanical), Ashuganj 450MW CCPP
(South) Project*

CORPORATE OFFICE:

Navana Rahim Ardent (Level-8)
185, Shahid Syed Nazrul Islam Soroni, Dhaka
Phone: +8802-9330915; Fax: +8802-9330918

AUDITORS:

S. F. Ahmed & Co.
Chartered Accountant
Address: House # 51 (3 rd Floor)
Road # 9, Block-F, Banani, Dhaka-1213

REGISTERED OFFICE:

Ashuganj Power Station Company Limited.
Ashuganj, Brahmanbaria-3402
Phone: +8808528-74004; Fax: +8808528-74014, 74044
E-mail: apscl@apscl.com, apsclbd@yahoo.com
Website: www.apscl.gov.bd

MAIN BANKERS

Pubali Bank Ltd.
EXIM Bank Ltd.
Janata Bank Ltd.
Rupali Bank Ltd.
Standard Chartered Bank
HSBC

ONGOING PROJECTS:

1. 400MW CCPP (East), Ashuganj, Brahmanbaria
2. Patuakhali 2X660 MW Coal Fired Power Plant Project

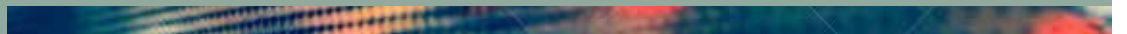
UPCOMING PROJECTS:

1. Ashuganj 400 MW Dual Fuel CCPP Project
2. North bengal 1320 MW Super Thermal Power Plant
3. 100MW Grid Tied Solar Power Plant, Kishorganj



PERFORMANCE IN BRIEF

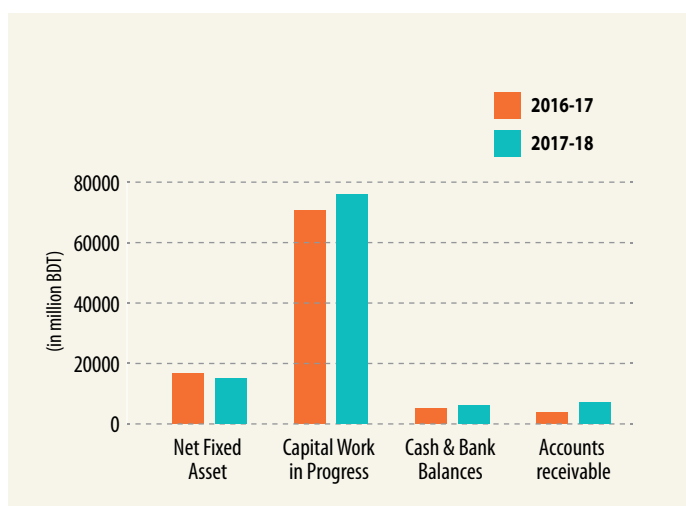
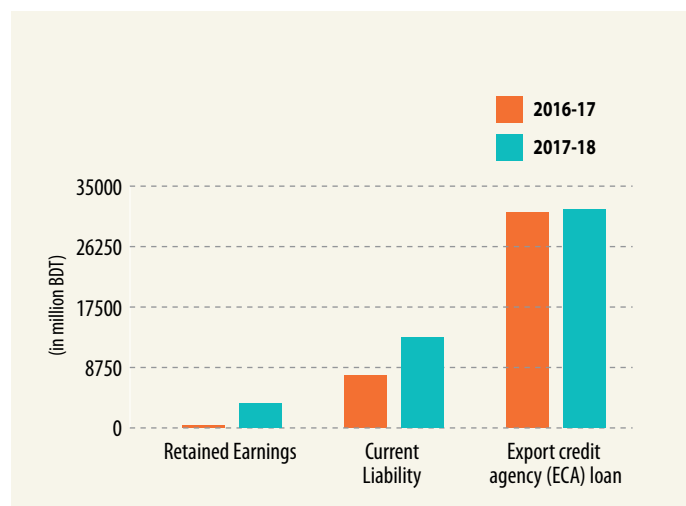
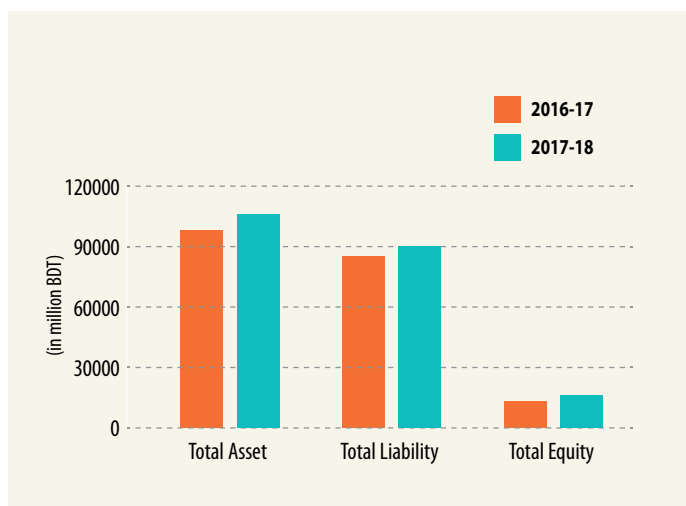
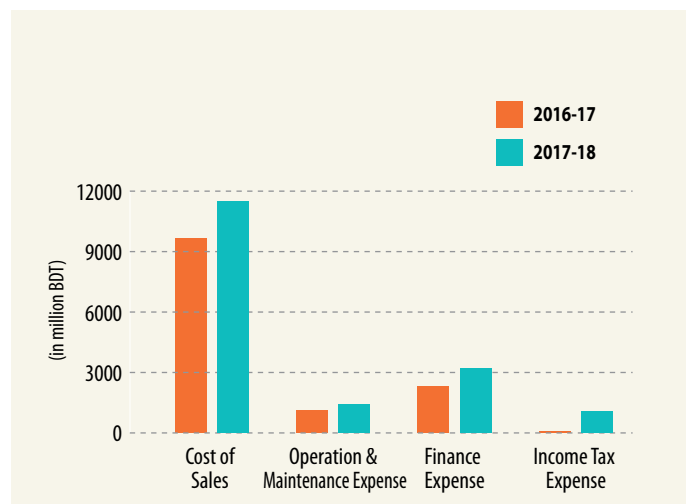
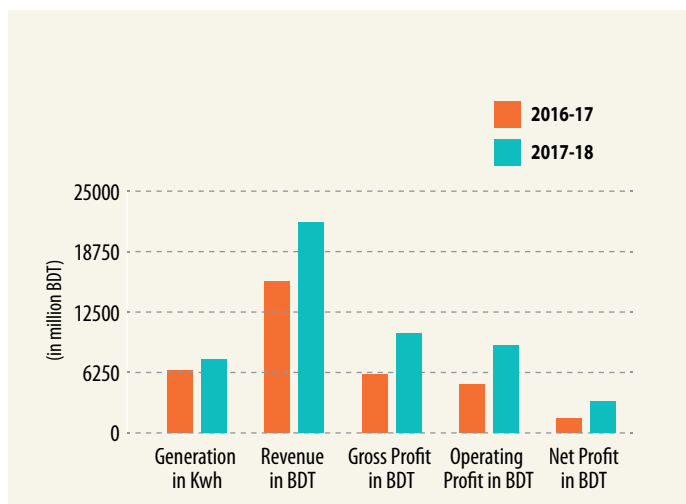
Performance at a Glance 2017-18
Five Years Financial Highlights





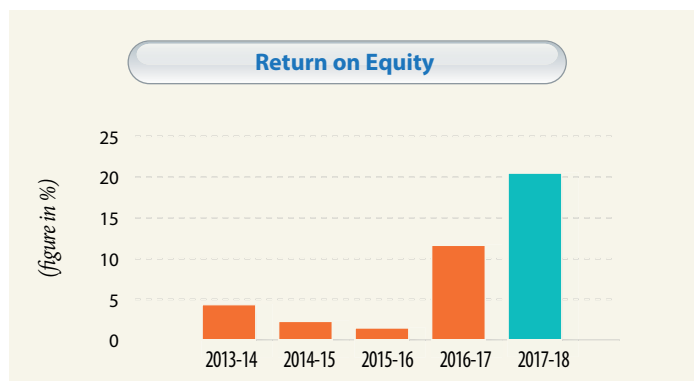
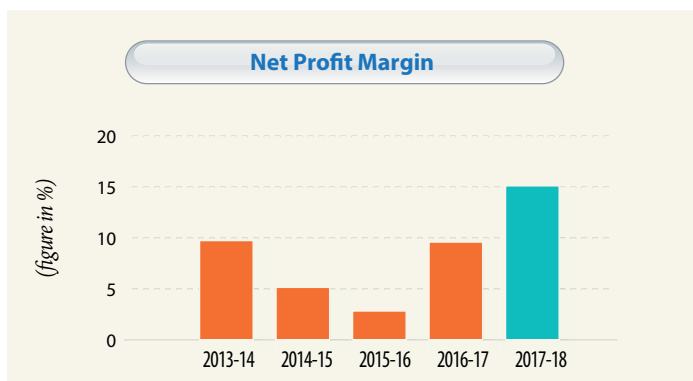
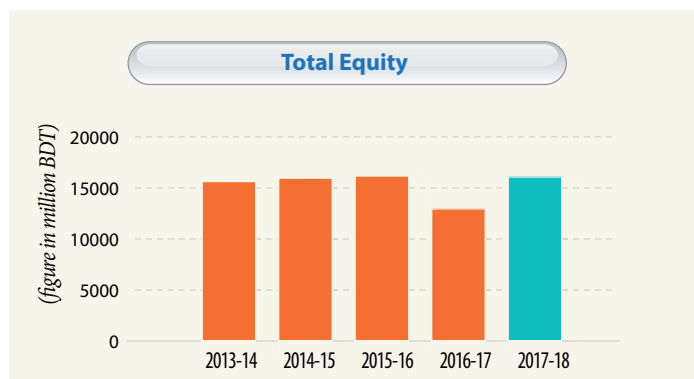
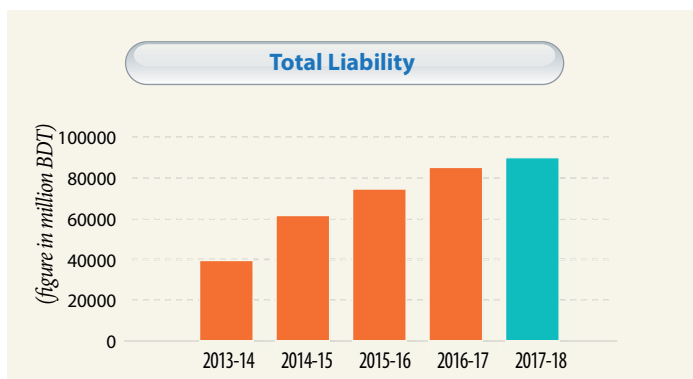
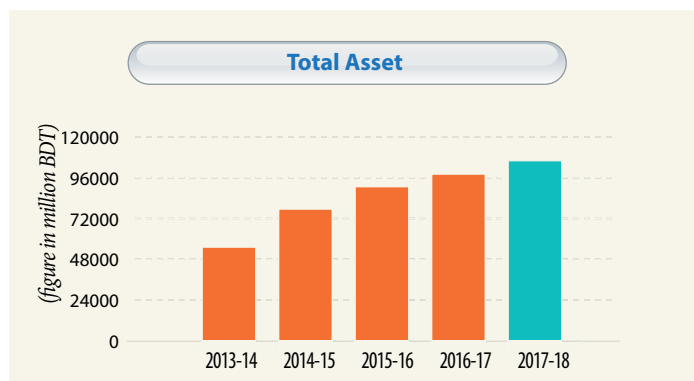
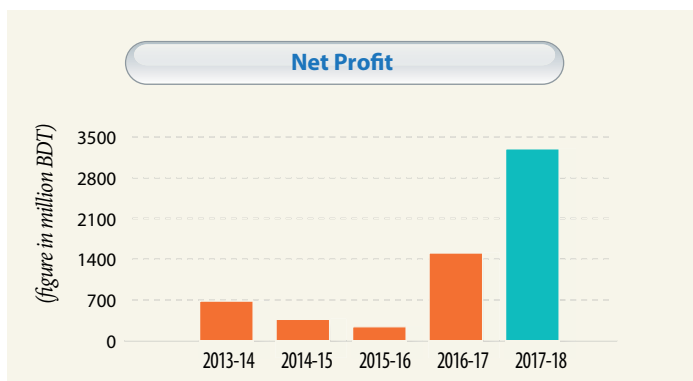
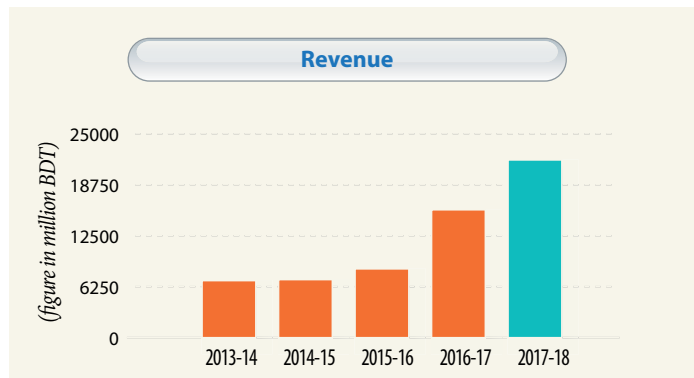
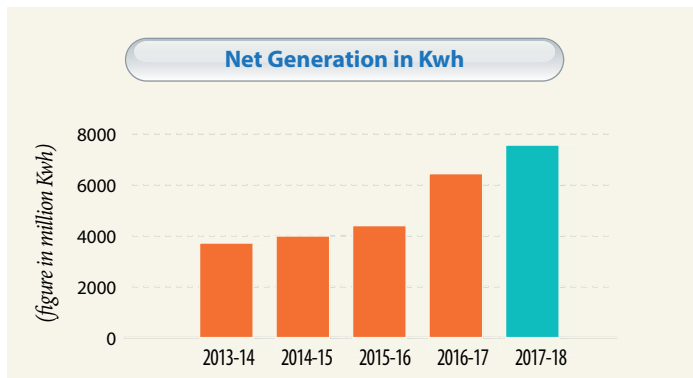
PERFORMANCE

AT A GLANCE 2017-18



LAST FIVE YEARS FINANCIAL HIGHLIGHTS

| | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|--------------------------------------|-----------------|----------------|----------------|----------------|----------------|
| Operating Performance | | | | | |
| Net Generation in Kwh | 7,552,694,185 | 6,431,716,061 | 4,393,395,192 | 3,985,518,888 | 3,708,939,994 |
| Revenue | 21,773,269,662 | 15,660,032,053 | 8,413,064,246 | 7,094,702,639 | 6,971,021,960 |
| Cost of Sales | 11,481,818,838 | 9,634,141,942 | 6,957,617,482 | 5,858,336,963 | 5,573,109,110 |
| Gross Profit | 10,291,450,842 | 6,025,890,111 | 1,455,446,764 | 1,236,365,676 | 1,397,912,850 |
| Operating Profit | 9,048,807,480 | 5,040,595,293 | 717,907,435 | 552,855,273 | 773,142,674 |
| Net Profit | 3,295,847,982 | 1,507,187,203 | 240,617,081 | 367,634,407 | 681,179,955 |
| Financial Position | | | | | |
| Total Asset | 106,008,663,423 | 98,108,867,184 | 90,719,006,926 | 77,516,624,833 | 55,122,428,169 |
| Total Liability | 89,914,847,477 | 85,145,524,220 | 74,533,486,499 | 61,538,646,486 | 39,479,009,230 |
| Total Equity | 16,093,815,946 | 12,963,342,964 | 16,185,520,427 | 15,977,978,347 | 15,643,418,939 |
| Net Fixed Asset | 15,159,822,219 | 16,733,415,073 | 18,071,893,749 | 19,839,586,457 | 21,586,111,577 |
| Current Asset | 14,631,988,707 | 10,458,718,872 | 7,638,066,633 | 5,083,144,790 | 4,455,070,967 |
| Current Liability | 13,039,012,568 | 7,638,114,041 | 2,327,370,864 | 2,116,362,792 | 1,812,000,162 |
| Financial Ratios | | | | | |
| Current Ratio | 1.23:1 | 1.37:1 | 3.28:1 | 2.40:1 | 2.46:1 |
| Gross Profit Margin | 47.27% | 38.48% | 17.30% | 17.43% | 20.05% |
| Operating Profit Margin | 41.56% | 32.19% | 8.53% | 7.79% | 11.09% |
| Net Profit Margin | 15.14% | 9.62% | 2.86% | 5.18% | 9.77% |
| Return on Net Fixed Assets | 21.74% | 9.01% | 1.33% | 1.85% | 3.16% |
| Return on Equity | 20.48% | 11.63% | 1.49% | 2.30% | 4.35% |
| Debt Equity Ratio | 4.78 | 5.98 | 4.68 | 3.72 | 2.41 |
| Debt Service Coverage | 1.50 | 1.47 | 2.18 | 3.50 | 3.67 |
| Average Collection Periods in Months | 2.99 | 2.58 | 4.03 | 4.26 | 6.04 |





FROM THE BOARD

The Board
Directors' Profile
Management Team
Notice to 18th Annual General Meeting
Message from the Chairman
Directors' Report

THE BOARD



from Let to right :

Mr. Mohammad Abul Mansur, FCMA, ACS, Mr. Md. Mahfuzul Haque, FCMA, Mr. A K M Yaqub, Mr. Ajit Kumar Sarker, Ms. Tahmina Yeasmin, Mr. S.M. Tarikul Islam, Mr. A M M Sazzadur Rahman, Mr. Khaled Mahmood, Dr. Md. Quamrul Ahsan, Mr. Abu Alam Chowdhury, Prof. Mamtaz Uddin Ahmed, Mr. Sayeed Ahmed, Mr. Sheikh Faezul Amin, PEng, Mr. Kamal Ahmed, Mr. Md. Azharul Islam



DIRECTORS' PROFILE



Mr. Khaled Mahmood
Chairman

Engineer Khaled Mahmood was born in Mymensingh on 23rd December 1958. He joined as chairman of Bangladesh Power Development Board (BPDB) on 17 August 2016. He is the 34th Chairman of BPDB. Before joining as Chairman Mr. Khaled was the Member (Generation) of BPDB. He obtained BSc. Engineering Degree from Bangladesh University of Engineering and Technology (BUET) in Electrical Engineering in 1981.

He joined the Directorate of Program of Bangladesh Power Development Board (BPDB) as an Assistant Engineer in 1981. In his long career, Engineer Khaled Mahmood discharged his duties in various positions in BPDB. He worked as Sub-Divisional Engineer in Design & Inspection-1 Directorate, Deputy Director (XEN) Program, Design & Inspection-1 Directorate, Assistant Chief Engineer in office of the Chief Engineer Generation, Director of Design & Inspection-1 Directorate and Chief Engineer Generation. In his illustrious career, Mr. Khaled discharged his duties as an expert especially in international bid document preparation, design & drawing preparation and approval, international negotiation of various power sector activities.

He obtained foreign training on design, manufacturing, operation and maintenance of power station, power transformer, control and relay panel, GIS & 132kv SF6, GCB, training on power measuring & testing equipment. He also obtained foreign and local training on administration, HRD, organization & method and various technical subjects.

A renowned sportsman and organizer, Mr. Khaled Mahmood visited India, China, South Korea, Japan, France, USA, Czech Republic, Italy, Australia, Germany, Turkey, Spain, Thailand, Singapore, Poland and Indonesia for training & professional purposes.

Currently he is the Chairman of Ashuganj Power Station Company Ltd. (APSCL) and United Ashuganj Energy Ltd. and Member of the Board of Directors of Electricity Generation Company Bangladesh (EGCB), North West Power Generation Company Ltd, Power Grid Company of Bangladesh Ltd, Coal power Generation Company Bangladesh Ltd, Bangladesh India Friendship Power Company Ltd.(BIFPCL), Bangladesh-China Power Company (pvt.) Ltd, Sembcorp North West Power Company Ltd, Titas Gas Transmission & Distribution Company Ltd and Bakhrabad Gas Distribution Company Ltd.

He joined Ashuganj Power Station Company Ltd. (APSCL) as one of the Directors of its Board on February 14, 2016 and as Chairman of the Board on December 26, 2017.

At present, he is an elected Central Council Member of Institution of Engineers Bangladesh (IEB).



Dr. Md. Quamrul Ahsan
Director

Born in 1951, Dr. Md. Quamrul Ahsan, Professor of Electrical and Electronic Engineering of Bangladesh University of Engineering and Technology (BUET) joined at Ashuganj Power Station Company Ltd as a Director in 2008. Dr. Ahsan is also Chairman of Procurement Review Committee of Ashuganj Power Station Company Ltd. After completing his graduation from Bangladesh University of Engineering and Technology (BUET), he obtained M.Sc Engineering from the same University in 1980. Afterwards, in 1984 Mr. Ahsan acquired Ph.D from the University of Ottawa of Canada. Dr. Ahsan also was a visiting faculty member of the University of Bahrain, published more than ninety technical papers in the reputed national and international journals and conferences. He has been a reviewer of many national and international journals including IEE and IEEE. Dr. Ahsan has supervised seventeen postgraduate theses including three Ph.Ds. He, an

author of two books, was the Technical Chair of ICECE 2006, Project Manager of an international training and a course coordinator of a short course sponsored by USAID under SARI/Energy Program. Dr. Ahsan has also worked as a consultant of many important national projects. He, a Former Director of PGCB, has also been involved in the administrative works for instance Dean of the Faculty, Head of the Department and Hall Provost of Bangladesh University of Engineering and Technology (BUET). Recently, he has retired from BUET and joined as a Distinguished Professor in the Green University of Bangladesh.



Prof. Mamtaz Uddin Ahmed, FCMA
Director

Professor Mamtaz Uddin Ahmed, FCMA is a senior most professor of the Department of Accounting & Information Systems, University of Dhaka. He was the Chairman of the Department of AIS from April 29, 2012 to April 28, 2015 and former Director of Master of Professional Accounting (MPA) program under same department. He has been serving as a faculty in the Department since June, 1986. He also served as a Lecturer in the Department of Accounting, University of Chittagong during the period of April, 1984 to April, 1986. Mr. Ahmed is Fellow member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) and was the President of the Institute for the year 2007 and 2012. He also served the Institute as the Vice-President for the years 2005 and 2006. Earlier, he was a Council Member of the 10th and the 11th National Council of ICMAB. He was also the Secretary of the DBC of ICMAB for the year 1991. Mr.

Ahmed was Board Member and Senior Fellow Member of the South Asian Federation of Accountants (SAFA). Prof. Ahmed joined Ashuganj Power Station Company Ltd. as Director on 2006. He is also appointed as member of the Board of Directors of Chittagong Stock Exchange Ltd. He is also serving as member of the Board of Governance of Bangladesh Insurance Academy since 2009. He is the former Chairman of the Governing Body of Sk. Borhanuddin College. He was the member (part time) of the Salary & Pay Commission, 2014. Mr. Ahmed served as a Consultant in different World Bank and GOB (Government of Bangladesh) funded projects and acted as resource person in different training programs. He has published more than 24 articles in various recognized journals. He is a life member of Bangladesh Economic Association and United Nations Association of Bangladesh.

DIRECTORS' PROFILE



Mr. Sheikh Faezul Amin, PEng
Director

Mr. Sheikh Faezul Amin joined in Ashuganj Power Station Company Ltd. (APSCL) as Director in 2012. At present, Mr. Amin posted in Power Division, Ministry of Power, Energy and Mineral Resources for discharging the responsibilities of Joint Secretary, Development. He is also a member of Procurement Review Committee of APSCL. Prior to this, he worked as member of SREDA (Sustainable & Renewable Energy Development Authority), which acts as nodal agency for the promotion and development of sustainable energy, scaling up of renewable energy, energy efficiency and energy conversion. Mr. Amin did his graduation in Mechanical Engineering from Bangladesh University of Engineering and Technology (BUET) in 1988. He served in Roads and Highways Department for quite a long period as Assistant Engineer Sylhet Division, Sub Divisional Engineer Sylhet, Mymensingh and Dhaka, Executive Engineer of Barishal

Division and many other significant key positions where he had proved his excellence. Later Mr. Amin was moved to Power Division and joined as Deputy Secretary. Mr. Amin, who was awarded Abul Kashem Award in 2008, also pursued his M.Sc. in Engineering Management from Brunel University, West London, UK with excellent academic result. He, also an MBA, is privileged to be a part of a good number of local and foreign training. Born in 1965, Mr. Amin, a Life Fellow as well as Professional Engineer (PEng) of Institute of Engineers of Bangladesh, is associated with various social clubs, organizations etc.



Mr. S.M. Tarikul Islam
Director

Mr. S.M. Tarikul Islam joined as a Director of the Board of APSCL in 2015. At present, Mr. Islam is serving as Director of Prime Minister's Office. Mr. Islam completed his graduation from Rajshahi University in 1994 and later on joined in the Administration Cadre of Bangladesh Civil Services and started his career as an Assistant Commissioner and Magistrate. Mr. Islam served different area of public administration of Bangladesh Government. Being an admin cadre, he served as Magistrate First class, Senior Assistant Commissioner, UNO, Senior Assistant Secretary, Deputy Secretary and so on. As a part of his service, Mr. Islam took part in various training such as Law and Administration Course at BCS Administration Academy, Foundation Training Course at BPATC, Survey and

Settlement Training, Advanced course on Administration and Management (ACAD), e-GP training in Australia, Executive Management course in Singapore and China, Project Impact Assessment course in Fordham University USA and so on.



Mr. Kamal Ahmed
Director

Mr. Kamal Ahmed joined as a Director of the Board of Ashuganj Power Station Company Ltd. in 2014. He is also a member of the Audit Committee of the Company. Born in 1951, Mr. Ahmed completed his graduation from Dhaka College in 1972. After completing his study, Mr. Ahmed engaged himself in the trade of frozen seafood in 1975. He is a former president of Seafood Export Agents Association of Bangladesh. Mr. Ahmed is engaged in various social activities. He is member of Red Crescent Society, Uttara Club and Dhanmondi Club. Mr. Ahmed is also a member of

Bangladesh Awami League. At present, he is the President of Bangladesh Awami League, Dhanmondi since 1999.



Mr. Abu Alam Chowdhury
Director

Mr. Abu Alam Chowdhury was born on 30 September 1948 in a respectable Muslim family of village Popadia, Boalkhali of Chittagong district. He has done Masters in Political Science from the University of Chittagong.

Blessed with born leadership quality, he was elected as Secretary General of Students Union of Sir A.T. College. He played commendable role in the great 69 movement against Pakistani Ruler. During his studentship in Chittagong University, he was elected as cultural secretary and later served as general secretary in Chittagong University Central Students Union (CUCSU) and participated in liberation war of Bangladesh with great valour.

After completing his education, he initiated business career in media sector. Gradually he expanded his business in Sea Food Processing, Home Textile and Handicraft sub-sector, where he is still flourishing. It may be mentioned here that for the diversification of export item and for highest volume of export, he is awarded National Export Gold Trophy for record eleven times.

To his credit, he made multi-dimensional contribution for the Trade and Industry. He was President of Bangla Craft and founder President of Bangladesh Craft & Giftware Association. Mr. Chowdhury served as

Vice-President of FBCCI and Director for 6 terms covering 12 years in Apex body of FBCCI. He also served as Vice-President of Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) 2008-2010. He is founder member of the Daily Financial Express, member of International Chamber of Commerce (ICC) Bangladesh, former EC member of SAARC Chamber of Commerce & Industry etc. For long time he is recognized as CIP (Export) by the Bangladesh Government. His contribution to the Trade & Industry could be highlighted in short, main formulator of first export policy of Bangladesh, major contributor from private sector to prepare National Budget Structure, easy reimbursement of claim from ECG scheme etc.

Mr. Chowdhury participated in many international seminar & conference organized by ESCAP, UNCATAD, EU, CBI, TDI, CACCI with great success. In most of the occasion, he either led the delegation or played most active role for the interest of the country. Mr. Chowdhury is a well-travelled man & visited many countries of the world.

True to his social commitment, he also served as Executive Vice-President of JAYCEES International & JCI Senator, President & Chairman Trustee board of Chittagong Samitee etc.

DIRECTORS' PROFILE



Md. Azharul Islam
Director

Md. Azharul Islam, Member (Planning and Development) of Bangladesh Power Development Board (BPDB) was born in Pabna on 31 January 1961. He is the 63th Member (Planning and Development) of BPDB. He joined in APSCL as Director on 19 January 2017.

Before joining as Member of BPDB Mr. Azhar served as the Chief Engineer (Distribution), Southern Zone Chittagong and PD (Chief Engineer), Shahjibazar 330 MW CCPP Project. He obtained B.Sc. Engineering degree from Bangladesh University of Engineering and Technology (BUET) in Electrical Electronics Engineering in 1982. In 1996 he took advanced professional training in Germany on "Grid connected wind energy converter". He joined Engineering Academy, Kaptai of WAPDA as an Assistant Engineer in 13 April 1983. In his long illustrious career in BPDB, Mr. Azhar successfully performed his duties as Assistant Engineer, Sub-

divisional Engineer, Executive Engineer, Superintendent Engineer and Chief Engineer.

Md. Azharul Islam took part in many training Courses in Bangladesh and overseas on administration, HRD, organization & method and various technical subjects. A renowned organizer Mr. Azharul Islam visited China, Australia, Germany, Singapore, Indonesia, USA, South Korea, India, Turkey and United Kingdom for training & professional purposes. He is a fellow of the Institution of Engineers, Bangladesh.



Mr. Ratan Chandra Pandit
Director

Mr. Ratan Chandra Pandit is the eldest son of Mrs. Radha Rani Pandit and Mr. Jagadish Chandra Pandit, of Thakurakona, Netrakona.

He graduated in Agricultural Economics with honours from Bangladesh Agricultural University, Mymensingh in 1986. He secured the top position in post-graduation degree in Agricultural Finance from the same University in 1989. Afterwards, He pursued higher education in Australia and obtained Masters in Public Administration (Policy) degree in 2007.

He joined in the Bangladesh Civil Service (Administration Cadre) in 1991. As a civil servant, he served in the field administration as well as in the Bangladesh Secretariat in various positions.

He also worked in the Economic Relations Division, Ministry of Information, Ministry of Primary and Mass Education,

Ministry of Women and Children Affairs, Ministry of Health and Family Welfare, Ministry of Housing and Public Works, Ministry of Commerce, Ministry of Public Administration in different capacities. At present, he is working in the Energy and Mineral Resources Division as Additional Secretary.

He participated multifarious trainings/ workshops/seminars/study tours in Vietnam, Thailand, Malaysia, Indonesia, Hong Kong, Japan, England, Australia, Canada and the United States.

He likes travelling, reading different types of books and music. His keen interest is in the areas of 'Gender Parity and Women Empowerment', 'Poverty Reduction' and 'Inclusive and Sustainable Development'.



Mr. Sayeed Ahmed
Director

Mr. Sayeed Ahmed, Member (Generation) of Bangladesh Power Development Board (BPDB) was born in Rangpur on 01 February 1961. Before joining as Member of BPDB, Mr. Sayeed served as the Chief Engineer (Generation). He joined in APSCL as Board of Directors on 26 December 2017.

Mr. Sayeed did his S.S.C from Rangpur Zilla School in 1975 and H.S.C from Rangpur Carmichael College in 1977 with achievement. He obtained B.Sc. Engineering from Bangladesh University of Engineering and Technology (BUET) in Electrical & Electronics Engineering in 1982. He joined in Bangladesh Power Development Board (BPDB) as Assistant Engineer on 10 January 1984.

Afterwards, he served in Barapukuria Coal Power Plant Project (2001-2004) and Barapukuria Power Plant (2005-2007). In addition, he served as Director in Power Cell (2008-2013), Director System

Planning (2014-2015) and Chief Engineer (Private Generation) in 2016.

Md. Sayeed Ahmed visited China, India, Thailand, Singapore, Nepal, Bhutan, Sri Lanka, Malaysia, Philippines, USA, France, England, Russia etc. countries for training & professional purposes.



Mrs. Tahmina Yeasmin
Director

Ms. Tahmina Yeasmin, Deputy Secretary of Power Division, joined Ashuganj Power Station Company Ltd. (APSCL) as Director in December, 2017. She is also a member of Recruitment and Promotion Committee of the Company. As BCS administration cadre, prior to her present position as Deputy Secretary in Power Division, she worked in Cabinet Division, Ministry of Land, Ministry of Establishment of Bangladesh Government as Senior Assistant Secretary and Assistant Commissioner. Ms. Yeasmin completed her post-graduation on Geography (Planning) from Jahangirnagar University in 1994. Later, she completed M.Phil on Geography (Rural Housing) from Dhaka University in 2007. In addition, she completed post graduate diploma in

Information Technology and Economics & Project Planning from National Academy for Planning and Development, Dhaka. She attended a good number of local and foreign training on good governance, social protection, ICT, land administration, population science, law & administration and so on. She visited USA, Spain, Australia, Russia, Japan, China, Nepal and many other countries for training and professional assignment.

DIRECTORS' PROFILE



Engr. AMM. Sazzadur Rahman
Managing Director

Engr. AMM Sazzadur Rahman, an old-timer of Ashuganj Power Station Company Ltd., was appointed to Managing Director of APSCL on 22.02.2016. Prior to this assignment, Mr. Rahman served as Executive Director (Engineering), DGM (Electrical Maintenance) & PD (450MW CCPP) for about one year. His dazzling career commenced as Assistant Engineer (Trainer) at Power Distribution Training Center of BPDDB in 1983 following the completion of his graduation from BUET. Mr. Rahman, a Fellow of the IEB, then moved to erstwhile Power Plant Training Center of Ashuganj Power Plant Complex in 1988. The following years saw his sparks of excellence in the field of Procurement, Auto Control, Generator and Switch Gear & Protection and so on. In his 35 years of widespread and multifaceted career Mr. Rahman, a student of Electrical & Electronic Engineering, was responsible for overseeing the overall electrical maintenance and protection, electrical system studies & relay coordination, troubleshooting of substation, boiler & turbine control system, generator control system, process control system and so on. He was an integral part of the team who repair self-auxiliary transformer for Unit-2 and install & commission the 200MVA, 230/15.75 kV stepup transformers for Unit-3. Mr. Rahman actively participate in post overhauling testing, commissioning & performance acceptance activities of Unit-3, 4 & 5, during the period

2003 to 2008. He played a vital role in the inception period of APSCL large Combined Cycle Power Plant projects. He worked as Project Director of those three projects during Feasibility Study, Bid Document Preparation, Bid Evaluation, financial closing and Contract Signing stage. Born in 1960, Mr Rahman, authored of article "Turbo-Generator Protection" attended various training, inspection, factory testing, seminars & symposiums in home and abroad with a view to sharpening his professional wisdom.



MANAGEMENT TEAM



Engr. AMM. Sazzadur Rahman
Managing Director



Mr. Ajit Kumar Sarker
*Executive Director
(Planning & Project)*



Mr. A K M Yaqub
Executive Director (Engineering)



Mr. Md. Mahfuzul Haque, FCMA
Executive Director (Finance)



Mr. Kshitish Chandra Biswas
*Project Director (Chief Engineer),
400MW CCPP (East)*



Mr. Shah Alam Khan, P.Eng.
*Project Director (Chief Engineer),
450MW CCPP (North)*



Mr. Anwar Hossain
*Chief Engineer (Operation and
Maintenance)*



Mr. Md. Abdul Mazid
*Project Director (Chief Engineer),
 Patuakhali 1320 MW STPP Land acquisition,
 development & protection project*



Mr. Ratan Kumar Paul
*Deputy General Manager (Finance &
 Accounts)*



Mr. Mohammad Abul Mansur, FCMA, ACS
Company Secretary



Mr. Bikash Ranjan Roy
*Superintendent Engineer (Electrical
 Maintenance)*



Mr. Nur Mohammad
Superintendent Engineer (Operation)



Mr. Md. Kamruzzaman Bhuyan
*Project Director (Superintendent Engineer),
 225MW CCPP Project*



Mr. Muhammad Rokun Miah
*Superintending Engineer (Electrical), Ashuganj
 450MW CCPP (South) Project*



Mr. Haris Mohammad Wahedi
*Superintending Engineer (Mechanical),
 Ashuganj 450MW CCPP (North) Project*



Mr. Nur Mohammad Mostafa Kamal
*Superintending Engineer (Mechanical),
 Ashuganj 450MW CCPP (South) Project*

NOTICE OF THE 18TH AGM

Memo No: 02/APSCL/company affairs/AGM-18/819

Date: 08th November 2018

Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of Ashuganj Power Station Company Ltd. will be held on Thursday, 29th November, 2018, 15 অগাস্ট ১৪২৫ বঙ্গাব্দ at 6.00 P.M. at Bijoy Hall, Biddut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka to transact the following businesses:

Agenda:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended 30 June 2018 together with Auditor's Report thereon;
2. To approve Dividend for the year 2017-18 as recommended by the Board of Directors;
3. To elect Directors in place of those retiring in accordance with the provisions of Articles of Association of the Company;
4. To appoint Auditors for the year 2018-2019 and fix their remuneration;
5. To appoint Professional for the Certification on Corporate Governance for the year 2018-19 and fix their remuneration.
6. To transact any other businesses with the permission of the chair.

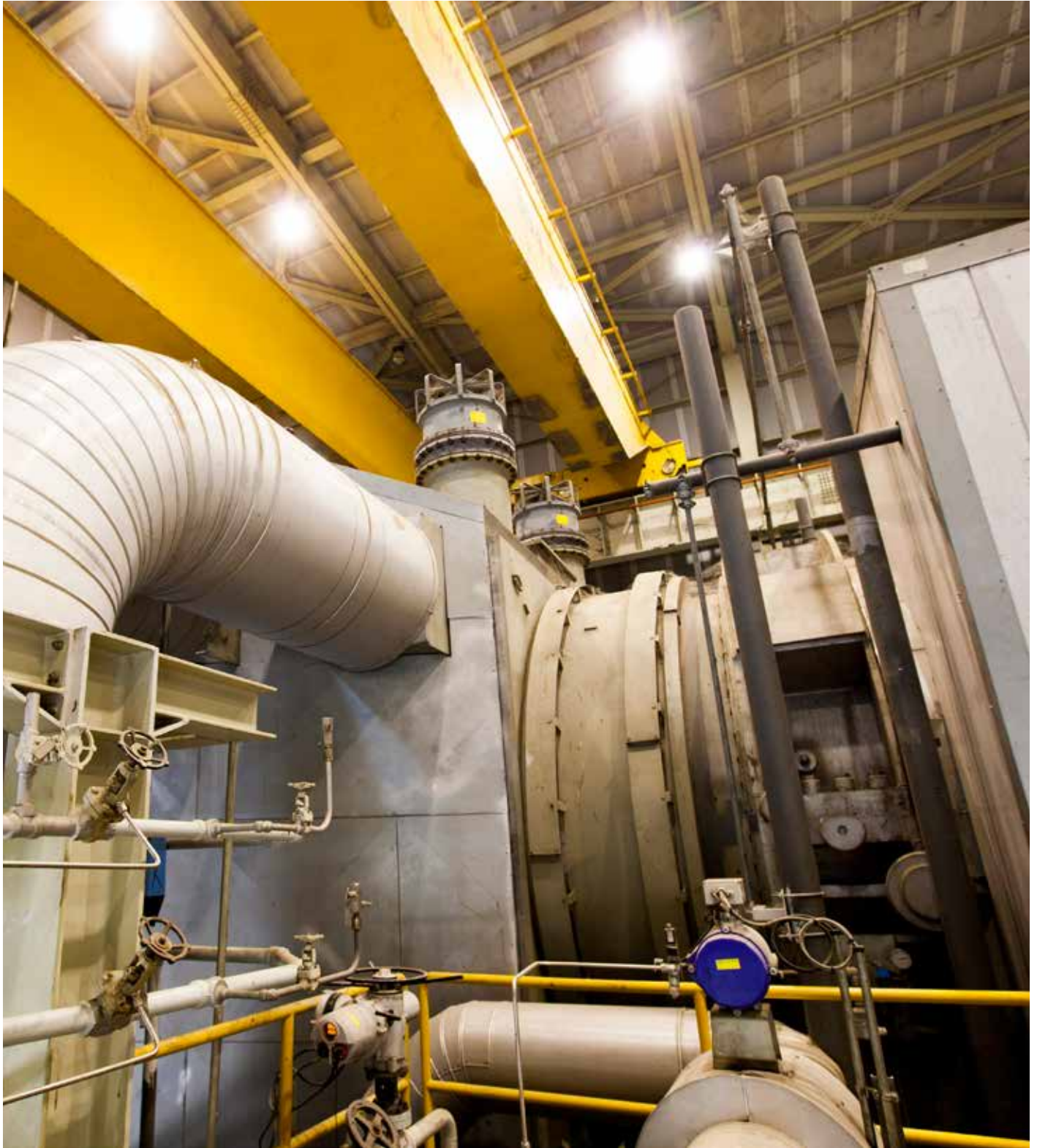
By order of the Board,



Mohammad Abul Mansur, FCMA, ACS
Company Secretary
Ashuganj Power Station Company Ltd.

