



ASHUGANJ POWER STATION COMPANY LTD.

(An Enterprise of Bangladesh Power Development Board)



ANNUAL REPORT 2013-2014

www.apscl.com

VISION

To become the leader in power generation in Bangladesh in line with the government's target to provide electricity to all.

MISSION

Empowering Bangladesh by expanding the company's power generation capacity to meet the growing demand of the country through efficient and effective management of facilities and acquisition of capabilities for providing quality electricity

OBJECTIVES

- To enhance electricity generation from existing 671 MW to 1500 MW by 2015.
- To achieve auxiliary consumption to minimum 5% by 2015.
- To maintain 90% availability of power plant by proper maintenance by 2015.
- To establish a culture of safe operation to achieve zero accident level within 2016.
- To identify surplus, obsolete and unwanted inventory and dispose the same by the end of 2015.
- To provide need based training to each employee as part of Human Resource Development.



TABLE OF CONTENTS

2	Company Information
4	APSCL : at a Glance
6	Timeline
8	Corporate Directory
10	AGM Notice
11	2013-14 : Performance at a Glance
12	The Board
15	Directors' Profile
18	Financial Highlights
20	Chairman's Speech
24	Organogram of APSCL
26	Value Added Statement
28	Various Committees
29	Compliance Report on BAS & BFRS
30	Health Safety & Environment Policies and Statement
31	Report of Audit Committee
32	Directors' Report
48	Achivement
50	Events
53	Audit Report
Annexed	Proxy

COMPANY INFORMATION

Ashuganj Power Station Company Limited is the second largest power station in Bangladesh having capacity of about 12% (as on august 2014) of total electricity generation capacity in the public sector of the country. Total capacity of its nine (9) units was 731MW. However following the retirement of GT-1 & ST units in January 2014 for site transferring of 225MW CCPP at present there are seven (7) units on operation whose derated capacity is 671MW in total. 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 power sector are vested upon a management team consisting of the Managing Director, Executive Director (Engineering), Executive Director (Finance) and Executive Director (Project & Planning). Its registered office is situated at Ashuganj, Brahmanbaria. The Company also purchased a fixed asset (owned flat) at Bijoy Nagore, Dhaka in 2012 having 4200 sqf worth of BDT 5.83 Crore. The flat is being used for various official purposes such as Board Meeting, Committee Meetings, Meetings with Foreign Delegates and so on. According to the Memorandum and Articles of the Association of the company most of total shares are held by BPDB and rest of the shares distributed among Ministry of Finance, Ministry of Planning, Power Division, MOPEMR & Energy Division.

POWER GENERATION CAPACITY OF THE COMPANY AT A GLANCE IS SHOWN BELOW:

Units	Year		Capacity		Present Status
	Commissioning	Overhauling	Commissioned	De-rated	Capacity
Unit-1	17.07.1970	1989	64	64	64
Unit-2	08.07.1970	1994	64	64	64
Unit-3	17.12.1986	2003	150	150	150
Unit-4	04.05.1987	2011	150	150	150
Unit-5	21.03.1988	2008	150	150	150
GT-1	15.11.1982	2004	56	40	Retired
GT-2	23.03.1986	2000	56	40	40
CC-ST	28.03.1984	-	34	20	Retired
GE	30.04.2011	-	53	53	53
Total			777	731	671

Electricity generated in this power station is supplied to the national grid and thereby distributed to the consumers throughout the whole country. This power station plays a significant role in the national economic development by generating about 12% (as on August, 2014) generation of the total generation in the public sector in the country. In this station, natural gas from Bakhrabad Gas Distribution Company Limited is used as primary fuel. Water from the river Meghna is used through in take channels for steam generation and cooling of the plants and some portion of the used water (after cooling) is thrown in to the river Meghna through discharge channels. The main portion of the used water from the discharge channels are 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.

APSCL AT A GLANCE

Date of Incorporation:

28 June 2000

Dhaka Liaison Office:

Navana Rahim Ardent (8th Floor)
185 Shahid Syed Nazrul Islam Soroni
Dhaka.

Present De-rated Capacity:

671MW

Number of Generating Units:

7 (5 Steam Turbine,
1 Gas Turbine & 1 Gas Engine)

Registration No:

C-40630(2328)/2000

CORPORATE OFFICE:

Ashuganj Power Station Company Ltd. Ashuganj, Brahmanbaria -3402

Installed Capacity

777MW

Business:

Power Generation

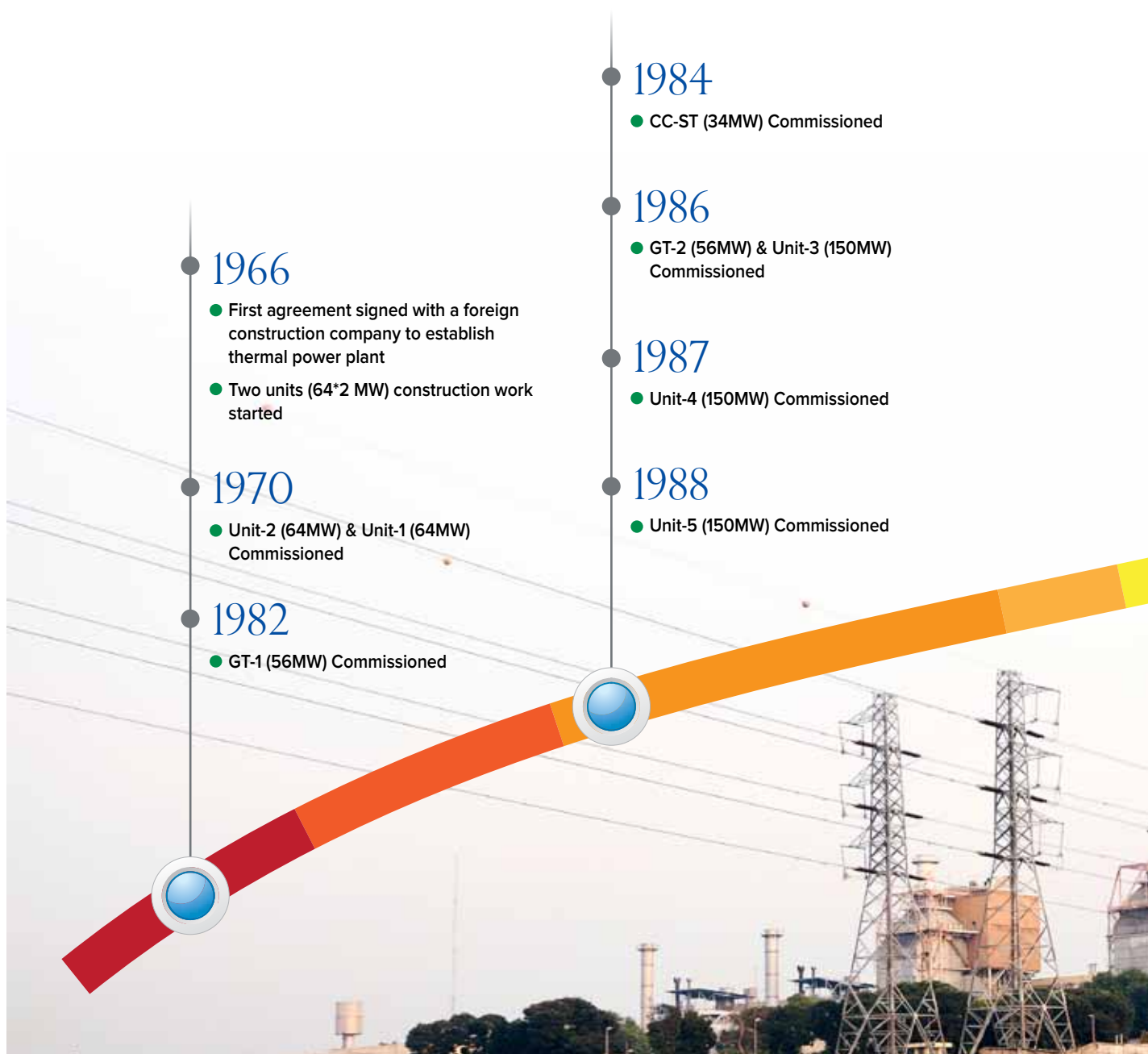
Status	: Public Limited Company
Area of Land	: 263.55 Acres
Paid Up Capital in BDT	: 6,615 mln
E-mail	: apscl@apscl.com , apsclbd@yahoo.com
Regular Manpower as on 30.06.14	: 555
Company Website	: www.apscl.com
Authorized Capital in BDT	: 30,000 mln

Existing Infrastructure

- ▶ 230 & 132 KV Grid
- ▶ Medical Center
- ▶ Gas Supply
- ▶ Jetty Crane
- ▶ Training Center
- ▶ Workshop
- ▶ Residence
- ▶ School



TIMELINE



2000

- Incorporated under companies law

2003

- Provisional vendor's agreement signed with BPDB
- Company activities formally started

2011

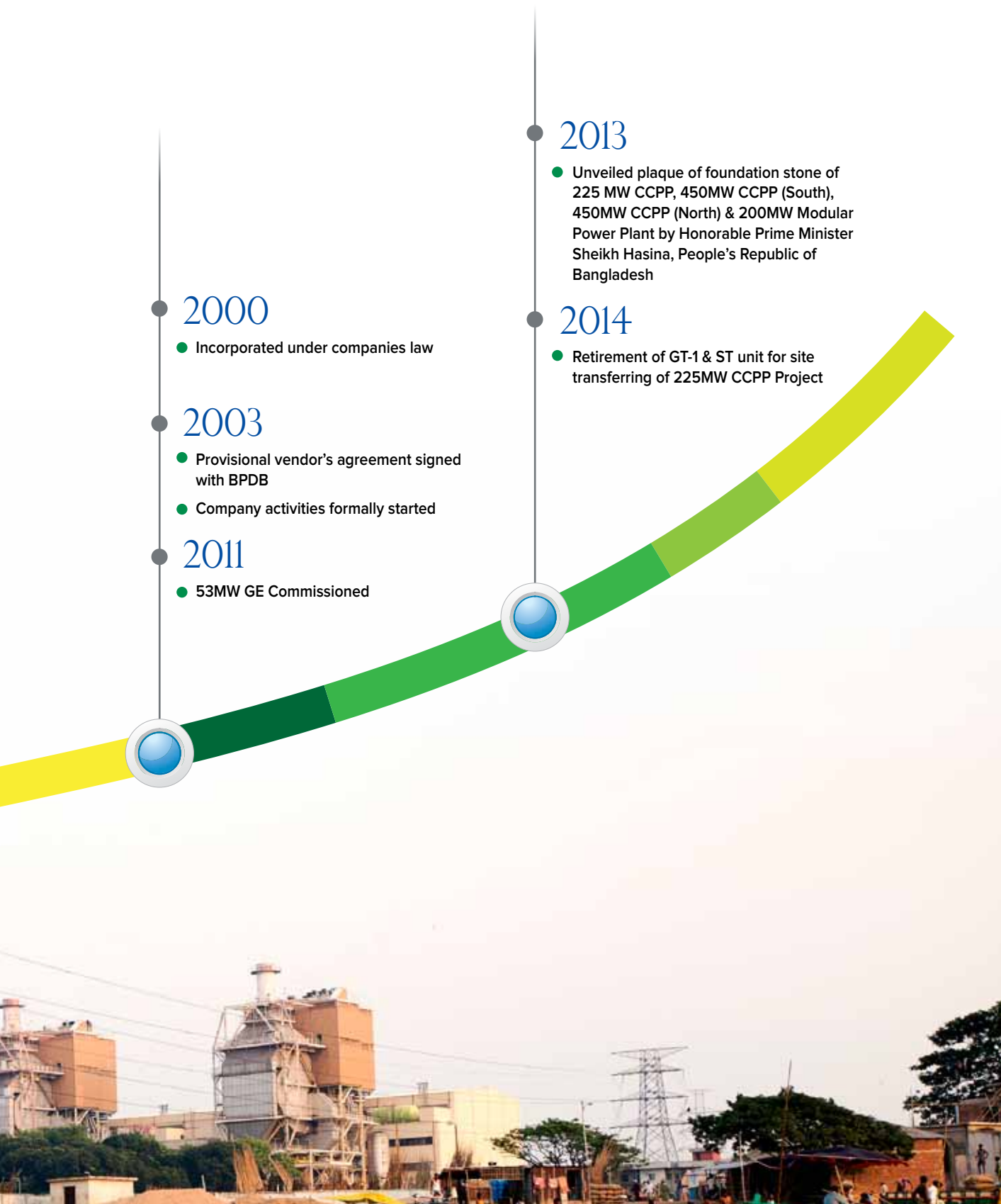
- 53MW GE Commissioned

2013

- Unveiled plaque of foundation stone of 225 MW CCPP, 450MW CCPP (South), 450MW CCPP (North) & 200MW Modular Power Plant by Honorable Prime Minister Sheikh Hasina, People's Republic of Bangladesh

2014

- Retirement of GT-1 & ST unit for site transferring of 225MW CCPP Project



CORPORATE DIRECTORY

Chairman

Mr. Md. Anwar Hossain

Directors

Mr. Md. Abduhu Ruhullah

Dr. Md. Quamrul Ahsan

Prof. Mamtaz Uddin Ahmed, FCMA

Mr. Md. Shahinul Islam Khan

Mr. Md. Shamsul Haque

Mr. Khandker Maksudul Hassan

(Nominated in place of Mr. Swapan Kumar Saha)

Mr. Kazi Nazir Hossain

Mr. Khan Md. Nurul Amin

Mr. Sheikh Faezul Amin, PEng

Mr. Kamal Ahmed

Mr. Md. Nurul Alam, PEng

Management Team

Mr. Md. Nurul Alam, PEng

Managing Director

Mr. A.M.M. Sazzadur Rahman

Executive Director (Engineering) &

Executive Director (Finance), Addl. Charge

Mr. Md. Zainal Abedin Khan

Executive Director (Project & Planning)

Project Directors

Mr. Md. Abdus Samad

Superintendent Engineer (450MW CCPP South)

Mr. Kshitish Chandra Biswas

Superintendent Engineer (450MW CCPP North)

Mr. Ajit Kumar Sarker

Superintendent Engineer

(225MW CCPP & 200MW Modular Power Plant)

Operational Management Team

Mr. Achinta Kumar Sarker

*Chief Engineer (Addl. Charge) & Superintendent Engineer
(Mechanical Maintenance)*

Mr. A K M Yakub

Superintendent Engineer (Electrical Maintenance)

Mr. Ratan Kumar Paul

Deputy General Manager (Finance & Accounts), Addl. Charge

Mr. Md. Abdul Mazid

Superintendent Engineer (Operation), Addl. Charge

Auditors:

M/S SF Ahmed & Co.

Chartered Accountant

House # 51 (3rd Floor)

Road # 9, Block-F, Banani, Dhaka-1213.

Registered Office:

Ashuganj Power Station Company Limited.

Ashuganj, Brahmanbaria-3402

Main Bankers

Pubali Bank Ltd.

EXIM Bank Ltd.

Janata Bank Ltd.

Standard Chartered Bank

HSBC

Ongoing Projects:

- 225MW CCPP
- 450MW CCPP (South)
- 450MW CCPP (North)
- 200MW Modular Power Plant

Upcoming Projects:

- Ashuganj 400MW CCPP Project
- 1320 MW Coal Fired Power Plant Project (at greater Barishal Region)
- Dinajpur Super Power Thermal Plant (1200MW)



NOTICE OF THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that the 14th Annual General Meeting of Ashuganj Power Station Company Ltd. will be held on Monday, September 29th, 2014, ১৪ আশ্বিন ১৪২১ বঙ্গাব্দ at 7.00 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 of the company for the year ended June 2014 together with Audited Report thereon.
2. To declare dividend for the year 2013-14 as recommended by the Board of Directors
3. To elect Directors
4. To appoint Auditors for the year ending 30 June 2015 and fix their remuneration.
5. To transact any other business

By the order of the board


Company Secretary

Ashuganj Power Station Company Ltd.