Note:

1. A member entitled to attend and vote at the Annual General Meeting may appoint any person as a proxy to attend and vote on him/her behalf. A proxy form hereby attached with the annual report.
2. The proxy form, duly completed and stamped, must be deposited not later than 48 hours before the meeting.



CHAIRMAN'S MESSAGE



Khaled Mahmood
Chairman, APSCL

“

... in this view, along with the plan of fuel diversification, the company has already taken initiatives for a mega project of 1320 MW Ultra-Super Critical Coal Fired Power Plant in joint venture with China Energy Engineering Corporation Ltd. (Energy China) at Patuakhali which land acquisition process is going on.

”

A very warm welcome to the 18th Annual General Meeting of Ashuganj Power Station Company Ltd. The state owned enterprise traversed the tested path of many challenges and reached the milestone of 18 years of successful journey in power generation. Being the single largest power generation company of Bangladesh with a generation capacity of 1690 MW electricity, the company is focusing further to enhance its generation capacity 4980MW by 2025 and 7047MW by 2030.

In the year 2017-18, the company portrays a very successful story by generating 7.55 GWh of electricity which consequently boost its sales at BDT 21,773.27 million. Its operational soundness coupled with its efficient workforce fetch an ever highest net profit of BDT 3,295.85 million in the reporting period. The company's plan to declare highest ever final dividend of BDT 5.00 per share for the year 2017-2018, a good testimony of the financial firmness.

Apart from the regular sound operating performance APSCL is heading towards expanding its generation capacity further in accordance to the Power Sector Master Plan. In this view, along with the plan of fuel diversification, the company has already taken initiatives for a mega project of 1320 MW Ultra-Super Critical Coal Fired Power Plant in joint venture with China Energy Engineering Corporation Ltd. (Energy China) at Patuakhali which land acquisition process is going on. Already 515.60 acres of land out of 930.615 acres have got approval for acquisition from Government of Bangladesh and remaining 415.01 acres of land are under process for approval in the concerned Land Ministry for this project.

Besides, in order to replace the existing old inefficient plants with energy efficient power plant a new project Ashuganj 400MW CCPP (East) has been taken with an estimated cost of BDT 29,310 million which mainly be financed by ADB & IDB Loan. This project has already started construction works on 16th July 2018 and expected commercial operation commence by July 2021.

It is worth full to mention that, in order to shift the dependency on external financing, APSCL has taken initiative to raise fund from local capital market through bond issuance. Initially in the first phase APSCL targeted to raise BDT 6,000 million by issuing 7-years non-convertible coupon bearing bond of which BDT 5000 million will be issued under the private placement while the remaining amount BDT 1000 million will be under public offering. Regulatory approval for issuing BDT 5000 million of the private placement has already been obtained and investment commitment of BDT 3850 million has already received from the potential investor.

The last two and half year was a very challenging for the company. However by the Grace of Allah we have successfully overcome all those challenges and now the company is put under sound portrayal.

On behalf of the Board of Directors, I feel proud to acknowledge the visionary leadership of Honorable Prime

Minister Her Excellency Sheikh Hasina, Government of Peoples Republic of Bangladesh that has helped to reach the power sector at the stage it is now. I would like to express my sincere gratitude to Honorable Adviser to the Prime Minister for Power Energy and Mineral Resources Affairs Dr. Towfiq-E-Elahi Chowdhury, BB, Honorable Minister of State, Ministry of Power, Energy and Mineral Resources Mr. Nasrul Hamid, MP, Principal Coordinator (SDG Affairs) of PMO Mr. Md. Abul Kalam Azad and Secretary, Power Division Dr. Ahmad Kaikaus for their invaluable guidelines and support for smooth progress of the company. I would also like to extend heartfelt thanks and gratitude to Ministry of Planning, Finance Division, Economic Relation Division, Energy Division, Ministry of Law, Ministry of Commerce, Banking Division, Bangladesh Power Development Board, National Board of Revenue, Bangladesh Bank, Petro Bangla, Bakhraabad Gas Distribution Company, Asian Development Bank, Islamic Development Bank, HSBC, SCB and other development partner & financial institution for their valuable help and assistance.

I also express my sincere thanks to the Board Members for their continuous support and contribution. I also sincerely acknowledge the hard work and team effort of the APSCL management and all employees for making APSCL as a model public company in the power sector.

I wish you all a prosperous 2019 and wellbeing for all of you and family members. Let us pray to Almighty Allah for peace and good health for all of.



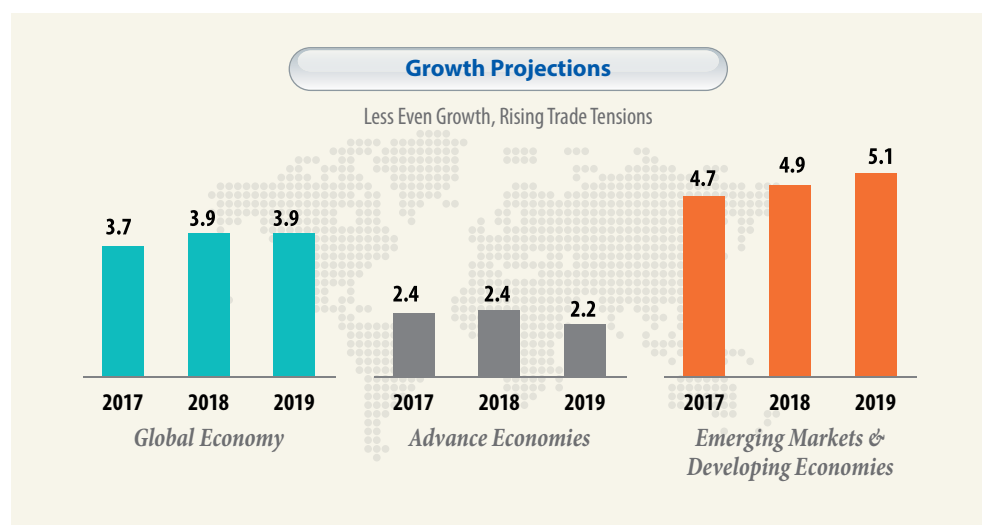
Khaled Mahmood
Chairman, APSCL &
Chairman, Bangladesh Power Development Board.

DIRECTORS' REPORT

The Directors of the Board of Ashuganj Power Station Company Ltd. (APSCL) have the pleasure of submitting their report and the audited financial statements of the company for the year 2017-18.

Overview of Global Economy

The growth projection of the world economy, both in 2018 & 2019, is to reach 3.9%, a 0.20% rise from the previous fiscal. However such expansion might become less even and risks to the outlook are likely to be mounting. The growth has become less synchronized and rate of development appears to be thin in the advanced economies. The prognosis for this zone has been revised down to 2.2% in 2019 from 2.4% in 2017 & 2018, reflecting negative surprises to activity in early 2018. Besides following the announcement of the proposed tariff on US\$ 60 billion worth of Chinese goods by USA, a full-fledged trade war between these two countries might take place which would have a severe impact on the global economy. In the emerging territories, amid the escalating oil prices, dollar appreciation, geopolitical conflict, swelling trade tensions, and market pressures on the currencies of some economies with weaker fundamentals, the development views are also becoming more bristly, from 4.7% in 2017 to 5.1% in 2019.



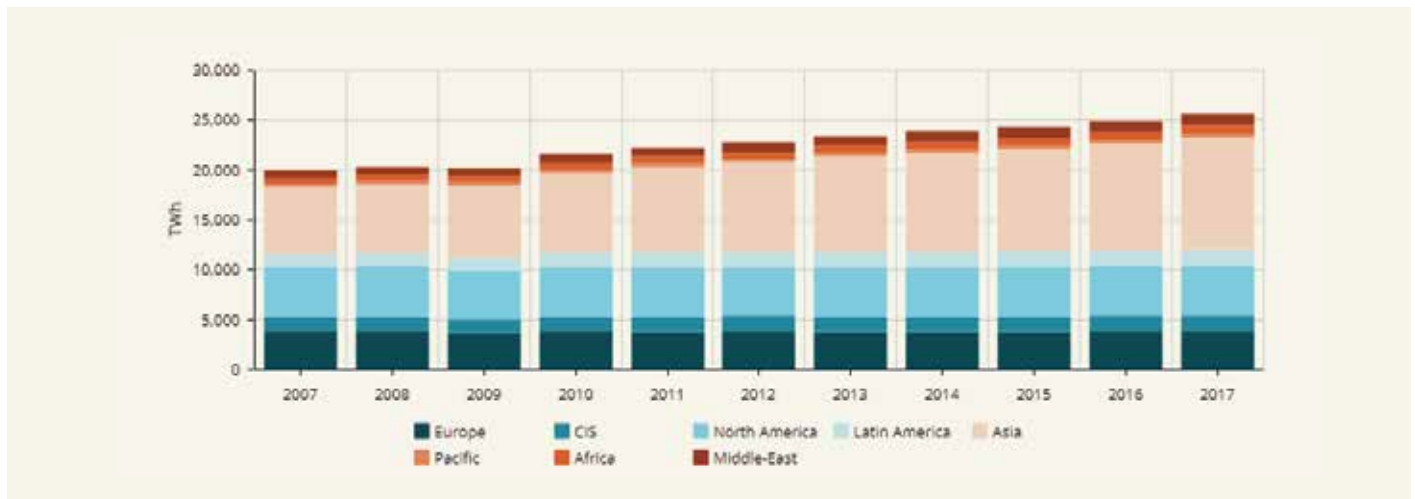
Source: World Economic Outlook Update July 2018, IMF

Global Power & Energy Sector

In 2017, most of the surge in global power generation ensued in Asia, mainly for the growth in China, India, and Japan which accounted nearly 75% of the rise in global electricity generation in 2017. The upward swing of power generation in China is mostly contributed to a high demand coupled with the fast development of generating capacities. Next, to this, India secured third in the locus following the burgeoning demand of electricity in the agricultural sector, technological advancement and increased investment in renewable energy which accounts for nearly one-third of total installed capacity.

Besides that, five years after the Fukushima Daiichi nuclear disaster, Japan's power generation recovered by increasing the share of power generation from solar and hydro. The country has the third largest solar PV installed capacity with about 50 GW as of 2017 and is the second largest pumped-hydro storage installed capacity in the world after China. In addition to these countries, power generation surged in the Middle East and central Asia in the considering period following the bubble in the real estate sector.

On the other hand, the growth of electricity generation remains almost stagnated in Russia due to the slowdown in the economy. Furthermore, power generation contracted in the USA for the low demand. On contrary, it has increased in Canada and the European Union, though to a lesser extent.



Source: Global Energy Statistic Year Book 2018

The Future of Electrification



Source: World Energy Outlook

The future of electrification of electricity is an intensifying force among worldwide end user of the energy which will consume nearly 40% of the primary energy by 2040. On average, the world also gains 45 million new electricity consumers each year due to expanding access to electricity.

Electricity makes inroads in supplying heat and mobility, alongside growth in its traditional domains, allowing its share of final consumption to rise to nearly a quarter. The increasing use of digital technologies across the economy improves efficiency and facilitates the flexible operation of power systems.

DIRECTORS' REPORT

Bangladesh's Development Miracle: From MDGs to SDGs

Bangladesh has an inspiring story to tell. The country has earned many international accolades for its achievements in MDGs. While embarking on the journey to implement the SDGs, it draws inspiration from the ideals of the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman, who envisaged a prosperous Bangladesh with equal opportunities for all.

The Government of Prime Minister Sheikh Hasina envisioned transforming Bangladesh into a middle income country by 2021 and a developed country by 2041. Bangladesh has already become a low middle income country by achieving the three graduation index (per capita GNI, Human Asset Index & Economic Vulnerability Index). This indicates that Bangladesh is well positioned to emerge as a global thought leader with regard to achieving the Sustainable Development Goals (SDGs) which was adopted by the leaders of 193 countries on 2015, also known as the 2030 Agenda. The SDGs rest on three pillars—economic, social and environmental—so that development is sustainable, inclusive and holistic. At the heart of 17 goals and 169 targets of the SDGs is the principle of leaving no one behind, that is reaching out to each and every one who is deprived.



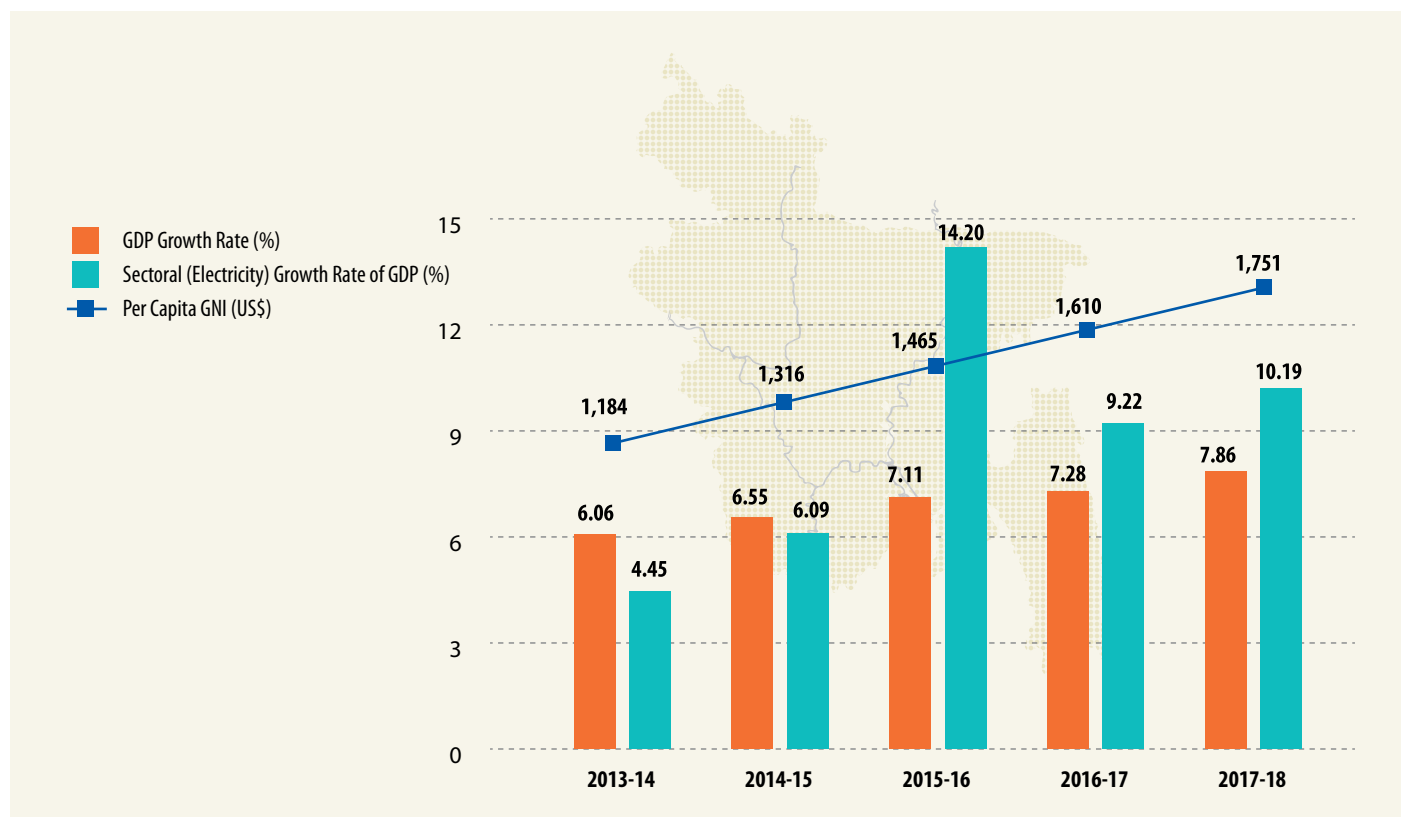
LDC Graduation Criteria

| | Gross National Income | Human Assets Index | Economic Vulnerability |
|------------------|-----------------------|--------------------|------------------------|
| Required | \$ 1,230 or above | 66 or above | 32 or below |
| Bangladesh Score | \$ 1,272 | 72.8 | 25 |

Bangladesh integrated the 2030 Agenda in its 7th FYP (2016-2020). This offered a tremendous opportunity to implement the 2030 Agenda, while reflecting the priorities of the SDGs in the national plan. The Government has adopted “Whole of Society” approach to ensure wider participation of NGOs, development partners, private sector and media in the process of formulation of the implementing SDGs.



National Economic Environment



Source: Bangladesh Bureau of Statistics

In the last fiscal year 2017-18, the economy of Bangladesh illustrates a decent picture, with robust and stable growth of 7.86% in GDP growth. After years of languishing in the neighborhood of 6%, this is the 3rd consecutive year that the economic growth is above 7%. Such strong growth comes with political and economic stability, infrastructural development, consistent sectorial growth, stable inflation, moderate public debt and greater resilience to external shocks. The country continues to make a steady progress in reducing poverty and improving social indicators. Poverty has declined steadily and other social indicators, like gender disparity in education and maternal mortality, have also improved. Throughout this process, the country has diversified away from an agrarian to a more manufacturing-based economy with rapid growth in the ready-made garment industry.

It is undergoing a transformation from a low income to a middle income economy. The move from LDC to developing country status will improve investor interest and support the growth of export industries. The south Asian country continues to generate a strong growth which significantly lifting pre capital income (GNI) at \$ 1,751 in 2017-18.

The Global Economic Prospects (GEP), a flagship report of the World Bank Group, has painted a brighter picture of Bangladesh's economy in the next two fiscal years, pinning hopes on strong domestic demand, exports, investments and remittance. According to this report, Bangladesh is among the top 17 out of 134 countries in the list of GEP forecasts that are projected to have a growth rate of 6.4% or more in 2017-18.

Another analysis by Price Water House Coopers (PwC), one of the largest multinational professional body headquartered in London, UK, depicts that Bangladesh has the potential to be among the fastest growing economies in coming years, which will help it take 28th place among the world's most powerful economies by 2030.

DIRECTORS' REPORT

Major Macroeconomic Indicators in 2017-18

1. GDP: Tk. 22,504 billion
 - Sectoral Share of GDP
 - Agriculture : 13.82%
 - Industry: 30.17%
 - Service: 56.01%
2. Sectoral growth rate of GDP:
 - Agriculture: 4.19%
 - Industry: 12.06%
 - Services: 6.39%
3. Investment as a % of GDP: 31.47%
4. Revenue receipt as a % of GDP: 12.87%
5. Total government expenditure as a % of GDP: 17.88%
6. Budget: Tk. 4,645.73 billion
7. Annual Development Program (ADP): Tk. 1,730 billion
8. ADP in Power Division: Tk. 262.92 billion
9. Foreign Exchange reserve (June, 2018): \$ 32.92 billion
10. Export Earnings: \$ 36.66 billion
11. Foreign Direct Investment (FDI): \$ 1.583 billion
12. Bank interest rate: 5%
13. Inflation (July, 2018): 5.51%
14. Foreign remittance: \$ 14.71 billion
15. Country Rating: Ba3- stable



Glimpses of Power Sector in Bangladesh

Like many other developing countries, electricity plays a pivotal role in the socio-economic development of Bangladesh. In line with many other macroeconomic indicators, the country has experienced an unprecedented growth rate in this sector in the past ten years. The coverage of electricity is an excellent example of inclusive growth. At this instant, country's electricity coverage is 90.50% of its total population which was only 47% in a few years back, thanks to the government's supportive measures in this context. Besides per capita generation has mounted from 220 KWh in 2009 to 464 KWh in 2018. The government has taken many initiatives for increasing power generation as well as expanding its coverage.

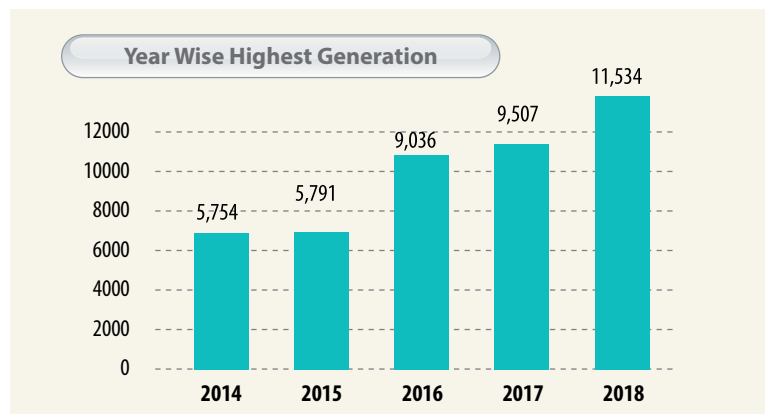
Demand for electricity has been increasing day by day. Realizing the importance of electricity Government has set a target to provide electricity to all citizens by 2021. It has declared 'Vision 2021' to raise the economy at the level of a middle-income country scaling up economic growth rate to 12% by 2021 and a developed country by 2041. To achieve the Vision government has set a target to generate 24,000 MW by 2021, 40,000 MW by 2030 and 60,000 MW by 2041. To meet the demand of electricity short, mid and long-term generation, distribution & transmission projects are in different phases of implementation. As a part of innovating financing, Government has managed to G2G, bidder's financing and ECA financing for the power project. However, the cooperation of Development Partners and the private sector is very essential.



Power Sector Growth: A success story

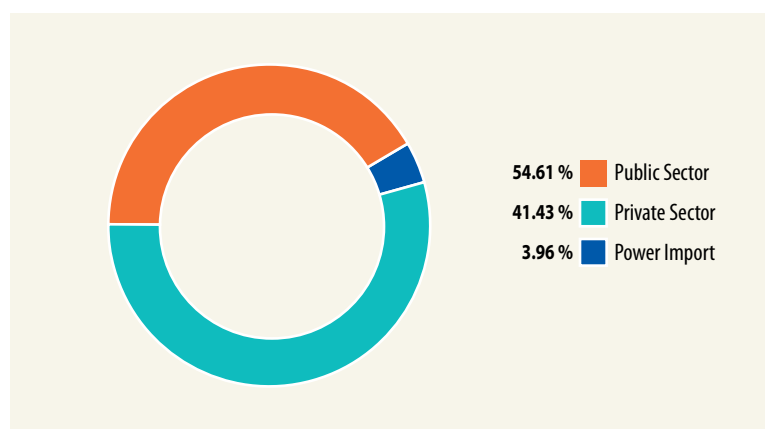
| Particulars | Jun-17 | Jun-18 | Achievement |
|---------------------------------------|-------------------------------|-------------------------------|-------------|
| Installed Generation Capacity (in MW) | 15,755 (including captive) | 20,000 (including captive) | (+) 4,225 |
| Highest Generation (in MW) | 9,507 (18.10.2017) | 11,534 (17.09.2018) | (+) 2,027 |
| Population Access to Electricity (%) | 80 | 90.5 | (+) 10.50 |
| Per Capita Generation (KwH) | 433 | 464 | (+) 31 |
| Electricity Consumer No. (in million) | 25.9 | 30.3 | (+) 4.40 |
| Allocation in ADP (in crore) | 22,885 (in 2017-18) | 26,292 (in 2018-19) | (+) 3,407 |
| Total System Loss (%) | 12.19 | 11.4 | (-) 0.79 |

Source: Publication of Power Division in Power & Energy Week 2018



Source: Bangladesh Power Development Board

Contribution of Public-Private Sector



Source: Bangladesh Power Development Board

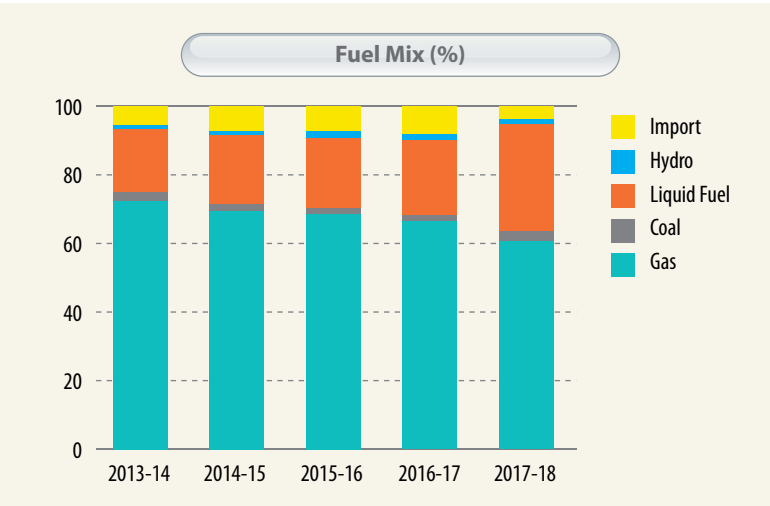


The above graph illustrates the sectorial contribution of installed power generation capacity as on August, 2018. From this graph, it is evident that public sector comprises 53.93% of the total installed power generation capacity. This sector includes generation from BPDB, APSCL, EGCB, NWPGL, RPCL & BPDB RPCL JVC. On the other hand private sector contributes 42.05% of the total installed power generation capacity which are comprises off IPPs, SIPP-BPDB, SIPP-REB, 5 Year Rental and 15 Year Rental. Apart from these two sectors the country is now importing power from India which is 4.02% of the total installed power generation capacity.

DIRECTORS' REPORT

Fuel Mix

In the earlier stage the power sector of Bangladesh was heavily reliant on natural gas with about 84% of capacity was gas based while about 8% was fuel oil based. However due to the depletion of this source government are zooming on some other bases which brought down the share of gas from 72% in 2013-14 to 61% in 2017-18. In contrast, the contribution of liquid fuel has been increased from 18% in 2013-14 to 31% in 2017-18. A major switch in fuel use is expected to happen from 2020-21, when a massive increase in power generation is expected to be based on imported coal following the commencement of three coal fired power plant_1320MW at Payra, 1200MW at Matarbari and 1320MW at Rampal.



Source: Bangladesh Power Development Board

Significant progress has been made in power trading with the neighboring countries. The government has a plan to import 9000MW electricity from the neighboring countries by 2041 to maintain the country’s high economic growth. The country is now importing 110MW from India while another 500MW import of power is under processing.

Besides a memorandum of understanding has already been signed in the last 4th BIMSTEC Summit at Kathmandu for trade of 500MW of electricity with Nepal. Moreover on that summit the member countries have inked a memorandum of understanding in order to establish electricity grid interconnection which will eventually ensure the optimization of the uses of energy sources and promote & secure an efficient power operating system in that region.

Renewables Energy

The government is continuing on its effort to increase the production of renewable energy based power generation in its fuel mix. Though at present the share of renewable energy is nominal, but the government is aiming to uplift that ratio (share of renewables) 10% plus by 2020. The country has already installed world’s largest SHS (Solar Home System) program with about 5 million SHS. Over 30 million people are benefitting directly from solar energy and over 100,000 new employments have already been created with a 10% rise in the last year.

Another promising renewable energy for Bangladesh is biomass as most of the households, especially the rural households in the country use biomass fuels. In the preceding year, the country ranked 5th in terms of installing domestic bio gas plant. Nearly 50,000 bio gas plant have been installed in Bangladesh so far.

Besides the government is working for wind energy; another potential source of energy,



since the country is situated in the tropical zone having hundreds km coastal line. Additionally tidal energy could be another source since the country has the opportunity to generate such in the coastal and near coastal areas at Khulna, Bagerhat, Barisal, Satkhira and Cox's.

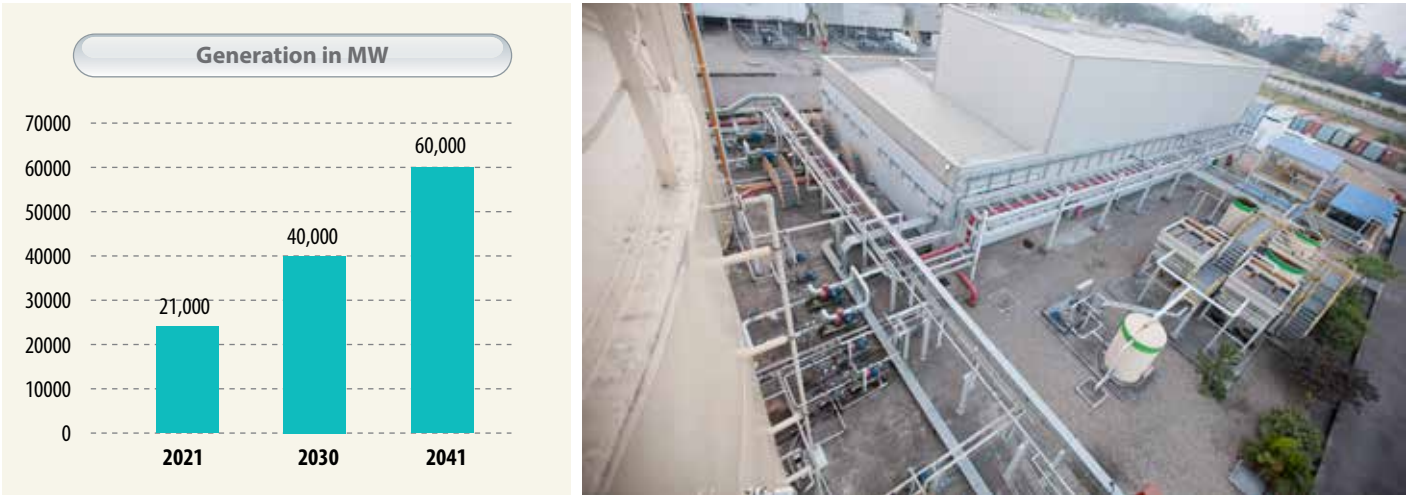
Future of Bangladesh Power Sector

To achieve the overarching goal of Vision 2021 and Vision 2041 through bringing stability to the macro-economic structure and achieving rapid economic growth, Government has set target to generate 24,000 MW, 40,000 MW and 60,000 MW by 2021, 2030 and 2041 respectively. Simultaneously priority has been given for construction of adequate transmission and distribution network to evacuate generated power to the people. Transmission line (132KV, 230 KV, 400KV & 765KV) will be increased from 11,122 circuit kilometer to 36,870 circuit kilometer by 2041. Similarly distribution line will be enhanced from 455,000 Kilometer to 530,000 Kilometer by 2041.

Government has taken different projects for distribution automation, smart meter, installation of under-ground substation in Dhaka city, GIS mapping, SCADA/EMS, ICT, smart grid and innovation activities to ensure uninterrupted and reliable power supply. As such, Government has put the highest priority to improve power supply. Besides, through repair and repowering of the existing old power plants and improving the demand side management an unprecedented success has been achieved in power sector.

Power Division has adopted policies to set up base load power plants in order reduce electricity production cost and ensure sustainable way of electricity generation. Depletion of natural gas reserve restrict the current generation of electricity. To supplement gas supply, Government has taken initiatives to set up land based and FSRU LNG terminal.

The Power division has already adopted policy in 2008 for generating electricity from renewable sources. Till to date about 520 MW power is generated from renewable energy resources. As policy 2,000 MW will generated by 2020 from renewable energy resources.



Source: Power Division

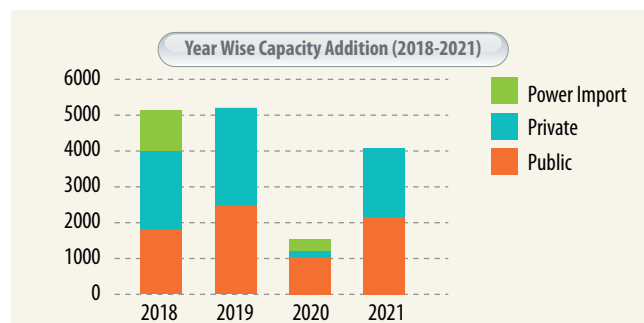
Generation Addition Plan by 2021

Plans for setting up short, mid and long term power plants have been adopted in order to ensure electricity for all by 2021. These plants for establishing yearly and tenure based power plants are being revised, every year, on the basis of their implementation success. The establishment of a power plant is a multifaceted process and therefore it is not always possible to set up a power plant within the stipulated time. Upcoming generation plan up to 2021 is shown below:

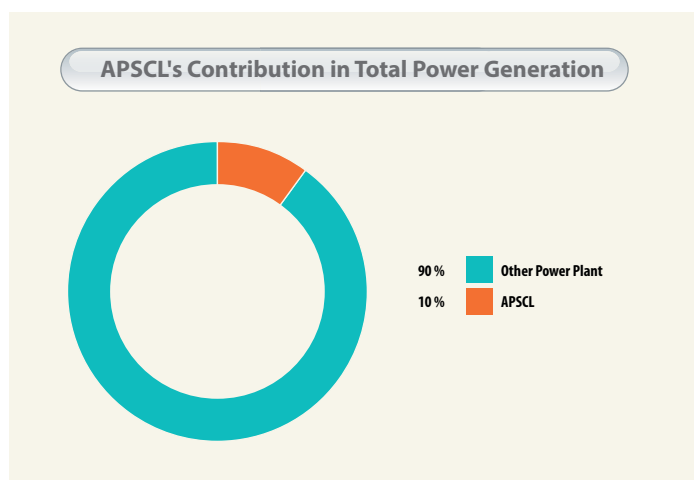
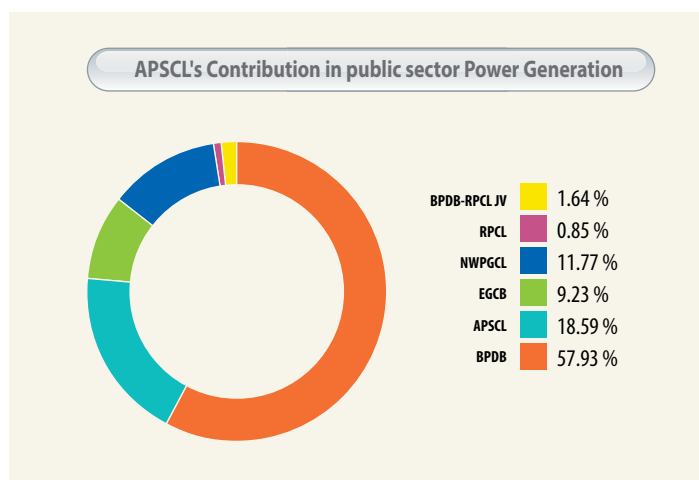
DIRECTORS' REPORT

| Year Wise Capacity Addition (2018-2021) | | | | | |
|---|-------|-------|-------|-------|--------|
| Description | 2018 | 2019 | 2020 | 2021 | Total |
| Public | 1,814 | 2,451 | 1,044 | 2,165 | 7,474 |
| Private | 2,171 | 2,759 | 163 | 1,901 | 6,994 |
| Power Import | 1,160 | - | 340 | - | 1,500 |
| Total | 5,145 | 5,210 | 1,547 | 4,066 | 15,968 |

Source: Publication of Power Division in Power & Energy Week 2018



APSCL's Performance in FY2017-18

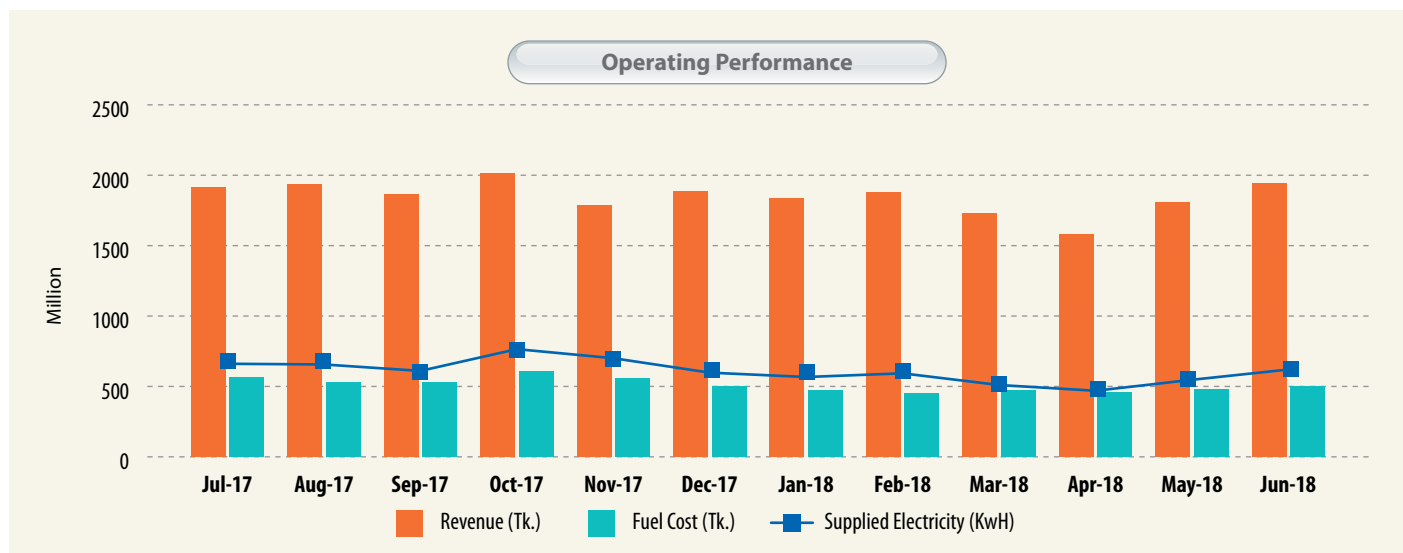


Source: Bangladesh Power Development Board

The state owned Ashuganj Power Station Company Limited (the erstwhile Ashuganj Power Station Complex), started its voyage in 1970, the first mover in pioneering power generation in Bangladesh. Through its journey of more than four decades it experienced amazing highs and several curious twists. Over the years, the company paints a truly inspirational development by successfully commissioning twelve (12) units in its fleets while two other (1320MW Coal Power & 400MW CCPP East) projects are expected to be implemented within next few years. At present the installed capacity of its eight (8) units is 1690MW which is 10% of the total power generation in the country and is 18.59% of the public sector generation (as on August, 2018).

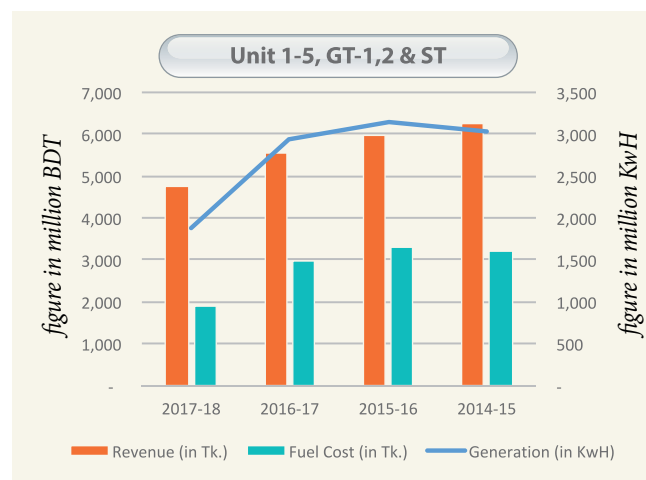
Operating Performance

During the FY 2017-18, the company supplied 7.55 GWh of electricity into the national grid which is 17.43% more than that of the previous period. Such increase in generation is mainly contributed by the increased generation of 50MW GE, 225MW CCPP, 450MW CCPP (South) and 450MW CCPP (North). In the considering period, the company earned Tk. 21,773.27 million which is 39.04% more than that of the period. However the fuel cost has increased only by 9.67% in the said period as against corresponding period of the previous fiscal. During this period APSCL operates its machine on merit basis according to fuel efficiency. As a result of this fuel cost has increased only 9.67% compared to the 17.43% increase in the generation.



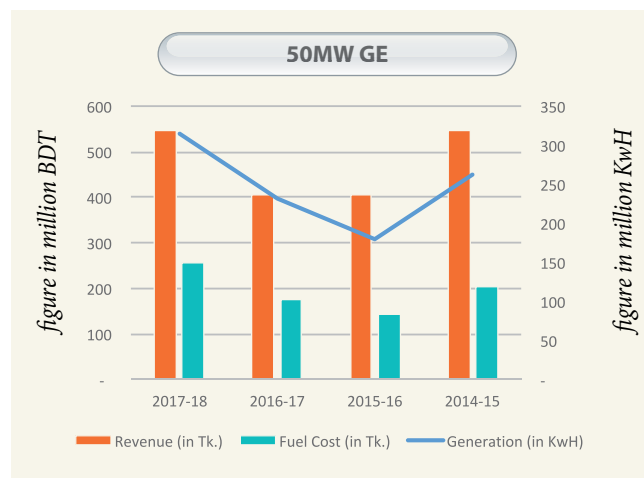
Review of the Plants

- Unit 1-5, GT-1,2 & ST:** These units are the oldest plant of APSCL. Unit 1&2 were come into generation in 1970 followed by GT-1 in 1982. Afterwards ST came into operation in 1984. Then in 1986, GT 2 & Unit 3 commenced. Commercial operation of Unit 4 & 5 started in 1987-88. After successfully operating more than three decades GT-1, ST & Unit-1 has been permanently decommissioned in 2014. Three years later GT-2 retired followed by Unit 2 in 2018. Currently Unit 3,4&5 are in operation whose capacity is 450MW and during the considering period 2017-18, these units generate 1.88 GwH of electricity with a average plant factor 53.99% and plant efficiency 35%. The average tariff rate for per unit of electricity of these Units is Tk. 1.91. In the said the sales proceed from these units were Tk. 4,743.72 million against fuel cost of Tk. 1,914.25 million.