Date: 15 September 2014

৩১ ভাদ্র ১৪২১ বঙ্গাব্দ

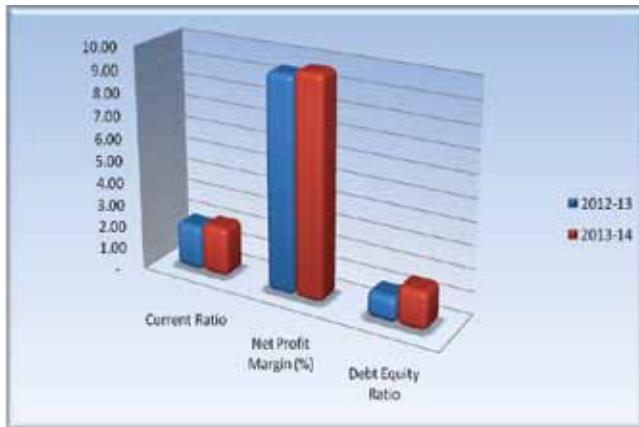
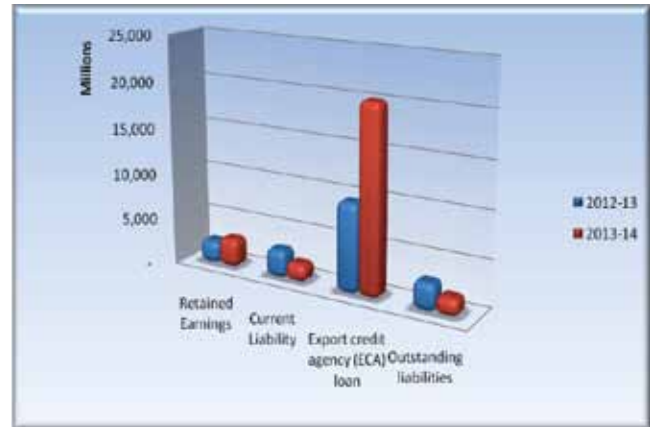
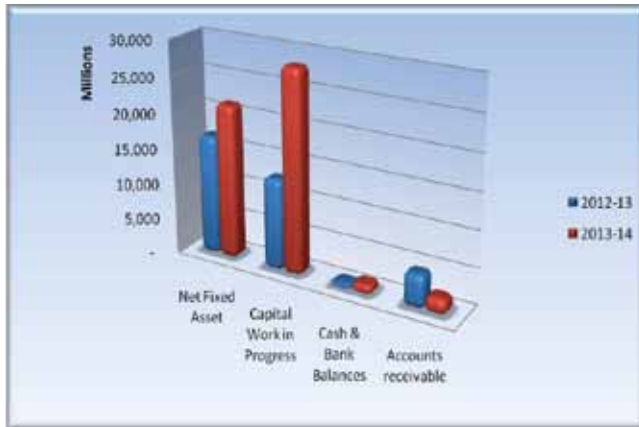
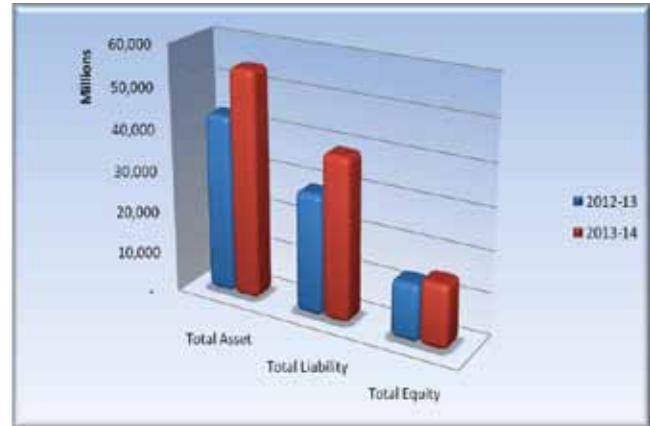
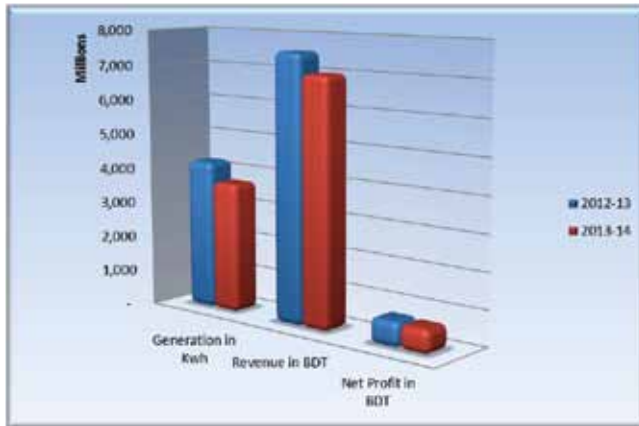
NOTE:

A member entitled to attend and vote at the Annual General Meeting may appoint any person as a proxy to attend and vote instead of him. The proxy form, duly completed and stamped, must be deposited not later than 48 hours before the meeting.

SOME EVENTS OF THE 13TH AGM, 2013



PERFORMANCE AT A GLANCE 2013-14



THE BOARD



Directors are not shown in the group photo; their pictures are shown above (left to right)

Prof. Mamtaz Uddin Ahmed - Director, Mr. Md. Shahinul Islam Khan - Director, Mr. Khandker Maksudul Hassan - Director



FROM LEFT:

Mr. Kazi Nazir Hossain- *Director*, Mr. Md. Shamsul Haque- *Director*, Mr. Kamal Ahmed- *Director*,
Mr. Md. Nurul Alam P.Eng-*Managing Director*, Mr. Md. Anwar Hossain-*Chairman*, Mr. Md. Abduhu Ruhullah- *Director*,
Dr. Md. Quamrul Ahsan- *Director*, Mr. Khan Md. Nurul Amin- *Director*, Mr. Sheikh Faezul Amin- *Director*,
A.M.M. Sazzadur Rahman (*Executive Director-Engineering*), Mr. Md. Zainal Abedin Khan (*Executive Director-P&P*)



DIRECTORS' PROFILE

Mr. Md. Anwar Hossain – *Chairman*

Joint Secretary (Development)

Power Division

Ministry of Power, Energy and Mineral Resources Government of Bangladesh (GOB)

Engr. Md. Anwar Hossain, born in 1962 in the district of Kushtia of Bangladesh, pursued his graduation in Mechanical Engineering from Bangladesh University of Engineering and Technology (BUET). He has also obtained an MBA major in Finance, is privileged to take part in many high profile training courses, seminars and symposiums in Bangladesh and overseas regions. On different occasions of his service he visited a good number of countries across the globe.

He has significant experience in serving in the key positions in various ministries of the Government of Bangladesh. He possesses demonstrated exceptional engineering and bureaucratic skills and managerial standpoint. He started his career in 1986 as a BCS (Railway, Engineering) Cadre. In his long glistening track of profession in Bangladesh Railway for about two decades, he served as Mechanical Engineer, Works Manager, Marine Superintendent, Divisional Mechanical Engineer, Divisional Superintendent of Workshop and Director (Locomotive Maintenance). He got promoted as Deputy Secretary in 2006 and subsequently placed at Ministry of Public Administration. Later on, he worked in Cabinet Division. Afterwards he was posted in Power Division as Deputy Secretary (Development) in 2008. By the virtue of his illustrative and dynamic performance, he was promoted as Joint Secretary of Power Division in 2012. His responsibility as Joint Secretary (Development) is to monitor, coordinate and processing of almost all development projects (Generation, Transmission and Distribution) in power sector of Bangladesh. At present he is co-chairman of the Joint Working Group (JWG) on Power Sector Cooperation between Bangladesh and India.

He joined the Board of Ashuganj Power Station Company Ltd (APSCL) as Director in 2008 and then became Chairman in 2012. He also chairs the Board of United Ashuganj Energy Limited (UAEL). He worked as the Director for the period from October 2009 to September 2012 and re-appointed on June 2014 as the Director on the Board of Electricity Generation Company of Bangladesh (EGCB) Limited. Presently, Mr. Hossain has been a Director on the Board of Coal Power Generation Company Bangladesh Limited (CPGCBL) since April 2013, on the Board of Bangladesh-India Friendship Power Company (Pvt.) Limited (BIFPCL) which is a joint venture company of BPDB and NTPC Limited India since 20 May 2013 and also on the Board of Dhaka Mass Transit Company Limited (DMTCL) which is going to

implement the first project of Metro Rail in Bangladesh since April 2013. So far he actively participated in negotiation and finalization of financial closing for 7 (seven) Export Credit Agency (ECA) backed power generation projects at the ministerial level.

Mr. Md. Abduhu Ruhullah - *Director*

Mr. Md. Abduhu Ruhullah, Chairman of Bangladesh Power Development Board, joined Ashuganj Power Station Company Ltd as director in 2011. He is also a member of Recruitment and Promotion Committee of Ashuganj Power Station Company Ltd. Mr. Ruhullah, also a fellow of The Institute of Engineers of Bangladesh, completed his graduation from the Department of Electrical Engineering of Rajshahi Engineering College. After obtaining his Bachelor's Degree, he started his career as Assistant Engineer of Bangladesh Power Development Board in 1978. In his long demonstrative trail of career, Mr. Ruhullah passed several paradigms as Sub-Divisional Engineer, Executive Engineer, Project Director, Superintendent Engineer, Chief Engineer, General Manager and so on. With the proven track record of success in the arena of Distribution, Operation and Maintenance, Power Rehabilitation, Prepayment Metering, System Loss Reduction, Meghnaghat Power Station Construction, Renewable Energy and many other territories, Mr. Ruhullah became a Member (Distribution) of Bangladesh Power Development Board in 2011. With a vigorous pursuit and compelling vision of high standard performance of more than thirty years, later on he assigned as Member (Planning & Development) of Bangladesh Power Development Board in 2012. Within a very short span of time, by the dint of his illustrative performance and mentorship, Mr. Ruhullah became the Chairman of Bangladesh Power Development Board in 2013.

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 eighty technical papers

DIRECTORS' PROFILE

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 sixteen postgraduate theses including a couple of Ph.D. 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).

Prof. Mamtaz Uddin Ahmed, FCMA - Director

Prof. Mamtaz Uddin Ahmed, Present Chairman of Department of Accounting Information Systems of University of Dhaka, accomplished his vivid academic feat from Department of Accounting of University of Dhaka. Afterward he obtained MBA from University of New Castle in USA. Prof. Ahmed earned FCMA from ICMAB in 1995 and was elected twice as President of the same entity. At present, he is a Council member of ICMAB. Alongside, Prof. Ahmed is a member of Board of Governors at Bangladesh Insurance Academy, Jury Board of Dhaka Stock Exchange and Expert Panel of Dhaka Stock Exchange. Prof. Ahmed joined Ashuganj Power Station Company Ltd. as Director on 2007. He is also an Independent Director of Al-Haj Textile Ltd. and a Director of Dhaka Power Distribution Company (DPDC) Ltd. In his long cherished academic career, Prof. Ahmed who is the Chairman of the Audit Committee of Ashuganj Power Station Company Ltd. attended various professional presentations across the globe. Born in 1958, Prof. Ahmed authored several research paper and publications on various issues.

Engr. Md. Shahinul Islam Khan - Director

Mr. Md. Shahinul Islam Khan, a member (Generation) of Bangladesh Power Development Board, joined Ashuganj Power Station Company Ltd as Director in 2014. Starting his career as an Assistant Engineer (Construction Division, PDB, Sylhet) in 1979, Mr. Khan was assigned in various key positions for instance as Sub-Divisional Engineer, Executive Engineer at Ashuganj Power Station, Deputy Director, Superintendent Engineer, Project Coordinator (Chief Engineer) and so on. He has successfully accomplished his assignment in Ashuganj Power Station, 18 Town Power Distribution Project, Central Equipment Repairing Workshop, O & M Circle Chatta Metro-East, Distribution

Zone (Sylhet), Distribution Southern Zone (Chittagong), Solar Street Lighting Programme in City Corporation and many other arenas. He attended in many high profile seminars, workshop and training at home and abroad for professional purposes. Born in 1956, he has completed graduation in Electrical Engineering from Bangladesh University of Engineering and Technology (BUET) in 1979.

Mr. Md. Shamsul Haque - Director

Mr. Md. Shamsul Haque, also a director of FBCCI for three terms and nominated by Power Division, joined Ashuganj Power Station Company Ltd as director in 2011. He is also a member of Procurement Review Committee of Ashuganj Power Station Company Ltd. Mr. Haque is a founder Chairman of M. Shamsul Haque Private Ltd. a Nagaon based eminent business entity. Being a prominent business figure, Mr. Haque was elected as Commercially Important Person (CIP) four times in a row and as Best Taxpayers for twice. He is a life time member of SAARC Chamber of Commerce and an EC Member of SAARC Chamber. He is also a member of Bangladesh Road Transport Authority, Nagaon. Born in 1951, the Freedom Fighter Mr. Haque obtained MSc from Rajshahi University. He, whose spouse Mrs. Shahin Monoara Haque, is a Member of Current Parliament, is well connected to various social initiatives and has a good travel record around the world on business and personal trip.

Mr. Kazi Nazir Hossain - Director

Kazi Nazir Hossain, Deputy Secretary of Energy & Mineral Resources Division, joined Ashuganj Power Station Company Ltd. as Director in 2012. He also performs as a member of Audit Committee of Ashuganj Power Station Company Ltd. Mr. Hossain is also a Director of Bakhraabad Gas System Ltd. and Pashimanvhal Gas Company Ltd. With a proven track record of success in his extensive and versatile profession, Mr Hossain performed in several noteworthy positions in various ministries of Government of Bangladesh. In his long spearheaded career which commenced as a First Class Magistrate at Narsingdi & Narayanganj, Mr. Hossain served as UNO at Narsingdi, Senior Assistant Secretary of Ministry of Commerce, Additional District Magistrate at Narayanganj and so on. He also performs as a Councilor, Hajj and Assistant Hajj Officer in Soudi Arabia. He, a post graduate student of Economics and Islamic History & Civilization, attended various local and foreign training as a part of his professional fostering of which Energy Cooperation for Asia and the Middle East, Energy Policy, Procurement Planning & Materials Management are mentionable.

Mr. Khan Md. Nurul Amin - Director

Khan Md. Nurul Amin, Director, Prime Minister's Office joined APSCL as Director in 2013. He also performs as a member of Audit Committee of APSCL. Mr. Khan is also a Director of Bakhrabad Gas Distribution Company Ltd. Mr. Khan did his Hons. & Masters in social welfare from Dhaka University. After joining in the Civil Service he completed LLB degree. Later on he obtained MA in Governance Studies, MBA with HRM and lastly Masters in Public Policy & Management (MPPM). Now he is preparing for doing PhD. Mr. Khan joined in the civil service (Admin Cadre) in 1995. He served at different stations in different capacities like Asstt. Commissioner & 1st Class Magistrate, Asstt. Commissioner (Land) & Upazilla Nirbahi Officer (UNO). Presently he is serving in the Prime Minister's Office as a Director. He is facilitating & promoting the activities of Ministry of Power, Energy & Mineral Resources, Ministry of Road Transport & Bridge, Ministry of Railway, Ministry of Civil Aviation & Tourism. He is blessed with two sons and his wife is an ideal house wife. Mr. Khan attended many training programs, seminars, workshop both in home and abroad on professional trip. He visited countries like India, Malaysia, South Korea, Thailand, Singapore, Japan, Russia, Spain, Portugal, France, UK & USA etc. He wants to be a server of the people rather than becoming an administrator.

Mr. Sheikh Faezul Amin, PEng. - Director

Sheikh Faezul Amin, Deputy Secretary of Power Division, joined Ashuganj Power Station Company Ltd as Director in 2012. At present Mr. Amin acts as Secretary of SREDA (Sustainable & Renewable Energy Development Authority), which works for the promotion and development of sustainable energy, comparison of renewable energy, energy efficiency and energy conversion. He is also a member of Procurement Review Committee of Ashuganj Power Station Company Ltd. Mr. Amin completed his graduation from Mechanical Engineering of Bangladesh University of Engineering and Technology in 1988. Soon after completion of his study, he joined in the BCS Cadre of Roads and Highway in 1989, by the virtue of his merit and caliber. He served in Roads and Highway for quite a long period as Assistant Engineer Sylhet Division, Sub Divisional Engineer Sylhet Mymensingh & Dhaka, Executive Engineer Barishal Division and many other significant key positions where he had proved his excellence. In the succeeding years, his career track clocked respectable growth. Later Mr. Amin was moved to Power Division and promoted as Deputy Secretary. After couple of years, he reassigned to PSCDP