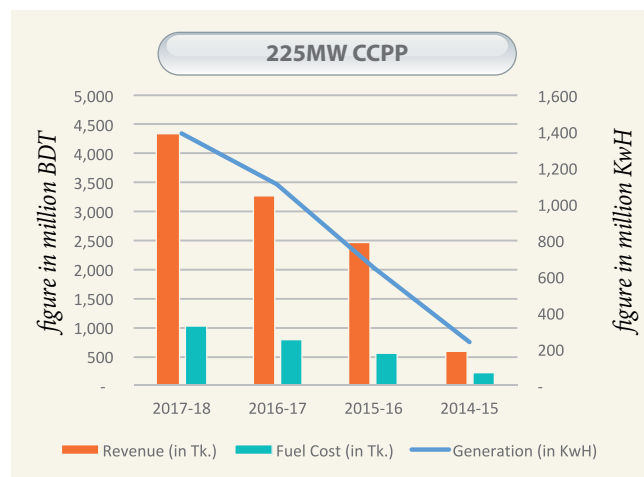


DIRECTORS' REPORT

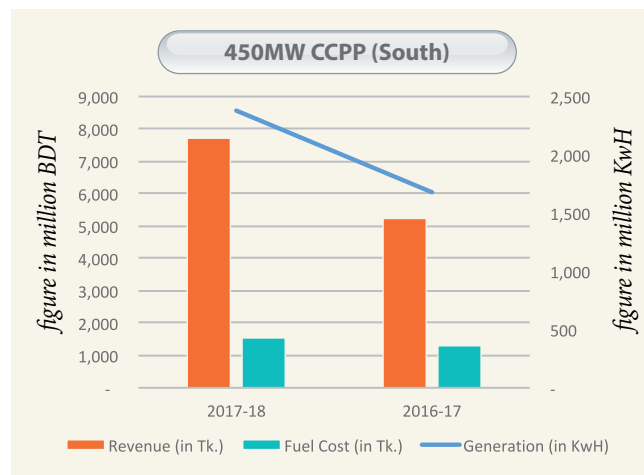
2. 50MW GE: The gas engine power plant was installed in 2011 by APSCL own fund with a cost of Tk. 3500 million. The capacity of this plant is 53MW and during this period it generates 0.32 GwH which fetched sales revenue of Tk. 547.85 million. The fuel cost of this plant is Tk. 256.37 million in this period. The plant factor and efficiency of this plant is 73.42% & 40% respectively. Per unit energy price for this plant is Tk. 1.87.



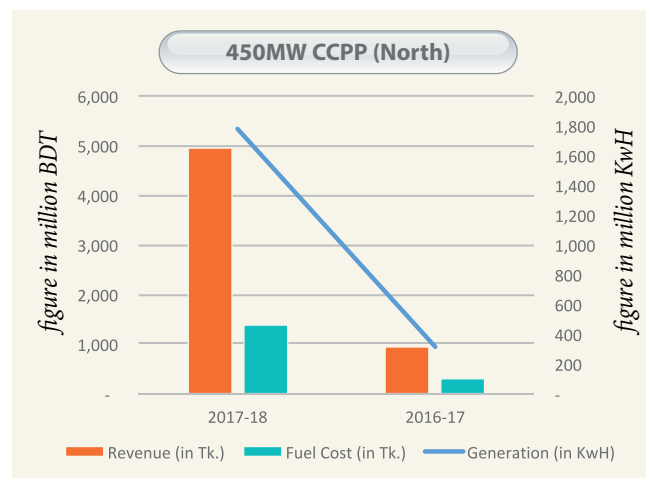
3. 225MW CCGP: This is the first ECA Financed project with a cost of Tk. 20,480 million which started in 2013 and came in commercial operation in 2015. The capacity of this plant is 223MW while during this fiscal it generates 1.39 GwH of electricity. The price for per unit of electricity of this plant is Tk. 2.03. In this period the revenue & fuel cost of this plant are Tk. 4,349.04 million and Tk. 1,009.87 million respectively. At present the plant factor of this unit is 71.47% while the plant efficiency is 49%. The lower plant factor of this plant is due to FGMO (Free Governing Mode Operation).



4. 450MW CCGP (South): Another ECA backed project is 450MW CCGP (South) whose works started in 2013 with a cost of Tk. 37,920 million while the commercial operation launched in 2016. The capacity of this plant is 383MW. In the last fiscal, this plant produced 2.38 GwH of electricity which fetched Tk. 7,738.06 million sales revenue. The fuel cost for generating such electricity from this plant is Tk. 1,559.04 million. At this instant, APSCL earn Tk. 2.0044 for selling per unit of electricity from this plant. The efficiency and plant factor of this plant is 54% and 75.63% respectively. The lower plant factor of this plant is due to FGMO (Free Governing Mode Operation).



5. 450MW CCPP (North): The newest addition of APSCL production portfolio is 450MW CCPP (North) plant which is mainly a ADB & IDB Financed project with a cost of Tk. 34,000 million. The project work started on April 2014 while it has come into generation from June 2017. The capacity of this unit is 386MW and in this period it generates 1.78 GwH of electricity. The sales proceed from this electricity is Tk. 4,961.47 while fuel cost is Tk. 1,380.07 million. The tariff rate for this plant is Tk. 1.88 and efficiency & plant factor is 46% & 56.38% respectively. This is because of running simple cycle mode for few months due to water intake system maintenance work.

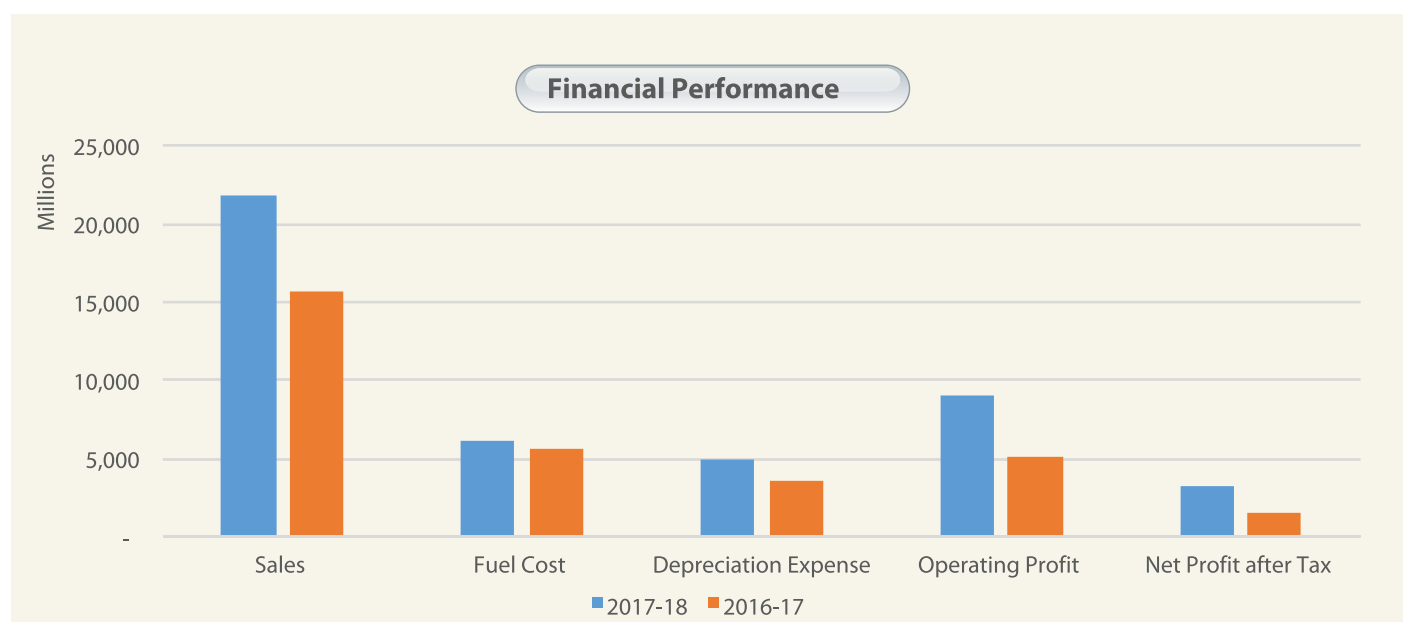


DIRECTORS' REPORT

Financial Performance

The financial position of the company for the period 2017-18 are demonstrated below:

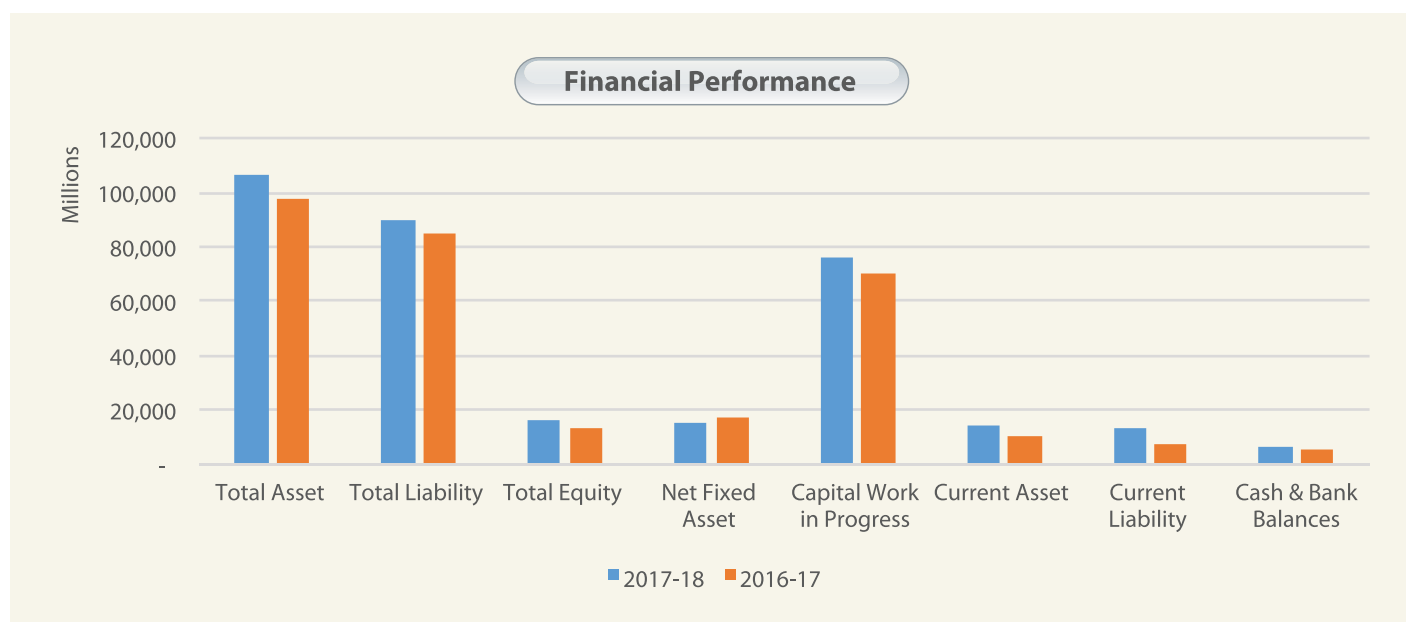
| Particulars | 2017-18 | 2016-17 | % Increase / (Decrease) |
|----------------------|----------------|----------------|-------------------------|
| Sales | 21,773,269,662 | 15,660,032,053 | 39.04% |
| Fuel Cost | 6,119,641,693 | 5,579,827,856 | 9.67% |
| Depreciation Expense | 4,906,073,958 | 3,622,107,814 | 35.45% |
| Operating Profit | 9,048,807,480 | 5,040,595,293 | 79.52% |
| Net Profit after Tax | 3,295,847,982 | 1,507,187,203 | 118.68% |



In the FY2017-18, the company earned Tk. 21,773.27 million from sales of electricity which is 39.04% more than that of the previous period. Such increase in sales is mainly attributed to the surge in generation of the 50MW GE, 225MW CCPP, 450MW CCPP (South) and 450MW CCPP (North).

On the cost side, fuel cost has been increased by 9.67% during this period following the increase in generation. In this period, interest expense has been increased 38.85% due to the installment against the ECA Loans. Moreover depreciation expenses and personnel expenses has been increased by 35.45% and 16.69% respectively in the considering year. All these factors, including others, impact on the increase in net profit after tax by 118.68% during this period.

| Particulars | 2017-18 | 2016-17 | % Increase / (Decrease) |
|--------------------------|-----------------|----------------|-------------------------|
| Total Asset | 106,008,663,423 | 98,108,867,184 | 8.05% |
| Total Liability | 89,914,847,477 | 85,145,524,220 | 5.60% |
| Total Equity | 16,093,815,946 | 12,963,342,964 | 24.15% |
| Net Fixed Asset | 15,159,822,219 | 16,733,415,073 | -9.40% |
| Capital Work in Progress | 75,912,802,499 | 70,612,683,240 | 7.51% |
| Current Asset | 14,631,988,707 | 10,458,718,872 | 39.90% |
| Current Liability | 13,039,012,568 | 7,638,114,041 | 70.71% |
| Cash & Bank Balances | 6,009,276,615 | 5,160,571,223 | 16.45% |



In the FY2017-18, current asset has been increased by 39.90% following the increase in accounts & other receivable and cash at bank. Accounts receivable has been increased following the increases in the sales revenue. Cash at bank has been increases due to the mandatory deposit in the Standard Chartered Bank and HSBC Bank as per the Common Terms Agreement (CTA) of 225MW CCPP & 450MW CCPP (South) project and effects of exchange rate changes on cash and cash equivalents.

On the liability side, current liability has been increased significantly (70.71%) because of the payables of the ECA Loan, BPDB Loan and overhauling project loan in the respective period.

All the above factors, including others, increases total asset and total liability by 8.05% & 5.60% respectively in this year. In line with these, shareholders equity has also increased by 24.15% in the period.

DIRECTORS' REPORT

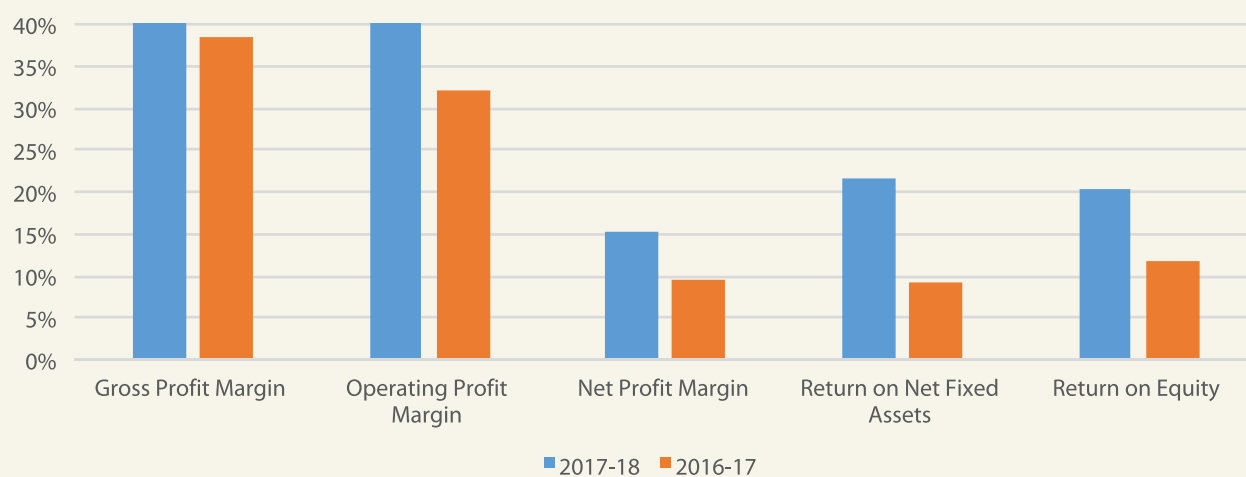
Key Performance Indicators

Key performance indicators for the year 2017-18 are as follow

| Particulars | 2017-18 | 2016-17 |
|-----------------------------------|---------|---------|
| Net Asset Value Per Share | 243.29 | 195.97 |
| Net Operating Cash Flow Per Share | 139.12 | 80.51 |
| Basic Earnings Per Share | 49.82 | 22.78 |
| Diluted Earnings Per Share | 19.47 | 8.90 |
| Gross Profit Margin | 47.27% | 38.48% |
| Operating Profit Margin | 41.56% | 32.19% |
| Net Profit Margin | 15.14% | 9.62% |
| Return on Net Fixed Assets | 21.74% | 9.01% |
| Return on Equity | 20.48% | 11.63% |
| Current Ratio | 1.23:1 | 1.37:1 |
| Quick Ratio | 1.01 | 1.20 |
| Debt Equity Ratio | 4.78 | 5.98 |
| Debt Service Coverage Ratio | 1.50 | 1.47 |
| Accounts Receivable Ratio | 4.02 | 4.65 |
| Average Collection Period | 2.99 | 2.58 |



Financial Ratios



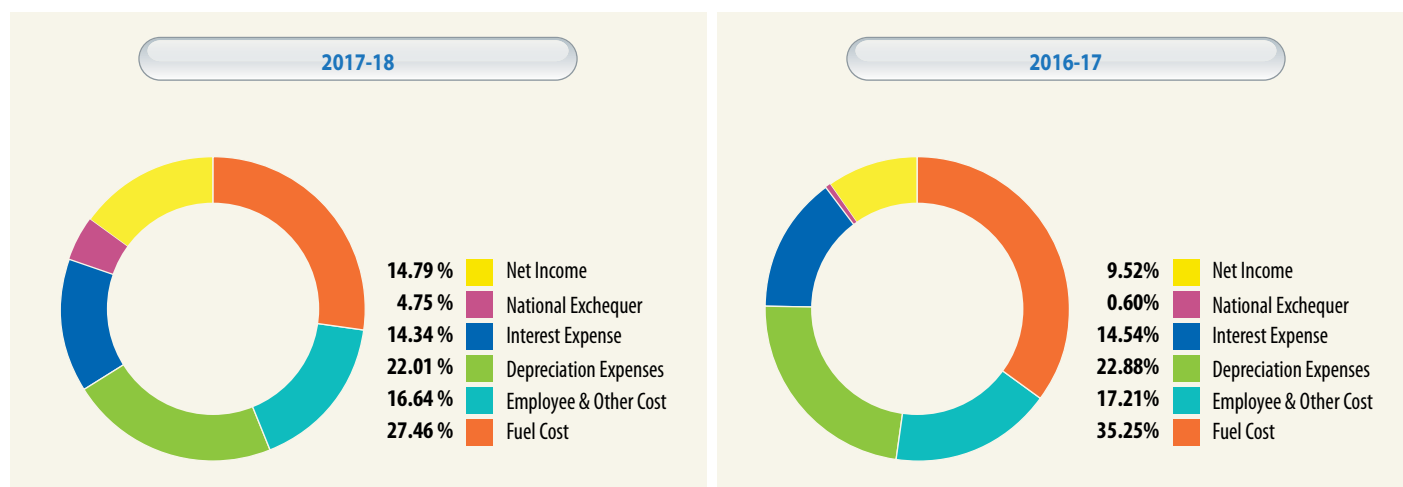
Value Addition:

| Composition of Value Addition | 2017-18 | | 2016-17 | |
|-------------------------------|----------------|------------|----------------|------------|
| | Amount in BDT | % of Total | Amount in BDT | % of Total |
| Revenue | 21,773,269,662 | 97.70% | 15,660,032,053 | 98.92% |
| Other Operating Income | 159,652,231 | 0.72% | 129,208,702 | 0.82% |
| Finance Income | 353,257,469 | 1.59% | 41,137,027 | 0.26% |
| Total Added Value | 22,286,179,362 | 100.00% | 15,830,377,782 | 100.00% |

Distribution of Added Value

| | | | | |
|-------------------------|----------------|---------|----------------|---------|
| Fuel Cost | 6,119,641,693 | 27.46% | 5,579,827,856 | 35.25% |
| Employee & Other Cost | 3,709,217,290 | 16.64% | 2,724,019,619 | 17.21% |
| Depreciation Expenses | 4,906,073,958 | 22.01% | 3,622,107,814 | 22.88% |
| Interest Expense | 3,196,740,682 | 14.34% | 2,302,253,023 | 14.54% |
| National Exchequer | 1,058,657,757 | 4.75% | 94,982,267 | 0.60% |
| Net Income | 3,295,847,982 | 14.79% | 1,507,187,203 | 9.52% |
| Total Distributed Value | 22,286,179,362 | 100.00% | 15,830,377,782 | 100.00% |

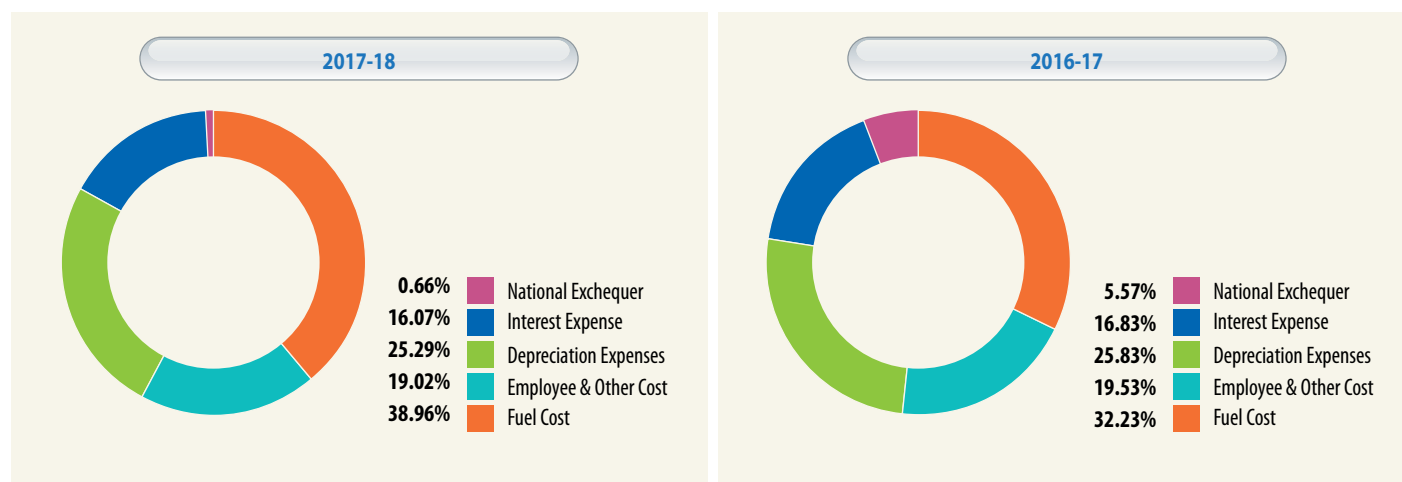
Distribution of Added Value:



Composition of Total Expenses:

| Particulars | 2017-18 | | 2016-17 | |
|-----------------------|----------------|------------|----------------|------------|
| | Amount in BDT | % of Total | Amount in BDT | % of Total |
| Fuel Cost | 6,119,641,693 | 32.23% | 5,579,827,856 | 38.96% |
| Employee & Other Cost | 3,709,217,290 | 19.53% | 2,724,019,619 | 19.02% |
| Depreciation Expenses | 4,906,073,958 | 25.83% | 3,622,107,814 | 25.29% |
| Interest Expense | 3,196,740,682 | 16.83% | 2,302,253,023 | 16.07% |
| National Exchequer | 1,058,657,757 | 5.57% | 94,982,267 | 0.66% |
| Total | 18,990,331,380 | 100.00% | 14,323,190,579 | 100.00% |

DIRECTORS' REPORT



Profit Appropriation During 2017-18 the company's net profit amounted to Tk. 3,295.85 million compare to BDT 1,507.19 million in the previous year. However the company needs adequate funds for uninterrupted progress of the project as well as for future growth. Keeping this in view the Directors would like to report the company's financial result for the year ended 30 June 2018 with the recommendation for appropriation as follows:

| Particulars | 2017-18 |
|--|---------------|
| Net Profit Before Tax | 4,354,505,739 |
| Provision for Deferred & Current Income Tax | 1,058,657,757 |
| Profit Available for Appropriation | 3,295,847,982 |
| Appropriations | |
| Proposed Dividend @ BDT 5.00 per share of Tk. 100 each | 330,750,000 |
| Transferred to the retained earnings | 2,965,097,982 |
| Total Appropriations | 3,295,847,982 |

Contribution to the National Exchequer & the Economy

Electricity is one of the main driving forces of the economy and it has a diversified use and multiplier effect in the economy. Significantly in the development of industrialization, electricity as fuel has no other alternative. In the FY 2017-18, APSCL has added 7.55 Giga Watt Hour electricity to national grid. This addition has contributed significantly in enhancing industrial production and providing more job opportunities throughout the country. During reporting year ended June 2018, APSCL collected Tk. 84.44 Million as VAT and Tk. 267.24 Million as Income Tax on behalf of the Government and deposited the same into the Government Treasury. In the reporting period, APSCL also paid Tk. 60.15 million as CD VAT.

| Particulars | 2017-18 | 2016-17 |
|-------------|-------------|-------------|
| VAT | 84,436,644 | 213,217,446 |
| CD VAT | 60,147,287 | 213,627,368 |
| Income Tax | 267,243,936 | 327,811,433 |
| Total | 411,827,867 | 754,656,247 |

Project in Progress

- 1. 400MW CCPP (East):** To replace old inefficient plant with energy efficient power plant a new project Ashuganj 400MW Combined Cycle Power Plant (East) has been taken on 20th March, 2018. The estimated cost of this project (as per DPP) is Tk. 2,931 crore which will mainly finance by ADB & IDB Loan. The project work has commenced on 16th July 2018 while it is expected to come into operation on July 2021. At present the demolition and disposal of the existing old plant, site survey and basic design is going on while soil test for the turbine hall has already been completed. The overall physical and financial progress of this project is 0.60% and 5.15% respectively.
- 2. Land Acquisition, Land Development and Protection for Patuakhali 1320 MW Super Thermal Power Plant Project:** In order to meet the growing demand of Electricity in Bangladesh, due to natural gas reserved is decreasing gradually, it is necessary to promote the fuel diversification for the Power generation, selecting Coal as a primary option to generate 20000MW by coal within 2030. To fulfill this target Ashuganj Power Station Company Ltd. (APSCL) is envisaging implementation of Thermal Power Project with 2 660 MW Ultra Super Critical Coal fired power plant at Patuakhali district of Bangladesh. This is an appurtenant project of the main thermal Power Plant (2 660MW) providing suitable land and it's site with a estimated cost of BDT. 81,951.46 Lac of which BDT. 77,389.09 Lac will be financed by GOB and remaining BDT. 4,562.37 Lac will be financed by APSCL own fund. The commencement date of this project is 1st January, 2018 while the expected date of completion is 31 December, 2019. Till to date, land amount of 515.60 acres out of 930.615 acres have got approval for acquisition from Government of Bangladesh and remaining 415.01 acres of land are under process for approval in Land Ministry. A joint Survey of about 400 acres of land has completed for giving compensation to the effected people and another joint Survey of about 530.615 acres of land is under process.

Extra ordinary gain or loss

As per BAS 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.

Related Party Transactions

The related party transactions carried out by the company on a commercial basis during the year have been disclosed in the Notes-42 to the Financial Statements.

Significant Variance between Quarterly and Annual Financial Statements

No significant variations have occurred between quarterly and annual financial statements of the company during the period under report.

Corporate and Financial Reporting Framework

The law requires that the financial statements of the company should be prepared in accordance to the prescribed format given by International Financial Reporting Standard (IFRS) as adopted by ICAB and Bangladesh Financial Reporting Standards (BFRS). This has been completely followed to fairly present the financial position and performance of the company. While preparing the financial statement, the following points were considered

- Selection of suitable accounting policies and then applying them consistently
- Making judgments and estimates that are reasonable and prudent
- Ensuring that the financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards.
- Preparing the financial statements in an ongoing concerns basis unless it is appropriate to presume that the company will no continue in business.

Proper accounting records have been kept so that at any given point the financial position of the company is

DIRECTORS' REPORT

reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities.

The Board of Directors are pleased to make the following declarations in the report:

- The financial statements prepared by the management of the company are fairly presents its states of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the company have been maintained.
- 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
- International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed.
- The system of internal control is well structured and has been effectively implemented and monitored
- There are no significant doubts upon the company's abilities to continue as an going concern basis
- Significant plans and decision such as future prospects, risks and uncertainties surrounding the company has been outlined under the relevant captions in this report.

While approving the audited financial statements for the year 2017-18, Board of Directors took due cognizance of the "Declaration" or "Certification" given by the Managing Director and the Executive Director (Finance) of the company in compliance with the BSEC Notification dated 3 June 2018 conditions No. 3(3). The said certification has been disclosed on page no 71 with this report as per the requirements of the conditions no 3(3)(c) and 1(5)(xxvi) respectively of the BSEC notification under reference.

Board of Structure

The present Board of Directors of the company comprising 12 numbers. In the Board, there shall be one director from each group (a) persons specialized in generation of electricity, (b) consumers, (c) business community and (d) persons specialized in Finance. The Managing Director is the ex-officio member of the Board and other 7 Directors will be elected by shareholders amongst themselves. Profiles of the Directors have been provided along with this report under the heading Directors' Profile. A summary status showing the Directors' representation in the other companies' Board is also provided later on.

Roles of the Chairman & Managing Director

Roles and responsibilities of the Chairman and the Managing Director are clearly segregated

Meeting of the Board of Directors

Board of Directors meetings are called following standard procedures laid down in the Articles of Association of the company. Similarly, quorum and leave of absence in the meeting are being ensured and recorded as per the provisions of the Articles. Chairman of the Board presides the meeting and proper minutes of the meeting and documentation of the Board are maintained.



Board Meeting Attendance

| SL. No | Name of the Director | No of Meeting attended |
|--------|---------------------------------|------------------------|
| 1. | Dr. Ahmad Kaikaus | 8 |
| | Mr. Khaled Mahmood | 8 |
| 2. | Mr. Khaled Mahmood | 8 |
| | Mrs. Tahmina Yeasmin | 8 |
| 3. | Professor Dr. Md. Quamrul Ahsan | 14 |
| 4. | Professor Mamtaz Uddin Ahmed | 15 |
| 5. | Mr. Sheikh Faezul Amin | 15 |
| 6. | Mr. Kamal Ahmed | 14 |
| 7. | Mr. Abul Baser Khan | 5 |
| | Mr. Sayeed Ahmed | 9 |
| 8. | Mr. S.M. Tarikul Islam | 13 |
| 9. | Mr. Md. Abu Alam Chowdhury | 15 |
| 10. | Mr. Md. Azharul Islam | 15 |
| 11. | Mr. Ratan Chandra Pandit | 15 |
| 12. | Mr. A M M Sazzadur Rahman | 16 |



Board Committees

There are four standing committee formed by the Board members. The member of the committees and number of each committee meeting held are presented below:

| Name of the Committee | Name of the Committee Member | Designation | No of Meeting Held |
|-----------------------------------|------------------------------|-------------|--------------------|
| Audit Committee | Prof. Mamtaz Uddin Ahmed | Chairman | 13 |
| | Mr. Kamal Ahmed | Member | |
| | Mr. Ratan Chandra Pandit | Member | |
| | Mr. S.M. Tarikul Islam | Member | |
| Recruitment & Promotion Committee | Mr. Khaled Mahmood | Chairman | 8 |
| | Mr. Md. Azharul Islam | Member | |
| | Mrs. Tahmina Yeasmin | Member | |
| | Mr. A M M Sazzadur Rahman | Member | |
| Procurement Review Committee | Prof. Dr. Md. Quamrul Ahsan | Chairman | 16 |
| | Mr. Sheikh Faezul Amin | Member | |
| | Mr. Abu Alam Chowdhury | Member | |
| | Mr. Sayeed Ahmed | Member | |
| Steering Committee | Mr. Khaled Mahmood | Chairman | 4 |
| | Mr. Sheikh Faezul Amin | Member | |
| | Mr. Ratan Chandra Pandit | Member | |
| | Mr. S.M. Tarikul Islam | Member | |
| | Mr. A M M Sazzadur Rahman | Member | |

Remunerations of the Directors

No remunerations have been paid to the directors of the APSCL Board. They are paid only the attendance fee for the meeting held.

DIRECTORS' REPORT



Rotation of Directors

In terms of Articles of 125 & 126 to the Articles of Association of the Company, the Directors subject to retire by rotation every year shall be those who have been longest in office since their last election. One third of the Directors shall retire from the Board at this 18th Annual General Meeting and they are being eligible, offer themselves for re-election. Accordingly Mr. Khaled Mahmood, Chairman, BPDB and Mr. Sheikh Faezul Amin, Joint Secretary, Power Division will retire in 18th AGM and eligible for re-election.

APSCL's Directors in Other Company's Board

| SL. No | Name of the Director | Position Held in APSCL | Position Held in other Company |
|--------|---------------------------------|------------------------|--|
| 1. | Mr. Khaled Mahmood | Chairman | 1. Director, Power Grid Company Bangladesh Ltd. 2. Director, North West Power Generation Company Ltd. 3. Director, Electricity Generation Company Bangladesh Ltd. 4. Director, Coal Power Generation Company Bangladesh Ltd 5. Chairman, United Ashuganj Energy Ltd. 6. Director, Bangladesh China Energy Ltd. 7. Director, Bangladesh India Friendship Power Company Bangladesh Ltd 8. Director, Ruppur Nuclear Power Plant Company Ltd 9. Director, Bakhraabad Gas Distribution Company Ltd 10. Director, Titas Gas Transmission & Distribution Company Ltd |
| 2. | Professor Dr. Md. Quamrul Ahsan | Director | N/A |
| 3. | Professor Mamta Uddin Ahmed | Director | 1. Director, Chittagong Stock Exchange |
| 4. | Mr. Sheikh Faezul Amin | Director | 1. Member, SREDA |
| 5. | Mr. Kamal Ahmed | Director | N/A |
| 6. | Mr. S.M. Tarikul Islam | Director | 1. Director, Bakhraabad Gas Distribution Company Ltd |
| 7. | Mr. Md. Abu Alam Chowdhury | Director | 1. Director, Power Grid Company Bangladesh Ltd. |
| 8. | Mr. Md. Azharul Islam | Director | 1. Director, West Zone Power Distribution Company Ltd. 2. Director, Bangladesh Institute of Management 3. Director, BPDB-RPCL Power Generation Company Ltd. |
| 9. | Mr. Ratan Chandra Pandit | Director | 1. Director, Bakhraabad Gas Distribution Company Ltd 2. Director, Paschimanchal Gas Distribution Company Ltd |
| 10. | Mr. Sayeed Ahmed | Director | 1. Director, Electricity Generation Company Bangladesh Ltd. 2. Director, BR Powergen Ltd. |
| 11. | Mrs. Tahmina Yeasmin | Director | N/A |
| 12. | Mr. A M M Sazzadur Rahman | Managing Director | 1. Director, United Ashuganj Energy Ltd. |

Appointment of Auditor

Pursuant to section 210 the Company's Act 1994. The Company's statutory Auditors M/S SF Ahmed & Co. Chartered Accountants retires at the 18th Annual General Meeting as Auditors of the Company. The Chartered firm has audited APSCL in the last six consecutive years. The retiring Auditors are eligible for re-appointment and have expressed their willingness to continue for the year 2018-19.

Going Concern

While approving the financial statement, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the company to continue its operations for a foreseeable future. The Directors are convinced and gave reasonable expectation that the company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the company adopted the going concern basis in preparing these financial statements.

DIRECTORS' REPORT

Risk Factors and Management Perception Regarding the Risk

- A. Credit Risk:** Credit risk is the risk of financial loss to the company if a customer or counterparty fails to meet its contractual obligations. APSCL's product is sold exclusively to Bangladesh Power Development Board, which is a government entity and major shareholder (99.99%) of APSCL as well. The sales are made under the conditions of long term Power Purchase Agreement (PPA). Moreover the history of payment and sovereign backing ensures the risk of failures to pay by our customer is minimal.
- B. Liquidity Risk:** Liquidity risk is the risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and / or income in the process. APSCL have their focus on repayment when it comes to meeting short & long term debt. APSCL has maintained debt levels within operational limits to ensure there is no liquidity crisis. It has a strong base which enables the company to service its debt obligations in particular through operating earnings. The strong revenue and operating margin shown by APSCL will mitigate any such liquidity risk.
- C. Competitive Condition of the Business:** APSCL is operating in a free market economy regime. The company may face competition challenging the profitability of the business. The Company is working in a sector for which the demand is always increasing. Hence the risk of competition causing a fall in profitability is very low.
- D. Interest & Exchange Rate Risk:** Interest rate risk is the risk that the company faces due to unfavorable movement in the interest rates. On the other hand exchange rate risk arise when taka may be devalued significantly against dollar and APSCL may suffer due to such fluctuation. In order to mitigate such risks appropriate and reasonable hedging mechanisms have been employed by APSCL with a view to keep the cost minimum and similar strategies will be followed in the future.

National Integrity Strategy (NIS)

The present Government of Bangladesh is committed to establish democracy, the rule of law, human rights, right to information, accountability & transparency, freedom of citizens as embodied in the constitution, equality and justice in the country. In this view the government has undertaken National Integrity Strategy (NIS) on October 2012 which is a comprehensive set of goals, strategies and action plans aimed at increasing the level of independence to perform, accountability, efficiency, transparency and effectiveness of state and non-state institutions in a sustained manner over a period of time. To ensure good governance and to reduce corruption such strategy has been adopted which was also introduced in APSCL as well. An executive committee headed by Managing Director has been formed in this regard. The implementation of this strategy is one of the key point in the Annual Performance Agreement (APA) signed between Managing Director of APSCL and Secretary of Power Division, Government of Bangladesh. In order to implement the National Integrity Strategy APSCL has taken several measures such as online recruitment system, E-GP, E-Filing, E-Governance, Innovation in Public Services, GRS (Grievance Redress System), Service Process Simplification, information dissemination, monitoring & evaluation of NIS and so on.

Human Resource Management

Efficient manpower is the pre-requisite for development of any organization. Success of this organization depends on qualified and skill manpower for right post. APSCL is performing the task with due care and integrity to increase the efficiency of the plant through appropriate maintenance and operation. Already computerized attendance and access control system (finger print) and customized personnel information system have been adopted in the company.

Human Resource Development

In order to improve productivity of the company's manpower, the company is continuously providing formal and informal training to its employees at every level for at least 60 man-hours per year. It has a full-fledged training center headed by Manager (HRD) to implement the in-house training programs which arranged various trainings during the reporting period. Apart from this APSCL employees have participated various training in home and abroad. In this period fifteen employees have participated foreign training in India, Philippine, England & Japan.

Security Strength

APSCL is a KPI area. Moreover some new (225MW CCPP, 450MW CCPP –South, 450MW CCPP –North) projects have implemented here and some other (400MW East) will come soon. The projects are implemented by the foreign contractors. Therefore there are many foreign people employed in these projects. The security of these foreign people is one of the key issue for APSCL authority. Moreover the local administration are also concerned in this regard. As APSCL is a KPI area and in order to strengthen the security of this KPI area and the foreigners employed here, APSCL authority with the assistance of the local administration take necessary initiatives. There is a security committee headed by ED (Eng.). Member secretary of the committee arrange regular meeting and security report submitted to the management. On this context, APSCL deployed its own officers & staff along with Army, Police and Ansar. The company has all required security materials and equipment such as CCTV at 55 different places, hand metal detector, vehicle search mirror, patrol guard machine, watch tower, archway gate, firefighting equipment and so on.

Towards Digitalization

In line with Government's plan to build Digital Bangladesh, APSCL has been striving to automate all of its operational activities. It has envisioned to be fully digitalized by 2021 which will eventually help to achieve operational efficiency, cost control, reliability, transparency and overall a good management system. In this context APSCL has entered into electronic filing system namely "Nothi", developed under A2i Program of Prime Minister's Office. In order to introduce and develop this system APSCL has organized ten training programs at its premises of which eight are for initial level and remaining two are for advanced level. At present about 67% of the total file of the company are conducted by this system. Apart from this the company has developed Operational Information Management System (OIMS) in order to maintain all operational data properly. It also developed Human Resources Information System (HRIS) and Stores Management System (SMS). In order to communicate with distant places the company has dedicated video conferencing system.