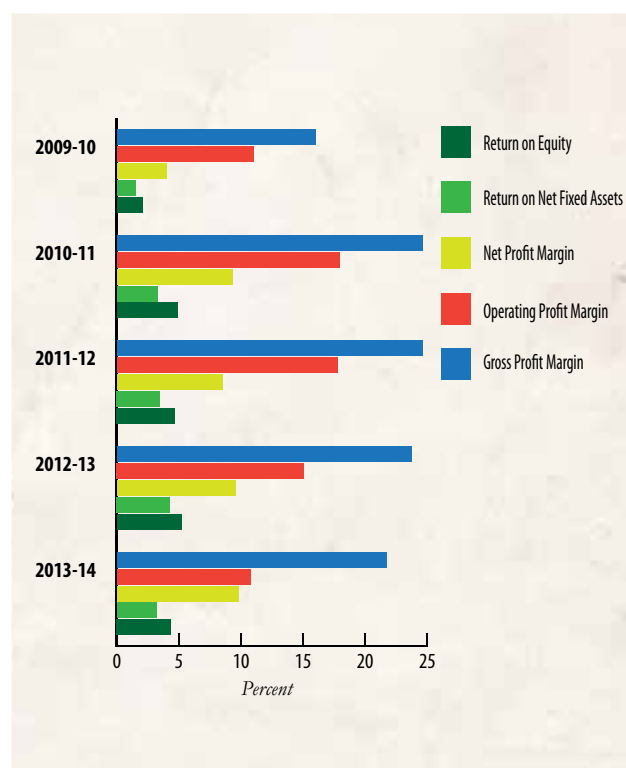
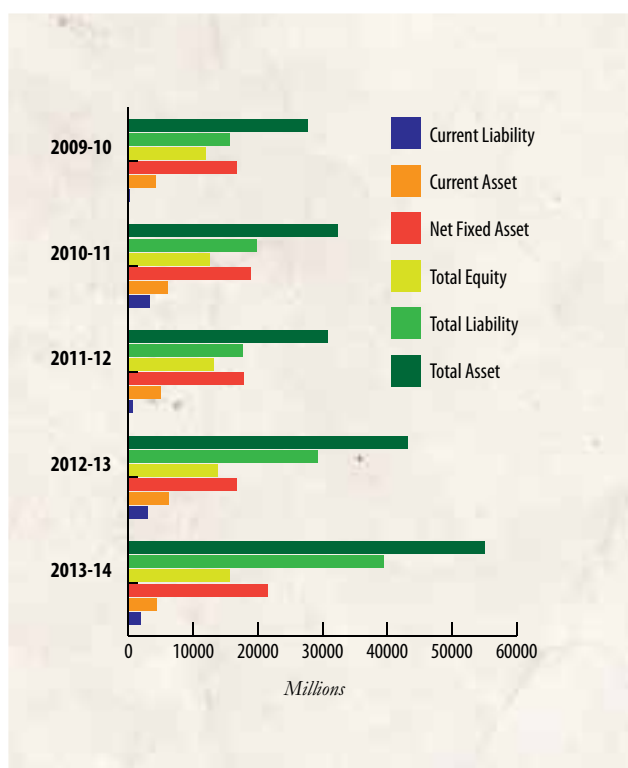
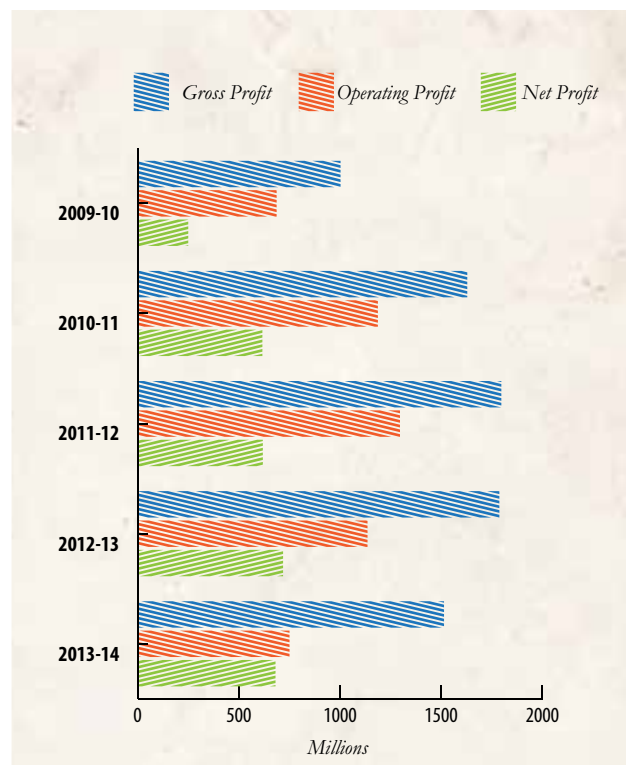
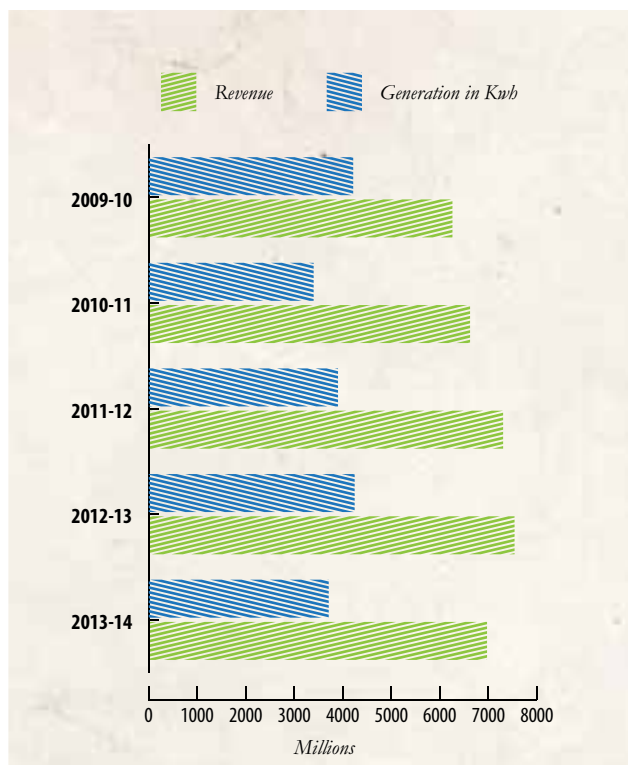
of Power Division as Deputy Project Director (Technical). Mr. Amin, who was awarded Abul Kashem Award in 2008, also pursued his M.Sc in Engineering Management from Brunei University, West London, UK with excellent academic result. He, also an MBA, is privileged to be a part of a good number of local and foreign training which encompasses Purchase & Supply Chain Management, Performance Management, Bangladesh Solar Powered Irrigation Pump & Solar Home System, and Operation & Maintenance of Construction Machinery and so on. Born in 1965, Mr. Amin, a Life Fellow of Institute of Engineers of Bangladesh, is associated with various social clubs, organizations etc.

Mr. Md. Nurul Alam, PEng - Managing Director

Md. Nurul Alam, a Professional Engineer registered from Bangladesh Professional Engineers Registration Board, caught the helm of Ashuganj Power Station Company Ltd. in 2011 whose able leadership has become more vibrant in power sector where APSCL is an epitome of his continued success. He, being a well experienced in operating Large CCPP, Thermal Power Plant, Diesel Power Plant, Multi Flash Desalination Plant and Electrical System, is the key architect to set the pace of this second largest power station for excellence. Today's APSCL manifests his crusading zeal for a sound power generation company who has through experience in overhaul Barrel cage, Horizontal Split, Ring Section High Pressure Boiler Feed Water Pump, Vertical Mixed Flow Circulating Water Pump, Vertical Condensate Extraction Pump and Multistage Higher Capacities Air Compressor. Prior to this assignment, Mr. Alam, who achieved BPDB Chairman Award (Gold Medal) for his scintillating performance, served as Director Technical of the same concern for about three years. In his long illustrative career of about thirty years, Mr. Alam, with proven track record of success, has significant contribution in the development of power sector of Bangladesh. He, a Fellow of IEB and elected Honorary Secretary of IEB for twice, acted as Manager Turbine, Executive Engineer Turbine, Sub-Divisional Engineer, Assistant Engineer and Senior Operator on various key points at APSCL and BPDB as well, where he set many example of his excellence for instance Breakdown Maintenance and Major Overhauling of Steam Turbine in various plants for four times. Mr. Alam, who awarded several times for repair and overhauling of various Units across the country, is also well acquainted in Project Development since four ongoing projects of 1325MW are implementing under his direct supervision. Born in 1962, Mr. Alam, a student of Mechanical Engineering of BUET, attended various training, inspection, factory testing, seminars & symposiums in home and abroad.

FINANCIAL HIGHLIGHTS

	2013-14	2012-13	2011-12	2010-11	2009-10
OPERATING PERFORMANCE					
Generation in Kwh	3,708,939,994	4,243,123,911	3,900,419,090	3,397,985,758	4,213,090,913
Revenue	6,971,021,960	7,537,809,811	7,302,150,915	6,621,164,145	6,258,110,680
Cost of Sales	5,457,215,490	5,750,586,330	5,505,156,715	4,992,437,081	5,255,552,220
Gross Profit	1,513,806,470	1,787,223,481	1,796,994,200	1,628,727,064	1,002,558,460
Operating Profit	750,393,723	1,135,787,758	1,296,218,128	1,187,018,412	686,691,441
Net Profit	681,179,955	718,594,879	618,486,464	616,341,270	250,049,048
FINANCIAL POSITION					
Total Asset	55,122,428,169	43,264,051,182	30,851,295,691	32,399,497,568	27,716,866,583
Total Liability	39,479,009,230	29,358,999,998	17,631,764,386	19,798,452,727	15,732,163,013
Total Equity	15,643,418,939	13,905,051,184	13,219,531,305	12,601,044,841	11,984,703,570
Net Fixed Asset	21,586,111,577	16,778,318,947	17,804,035,043	18,943,313,329	16,704,265,898
Current Asset	4,455,070,967	6,208,071,774	5,066,425,747	6,136,279,874	4,270,195,331
Current Liability	1,987,831,008	3,052,772,898	739,195,005	3,389,745,581	289,776,843
FINANCIAL RATIOS					
Current Ratio	2.24:1	2.03:1	6.85:1	1.81:1	14.74:1
Gross Profit Margin	21.72%	23.71%	24.61%	24.60%	16.02%
Operating Profit Margin	10.76%	15.07%	17.75%	17.93%	10.97%
Net Profit Margin	9.77%	9.53%	8.47%	9.31%	4.00%
Return on Net Fixed Assets	3.16%	4.28%	3.47%	3.25%	1.50%
Return on Equity	4.35%	5.17%	4.68%	4.89%	2.09%
Debt Equity Ratio	1.74	1.15	1.28	1.30	1.29
Debt Service Coverage	3.67	3.82	4.05	3.70	2.22
Average Collection Periods in Months	3.90	6.00	4.14	4.25	3.35



CHAIRMAN'S SPEECH



... To meet the mounting demand of electricity, the present Government has initiated strategies of generating 24,000 MW by 2021 and 40,000MW by 2030. In line with the Government's Master Plan, APSCL also undertakes strategies to enhance its generation capacity. In order to escalate its generation capacity to 3400MW by 2021 and 6600MW 2030, the development process is undergoing...



BISMILLAHIR RAHMANIR RAHIM

Honorable Shareholders, Respected Members of the Board, Management Team, Officers and Staffs of Ashuganj Power Station Company Limited.

ASSALAMULIKUM-WA-RAHMUTULLAHE-WA-BARAKATU

It is a great privilege and pleasure for me to welcome you all in this 14th Annual General Meeting of the Ashuganj Power Station Company Limited (APSCL). On this grand occasion, I would like to express my sincere gratitude to you for spending some of your precious time for attending the AGM. Your kind presence and valuable participation in the proceedings of the meeting would help us in improving performance of the company. By the grace of Almighty Allah we could present you the Annual Report containing Directors Report and audited financial statements for the year ended 30 June, 2014 along with report of the Auditors.

The state owned Ashuganj Power Station started its voyage in 1970. By this time it has become the pioneer power generation in Bangladesh. Over the years, the company paints a truly inspirational development by successfully operating nine (9) units in its fleet while three (3) other projects would be commissioned within this fiscal year and another project by October 2016.

Dear Shareholders

Present generation capacity of Ashuganj Power Station Company Limited is 671MW. The demand for electricity is growing day by day. To meet the mounting demand of electricity, the present Government has initiated strategies of generating 24,000 MW by 2021 and 40,000MW by 2030. In line with the Government's Master Plan, APSCL also undertakes strategies to enhance its generation capacity. In order to escalate its generation capacity to 3400MW by 2021 and 6600MW 2030, the development process is undergoing.

I would like to inform you that 90% of physical and 67% financial progress of 225 MW CCPP project has been achieved so far. In accordance with the project schedule, it is expected that the simple cycle of the said project will be commissioned by this year and combined cycle by mid of 2015. On the other hand, 450MW South project's overall physical progress has been achieved by 72% and financial by 52%. This project is expected to go on commercial operation from June 2015. Another project is Ashuganj 450 MW North and its physical progress is 15% while financial progress 7%. The expected date of commercial operation of this project is October 2016.

You know that we are implementing one more project with

partnership on the basis of Build-Own-Operate holding equity share of 29% and its sponsor company is United Group. We achieved its 46% physical progress so far and the expected date of commercial operation is February 2015.

It is expected that by the dint of the implementation of these projects, the total generation capacity of Ashuganj Power Station Company Limited will be 1800MW by 2016. In order to implement these projects, BDT 11,000 crores (approximately) will be incurred and by the virtue of these projects APSCL, hopefully, will play the protagonist role in the power sector of Bangladesh.

Distinguished Shareholders

I am happy to inform you that though we have overcome so many impediments during the financial year under review, by the grace of Almighty Allah and due to sincere efforts of Board, devotion of Management team and assiduous workforce, the overall performance of the company is encouraging. In FY2013-14 we have dispatched 3.7 giga watt-hour electricity to the national grid against 4.24 giga watt hour in the preceding year. We have earned net profit of BDT 68.12 crores in FY2013-14. Our asset grew up by 27.41% in FY 2013-14 while our equity increased by 12.50%.

Present Board was elected in the 13th Annual General Meeting held on 7 November, 2013. As per guidelines of the AGM, the Board chalks out detailed plans and programs. In order to ensure good corporate governance the Board runs the affairs of the company by maintaining transparency and accountability. Management of the company ensures implementation of decisions taken by the Board. The Board also gave due importance to the preventive maintenance and timely procurement of machineries and spares.

Honorable Shareholders

On behalf of the Board of Directors, I would like to express my gratitude to Power Division, Ministry of Power, Energy and Mineral Resources for guiding APSCL constantly, giving prompt decision in the matters referred to them, under the able leadership of our Honorable Prime Minister, Honorable Energy Advisor, Honorable State Minister, Senior Secretary of PMO, Secretary of Power Division and other concerned officials of the Ministry who are working relentlessly to combat the power crisis of the country.

CHAIRMAN'S SPEECH





I would 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, National Board of Revenue, Bangladesh Bank, Petrobangla, Bakhrabad Gas T & D Co. Ltd., ADB, IDB and other Development Partners, Standard Chartered Bank, HSBC Bank and other Financial institutions for their valuable help and assistance.

I acknowledge with thanks to the BPDB Management, especially the Chairman for his wholehearted interest and support for expansion and running of the company.

I express my sincere thanks to Board Members for their continuous support and contribution. I also acknowledge the contribution of the Members of the management and all employees of APSCL for their sincere and hard work. I wish to express my sincere appreciation to the entire stakeholders especially to the people and administration of Ashuganj for their wholehearted co-operation and support for the wellbeing of the company.

I expect that in the coming days the company would be able to avail similar assistance and co-operation from all concerned in fulfilling our responsibilities.

Before concluding I beg apology to all of you on behalf of the Board of Directors of APSCL for any undesirable mistaken occurred in the arrangement of this AGM.

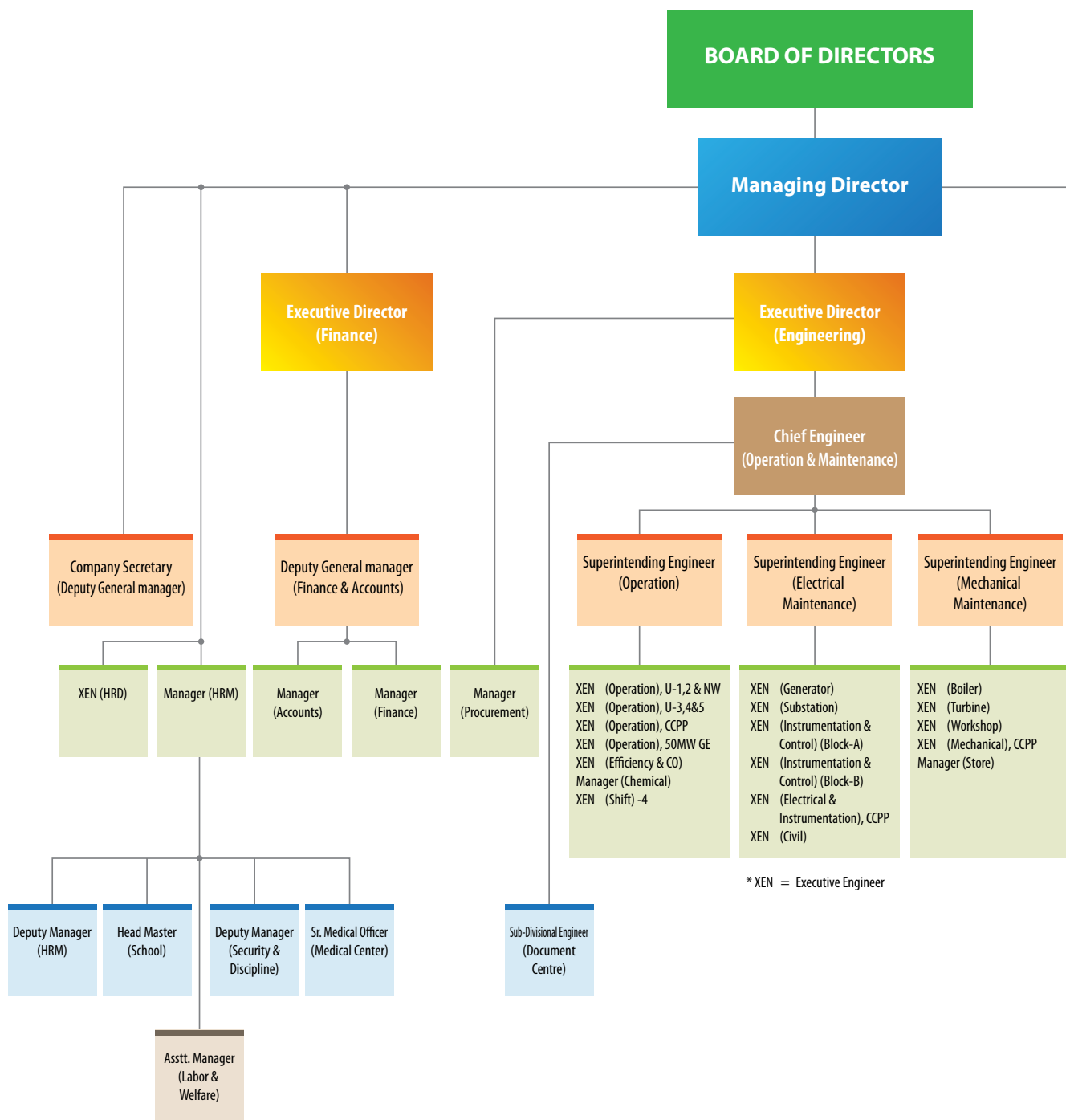
I wish you all a prosperous 2015 and wellbeing for all of you and family members. Let us pray to Almighty Allah for peach and good health of all of us.

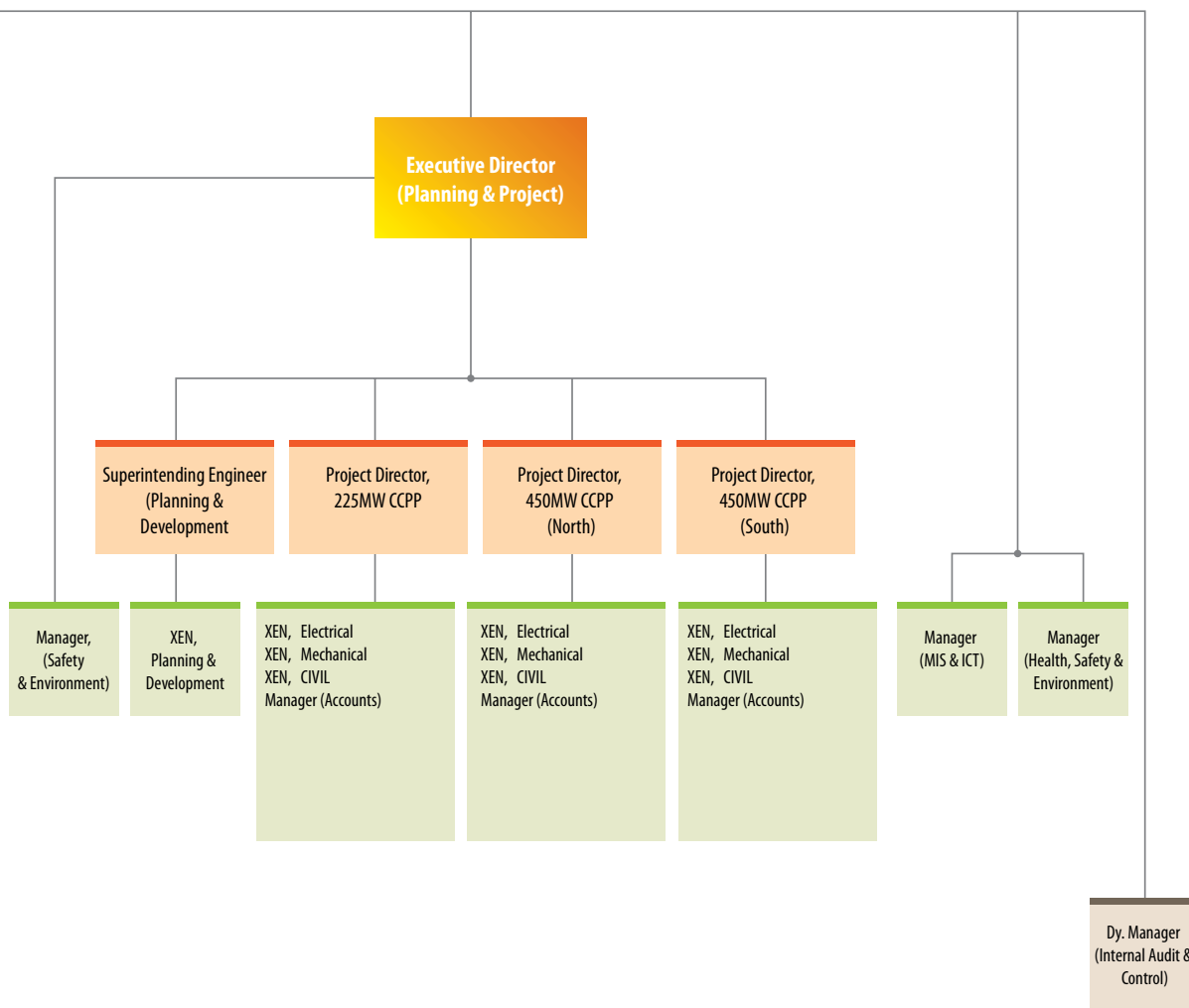
With Best Regards

Sincerely Yours

Md. Anwar Hossain
Chairman
Ashuganj Power Station Company Ltd.
&
Joint Secretary, Power Division
MOPEMR

ORGANOGRAM OF APSCL

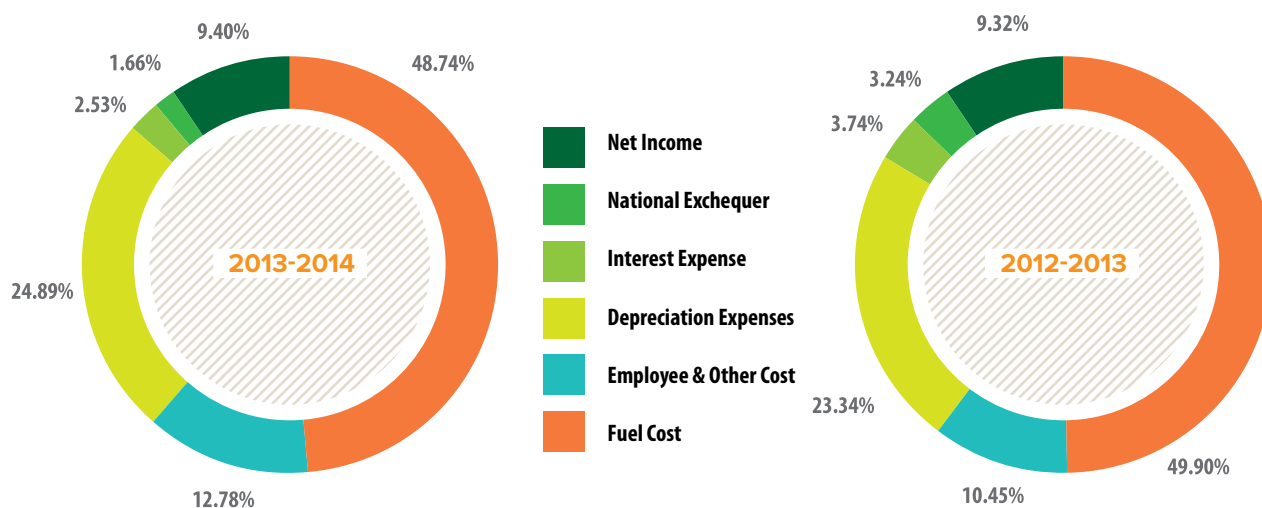




VALUE ADDED STATEMENT

	2013-14		2012-13	
	Amount in BDT	% of Total	Amount in BDT	% of Total
Composition of Value Addition				
Revenue	6,971,021,960	96.21%	7,537,809,811	97.80%
Other Income	211,208,425	2.92%	169,557,331	2.20%
Provision No Longer Required Return Back	63,092,822	0.87%	-	-
Total Added Value	7,245,323,207	100.00%	7,707,367,142	100.00%
Distribution of Added Value				
Fuel Cost	3,531,423,375	48.74%	3,845,924,745	49.90%
Employee & Other Cost	925,860,298	12.78%	805,651,050	10.45%
Depreciation Expenses	1,803,403,562	24.89%	1,798,876,002	23.34%
Interest Expense	183,456,017	2.53%	288,320,466	3.74%
National Exchequer	120,000,000	1.66%	250,000,000	3.24%
Net Income	681,179,955	9.40%	718,594,879	9.32%
Total Distributed Value	7,245,323,207	100.00%	7,707,367,142	100.00%

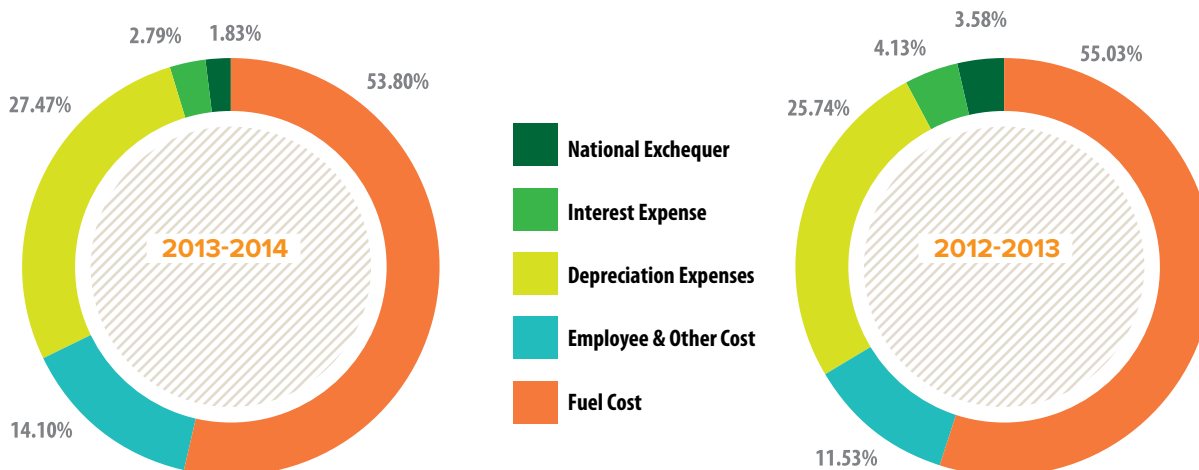
Distribution of Added Value: 2013-14 & 2012-2013



Composition of Total Expenses

	2013-14		2012-13	
	Amount in BDT	% of Total	Amount in BDT	% of Total
Fuel Cost	3,531,423,375	53.80%	3,845,924,745	55.03%
Employee & Other Cost	925,860,298	14.10%	805,651,050	11.53%
Depreciation Expenses	1,803,403,562	27.47%	1,798,876,002	25.74%
Interest Expense	183,456,017	2.79%	288,320,466	4.13%
National Exchequer	120,000,000	1.83%	250,000,000	3.58%
Total	6,564,143,252	100.00%	6,988,772,263	100.00%

Composition of Total Expenses: 2013-14 & 2012-2013



VARIOUS COMMITTEES

Audit Committee

Prof. Mamtaz Uddin Ahmed, FCMA-Chairman
Mr. Kazi Nazir Hossain-Member
Mr. Khan Md. Nurul Amin-Member

Recruitment & Promotion Committee

Mr. Md. Anwar Hossain-Chairman
Mr. Md. Abduhu Ruhullah-Member
Mr. Md. Shahinul Islam Khan

Procurement Review Committee

Dr. Md. Quamrul Ahsan-Chairman
Mr. Md. Shamsul Haque-Member
Mr. Sheikh Faezul Amin, PEng-Member

There are three standing committee formed by the board members. The activities of the committees are presented below:

Audit Committee: The Audit Committee is formed with members having wide experience in the field of finance and accounting with a view to oversee the Company's financial aspects as well as the adequacy and accuracy of its internal control system. The said committee is comprised of three members headed by a Chairman and with two other members. The committee holds 7 meetings in the year 2013-14.

Recruitment & Promotion Committee: The committee, like the previous one, is formed with three members headed by a Chairman with two other members having well acquainted in the field of human resource in order to oversee the performance of the company's Human Resources. The committee holds 6 meetings in the year 2013-14.

Procurement Review Committee: The Procurement Review Committee is formed with members having good experience in Technical and Financial issues to ensure the quality and efficiency of Company's Procurement System. The committee holds 6 meetings in the year 2013-14.



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	N/A
BAS-26	Accounting and Reporting by Retirement Benefit Plans	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	Applied
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
IFRS-1	First time adoption of international financial reporting standards	Adopted as BFRS 1, effective on or after 01.01.09	N/A
IFRS-2	Share based payments	Adopted as BFRS 2, effective on or after 01.01.07	N/A
IFRS-3	Business combination	Adopted as BFRS 3, effective on or after 01.01.10	N/A
IFRS-4	Insurance contracts	Adopted as BFRS 4, effective on or after 01.01.10	N/A
IFRS-5	Non current assets held for sale and discontinued operation	Adopted as BFRS 5, effective on or after 01.01.07	N/A
IFRS-6	Exploration for and evaluation of mineral resources	Adopted as BFRS 6, effective on or after 01.01.07	N/A
IFRS-7	Financial instruments: disclosures	Adopted as BFRS 7, effective on or after 01.01.10	Applied
IFRS-8	Operating segments	Adopted as BFRS 8, effective on or after 01.01.10	N/A

HEALTH SAFETY & ENVIRONMENT POLICIES AND STATEMENT

Health, Safety and Environment Policy

Ashuganj Power Station Company Ltd. (APSCL) HSE vision is an accident free workplace, with no harm to people and continuously decreasing environmental impacts of business activities. We commit 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 Environmental (HSE) management system drives continual improvement, outlines HSE accountabilities and requires that we:

- Identify and manage risks to as low as reasonably 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.

Health, Safety & Environment Statement

We 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 the management. We are committed to continuously improve our health, safety and environmental (HSE) performance. Ashuganj Power Station Company Ltd. (APSCL) ensures the quality, health & safety, environment and social responsibility, creating sustainable added value to our employees, clients and other stakeholders.

Our principles: We continually strive to create a safe workplace for our employees and contract personnel, thus avoiding accidents and occupational illness. We believe 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.
- We all contribute to protecting 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.

Our 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 our core value to achieve our vision of Zero accidents, illness and adverse environmental impact

REPORT OF AUDIT COMMITTEE

Audit Committee Report: The Board of Directors of Ashuganj Power Station Company Ltd. has constituted an Audit Committee comprising following members

- Prof. Mamtaz Uddin Ahmed, FCMA- Chairman
- Mr.Kazi Nazir Hossain- Member
- Mr. Khan Md. Nurul Amin- Member

Purpose of Audit Committee: The purpose of the Audit Committee is to ensure and to improve the adequacy of internal control system and provides the updated information to the Board of Directors. The Committee is empowered to examine the matter relating to the financial and other affairs of the company. The key responsibilities of the Audit Committee include, among others:

- Overseeing the company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible
- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, standards and principles
- Monitor internal control and business risk management process
- Oversee hiring and performance of external auditors
- Monitor and review the effectiveness of internal audit function
- Other matter as per terms of reference of the Audit Committee.

Activities carried out by the Audit Committee:

- The committee overseeing the financial reporting process, reviewed and recommended to the Board of Director to approve the annual, half yearly and quarterly financial statements.
- Reviewed and recommended to the board of directors' to approve the revised revenue budget, capital budget and project development budget for the year 2013-14 and proposed revenue budget, capital budget and project development budget for the year 2014-15.
- Overseeing the hiring and performance of external auditors SF Ahmed & Co. Chartered Accountants.

The committee found adequate arrangement to present a free and fair view of the activities and the financial status of the company and did not find any material deviation, discrepancies or any adverse finding or observation in the areas of reporting.



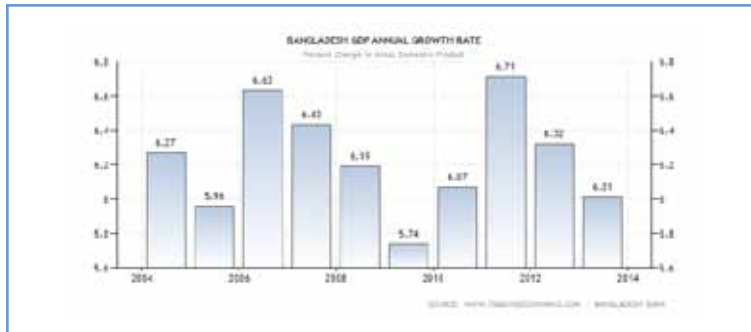
Prof. Mamtaz Uddin Ahmed, FCMA
Chairman
Audit Committee

DIRECTORS' REPORT

Economic Environment in 2013-14

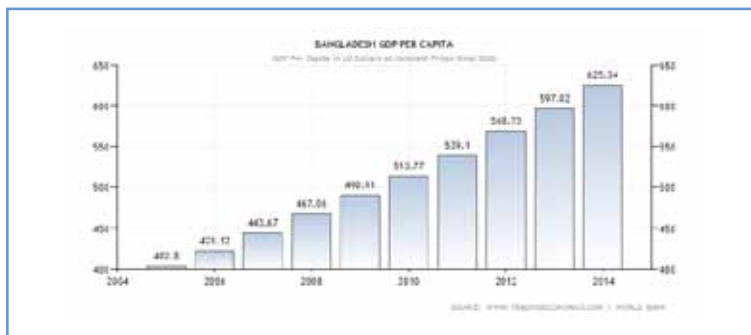
In the FY2013-14 the growth of Bangladesh has moderated, inflation declined, and the current account returned a larger surplus, thanks to the Government for taking various supportive measures in these regards. Many experts, however, prognosis growth might slip again, reflecting slower expansion in exports couple with falling worker remittances. Higher inflation and a modest current account deficit are expected. The garment industry is going to face challenges in adopting tough compliance and safety standards. Growth should improve in the following year, but a major boost will come only with ramped up investment in infrastructure.