Innovation Activities

- APSCL innovation team has already started its work in order to implement the five innovation ideas results from two days innovation training. The show casing of two innovation ideas has been completed while the other idea "Trouble Reporting System" has been selected by Power Division for replication.
- A good number of employee of APSCL has participated in many innovation training organized by Power Division such as "Public Service Innovation", Preparedness of Innovation Committee" and "Innovation Project Development".
- Twenty five small development plan has been implemented in APSCL so far though this innovation program.
- Another pilot project "Waste Management for Better Life" are on progress
- APSCL secured second position by submitting energy efficiency idea in the "Innovation in Work Place" competition organized by Power Division.

Generation Master Plan (2011-2030)

In order to meet the mounting demand of electricity, APSCL has intake a generation master plan to uplift its capacity to 7047 MW by 2030.

| Period | Installed Capacity (in MW) | Generation Addition (in MW) | Generation Retired (in MW) | Total Generation |
|---------|-------------------------------|--------------------------------|-------------------------------|------------------|
| 2011-15 | 777 | 418 | 154 | 1041 |
| 2016-20 | 1041 | 769 | 120 | 1690 |
| 2021-25 | 1690 | 3740 | 450 | 4980 |
| 2026-30 | 4980 | 2120 | 53 | 7047 |

DIRECTORS' REPORT



Future outlook

Electricity is the driving force of economy and civilization. All development activities are directly or indirectly dependent on it. The trend of generation capacity of the country is running behind to meet the prevailing load demand of the country and causes hindrance to the development activities in industrial, commercial, agricultural and social sectors.

Keeping this view in mind APSCL is continuously working to narrow the increasing gap between demand & supply of electricity by optimized utilization of the natural gas resources and replacing low efficient, outlive machines.

Upcoming Projects:

1. Ashuganj 400 MW Dual Fuel CCPP Project
2. Gaibandha 1320 MW Super Thermal Power Plant
3. 100MW Grid Tied Solar Power Plant, Kishorganj

Future Projects:

1. 400 MW Dual Fuel Based CCPP (Phase-1) Project, Ashuganj
2. 400 MW Dual Fuel Based CCPP (Phase-2) Project, Ashuganj
3. Patuakhali 1320MW Ultra Super Critical Coal Fired Thermal Power Plant Project (Phase-2)

Acknowledgement

The Board of Directors would like to extend its foremost regards and appreciation to the valued Shareholders and other Stakeholders of the Company for their persistent support and guidance to the company that led to its cumulative achievements. The Board also recognizes that its journey to the attainment during the year was possible because of the cooperation, positive support and guidance that it had received from the Government of Bangladesh, Ministry of Power, Energy and Mineral Resources, Power Division, Power Cell, Economic Relations Division, Ministry of Finance, Ministry of Planning, Bangladesh Power Development Board, Petro Bangla, Bakhrabad Gas Distribution Company Limited and local administration and people. Accordingly the Board offers its utmost gratitude to them.

I would like to convey our heart-felt gratitude to ADB, IDB, HSBC, SCB for their support and co-operation.

We also extend to the Management and Employees its warmest greetings and felicitation for being the essential part of APSCL during the year. It was theirs' unrelenting commitment, dedication and diligence throughout the year that led to the company achieving the awards and accolades so far. We are proud of you all and look forward to your continued support as we march ahead to take Ashuganj Power Station Company Limited further forward as a leading player in the power sector of the country.

With Best Wishes

On behalf of the Board of Directors


(Khaled Mahmood)
Chairman, APSCL

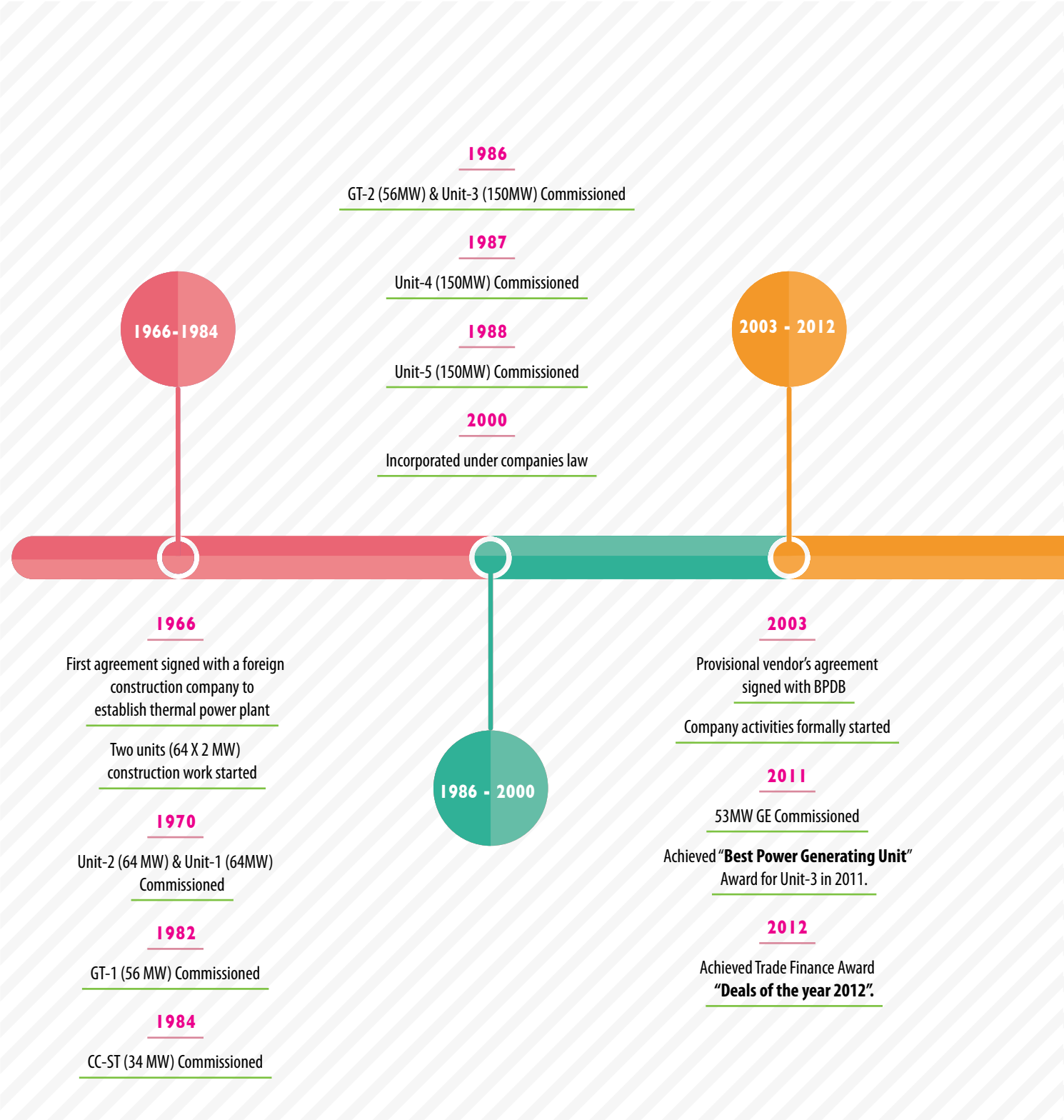


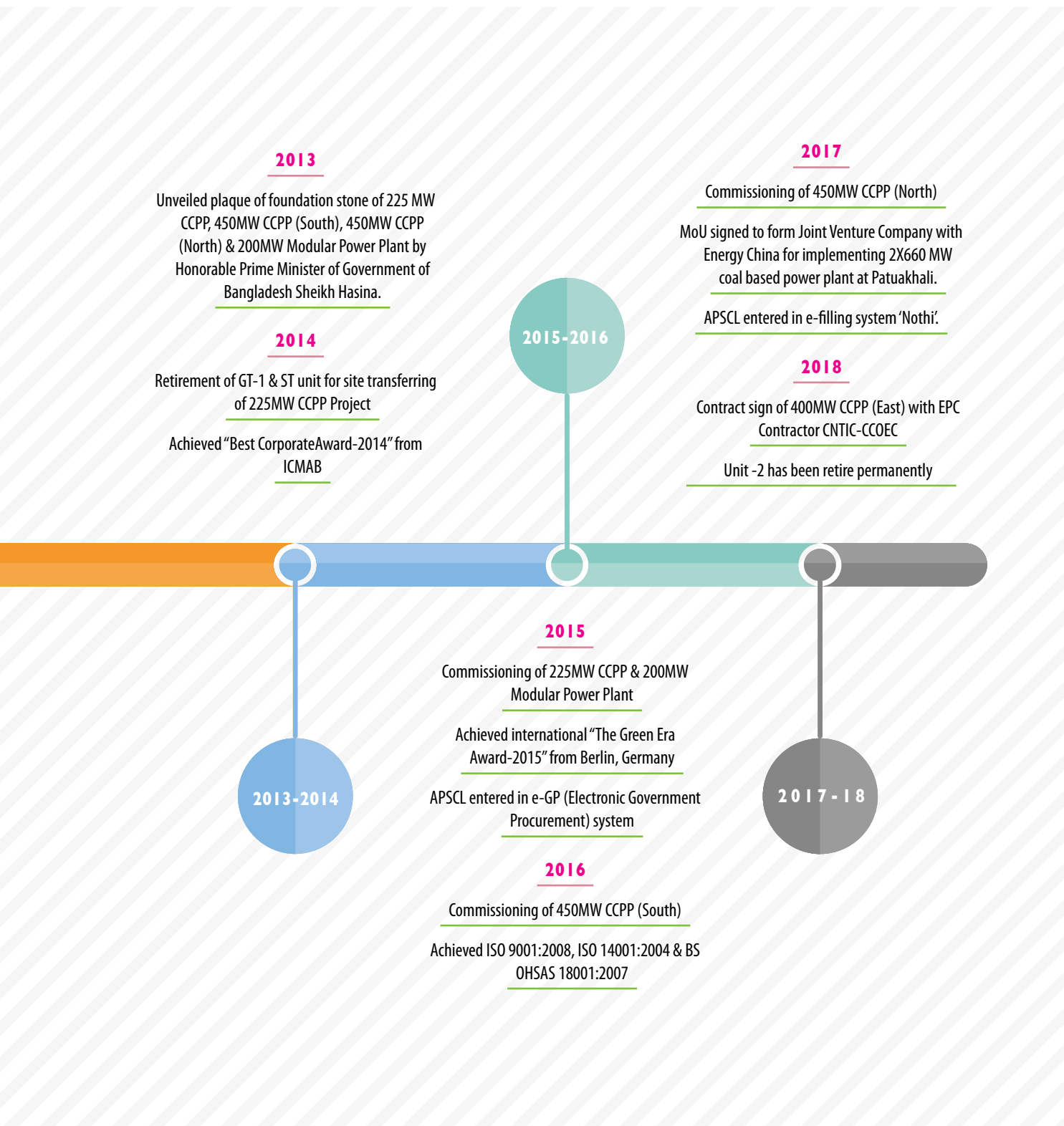


ACHIEVEMENT

Benchmarks & Milestone
Awards & Achievements
ISO Certification
17th Annual General Meeting

BENCHMARKS & MILESTONE





AWARDS & ACHIEVEMENTS



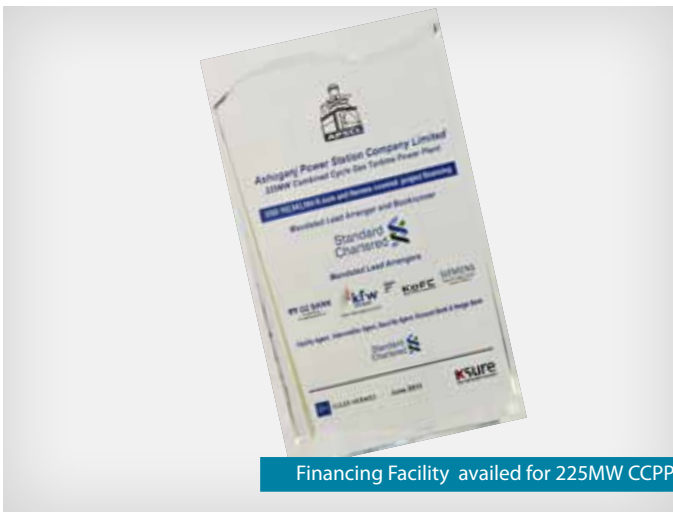
The 2015 Green Era Award



ICMAB Award



ICMAB Best Corporate Award-2014



ISO CERTIFICATION

As a strong power generation company with a long history, APSCL has often looked to the past to be inspired for the future. And so in 2015, APSCL reached several milestones in its capacity and has achieved the Integrated Management System (IMS) Certificate based on ISO 9001: 2015 (QMS), ISO 14001:2015 (EMS) and BS OHSAS 18001:2007. APSCL is proud of its achievement for IMS certificate as the pioneer in government owned power generation sector in Bangladesh with reliable evidence of all applicable legal and regulatory compliances and accredited by independent evaluation of these conformity assessment body against recognized standards to carry out specific activities to ensure our integrity, impartiality and competence. Quality, environmental performance or limit environmental impact, to assess and control occupational health hazards and risks from its operations are key focus for APSCL.

This accreditation ensures that employees, purchaser and regulators can have confidence in the provision of APSCL's services that have no negative impact on health and safety in the workplace and on the environment and generate quality electricity that conforms to the applicable requirements of ISO 9001, ISO 14001 and BS OHSAS 18001. APSCL has established a quality management system that is suitable for its product and processes, environmental management system that controls or minimizes the environmental impact and occupational health and safety assurance system that ensures the safe and accident free working environment for all employees that is appropriate for its certification scope as well as the relevant statutory and regulatory requirements related to its product and service. APSCL has ensured the availability of resources necessary to support the operation and monitoring of these. APSCL aims to prevent nonconformities, and has systematic improvement processes in place to correct any nonconformities that do occur, analyze the cause of nonconformities and take corrective action to avoid their recurrence. APSCL has implemented an effective internal audit and management review process for monitoring, measuring and continually improving the effectiveness of standards what accredited. The intent is to promote a common focus throughout the entire conformity assessment chain in order to achieve these expected outcomes and thereby enhance the value and relevance

of accredited certification.

The IMS certification is achieved to increase the confidence level of employees and interested parties in APSCL's management system. The certified management system is managing its interactions with the quality, environment and occupational health and safety and is demonstrating its commitment to:

- Quality electricity generation, pollution prevention and to ensure safe working environment for all of its employees, contractors, visitors and periodically evaluates its compliance with applicable legal and other requirements.
- Has defined relevant objectives and targets that are measurable, where practicable, taking into account and has programmers in place to achieve these objectives and targets.

Continually enhancing its quality, environmental, occupational health and safety assurance management system in order to achieve improvements in its overall performance and suitable for the nature of its activities, products and services, that conforms to the requirements of ISO 9001, ISO 14001 and BS OHSAS 18001 with relevant policies and statement.

- Has identified the quality, environmental and occupational health and safety aspects of its activities, product and services that it can control and /or influence and determined those that can have a significant relevant impact (including those related to suppliers / contractors).
- Has procedures in place to identify applicable legislations and other relevant requirements, to determine how these apply to its relevant aspects and to keep this information up to date.
- Has implemented effective controls in order to meet its commitment to comply with applicable legal and other requirements.
- Ensures that people working for or on behalf of APSCL are aware of the requirements of its Integrated Management System and are competent to perform tasks that have the potential to cause significant relevant impacts.
- Has implemented procedures for communicating internally, as well as responding to and communicating (as necessary) with interested external parties.
- Ensures that those operations associated with significant health, safety and environmental aspects are carried out under specified conditions and monitors and controls the key characteristics of its operations that can have a significant health, safety and environmental impact.
- Has established and (where practicable) tested procedures to address and respond to emergencies that can have an effect on the environment.



17TH ANNUAL GENERAL MEETING

The 17th Annual General Meeting (AGM) of Ashuganj Power Station Company Ltd. was held on Thursday, 7th December, 2017 at 06.00 evening at Bijoy Hall, Biddut Bhaban, Dhaka. Chairman of the Board Dr. Ahmad Kaikaus presided over the meeting. Directors of Board Dr. Md. Quamrul Ahsan, Md. Mukammel Hoque, S.M. Tarikul Islam, Abul Baser Khan, Md. Anwarul Islam, Kamal Ahmed, Md. Abu Alam Chowdhury, Managing Director A. M. M. Sazzadur Rahman, Executive Directors of the company Md. Mahfuzul Haque, Ajit Kumar Sarkar, A.K.M. Yaqub, Company Secretary Mohammad Abul Mansur and other senior officials of the company attended at the meeting.

After recitation of verse from the Holy Quran the Chairman welcomed the shareholders' in the Annual General Meeting. The Meeting started with the Chairman's inviting comments on proceedings of last Annual General Meeting followed by comments on Directors' Report and Audited Financial Statements for the year ended 30 June 2017.

The shareholders unanimously approved the audited financial statements and proposed 1.5% dividends for the year ended 30 June 2017.

Retiring Directors Sheikh Faezul Amin and Md. Mukammel Hoque were re-elected as Director of the company.

Proposal for appointment of external auditors SF Ahmed & Co., Chartered Accountant being eligible for re-appointed as Auditors of the Company to hold office till the conclusion of the next Annual General Meeting for auditing the Company's accounts for the year ending 30 June 2018 was approved by the shareholders.

Representative of the shareholders from Power Division & Energy Division of Ministry of Power, Energy & Mineral Resources; Finance Division of Ministry of Finance, Planning Division, Ministry of Planning, Bangladesh Power Development Board, Member (P&D), BPDB, Member (Generation), BPDB actively participated in the discussion and they talked about the overall performance of the Company in the AGM. The Chairman Dr. Ahmad Kaikaus and the Managing Director, A. M. M. Sazzadur Rahman replied to the queries and explained on various comments made by distinguished shareholders.

Shareholders appreciated the Company's performance during the meeting. The meeting ended with a vote of thanks to the chair.





ADDITIONAL CORPORATE DISCLOSURE

Report to the Audit Committee
MD & ED (F) Declaration to the Board
Compliance Report on BAS & BFRS
Status of Compliance as Per Corporate Guideline
Health, Safety & Environment
Corporate Governance & CSR
Memorable Events 2017-18

REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR 2017-18 ENDED ON 30 JUNE 2018

The Audit Committee of Ashuganj Power Station Company Ltd. (APSCL) was established and its Charter was approved by the Company's Board. The Audit Committee, a sub-committee of the Board, supports the Board in fulfilling its oversight responsibilities. The Audit Committee of APSCL comprises of the following Board members:

| | | |
|----|--------------------------|-----------|
| 1. | Prof. Mamtaz Uddin Ahmed | -Chariman |
| 2. | Mr. Ratan Chandra Pandit | - Member |
| 3. | Mr. Kamal Ahmed | -Member |
| 4. | Mr. S.M. Tarikul Islam | -Member |

The Audit Committee met 13 times during the considering period. The Company's Executive Director (Finance) was invited to audit committee's meetings at the discretion of the committee.

Role of the Audit Committee

The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function. The major responsibilities of the Committee, among others, include:

- Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and, upon its satisfaction of the review, recommend them to the Board for approval.
- Reviewing the revised revenue budget, capital expenditure budget, and project development budget of the current year and proposed revenue budget, capital expenditure budget, and project development budget of the next year and recommended them to the Board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
- Recommending to the Board the appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

Activities of the Committee on the Company's Affairs for the Period under Report

- Reviewing the audited financial statements of the Company and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with the required laws and regulations, also confirmed by the external auditor in their independent report, thereafter recommending to the Board for adoption.
- Reviewing the quarterly, half-yearly and annual financial statements and recommend them to the Board for approval.
- Reviewing the revised revenue budget, capital expenditure budget, and project development budget of the current year and proposed revenue budget, capital expenditure budget, and project development budget of the next year and recommended them to the Board for approval.
- Reviewing the quarterly financial statements of the Company and recommending the same to the Board for adoption.
- Reviewing the external auditors' findings arising from audit, particularly comments and responses given by the management.
- Reviewing the periodical internal audit & control division's findings and recommend for necessary measures in this concern.
- Reviewing the matters as per requirement from the Board.

The committee is of the opinion that reasonable controls and procedures are in place to provide assurance that the Company's assets are safeguarded and the financial position of the Company is adequately managed.



Prof. Mamtaz Uddin Ahmed, FCMA
Chairman, Audit Committee

MANAGING DIRECTOR & EXECUTIVE DIRECTOR (FINANCE) DECLARATION TO THE BOARD

07-11-2018

The Board of Directors
Ashuganj Power Station Company Limited
AshuganjBrahmanbaria-3402

Subject: Declaration on Financial Statements for the year ended on 30 June 2018

Dear Sirs,

Pursuant to the condition No.1(5)(xxvi) imposed vide 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 we do here by declare that:

1. The Financial Statements of Ashuganj Power Station Company Limited for the year ended on 30 June 2018 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 statement
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
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 2018 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material factor 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,



Managing Director



Executive Director (Finance)

COMPLIANCE REPORT

ON BAS & BFRS

| SL No. | BAS Title | BAS Effective Date | Remarks |
|--------|---|------------------------------|---------|
| BAS-01 | Presentation on Financial Statements | Adopted on or after 01.01.07 | Applied |
| BAS-02 | Inventories | Adopted on or after 01.01.07 | N/A |
| BAS-07 | Statement of Cash Flows | Adopted on or after 01.01.99 | Applied |
| BAS-08 | Accounting Policies, Changes in Accounting Estimates and Errors | Adopted on or after 01.01.07 | Applied |
| BAS-10 | Events after the balance sheet Date | Adopted on or after 01.01.07 | Applied |
| BAS-11 | Construction Contract | Adopted on or after 01.01.99 | N/A |
| BAS-12 | Income Taxes | Adopted on or after 01.01.99 | Applied |
| BAS-16 | Property, Plant & Equipment | Adopted on or after 01.01.07 | Applied |
| BAS-17 | Leases | Adopted on or after 01.01.07 | N/A |
| BAS-18 | Revenue | Adopted on or after 01.01.07 | Applied |
| BAS-19 | Employee Benefits | Adopted on or after 01.01.04 | Applied |
| BAS-20 | Accounting of Government Grants and disclosure of Government Assistance | Adopted on or after 01.01.99 | Applied |
| BAS-21 | Effects of Changes in Foreign Exchange Changes | Adopted on or after 01.01.07 | Applied |
| BAS-23 | Borrowing Cost | Adopted on or after 01.01.10 | Applied |
| BAS-24 | Related Party Disclosure | Adopted on or after 01.01.07 | Applied |
| BAS-27 | Consolidated and separate financial statements | Adopted on or after 01.01.10 | N/A |
| BAS-28 | Investments in associates | Adopted on or after 01.01.07 | N/A |
| BAS-29 | Financial reporting in hyperinflationary economics | Not yet adopted by ICAB | N/A |
| BAS-31 | Interest in joint ventures | Adopted on or after 01.01.07 | N/A |
| BAS-32 | Financial instruments presentations | Adopted on or after 01.01.10 | Applied |
| BAS-33 | Earnings per share | Adopted on or after 01.01.07 | N/A |
| BAS-34 | Interim financial reporting | Adopted on or after 01.01.99 | N/A |
| BAS-36 | Impairment of assets | Adopted on or after 01.01.05 | N/A |
| BAS-37 | Provisions, contingent liabilities, and contingent assets | Adopted on or after 01.01.07 | Applied |
| BAS-38 | Intangible assets | Adopted on or after 01.01.05 | Applied |
| BAS-39 | Financial instruments: recognition and measurement | Adopted on or after 01.01.10 | Applied |
| BAS-40 | Investment property | Adopted on or after 01.01.07 | N/A |
| BAS-41 | Agriculture | Adopted on or after 01.01.07 | N/A |

| SL No. | BFRS Title | Adoption Status of ICAB | Remarks |
|--------|--|---|---------|
| BFRS-1 | First time adoption of international financial reporting standards | Adopted as BFRS 1, effective on or after 01.01.09 | N/A |
| BFRS-2 | Share based payments | Adopted as BFRS 2, effective on or after 01.01.07 | N/A |
| BFRS-3 | Business combination | Adopted as BFRS 3, effective on or after 01.01.10 | N/A |
| BFRS-4 | Insurance contracts | Adopted as BFRS 4, effective on or after 01.01.10 | N/A |
| BFRS-5 | Non current assets held for sale and discontinued operation | Adopted as BFRS 5, effective on or after 01.01.07 | N/A |
| BFRS-6 | Exploration for and evaluation of mineral resources | Adopted as BFRS 6, effective on or after 01.01.07 | N/A |
| BFRS-7 | Financial instruments: disclosures | Adopted as BFRS 7, effective on or after 01.01.10 | Applied |
| BFRS-8 | Operating segments | Adopted as BFRS 8, effective on or after 01.01.10 | N/A |



STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

LTR & ASSOCIATES *Cost and Management Accountants*



Annexure-B
[Certificate as per condition No. 1(5) (xxvii)]

Report to the Shareholders of Ashuganj Power Station Company Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Ashuganj Power Station Company Limited for the year ended on June 30, 2018. 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 under conditions number: 6;
- (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 or not complied (if not complied, specify non-compliances);
- (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 or not complied (if not complied, specify non-compliances); and
- (d) The governance of the company is highly satisfactory or satisfactory or not satisfactory.

LTR & Associates


Debabrata Deb Roy, FCMA
Cost & Management Accountants

Place: Dhaka
Dated: 11 November 2018

Registered address: 48/A-8, Purana Paltan, House Building Road Baltul Khair Building, 6th Floor, Dhaka-1000, Bangladesh
Contact No: +88 02 9559961, +880 1717 435 794, +880 1645 193581, Email: info@ltr.com.bd, website: www.ltr.com.bd

STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

ANNEXURE-C

[As per condition No. 1(5)(xxvii)]

Status of compliance of Ashuganj Power Station Company Limited 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 (XVII of 1969):

(Report under Condition No. 9)

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|------------------|
| | | Complied | Not complied | |
| 1 | Board of Directors.- | | | |
| 1(1) | The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty). | ✓ | | |
| 1(2) | Independent Directors | | | |
| 1(2)(a) | At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); | ✓ | | |
| 1(2)(b)(i) | who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company; | ✓ | | |
| 1(2)(b)(ii) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company; | ✓ | | |
| 1(2)(b)(iii) | who has not been an executive of the company in immediately preceding 2 (two) financial years; | ✓ | | |
| 1(2)(b)(iv) | who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies; | ✓ | | |
| 1(2)(b)(v) | who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange; | ✓ | | |
| 1(2)(b)(vi) | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | ✓ | | |
| 1(2)(b)(vii) | who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | ✓ | | |
| 1(2)(b)(viii) | who is not independent director in more than 5 (five) listed companies; | ✓ | | |
| 1(2)(b)(ix) | who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and | ✓ | | |
| 1(2)(b)(x) | who has not been convicted for a criminal offence involving moral turpitude; | ✓ | | |
| 1(2)(c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); | ✓ | | |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and | ✓ | | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only; | | | Not Applicable |
| 1(3) | Qualification of Independent Director:- | | | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business; | ✓ | | |

STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|------------------|
| | | Complied | Not complied | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or | ✓ | | |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or | ✓ | | |
| 1(3)(b)(iii) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or | ✓ | | |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | ✓ | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | ✓ | | |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | ✓ | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | ✓ | | |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:- | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | ✓ | | |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | ✓ | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | ✓ | | |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer; | ✓ | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | ✓ | | |
| 1(5) | The Directors' Report to Shareholders | | | |
| 1(5)(i) | An industry outlook and possible future developments in the industry; | ✓ | | |
| 1(5)(ii) | The segment-wise or product-wise performance; | ✓ | | |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | ✓ | | |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|---|---|--------------|------------------|
| | | Complied | Not complied | |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | | | Not Applicable |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | ✓ | | |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments; | | | Not Applicable |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.; | | | Not Applicable |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | ✓ | | |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | ✓ | | |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | ✓ | | |
| 1(5)(xii) | A statement that proper books of account of the issuer company have been maintained; | ✓ | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment; | ✓ | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | ✓ | | |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | ✓ | | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | | | Not Applicable |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | ✓ | | |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained; | | | Not Applicable |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized; | ✓ | | |
| 1(5)(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year; | | | Not Applicable |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | | | Not Applicable |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | ✓ | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | ✓ | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details); | | | Not Applicable |
| 1(5)(xxiii)(c) | Executives; and | ✓ | | |

STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|--|---|--------------|--|
| | | Complied | Not complied | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); | ✓ | | |
| 1(5)(xxiv)(a) | a brief resume of the director; | ✓ | | |
| 1(5)(xxiv)(b) | nature of his or her expertise in specific functional areas; and | ✓ | | |
| 1(5)(xxiv)(c) | names of companies in which the person also holds the directorship and the membership of committees of the Board; | ✓ | | |
| 1(5)(xxv)(a) | accounting policies and estimation for preparation of financial statements; | ✓ | | |
| 1(5)(xxv)(b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | ✓ | | |
| 1(5)(xxv)(c) | comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | ✓ | | |
| 1(5)(xxv)(d) | compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | | | Not Applicable |
| 1(5)(xxv)(e) | briefly explain the financial and economic scenario of the country and the globe; | ✓ | | |
| 1(5)(xxv)(f) | risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | ✓ | | |
| 1(5)(xxv)(g) | future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | ✓ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and | ✓ | | |
| 1(5)(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C. | ✓ | | |
| 1(6) | Meetings of the Board of Directors | | | |
| 1(7) | Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:- | | | |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | | | The company has no Nomination and Remuneration Committee (NRC) as a sub-committee of the Board. Now it is under consideration. |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company 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. | | | Not Applicable |
| 2 | Governance of Board of Directors of Subsidiary Company:- | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company; | | | Not Applicable |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | | | Not Applicable |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company; | | | Not Applicable |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|------------------|
| | | Complied | Not complied | |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | | | Not Applicable |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | | | Not Applicable |
| 3 | Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):- | | | |
| 3(1) | Appointment | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | ✓ | | |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | ✓ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time; | ✓ | | |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | ✓ | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | ✓ | | |
| 3(2) | Requirement to attend Board of Directors' Meetings | | | |
| 3(3) | Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) | | | |
| 3(3)(a)(i) | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | ✓ | | |
| 3(3)(a)(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; | ✓ | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | ✓ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | ✓ | | |
| 4 | Board of Directors' Committee:- | | | |
| 4(i) | Audit Committee; and | ✓ | | |
| 4(ii) | Nomination and Remuneration Committee. | ✓ | | |
| 5 | Audit Committee:- | | | |
| 5(1) | Responsibility to the Board of Directors. | | | |
| 5(1)(a) | The company shall have an Audit Committee as a sub-committee of the Board; | ✓ | | |
| 5(1)(b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | ✓ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | ✓ | | |
| 5(2) | Constitution of the Audit Committee | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | ✓ | | |

STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|------------------|
| | | Complied | Not complied | |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director; | ✓ | | |
| 5(2)(c) | All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | ✓ | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | ✓ | | |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee; | ✓ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | ✓ | | |
| 5(3) | Chairperson of the Audit Committee | | | |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | ✓ | | |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there | ✓ | | |
| | shall be no problem of constituting a quorum as required under condition No. 5(4) (b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | | | |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): | ✓ | | |
| 5(4) | Meeting of the Audit Committee | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year: | ✓ | | |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | ✓ | | |
| 5(5) | Role of Audit Committee | | | |
| 5(5)(a) | Oversee the financial reporting process; | ✓ | | |
| 5(5)(b) | monitor choice of accounting policies and principles; | ✓ | | |
| 5(5)(c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report. | ✓ | | |
| 5(5)(d) | oversee hiring and performance of external auditors; | ✓ | | |
| 5(5)(e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | ✓ | | |
| 5(5)(f) | review along with the management, the annual financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(g) | review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(h) | review the adequacy of internal audit function; | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|---|---|--------------|--|
| | | Complied | Not complied | |
| 5(5)(i) | review the Management's Discussion and Analysis before disclosing in the Annual Report; | ✓ | | |
| 5(5)(j) | review statement of all related party transactions submitted by the management; | ✓ | | |
| 5(5)(k) | review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | ✓ | | |
| 5(5)(l) | oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | ✓ | | |
| 5(5)(m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; | | | Not Applicable |
| 5(6) | Reporting of the Audit Committee | | | |
| 5(6)(a) | Reporting to the Board of Directors | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | ✓ | | |
| 5(6)(a)(ii)(a) | report on conflicts of interests; | | | Not Applicable |
| 5(6)(a)(ii)(b) | suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | Not Applicable |
| 5(6)(a)(ii)(c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | | | Not Applicable |
| 5(6)(a)(ii)(d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | | | Not Applicable |
| 5(6)(b) | Reporting to the Authorities | ✓ | | |
| 5(7) | Reporting to the Shareholders and General Investors | ✓ | | |
| 6 | Nomination and Remuneration Committee (NRC):- | | | |
| 6(1) | Responsibility to the Board of Directors | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board; | | | The company has no any Nomination and Remuneration Committee (NRC) as a subcommittee of the Board. Now it is under consideration |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | | | Not Applicable |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | | | Not Applicable |
| 6(2) | Constitution of the NRC | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | | | Not Applicable |
| 6(2)(b) | All members of the Committee shall be non-executive directors; | | | Not Applicable |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | | | Not Applicable |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | | | Not Applicable |

STATUS OF COMPLIANCE

AS PER CORPORATE GUIDELINE

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|------------------|
| | | Complied | Not complied | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | | | Not Applicable |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if | | | Not Applicable |
| | the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | | | |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | | | Not Applicable |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | | | Not Applicable |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | | | Not Applicable |
| 6(3) | Chairperson of the NRC | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | | | Not Applicable |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | | | Not Applicable |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; | | | Not Applicable |
| 6(4) | Meeting of the NRC | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | | | Not Applicable |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | | | Not Applicable |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h); | | | Not Applicable |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | | | Not Applicable |
| 6(5) | Role of the NRC | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | | | Not Applicable |
| 6(5)(b)(i)(a) | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | | | Not Applicable |
| 6(5)(b)(i)(b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | | | Not Applicable |
| 6(5)(b)(i)(c) | remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | | | Not Applicable |
| 6(5)(b)(ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | | | Not Applicable |
| 6(5)(b)(iii) | identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | | | Not Applicable |
| 6(5)(b)(iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | | | Not Applicable |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|---|
| | | Complied | Not complied | |
| 6(5)(b)(v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | | | Not Applicable |
| 6(5)(b)(vi) | developing, recommending and reviewing annually the company's human resources and training policies; | | | Not Applicable |
| 6(5)(c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | | | Not Applicable |
| 7 | External or Statutory Auditors:- | | | |
| 7(1)(i) | appraisal or valuation services or fairness opinions; | ✓ | | |
| 7(1)(ii) | financial information systems design and implementation; | ✓ | | |
| 7(1)(iii) | book-keeping or other services related to the accounting records or financial statements; | ✓ | | |
| 7(1)(iv) | broker-dealer services; | ✓ | | |
| 7(1)(v) | actuarial services; | ✓ | | |
| 7(1)(vi) | internal audit services or special audit services; | ✓ | | |
| 7(1)(vii) | any service that the Audit Committee determines; | ✓ | | |
| 7(1)(viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | ✓ | | |
| 7(1)(ix) | any other service that creates conflict of interest. | ✓ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company. | ✓ | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | ✓ | | |
| 8 | Maintaining a website by the Company:- | | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange. | ✓ | | |
| 8(2) | The company shall keep the website functional from the date of listing. | ✓ | | |
| 8(3) | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | ✓ | | |
| 9 | Reporting and Compliance of Corporate Governance:- | | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | ✓ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | | | Board recommended the Professional for due appointment by the Shareholders in 18th AGM on 29th November 2018. |
| 9(3) | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | ✓ | | |

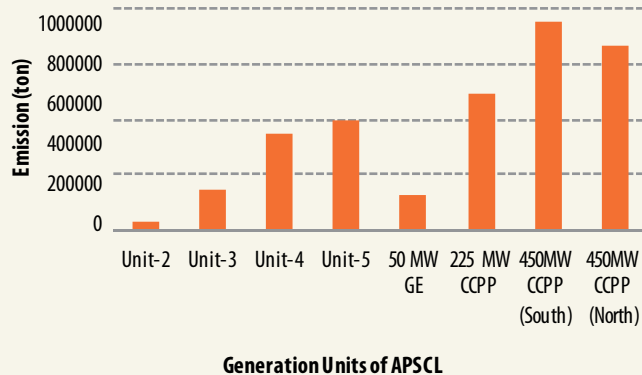
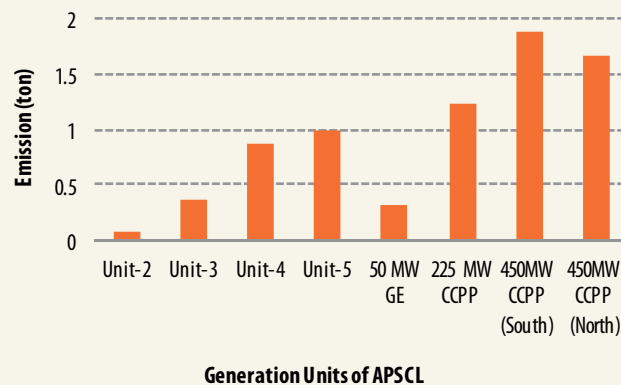
HEALTH, SAFETY & ENVIRONMENT

Presently demand for electricity in Bangladesh as a key enabler for economic and social development is rising along a similar trend with increased population. For the commitment from Environmental Responsibility, APSCL is developing its combined cycle Thermal Power and Renewable Power Sectors to integrate sustainable development in the power market and country to serve. It is lowering the environmental footprint of assets, to allow for the clean generation of electricity with minimum impact on the environment. In order to limit the environmental impacts from electricity generation throughout the entire life cycle of the plants, the company has built more efficient and environment friendly new power plants and is introducing Eco-Designed and environment friendly technology replacing the old inefficient generating units. The objective of this approach is to reduce increased pressure on energy demand at present energy crisis situation of Bangladesh and subsequently to reduce Green House Gas emission and the impact on climate change. For this APSCL has achieved the globally prestigious “The Green Era Award, 2015” from World Economic Forum in Berlin, Germany as the pioneer of Green Economy in the power sector of Bangladesh.

The company has set up an organization with follow-up tools and indicators to implement its environmental policy, as well as health and safety policies for its employees and contractors that covers such items as environmental management, water, ground and air pollution, waste production and recycling. It also deals with health and occupational safety management, pollution prevention, etc. in line with ISO 9001, ISO 14001 and BS OHSAS 18001 requirements. At APSCL environment, health and safety (HS&E) is not a regulatory compliance, but a corporate credo followed with diligence across all operations. It has enforced environment, health and safety standards and implemented work safety measures at all our operating locations, ensuring healthy, safe and environmentally friendly working conditions. It is committed to ensure that all the plants will adhere to the highest safety standards with each location serviced by its own Health, Safety and Environment (HS&E) division. The company ensures employee involvement in maintaining a pollution free, safe and healthy workplace through periodic

reviews of operational procedures, safe methods of work and a safe work environment. Therefore it has developed a culture of environment, health and safety through active leadership and provide appropriate training at all levels to enable employees to fulfill their health, safety and environmental obligations. All of its power plants have received statutory approvals by complying with all environmental regulations in line with the Department of Environment, Bangladesh; World Bank Thermal Power Plant Guidelines and ADB Environmental Safeguard Policy.

APSCL's plants are well equipped with pollution control devices and adhere to all environmental regulations and pollution norms of the country. In addition, it is working closely with the community to minimize environmental hazards. The company has institutionalized an effective system of environment monitoring, pollution control equipment and emissions management. Aside from tree plantation that is being carried out within the plant and residential colonies' boundary, it is actively involved in tree plantation initiatives in its community. APSCL

EMISSION OF CARBON DIOXIDE (CO₂) FROM 2017-2018EMISSION OF NITROUS OXIDE (N₂O) FROM 2017-2018

is also using the latest available technology to reduce net consumption of high quality water by enhancing water use efficiency with “Zero Blow Down Discharge” as the company fully understand the importance of this precious resource during plant operations by improving thermal efficiency and reducing the amount of heat discharged in the environment. It is also reducing the chemical impact of operational discharge on the quality of surrounding surface and groundwater resources. All power plant projects are subject to State Environmental Laws and Regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances. It has also adopted waste management systems and maximized the available recycling opportunities.