As estimated, GDP in FY2014 (ended 30 June 2014) slipped by 0.31% from 6.32% in 2012-13 to 6.01% in 2013-14. Agriculture growth might skid as crop output was held down by higher input costs, lower output prices, and unfavorable weather. Services growth slowed following the stagnant imports and frequent political demonstrations. Industry growth rose slightly, thanks to contributions from construction and small-scale manufacturing. On the demand side, net foreign trade and services added to



growth as garment sales grew briskly. Growth in private consumption accelerated, fueled by healthy remittance inflows, though expansion in private credit slowed. Private investment declined while public investment rose due to the supportive measures initiated by the government. Foreign direct investment inflows rose only slightly. The central bank's monetary policy was accommodative, money and credit growth slowed. Broad money growth increased slightly and stood at 15.25% in May 2014. Point to point CPI Inflation decreased to 6.97% in June 2014 from 7.48% in

May 2014 due to decrease in food inflation while 12 month CPI inflation also decreased from 7.44% to 7.35 due to decreased food and non-food inflation. Export earnings marked a robust growth of 11.65% in the FY2013-14 compared to the preceding year. Foreign remittances receipts also witnessed a spark during this period as it recorded 21.59% growth in June 2014 as against the



previous period. Balance of payment shows higher earnings from exports continued to be successful in keeping current account balance positive by \$1543m during the first 11 months of FY 2013-14. NBR tax revenue collection grows by 11.44% in the FY2013-14 as against the preceding period. Reserve money recorded an increase of 10.84% at the end of the May 2014 compared to the increase of 20.95% in the corresponding period of last year. The general index of industrial production (medium and large scale manufacturing) stands higher at 207.36 in July-March, 2014 recording an increase of 8.02% over the same period in the preceding year.

Power Sector in Bangladesh:

Bangladesh, with its 156 million people in a land mass of 147,570 sq km, has shown tremendous growth in recent years. A booming economic growth, rapid urbanization and increased industrialization and development have increased the country's demand for electricity. Presently, 68% of the total population (including renewable energy) has access to electricity and per capita generation is 348 Kwh, which is low compared to other developing countries. Recognizing the fact the present government has prioritized the power sector right from its election manifesto. As per the manifesto, electricity generation in the country was supposed to be 5000 MW by the year 2011 and 7000 MW by 2013. The government has been successful in meeting these targets and has even been able to achieve higher level of precedents. The government aims to add additional 9600MW electricity generation capacity from 2014 to 2018 under medium and long term plan. This target is much higher than

the one stated in the election manifesto. The government has further extended its vision targeting the upcoming years up to 2030 and prepared the Power System Master Plan 2010 (PSMP). This plan states that the generation capacity would be about 40,000 MW in 2030. At present, installed generation capacity is 11,265MW while highest daily generation is 7,418MW (on July 18, 2014). Considering the country's future energy security, the government has rightly given due importance on renewable energy, energy efficiency as well as energy conservation.

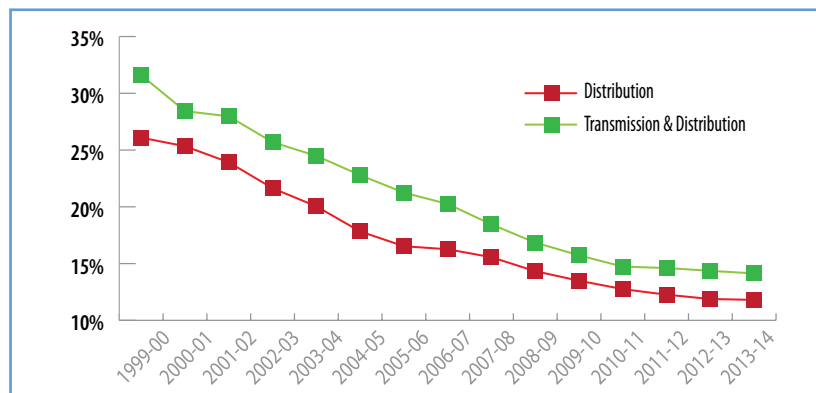
Power Generation Scenario in Bangladesh

Severe power crisis compelled the Government to enter into contractual agreements for high-cost temporary solution, such as oil based rental and public sector peaking power plants on an emergency basis. This has resulted tremendous fiscal pressure. With a power sector which is almost dependent on natural-gas fired generation, the country is confronting a simultaneous shortage of natural gas and electricity. Nearly 800 MW of power could not be availed from the power plants due to shortage of gas supply. Other fuels for generating low-cost, base-load electricity, such as coal, or large hydropower, are not readily available and Government has no option but to go for fuel diversity option for power generation. When the present Government assumed the charge, the power generation was 3,200 – 3,400 MW against national demand of 5,200 MW. In the election manifesto, government had declared specific power generation commitment of 5,000 MW by 2011 and 7,000 MW by 2013. To achieve this commitment, in spite of the major deterrents energy crisis and gas supply shortage, government has taken several initiatives to generate 7,000 MW by 2013 and 13,000 MW by 2018, which are close to the commitment in the election manifesto. 5,415 MW of power (as of June, 2014, including 500 MW power import from India) has already been added to the grid. The government has already developed Power system Master Plan 2010. According to the Master Plan the forecasted generation capacity should be 24,000 MW in 2021 and 40,000 MW in 2030. The plan suggested going for fuel-mixed option, which should be coal 50%, natural gas (including LNG) 25%, liquid fuel 5%, nuclear, renewable energy and power import 20%.

System Loss: System loss is one of the key performance indicators. To achieve desirable performance and viability of the sector, there is no alternative to bring down the system loss to an acceptable limit. Various measures like continuous monitoring of the performance of the utilities, reforms & target-oriented measures are underway to reduce the system loss. The system loss (distribution) comes down to 11.80% this year as against 11.88% in previous year.

Cross Border Electricity Trade

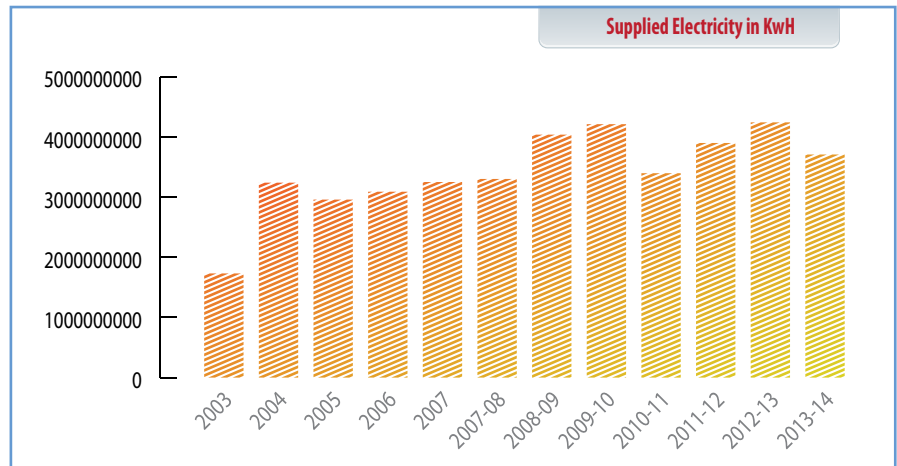
Realizing the ever increasing demand of electricity for socio-economic development and progress of the country, the government has initiated sub-regional cooperation in the field of power generation, grid connectivity and overall energy security. Cooperation has been initiated through SAARC, SASEC and BIMSTEC etc. for sharing of hydropower through cross-border connectivity and capacity development. Through these cooperation efforts Bhutan's and Nepal's hydro power potential could be utilized for the sub-region. Sub-regional grid could enable flow of surplus electricity within the countries and minimize the demand-supply gap of electricity of the nations. A historical bilateral tie took place in January 2010 where the Hon'ble Prime Ministers of Bangladesh and India agreed on a major cooperation between the two neighboring countries. This initiative highlighted the development of economic cooperation between the countries. At present, Bangladesh is importing 500MW of electricity from India through grid interconnectivity with a process underway to bring in another 600MW.



DIRECTORS' REPORT

APSCL's Performance in FY2013-14

The state owned Ashuganj Power Station Company Limited, 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 nine (9) units in its fleets while four (4) other projects are going to be commissioned in the upcoming years which were unveiled by the honorable Prime Minister on June 2013. In the FY-2013-14, the company witnessed a brisk workflow of its four projects (1325MW) which makes the surface of APSCL a bustle thoroughfare. Its projects growth picked up space in the FY2013-14. Of the four projects, simple cycle of 225MW CCPP is expected to be commissioned from November 2014 while the other project namely 450MW South are also expected to be commissioned within next calendar year. The civil works of two other projects (450MW North & 200MW Modular) are on agile move. Apart from the development of the projects, the operating and maintenance performance of the company is quite satisfactory. Though the company has faced several hurdle in the considering period, it successfully overcome all such impediment and make a decent picture in the said period. Following the site transfer of 225MW CCPP, the company had to retire two of its units (GT-1 & ST) since January 2014 which impacts on generation and electricity sales accordingly. Consequently declined sales took a toll on the other variable of the income statement. However the company was superbly supersede such shock and made the overall financial position stable in the considering period by showing better performance and efficiency. In a nutshell the overall financial and operating performances of the company masks into glossy print. The overall performances of APSCL in FY2013-14 are demonstrated below:

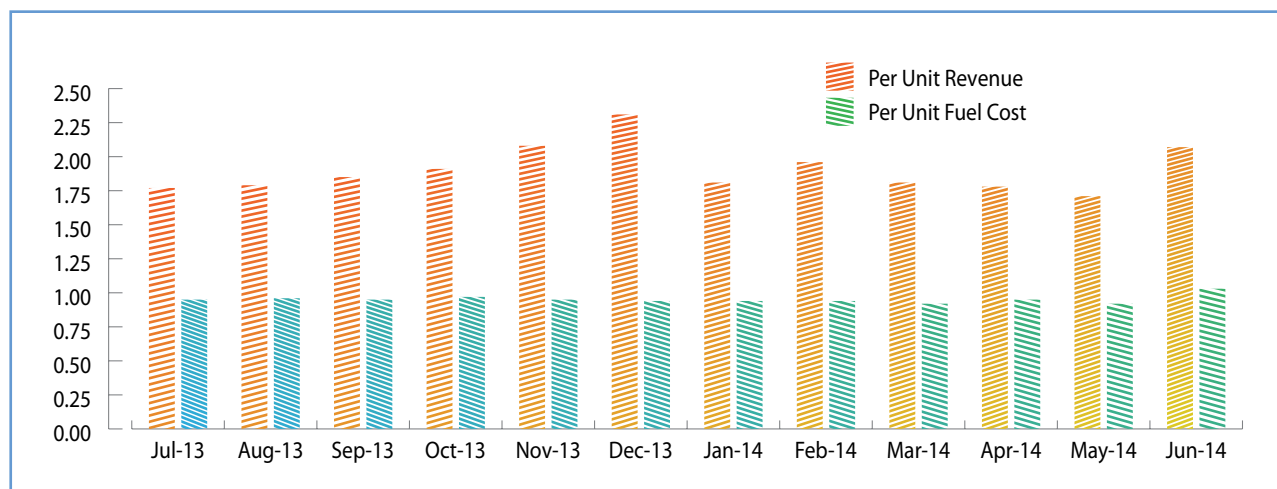


Operating Performance: During the FY2013-14, the company supplied 3,708.94 million Kwh of electricity into the national grid which is 12.59% less than that of the previous period. In the considering period, the company earned BDT 6,971.02 million which



is 7.52% less than that of the period. Accordingly fuel cost of APSCL has slashed by 8.18% in the said period as against corresponding period of the previous fiscal. All these variables are declined in the said period following the retirement of GT-1 & ST unit in the month of January 2014 for site transferring of 225MW CCPP Project.

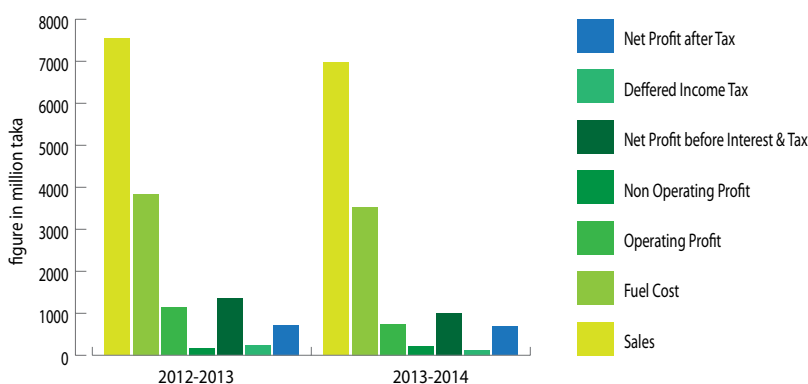
Months	Amount in BDT		Amount in Kwh	Amount in BDT	
	Total Revenue	Fuel Cost	Supplied Electricity	Per Unit Revenue	Per Unit Fuel Cost
13-Jul	650,311,473	350,700,167	367,918,102	1.77	0.95
13-Aug	623,350,722	333,441,153	347,437,522	1.79	0.96
13-Sep	595,040,258	306,080,130	321,748,131	1.85	0.95
13-Oct	585,235,388	298,026,802	306,853,153	1.91	0.97
13-Nov	531,381,652	242,893,123	254,944,936	2.08	0.95
13-Dec	488,728,235	199,368,089	211,966,120	2.31	0.94
14-Jan	589,787,969	308,623,595	326,663,833	1.81	0.94
14-Feb	540,142,252	258,663,409	276,063,416	1.96	0.94
14-Mar	571,247,069	290,177,978	315,861,102	1.81	0.92
14-Apr	597,225,401	320,304,894	335,556,664	1.78	0.95
14-May	632,097,507	341,095,737	369,878,575	1.71	0.92
14-Jun	566,474,034	282,048,298	274,048,440	2.07	1.03
Total	6,971,021,960	3,531,423,375	3,708,939,994	1.88	0.95



Financial Performance: In the FY2013-14, the company earned BDT 6,971.02 million from sales of electricity which is 7.52% less than that of the previous period. Such shortfall in sales is mainly attributed to the retirement of GT-1 & ST in January 2014 for site transferring of 225MW CCPP Project. Consequently all but “non operating profit” declined commensurate with the decline of electricity sales and generation.

Unlike income statement component, variables in the balance sheet items show some impressive picture of the company in FY2013-14. Total assets clocked 27.41% mounting, a respective growth in the considering period with a commensurate

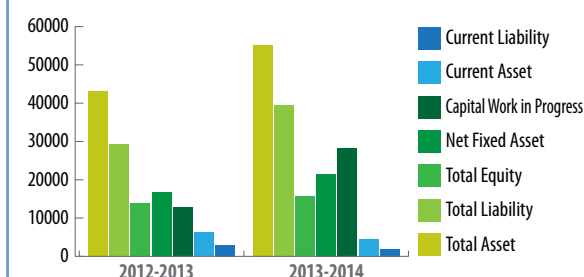
DIRECTORS' REPORT



progression of 12.50% in total equity. On the liability side, total liability moves on upward by 34.47% in FY2013-14 compared to the preceding year. Net fixed assets portray a 28.65% headway following the inclusion of overhauling project cost. Capital works in progress accelerate tremendously with a 120.16% growth which shows a ballooning development of the ongoing four projects. Current asset declined by 28.24% because of

necessary measures taken in order to reduce the accounts receivable from BPDB. On the other hand, current liability slipped by 34.88% whose main catalyst was reduced outstanding liabilities.

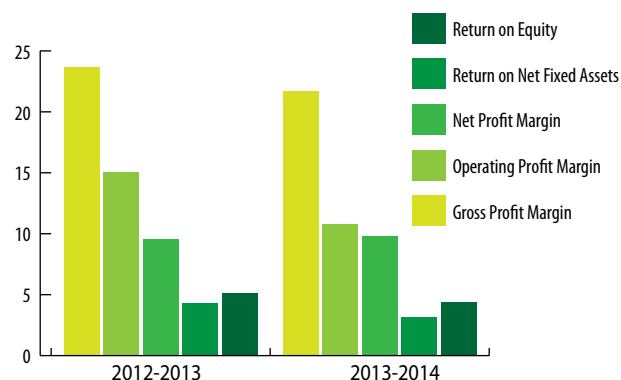
Particulars	2013-14	2012-13	% Change
Total Asset	55,122,428,169	43,264,051,182	27.41%
Total Liability	39,479,009,230	29,358,999,998	34.47%
Total Equity	15,643,418,939	13,905,051,184	12.50%
Net Fixed Asset	21,586,111,577	16,778,318,947	28.65%
Capital Work in Progress	28,274,074,626	12,842,688,661	120.16%
Current Asset	4,455,070,967	6,208,071,774	-28.24%
Current Liability	1,987,831,008	3,052,772,898	-34.88%



Financial Ratios

The main financial ratios of the company has been portrayed below with comparison of the previous period

Particulars	2013-14	2012-13
Gross Profit Margin	21.72%	23.71%
Operating Profit Margin	10.76%	15.07%
Net Profit Margin	9.77%	9.53%
Return on Net Fixed Assets	3.16%	4.28%
Return on Equity	4.35%	5.17%
Current Ratio	2.24:1	2.03:1
Quick Ratio	1.89:1	1.83:1
Debt Equity Ratio	1.74	1.15
Debt Service Coverage Ratio	3.67	3.82
Accounts Receivable Ratio	3.07	2.00
Average Collection Period	3.90	6.00



Profit Appropriation : During 2013-14 the company's net profit amounted to BDT 681.18 million compare to BDT 718.59 million in the year 2012-13. However the company needs liability of educate 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 2014 with the recommendation for appropriation as follows:

Particulars (Amount in Millions)	2013-14	2012-13
Net Profit Before Tax	801.18	968.59
Deferred Income Tax	120	250
Profit for Appropriation	681.18	718.59

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 FY2013-14, APSCCL has added 3,708.94 mln Kwh 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 2014, APSCCL collected Tk.33.08 Million as Income Tax and Tk.12.22 Million as VAT on behalf of the Government and deposited the same into the Government Treasury.