APSCL aim to minimize the impact of its operations on the environment through reducing energy consumption in auxiliary equipment's, buildings and facilities, utilizing renewable sources of energy, implementing 'green' waste management practices, minimizing business travel, carbon offsetting and operating quality management systems. To support this effort, the environmental and climate change policy is implemented through proper management to ensure compliance with local guidelines and regulations. In 2013, Health, Safety & Environment Division of APSCL developed its Greenhouse Gas ('GHG') emissions accounting to include all operations. Since then, the focus has been on increasing the quality of

information captured and seeking out how the better data collected can add value to the business. The levels of GHG emissions have been calculated using the guidelines of the GHG protocol and relate to the reporting period from 1 January to 31 December of every year. This provides internal management with valuable information on which to build an effective strategy to manage and reduce GHG emissions. This will continue to serve as a process by which to improve and further develop accounting and reporting standards in the future, and to broaden the base of users and stakeholder input. This includes building bridges with existing and emerging climate initiatives to optimize safe natural environment and to ensure the sustainable development.

Health, Safety and Environment Policy

APSCL HSE vision is an accident free workplace, with no harm to people and continuously decreasing environmental impacts of business activities. It commits to provide a safe and healthy work environment and ensuring that all activities are conducted in a manner that protects the environment.

To achieve this commitment, our Health, Safety and Environment (HSE) management system drives continual improvement, outlines HSE accountabilities and requires that the company:

- Identify and manage risks to as low as reasonably

HEALTH, SAFETY & ENVIRONMENT

practicable where they have the potential to cause an injury or ill health to people, or unacceptable impacts on the environment or the community.

- Provide safe work places and systems of work, empower employees, contractors and other stakeholders to address unsafe or hazardous situations and carry out their work in a manner that does not present a risk to themselves, others or the environment.
- Set objectives, targets and Plans which seek to improve performance in HSE.
- Commit to the prevention of Pollution.
- Ensure compliance with applicable HSE legal requirements and other HSE commitments.
- Require contractors and other stakeholders to manage HSE using standards and practices that comply with this policy.
- Review and report HSE performance regularly.

The entire line management is responsible for establishing and overseeing APSCL commitment to manage HSE in accordance with this policy and monitoring the performance of the Company with respect to its implementation. The Management of APSCL is responsible for the implementation of the HSE Management System to ensure the commitments made in this policy are being met.

Health, Safety and Environment Statement

APSCL recognize that the management of employee's Health and Safety at work and the minimization of our adverse Environmental impact are a prime duty and responsibility of Ashuganj Power Station Company Ltd. (APSCL) management. It is committed to improve its health, safety and environmental (HSE) performance continuously. APSCL ensures the quality, health & safety, environment and social responsibility, creating sustainable added value to our employees, clients and other stakeholders.

Principles: The Company continually strive to create a safe workplace for its employees and contract personnel, thus avoiding accidents and occupational illness.

It believes that:

- No job is worth doing if it cannot be done safely; all work related incidents can be prevented.
- Health and safety at work is the responsibility of

every employee, contractor and visitor.

- It all contribute to protect the natural environment.
- It is the responsibility of our management to provide the resources necessary to implement this policy.
- Ensure sustainable progress through internal and external audits.

Commitments: The entire line management, supported by our internal HSE network, is accountable for the implementation of this HSE policy and shall remain committed to:

- Protect the health & safety of our employees, visitors, contractors and clients.
- Prevent pollution; minimize our resource use and waste generation through sustainable development initiatives.
- Increase our employee awareness of HSE concerns and issues.
- Comply with relevant HSE legislation, Group and other applicable requirements.
- Provide the tools, internal HSE resources and training necessary for the implementation of effective HSE management systems.

The APSCL HSE Policy is its core value to achieve its vision of Zero accidents, illness and adverse environmental impact.

CORPORATE GOVERNANCE

Corporate governance is a system by which companies are directed and controlled. At its most level, it's about how those entrusted with day to day management of a company's affairs are held accountable to shareholders and other providers of finance and whether the organization has the appropriate corporate structure to underpin accountability. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility. A good Governance process provides transparency of corporate policies, strategies and the decision making process. This further strengthens internal control systems and helps in building relationships with all stakeholders. We at Ashuganj Power Station Company Ltd. (APSCL) believe in transparency and commit ourselves to adherence to good corporate governance practices at all times, as we believe that good governance generates goodwill among business partners, customers and investors and helps the company grow.

Keeping in view the size, complexity and operations, the governance framework of APSCL is based on the following principles:

1. That the board is appropriate in size and members are committed to their respective duties and responsibilities
2. That the company is operated by a well-defined management structure
3. That timely flow of information to the board and its committees are ensured to enable them discharge their functions effectively
4. That a sound system of risk management and internal control is in place.
5. That the company has a sound asset management policy, which assures that proper records are maintained in case of capital expenditures of the company and that no unauthorized use or disposal of any asset occurs.
6. That timely and balanced disclosure of all material information concerning the company is made to all stakeholders.
7. That all transactions of the company are transparent and accountability for the transactions is well established.
8. That all regulatory and statutory rules and regulations are complied with.
9. Meeting the needs of the current generation without compromising the ability of future generation to meet their needs.
10. Always considering a holistic (social, economic and environmental) approach for decision making, venture exploring and problem solving.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is the way companies integrate social, environmental, and economic concerns into their values and operations in a transparent and accountable manner. It is integral to long-term business growth and success, and it also plays an important role in promoting values and contributing to the sustainable development

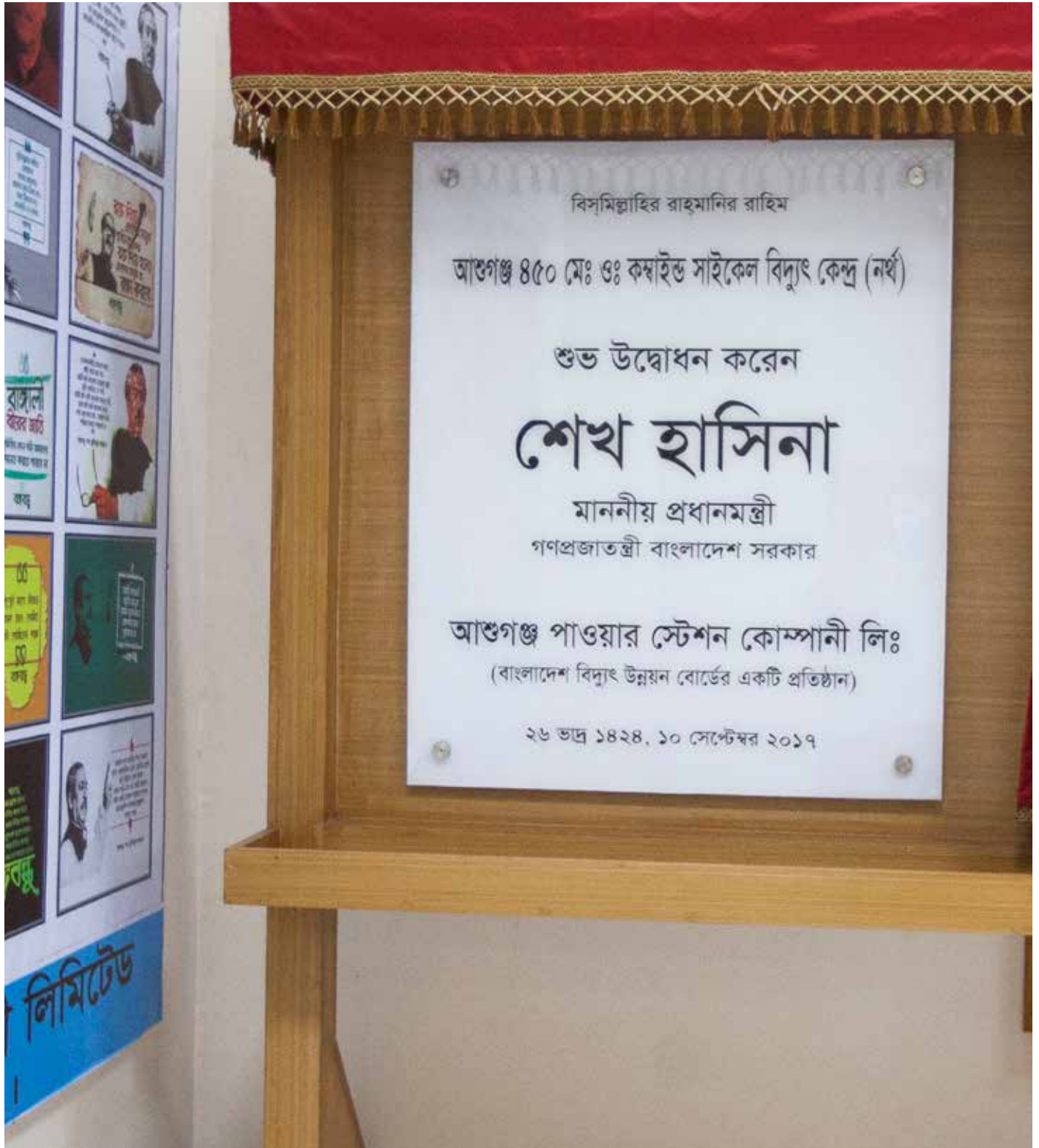
Besides its normal activity of operation and Maintenance of existing power plants and installation of new ones, the Company APSCL operates a High School, a Training Centre, a Medical Center and a Mosque, one Officers' Club, one Employees Club a Maktab and a Temple. All these are financially supported by the Company. The High School is operated by the company. The school is affiliated by the Comilla Secondary & Higher Secondary Education Board. Students from Baby Group to Class X study in this school. The School is run by a group of experienced Teaching Staff. It is here to mention that nearly 40% of the total student of this school comes from the adjacent areas and villages. In this way APSCL make a valuable contribution in the sector of education of this area. The Medical Centre is run by the company. There are one Senior Medical Officer (MBBS) & Two Medical Officers (MBBS)-one male & one female, Four Nurses (Diploma) and one female attendant. They provide medical services such as Antenatal checkup, EPI vaccination, Blood sugar check, ECG, Nebulization and many other emergency services to the employees and their family members at the Medical Center. There is an Ambulance with fully equipped modern facilities in the medical center. The water

used for steam generation is discharged after its uses through discharge channel which are further used for irrigation in the local area in the dry season. It is known that about 36,000 acres of land of Ashuganj are irrigated by this water at free of cost. Apart from these, the infrastructures of APSCL's surface areas like road, bridge, drainage system, footpath etc are constructed and maintained by its authority whose beneficiary are the mass people of this area. By this way APSCL took part in the development of this area.





MEMORABLE EVENTS 2017-18



400MW CCPP (EAST) CONTRACT SIGNING



MEMORABLE EVENTS 2017-18



ADB President Visit



17th AGM



Innovation Showcasing Program



Former Chairman of APSCL
Greeted New Chairman of APSCL



Milad _ Doa Mahfil for 450MW
CCPP (North) Opening Ceremony

MEMORABLE EVENTS 2017-18



Cheque Handover to Bangladesh National Workers Welfare Foundation



Training at APSCL Training Center



Rally for Graduation from LDC



National Mourning Day



Rally for the Recognition of the 7th March Speech of the Father of the Nation as World Documentary Heritage by UNESCO



Book Distribution Ceremony

MEMORABLE EVENTS 2017-18



99th Birthday of Father of the Nation



National Anthem to be Sung Simultaneously Nationwide on 26th March 2018



10th Annual Sports of APSCL



Bengali New Year Festival

FINANCIALS



AUDITORS' REPORT TO THE SHAREHOLDERS OF

Ashuganj Power Station Company Ltd

We have audited the accompanying financial statements of Ashuganj Power Station Company Ltd (the Company), which comprise the statement of financial position (balance sheet) as at 30 June 2018, and the statement of profit or loss and other comprehensive income (profit and loss statement), statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, the Companies Act 1994, Bangladesh Securities and Exchange Commission Rules 1987 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain a reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the requirements of Companies Act 1994, Bangladesh Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

We also report that :

- (i) 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;
- (ii) 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;
- (iii) the statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account and returns; and
- (iv) the expenditure incurred and payments made were for the purpose of the business of the company.

Dhaka, Bangladesh
Dated, 08 November 2018



S. F. AHMED & CO
Chartered Accountants

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at 30 June 2018

| | Notes | 30 June 2018 BDT | 30 June 2017 Restated BDT | 01 July 2016 Restated BDT |
|---|-------|------------------------|---------------------------------|---------------------------------|
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 4 | 15,159,822,219 | 16,343,387,814 | 18,071,893,749 |
| Deferred expenditure | 5 | - | 390,027,259 | 367,629,233 |
| Investment in UAEL | 6 | 304,050,000 | 304,050,000 | - |
| Capital works-in-progress | 7 | 75,912,802,499 | 70,612,683,239 | 64,641,417,311 |
| Total non-current assets | | 91,376,674,718 | 87,650,148,312 | 83,080,940,293 |
| Current assets | | | | |
| Stocks | 8 | 1,441,043,643 | 1,267,158,835 | 1,164,346,942 |
| Advances, deposits and pre-payments | 9 | 94,141,023 | 27,880,502 | 45,234,878 |
| Accounts and other receivable | 10 | 7,087,527,426 | 4,003,108,312 | 2,885,665,415 |
| Cash and bank balances | 11 | 6,009,276,615 | 5,160,571,223 | 3,542,819,398 |
| Total current assets | | 14,631,988,707 | 10,458,718,872 | 7,638,066,633 |
| Total assets | | 106,008,663,423 | 98,108,867,184 | 90,719,006,926 |
| Equity and Liabilities | | | | |
| Share capital | 12 | 6,615,000,000 | 6,615,000,000 | 6,615,000,000 |
| Equity of BPDB | 13 | 5,572,614,964 | 5,572,614,964 | 5,572,614,964 |
| Direct grant | 14 | 344,182,000 | 344,182,000 | 344,182,000 |
| Retained earnings | 15 | 3,562,018,982 | 431,546,000 | 947,425,202 |
| | | 16,093,815,946 | 12,963,342,964 | 13,479,222,166 |
| Subordinated loan | | | | |
| Subordinated loan- debt service liabilities | 16 | 10,252,300,000 | 10,252,300,000 | 10,252,300,000 |
| Non-current liabilities | | | | |
| Government loan | 17 | 3,471,277,531 | 3,677,538,723 | 3,436,558,853 |
| Loan from BPDB | 18 | 541,600,000 | 4,741,600,000 | 3,280,000,000 |
| Foreign loan | 19 | 24,912,063,975 | 22,546,976,270 | 15,663,052,949 |
| Export credit agency (ECA) | 20 | 31,579,968,386 | 31,140,113,886 | 38,212,169,715 |
| Deferred tax | 21 | 5,555,080,347 | 4,630,139,666 | 2,706,298,261 |
| Advance land lease rent UAEL | 22 | 243,240,000 | 263,510,000 | - |
| Deferred- liabilities for gratuity | 23 | 320,304,670 | 255,231,634 | 220,081,432 |
| Total non-current liabilities | | 66,623,534,909 | 67,255,110,179 | 63,518,161,210 |
| Current liabilities | | | | |
| Provision for income tax | 24 | 1,063,541,998 | 1,024,812,189 | 1,141,952,686 |
| Current portion of loan | 25 | 7,538,036,332 | 4,211,434,964 | - |
| Advance land lease rent UAEL | 22 | 20,270,000 | 20,270,000 | - |
| Liabilities for interest expense | 26 | 1,643,176,432 | 657,377,036 | 650,886,124 |
| Trade payable | 27 | 2,240,903,778 | 1,360,915,219 | 1,336,984,656 |
| Liabilities for expenses | 28 | 303,899,516 | 278,979,925 | 322,712,528 |
| Worker's profit participation fund (WPPF) | 29 | 229,184,513 | 84,324,709 | 16,787,556 |
| Total current liabilities | | 13,039,012,568 | 7,638,114,041 | 3,469,323,550 |
| Total liabilities | | 89,914,847,477 | 85,145,524,220 | 77,239,784,760 |
| Total equity and liabilities | | 106,008,663,423 | 98,108,867,184 | 90,719,006,926 |

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Directors of Ashuganj Power Station Company Ltd


 Company Secretary


 Executive Director (Finance)


 Managing Director


 Director

See annexed report of the date

 Dhaka, Bangladesh
 Dated, 08 November 2018


S. F. AHMED & CO
 Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (PROFIT AND LOSS STATEMENT)

As at 30 June 2018

| | Notes | 2018 BDT | 2017 BDT |
|---|----------|-----------------------|----------------------|
| Revenue (Sales) | 30 | 21,773,269,662 | 15,660,032,053 |
| Cost of sales | 31 | 11,481,818,838 | 9,634,141,942 |
| Gross profit | | 10,291,450,824 | 6,025,890,111 |
| Other operating income | 32 | 159,652,231 | 129,208,702 |
| | | 10,451,103,055 | 6,155,098,813 |
| Operation and maintenance expenses | | | |
| Personnel expenses | 33 | 1,071,880,702 | 918,577,614 |
| Office and other expenses | 34 | 99,641,076 | 59,680,089 |
| Repair and maintenance | 35 | 162,059,539 | 71,262,807 |
| Depreciation expenses | 36 | 68,714,258 | 64,983,010 |
| | | 1,402,295,575 | 1,114,503,520 |
| Operating profit | | 9,048,807,480 | 5,040,595,293 |
| Finance income | 37 | 353,257,469 | 41,137,027 |
| Financial expense | 38 | 3,196,740,682 | 2,302,253,023 |
| Foreign currency fluctuation (gain)/loss | 39 | 1,621,634,015 | 1,252,962,811 |
| Provision no longer required | 40 | - | 159,977,693 |
| | | 4,583,690,252 | 1,686,494,179 |
| Worker's profit participation fund (WPPF) | | 229,184,513 | 84,324,709 |
| Net profit before tax | | 4,354,505,739 | 1,602,169,470 |
| Income tax expenses | | | |
| Current tax | 24.1 | 133,717,076 | 94,982,267 |
| Deferred tax | Annex 10 | 924,940,681 | - |
| | | 1,058,657,757 | 94,982,267 |
| Net profit after tax | | 3,295,847,982 | 1,507,187,204 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 3,295,847,982 | 1,507,187,204 |
| Earnings per share: | 41 | | |
| Basic earnings per share of BDT 100 | | | |
| Before restatement | | 49.82 | 22.78 |
| Restated | | 49.82 | (6.30) |
| Diluted earnings per share | | | |
| Before restatement | | 19.47 | 8.90 |
| Restated | | 19.47 | (2.46) |

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Directors of Ashuganj Power Station Company Ltd



Company Secretary



Executive Director (Finance)



Managing Director



Director

See annexed report of the date



S. F. AHMED & CO
Chartered Accountants

Dhaka, Bangladesh
Dated, 08 November 2018

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

| | Share capital | Equity of BPDB | Direct grant | Retained earnings (Restated) | Total |
|--|----------------------|----------------------|--------------------|---------------------------------|-----------------------|
| | BDT | BDT | BDT | BDT | BDT |
| Year 2018 | | | | | |
| Balance at 01 July 2017 | 6,615,000,000 | 5,572,614,964 | 344,182,000 | 431,546,000 | 12,963,342,964 |
| Total comprehensive income | - | - | - | 3,295,847,982 | 3,295,847,982 |
| Payment of dividend | - | - | - | (165,375,000) | (165,375,000) |
| Balance at 30 June 2018 | 6,615,000,000 | 5,572,614,964 | 344,182,000 | 3,562,018,982 | 16,093,815,946 |
| Year 2017 | | | | | |
| Balance at 01 July 2016 | 6,615,000,000 | 5,572,614,964 | 344,182,000 | 3,653,723,463 | 16,185,520,427 |
| Prior year's adjustment | - | - | - | (2,706,298,261) | (2,706,298,261) |
| Restated balance at 01 July 2016 | 6,615,000,000 | 5,572,614,964 | 344,182,000 | 947,425,202 | 13,479,222,166 |
| Total comprehensive income | - | - | - | 1,507,187,203 | 1,507,187,203 |
| Adjustment for correction of error (note 21) | - | - | - | (1,923,841,405) | (1,923,841,405) |
| Payment of dividend | - | - | - | (99,225,000) | (99,225,000) |
| Restated balance at 30 June 2017 | 6,615,000,000 | 5,572,614,964 | 344,182,000 | 431,546,000 | 12,963,342,964 |

For and on behalf of Board of Directors of Ashuganj Power Station Company Ltd


 Company Secretary


 Executive Director (Finance)


 Managing Director


 Director

 Dhaka, Bangladesh
 Dated, 08 November 2018

STATEMENT OF CASH FLOWS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|---|------------------------|------------------------|
| | BDT | BDT |
| Cash flows from operating activities | | |
| Cash received from operation | 18,688,850,548 | 14,542,589,156 |
| Cash received from other income | 209,845,302 | 170,345,729 |
| Payment for salary and allowances | (999,508,743) | (874,345,668) |
| Payment to suppliers | (6,553,058,124) | (6,314,385,530) |
| Finance expense paid | (2,048,219,754) | (2,146,002,524) |
| Income tax paid | (94,987,267) | (52,145,071) |
| Net cash received from operating activities | 9,202,921,962 | 5,326,056,092 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (393,496,350) | (38,265,453) |
| Investment in UAEL | - | (304,050,000) |
| Payments towards project cost | (8,264,789,512) | (6,401,007,039) |
| Addition to deferred expenditure | - | (209,827,272) |
| Net cash used in investing activities | (8,658,285,862) | (6,953,149,764) |
| Cash flows from financing activities | | |
| Repayment of government loan | (213,130,596) | (399,729,324) |
| Repayment of foreign loan | (66,449,060) | (132,898,124) |
| Dividend received | 282,794,400 | - |
| Dividend paid | (165,367,745) | (99,220,647) |
| Advance land lease rent UAEL | - | 283,780,000 |
| Loan paid to BPDB | (1,800,000,000) | (800,000,000) |
| Government loan received for 450 MW (N) project | 220,000,000 | 618,971,450 |
| ADB loan received for 450 MW (N) project | 1,671,857,040 | 4,809,419,002 |
| IDB loan received for 450 MW (N) project | 826,128,785 | 803,544,871 |
| Loan from BPDB | - | 2,261,600,000 |
| ECA loan received for 450 MW (South) Project | 4,191,562,107 | - |
| Export credit agency (ECA) loan payment | (4,793,845,672) | (4,154,782,041) |
| Net cash from/(used in) financing activities | 153,549,259 | 3,190,685,187 |
| Net increase in cash and cash equivalents | 698,185,359 | 1,563,591,515 |
| Opening cash and cash equivalents | 5,160,571,223 | 3,542,819,398 |
| Effects of exchange rate changes on cash and cash equivalents | 150,520,033 | 54,160,310 |
| Closing cash and cash equivalents | 6,009,276,615 | 5,160,571,223 |

For and on behalf of Board of Directors of Ashuganj Power Station Company Ltd


Company Secretary

Executive Director (Finance)

Managing Director

Director

Dhaka, Bangladesh
Dated, 08 November 2018

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018***1 Corporate information****1.1 Legal status and background of the company**

Ashuganj Power Station Company Ltd (APSCL/the Company) is registered as a private limited company with the Registrar of Joint Stock Companies and Firms (RJSCF), Dhaka vide certificate of incorporation no. 40630(2328)/2000 dated 28 June 2000 which was thereafter converted into a public limited company. Its authorised share capital has been increased from BDT 100 crores to BDT 1,500 crores through a special resolution passed on 01 March 2003 and authorised capital has been increased from BDT 1,500 crores to BDT 3,000 crores through an ordinary resolution on 10th AGM held on 26 December 2010. Its paid up capital has been increased to BDT 661.40 crore by a special resolution in the 142th Board Meeting held on 08 July 2012 in terms of condition of section 151 of Companies Act 1994 for issue of shares against assets and conditions of the company's Articles of Association, clauses 11 and 17 (here considering on the basis of provisional vendor's agreement, maximum BDT 661.40 crore can be transferred to BPDB's paid up capital from its equity). A provisional vendor's agreement has been signed between Bangladesh Power Development Board (BPDB) and APSCL in order to transfer all the assets and liabilities of Ashuganj Power Station Complex, Ashuganj Combined Cycle Power Plant, Ashuganj Power Plant Training Centre and Ashuganj Regional Accounting Office of BPDB to APSCL on 22 May 2003. A Provisional Power Purchase Agreement (PPPA) has also been signed on 30 May 2005 between the BPDB and APSCL. Both the agreements are with effect from 01 June 2003. The Articles of Association of the company was amended in the 8th AGM held on 30 June 2008. After the amendments, the accounting period has been changed from Gregorian calendar year to company's desired financial year with due permission from RJSCF vide its letter no. 4835. First amendment of PPPA has been made with effect from 15 January 2010, second amendment of PPPA between APSCL and BPDB has been made with effect from 14 January 2012 and third amendment of with effect from 17 June 2015.

APSCL is going to issue non-convertible coupon bearing bonds of BDT 600 crore of which BDT 500 crore is through private placement and the remaining BDT 100 crore is through public placement. The coupon will be paid semi annually. The first coupon will be paid after 12 months of the draw down. The coupon rate will be reference rate plus margin or 8.50% whichever is higher. However, for the first coupon payment the rate would be 8.50%. The reference rate is the 6 months average of 182 days Bangladesh Treasury Bill (182 Days T-Bill). The coupon margin is 4.00%. The coupon rate will be between 8.50% to 10.50% per annum. (Coupon ceiling rate is 10.50% and coupon floor rate is 8.50%). The issuer shall pay a late payment penalty of 2% of the coupon rate on the payable amount.

Approval from Bangladesh Securities Exchange Commission (BSEC) vide reference number BSEC/CI/DS-85/2017/227 dated 02 April 2018 has been received for issuing bonds of BDT 500 crore through private placement. The fund raising process by issuing bonds through private placement is going on. Investment commitment BDT 330 crore has already been received from investors.

1.2 Nature of business activities

The main objectives of the company is to carry out the business of electric light and power generation, supply and sell of electricity through national grid to BPDB for the purpose of light, heat motive power and all other purposes for which electric energy can be employed and to manufacture and deal in all apparatus and things required for, or capture of being used in connection with the generation, supply, sale and employment of electricity including in term electricity all power that may be directly or indirectly derived therefrom, or may be incidentally hereafter discovered in dealing with electricity.

2. Basis of preparation**2.1 Statement of compliances**

The Financial Statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Bangladesh Securities and Exchange Commission, Rules 1987 and other applicable laws and regulations.

2.2 Measurement of the elements of financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognised and carried in the statements of financial position and profit or loss and other comprehensive income. The measurement basis adopted by APSCL is historical cost except the revaluation of land. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.3 Components of these financial statements

Following are the components of these financial statements as per BAS 1 :

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

- (a) Statement of financial position (balance sheet) as at 30 June 2018
- (b) Statement of profit or loss and other comprehensive income (profit and loss statement) for the year ended 30 June 2018
- (c) Statement of changes in equity for the year ended 30 June 2018
- (d) Statement of cash flows for the year ended 30 June 2018
- (e) Explanatory notes to the above financial statements which also describe the accounting policies adopted and followed by the company.

2.4 Restatement of prior year's figures

The Company has not recognised deferred tax in the financial statements till FY 2016- 2017, which has been recognised in accordance with BAS 12: 'Income Taxes', from beginning of the year under reporting and will subsequently be recognised in the future. As this implies a change in accounting policy within the scope of BAS 8, figures of previous years as reported have been restated to confirm the comparability with those of current year.

2.5 Basis of preparation of the financial statements

These financial statements have been prepared on accrual basis following going concepts under historical cost convention.

2.6 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is both functional currency and presentation currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT.

2.7 Reporting period

The financial period of the company covers 12 (twelve) months from 01 July 2017 to 30 June 2018 which is followed consistently.

2.8 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumption 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 ongoing basis.

2.9 Going concern

The Directors have made an assessment of the company's ability to continue as a going concern and they do not intend either to liquidate or to cease trading. Since, there is no material uncertainties related to events or conditions at reporting date which may cast significant doubt upon the company's ability to continue as a going concern, the financial statements of the company are prepared on a going concern basis.

2.10 Accrual basis of accounting

The company prepares its financial statements, except the statement of cash flow, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognises items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

2.11 Materiality and aggregation

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

2.12 Offsetting

The entity does not offset assets and liabilities or income and expenses, unless required or permitted by any BFRs.

2.13 Events after the reporting period

Events after the reporting date that provide additional information about the company's position at the reporting date are reflected in the financial statements. Events after the reporting period that are non-adjusting events are disclosed in the notes when material.

3. Significant accounting policy and other material information

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

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Property, plant and equipment (PPE) and Capital works-in-progress are recorded at purchase price and any directly attributable cost in bringing the asset to working condition for its intended use. After initial recognition, an item of PPE and Capital works-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

in-progress is carried at cost less accumulated depreciation. Cost represents the cost of acquisition/procurement including development expenses, all installation expenses, commissioning and other relevant expenses.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment and Capital works-in-progress is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognised in the profit and loss statement as incurred.

3.1.3 Maintenance activities

The company incurs maintenance costs for all of its major items of property, plant and equipment and Capital works-in-progress. Repair and maintenance costs are charged as expenses and sometimes deferred when incurred. Subsequently deferred expenses charge to the Statement of financial position (balance sheet) over its useful life.

3.1.4 Depreciation

Depreciation on PPE has been charged applying straight line method considering the estimated life and the salvage value of the assets procured. Depreciation is charge on property plant and equipment for 6 (six) months in the year of acquisition and 6 (six) months in the year of disposal. However, depreciation for 450 MW (South and North) and 225 MW CCPP project full year depreciation charge as the from date of commercial operation.

| Asset category | Rate of depreciation (%) |
|-----------------------------------|--------------------------|
| Building | 1.55 - 13.33 |
| Plant and machinery | 5 - 40 |
| Office equipment | 10 - 33.33 |
| Vehicles | 12.5 |
| Furniture and fixtures | 20 |
| Overhauling project | 7.14 |
| 225 MW Combined Cycle Power Plant | 4 |
| 450 MW (South) Project | 4 |
| 450 MW (North) Project | 4 |

3.1.5 Retirements and disposals

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

3.2 Stocks

In accordance with BAS 2: "Inventories". Stocks have been stated at the lower of cost and net realisable value. APSCL has valued of the stocks (inventory) measured on the basis of lower of cost and net realisable value method.

3.3 Accounts receivable

Accounts receivable are recognised at cost which is the fair value of the consideration given for them.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank, which are held and available for use of the company without any restriction.

3.5 Cash flow statement

Cash flow statement is prepared according to BAS 7: "Statements of Cash Flows" under direct method.

3.6 Equity of BPDB

Shares allotment against equity of BPDB has not yet been made. After allotment of shares, it will be presented as share capital of the company.

3.7 Status of foreign loan

Foreign loan was initially transferred from BPDB on 01 June 2003. Periodical dues of principal and interest are transferred to Debt Service Liability (DSL).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

3.8 Foreign currency transactions

Foreign currency transactions are converted at the rates ruling on the dates of transactions in accordance with BAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rate prevailing on that date. Exchange losses/(gain) arising out of the said conversion, except for those foreign currency borrowing directly attributable to the construction or acquisition of a qualifying asset, is recognised as an expense/(income) for the year.

3.9 Provisions

A provision is recognised on the balance sheet date if as a result of past events, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.10 Employee benefits

Employees' provident fund

The company has established a Contributory Provident Fund (CPF) scheme for its eligible permanent employees. The fund is wholly administered by a Board of Trustees. No part of the fund is included in the assets of the company.

Group insurance

The company has also a group insurance scheme for its permanent employees, premium for which is being charged to income statement annually as per the insurance policy.

Gratuity

The company also maintains an unfunded gratuity scheme for regular employees, provision for which has been made in account. Employees are entitled to gratuity benefit after completion of minimum 3 years' service in the company but provision has been made for persons who have not completed 3 years. The gratuity is calculated on the last basic salary and is payable at the rate of two and half months' basic salary for every completed year of service.

3.11 Revenue

Revenue has been recognised in accordance with BAS 18: "Revenue" when the following conditions are met:

- The amount of revenue can be measured reliably;
- It is probable that the future economic benefits associated with the transaction will flow to the entity;
- Significant risks and rewards have been transferred to the buyer; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Specific policies regarding the recognition of revenue are as under:

Revenue has been recognised as per Power Purchase Agreement (PPA) its signed between Bangladesh Power Development Board (BPDB) and Ashuganj Power Station company Ltd (APSCL) when electricity transferred to national grid. Element of Revenue (A) Capacity Payments, (B) Energy Payments.

A. Capacity Payments

The capacity payment is fixed in nature the main elements of the capacity payments are as follows:

- Depreciation on fixed assets
- Cost of capital ie, interest on borrowed capital
- Return on equity
- Repairs and maintenance of plant, machinery and equipment
- Salary and allowances

B. Energy Payments i.e. fuel cost (gas bill)

The capacity payment is fixed in nature but the energy payment is variable with volume of generation.

3.12 Finance income

Finance income comprises interest income on funds invested in FDRs, STDs and dividend income from UAEL shares.

3.13 Other income

This includes sale proceeds of unusable materials and others.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

3.14 Finance cost

Finance cost comprises interest expense on borrowings, etc. All borrowing costs are recognised in the statement of comprehensive income using the effective interest method.

3.15 Taxation

Current tax

As there will not be any estimated taxable income rather there will be estimated taxable loss in the period, the company will have to pay minimum tax under Section 82C of Income Tax Ordinance 1984: Charge of minimum tax. As per that section, every company shall, irrespective of its profits or loss in an assessment year for any reason whatsoever, including sustaining of loss, the setting off of a loss of earlier year or the claiming of allowances or deductions (including depreciation) allowed under that Ordinance, be liable to pay minimum tax at the rate of zero point six zero (0.60%) per cent of the amount representing such company's gross receipts from all sources for that year. Current tax has been provided for accordingly.

The company has a taxable loss for depreciation calculated using the 3rd schedule of Income Tax Ordinance 1984.

Deferred tax

Deferred tax is recognised and measured in accordance with BAS 12: Income Taxes following balance sheet liability method. Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences and unused tax losses. Deferred tax assets and liabilities are recognised for the future tax consequences of the timing difference arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognised in the profit and loss statement.

3.16 Earnings per share (EPS)

Earnings per share has been calculated in accordance with BAS 33: "Earnings per Share". Earnings per share has been presented on the face of the profit and loss statement as required in the said BAS. Basic and diluted EPS should be presented even if the amounts are negative i.e., a loss per share.

Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to ordinary equity holders of the company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. The denominator (number of shares) is calculated by adjusting the number of shares in issue at the beginning of the period by the number of shares issued during the period, multiplied by a time-weighting factor.

Diluted earnings per share

Dilution is reduction in earnings per share or an increase in profit per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions. Diluted EPS is calculated by adjusting the earnings and number of shares for the effects of dilutive options and other dilutive potential ordinary shares.

3.17 Financial instruments

As per BFRS 7 "Financial Instruments: Disclosures" all financial instruments are presented in a way so that users are enabled to evaluate the significance and nature and extent of risks arising from financial instruments to which the entity is exposed during the period and how the entity manages those risks.

Investment in fixed deposits

Investment in fixed deposits is shown in the financial statements at its cost and interest income is recognised quarterly.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Advances

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

3.18 Contribution to worker's profit participation fund

This is required to be made in terms of section 234(1)(b) of Bangladesh Labor Act 2006 (as amended in 2013) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the fund, the proportion of the payment to the participation fund and the welfare fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the company to the workers' welfare foundation fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.

The Company makes provision @ 5% of its net profit as a contribution to worker's profit participation fund before tax and charging such expense in accordance with The Bangladesh Labor Act 2006 (as amended in 2013).

3.19 Finance lease

The company has leased out 6.42 acres of land to United Ashuganj Energy Ltd (UAEL) vide agreement dated 17 october 2013, which is part of the 16.43 acres land allotted to APSCL by Bangladesh Railway vide agreement dated 19 September 2013. This lease has been classified and accounted for as a finance lease in accordance with BAS 17" Leases".

Advance land lease rent has initially been recognised at an amount equal to net investment in the lease and presented as a liability.

Income from lease rent amortiation shall recognised equally over the lease period, ie, 15 years.

3.20 Expenses

The definition of expenses encompasses losses as well as those expenses that arise in the course of the ordinary activities of the entity. Expenses that arise in the course of the ordinary activities of the entity include, for example, direct costs, wages and depreciation. They usually take the form of an outflow or depletion of assets such as cash and cash equivalents, inventory, property, plant and equipment.

Losses represent other items that meet the definition of expenses and may, or may not, arise in the course of the ordinary activities of the entity. Losses represent decreases in economic benefits and as such they are no different in nature from other expenses. Hence, they are not regarded as a separate element in this conceptual framework.

3.21 Significant contract

Power purchase agreement

The company has entered into a PPA with BPDB, whereby BPDB agrees to purchase all net electricity outputs of the facility. BPDB is also required to provide natural gas to the facility sufficient to meet the full requirements of the facility. The PPA can be extended during the final twelve months of its term upon mutual agreement of the company and BPDB.

The company delivers electricity only as requested by BPDB. The price paid by BPDB for electricity comprises a fuel cost recovery tariff and an operations and maintenance tariff.

The operations and maintenance tariff is structured to cover the operating, administration and general expenses of the company, as well as to provide a return on equity to the shareholders. The operations and maintenance tariff is based on the number of kilowatt-hours of electricity delivered.

The company has recognised revenue of BDT 21,773,269,662 during the year ended 30 June 2018 and BDT 15,660,032,053 during the year ended 30 June 2017 under this agreement.