Particulars	2013-14	2012-13
VAT	12,225,561	7,643,963
Income Tax	33,083,866	24,739,294
Total	45,309,427	32,383,257

Significance Variance between Quarterly and Annual Financial Statements:

No significant variations have occurred between quarterly and annual financial statements during the considering period.

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

DIRECTORS' REPORT

Shareholding Information:

Name of Shareholders	Representative	Number of Shares
BPDB		66,147,098
Power Division	Secretary, Power Division	1,900
Energy & Mineral Resource Division	Secretary, Energy & Mineral Resource Division	1
Finance Division	Secretary, Finance Division	1,000
Planning Division	Secretary, Planning Division	1
Total		66,150,000

Board of Directors: The present Directors of the company comprising 12 numbers. Out of the 4 numbers of Directors selected from (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 among themselves. The name of the Directors of the company and the biographical details are shown on page 15-17.

Directors' Meeting and Attendance:

During the year FY2013-14 14 (Fourteen) Board Meetings were held. The attendance record of the Directors is as follows:

1.	Mr. Md. Anwar Hossain	Chairman	14
2.	Dr. Md. Quamrul Ahsan	Director	14
3.	Mr. Jalal Uddin Ahmed Chowdhury	Director	9
4.	Mr. Tamal Chakraborty	Director	3
5.	Mr. Mamtaz Uddin Ahmed, FCMA	Director	14
6.	Mr. Md. Abduhu Ruhullah	Director	8
7.	Mr. Md. Abu Taher	Director	8
8.	Mr. Md. Shamsul Haque	Director	12
9.	Mr. Kazi Nazir Hossain	Director	11
10.	Mr. Md. Mustakim Billa Faruqui	Director	0
11.	Mr. Sheikh Faezul Amin	Director	9
12.	Mr. Saleh Ahmed	Director	4
13.	Mr. Khan Md. Nurul Amin	Director	7
14.	Mr. Swapan Kumar Saha	Director	5
15.	Mr. Md. Nurul Alam	Managing Director	14



Whenever the Directors could not attend the meetings, they were granted leave of absent.

Election of Directors:

In terms of Articles of 125 & 126 of 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 Annual General Meeting and they are being eligible, offer themselves for re-election.

Board Committees

Audit Committee:

The company has an Audit Committee with an established charter comprising the following members:

Prof. Mamtaz Uddin Ahmed	Chairman
Mr. Kazi Nazir Hossain	Member
Mr. Khan Md. Nurul Amin	Member

The Committee holds 7 meetings in the year 2013-14. A detail of activities of the Audit Committee has been provided in the Audit Committee report.

Recruitment & Promotion Committee: The Company has a recruitment & promotion committee with an established charter comprising the following members

Mr. Md. Anwar Hossain	Chairman
Mr. Md. Abduhu Ruhullah	Member
Mr. Md. Shahinul Islam Khan	Member

The Committee holds 6 meetings in the year 2013-14

Procurement Review Committee: The Company has a Procurement Review Committee with an established charter comprising the following members

Dr. Md. Quamrul Ahsan	Chairman
Mr. Md. Shamsul Haque	Member
Mr. Sheikh Faezul Amin, PEng	Member

The Committee holds 6 meetings in the year 2013-14

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 14th Annual General Meeting as Auditors of the Company. The retiring Auditors are eligible for re-appointment and have expressed their willingness to continue in office. The Directors endorsed recommendation of Audit Committee for re-appointment of M/S SF Ahmed & Co. Chartered Accountants as the Auditors of the Company for the year 2014-15 at a fee of Tk. 1,00,000.00 plus VAT.

Business Risk and Uncertainties: The Directors consider that the following risks and uncertainty are running with the plant:

- Average age of the plant is more than 26 years.
- Overall thermal efficiency & reliability is not up to the mark.
- De-rating of APSCL's facility is real threat and risk for steady revenue earning.
- A large overloaded grid substation within APSCL's premises is also a business risk.

Therefore, APSCL's challenges are:

- Replacement of old inefficient outlived plants.
- Implementation of new projects.
- Increase of station power generating capacity.
- Increase of overall thermal efficiency.

DIRECTORS' REPORT

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. They 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 obligations through preparation of cash forecast, prepared based of time line of payment of the financial obligation and accordingly arrange for sufficient fund make the expected payment within due date.

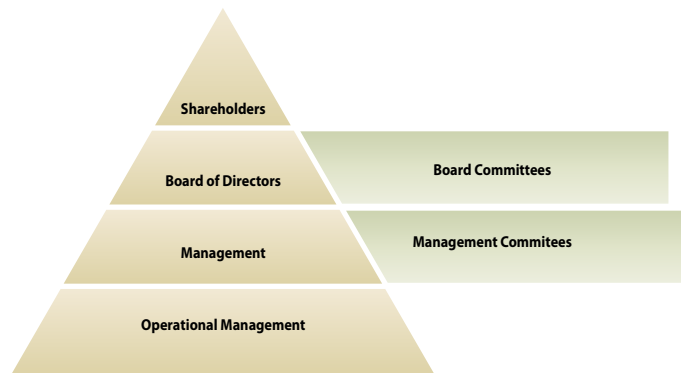
Market Risk: Market risk is the risk that changes in market forces such as foreign exchanges rates and interest rate that will affect the company's income or value of its holding of financial instruments. The objectives of market risk management are to manage and control market risk exposures within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

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.

Corporate Governance:

Corporate governance is the system of internal controls and procedure by which an individual company is managed. The primary role of corporate governance is played by the Board of Directors. The Board formulates the vision, mission, objectives and strategic goals. The management's role is to execute those directives in a professional manner. The corporate structure of APSCL is depicted in below:



Corporate Social Responsibility:

Besides its normal activity of operation and Maintenance of existing power plants and installation of new ones, the Company 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 worth full here to mention that about 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 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.

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. To introduce Human Resource Information system, Software development work is running.



Human Resource Development:

Training is the most essential element for improving efficiency of the employees in the today's competitive world. 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 50 man-hours per year. It has a full-fledged training center headed by Manager (HRD) to implement the training programs.

Towards Global Accreditation:

Ashuganj Power Station Company Limited, situated on the bank of river Meghna with about 300 acres of land under its possession, is now heading to attain world class certification from ISO. The company intends to design, develop, document and implement Integrated Management System (IMS) with a view to be certified to ISO: 9001 QMS (Quality Management System), ISO: 14001 EMS (Environmental Management System) & OHSAS (Occupational Health & Safety Assessment Series): 18001. To this end the company inked a contract sign having a price of BDT 2.36 million with a local consultant namely Center for Management Development (CMD) on August 24, 2013. The services of the consultant encompass to design, develop, document and implement IMS covering all functions of APSCL and thereby obtain the all certification from competent authority. In this connection, APSCL would get following services from the consultant:

- Training on IMS (ISO: 9001 QMS, ISO: 14001 EMS & OHSAS: 18001)
- Training on Total Quality Management (TQM)
- Training on internal audit and developments of internal auditors on IMS
- Report on Strategic Positioning of APSCL and setting strategic objectives covering relevant key functional areas

DIRECTORS' REPORT

- Compiled System Manual, Standard Procedures, Work Instructions
- Certificates on IMS (ISO: 9001 QMS, ISO: 14001 EMS & OHSAS: 18001) external being performed during the tenure of consultancy

Security Management:

Ashuganj Power Station is a 1st Class KPI. In order to ensure the overall security of the KPI, the company has taken adequate security measures. The entire KPI area is covered by 12 close circuit cameras (CCTV) with a control room. Metal Detector & other security measures are also installed at the entry points of KPI zone. Moreover, on request of APSCL the Government pleased to employ a contingent force of 35 army persons in the Power Station. There are sufficient Fire Fighting Facilities, Security Posts and Lighting Arrangements in this Power Station. Government Agencies have inspected our security and arrangement/facilities in the year 2011. They gave some recommendation regarding security measures. The Management is following their recommendations in addition to the present security measures. During the reporting period, no security related accident took place.

Information Technology:

In line with Government's plan to build digital Bangladesh, the APSCL has been striving to automate all of its operational activities. This would help to achieve operational efficiency, cost control, reliability, transparency and overall a good management system for the organization. The MIS & ICT activities of the organization are:

- Company Website: www.apscl.com
 - o Special Features:
 - o Company History & Current information
 - o Up-to-date Generation Information
 - o Procurement Information/Publications



Local Area Network (LAN)

- o Store Management System:
- o Total integrated on-line system for Procurement, Inventory & Consumption activities of APSCL Stores
- o Database for Historical Transactions
- o Necessary reports for Internal & External purpose
- o Computerized Attendance and Access
- o Control System (Finger Print)
- o Internal Mailing System(En effort to paperless company)
- o Installation of Intranet
- o Guard Patrol Monitoring System
- o Customized personnel information system

Environment Conservation and Cleanliness

Ashuganj Power Station is aware of the impact of uses of chemicals, lubricating oil, transformer oil & water discharge to the river. All the issues are mitigated with proper measures. The Power Station and its Residential Area is always kept clean. On other hand, there are different types of environment friendly trees the care of which are taken constantly. Moreover, new trees of different types are planted on the land of the Power Station every year.

Projects in Progress:

Name of the Project:	ASHUGANJ 225MW COMBINED CYCLE POWER PLANT
Project Highlights:	Combined cycle Power plant with a gas turbine unit and a steam turbine unit making it more efficient than existing plant. It will meet a part of the growing demand of Electricity.
Estimated cost of the project:	256.00 Million USD
Project financed by:	ECA Backed Financing, 192.9 million USD
Contractor:	The Consortium of Hyundai Engineering Co. Ltd. (HYUNDAI) and Daewoo International Corporation (DWI)
Date of commencement:	17th February, 2013.
Commercial Operation Date:	Expected 05 November 2014 (Simple Cycle) and expected 08 March, 2015 (Combined Cycle)
Physical Progress:	Work Done: <ul style="list-style-type: none">• Gas Turbine and GTG Transformer testing work has been finished. GT Generator, HRSG, Diffuser and GT Inlet Duct erection work is going on.• Central Control Building and Water Treatment Building concreting work has completed, interior finishing work going on.• Fuel Gas System erection work has been finished• Intake Tower and Intake Pump station foundation work has been completed.• 132 kV Switch Yard area all steel structure work have been done. Equipment and panel testing work in Network control room is on progress Total Physical Progress achieved is 89.18%
Financial Progress:	Total Financial Progress is 67.35%
	BDT 10,636 Million has been spent (up to 30 June 2014)

DIRECTORS' REPORT

Name of the Project:	ASHUGANJ 450MW COMBINED CYCLE POWER PLANT (SOUTH)
Project Highlights:	Single shaft Combined cycle Power plant with a gas turbine unit and a steam turbine unit making it more efficient than existing plant. It will meet a part of the growing demand of Electricity.
Estimated cost of the project:	Total Eq BDT: 3792 Crores
Project financed by:	ECA backed finance, 420 million USD
Contractor:	Consortium of TSK Electronica Spain, Inelectra International, Sweden
Date of commencement:	March, 2013
Expected Commercial Operation Date:	June, 2015
Physical Progress:	<p>Work Done:</p> <ul style="list-style-type: none"> Access control Building, Admin & Main Control Building, workshop and Warehouse have been completed Foundation works of GT, ST and Condenser have been completed. <p>Work in Progress:</p> <ul style="list-style-type: none"> Electrical & Mechanical Erection of Steam Turbine is in progress and would be completed by December, 2014. Progress of Electrical & Mechanical Erection of Generator is 40% and would be completed by November, 2014. Installation of Air Intake is in progress and would be completed by December, 2014. <p>Total Overall Physical Progress achieved is 71.70%</p>
Financial Progress:	<p>Total Financial Progress is 52%</p> <p>BDT 15,214 Million has already been spent up to 30 June 2014.</p>



Name of the Project:	ASHUGANJ 450 MW CCPP (NORTH) PROJECT
Project Highlights:	Government of The People's Republic of Bangladesh already has declared that electricity for all within 2021. To achieve the goals, APSCL has taken different initiative to enhance the generation of Power.
Estimated cost of the project:	BDT 3400.02 Crore
Project financed by:	ADB 228 million USD, IDB 200 million USD, GOB BDT 353 crore & APSCL BDT 51 Crore
Date of Commencement:	April-02, 2014
Date of completion:	October-01, 2016.
Project duration:	Open cycle: 20 months , Combined cycle: 30 months
Contractor & Consultant:	<p>Contractor: The Consortium of TecnicasReunidas S.A. & TSK Electronica Y Eletricidad S.A., Spain. Contract Signed date 01.12.2013 which has been effect on 02.04.2014.</p> <p>Consultant: Consultant contract with Fichtner GmbH & Co. KG Germany has been signed on 01 December, 2012 and engaged in the project implementation consultancy service.</p>
Physical Progress:	Physical Progress Achieved 15%
Financial Progress:	<p>Total Financial Progress is 6.68%</p> <p>BDT 2,255.00 Million has already been spent up to 30 June 2014.</p>



Name of the Project:	ASHUGANJ 200 MW MODULAR POWER PLANT PROJECT
Estimated cost of the project:	170 million USD.
Project financed by:	United Enterprises Ltd. (Sponsor)
Contractor:	United Enterprises Ltd.
Date of completion:	Expected COD, February, 2015
Project duration:	15 months from the date of EDOC
Overall Physical Progress:	<p>46%</p> <ul style="list-style-type: none"> • 10 Nos of Engine has been placed on foundation • Work of Silencer has been 30% finished • E.G.M and Pipe Module work progress is 20% • Engine Cooling System work is 25% finished
Financial Progress:	55.57%

DIRECTORS' REPORT

Upcoming Power Plant Projects:

1. Ashuganj 400MW CCPP Project

- a. PDPP submitted to Ministry of Planning through power division for approval
- b. DPP submitted to Power Division

2. 1320 MW Coal Fired Power Plant Project (at greater Barishal Region)

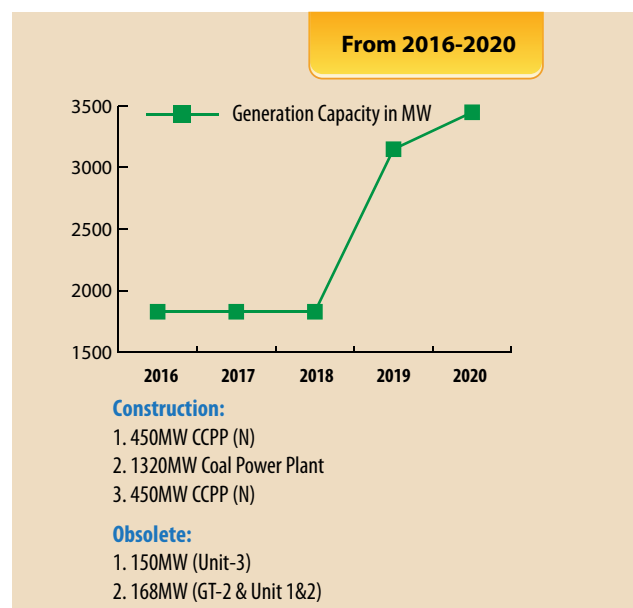
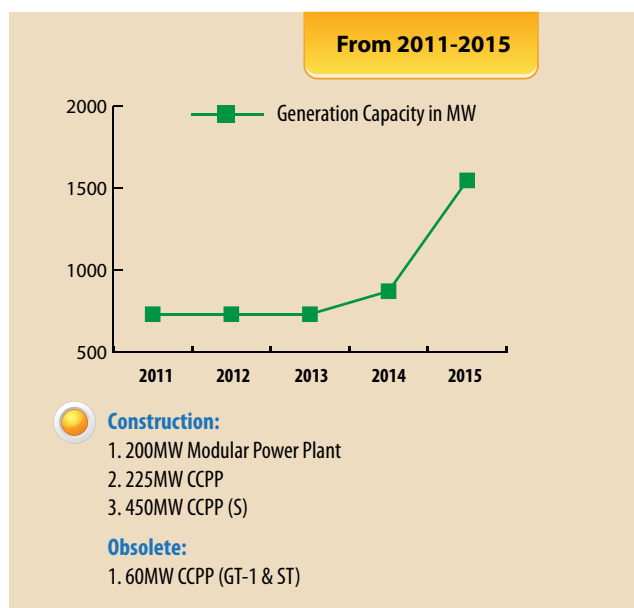
- a. Consultant has been appointed for
 - i. Site selection
 - ii. Detail feasibility study
 - iii. Initial environmental examination (IEE)
 - iv. Social Impact Assessment & Environmental Impact Assessment (SIA & EIA)

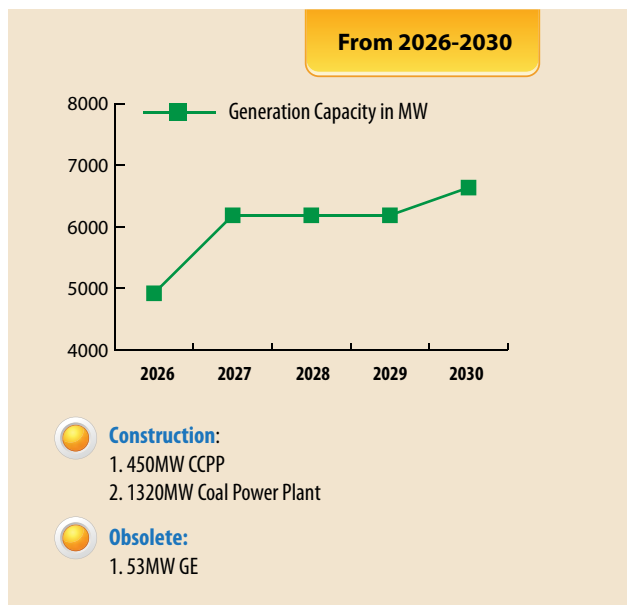
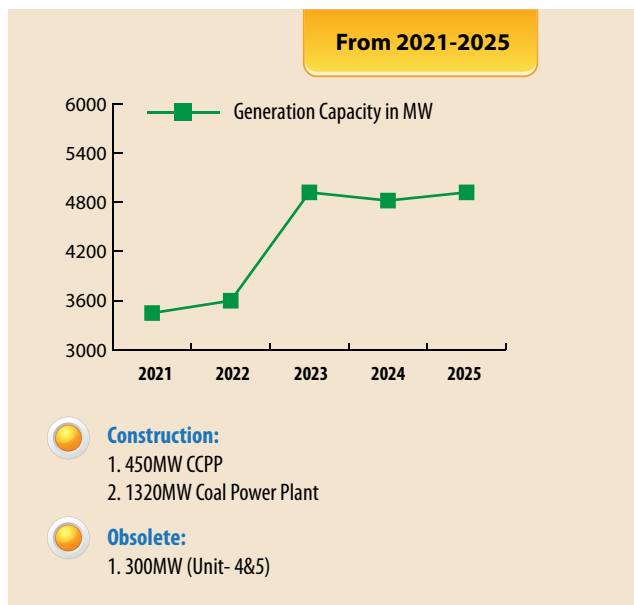
3. Dinajpur Super Power Thermal Plant (1200MW)

- a. Expression of Interest (EOI) for consultant appointment is to be issued

Future Development Plan:

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 has undertaken a master plan of twenty years to generate 6635MW within 2030. The twenty years plan is decomposed into four phase consisting five years each.





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, Prime Minister's Office, Ministry of Power, Energy and Mineral Resources, Power Division, Energy Division, Economic Relations Division, Ministry of Finance, Ministry of Planning, National Board of Revenue, Ministry of Commerce, Bangladesh Power Development Board, Petro Bangla, Bakhraabad 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 Consortium of Inelectra International AB, Sweden and TSK Electronica Electricidad S.A., Spain and the Consortium of Hyundai Engineering Company Ltd. & Daewoo International Corporation Ltd., HSBC and SCB, the ECA facilities and lenders - HERMES Germany, ONDD Belgium, CESCE Spain, MIGA, Banco Bilbao Vizcaya Argentaria S.A., Banco Espanol de Credito S.A., Caixa Bank S.A., KfW IPEX-Bank GmbH, Norddeutsche Landesbank Girozentrale and K-Sure (Korea Trade Insurance Corporation) and Korea Finance Corporation, DZ Bank AG for their support and co-operation in construction and financing 450MW CCPP (South), 225MW CCPP project. Asian Development Bank & Islamic Development Bank for 450MW CCPP (North) & United Group for 200MW Modular Power Plant Project.

We also extend to the Management and Employees its warmest greetings and felicitations 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

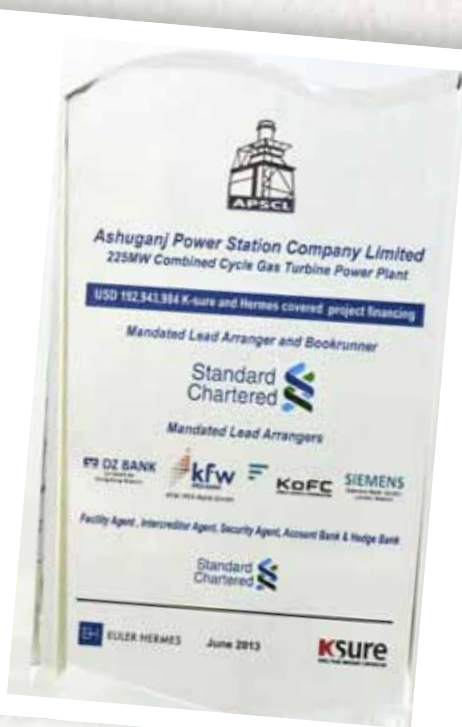
On behalf of the Board of Directors

Chairman

ACHIVEMENT



Best Power Unit



Financing Facility Available for 225MW CCPP



Financing Facility Available for 450MW CCPP (South)



To Mark 1,00,000 Hours Commercial Operation of the GEC CCPP



Trade Finance Awards Deals of the Year 2012

EVENTS



USA Ambassador Visit



Deputy High Commissioner of Germany and KFW
Official's visit



International Mother Language Day



Solar Panel Installation at Rooftop of APSCL Quarter



Training Program on Integrated Management System (IMS)



Tree Plantation Program



Turbine Blade Maintenance



Victory Day Program on December 2013



Visit of Dr. Tawfiq-e-Elahi Chowdhury, BB, Adviser to the Honorable Prime Minister of Ministry of Power, Energy & Mineral Resources



FINANCIALS



AUDITORS' REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED 30 JUNE 2014

We have audited the accompanying financial statements of Ashuganj Power Station Company Ltd, which comprise the statement of financial position (balance sheet) as at 30 June 2014, statement of 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 notes.

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 and Bangladesh Accounting Standards, the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 misstatements 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 prepared in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards, give a true and fair view of the state of the Company's affairs as at 30 June 2014 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994 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; and
- (iii) the statement of financial position (balance sheet) and statement of comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account and returns.

Dhaka, Bangladesh
Dated, 16 September 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT 30 JUNE 2014

	NOTES	2014 BDT	2013 BDT
Assets			
Non-current assets			
Property, plant and equipment	4	21,586,111,577	16,778,318,947
Project in progress	5	-	6,580,947,475
Deferred expenditure	6	807,170,999	854,024,325
Capital works- in-progress	7	28,274,074,626	12,842,688,661
Total non-current assets		50,667,357,202	37,055,979,408
Current assets			
Stocks in stores	8	697,972,141	619,145,229
Advances, deposits and prepayments	9	27,198,279	23,757,444
Accounts receivable	10	2,268,405,064	4,754,366,967
Other receivable - FDR		13,702,313	7,935,338
Cash and cash equivalents	11	1,447,793,170	802,866,796
Total current assets		4,455,070,967	6,208,071,774
Total assets		55,122,428,169	43,264,051,182
Equity and liabilities			
Share capital	12	6,615,000,000	6,615,000,000
Equity of BPDB	13	5,572,614,964	4,826,534,164
Direct grant	14	344,182,000	-
Retained earnings	15	3,111,621,975	2,463,517,020
Total equity		15,643,418,939	13,905,051,184
Subordinated loan			
Debt service liabilities (DSL)	16	10,252,300,000	10,252,300,000
Non-current liabilities			
Government loan	17	2,894,298,607	2,588,956,460
Foreign loan	18	3,200,907,696	2,912,221,050
Export credit agency (ECA) loan	19	20,136,635,611	9,627,176,447
Provision for income tax	20	1,007,036,308	925,573,144
Total non-current liabilities		27,238,878,222	16,053,927,101
Current liabilities			
Outstanding liabilities	21	1,947,772,010	3,004,343,154
Workers' profit participation fund	22	40,058,998	48,429,744
Total current liabilities		1,987,831,008	3,052,772,898
Total equity and liabilities		55,122,428,169	43,264,051,182

These financial statements should be read in conjunction with annexed notes

For 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

STATEMENT OF COMPREHENSIVE INCOME (PROFIT AND LOSS STATEMENT)

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	2014 BDT	2013 BDT
Revenue	23	6,971,021,960	7,537,809,811
Cost of sales	24	(5,457,215,490)	(5,750,586,330)
Gross profit		1,513,806,470	1,787,223,481
Operation and maintenance expenses			
Personnel expenses	25	392,443,418	311,615,547
Office and other expenses	26	24,128,063	15,701,135
Repair and maintenance	27	58,806,620	42,820,417
Depreciation expenses	28	59,308,860	56,886,013
Provision for uncollectable receivable	29	54,002,685	55,869,539
Uncollectable receivable written off	30	58,829,481	58,829,481
Amortisation of deferred expenditure	Annex 2	115,893,620	108,989,590
Amortisation of licence fee		-	724,000
		763,412,747	651,435,723
Operating profit		750,393,723	1,135,787,758
Provision no longer required	31	63,092,822	-
Non-operating income	32	211,208,425	169,557,331
Profit before interest and tax		1,024,694,970	1,305,345,089
Financial expenses	33	183,456,017	288,320,466
Workers' profit participation fund		40,058,998	48,429,744
		223,515,015	336,750,210
Profit before tax		801,179,955	968,594,879
Income tax expense		120,000,000	250,000,000
Profit after tax		681,179,955	718,594,879
Other comprehensive income		-	-
Total comprehensive income		681,179,955	718,594,879

These financial statements should be read in conjunction with annexed notes

For Ashuganj Power Station Company Ltd



Company Secretary



Executive Director (Finance)



Managing Director



Director

See annexed report of the date

Dhaka, Bangladesh
Dated, 16 September 2014



S. F. AHMED & CO
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

Particulars	Share capital	Equity of BPDB	APSCL grant	Retained earnings	Total
	BDT	BDT	BDT	BDT	BDT
Year ended 30 June 2013					
Balance at 01 July 2012	6,615,000,000	4,826,534,164	-	1,777,997,141	13,219,531,305
Profit after tax	-	-	-	718,594,879	718,594,879
Dividend payable	-	-	-	(33,075,000)	(33,075,000)
Balance at 30 June 2013	6,615,000,000	4,826,534,164	-	2,463,517,020	13,905,051,184
Year ended 30 June 2014					
Balance at 01 July 2013	6,615,000,000	4,826,534,164	-	2,463,517,020	13,905,051,184
Overhauling project (Unit 4 & 5)	-	746,080,800	-	-	746,080,800
Profit after tax	-	-	-	681,179,955	681,179,955
Direct grant	-	-	344,182,000	-	344,182,000
Dividend payable	-	-	-	(33,075,000)	(33,075,000)
Balance at 30 June 2014	6,615,000,000	5,572,614,964	344,182,000	3,111,621,975	15,643,418,939

For Ashuganj Power Station Company Ltd


 Company Secretary


 Executive Director (Finance)


 Managing Director


 Director

See annexed report of the date


S. F. AHMED & CO
Chartered AccountantsDhaka, Bangladesh
Dated, 16 September 2014

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
A. Cash flows from operating activities		
Cash received from operation	9,456,983,863	5,568,485,985
Cash received from other income	205,441,450	182,913,504
Payment for salary and allowances	(373,443,218)	(292,898,355)
Payment for suppliers and allowances	(5,018,990,100)	(2,068,672,974)
Interest payment	(183,456,017)	(66,823,256)
Income tax paid	(38,536,836)	(37,683,924)
Net cash received from operating activities	4,047,999,142	3,285,320,979
B. Cash flows from investing activities :		
Acquisition of property, plant and equipment	(30,248,717)	(165,399,119)
Project cost	(15,431,385,965)	(12,831,156,449)
Addition to deferred expenditure	(69,040,294)	(182,419,488)
Net cash used in investing activities	(15,530,674,976)	(13,178,975,056)
C. Cash flows from financing activities :		
Repayment of government loan	(116,110,798)	(8,238,000)
Repayment to foreign loan	(427,205,983)	(437,851,332)
Dividend paid	(66,148,549)	-
Government loan for 450 MW (north) project	8,354,601	8,680,767
Foreign loan for 450MW (north) project	2,219,253,773	11,573,762
Export credit agency (ECA) loan	10,509,459,164	9,627,176,447
Net cash from/(used in) financing activities	12,127,602,208	9,201,341,644
D. Net increase in cash and cash equivalents (A+B+C)	644,926,374	(692,312,433)
E. Opening cash and cash equivalents	802,866,796	1,495,179,228
F. Closing cash and cash equivalents (D+E)	1,447,793,170	802,866,796

For Ashuganj Power Station Company Ltd



Company Secretary



Executive Director (Finance)



Managing Director



Director

See annexed report of the date

Dhaka, Bangladesh
Dated, 16 September 2014



S. F. AHMED & CO
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

1 Corporate Information

1.1 Legal status and background of the company

Ashuganj Power Station company Ltd (APSCL/the company) was registered as a private limited company with the Registrar of Joint Stock Companies (RJSC), Dhaka on 28 June 2000 vide certificate of incorporation no. 40630(2328)/2000 which was thereafter converted into a public limited company. Its authorised share capital has been increased from Taka 100 crores to Taka 1500 crores through a special resolution passed on 01 March 2003 and authorized capital has been increased from Taka 1500 crores to Taka 3,000 crores through a ordinary resolution of 10th AGM held on 26 December 2010. Its paid up capital has been increased to Taka 661.40 crore by a special resolution taken 142th board meeting 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 & 17 (here considering on the basis of provisional Vendor's Agreement, maximum Taka 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 two parties. 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 usual financial year with due permission from RJSC, vide its letter no. 4835. First amendment of PPPA between APSCL and BPDB has been made with effect from 15 January 2010 and second amendment of PPPA between APSCL and BPDB has been made with effect from 14 January 2012.

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 Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations.

2.2 Basis of measurement

Financial statements have been prepared on the historical cost basis.

2.3 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.

2.4 Reporting period

The financial period of the company covers 01 (one) year from 01 July 2013 to 30 June 2014 which is followed consistently.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

2.5 Components of financial statements

- a) Statement of financial position (balance sheet)
- b) Statement of comprehensive income (profit and loss statement)
- c) Statement of changes in equity
- d) Statement of cash flows
- e) Summary of significant accounting policies and other explanatory notes.

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 Basis of reporting

Financial statements are prepared and presented for external users by the enterprise in accordance with identified reporting framework. Presentation has been made in compliance with the BAS-1 "Presentation of Financial Statements" and BAS-34 "Interim Financial Reporting".

3.2 Property, plant and equipment

3.2.1 Recognition and measurement

Items of property, plant and equipment (PPE) are initially measured at cost. After initial recognition, an item of PPE is carried at cost less accumulated depreciation and impairment losses as per BAS -16 "Property, Plant and Equipment". Cost represents the cost of acquisition/procurement including development expenses, all installation expenses, commissioning and other relevant expenses.

3.2.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment 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.

3.2.3 Maintenance activities

The company incurs maintenance costs for all of its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses and sometimes making deferred when incurred. Subsequently deferred expenses to allocate as expenses over its useful life.

3.2.4 Depreciation

Depreciation on PPE has been charged applying Straight Line Method considering the estimated life and the salvage value of the assets procured. Depreciation charge on property plant and equipment for 6 (six) month in the year of acquisition and 6 (six) month in the year of disposal.

Itemised depreciation rates are as follows:

Asset category	Rate of depreciation (%)
Building	1.55 - 13.33
Plant and machinery	7.14 - 40
Office equipments	10 - 33.33
Vehicles	5
Furniture and fixtures	10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

3.2.5 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 or an asset is determined between 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.

3.3 Stocks in stores

Stocks in stores have been stated at the lower of cost and net realisable value in accordance with BAS 2 "Inventories". The cost of inventories is assigned by using weighted average cost method.

3.4 Accounts receivable:

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

3.5 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.

3.6 Cash flow statement

Cash flow statement is prepared according to BAS-7 under direct method as required by the Securities & Exchange Rules 1987.

3.7 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.

3.8 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).

3.9 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 is recognised as an expense/(income) for the year.

3.10 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

3.11 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 months' basic salary for every completed year of service.

3.12 Revenue

Sales revenue has been calculated as per PPA and its first amendment signed between BPDB and APSCL. The main elements of the sales revenue are as follows:

- A. Capacity payments
 - a) Depreciation on fixed assets
 - b) Cost of capital ie, interest on borrowed capital
 - c) Return on equity
 - d) Repairs and maintenance of plant, machinery and equipment
 - e) Pay 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.

3.13 Provisional interest expense

Provisional interest expenses are calculated @ 3% on Government loan and @ 8% on foreign loan regarding overhauling project units 3, 4 and 5.

3.14 Taxation

Current tax

The tax currently payable is based on taxable income for the year. Taxable income differs from net income as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other year and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted as of balance sheet date.