3.22 Information of company loan

3.22.1 Subordinated loan – debt service liability (See note 16)

| | |
|--------------------|---------------------|
| Financed by | Inherited from BPDB |
| Loan type | Subordinated loan |
| Rate of interest | Interest free |
| Repayment schedule | N/A |
| Sanctioned amount | BDT 10,252,300,000 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

3.22.2 Government loans (see note 17)

450 MW (North) (see note 17.1)

| | |
|------------------------|--|
| Financed by | Government of Bangladesh |
| Loan agreement between | Government of Bangladesh and Ashuganj Power Station Company Limited |
| Loan agreement no. | 20.812.006.02.00.053.2011.103 |
| Loan agreement date | 15 November 2011 |
| Loan type | Long term loan |
| Loan sanction date | 01 November 2011 |
| Purpose of loan | Construction of Ashuganj 450 MW Combined Cycle Power Plant (North) |
| Sanctioned amount | BDT 3,527,166,000 |
| Rate of interest | 3% per annum |
| Repayment period | 20 years including grace period of 5 years in 20 annual consecutive installments |
| Security type | None |
| Repayment schedule | Details are given in Annex 6 |

Overhauling unit # 3, 4 & 5 (see note 17.2)

| | |
|------------------------|---|
| Financed by | Government of Bangladesh |
| Loan agreement between | The loan was inherited from BPDB |
| Loan type | Long term loan |
| Purpose of loan | Rehabilitation / Modernisation of Ashuganj Power Station Complex (Units 3, 4 and 5) |
| Sanctioned amount | BDT 2,983,828,144 |
| Rate of interest | 3% per annum |
| Repayment period | None |
| Security type | None |

3.22.3 Bangladesh Power Development Board (BPDB) loans (see note 18)

| | |
|------------------------|---|
| Financed by | BPDB |
| Loan agreement between | None. However financing was resolved through minutes of board meeting |
| Loan agreement date | 29 March 2016, 18 April 2016 and 15 May 2016, 26 September 2016 and 16 December 2016, 02 May 2017 |
| Loan type | Long term loan |
| Loan sanction date | 29 March 2016, 18 April 2016 and 15 May 2016 |
| Purpose of loan | Debt Service Reserve Account (DSRA) and Debt |
| Sanctioned amount | BDT 328 crore, BDT 130 crore, BDT 96.16 crore |
| Rate of interest | 3% per annum |
| Repayment schedule | None |

3.22.4 Foreign loans (see note 19)

Overhauling unit # 3, 4 and 5 (see note 19.1)

| | |
|------------------------|--|
| Financed by | Kreditanstalt Für Wiederaufbau (KfW) |
| Loan agreement between | Ashuganj Power Station Company Limited and Government of Bangladesh |
| Loan agreement date | 13 March 2005 |
| Loan type | Long term loan |
| Loan sanction date | 13 March 2005 |
| Purpose of loan | Modernisation of Ashuganj Power Station Complex (Units 3, 4 and 5) |
| Sanctioned amount | BDT 930,286,856 |
| Rate of interest | 8% per annum |
| Repayment period | 18 years including a grace period of 3 years in 15 annual consecutive installments |
| Security type | None |
| Repayment schedule | Details are given in Annex 7 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

ADB loan (450 MW - North) (see note 19.2)

| | |
|------------------------|---|
| Financed by | Asian Development Bank |
| Loan agreement between | Government of Bangladesh and Ashuganj Power Station Company Limited |
| Loan agreement no | 2769-BAN |
| Loan agreement date | 29 July 2012 |
| Loan type | Long term loan |
| Loan sanction date | 04 January 2012 |
| Purpose of loan | Power system efficiency improvement project - Ashuganj 450MW CCPP (North) construction project |
| Sanctioned amount | US\$ 228,000,000 |
| Rate of interest | 4% per annum |
| Repayment period | 20 years including grace period of 5 years in 30 semi-annual consecutive installments |
| Security type | N/A |
| Repayment schedule | Details are given in Annex 8 |

IDB loan (450 MW - North) (see note 19.3)

| | |
|------------------------|---|
| Financed by | Islamic Development Bank |
| Loan agreement between | Government of Bangladesh and Ashuganj Power Station Company Limited |
| Loan agreement no | BD-0163 |
| Loan agreement date | 14 February 2013 |
| Loan type | Long term loan |
| Loan sanction date | 14 July 2012 |
| Purpose of loan | Power system efficiency improvement project - Ashuganj 450MW CCPP (North) construction project |
| Sanctioned amount | US\$ 200,000,000 |
| Rate of interest | 4% per annum |
| Repayment period | 20 years including grace period of 5 years in 30 semi-annual consecutive installments |
| Security type | N/A |
| Repayment schedule | Details are given in Annex 9 |

3.22.5 Export Credit Agency (ECA) (see note 20)

450 MW (South) Project (see note 20.1):

CESCE facility

| | |
|------------------------|--|
| Financed by | CESCE facility with HSBC being the coordinating arranger of the facility |
| Loan agreement between | CESCE lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 450MW CCGT (South) Power Plant |
| Loan agreement date | 20 December 2012 |
| Loan sanction date | 20 December 2012 |
| Sanctioned amount | US\$ 60,000,000 |
| Rate of interest | LIBOR+ Margin 4.5% (Original) |
| Revised interest rate | LIBOR+ Margin 3% (Revised agreement was not provided to us) |
| LIBOR | 2.98% fixed (hedged) with flexi-start interest rate swap feature included |
| Repayment period | Repayment starts from the date falling six months after the final completion date of the project or the date falling 36 months after the original signing date of the agreement (the starting point of credit), whichever is earlier, in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 11.a |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

HERMES facility

| | |
|------------------------|--|
| Financed by | HERMES facility with HSBC being the coordinating arranger of the facility |
| Loan agreement between | HERMES lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 450MW CCGT (South) Power Plant |
| Loan agreement date | 20 December 2012 |
| Loan sanction date | 20 December 2012 |
| Sanctioned amount | US\$ 101,000,000 |
| Rate of interest | (Commercial interest reference rate 2.08%+ Commercial interest reference rate surcharge 0.85%) = 2.93% |
| LIBOR | None |
| Repayment period | Repayment starts from the date falling six months after the final completion date of the project or the date falling 36 months after the original signing date of the agreement (the starting point of credit), whichever is earlier, in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 11.b |

Multilateral Investment Guarantee Agency (MIGA) facility

| | |
|------------------------|--|
| Financed by | MIGA (Commercial Tranche A + Commercial Tranche B) facility with HSBC being the coordinating arranger of the facility |
| Loan agreement between | MIGA lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 450MW CCGT (South) Power Plant |
| Loan agreement date | 20 December 2012 |
| Loan sanction date | 20 December 2012 |
| Sanctioned amount | US\$ 184,000,000 |
| Rate of interest | LIBOR + Margin 2.50% |
| LIBOR | 2.98% fixed (hedged) with flexi-start interest rate swap feature included |
| Repayment period | Repayment starts from the date falling six months after the final completion date of the project or the date falling 36 months after the original signing date of the agreement (the starting point of credit), whichever is earlier, in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 11.c |

ONDD facility

| | |
|------------------------|--|
| Financed by | ONDD facility with HSBC being the coordinating arranger of the facility |
| Loan agreement between | ONDD lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 450MW CCGT (South) Power Plant |
| Loan agreement date | 20 December 2012 |
| Loan sanction date | 20 December 2012 |
| Sanctioned amount | US\$ 75,000,000 |
| Rate of interest | LIBOR + Margin 2.20% |
| LIBOR | 2.98% fixed (hedged) with flexi start interest rate swap feature included |
| Repayment period | Repayment starts from the date falling six months after the final completion date of the project or the date falling 36 months after the original signing date of the agreement (the starting point of credit), whichever is earlier, in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 11.d |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

225 MW Project (See note 20.2):

HERMES facility

| | |
|------------------------|---|
| Financed by | HERMES facility with Standard Chartered Bank and Korea Finance Corporation being the coordinating arrangers of the facility |
| Loan agreement between | HERMES lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 225MW CCGT Power Plant |
| Loan agreement date | 30 December 2012 |
| Loan sanction date | 30 December 2012 |
| Sanctioned amount | US\$ 69,101,844 |
| Rate of interest | LIBOR + Margin 2.20% + Mandatory cost (if any) |
| LIBOR | 3.69% (5.89%-2.2%) fixed (hedge) |
| Repayment period | Repayment starts from the date falling 5 working days after the final completion date of the project or the date falling 30 months after the financial close (the starting point of credit), whichever is earlier, in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 12.a |

K-sure facility

| | |
|------------------------|--|
| Financed by | K-sure facility with Standard Chartered Bank and Korea Finance Corporation being the coordinating arrangers of the facility |
| Loan agreement between | K-sure lenders and Ashuganj Power Station Company Limited |
| Loan type | Long term loan |
| Purpose of loan | Installation of Ashuganj 225MW CCGT Plant |
| Loan agreement date | 30 December 2012 |
| Loan sanction date | 30 December 2012 |
| Sanctioned amount | US\$ 123,842,140 |
| Rate of interest | LIBOR + Margin 2.7% + Mandatory cost (if any) |
| LIBOR | 3.69% (6.39%-2.7%) fixed (hedged) |
| Repayment period | Repayment starts from the date falling 5 working days after the final completion date of the project or the date falling 30 months after the financial close (the starting point of credit), whichever is earlier in 20 instalments, due in every six months |
| Security type | Sovereign guarantee |
| Repayment schedule | Details are given in Annex 12.b |

3.23 Power plant status

Current project:

3.23.1 Unit - 3, 4, 5

| | |
|---------------------------|--|
| Name of the project | Unit - 3, 4, 5 |
| Location | Ashuganj, Brahmanbaria-3402 |
| Capacity | 128MW, 137MW, 129MW |
| Commercial operation date | 17 December 1986, 04 May 1987, 21 March 1988 |
| Finance by | Inherited from BPDB through Provisional Vendor's Agreement |
| Fuel type | Natural gas |

3.23.2 50 MW plant

| | |
|---------------------------|-----------------------------|
| Name of the project | 50MW GE |
| Location | Ashuganj, Brahmanbaria-3402 |
| Capacity | 45MW |
| Commercial operation date | 17 March 2012 |
| Finance by | APSCL own fund |
| Fuel type | Natural gas |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

3.23.3 225MW CCPP project

| | |
|---------------------------|---|
| Name of the project | Ashuganj 225MW CCPP Project |
| Location | Ashuganj, Brahmanbaria-3402 |
| Capacity | 223MW |
| Commercial operation date | Simple cycle: 27 April 2015, combined cycle: 10 December 2015 |
| Finance by | ECA Financing and APSCL own fund |
| Fuel Type | Natural gas |

3.23.4 450MW CCPP (South) project

| | |
|---------------------------|-------------------------------------|
| Name of the project | Ashuganj 450MW CCPP (South) Project |
| Location | Ashuganj, Brahmanbaria-3402 |
| Capacity | 383MW |
| Commercial operation date | Combined cycle: 22 July, 2016 |
| Finance by | ECA financing and APSCL own fund |
| Fuel type | Natural gas |

3.23.5 450MW CCPP (North) project

| | |
|---------------------------|---|
| Name of the project | Ashuganj 450MW CCPP (North) Project |
| Location | Ashuganj, Brahmanbaria-3402 |
| Capacity | 386MW |
| Commercial operation date | Simple Cycle: 14 February 2017, Combined cycle: 11 June, 2017 |
| Finance by | ADB, IDB, GoB and APSCL own fund |
| Fuel type | Natural gas |

Upcoming project :

3.23.6 Ashuganj 400 (± 5%) MW Combined Cycle Power Plant (East)

| | |
|---------------------------|--|
| Name of the project | Ashuganj 400 (±5%) MW Combined Cycle Power Plant (East) |
| Location | Ashuganj, Brahmanbaria-3402 |
| Net Capacity in MW | 420 MW |
| Date of Commencement | 16 July 2018 |
| Commercial operation date | 31 December 2020 (Simple Cycle), 29 June 2021 (Combined Cycle) |
| Finance by | ADB, IDB, GoB and APSCL own fund |
| Fuel type | Natural gas |
| Estimated cost | BDT 2,931.36 Crore |

3.23.7 Patuakhali 1320 MW Super Thermal Power Plant Project

| | |
|--------------------------------|--|
| Name of the project | Land Acquisition, Land Development and Protection for Patuakhali 1320 MW Super Thermal Power Plant Project |
| Project Location | Debpur, Dhankhali, Patchjunia & Chalitabunia Mouza of Kalapara Upzilla Under Patuakhali District. |
| Capacity in MW | 1320 MW |
| Date of Commencement: | 1st January, 2018 |
| Date of Completion | 31 December, 2019 |
| Finance by | GoB and APSCL own fund |
| Fuel type | Coal |
| Estimated Cost of the Project: | BDT. 81,951.46 Lac |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | BDT | BDT |
| 4. Property, plant and equipment | | |
| Cost | | |
| Opening balance | 34,522,376,195 | 34,478,010,742 |
| Add: Addition during the year | 393,496,350 | 44,365,453 |
| Add: Transfer from deferred expenditure | 390,027,259 | |
| Closing balance | 35,305,899,804 | 34,522,376,195 |
| Accumulated depreciation | | |
| Opening balance | 18,178,988,381 | 16,406,116,993 |
| Add: Charge for the year | 1,967,089,204 | 1,772,871,388 |
| Closing balance | 20,146,077,585 | 18,178,988,381 |
| Written down value at 30 June 2018 | 15,159,822,219 | 16,343,387,814 |
| Details are shown in Annex 1 . | | |
| 5. Deferred expenditure | | |
| Opening balance | 390,027,259 | 367,629,233 |
| Add: Addition during the year | - | 209,827,272 |
| | 390,027,259 | 577,456,505 |
| Less: Amortisation for the year | - | 187,429,246 |
| Less Transfer to Property, plant and equipment | 390,027,259 | |
| Closing balance | - | 390,027,259 |
| Deferred expenditure consists of cost of spare parts of plant and machinery and other major repair and maintenance expenses. As per decision of 235 Board meeting of APSCL, deferred expenditure should be transferred to Property, plant and equipment. | | |
| 6. Investment in UAEL | 304,050,000 | 304,050,000 |
| Ashuganj Power Station Company Limited (APSCL) signed a share purchase agreement with United Ashuganj Energy Ltd. (UAEL) and United Enterprise & Co. Ltd. On 27 October 2013 to issue 30,405,000 shares BDT 10 each of UAEL in favour of APSCL amounting to BDT 304,050,000. The said amount was paid by APSCL to UAEL on 31 January 2017 vide cheque no. CDB 6924124, Janata Bank. Shares certificates for the said share is yet to be issued. | | |
| 7. Capital works-in-progress | | |
| 225 MW Combined Cycle Power Plant (note 7.1) | 16,115,340,447 | 16,608,415,377 |
| 450 MW (South) Project (note 7.2) | 34,063,089,916 | 30,051,217,865 |
| 450 MW (North) Project (note 7.3) | 25,521,810,171 | 23,765,765,111 |
| 200 MW Modular Project (note 7.4) | 168,164,667 | 168,164,667 |
| 400 MW (East) Project (note 7.5) | 36,755,472 | 19,120,219 |
| Patuakhali 1320 MW Super Thermal Power Plant Project (note 7.6) | 7,641,826 | - |
| | 75,912,802,499 | 70,612,683,239 |
| APSCL is going to implement new power plants namely, 225 MW Combined Cycle Power Plant, 450 MW (South), 450 MW (North), 200 MW Modular Project and 400 MW (East) Project and Patuakhali 1320 MW Super Thermal Power Plant Project. All costs in such projects are shown as capital works-in-progress. | | |
| 7.1 225 MW Combined Cycle Power Plant | | |
| Cost | | |
| Opening balance | 18,137,337,719 | 18,068,526,567 |
| Add: Addition during the year | 5,127,297 | 68,811,152 |
| Add: Error correction | 195,152,826 | - |
| | 18,337,617,842 | 18,137,337,719 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | BDT | BDT |
| Accumulated depreciation | | |
| Opening balance | 1,528,922,342 | 841,010,922 |
| Less: Depreciation during the year | 693,355,053 | 687,911,420 |
| Closing balance | 2,222,277,395 | 1,528,922,342 |
| Written down value at 30 June 2018 | 16,115,340,447 | 16,608,415,377 |
| Details are shown in Annex 2. | | |
| 7.2 450 MW (South) Project | | |
| Cost | | |
| Opening balance | 31,162,954,735 | 31,098,354,968 |
| Add: Addition during the year | 5,521,817,876 | 64,599,768 |
| Less: Error correction | (220,838,326) | - |
| | 36,463,934,285 | 31,162,954,736 |
| Accumulated depreciation | | |
| Opening balance | 1,111,736,871 | - |
| Less: Depreciation during the year | 1,289,107,498 | 1,111,736,871 |
| Closing balance | 2,400,844,369 | 1,111,736,871 |
| Written down value at 30 June 2018 | 34,063,089,916 | 30,051,217,865 |
| Details are shown in Annex 2. | | |
| 7.3 450 MW (North) Project | | |
| Cost | | |
| Opening balance | 23,815,353,244 | 16,136,445,422 |
| Add: Addition during the year | 2,712,567,260 | 7,678,907,822 |
| | 26,527,920,504 | 23,815,353,244 |
| Accumulated depreciation | | |
| Opening balance | 49,588,133 | - |
| Less: Depreciation during the year | 956,522,200 | 49,588,133 |
| Closing balance | 1,006,110,333 | 49,588,133 |
| Written down value at 30 June 2018 | 25,521,810,171 | 23,765,765,111 |
| Details are shown in Annex 2. | | |
| 7.4 200 MW Modular Project | | |
| Opening balance | 168,164,667 | 168,164,667 |
| Add: Addition during the year | - | - |
| | 168,164,667 | 168,164,667 |
| Less: Depreciation during the year | - | - |
| Closing balance | 168,164,667 | 168,164,667 |
| Details are shown in Annex 3D. | | |
| 7.5 400 MW (East) Project | | |
| Opening balance | 19,120,219 | 4,836,606 |
| Add: Addition during the year | 17,635,253 | 14,283,613 |
| | 36,755,472 | 19,120,219 |
| Less: Depreciation during the year | - | - |
| Closing balance | 36,755,472 | 19,120,219 |
| Details are shown in Annex 3E. | | |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|----------------------|----------------------|
| | BDT | BDT |
| 7.6 Patuakhali 1320 MW Super Thermal Power Plant Project | | |
| Opening balance | - | - |
| Add: Addition during the year | 7,641,826 | - |
| | 7,641,826 | - |
| Less: Depreciation during the year | - | - |
| Closing balance | 7,641,826 | - |
| Details are shown in Annex 3F . | | |
| 8. Stocks | | |
| In stores (note 8.1) | 1,178,504,136 | 1,184,111,240 |
| In-transit (note 8.2) | 262,539,507 | 83,047,595 |
| | 1,441,043,643 | 1,267,158,835 |
| 8.1 In stores (*) | | |
| Opening balance | 1,184,111,240 | 748,394,930 |
| Add: Purchase during the year | 648,885,403 | 943,585,604 |
| | 1,832,996,643 | 1,691,980,534 |
| Less: Consumption during the year | (654,492,507) | (507,869,294) |
| Closing balance | 1,178,504,136 | 1,184,111,240 |
| 8.2 In-transit (*) | | |
| Opening balance | 83,047,595 | 415,952,011 |
| Add: Addition during the year | 521,969,372 | 445,767,782 |
| | 605,016,967 | 861,719,793 |
| Less: Transfer to in store | (342,477,460) | (778,672,198) |
| Closing balance | 262,539,507 | 83,047,595 |
| (*) The above amount represents the cost of spare parts and other materials namely, equipment's, accessories of electrical items and other materials necessary for generation of power including goods in transit which comprise customs duty and VAT deducted at source at the time of import. | | |
| 9. Advances, deposits and pre-payments | | |
| Advances | | |
| Advance Income tax (note 9.1) | 72,563,651 | 13,240,318 |
| Temporary advance | 19,605,050 | 13,410,199 |
| Advance to Agrodoot Bangladesh Scouts | 120,000 | 120,000 |
| Advance office rent (Patuakhali) | 24,000 | 24,000 |
| | 92,312,701 | 26,794,517 |
| Deposits | | |
| Titas Gas T & D Ltd (security deposit) | 635,485 | 635,485 |
| Customs security deposit (For 50 MW gas engine project) | 50,500 | 50,500 |
| Bank Guarantee to Commissioner to Customs House, Dhaka | 742,337 | - |
| Security Deposit (Dhaka office) | 300,000 | 300,000 |
| Trust Filling Station (Dhaka) | 100,000 | 100,000 |
| | 1,828,322 | 1,085,985 |
| | 94,141,023 | 27,880,502 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | | 2018 | 2017 |
|--|------|-----------------------|-----------------------|
| | | BDT | BDT |
| 9.1 Advance Income tax | | | |
| Opening balance | | 13,240,318 | 12,908,993 |
| Addition during the year: | | | |
| Income tax deducted at source on bank interest | | 6,941,988 | 3,684,620 |
| Income tax deducted at source on Dividend income | | 56,558,880 | - |
| Income Tax deducted as Import Stage | | 9,281,118 | 9,555,697 |
| | | 86,022,304 | 26,149,310 |
| Less: Adjustments during the year | | (13,458,653) | (12,908,992) |
| Closing balance | | 72,563,651 | 13,240,318 |
| 10. Accounts and other receivable | | | |
| Accounts receivable from BPDB | 10.A | 6,987,798,308 | 3,851,435,686 |
| Other receivable | 10.B | 99,729,118 | 151,672,626 |
| | | 7,087,527,426 | 4,003,108,312 |
| 10.A Accounts receivable from BPDB | | | |
| Opening balance | | 3,851,435,686 | 2,882,317,011 |
| Add: Electricity sales to BPDB during the year | | 21,773,269,662 | 15,660,032,053 |
| Debt service liability due (note 10.1) | | (389,717,454) | (346,965,246) |
| | | 25,234,987,894 | 18,195,383,818 |
| Less: Fuel cost paid by BPDB | | 1,714,735,604 | 3,634,776,138 |
| Cash collection during the year | | 14,678,653,982 | 9,559,571,994 |
| Loan adjustment | | 1,853,800,000 | 1,149,600,000 |
| Closing balance | | 6,987,798,308 | 3,851,435,686 |
| 10.B Other receivables | | | |
| Accrued interest on FDR | | 11,314,010 | 9,753,733 |
| Operational insurance premium (450 MW-North) | | 88,415,108 | - |
| Operational insurance premium (225 MW) | | - | 53,174,840 |
| Operational insurance premium (450 MW-south) | | - | 88,744,053 |
| | | 99,729,118 | 151,672,626 |
| 10.1 Debt service liability (DSL) | | | |
| DSL against government loan(note 10.1.1) | | 2,381,733,040 | 2,079,087,594 |
| DSL against foreign loan(note 10.1.2) | | 8,241,155,508 | 8,100,283,500 |
| | | 10,622,888,548 | 10,179,371,094 |
| Less: Adjusted DSL | | 5,048,251,228 | 4,994,451,228 |
| | | 5,574,637,320 | 5,184,919,866 |
| Less: Opening balance | | 5,184,919,866 | 4,837,954,620 |
| Closing balance | | 389,717,454 | 346,965,246 |
| 10.1.1 DSL against government loan | | | |
| Opening balance | | 2,079,087,594 | 1,589,843,420 |
| Add: Principal due during the year | | 213,130,596 | 399,729,324 |
| Interest accrued during the year | | 89,514,850 | 89,514,850 |
| Closing balance | | 2,381,733,040 | 2,079,087,594 |
| Break-up of the above figure | | | |
| Principal | | 1,698,183,866 | 1,485,053,270 |
| Interest | | 683,549,174 | 594,034,324 |
| | | 2,381,733,040 | 2,079,087,594 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | BDT | BDT |
| 10.1.2 Debt service liability (DSL) against foreign loan | | |
| Opening balance | 8,100,283,500 | 7,892,962,428 |
| Add: Principal due during the year | 66,449,060 | 132,898,124 |
| Interest accrued during the year | 74,422,948 | 74,422,948 |
| Foreign currency fluctuation loss | - | - |
| Closing balance | 8,241,155,508 | 8,100,283,500 |
| Break-up of the above figure | | |
| Principal | 4,632,291,143 | 4,565,842,083 |
| Interest | 3,416,993,648 | 3,342,570,700 |
| Foreign currency fluctuation loss | 191,870,717 | 191,870,717 |
| | 8,241,155,508 | 8,100,283,500 |
| 11. Cash and cash equivalents | | |
| Cash in hand | - | 629,035 |
| Cash at bank (details are in Annex 4) | 4,926,848,028 | 3,731,810,306 |
| Fixed Deposit Account (details are in Annex 5) | 931,908,554 | 1,373,971,572 |
| Cash and cash equivalents as previously reported | 5,858,756,582 | 5,106,410,913 |
| Effects of exchange rate changes on cash and cash equivalents | 150,520,033 | 54,160,310 |
| | 6,009,276,615 | 5,160,571,223 |
| 12. Share capital | | |
| Authorised capital | | |
| 300,000,000 ordinary shares of BDT 100 each | 30,000,000,000 | 30,000,000,000 |
| Issued, subscribed and paid-up capital | | |
| 66,150,000 ordinary shares of BDT 100 each | 6,615,000,000 | 6,615,000,000 |
| Shareholding position: | | |
| Name of shareholder/representative | No. of shares | No. of shares |
| Bangladesh Power Development Board (BPDB) | 66,147,098 | 66,147,098 |
| Power Division - Secretary, MOPEMR | 1,900 | 1,900 |
| Energy and Mineral Resources Division - Secretary, MOPEMR | 1 | 1 |
| Finance Division - Secretary, Ministry of Finance | 1,000 | 1,000 |
| Planning Division - Secretary, Ministry of Planning | 1 | 1 |
| Total number of shares | 66,150,000 | 66,150,000 |
| 13. Equity of BPDB | | |
| Assets as on 01 June 2003 | 16,057,600,000 | 16,057,600,000 |
| Assets taken over for overhauling Unit # 3 | 1,630,955,483 | 1,630,955,483 |
| Total assets transferred from BPDB | 17,688,555,483 | 17,688,555,483 |
| Government loan | 971,682,193 | 971,682,193 |
| Foreign loan | 4,289,400,000 | 4,289,400,000 |
| Debt service liability (DSL) | 10,252,300,000 | 10,252,300,000 |
| Total liabilities transferred from BPDB | 15,513,382,193 | 15,513,382,193 |
| Provision for equity (note 13.1) | 4,146,519,000 | 4,146,519,000 |
| Provision for equity (note 13.2) | 5,118,841,874 | 5,118,841,874 |
| Provision for equity (note 13.3) | 746,080,800 | 746,080,800 |
| | 12,186,614,964 | 12,186,614,964 |
| Less: Transferred to paid-up capital | 6,614,000,000 | 6,614,000,000 |
| | 5,572,614,964 | 5,572,614,964 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

- 13.1** Provision for equity (Units # 3, 4 and 5) has been increased for handing over of overhauling projects.
13.2 Provision for equity has been added at the time of fixation of new tariff as per proposed vendor's agreement.
13.3 Projects completion report (PCR) of overhauling projects (Unit # 3, 4 and 5) has been completed, so added remaining equity.

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | BDT | BDT |
| 14. Direct grant | 344,182,000 | 344,182,000 |
| An amount of BDT 344,182,000 was received as grant from Kreditenstalt Fur Wiederaufbau (KFW) in the year 2011. This was initially classified as "Foreign Loan" but as per instruction of PCR, this grant has to be shown as equity of the company after finalisation of Projects Completion Report (PCR). The PCR was finalised in November 2013, following which the said amount has been reclassified as equity for the financial year 2013-14. However, no shares were allotted against the said amount. | | |
| 15. Retained earnings | | |
| Opening balance | 431,546,000 | 947,425,202 |
| Add: Profit for the year | 3,295,847,982 | 1,507,187,203 |
| Less: Error correction (note 21) | - | (1,923,841,405) |
| | 3,727,393,982 | 530,771,000 |
| Less: Dividend paid | 165,375,000 | 99,225,000 |
| Closing balance | 3,562,018,982 | 431,546,000 |
| 16. Subordinated loan- debt service liabilities | | |
| Transferred from BPDB | 10,252,300,000 | 10,252,300,000 |
| | 10,252,300,000 | 10,252,300,000 |
| Debt service liabilities (DSL) arises from debt service liability in accordance of provisional vendor's agreement and subsequently it will converted to Equity of BPDB which is under process. It was treated as non-current liabilities in the statement of financial position of APSCL and now it will be treated as subordinated loan and shown as separately instead of non- current liabilities as per letter reference no. 2513/BOB/(SOCI)/unnoyn-01/85 dated 27 November 2012 of BPDB. | | |
| 17. Government loan | | |
| 450 MW (North) (note 17.1) | 2,079,463,456 | 1,859,463,456 |
| Overhauling unit # 3, 4 & 5 (note 17.2) | 1,391,814,075 | 1,818,075,267 |
| | 3,471,277,531 | 3,677,538,723 |
| 17.1 450 MW (North) | | |
| Opening balance | 1,859,463,456 | 1,218,754,262 |
| Add: Addition during the year | 220,000,000 | 640,709,194 |
| Less: Repayment during the year | - | - |
| | 2,079,463,456 | 1,859,463,456 |
| Less: Current portion | - | - |
| Non-current portion | 2,079,463,456 | 1,859,463,456 |
| 17.2 Overhauling unit # 3, 4 & 5 | | |
| Opening balance | 1,818,075,267 | 2,217,804,591 |
| Add: Addition during the year | - | - |
| Less: Repayment during the year | (213,130,596) | (399,729,324) |
| | 1,604,944,671 | 1,818,075,267 |
| Less: Current portion | (213,130,596) | - |
| Non-current portion | 1,391,814,075 | 1,818,075,267 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|--|-----------------------|-----------------------|
| | BDT | BDT |
| 18. Loan from BPDB (*) | | |
| Opening balance | 4,741,600,000 | 3,280,000,000 |
| Add: Addition during the year | - | 2,261,600,000 |
| Less: Repayment during the year | 1,800,000,000 | 800,000,000 |
| Less: Current portion | 2,400,000,000 | - |
| Closing balance | 541,600,000 | 4,741,600,000 |
| (*) Repayment period: BDT 10 crore per month will have to be adjusted from electricity bills of plants 1 to 6 for the above three (3) loans. Thereafter, 20 crore per month will be adjusted after starting of commercial operation of 450 MW north project. | | |
| 19. Foreign loan | | |
| Overhauling unit # 3, 4 and 5 (note 19.1) | 520,946,652 | 653,844,772 |
| ADB loan(450 MW - north) (note 19.2) | 15,585,675,920 | 13,913,818,880 |
| IDB loan(450 MW - north) (note 19.3) | 8,805,441,403 | 7,979,312,618 |
| | 24,912,063,975 | 22,546,976,270 |
| 19.1 Overhauling unit # 3, 4 and 5 | | |
| Opening balance | 653,844,772 | 786,742,896 |
| Add: Addition during the year | - | - |
| Less: Repayment during the year | (66,449,060) | (132,898,124) |
| | 587,395,712 | 653,844,772 |
| Less: Current portion | (66,449,060) | - |
| Non-current portion | 520,946,652 | 653,844,772 |
| 19.2 ADB loan(450 MW - North) | | |
| Opening balance | 13,913,818,880 | 8,355,514,655 |
| Add: Addition during the year | 1,671,857,040 | 5,558,304,225 |
| Less: Repayment during the year | - | - |
| | 15,585,675,920 | 13,913,818,880 |
| Less: Current portion | - | - |
| Non-current portion | 15,585,675,920 | 13,913,818,880 |
| 19.3 IDB loan(450 MW - North) | | |
| Opening balance | 7,979,312,618 | 6,520,795,398 |
| Add: Addition during the year | 826,128,785 | 1,458,517,220 |
| | 8,805,441,403 | 7,979,312,618 |
| Less: Current portion | - | - |
| Non-current portion | 8,805,441,403 | 7,979,312,618 |
| 20. Export credit agency (ECA) loan | | |
| 450 MW (South) Project (note 20.1) | 22,497,415,958 | 21,459,606,903 |
| 225 MW Project (note 20.2) | 9,082,552,428 | 9,680,506,983 |
| | 31,579,968,386 | 31,140,113,886 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|--|-----------------------|-----------------------|
| | BDT | BDT |
| 20.1 450 MW (South) Project | | |
| CESCE facilities (note 20.1.1) | 2,550,236,097 | 2,569,234,030 |
| HERMES facilities (note 20.1.2) | 4,701,700,608 | 4,625,739,495 |
| MIGA facilities (20.1.3) | 8,624,498,071 | 8,849,464,539 |
| ONDD facilities (20.1.4) | 3,535,349,174 | 3,217,514,806 |
| Interest during construction period (IDCP) (note 20.1.5) | 932,808,398 | 1,153,646,724 |
| Add: Effect of exchange rate changes (note 20.1.6) | 2,152,823,610 | 1,044,007,309 |
| | 22,497,415,958 | 21,459,606,903 |
| The company has arranged an ECA loan facility for 450 MW CCPP power plant, amounting to USD 420 million. The loan will be drawn within three years of the availability period and should be repaid with interest within 10 years after the project completion. The ECA loan was received in USD and it was converted to BDT at the rate prevailing on the disbursement date. | | |
| 20.1.1 CESCE facilities | | |
| Opening balance | 2,949,708,789 | 3,325,679,913 |
| Add: Addition during the year | 508,330,422 | - |
| Less: Repayment during the year | (451,882,348) | (375,971,124) |
| | 3,006,156,863 | 2,949,708,789 |
| Less: Current portion | (455,920,766) | (380,474,759) |
| Non-current portion | 2,550,236,097 | 2,569,234,030 |
| 20.1.2 HERMES facilities | | |
| Opening balance | 5,310,595,913 | 5,987,345,763 |
| Add: Addition during the year | 1,056,268,953 | - |
| Less: Repayment during the year | (830,184,248) | (676,749,850) |
| | 5,536,680,618 | 5,310,595,913 |
| Less: Current portion | (834,980,010) | (684,856,418) |
| Non-current portion | 4,701,700,608 | 4,625,739,495 |
| 20.1.3 MIGA facilities | | |
| Opening balance | 10,171,251,060 | 11,477,391,745 |
| Add: Addition during the year | 1,557,121,820 | - |
| Less: Repayment during the year | (1,545,033,516) | (1,306,140,685) |
| | 10,183,339,364 | 10,171,251,060 |
| Less: Current portion | (1,558,841,293) | (1,321,786,521) |
| Non-current portion | 8,624,498,071 | 8,849,464,539 |
| 20.1.4 ONDD facilities | | |
| Opening balance | 3,682,890,359 | 4,142,757,314 |
| Add: Addition during the year | 1,069,840,912 | - |
| Less: Repayment during the year | (605,983,249) | (459,866,955) |
| | 4,146,748,022 | 3,682,890,359 |
| Less: Current portion | (611,398,848) | (465,375,553) |
| Non-current portion | 3,535,349,174 | 3,217,514,806 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|----------------------|----------------------|
| | BDT | BDT |
| 20.1.5 Interest during construction period (IDCP) | | |
| Opening balance | 1,153,646,724 | 1,153,646,724 |
| Add: Addition during the year | - | - |
| Less: Error correction | (220,838,326) | - |
| | 932,808,398 | 1,153,646,724 |
| Less: Current portion | - | - |
| Non-current portion | 932,808,398 | 1,153,646,724 |
| 20.1.6 Effect of exchange rate changes | | |
| Opening balance | 1,044,007,309 | 148,231,202 |
| Add: Addition during the year | 1,108,816,301 | 895,776,107 |
| | 2,152,823,610 | 1,044,007,309 |
| 20.2 225 MW Project | | |
| HERMES facilities (note 20.2.1) | 3,059,685,309 | 3,615,572,633 |
| K-SURE facilities (note 20.2.2) | 4,614,561,685 | 5,457,810,717 |
| Interest during construction period (IDCP) (note 20.2.3) | 572,523,657 | 377,370,831 |
| Add: Effect of exchange rate changes (note 20.2.4) | 835,781,777 | 229,752,802 |
| | 9,082,552,428 | 9,680,506,983 |
| The company has arranged an ECA loan facility for 225 MW CCPP power plant, amounting to USD 193 million for the said plant. The loan will be drawn within three years of the availability period and should be repaid with interest within 10 years after the project completion. The ECA loan was received in USD and it was converted to BDT at the rate prevailing on the disbursement date. | | |
| 20.2.1 HERMES facilities | | |
| Opening balance | 4,155,490,325 | 4,686,314,330 |
| Add: Addition during the year | - | - |
| Less: Repayment during the year | (540,641,029) | (530,824,005) |
| | 3,614,849,296 | 4,155,490,325 |
| Less: Current portion | (555,163,987) | (539,917,692) |
| Non-current portion | 3,059,685,309 | 3,615,572,633 |
| 20.2.2 K-SURE facilities | | |
| Opening balance | 6,276,834,738 | 7,082,064,161 |
| Add: Addition during the year | - | - |
| Less: Repayment during the year | (820,121,282) | (805,229,423) |
| | 5,456,713,456 | 6,276,834,738 |
| Less: Current portion | (842,151,771) | (819,024,021) |
| Non-current portion | 4,614,561,685 | 5,457,810,717 |
| 20.2.3 Interest during construction period (IDCP) | | |
| Opening balance | 377,370,831 | 377,370,831 |
| Add: Addition during the year | - | - |
| Add: Error correction | 195,152,826 | - |
| | 572,523,657 | 377,370,831 |
| Less: Current portion | - | - |
| Non-current portion | 572,523,657 | 377,370,831 |
| 20.2.4 Effect of exchange rate changes | | |
| Opening balance | 229,752,802 | (168,632,268) |
| Add: Addition during the year | 606,028,975 | 398,385,070 |
| | 835,781,777 | 229,752,802 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|--|-------------------------------|--------------------------|
| | BDT | BDT |
| 21 Deferred tax | | |
| Details are given in Annex 10 (*) | 5,555,080,347 | 4,630,139,666 |
| *APSCL did not recognise deferred tax in the financial statements previously, which is now recognised in accordance with BAS 12: 'Income Taxes'. This treatment has been considered as a change in accounting policy, thus, retrospective effect has been given in accordance with BAS 8 "Accounting policy changes in accounting estimates and errors". | | |
| The following table summarises the adjustment made to the statement of financial position for correction of prior year's error: | | |
| Particulars | Deferred Tax liability | Retained earnings |
| Balance as at 01 July 2016, as previously reported | - | 3,653,723,463 |
| Adjustment for prior year's error | 2,706,298,261 | (2,706,298,261) |
| Restated balance as at 01 July 2016 | 2,706,298,261 | 947,425,202 |
| Restated balance as at 01 July 2016 | 2,706,298,261 | 947,425,202 |
| Profit for the year | | 1,507,187,204 |
| Adjustment for correction of error | 1,923,841,405 | (1,923,841,405) |
| Restated balance as at 30 June 2017 | 4,630,139,666 | 530,771,000 |
| | 2018 | 2017 |
| | BDT | BDT |
| 22. Advance land lease rent UAEL | | |
| Opening balance | 263,510,000 | - |
| Add: Addition during the year (note 22.1) | - | 304,050,000 |
| Less: Adjustment during the year | 20,270,000 | 20,270,000 |
| Less: Current portion | 20,270,000 | 20,270,000 |
| Closing balance | 243,240,000 | 263,510,000 |
| 22.1 APSCL received from United Ashuganj Energy Limited (UAEL) BDT 304,050,000 against upfront lease rent of demised premises of 6.42 acres of land for 15 years. BDT 304,050,000 is to be amortised within the lease period, i.e, 15 years. Yearly amortisation of the land lease rent is BDT 20,270,000. | | |
| Not later than 1 year | 20,270,000 | 20,270,000 |
| Later than 1 year not later than 5 years | 81,080,000 | 81,080,000 |
| Later than 5 years | 162,160,000 | 182,430,000 |
| | 243,240,000 | 263,510,000 |
| 23. Deferred- liabilities for gratuity | | |
| Opening balance | 255,231,634 | 220,081,432 |
| Add: Provision made during the year | 81,273,036 | 56,650,202 |
| | 336,504,670 | 276,731,634 |
| Less: Payment made during the year | 16,200,000 | 21,500,000 |
| Closing balance | 320,304,670 | 255,231,634 |
| 24. Provision for income tax | | |
| Opening balance | 1,024,812,189 | 1,141,952,686 |
| Add: Provision made during the year (note 24.1) | 133,717,076 | 94,982,267 |
| | 1,158,529,265 | 1,236,934,953 |
| Less: Adjustment with AIT/payment during the year | 94,987,267 | 52,145,071 |
| Less: Adjustment for over provision | - | 159,977,693 |
| Closing balance | 1,063,541,998 | 1,024,812,189 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | BDT | BDT |
| 24.1 This comprises of as under: | | |
| Minimum corporate income tax of BDT 133,717,076 which is calculated in accordance with section 82C of Income Tax Ordinance 1984 as imposed by the Finance Act 2017. | | |
| Calculation of minimum tax | | |
| Revenue | 21,773,269,662 | 15,660,032,053 |
| Other operating income | 159,652,231 | 129,208,702 |
| Finance income | 353,257,469 | 41,137,027 |
| Gross receipts | 22,286,179,362 | 15,830,377,782 |
| Minimum tax @ 0.60% on gross receipts of | 133,717,076 | 94,982,267 |
| 25. Current portion of Loan | | |
| BPDB loan- current portion (note 25.1) | 2,400,000,000 | - |
| Overhauling loan - current portion (note 25.2) | 279,579,657 | - |
| ECA loan- current portion (note 25.3) | 4,858,456,675 | 4,211,434,964 |
| | 7,538,036,332 | 4,211,434,964 |
| 25.1 BPDB loan- current portion | | |
| Opening balance | - | - |
| Add: Addition during the year | 2,400,000,000 | - |
| Less: payment during the year | - | - |
| Closing balance | 2,400,000,000 | - |
| 25.2 Overhauling loan - current portion | | |
| Opening balance | - | - |
| Add: Addition during the year | 279,579,657 | - |
| Less: Payment during the year | - | - |
| Closing balance | 279,579,657 | - |
| 25.3 ECA loan- current portion | | |
| Opening balance | 4,211,434,964 | - |
| Add: Addition during the year | 5,443,057,760 | 6,261,811,355 |
| Less: Payment during the year | (4,796,036,049) | (2,050,376,391) |
| Closing balance | 4,858,456,675 | 4,211,434,964 |
| 26. Liabilities for interest expense | | |
| Accrued interest on 450 MW (North) Government loan (note 26.1) | 57,636,998 | - |
| Accrued interest on overhauling unit # 3, 4 and 5 Government loan(note 26.2) | 117,093,258 | 175,639,887 |
| Accrued interest on loan from BPDB (note 26.3) | 246,352,110 | 122,293,151 |
| Accrued interest on overhauling unit # 3, 4 and 5 Foreign loan(note 26.4) | 208,349,804 | 312,524,706 |
| Accrued interest on ADB loan(450 MW - north) (note 26.5) | 617,169,867 | 30,000,298 |
| Accrued interest on IDB loan(450 MW - north) ((note 26.6)) | 352,478,273 | 16,918,994 |
| Accrued interest on ECA loan(450 MW - South) (note 26.7) | 34,951,673 | - |
| Accrued interest on ECA loan(225 MW CCCP Project) (note 26.8) | 9,144,449 | - |
| | 1,643,176,432 | 657,377,036 |
| 26.1 Accrued interest on 450 MW (North) Government loan | | |
| Opening balance | - | - |
| Add: Addition during the year | 57,636,998 | - |
| Less: Adjustment during the year | - | - |
| Closing balance | 57,636,998 | - |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|----------------------|----------------------|
| | BDT | BDT |
| 26.2 Accrued interest on overhauling unit # 3, 4 and 5 Government loan | | |
| Opening balance | 175,639,887 | 234,186,516 |
| Add: Addition during the year | - | - |
| Less: Adjustment during the year | (58,546,629) | (58,546,629) |
| Closing balance | 117,093,258 | 175,639,887 |
| 26.3 Accrued interest on loan from BPDB | | |
| Opening balance | 122,293,151 | - |
| Add: Addition during the year | 124,058,959 | 122,293,151 |
| Less: Adjustment during the year | - | - |
| Closing balance | 246,352,110 | 122,293,151 |
| 26.4 Accrued interest on overhauling unit # 3, 4 and 5 Foreign loan | | |
| Opening balance | 312,524,706 | 416,699,608 |
| Add: Addition during the year | - | - |
| Less: Adjustment during the year | (104,174,902) | (104,174,902) |
| Closing balance | 208,349,804 | 312,524,706 |
| 26.5 Accrued interest on ADB loan(450 MW - North) | | |
| Opening balance | 30,000,298 | - |
| Add: Addition during the year | 587,169,569 | 30,000,298 |
| Less: Adjustment during the year | - | - |
| Closing balance | 617,169,867 | 30,000,298 |
| 26.6 Accrued interest on IDB loan(450 MW - North) | | |
| Opening balance | 16,918,994 | - |
| Add: Addition during the year | 335,559,279 | 16,918,994 |
| Less: Adjustment during the year | - | - |
| Closing balance | 352,478,273 | 16,918,994 |
| 26.7 Accrued interest on ECA loan(450 MW - South) | | |
| Opening balance | - | - |
| Add: Addition during the year | 34,951,673 | - |
| Less: Adjustment during the year | - | - |
| Closing balance | 34,951,673 | - |
| 26.8 Accrued interest on ECA loan(225 MW CCCP Project) | | |
| Opening balance | - | - |
| Add: Addition during the year | 9,144,449 | - |
| Less: Adjustment during the year | - | - |
| Closing balance | 9,144,449 | - |
| 27. Trade payable | | |
| Fuel cost payable Unit 3,4 & 5 (note 27.1) | 642,390,431 | 442,875,383 |
| Fuel cost payable 50 MW Gas Engine (note 27.2) | 83,444,395 | 49,721,450 |
| Fuel cost payable 225 MW CCPP project (note 27.3) | 302,865,160 | 239,489,670 |
| Fuel cost payable 450 MW CCPP south (note 27.4) | 388,556,583 | 311,293,720 |
| Fuel cost payable 450 MW CCPP north (note 27.5) | 790,571,150 | 312,636,257 |
| Other Accounts payable | 33,076,059 | 4,898,739 |
| | 2,240,903,778 | 1,360,915,219 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|---|--------------------|--------------------|
| | BDT | BDT |
| 27.1 Fuel cost payable Unit 3,4 & 5 | | |
| Opening balance | 442,875,383 | 1,106,105,841 |
| Add: Addition during the year | 1,914,250,652 | 2,971,545,680 |
| Less: Payment during the year | (1,714,735,604) | (3,634,776,138) |
| Closing balance | 642,390,431 | 442,875,383 |
| 27.2 Fuel cost payable 50 MW Gas Engine | | |
| Opening balance | 49,721,450 | 31,245,904 |
| Add: Addition during the year | 256,367,290 | 173,839,571 |
| Less: Payment during the year | (222,644,345) | (155,364,025) |
| Closing balance | 83,444,395 | 49,721,450 |
| 27.3 Fuel cost payable 225 MW CCPP project | | |
| Opening balance | 239,489,670 | 187,336,198 |
| Add: Addition during the year | 1,009,865,886 | 798,801,962 |
| Less: Payment during the year | (946,490,396) | (746,648,490) |
| Closing balance | 302,865,160 | 239,489,670 |
| 27.4 Fuel cost payable 450 MW CCPP south | | |
| Opening balance | 311,293,720 | - |
| Add: Addition during the year | 1,559,038,760 | 1,322,966,700 |
| Less: Payment during the year | (1,481,775,897) | (1,011,672,980) |
| Closing balance | 388,556,583 | 311,293,720 |
| 27.5 Fuel cost payable 450 MW CCPP north | | |
| Opening balance | 312,636,257 | - |
| Add: Addition during the year | 1,380,067,371 | 312,636,257 |
| Less: Payment during the year | (902,132,478) | - |
| Closing balance | 790,571,150 | 312,636,257 |
| 28. Liabilities for expenses | | |
| Provision for uncollectable receivable | 183,793,917 | 183,793,917 |
| Withholding taxes | 30,532,318 | 54,040,166 |
| VAT payable | 66,534,227 | 18,303,245 |
| Security deposit (contractors and suppliers) | 8,014,280 | 6,890,976 |
| School fund | 7,020,595 | 6,496,595 |
| Overtime expense payable | 7,298,923 | 8,837,025 |
| Conveyance payable | 244,719 | 244,719 |
| Provision for audit fees | 230,000 | 150,000 |
| Elegant builders payable | 104,576 | 104,576 |
| Income tax consultancy fee payable | 60,000 | 60,000 |
| Provision for physical inventory verification | 50,000 | 50,000 |
| Dividend payable | 15,961 | 8,706 |
| | 303,899,516 | 278,979,925 |
| 29. worker's profit participation fund | | |
| Opening balance | 84,324,709 | 16,787,556 |
| Add: Provision made during the year | 229,184,513 | 84,324,709 |
| | 313,509,222 | 101,112,265 |
| Less: Payment made during the year | 84,324,709 | 16,787,556 |
| Closing balance | 229,184,513 | 84,324,709 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|--|-----------------------|-----------------------|
| | BDT | BDT |
| 30. Revenue (Sales) | | |
| Capacity payment (note 30.1) | 15,136,696,272 | 9,822,339,727 |
| Energy payment (O & M price) (note 30.2) | 2,585,246,112 | 3,289,992,652 |
| Energy payment (fuel price) (note 30.3) | 3,888,306,330 | 2,254,114,951 |
| Adjustment consumer price index (450 MW-S) | 79,338,223 | 38,067,779 |
| Adjustment consumer price index (225 MW) | 44,401,166 | 37,637,395 |
| Adjustment consumer price index (450 MW-N) | 39,281,559 | - |
| Arrear energy payment (unit 3,4,5 and 50 MW) | - | 65,812,477 |
| Sales 450 MW (South) before COD | - | 152,067,072 |
| | 21,773,269,662 | 15,660,032,053 |

The entire sales of the company are made to Bangladesh Power Development Board and recognised on the basis of Power Purchase agreement with BPDB for various segments of its performance of the said contract, like, capacity payment, energy payment, etc.

30.1 Capacity payment

(i) Unit 3,4,5

| | | |
|-----------|----------------------|----------------------|
| July | 239,976,502 | 216,065,688 |
| August | 239,976,502 | 216,065,688 |
| September | 239,976,502 | 216,065,688 |
| October | 239,976,502 | 216,065,688 |
| November | 239,976,502 | 216,065,688 |
| December | 239,976,502 | 216,065,688 |
| January | 239,976,502 | 216,065,688 |
| February | 239,976,502 | 216,065,688 |
| March | 239,976,502 | 216,065,688 |
| April | 228,994,747 | 216,862,715 |
| May | 228,994,747 | 239,976,502 |
| June | 228,994,747 | 239,976,502 |
| | 2,846,772,759 | 2,641,406,911 |

(ii) 50 MW plant

| | | |
|-----------|--------------------|--------------------|
| July | 21,771,644 | 10,769,099 |
| August | 23,115,342 | 16,455,805 |
| September | 25,217,386 | 17,004,331 |
| October | 24,870,120 | 17,889,819 |
| November | 23,242,829 | 18,486,146 |
| December | 22,060,150 | 17,333,505 |
| January | 23,819,011 | 17,128,124 |
| February | 22,337,295 | 18,963,280 |
| March | 21,627,017 | 17,128,124 |
| April | 29,505,136 | 29,505,136 |
| May | 29,505,136 | 29,505,136 |
| June | 29,505,136 | 29,505,136 |
| | 296,576,202 | 239,673,641 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|----------------------------------|-----------------------|----------------------|
| | BDT | BDT |
| (iii) 225 MW plant | | |
| July | 279,567,226 | - |
| August | 281,785,067 | - |
| September | 231,533,009 | 88,419,785 |
| October | 289,796,348 | 190,846,767 |
| November | 104,335,740 | 239,886,257 |
| December | 266,001,658 | 276,532,986 |
| January | 288,316,139 | 278,769,560 |
| February | 290,126,053 | 284,155,030 |
| March | 287,195,763 | 285,892,209 |
| April | 287,195,763 | 290,443,757 |
| May | 287,702,562 | 234,831,132 |
| June | 287,829,262 | 274,617,035 |
| | 3,181,384,590 | 2,444,394,518 |
| (iv) 450 MW (South) plant | | |
| July | 473,255,363 | 157,425,285 |
| August | 499,879,566 | 488,018,384 |
| September | 498,677,490 | 437,200,362 |
| October | 499,484,413 | 282,455,054 |
| November | 504,863,899 | - |
| December | 506,208,771 | 321,773,118 |
| January | 507,015,694 | 354,488,399 |
| February | 507,822,617 | 321,553,151 |
| March | 460,087,003 | 461,756,225 |
| April | 379,387,625 | 448,466,779 |
| May | 488,714,879 | 241,159,719 |
| June | 503,044,360 | 416,474,055 |
| | 5,828,441,680 | 3,930,770,531 |
| (v) 450 MW (North) plant | | |
| July | 315,178,405 | - |
| August | 315,178,405 | - |
| September | 315,343,018 | - |
| October | 315,836,852 | - |
| November | 319,129,088 | - |
| December | 319,952,147 | - |
| January | 271,432,200 | - |
| February | 310,448,482 | 56,143,806 |
| March | 231,676,428 | 105,191,643 |
| April | 200,096,477 | 107,141,001 |
| May | 277,082,783 | 106,528,346 |
| June | 359,053,032 | 245,408,904 |
| | 3,550,407,317 | 620,413,700 |
| Capacity payment adjustment | 566,886,276 | 54,319,574 |
| Total capacity payment | 15,136,696,272 | 9,822,339,727 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|--|----------------------|----------------------|
| | BDT | BDT |
| 30.2 Energy payment (O & M) | | |
| (i) Unit 3,4,5 | | |
| July | 171,892,827 | 269,508,645 |
| August | 167,556,063 | 295,655,613 |
| September | 218,476,725 | 265,060,469 |
| October | 221,466,387 | 288,800,622 |
| November | 208,905,919 | 241,963,155 |
| December | 197,550,282 | 236,215,151 |
| January | 89,520,936 | 280,076,661 |
| February | 77,757,152 | 204,100,064 |
| March | 137,412,224 | 220,588,901 |
| April | 144,986,691 | 223,065,584 |
| May | 137,760,246 | 233,996,125 |
| June | 123,659,034 | 171,826,849 |
| | 1,896,944,486 | 2,930,857,839 |
| (ii) 50 MW plant | | |
| July | 20,104,836 | 8,949,843 |
| August | 21,350,978 | 13,675,565 |
| September | 23,289,474 | 13,668,217 |
| October | 22,974,152 | 14,868,279 |
| November | 20,798,639 | 12,250,453 |
| December | 20,402,062 | 14,405,811 |
| January | 22,020,289 | 14,235,076 |
| February | 18,635,484 | 13,366,130 |
| March | 19,975,617 | 15,883,787 |
| April | 18,861,849 | 15,083,024 |
| May | 21,763,086 | 14,591,957 |
| June | 21,103,142 | 15,407,070 |
| | 251,279,608 | 166,385,212 |
| (iii) 225 MW plant | | |
| July | 9,643,613 | - |
| August | 9,674,538 | - |
| September | 7,651,491 | 2,900,600 |
| October | 9,525,221 | 6,861,912 |
| November | 3,186,400 | 6,976,694 |
| December | 8,660,105 | 6,370,068 |
| January | 8,429,122 | 7,734,450 |
| February | 8,798,441 | 7,119,286 |
| March | 8,567,077 | 8,627,881 |
| April | 6,050,208 | 6,198,013 |
| May | 2,433,659 | 5,837,609 |
| June | 8,442,008 | 8,983,277 |
| | 91,061,883 | 67,609,790 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | 2018 | 2017 |
|---|----------------------|----------------------|
| | BDT | BDT |
| (iv) 450 MW (South) plant | | |
| July | 13,176,086 | 3,736,282 |
| August | 12,609,527 | 3,339,802 |
| September | 8,749,280 | 9,305,860 |
| October | 16,037,729 | 9,410,192 |
| November | 15,341,929 | - |
| December | 14,978,740 | 8,961,191 |
| January | 10,103,862 | 10,893,519 |
| February | 12,642,523 | 9,161,043 |
| March | 6,834,995 | 16,557,276 |
| April | 9,758,264 | 13,353,521 |
| May | 13,346,697 | 6,579,366 |
| June | 13,643,190 | 8,276,524 |
| | 147,222,822 | 99,574,576 |
| (v) 450 MW (North) plant | | |
| July | 15,859,286 | - |
| August | 16,505,073 | - |
| September | 16,768,982 | - |
| October | 13,772,314 | - |
| November | 21,259,060 | - |
| December | 4,266,468 | - |
| January | 21,600,501 | - |
| February | 21,117,209 | 401,355 |
| March | 17,859,317 | 86,489 |
| April | 12,407,991 | 2,863,267 |
| May | 20,478,178 | 6,814,239 |
| June | 16,842,934 | 15,399,885 |
| | 198,737,313 | 25,565,235 |
| Total energy payment (O & M Price) | 2,585,246,112 | 3,289,992,652 |
| 30.3 Energy payment (fuel price) | | |
| (i) 225 MW plant | | |
| July | 102,956,619 | - |
| August | 103,523,837 | - |
| September | 81,965,507 | 33,877,291 |
| October | 104,647,168 | 76,221,410 |
| November | 36,293,528 | 79,794,589 |
| December | 98,721,035 | 75,288,519 |
| January | 97,471,777 | 90,076,164 |
| February | 96,436,569 | 80,918,717 |
| March | 102,400,798 | 95,190,288 |
| April | 74,333,073 | 66,019,541 |
| May | 30,316,420 | 65,419,177 |
| June | 103,131,003 | 98,340,560 |
| | 1,032,197,334 | 761,146,256 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | 2018 | 2017 |
|--|-----------------------|----------------------|
| | BDT | BDT |
| (ii) 450 MW (South) plant | | |
| July | 152,427,251 | 128,322,252 |
| August | 147,535,703 | 38,310,074 |
| September | 99,595,828 | 120,363,900 |
| October | 172,898,980 | 109,895,209 |
| November | 165,462,374 | - |
| December | 162,991,604 | 117,040,373 |
| January | 126,481,442 | 121,147,078 |
| February | 143,585,838 | 95,891,139 |
| March | 93,648,046 | 153,371,966 |
| April | 115,435,994 | 134,105,837 |
| May | 154,253,673 | 76,704,127 |
| June | 148,744,162 | 120,459,253 |
| | 1,683,060,895 | 1,215,611,208 |
| (iii) 450 MW (North) plant | | |
| July | 96,075,852 | - |
| August | 98,261,128 | - |
| September | 98,882,640 | - |
| October | 80,937,474 | - |
| November | 120,119,652 | - |
| December | 26,805,232 | - |
| January (before COD) | 131,127,229 | 77,055,951 |
| February | 125,874,058 | 2,269,446 |
| March | 103,704,029 | 1,055,638 |
| April | 76,295,561 | 16,791,710 |
| May | 118,470,702 | 73,643,882 |
| June | 96,494,544 | 106,540,860 |
| | 1,173,048,101 | 277,357,487 |
| Total energy payment (fuel price) | 3,888,306,330 | 2,254,114,951 |
| 31. Cost of sales | | |
| Fuel cost - gas and diesel (note 31.1) | 6,119,641,693 | 5,579,827,856 |
| Depreciation on plant and machinery (Annex 1) | 1,291,338,160 | 1,288,280,838 |
| Depreciation on overhauling (Annex 1) | 607,036,786 | 607,036,786 |
| Depreciation on project cost (Annex 1) | 2,938,984,754 | 1,849,236,426 |
| Repair and maintenance (note 31.2) | 524,817,445 | 309,760,036 |
| | 11,481,818,838 | 9,634,141,942 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018***31.1 Fuel cost - gas and diesel****Cost of gas****(i) Unit -3, 4, 5**

| | 2018 | 2017 |
|-----------|----------------------|----------------------|
| | BDT | BDT |
| July | 169,822,893 | 266,454,394 |
| August | 164,443,186 | 299,099,690 |
| September | 222,035,833 | 268,512,178 |
| October | 217,576,677 | 289,859,106 |
| November | 209,247,692 | 241,111,537 |
| December | 196,139,076 | 234,482,503 |
| January | 92,594,864 | 272,234,827 |
| February | 78,821,934 | 199,754,672 |
| March | 141,779,695 | 224,793,767 |
| April | 147,346,594 | 232,367,623 |
| May | 143,046,406 | 244,144,030 |
| June | 131,395,802 | 198,731,353 |
| | 1,914,250,652 | 2,971,545,680 |

(ii) 50 MW plant

| | | |
|-----------|--------------------|--------------------|
| July | 20,728,671 | 9,287,208 |
| August | 21,914,455 | 14,021,161 |
| September | 23,815,552 | 14,088,238 |
| October | 23,474,869 | 15,209,766 |
| November | 21,106,351 | 12,399,470 |
| December | 20,758,931 | 14,400,494 |
| January | 22,154,747 | 14,350,571 |
| February | 18,969,319 | 13,464,011 |
| March | 20,155,128 | 16,897,202 |
| April | 19,191,442 | 16,078,094 |
| May | 22,454,641 | 15,985,933 |
| June | 21,643,184 | 17,657,423 |
| | 256,367,290 | 173,839,571 |

(iii) 225 MW plant

| | | |
|-----------|----------------------|--------------------|
| July | 100,364,706 | - |
| August | 100,764,285 | - |
| September | 79,938,413 | 48,517,623 |
| October | 101,707,024 | 86,237,422 |
| November | 35,646,756 | 77,756,201 |
| December | 94,622,297 | 74,640,860 |
| January | 100,325,383 | 90,089,302 |
| February | 93,631,862 | 87,763,524 |
| March | 100,157,717 | 94,307,360 |
| April | 72,306,791 | 64,140,957 |
| May | 30,265,782 | 80,037,118 |
| June | 100,134,870 | 95,311,595 |
| | 1,009,865,886 | 798,801,962 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|--|----------------------|----------------------|
| | BDT | BDT |
| (iv) 450 MW plant (South) | | |
| July | 141,592,019 | 238,233,256 |
| August | 132,152,850 | 45,691,473 |
| September | 92,056,874 | 127,097,022 |
| October | 160,949,076 | 123,722,083 |
| November | 154,030,898 | 61,549 |
| December | 150,484,651 | 107,705,433 |
| January | 117,424,627 | 131,518,771 |
| February | 131,110,975 | 107,819,220 |
| March | 90,680,207 | 129,824,173 |
| April | 104,939,312 | 124,498,738 |
| May | 141,349,293 | 69,907,306 |
| June | 142,267,978 | 116,887,676 |
| | 1,559,038,760 | 1,322,966,700 |
| (v) 450 MW plant (North) | | |
| July | 130,409,430 | - |
| August | 113,175,425 | - |
| September | 113,030,116 | - |
| October | 103,970,320 | - |
| November | 134,443,309 | - |
| December | 36,602,880 | - |
| January (before COD) | 142,718,281 | 77,055,951 |
| February | 128,910,930 | 1,689,842 |
| March | 121,152,902 | 5,967,702 |
| April | 111,116,698 | 47,738,020 |
| May | 138,830,410 | 73,643,882 |
| June | 105,706,670 | 106,540,860 |
| | 1,380,067,371 | 312,636,257 |
| Total cost of gas | 6,119,589,959 | 5,579,790,170 |
| Total cost of gas | 6,119,589,959 | 5,579,790,170 |
| Cost of diesel | 51,734 | 37,686 |
| Total fuel cost - gas and diesel | 6,119,641,693 | 5,579,827,856 |
| 31.2 Repair and maintenance | | |
| Chemical and gas consumption | 42,706,662 | 36,928,128 |
| Lube oil, grease, vaseline etc. | 33,349,546 | 28,855,304 |
| Spare parts | 288,730,404 | 133,023,039 |
| Repair and maintenance plant and machinery | 160,030,833 | 110,953,565 |
| | 524,817,445 | 309,760,036 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018



| | 2018 | 2017 |
|---|----------------------|--------------------|
| | BDT | BDT |
| 32. Other operating Income | | |
| Sale of scraps | 40,671,283 | 3,974,214 |
| Forfeited of pay order | 1,457,152 | 474,500 |
| House rent | 90,224,761 | 90,087,418 |
| Received electricity bill from house rent | 255,868 | - |
| Income from lease rent amortization | 20,270,000 | 20,270,000 |
| Income from recruitment | 1,401,100 | 10,047,700 |
| Income from power plant training center | 94,200 | 220,600 |
| Sale of hydrogen gas | 22,082 | 21,262 |
| Sale of tender documents | 1,891,100 | 1,569,100 |
| Miscellaneous income | 3,364,685 | 2,543,908 |
| | 159,652,231 | 129,208,702 |
| 33. Personnel expenses | | |
| Salary and allowances (executive directors) | 12,282,519 | 12,715,120 |
| Salary and allowances (workers) | 322,767,254 | 295,836,378 |
| Salary and allowances (officers) | 313,161,851 | 274,255,059 |
| KPI bonus | 40,497,037 | - |
| Overtime allowance | 46,308,385 | 47,949,652 |
| Employer's contribution to CPF | 36,818,495 | 31,074,447 |
| Festival allowances (workers) | 28,858,991 | 24,973,391 |
| Leave encashment | 29,561,960 | 45,611,010 |
| Domestic gas and electricity for employees | 19,808,751 | 17,979,470 |
| Festival allowances (officers) | 31,050,295 | 26,552,546 |
| Salaries (casual employees) | 36,636,240 | 24,168,316 |
| Uniform and liveries | 2,418,930 | 4,579,880 |
| Education allowance | 5,310,818 | 5,534,245 |
| Conveyance | 27,078,690 | 21,294,588 |
| Bangla new year allowance | 6,408,728 | 5,428,617 |
| Group insurance premium | 7,403,981 | 5,754,855 |
| Employees welfare and recreation expenses | 2,392,607 | 2,070,805 |
| Festival allowances (casual employees) | 5,546,442 | 3,064,156 |
| Gratuity (note 33.1) | 82,421,736 | 57,370,322 |
| Festival allowances (executive directors) | 1,295,080 | 1,251,000 |
| Medical expenses re-imbrued | 13,851,912 | 11,113,757 |
| | 1,071,880,702 | 918,577,614 |
| 33.1. Gratuity | | |
| Gratuity (executive directors) | 1,650,895 | 1,269,920 |
| Gratuity (officers) | 42,666,496 | 28,120,190 |
| Gratuity (worker) | 36,955,645 | 27,260,092 |
| Gratuity (casual employees) | 1,148,700 | 720,120 |
| | 82,421,736 | 57,370,322 |

NOTES TO THE FINANCIAL STATEMENTS*For the year ended 30 June 2018*

| | 2018 | 2017 |
|---|--------------------|-------------------|
| | BDT | BDT |
| 34. Office and Other Expenses | | |
| Directors' honorarium | 2,592,000 | 1,898,684 |
| Board meeting expenses | 956,645 | 559,836 |
| Committee meeting expenses | 3,382,079 | 2,980,876 |
| AGM and EGM expenses | 3,734,837 | 1,948,790 |
| Audit fee | 230,000 | 150,000 |
| Hospitalization benefit | 429,606 | 112,762 |
| Legal expenses | 7,169,582 | 344,555 |
| Advertising and procurement processing expenses | 5,136,564 | 4,513,020 |
| Recruitment and appointment affairs expenses | 2,092,130 | 7,955,273 |
| Printing and stationery | 4,085,752 | 4,836,584 |
| Postage, internet and telephone | 2,745,578 | 1,653,974 |
| Newspapers and periodicals | 342,155 | 247,693 |
| Entertainment | 2,013,424 | 3,489,471 |
| Training and education | 2,083,035 | 1,807,503 |
| Honorarium to technical committee members | - | 12,000 |
| Bank charges | 743,758 | 472,862 |
| Travelling and daily allowances | 15,901,188 | 10,519,052 |
| Defense service expense | 2,033,965 | 2,100,087 |
| Bond issue expense | 11,115,250 | - |
| Corporate office maintenance (Dhaka office) | 1,486,098 | 434,280 |
| Business development expense | 31,367,430 | 13,642,787 |
| | 99,641,076 | 59,680,089 |
| 35. Repair and maintenance | | |
| Carriage inward, freight and handling | 1,353,426 | 1,481,028 |
| Insurance expenses (vehicle) | 937,122 | 658,620 |
| Cleaning and gardening | 10,111,403 | 8,585,063 |
| Building maintenance | 32,832,473 | 24,604,316 |
| Roads and other civil maintenance | 2,863,042 | 3,561,933 |
| Electrical maintenance | 3,554,516 | 3,137,756 |
| Rent, rates and taxes | 77,077,643 | 5,524,376 |
| Annual license renewal fees | 5,453,700 | 1,748,460 |
| Consultancy services | 11,221,467 | 4,663,402 |
| Transformer oil, silica Jell, etc. | 815,591 | 1,255,794 |
| Other operating expenses | 3,669,010 | 5,131,457 |
| Repair of office equipment and furniture | 79,670 | 118,050 |
| Fuel for transport | 6,952,368 | 6,035,473 |
| Vehicle rent | 1,300,330 | |
| Vehicle maintenance | 3,837,778 | 4,757,079 |
| | 162,059,539 | 71,262,807 |
| 36. Depreciation expenses | | |
| As per existing value - Annex-1(a) | 68,714,258 | 64,983,010 |
| | 68,714,258 | 64,983,010 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | 2018 | 2017 |
|--|----------------------|----------------------|
| | BDT | BDT |
| 37. Finance income | | |
| Interest income | 70,463,069 | 41,137,027 |
| Dividend income | 282,794,400 | - |
| | 353,257,469 | 41,137,027 |
| 38. Financial expenses | | |
| Interest on government loan (overhauling) | 89,514,850 | 89,514,850 |
| Interest on loan from BPDB | 124,058,959 | 122,293,151 |
| Interest on foreign loan (overhauling) | 74,422,948 | 74,422,948 |
| Interest on 225 MW ECA loan | 732,013,387 | 793,842,167 |
| Interest on 450 MW (South) ECA loan | 1,357,666,442 | 1,337,982,147 |
| Interest on 450 MW (North) | 981,785,628 | 46,919,292 |
| Loan adjustment of overhauling | (162,721,532) | (162,721,532) |
| | 3,196,740,682 | 2,302,253,023 |
| 39. Foreign currency fluctuation (gain)/loss | | |
| 225 MW ECA loan | 606,028,977 | 398,385,070 |
| 450 MW (South) ECA loan | 1,108,816,302 | 895,776,106 |
| USD bank account | (93,211,265) | (41,198,365) |
| | 1,621,634,015 | 1,252,962,811 |
| 40. Provision no longer required | | |
| During this year | - | 159,977,693 |
| As per Income Tax Ordinance, 1984, Section 93(3) (b) and BAS-37, Para-59, over provision for income tax for the year beyond six years Tk. 159,977,693 is no longer required. For this reason this amount is written back in the income statement as income during this period. | | |
| 41. Earnings per share | | |
| Profit after tax | 3,295,847,982 | 1,507,187,204 |
| Profit/(loss) after tax (before restatement) | 3,295,847,982 | 1,507,187,204 |
| Adjustment for correction of error (note 21) | - | (1,923,841,405) |
| Profit/(loss) after tax (restated) | 3,295,847,982 | (416,654,201) |
| Profit attributable to ordinary shareholders (restated) | 3,295,847,982 | (416,654,201) |
| Total weighted average number of shares outstanding during the year | 66,150,000 | 66,150,000 |
| Profit attributable to ordinary shareholders (before restatement) | 3,295,847,982 | 1,507,187,204 |
| Weighted-average number of ordinary shares outstanding during the year (note 41.1) | 66,150,000 | 66,150,000 |
| Number of shares as dilutive potential ordinary shares 41.2 | 103,114,680 | 103,114,680 |
| Weighted-average number of ordinary shares outstanding during the year/period (diluted) (41.1+41.2) | 169,264,680 | 169,264,680 |
| Basic earnings per share (before restatement) | 49.82 | 22.78 |
| Diluted earnings per share (before restatement) | 19.47 | 8.90 |
| Basic earnings per share (Restated) | 49.82 | (6.30) |
| Diluted earnings per share (Restated) | 19.47 | (2.46) |

The calculation of diluted earnings/(loss) per share has been based on the following profit/(loss) attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. The shares currently in the form of Equity of BPDB, Direct Grant, Subordinated loan - debt service liabilities (note 13,14 and 16) which will be converted to share capital of the company after observing due regulatory processes are stated as dilutive potential ordinary shares here.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

41.1 Weighted average number of ordinary shares outstanding during the year

Year 2018

| | Time weight | Weighted no. of share |
|--|-------------|-----------------------|
| At 01 July 2017 (no. of shares) | 365/365 | 66,150,000 |
| Total weighted average no. of ordinary shares outstanding at the end of the period | | |

Year 2017

| | | |
|---|---------|------------|
| At 01 July 2016 (no. of shares) | 365/365 | 66,150,000 |
| Total weighted average no. of ordinary shares outstanding at the end of the period. | 365/365 | 66,150,000 |

41.2 Weighted average number of diluted ordinary shares outstanding during the year

Year 2018

| | Time weight | Weighted no. of share |
|---|-------------|-----------------------|
| At 01 July 2017 (no. of shares) | | |
| Equity of BPDB | 365/365 | 55,726,150 |
| Direct grant | 365/365 | 3,441,820 |
| Subordinated loan - debt service liabilities | 365/365 | 10,252,300,000 |
| Total weighted average no. of ordinary shares outstanding at the end of the period. | | 103,114,680 |

Year 2017

| | | |
|---|---------|----------------|
| At 01 July 2016 (no. of shares) | | |
| Equity of BPDB | 365/365 | 55,726,150 |
| Direct grant | 365/365 | 3,441,820 |
| Subordinated loan - debt service liabilities | 365/365 | 10,252,300,000 |
| Total weighted average no. of ordinary shares outstanding at the end of the period. | | 103,114,680 |

42. Related parties disclosure

In accordance with BAS 24: Related Party Disclosures, amount of transactions during the period and outstanding balances as of the end of report period with the entity's related parties are disclosed as follows:

| Name of the Related Party | Nature of Relationship | Nature of Transaction | | |
|---|------------------------|---|----------------------|----------------------|
| Bangladesh Power Development Board (BPDB) | Majority Shareholder | (A) Accounts Receivable | | |
| | | Opening balance | 3,851,435,686 | 2,882,317,011 |
| | | Addition during the year: | | |
| | | Sales | 21,773,269,662 | 15,660,032,053 |
| | | Other adjustment | | - |
| | | Adjustment for debt service liability (DSL) | | - |
| | | Payment / adjustment made during the year: | | |
| | | Fuel cost paid by BPDB (receivable) | (1,714,735,604) | (3,634,776,138) |
| | | Cash collection | (14,678,653,982) | (9,559,571,994) |
| | | Loan adjustment | (1,853,800,000) | (1,149,600,000) |
| | | Debt service liability (DSL) | (389,717,454) | (346,965,246) |
| | | Closing balance | 6,987,798,308 | 3,851,435,686 |
| | | (B) Other Receivable | | |
| | | Opening balance | 141,918,893 | - |
| | | Less: Received operational insurance | (141,918,893) | - |
| | | Add: Operational insurance premium | 88,415,108 | 141,918,893 |
| | | Closing balance | 88,415,108 | 141,918,893 |
| | | (C) Loan from BPDB | | |
| | | Opening balance | 4,741,600,000 | 3,280,000,000 |
| | | Addition during the year | - | 2,261,600,000 |
| | | Payment made during the year | (1,800,000,000) | (800,000,000) |
| | | Current portion | (2,400,000,000) | - |
| | | Closing balance | 541,600,000 | 4,741,600,000 |
| | | (D) Interest on BPDB Loan | | |
| | | Opening balance | 122,293,151 | - |
| | | Add: Accrued during the year | 124,058,959 | 122,293,151 |
| | | Closing balance | 246,352,110 | 122,293,151 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | 2018 | 2017 |
|--|--------------------|----------------------|
| | BDT | BDT |
| 42.1 Key management personnel compensation comprises: | | |
| Short term benefits (salary and other allowances) | 42,645,253 | 34,271,943 |
| Post employment benefits (provident fund) | 5,204,464 | 4,165,300 |
| Post employment benefits (Gratuity) | 5,421,316 | 3,471,083 |
| Total | 53,271,033 | 41,908,326 |
| (*) Key management personnel includes employees of the rank of Deputy General Manager and above. | | |
| (*) No loans to Directors of the Company were given during the period. | | |
| 42.2 Investment in related party | | |
| APSCL has no investment in related party. | | |
| 42.3 Loan from related party (BPDB) | | |
| Opening Balance | 4,741,600,000 | 3,280,000,000 |
| Addition during the year | - | 2,261,600,000 |
| Payment during the year | (1,800,000,000) | (800,000,000) |
| Current Portion | (2,400,000,000) | - |
| Non-Current Portion | 541,600,000 | 4,741,600,000 |

43. Contingent assets

Contingent asset is a possible asset that arises from past events, the existence of which can be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset must not be recognized. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent. During the considering period July 2017 to June 2018 APSCL had not contingent asset.

44. Contingent liabilities

Contingent liability is a possible obligation that arises from past events, the existence of which can be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liability should not be recognized in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met. During the considering period July 2017 to June 2018 APSCL had not contingent liability.

45. Events after balance sheet date

The Board of Directors of APSCL has recommended a cash dividend @5% on paid up capital amounting to BDT 33,07,50,000 for the year ended 30 June 2018 in its meeting dated 07 November 2018. The dividend will be subject to approval of the shareholders in the next 18th Annual General Meeting scheduled to be held on 29 November 2018. There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

46. Number of employees and remuneration of Managing Director

| | | |
|--------------------------------|------------------|------------------|
| Number of employees | 750 | 727 |
| Managing Director remuneration | 3,406,020 | 3,431,000 |

47. Capital commitments

Bangladesh Securities Exchange Commission (BSEC) has been approved APSCL to issue bond of Tk. 500 crore through private placement. To raise fund through the issuance of bond is under processing. Investment commitment of Tk. 330 crore has already been received commitment from potential investor.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

48. Financial risk management

The company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board 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 risk faced by the company. The Board is assisted in its oversight role by 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.

Credit Risk: Credit risk is the risk of financial loss to the company if a customer or counterparty fails to meet its contractual obligations. The company's sales are made to Bangladesh Power Development Board (BPDB) under the conditions of long term Power Purchase Agreement (PPA). Sales made to that entity are fully secured by Letters of Credit issued by local scheduled banks.

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 management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of cash forecast, prepared based of time line of payment of the financial obligation and accordingly arrange for sufficient fund to make the expected payment within due date.

Market Risk: Market risk is the risk that changes in market forces such as foreign exchanges rates and interest rate that will affect the company's income or value of its holding of financial instruments. The objectives of market risk management are to manage and control market risk exposures within acceptable parameters, while optimizing the return. APSCL has already taken necessary measures such as interest rate SWAP in order to address such market risk.

| | 2018 | 2017 |
|--|------|------|
| | BDT | BDT |

49. Financial Ratio

| | | | |
|---|--------------------------|------------------|------------------|
| 49.1 Current Ratio : | | 1.23 : 1 | 1.369 : 1 |
| | Current asset | 14,631,988,707 | 10,458,718,872 |
| | Current liabilities | 13,039,012,568 | 7,638,114,041 |
| 49.2 Quick Ratio : | | 1.011 : 1 | 1.203 : 1 |
| | Quick asset/Liquid asset | 13,190,945,064 | 9,191,560,037 |
| | Quick liabilities | 13,039,012,568 | 7,638,114,041 |
| 49.3 Net Asset Value (NAV) per share (restarted) | | | |
| Net assets (Total assets- liabilities) | | 16,093,815,946 | 12,963,342,964 |
| Number of ordinary shares outstanding | | 66,150,000 | 66,150,000 |
| Net Asset Value (NAV) per share | | 243.293 | 195.97 |
| 49.4 Net Operating Cash Flow Per Share (NOCFPS) | | | |
| Net operating cash flows | | 9,202,921,962 | 5,326,056,092 |
| Number of ordinary shares outstanding | | 66,150,000 | 66,150,000 |
| Net Operating Cash Flows Per Share (NOCFPS) | | 139.12 | 80.51 |
| 49.5 Debt Equity Ratio : | | 4.78 | 5.98 |
| | Long term debt | 76,875,834,909 | 77,507,410,179 |
| | Shareholders equity | 16,093,815,946 | 12,963,342,964 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| | | 2018 | 2017 |
|--|----------------------|---------------|-----------------|
| | | BDT | BDT |
| 49.6 Earnings/(loss) per share | | | |
| Basic earnings/(loss) per share (BDT 100 per share) | | 49.82 | 22.78 |
| | Net Income | 3,295,847,982 | 1,507,187,203 |
| | No. of Share Issued | 66,150,000 | 66,150,000 |
| Diluted earnings/(loss) per share (BDT 100 per share) | | 19.47 | 8.90 |
| | Net Income | 3,295,847,982 | 1,507,187,203 |
| | Diluted No. of Share | 169,264,680 | 169,264,680 |
| Restated: | | | |
| Profit before tax for the year ended 30 June 2017, as previously reported. | | | 1,507,187,203 |
| Error correction (note 21) | | | (1,923,841,405) |
| Restated Profit after tax | | | (416,654,202) |
| Basic earnings/(loss) per share (BDT 100 per share) | | | (6.30) |
| | Net Income | | (416,654,202) |
| | No. of Share Issued | | 66,150,000 |
| Diluted earnings/(loss) per share (BDT 100 per share) | | | (2.46) |
| | Net Income | | (416,654,202) |
| | No. of Share Issued | | 169,264,680 |

50. General

- (i) Figures in these notes and in the annexed financial statements have been rounded off to the nearest BDT.
- (ii) Previous period's figures have been rearranged, wherever considered necessary, to conform to current period's presentation without causing any impact on the operating results for the period and value of assets and liabilities at the end of that period as shown in the financial statements under reporting.
- (iii) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

For and on behalf of Board of Directors of Ashuganj Power Station Company Ltd


 Company Secretary


 Executive Director (Finance)


 Managing Director


 Director

Dhaka, Bangladesh
 Dated, 08 November 2018

DETAILS OF PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2018

ANNEX I

| Particulars | Cost | | | | Rate (%) | Depreciation | | | Carrying amount/ Written down value at 30 June |
|------------------------|-----------------------|--------------------------------|--------------------------------|-----------------------|--------------|-----------------------|------------------------|-----------------------|---|
| | At 01 July | Addition during the year | Transfer during the year | Total at 30 June | | At 01 July | Charge for the year | Total at 30 June | |
| | BDT | BDT | BDT | BDT | | BDT | BDT | BDT | BDT |
| Land | 1,180,354 | 201,432,843.00 | - | 202,613,197 | - | - | - | - | 202,613,197 |
| Building | 2,520,823,563 | 7,894,158 | - | 2,528,717,721 | 1.55 - 13.33 | 735,160,891 | 52,718,431 | 787,879,322 | 1,740,838,399 |
| Plant and machinery | 23,332,251,987 | 164,191,742 | 390,027,259 | 23,886,470,988 | 5 - 40 | 13,004,064,309 | 1,291,338,160 | 14,295,402,469 | 9,591,068,519 |
| Office equipments | 51,514,637 | 7,535,992 | - | 59,050,629 | 10 - 33.33 | 33,175,930 | 4,541,410 | 37,717,340 | 21,333,289 |
| Vehicles | 97,784,346 | 8,107,500 | - | 105,891,846 | 12.5 | 44,333,899 | 8,533,039 | 52,866,938 | 53,024,908 |
| Furniture and fixtures | 20,306,308 | 4,334,115 | - | 24,640,423 | 20 | 16,538,682 | 2,921,378 | 19,460,060 | 5,180,363 |
| Overhauling project | 8,498,515,000 | - | - | 8,498,515,000 | 7.14 | 4,345,714,670 | 607,036,786 | 4,952,751,456 | 3,545,763,544 |
| Total 2018 | 34,912,403,454 | 393,496,350 | 390,027,259 | 35,305,899,804 | | 18,178,988,381 | 1,967,089,204 | 20,146,077,585 | 15,159,822,219 |
| Total 2017 | 34,478,010,742 | 44,365,453 | - | 34,522,376,195 | | 16,406,116,993 | 1,772,871,388 | 18,178,988,381 | 16,343,387,814 |

ANNEX 1A

| | |
|--|----------------------|
| Total depreciation | 1,967,089,204 |
| Less: Depreciation of plant and machinery - COGS | 1,291,338,160 |
| Less: Depreciation overhauling project - COGS | 607,036,786 |
| | 68,714,258 |
| Depreciation on property, plant and equipment | 1,967,089,204 |
| Depreciation for 225 MW | 693,355,053 |
| Depreciation for 450 MW CCPP (south) | 1,289,107,500 |
| Depreciation for 450 MW CCPP (north) | 956,522,201 |
| Total depreciation | 4,906,073,958 |

DEVELOPMENT/PROJECT COST*For the year ended 30 June 2018***ANNEX 2**

| Particulars | Cost | | | | Rate (%) | Depreciation | | | Written down value at 30 June |
|--|----------------|------------------|--------------------------|------------------|----------|---------------|---------------------|------------------|-------------------------------|
| | At 01 July | Error correction | Addition during the year | Total at 30 June | | 01 July 2017 | Charge for the year | Total at 30 June | |
| | BDT | | BDT | BDT | | BDT | BDT | BDT | |
| 225 MW Combined Cycle Power Plant (Annex 3A) | 18,137,337,719 | 195,152,826 | 5,127,297 | 18,337,617,842 | 4 | 1,528,922,342 | 693,355,053 | 2,222,277,395 | 16,115,340,447 |
| 450 MW (South) Project (Annex 3B) | 31,162,954,735 | (220,838,326) | 5,521,817,876 | 36,463,934,285 | 4 | 1,111,736,871 | 1,289,107,498 | 2,400,844,369 | 34,063,089,916 |
| 450 MW (North) Project (Annex 3C) | 23,815,353,244 | - | 2,712,567,260 | 26,527,920,504 | 4 | 49,588,133 | 956,522,200 | 1,006,110,333 | 25,521,810,170 |
| Total 2018 | 73,115,645,698 | (25,685,500) | 8,239,512,433 | 81,329,472,631 | | 2,690,247,346 | 2,938,984,751 | 5,629,232,097 | 75,700,240,533 |

DETAILS OF CAPITAL WORK-IN-PROGRESS*As at 30 June 2018*

| 225 MW combined cycle power plant | | | ANNEX 3A |
|--|-----------------------|--------------------------|-----------------------|
| Particulars | 01 June 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Office furniture | 739,730 | - | 739,730 |
| Building | 1,928,052 | - | 1,928,052 |
| Land development | 3,701,442 | - | 3,701,442 |
| Civil works | 22,373,367 | - | 22,373,367 |
| Advance payment against LC | 2,035,083,078 | - | 2,035,083,078 |
| Plant and machinery | 11,695,766,434 | 5,000,000 | 11,700,766,434 |
| LC commission | 159,397,771 | - | 159,397,771 |
| Bank charges and others | 579,323 | - | 579,323 |
| Premium | 1,856,064,509 | - | 1,856,064,509 |
| Fees, rent, rates and taxes | 888,332,141 | 127,297 | 888,459,438 |
| Printing and stationary | 289,801 | - | 289,801 |
| Consultancy services | 13,851,148 | - | 13,851,148 |
| Entertainment | 121,037 | - | 121,037 |
| Travelling and daily allowance | 200,528 | - | 200,528 |
| Office equipment | 712,260 | - | 712,260 |
| Store equipment | 5,947,774 | - | 5,947,774 |
| Salary and allowances | 10,418,562 | - | 10,418,562 |
| CD VAT | 1,078,691,630 | - | 1,078,691,630 |
| Other operating expense | 5,440,786 | - | 5,440,786 |
| Interest expense | 265,596,439 | - | 265,596,439 |
| Legal expense | 92,101,907 | - | 92,101,907 |
| Total | 18,137,337,719 | 5,127,297 | 18,142,465,016 |
| 450 MW (south) project | | | ANNEX 3B |
| Particulars | 01 July 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Legal fee | 4,217,333 | - | 4,217,333 |
| Civil works | 4,228,868 | - | 4,228,868 |
| Office equipment | 1,270,730 | - | 1,270,730 |
| Office furniture | 1,332,458 | - | 1,332,458 |
| Interest expense | 1,908,431,730 | - | 1,908,431,730 |
| Loan processing fee | 463,600,277 | - | 463,600,277 |
| Premium | 5,536,272,023 | - | 5,536,272,023 |
| Fees, rent, rent and taxes | 1,245,216,466 | 7,149,241 | 1,252,365,707 |
| CD VAT | 1,363,731,277 | 2,292,822 | 1,366,024,099 |
| ORM REF (VAT) commitment fee | 55,773,210 | - | 55,773,210 |
| LC commission and charges | 315,884,716 | - | 315,884,716 |
| Consultancy services | 24,367,659 | - | 24,367,659 |
| Bank charges and others | 32,718,278 | - | 32,718,278 |
| Salary and allowances | 22,149,668 | - | 22,149,668 |
| Printing and stationary | 498,072 | - | 498,072 |
| Other operating expense | 520,475 | - | 520,475 |
| Entertainment | 112,438 | - | 112,438 |
| Design, installation and others | 5,659,448,097 | 3,025,709,804 | 8,685,157,901 |
| Plant , machinery and equipment | 10,872,431,017 | 2,486,666,009 | 13,359,097,026 |
| 15% down payment | 3,650,749,943 | - | 3,650,749,943 |
| Total | 31,162,954,735 | 5,521,817,876 | 36,684,772,611 |

DETAILS OF CAPITAL WORK-IN-PROGRESS

As at 30 June 2018

| 450 MW (north) project | | | ANNEX 3C |
|---|----------------|--------------------------|----------------|
| Particulars | 01 July 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Land development/civil works | 43,952,821 | 100,142,143 | 144,094,964 |
| Building | 4,541,759 | - | 4,541,759 |
| Travelling and daily allowance | 52,800 | - | 52,800 |
| Office equipment | 1,171,330 | - | 1,171,330 |
| Advertisement | 1,778,178 | - | 1,778,178 |
| Consultancy service | 94,913,389 | 43,265,953 | 138,179,342 |
| Printing and stationary | 294,826 | - | 294,826 |
| Entertainment | 357,731 | - | 357,731 |
| Advance payment (installation and others) | 1,417,242,504 | - | 1,417,242,504 |
| Plant and machinery | 19,933,359,670 | 2,569,159,164 | 22,502,518,834 |
| Bank charge | 176,898 | - | 176,898 |
| CD VAT | 722,209,286 | - | 722,209,286 |
| CD VAT account | (1,730,718) | - | (1,730,718) |
| Interest expense | 1,437,865,902 | - | 1,437,865,902 |
| Legal expense | 62,500 | - | 62,500 |
| Other operating expense | 236,090 | - | 236,090 |
| Fees, rent, rates and taxes | 113,638,188 | - | 113,638,188 |
| Office furniture | 1,185,585 | - | 1,185,585 |
| Salary and allowances | 44,044,505 | - | 44,044,505 |
| Total | 23,815,353,245 | 2,712,567,260 | 26,527,920,505 |

| 200 MW modular project | | | ANNEX 3D |
|------------------------|--------------|--------------------------|--------------|
| Particulars | 01 July 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Legal expense | 291,000 | - | 291,000 |
| Entertainment | 10,700 | - | 10,700 |
| Land | 167,862,967 | - | 167,862,967 |
| Total | 168,164,667 | - | 168,164,667 |

| 400 MW (east) project | | | ANNEX 3E |
|--------------------------------|--------------|--------------------------|--------------|
| Particulars | 01 July 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Office furniture | 901,620 | 389,881 | 1,291,501 |
| Civil Works | - | 70,200 | 70,200 |
| Office equipment | 619,000 | 451,950 | 1,070,950 |
| Entertainment | 199,006 | 223,299 | 422,305 |
| Consultancy service | 955,000 | - | 955,000 |
| Vehicle rent | 713,550 | 808,510 | 1,522,060 |
| Advertisement | 5,905,859 | - | 5,905,859 |
| Travelling and daily allowance | 44,250 | - | 44,250 |
| Salary and allowances | 9,261,552 | 14,890,100 | 24,151,652 |
| Honorarium expense | 69,339 | - | 69,339 |
| Legal expense | 103,500 | 40,250 | 143,750 |
| Safety materials | 164,600 | - | 164,600 |
| Printing and stationary | 182,943 | 761,063 | 944,006 |
| Total | 19,120,219 | 17,635,253 | 36,755,472 |

DETAILS OF CAPITAL WORK-IN-PROGRESS*As at 30 June 2018*

| Patuakhali 1320 MW Super Thermal Power Plant Project | | | ANNEX 3F |
|--|--------------|--------------------------|------------------|
| Particulars | 01 July 2017 | Addition during the year | 30 June 2018 |
| | BDT | BDT | BDT |
| Consultancy service | - | 3,641,000 | 3,641,000 |
| Entertainment | - | 268,289 | 268,289 |
| Salary and allowance | - | 2,261,118 | 2,261,118 |
| Printing and stationary | - | 13,469 | 13,469 |
| Conveyance | - | 133,420 | 133,420 |
| Office maintenance | - | 140,780 | 140,780 |
| Sarveor (For land acquisition) | - | 225,000 | 225,000 |
| Rent rates and taxes | - | 958,750 | 958,750 |
| Total | - | 7,641,826 | 7,641,826 |

CASH AT BANK*For the year ended 30 June 2018***ANNEX 4****Cash at bank on STD/SND account**

| SL | Bank | Branch | Types of account | 2018 | 2017 |
|----|---------------------------|------------------|------------------|--------------------|-------------------|
| | | | | BDT | BDT |
| 1 | HSBC | Tejgaon | SND | 206,861 | 967,562 |
| 2 | HSBC | Tejgaon | SND | 3,270,891 | - |
| 3 | Standard Chartered Bank | Gulshan | SND | 128,426 | 260,217 |
| 4 | Janata Bank | Local Office | STD | 14,888,310 | 6,016,404 |
| 5 | Janata Bank | Local Office | STD | 40,628,788 | 14,475,370 |
| 6 | Janata Bank | Corporate Office | STD | 171,593,626 | 2,341,614 |
| 7 | Trust Bank | Ashuganj | STD | 3,737,481 | 11,317,057 |
| 8 | Sonali Bank | Ashuganj | STD | 3,080,885 | 295,330 |
| 9 | Exim Bank | Ashuganj | STD | 18,272,035 | 19,634,044 |
| 10 | Pubali Bank | Ashuganj | STD | 4,152,632 | 2,495,075 |
| | Total STD/SND account (A) | | | 259,959,934 | 57,802,674 |

Cash at bank on restricted account :

| SL | Bank | Branch | Types of account | 2018 | 2017 |
|----|---------------------------------|---------|------------------|----------------------|----------------------|
| | | | | BDT | BDT |
| 1 | HSBC (*) | Tejgaon | DSAA | 198,834 | 19 |
| 2 | HSBC (*) | Tejgaon | DSRA | 2,171,413,264 | 1,840,756,207 |
| 3 | HSBC (*) | Tejgaon | PPA Proceeds | 1,813,157 | 124,242,721 |
| 4 | HSBC (*) | Tejgaon | Disbursement | 229,362 | 243,981 |
| 5 | HSBC (*) | Tejgaon | PPA Proceeds | 591,630,000 | 133,815 |
| 6 | Standard Chartered Bank (*) | Gulshan | Disbursement | 14,695,481 | 14,706,334 |
| 7 | Standard Chartered Bank (*) | Gulshan | PPA Proceeds | 277,773,009 | 485,105,735 |
| 8 | Standard Chartered Bank (**) | Gulshan | DSA | 905,369,881 | 882,983,648 |
| 9 | Standard Chartered Bank (**) | Gulshan | PPA Proceeds | 703,765,105 | 325,835,172 |
| | Total in Restricted Account (B) | | | 4,666,888,094 | 3,674,007,632 |
| | Total cash at bank (A+B) | | | 4,926,848,028 | 3,731,810,306 |

(*) As per common terms agreement (CTA) APSCL shall not be permitted to make any withdrawal from the Debt Service Reserve Account (DSRA). APSCL can withdraw the amount from the PPA account after fulfilling certain conditions and with the consent of the intercreditor agent.

(**) As per common terms agreement (CTA) APSCL shall not be permitted to make any withdrawal from the Debt Service Account (DSA). APSCL can withdraw the amount from the PPA account after fulfilling certain conditions and with the consent of the intercreditor agent.

FIXED DEPOSIT ACCOUNT (FDR)*For the year ended 30 June 2018***ANNEX 5**

| SL | Bank | Branch | Types of account | 2018 | 2017 |
|-----------------------------|------------------------|------------------|------------------|--------------------|----------------------|
| | | | | BDT | BDT |
| 1 | AB Bank | Bangshal | FDR | 50,000,000 | - |
| 2 | AB Bank | Bangshal | FDR | 51,015,625 | - |
| 3 | AB Bank | Bhairab | FDR | 10,000,000 | - |
| 4 | AB Bank | Bhairab | FDR | 10,173,625 | - |
| 5 | AB Bank | Ashuganj | FDR | 10,201,750 | 118,699,170 |
| 6 | Al-Arafah Islami Bank | Ashuganj | FDR | 10,000,000 | - |
| 7 | Al-Arafah Islami Bank | Ashuganj | FDR | 10,163,562 | - |
| 8 | Brac Bank | Bhairab | FDR | 10,198,747 | - |
| 9 | Brac Bank | Mitford | FDR | 10,000,000 | - |
| 10 | City Bank | Bhairab | FDR | 10,000,000 | - |
| 11 | City Bank | Uttara | FDR | 20,000,000 | - |
| 12 | Dhaka Bank | Ashuganj | FDR | 10,000,000 | - |
| 13 | Dhaka Bank | Bhairab | FDR | 10,000,000 | - |
| 14 | Dhaka Bank | Bijoy Nagar | FDR | 20,000,000 | - |
| 15 | Dhaka Bank | Ashuganj | FDR | 10,188,003 | - |
| 16 | Exim Bank | Ashuganj | FDR | 50,000,000 | 965,372,095 |
| 17 | Exim Bank | Ashuganj | FDR | 16,177,892 | - |
| 18 | Exim Bank | Ashuganj | FDR | 153,037,500 | - |
| 19 | Exim Bank | Ashuganj | FDR | 50,900,000 | - |
| 20 | IFIC Bank | Ashuganj | FDR | 12,327,695 | 11,639,206 |
| 21 | IFIC Bank | Ashuganj | FDR | 20,382,500 | - |
| 22 | Islami Bank | Ashuganj | FDR | 20,351,123 | - |
| 23 | Jamuna Bank | Ashuganj | FDR | 10,000,000 | 14,942,180 |
| 24 | Jamuna Bank | Ashuganj | FDR | 15,627,293 | - |
| 25 | Mercantile Bank | Ashuganj | FDR | 10,185,625 | - |
| 26 | Janata Bank | Corporate Office | FDR | - | 107,518,727 |
| 27 | Mutual Trust Bank | Dilkusha | FDR | 61,269,818 | 129,061,027 |
| 28 | One Bank | Mawna | FDR | 50,956,250 | - |
| 29 | Premier Bank | Bhairab | FDR | 10,000,000 | - |
| 30 | Premier Bank | Ashuganj | FDR | 10,191,250 | - |
| 31 | Premier Bank | Ashuganj | FDR | 10,191,250 | - |
| 32 | Prime Bank | Ashuganj | FDR | 10,240,000 | - |
| 33 | Pubali Bank | Ashuganj | FDR | 16,024,425 | 15,258,632 |
| 34 | Shahjalal Islami Bank | Motijheel | FDR | 20,000,000 | - |
| 35 | Shahjalal Islami Bank | Ashuganj | FDR | 10,157,500 | - |
| 36 | Sonali Bank | Ashuganj | FDR | 11,947,120 | 11,480,535 |
| 37 | Trust Bank | Ashuganj | FDR | 10,000,000 | - |
| 38 | United Commercial Bank | Dilkusha | FDR | 50,000,000 | - |
| 39 | United Commercial Bank | Dilkusha (FEx) | FDR | 50,000,000 | - |
| Total in FDR Account | | | | 931,908,554 | 1,373,971,572 |

GOVERNMENT LOANS*For the year ended 30 June 2018***ANNEX 6**

Repayment schedule of loan given by Government of Bangladesh for 450 MW (North)

| | |
|----------------------|---|
| Total Investment | : BDT 3,527,166,000 |
| Equity portion (60%) | : BDT 2,116,300,000 |
| Loan portion (40%) | : BDT 1,410,866,000 |
| Repayment period | : 20 years including 5 years grace period |
| Rate of interest | : 3% per annum |

| Year | Beginning balance BDT | Yearly fixed amount to be paid (Capital) BDT | Yearly interest to be paid BDT | Total payment (Capital+Interest) BDT | Ending balance BDT |
|------|-----------------------|--|--------------------------------|--------------------------------------|--------------------|
| 1 | 1,410,866,000 | - | 42,326,000 | 42,326,000 | 1,410,866,400 |
| 2 | 1,410,866,000 | - | 42,326,000 | 42,326,000 | 1,410,866,400 |
| 3 | 1,410,866,000 | - | 42,326,000 | 42,326,000 | 1,410,866,400 |
| 4 | 1,410,866,000 | - | 42,326,000 | 42,326,000 | 1,410,866,400 |
| 5 | 1,410,866,000 | - | 42,326,000 | 42,326,000 | 1,410,866,400 |
| 6 | 1,410,866,000 | 94,057,800 | 42,326,000 | 136,383,800 | 1,316,808,600 |
| 7 | 1,316,809,000 | 94,057,800 | 39,504,300 | 133,562,000 | 1,222,750,900 |
| 8 | 1,222,751,000 | 94,057,800 | 36,682,500 | 130,740,300 | 1,128,693,100 |
| 9 | 1,128,693,000 | 94,057,800 | 33,860,800 | 127,918,600 | 1,034,635,400 |
| 10 | 1,034,635,000 | 94,057,800 | 31,039,100 | 125,096,800 | 940,577,600 |
| 11 | 940,578,000 | 94,057,800 | 28,217,300 | 122,275,100 | 846,519,800 |
| 12 | 846,520,000 | 94,057,800 | 25,395,600 | 119,453,400 | 752,462,100 |
| 13 | 752,462,000 | 94,057,800 | 22,573,900 | 116,631,600 | 658,404,300 |
| 14 | 658,404,000 | 94,057,800 | 19,752,100 | 113,809,900 | 564,346,600 |
| 15 | 564,347,000 | 94,057,800 | 16,930,400 | 110,988,200 | 470,288,800 |
| 16 | 470,289,000 | 94,057,800 | 14,108,700 | 108,166,400 | 376,231,000 |
| 17 | 376,231,000 | 94,057,800 | 11,286,900 | 105,344,700 | 282,173,300 |
| 18 | 282,173,000 | 94,057,800 | 8,465,200 | 102,523,000 | 188,115,500 |
| 19 | 188,116,000 | 94,057,800 | 5,643,500 | 99,701,200 | 94,057,800 |
| 20 | 94,058,000 | 94,057,800 | 2,821,700 | 96,879,500 | - |

FOREIGN LOANS*For the year ended 30 June 2018***ANNEX 7****Repayment schedule of Loan given by Kreditanstalt Fur Wiederaufbau (KfW) for Overhauling unit # 3, 4 and 5**

| | |
|---------------|---|
| Interest rate | : 8% |
| Installment | : 18 years including 3 years grace period 15 equal consecutive yearly installment |
| EURO | : 32,301,627 (1 Euro = BDT 72) |
| Total loan | : BDT 2,325,717,139 |
| Equity (60%) | : BDT 1,395,430,283 |
| Debt (40%) | : BDT 930,286,856 |

| Installment serial no. | Installment due date | Total principal amount | Repayment of principal amount | Interest @ 8% | Installment (principal+ interest) |
|------------------------|----------------------|------------------------|-------------------------------|---------------|-----------------------------------|
| | | BDT | BDT | BDT | BDT |
| | Mar 2007 to Sep 2007 | - | - | 43,413,387 | 43,413,387 |
| 1 | 01 Oct 2007 | 930,286,856 | 62,019,124 | - | 62,019,124 |
| 2 | 01 Oct 2008 | 868,267,732 | 62,019,124 | 69,461,419 | 131,480,542 |
| 3 | 01 Oct 2009 | 806,248,608 | 62,019,124 | 64,499,889 | 126,519,012 |
| 4 | 01 Oct 2010 | 744,229,484 | 62,019,124 | 59,538,359 | 121,557,482 |
| 5 | 01 Oct 2011 | 682,210,361 | 62,019,124 | 54,576,829 | 116,595,952 |
| 6 | 01 Oct 2012 | 620,191,237 | 62,019,124 | 49,615,299 | 111,634,423 |
| 7 | 01 Oct 2013 | 558,172,113 | 62,019,124 | 44,653,769 | 106,672,893 |
| 8 | 01 Oct 2014 | 496,152,989 | 62,019,124 | 39,692,239 | 101,711,363 |
| 9 | 01 Oct 2015 | 434,133,866 | 62,019,124 | 34,730,709 | 96,749,833 |
| 10 | 01 Oct 2016 | 372,114,742 | 62,019,124 | 29,769,179 | 91,788,303 |
| 11 | 01 Oct 2017 | 310,095,618 | 62,019,124 | 24,807,649 | 86,826,773 |
| 12 | 01 Oct 2018 | 248,076,495 | 62,019,124 | 19,846,120 | 81,865,243 |
| 13 | 01 Oct 2019 | 186,057,371 | 62,019,124 | 14,884,590 | 76,903,713 |
| 14 | 01 Oct 2020 | 124,038,247 | 62,019,124 | 9,923,060 | 71,942,183 |
| 15 | 01 Oct 2021 | 62,019,123 | 62,019,124 | 4,961,530 | 66,980,654 |

FOREIGN LOANS*For the year ended 30 June 2018***ANNEX 8****Repayment schedule of Loan given by Asian Development Bank for 450 MW (North)**

Repayment period : 20 Years (including grace period 5 years)
 Installment : 30 semi-annual consecutive installment
 Rate of interest : 4%
 Total loan : USD 228,000,000

| Installment sl. no. | Disbursement /falling date | Opening balance USD | Principal amount fallen due USD | Closing balance USD | Interest @4% | Interest on total principal outstanding USD | Principal + interest USD |
|---------------------|----------------------------|------------------------|---------------------------------------|------------------------|-----------------|---|--------------------------------|
| Grace period | 5 Years | 228,000,000 | - | - | - | - | - |
| 1 | 01 Feb 2017 | 228,000,000 | 7,600,000 | 220,400,000 | 4% | 45,600,000 | 53,200,000 |
| 2 | 01 Aug 2017 | 220,400,000 | 7,600,000 | 212,800,000 | 4% | 4,408,000 | 12,008,000 |
| 3 | 01 Feb 2018 | 212,800,000 | 7,600,000 | 205,200,000 | 4% | 4,256,000 | 11,856,000 |
| 4 | 01 Aug 2018 | 205,200,000 | 7,600,000 | 197,600,000 | 4% | 4,104,000 | 11,704,000 |
| 5 | 01 Feb 2019 | 197,600,000 | 7,600,000 | 190,000,000 | 4% | 3,952,000 | 11,552,000 |
| 6 | 01 Aug 2019 | 190,000,000 | 7,600,000 | 182,400,000 | 4% | 3,800,000 | 11,400,000 |
| 7 | 01 Feb 2020 | 182,400,000 | 7,600,000 | 174,800,000 | 4% | 3,648,000 | 11,248,000 |
| 8 | 01 Aug 2020 | 174,800,000 | 7,600,000 | 167,200,000 | 4% | 3,496,000 | 11,096,000 |
| 9 | 01 Feb 2021 | 167,200,000 | 7,600,000 | 159,600,000 | 4% | 3,344,000 | 10,944,000 |
| 10 | 01 Aug 2021 | 159,600,000 | 7,600,000 | 152,000,000 | 4% | 3,192,000 | 10,792,000 |
| 11 | 01 Feb 2022 | 152,000,000 | 7,600,000 | 144,400,000 | 4% | 3,040,000 | 10,640,000 |
| 12 | 01 Aug 2022 | 144,400,000 | 7,600,000 | 136,800,000 | 4% | 2,888,000 | 10,488,000 |
| 13 | 01 Feb 2023 | 136,800,000 | 7,600,000 | 129,200,000 | 4% | 2,736,000 | 10,336,000 |
| 14 | 01 Aug 2023 | 129,200,000 | 7,600,000 | 121,600,000 | 4% | 2,584,000 | 10,184,000 |
| 15 | 01 Feb 2024 | 121,600,000 | 7,600,000 | 114,000,000 | 4% | 2,432,000 | 10,032,000 |
| 16 | 01 Aug 2024 | 114,000,000 | 7,600,000 | 106,400,000 | 4% | 2,280,000 | 9,880,000 |
| 17 | 01 Feb 2025 | 106,400,000 | 7,600,000 | 98,800,000 | 4% | 2,128,000 | 9,728,000 |
| 18 | 01 Aug 2025 | 98,800,000 | 7,600,000 | 91,200,000 | 4% | 1,976,000 | 9,576,000 |
| 19 | 01 Feb 2026 | 91,200,000 | 7,600,000 | 83,600,000 | 4% | 1,824,000 | 9,424,000 |
| 20 | 01 Aug 2026 | 83,600,000 | 7,600,000 | 76,000,000 | 4% | 1,672,000 | 9,272,000 |
| 21 | 01 Feb 2027 | 76,000,000 | 7,600,000 | 68,400,000 | 4% | 1,520,000 | 9,120,000 |
| 22 | 01 Aug 2027 | 68,400,000 | 7,600,000 | 60,800,000 | 4% | 1,368,000 | 8,968,000 |
| 23 | 01 Feb 2028 | 60,800,000 | 7,600,000 | 53,200,000 | 4% | 1,216,000 | 8,816,000 |
| 24 | 01 Aug 2028 | 53,200,000 | 7,600,000 | 45,600,000 | 4% | 1,064,000 | 8,664,000 |
| 25 | 01 Feb 2029 | 45,600,000 | 7,600,000 | 38,000,000 | 4% | 912,000 | 8,512,000 |
| 26 | 01 Aug 2029 | 38,000,000 | 7,600,000 | 30,400,000 | 4% | 760,000 | 8,360,000 |
| 27 | 01 Feb 2030 | 30,400,000 | 7,600,000 | 22,800,000 | 4% | 608,000 | 8,208,000 |
| 28 | 01 Aug 2030 | 22,800,000 | 7,600,000 | 15,200,000 | 4% | 456,000 | 8,056,000 |
| 29 | 01 Feb 2031 | 15,200,000 | 7,600,000 | 7,600,000 | 4% | 304,000 | 7,904,000 |
| 30 | 01 Aug 2031 | 7,600,000 | 7,600,000 | - | 4% | 152,000 | 7,752,000 |

FOREIGN LOANS*For the year ended 30 June 2018***ANNEX 9****Repayment schedule of loan given by Islamic Development Bank for 450 MW (North)**

Repayment period : 20 years (including grace period 5 years)
 Installment : 30 semi-annual consecutive installment
 Rate of Interest : 4%
 Total loan : USD 200,000,000

| Installment sl. no. | Disbursement/ falling date | Opening balance USD | Principal amount USD | Closing balance USD | Interest @4% | Interest on total principal outstanding USD | Principal + interest USD |
|---------------------|-------------------------------|------------------------|-------------------------|------------------------|--------------|---|-----------------------------|
| Grace period | 5 Years | 200,000,000 | - | - | - | - | - |
| 1 | 01 Feb 2018 | 200,000,000 | 6,666,667 | 193,333,333 | 4% | 42,666,640 | 49,333,307 |
| 2 | 01 Aug 2018 | 193,333,333 | 6,666,667 | 186,666,667 | 4% | 3,866,667 | 10,533,333 |
| 3 | 01 Feb 2019 | 186,666,667 | 6,666,667 | 180,000,000 | 4% | 3,733,333 | 10,400,000 |
| 4 | 01 Aug 2019 | 180,000,000 | 6,666,667 | 173,333,333 | 4% | 3,600,000 | 10,266,667 |
| 5 | 01 Feb 2020 | 173,333,333 | 6,666,667 | 166,666,667 | 4% | 3,466,667 | 10,133,333 |
| 6 | 01 Aug 2020 | 166,666,667 | 6,666,667 | 160,000,000 | 4% | 3,333,333 | 10,000,000 |
| 7 | 01 Feb 2021 | 160,000,000 | 6,666,667 | 153,333,333 | 4% | 3,200,000 | 9,866,667 |
| 8 | 01 Aug 2021 | 153,333,333 | 6,666,667 | 146,666,667 | 4% | 3,066,667 | 9,733,333 |
| 9 | 01 Feb 2022 | 146,666,667 | 6,666,667 | 140,000,000 | 4% | 2,933,333 | 9,600,000 |
| 10 | 01 Aug 2022 | 140,000,000 | 6,666,667 | 133,333,333 | 4% | 2,800,000 | 9,466,667 |
| 11 | 01 Feb 2023 | 133,333,333 | 6,666,667 | 126,666,667 | 4% | 2,666,667 | 9,333,333 |
| 12 | 01 Aug 2023 | 126,666,667 | 6,666,667 | 120,000,000 | 4% | 2,533,333 | 9,200,000 |
| 13 | 01 Feb 2024 | 120,000,000 | 6,666,667 | 113,333,333 | 4% | 2,400,000 | 9,066,667 |
| 14 | 01 Aug 2024 | 113,333,333 | 6,666,667 | 106,666,667 | 4% | 2,266,667 | 8,933,333 |
| 15 | 01 Feb 2025 | 106,666,667 | 6,666,667 | 100,000,000 | 4% | 2,133,333 | 8,800,000 |
| 16 | 01 Aug 2025 | 100,000,000 | 6,666,667 | 93,333,333 | 4% | 2,000,000 | 8,666,667 |
| 17 | 01 Feb 2026 | 93,333,333 | 6,666,667 | 86,666,667 | 4% | 1,866,667 | 8,533,333 |
| 18 | 01 Aug 2026 | 86,666,667 | 6,666,667 | 80,000,000 | 4% | 1,733,333 | 8,400,000 |
| 19 | 01 Feb 2027 | 80,000,000 | 6,666,667 | 73,333,333 | 4% | 1,600,000 | 8,266,667 |
| 20 | 01 Aug 2027 | 73,333,333 | 6,666,667 | 66,666,667 | 4% | 1,466,667 | 8,133,333 |
| 21 | 01 Feb 2028 | 66,666,667 | 6,666,667 | 60,000,000 | 4% | 1,333,333 | 8,000,000 |
| 22 | 01 Aug 2028 | 60,000,000 | 6,666,667 | 53,333,333 | 4% | 1,200,000 | 7,866,667 |
| 23 | 01 Feb 2029 | 53,333,333 | 6,666,667 | 46,666,666 | 4% | 1,066,667 | 7,733,333 |
| 24 | 01 Aug 2029 | 46,666,667 | 6,666,667 | 40,000,000 | 4% | 933,333 | 7,600,000 |
| 25 | 01 Feb 2030 | 40,000,000 | 6,666,667 | 33,333,333 | 4% | 800,000 | 7,466,667 |
| 26 | 01 Aug 2030 | 33,333,333 | 6,666,667 | 26,666,667 | 4% | 666,667 | 7,333,333 |
| 27 | 01 Feb 2031 | 26,666,667 | 6,666,667 | 20,000,000 | 4% | 533,333 | 7,200,000 |
| 28 | 01 Aug 2031 | 20,000,000 | 6,666,667 | 13,333,333 | 4% | 400,000 | 7,066,667 |
| 29 | 01 Feb 2032 | 13,333,333 | 6,666,667 | 6,666,667 | 4% | 266,667 | 6,933,333 |
| 30 | 01 Aug 2032 | 6,666,667 | 6,666,667 | - | 4% | 133,333 | 6,800,000 |

DEFERRED TAX*For the year ended 30 June 2018***ANNEX 10**

Deferred tax liability have been recognised and measured in accordance with the provision of BAS 12: Income Tax. Deferred tax liability are attributable to the following:

| Particulars | Carrying amount of assets / (liabilities) | Tax base | 2018 | 2017 |
|--|---|----------------|---|---|
| | | | (Taxable) / deductible temporary difference | (Taxable) / deductible temporary difference |
| | BDT | BDT | BDT | BDT |
| Land | 202,613,197 | - | (202,613,197) | (1,180,354) |
| Building | 1,740,838,399 | 1,293,148,183 | (447,690,216) | (277,651,986) |
| Plant and machinery | 13,136,832,063 | 6,178,502,707 | (6,958,329,356) | (8,382,213,752) |
| Office equipment's | 21,333,289 | 28,560,054 | 7,226,765 | 7,843,965 |
| Vehicles | 53,024,908 | 43,821,862 | (9,203,046) | (6,780,619) |
| Furniture and fixtures | 5,180,363 | 14,208,650 | 9,028,287 | 7,838,617 |
| 225 MW CCPP project | 16,115,340,447 | 10,844,062,873 | (5,271,277,574) | (4,575,705,575) |
| 450 MW CCPP (south) | 34,063,089,916 | 27,485,528,073 | (6,577,561,843) | (5,172,533,892) |
| 450 MW CCPP (north) | 25,521,810,171 | 23,876,723,704 | (1,645,086,467) | - |
| | 90,860,062,753 | 69,764,556,105 | (21,095,506,648) | (18,400,383,595) |
| Unused tax depreciation | | | 5,223,848,515 | 5,171,413,121 |
| | | | (15,871,658,133) | (13,228,970,474) |
| Deferred tax assets/(liability) @ 35% | | | (5,555,080,347) | (4,630,139,666) |
| Deferred tax (expenses)/Income | | | (924,940,681) | (1,923,841,405) |

450 MW (SOUTH) PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX IIA****450 MW (South) Project
CESCE loan repayment schedule**

| Repayment number | Repayment date | Repayment amount (proportion) |
|------------------|---|---|
| 1 | First repayment date means the date falling six months after the starting point of credit | 1/20th of the amount described in clause 7.2(a) as per Common Terms Agreement (CTA) |
| 2 | 6 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 3 | 12 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 4 | 18 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 5 | 24 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 6 | 30 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 7 | 36 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 8 | 42 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 9 | 48 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 10 | 54 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 11 | 60 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 12 | 66 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 13 | 72 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 14 | 78 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 15 | 84 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 16 | 90 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 17 | 96 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 18 | 102 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 19 | 108 months after first repayment date | 1/19th of the amount described in clause 7.2(b) as per CTA |
| 20 | 114 months after first repayment date (being the final repayment date) | 1/19th of the amount described in clause 7.2(b) as per CTA |

450 MW (SOUTH) PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX I B****450 MW (South) Project
Hermes loan repayment schedule**

| Repayment number | Repayment date | Repayment amount (proportion) |
|------------------|---|--|
| 1 | First repayment date means the date falling six months after the starting point of credit | 1/20th of the amount described in clause 7.10(a) as per Common Terms Agreement (CTA) |
| 2 | 6 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 3 | 12 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 4 | 18 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 5 | 24 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 6 | 30 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 7 | 36 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 8 | 42 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 9 | 48 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 10 | 54 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 11 | 60 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 12 | 66 Months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 13 | 72 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 14 | 78 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 15 | 84 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 16 | 90 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 17 | 96 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 18 | 102 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 19 | 108 months after first repayment date | 1/19th of the amount described in clause 7.10(b) as per CTA |
| 20 | 114 months after first repayment date (being the final repayment date) | 1/19th of the amount described in clause 7.10(b) as per CTA |

450 MW (SOUTH) PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX IIC****450 MW (South) Project
MIGA commercial loan repayment schedule**

| Repayment number | Repayment date | Repayment amount (proportion) |
|------------------|---|---|
| 1 | First repayment date means the date falling six months after the starting point of credit | 1/20th of the amount described in clause 7.6(a) as per Common Terms Agreement (CTA) |
| 2 | 6 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 3 | 12 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 4 | 18 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 5 | 24 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 6 | 30 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 7 | 36 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 8 | 42 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 9 | 48 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 10 | 54 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 11 | 60 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 12 | 66 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 13 | 72 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 14 | 78 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 15 | 84 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 16 | 90 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 17 | 96 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 18 | 102 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 19 | 108 months after first repayment date | 1/19th of the amount described in clause 7.6(b) as per CTA |
| 20 | 114 months after first repayment date (being the final repayment date) | 1/19th of the amount described in clause 7.6(b) as per CTA |

450 MW (SOUTH) PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX I D****450 MW (South) Project
ONDD loan repayment schedule**

| Repayment number | Repayment date | Repayment amount (proportion) |
|------------------|---|--|
| 1 | First repayment date means the date falling six months after the starting point of credit | 1/20th of the amount described in clause 7.14(a) as per common terms agreement (CTA) |
| 2 | 6 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 3 | 12 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 4 | 18 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 5 | 24 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 6 | 30 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 7 | 36 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 8 | 42 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 9 | 48 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 10 | 54 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 11 | 60 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 12 | 66 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 13 | 72 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 14 | 78 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 15 | 84 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 16 | 90 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 17 | 96 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 18 | 102 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 19 | 108 months after first repayment date | 1/19th of the amount described in clause 7.14(b) as per CTA |
| 20 | 114 months after first repayment date (being the final repayment date) | 1/19th of the amount described in clause 7.14(b) as per CTA |

225 MW PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX 12A****225 MW Project
Repayment schedule of Hermes loan**

| Repayment number | Repayment date | Repayment installment (%) |
|------------------|--|--|
| 1 | First repayment date means the falling six months after the starting point of credit | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 2 | 6 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 3 | 12 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 4 | 18 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 5 | 24 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 6 | 30 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 7 | 36 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 8 | 42 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 9 | 48 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 10 | 54 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 11 | 60 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 12 | 66 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 13 | 72 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 14 | 78 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 15 | 84 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 16 | 90 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 17 | 96 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 18 | 102 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 19 | 108 months after first repayment date | 5% of the amount described in clause 8.6 as per Common Terms Agreement (CTA) |
| 20 | 114 months after first repayment date (being the final repayment date) | 5% of the amount described in clause 8.7 as per CTA |

225 MW PROJECT ECA LOAN*For the year ended 30 June 2018***ANNEX 12B****225 MW Project
Repayment schedule of K-sure loan**

| Repayment number | Repayment date | Repayment installment (%) |
|------------------|--|--|
| 1 | First repayment date means the falling six months after the starting point of credit | 5% of the amount described in clause 8.2 as per Common Terms Agreement (CTA) |
| 2 | 6 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 3 | 12 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 4 | 18 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 5 | 24 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 6 | 30 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 7 | 36 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 8 | 42 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 9 | 48 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 10 | 54 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 11 | 60 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 12 | 66 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 13 | 72 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 14 | 78 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 15 | 84 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 16 | 90 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 17 | 96 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 18 | 102 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 19 | 108 months after first repayment date | 5% of the amount described in clause 8.2 as per CTA |
| 20 | 114 months after first repayment date (being the final repayment date) | 5% of the amount described in clause 8.3 as per CTA |

proxy form

ASHUGANJ POWER STATION COMPANY LTD.

Registered Office: Ashuganj Power Station Company Ltd. Ashuganj, Brahmanbaria-3402

I/We of
..... being a member of **Ashuganj Power Station Company Ltd.**
hereby appoint Mr./Ms of
..... as my proxy to attend and vote for me on my behalf at the 18th ANNUAL GENERAL MEETING of the
Company to be held on Thursday the 29th November, 2018 at 6.00 PM at Bijoy Hall, Biddut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka and at any
adjournment thereof.

Signed this day of 2018.

.....
Signature of the Shareholder (s)

.....
Signature of the Proxy

Number of Shares held

| | | | | | | | | | | | | | | | | | | | |
|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| FOLIO NO | | | | | | | | | | | | | | | | | | | |
|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

| | | | | | | | | | | | | | | | | | | | |
|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| FOLIO NO | | | | | | | | | | | | | | | | | | | |
|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

Note :

A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Proxy form must be affixed with revenue stamps of Tk. 20.00 and submitted to the Registered Office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.

Revenue
Stamp
Tk. 20.00

Signature Verified

.....
Authorised Signatory

Attendance Slip

ASHUGANJ POWER STATION COMPANY LTD.

Registered Office: Ashuganj Power Station Company Ltd. Ashuganj, Brahmanbaria-3402

I/we hereby record my attendance at the 18th Annual General Meeting being held on Thursday the 29th November, 2018 at 6.00 PM at Bijoy Hall, Biddut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka.

| | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Name of the member/Proxy (in Block Letter) | | | | | | | | | | | | | | | | | | | |
| Folio No. | | | | | | | | | | | | | | | | | | | |
| Mobile Number | | | | | | | | | | | | | | | | | | | |
| E-mail address (if any) | | | | | | | | | | | | | | | | | | | |

Signature Verified by

.....
Signature of the Member/Proxy

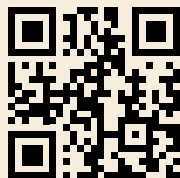
.....
Authorised Signatory of the Company

NOTE :

1. Please note that AGM can only be attended by the honorable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honorable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception desk.



Scan code with a QR code reader-enable
mobile phone to find out more about the
company



ASHUGANJ POWER STATION COMPANY LTD.

Ashuganj, Brahamnbaria-3402
Bangladesh

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Web : www.apscl.gov.bd