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

3.15 Workers profit participation fund

The company makes a provision @ 5% on the net profit before tax to this fund as per the requirements of Bangladesh Labour Act 2006.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

3.16 Significant contract

Power Purchase Agreement

The company has entered into a Power Purchase Agreement (PPA) with Bangladesh Power Development Board (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, administrative and general expenses of the company, as well as to provide a return on and of 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 Taka 6,971,021,960 during the year ended 30 June 2014 and Taka 7,537,809,811 during the year ended 30 June 2013 under this agreement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
4. Property, plant and equipment		
Cost		
Opening balance	34,405,866,127	25,741,952,008
Add : Addition during the year	30,248,717	165,399,119
Closing balance	34,436,114,844	25,907,351,127
Accumulated depreciation		
Opening balance	11,046,599,705	7,937,916,965
Add : Charge for the year	1,803,403,562	1,191,115,215
Closing balance	12,850,003,267	9,129,032,180
Written down value at 30 June 2014	21,586,111,577	16,778,318,947
Details are shown in Annex 1.		
5. Project in progress		
Cost		
Opening balance	8,498,515,000	8,498,515,000
Add : Project cost units 3, 4 and 5	-	-
	8,498,515,000	8,498,515,000
Less : Transferred to property, plant and equipment	8,498,515,000	-
Closing balance	-	8,498,515,000
Accumulated depreciation (For project in progress)		
Opening balance	1,917,567,525	1,310,530,738
Add : Charge for the year	607,036,787	607,036,787
	2,524,604,312	1,917,567,525
Less : Transferred to property, plant and equipment	2,524,604,312	-
Closing balance	-	1,917,567,525
Written down value at 30 June 2014	-	6,580,947,475
Details are shown in Annex 3.		
Project in progress includes overhauling expense to ensure reliable and uninterrupted operation of units 3, 4 and 5 of Ashuganj Power Station Company Ltd by rehabilitation and modernisation. This amount will be capitalised after receiving Project Completion Report (PCR) from Ministry of Power Energy and Mineral Resources Division.		
6. Deferred expenditure		
Licence fee (note 6.1)	-	-
Deferred expenditure (Note 6.2)	807,170,999	854,024,325
	807,170,999	854,024,325
6.1 Licence fee		
Opening balance	-	724,000
Less : Amortisation	-	724,000
Closing balance	-	-
As per Bangladesh Energy Regulatory Commission (BERC) Licence Regulation 2006, every power generation entity		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

should obtain a licence and pay licence fee of Taka 5,000 against each MW of installed capacity with application. The company paid an amount of Taka 3,620,000 against its 724 MW of installed capacity for obtaining licence.

	2014	2013
	BDT	BDT
6.2 Deferred expenditure		
Opening balance	854,024,325	780,594,428
Add : Addition during the year	69,040,294	182,419,488
	923,064,619	963,013,916
Less : Amortisation	115,893,620	108,989,590
Closing balance	807,170,999	854,024,325

Deferred expenditure consists of cost of spare parts of plant and machinery and others major repair and maintenance expenses. As per decision of 17th meeting of audit committee of Ashuganj Power Station Company Ltd, deferred expenditure should be amortised within a period of maximum 10 years.

7. Capital works-in-progress

225 MW Combined Cycle Power Plant (note 7.1)	10,636,422,580	2,621,594,996
450 MW (South) Project (note 7.2)	15,214,063,369	10,198,653,454
450 MW (North) Project (note 7.3)	2,255,424,010	22,138,511
200 MW Modular Project (note 7.4)	168,164,667	301,700
	28,274,074,626	12,842,688,661

Ashuganj Power Station Company Ltd is going to implement new power plant namely, 225 MW Combined Cycle Power Plant, 450 MW (South), 450 MW (North) and 200 MW Modular Project. All cost in such projects are shown as capital works-in-progress.

7.1 225 MW Combined Cycle Power Plant

For details, see Annex 4A.

Opening balance	2,621,594,996	11,507,212
Add : Addition during the year	8,014,827,584	2,610,087,784
Closing balance	10,636,422,580	2,621,594,996

7.2 450 MW (South) Project

For details, see Annex 4B.

Opening balance	10,198,653,454	25,000
Add : Addition during the year	5,015,409,915	10,198,628,454
Closing balance	15,214,063,369	10,198,653,454

7.3 450 MW (North) Project

For details, see Annex 4C.

Opening balance	22,138,511	-
Add : addition during the year	2,233,285,499	22,138,511
Closing balance	2,255,424,010	22,138,511

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
7.4 200 MW Modular Project		
<i>For details, see Annex 4D.</i>		
Opening balance	301,700	-
Add : Addition during the year	167,862,967	301,700
Closing balance	168,164,667	301,700
8. Stocks in stores		
Opening balance	619,145,229	736,579,055
Add: Purchase during the year	283,030,546	411,600,480
	902,175,775	1,148,179,535
Less: Goods-in-transit (reduction during the year)	1,862,091	189,404,311
Less: Consumption during the year	202,341,543	339,629,995
Closing balance	697,972,141	619,145,229
The above figure represents the cost price of spare parts and other materials.		
9. Advances, deposits and prepayments		
Advances		
Temporary advance	8,118,515	6,808,602
Tax deducted at source	18,273,779	16,091,857
Advance to Agradoot Bangladesh Scouts	120,000	120,000
	26,512,294	23,020,459
Deposits		
Customs security deposit (For 50 MW gas engine project)	50,500	101,500
Titas Gas T & D Ltd (security deposit)	635,485	635,485
	685,985	736,985
	27,198,279	23,757,444
10. Accounts receivables		
Receivable from BPDB		
Opening balance	4,754,366,967	2,785,043,141
Add: Electricity sales to BPDB during the year	6,971,021,960	7,537,809,811
Previous year adjustment for 50 MW fuel cost	46,839,969	342,110,845
Other adjustment with BPDB	677,760	-
Debt service liability due (note 10.1)	68,227,203	99,633,724
	11,841,133,859	10,764,597,521
Less: Fuel cost paid by BPDB	4,306,113,836	1,855,217,749
Cash collection during the year	5,207,785,478	4,096,183,324
Uncollectable receivable written off	58,829,481	58,829,481
	2,268,405,064	4,754,366,967

As per decision of 149 th Board Meeting, a sum of Taka 235,317,922, receivable from PDB against sale of energy is to be written off equally within 4 years. As a result, a sum of Taka 58,829,481 is charge during the year. Accordingly, the accounts have been rectified and receivable balance has been reduce to that extent.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
10.1 Debt service liability (DSL) due		
DSL due against govt. loan (note 10.1.1)	751,355,070	545,317,422
DSL due against foreign loan (note 10.1.2)	7,557,752,850	7,037,017,701
	8,309,107,920	7,582,335,123
Less: Adjusted DSL due	3,425,851,228	2,630,851,228
	4,883,256,692	4,951,483,895
Less : Opening balance	4,951,483,895	5,051,117,619
	(68,227,203)	(99,633,724)
10.1.1 Debt service liability (DSL) due against government loan		
Opening balance	545,317,422	517,095,956
Add: Principal due during the year	116,110,798	8,238,000
Interest accrued during the year	89,926,850	19,983,466
	751,355,070	545,317,422
Break-up of the above figure		
Principal	425,865,298	309,754,500
Interest	325,489,772	235,562,922
	751,355,070	545,317,422
10.1.2 Debt service liability (DSL) due against foreign loan		
Opening balance	7,037,017,701	6,552,326,579
Add: Principal due during the year	427,205,983	437,851,332
Interest accrued during the year	93,528,750	36,194,025
Foreign currency fluctuation loss	416	10,645,765
Closing balance	7,557,752,850	7,037,017,701
Break-up of the above figure :		
Principal	4,249,606,695	3,822,400,712
Interest	3,116,275,512	3,022,746,762
Foreign currency fluctuation loss	191,870,643	191,870,227
	7,557,752,850	7,037,017,701
11. Cash and cash equivalents		
Cash in hand	304,296	167,455
Bank balances (note 11.1)	1,447,488,874	802,699,341
	1,447,793,170	802,866,796

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
11.1 Bank balances with :		
Janata Bank Limited	1,112,243,906	515,891,405
Mutual Trust Bank Limited	108,527,523	52,852,050
HSBC	93,261,849	15,270,937
Shahjalal Islami Bank Limited	29,509,654	40,148,784
EXIM Bank Limited	28,886,075	27,873,327
Pubali Bank Limited	23,951,638	41,464,983
Bangladesh Development Bank Limited	12,394,034	11,156,640
Jamuna Bank Limited	12,357,103	11,151,640
The City Bank Limited	10,466,540	-
IFIC Bank Limited	10,450,012	-
Trust Bank Limited	3,131,041	2,096,099
Standard Chartered Bank	2,285,015	25,744,372
Sonali Bank Limited	24,484	1,252,716
Rupali Bank Limited	-	57,796,388
	1,447,488,874	802,699,341
12. Share capital		
Authorised capital		
300,000,000 ordinary shares of Taka 100 each	30,000,000,000	30,000,000,000
Issued, subscribed and paid-up capital		
66,150,000 ordinary shares of Taka 100 each	6,615,000,000	6,615,000,000
Shareholding position:		
Name of shareholder/representative		No. of shares
Bangladesh Power Development Board (BPDB)		66,147,098
Power Division Secretary, MOPEMR		1,900
Energy and Mineral Resources Division Secretary, MOPEMR		1
Finance Division Secretary, Ministry of Finance		1,000
Planning Division Secretary, Ministry of Planning		1
Total number of shares		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	-
	12,186,614,964	11,440,534,164
Less : Transferred to paid-up capital	6,614,000,000	6,614,000,000
	5,572,614,964	4,826,534,164

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

- 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 (PVA).
- 13.3** Projects completion report (PCR) of overhauling projects (Unit # 3,4 and 5) has been completed, so added remaining equity.

14. Direct grant

344,182,000 -

An amount of BDT 344,182,000 was received as grant from Kreditanstalt 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

	2014 BDT	2013 BDT
Opening balance	2,463,517,020	1,777,997,141
Add: Profit during the year	681,179,955	718,594,879
	3,144,696,975	2,496,592,020
Less: Dividend payable	33,075,000	33,075,000
Closing balance	3,111,621,975	2,463,517,020

16. Debt service liabilities (DSL)

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

Opening balance	2,588,956,460	2,588,513,693
Add: Addition for overhauling project (adjustment)	413,098,344	-
Add: Addition during the year (450 MW- north)	8,354,601	8,680,767
	3,010,409,405	2,597,194,460
Less: Repayment due for the year	116,110,798	8,238,000
Closing balance	2,894,298,607	2,588,956,460
Break-up of the above figure		
Unit # 5	-	2,101,000
Unit # 3 and 4	-	7,444,500
450 MW north	17,035,368	8,680,767
Overhauling unit # 3	652,382,193	652,382,193
Overhauling unit # 4 and 5	2,224,881,046	1,918,348,000
	2,894,298,607	2,588,956,460

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
18. Foreign loan		
Opening balance	2,912,221,050	3,338,498,620
Add: Addition during the year (ADB loan)	1,323,927,774	11,573,762
Add: Addition during the year (IDB loan)	895,325,999	-
	5,131,474,823	3,350,072,382
Less: Repayment during the year	427,205,983	437,851,332
Less: Overhauling project adjustment	1,503,361,144	-
Closing balance	3,200,907,696	2,912,221,050
19. Export credit agency (ECA) loan		
450 MW (South) Project (note 19.1)	14,234,466,856	9,627,176,447
225 MW Project (note 19.2)	5,902,168,755	-
	20,136,635,611	9,627,176,447
19.1 For 450 MW (South) Project		
CESCE premium	785,279,135	586,210,500
HERMES premium	4,440,564,843	974,320,776
MIGA premium	7,836,857,106	7,274,125,026
ONDD premium	878,212,615	792,520,145
Interest during construction period (IDCP)	293,553,157	-
	14,234,466,856	9,627,176,447
19.2 For 225 MW Project		
HERMES premium	2,763,138,152	-
K-SURE premium	3,110,597,323	-
Interest during construction period (IDCP)	28,433,280	-
	5,902,168,755	-
The company has arranged an ECA loan facility for two new projects namely 225 MW CCGT and 450 MW CCGT power plant, amounting to US\$ 193 million and US\$ 420 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 US\$ and it was converted to BDT at the rate prevailing on the disbursement date.		
20. Provision for income tax		
Opening balance	925,573,144	713,257,068
Add: Provision made during the year	120,000,000	250,000,000
	1,045,573,144	963,257,068
Less: Payment during the year	38,536,836	37,683,924
Closing balance	1,007,036,308	925,573,144

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	BDT	BDT
21. Outstanding liabilities		
Liabilities for :		
Expenses (note 21.1)	1,121,055,040	2,196,626,384
Gratuity (note 21.2)	175,830,846	156,830,646
Interest expense (note 21.3)	650,886,124	650,886,124
	<u>1,947,772,010</u>	<u>3,004,343,154</u>
21.1 Liabilities for expenses		
Fuel cost payable	962,437,922	2,032,463,872
Provision for uncollectable receivable	109,872,224	55,869,539
Provision for new uniform pay scale of the power sector	31,955,488	-
Accounts payable	5,614,124	24,197
Conveyance payable	5,479,008	-
School fund	3,063,730	2,097,226
Overtime expense payable	1,942,541	3,230,794
Provision for physical inventory verification	363,000	124,000
Elegant builders payable	104,576	104,576
Security deposit (contractors and suppliers)	90,976	90,976
Provision for audit fees	70,000	70,000
Income tax consultancy fee payable	60,000	60,000
Dividend payable	1,451	33,075,000
Provision for contribution to providend fund	-	28,768,433
Arrear salaries and allowances	-	26,323,469
Provision for acid cleaning	-	8,000,000
VAT payable	-	1,215,249
Withholding taxes	-	1,148,453
Provision for furniture	-	197,600
Provision for vehicle	-	3,763,000
	<u>1,121,055,040</u>	<u>2,196,626,384</u>
21.2 Liabilities for gratuity		
Opening balance	156,830,646	138,113,454
Add: Provision made during the year	24,000,200	23,717,192
	<u>180,830,846</u>	<u>161,830,646</u>
Less: Payment during the year	5,000,000	5,000,000
Closing balance	<u>175,830,846</u>	<u>156,830,646</u>
21.3 Liabilities for interest expense (For OH projects 3, 4 and 5)		
Opening balance	650,886,124	429,388,914
Add: Provision made during the year	-	221,497,210
Closing balance	<u>650,886,124</u>	<u>650,886,124</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
22. Workers profit participation fund		
Opening balance	48,429,744	91,536,829
Add: Provision made during the year	40,058,998	48,429,744
	88,488,742	139,966,573
Less: Payment during the year	48,429,744	91,536,829
Closing balance	40,058,998	48,429,744
23. Revenue (Sales)		
Capacity payment (note 23.1)	3,480,486,509	3,548,036,652
Energy payment (note 23.2)	3,490,535,451	3,989,773,159
	6,971,021,960	7,537,809,811
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.		
23.1 Capacity payment (573 MW)		
July	262,174,873	262,174,873
August	262,174,872	262,174,873
September	262,174,872	262,174,873
October	262,174,872	262,174,873
November	262,174,872	262,174,873
December	262,174,873	262,174,873
January	251,426,313	262,174,873
February	251,426,313	262,174,873
March	251,426,313	262,174,873
April	251,426,313	262,174,873
May	251,426,313	262,174,873
June	251,426,313	262,174,873
	3,081,607,112	3,146,098,476
Capacity payment (50 MW)		
July	33,494,848	33,494,848
August	33,494,848	33,494,848
September	33,494,848	33,494,848
October	33,494,848	33,494,848
November	33,494,848	33,494,848
December	33,494,848	33,494,848
January	33,494,848	33,494,848
February	33,494,848	33,494,848
March	33,494,848	33,494,848
April	33,494,848	33,494,848
May	33,494,848	33,494,848
June	30,436,069	33,494,848
	398,879,397	401,938,176
Total capacity payment	3,480,486,509	3,548,036,652

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	BDT	BDT
23.2 Energy payment (573 MW)		
July	335,393,624	329,110,354
August	308,392,445	296,071,325
September	280,980,958	324,612,550
October	275,290,228	272,531,681
November	226,034,128	296,689,821
December	181,855,619	321,672,110
January	294,706,044	289,072,899
February	242,234,480	312,970,296
March	267,417,587	356,420,439
April	296,781,420	333,479,283
May	327,044,003	322,052,833
June	264,834,561	318,473,683
	<u>3,300,965,097</u>	<u>3,773,157,274</u>
Energy payment (50 MW)		
July	19,248,128	19,726,948
August	19,288,557	19,472,817
September	18,389,580	12,709,356
October	14,275,440	14,882,358
November	9,677,804	19,429,298
December	11,202,895	22,540,100
January	10,160,764	19,195,175
February	12,986,611	15,312,130
March	18,908,321	18,049,624
April	15,522,820	17,232,443
May	20,132,343	20,128,235
June	19,777,091	17,937,401
	<u>189,570,354</u>	<u>216,615,885</u>
Total energy payment	<u>3,490,535,451</u>	<u>3,989,773,159</u>
24. Cost of sales		
Fuel cost - gas and diesel (note 24.1)	3,531,423,375	3,845,924,745
Depreciation on plant and machinery (Annex 1)	1,137,057,915	1,134,229,202
Depreciation on overhauling (Annex 3)	607,036,786	607,036,787
Repair and maintenance (note 24.2)	181,697,414	163,395,596
	<u>5,457,215,490</u>	<u>5,750,586,330</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	BDT	BDT
24.1 Fuel cost (573 MW)		
July	329,973,536	311,543,206
August	313,016,714	283,457,261
September	286,803,966	309,316,829
October	282,852,653	257,787,652
November	232,629,894	283,761,020
December	187,463,741	312,855,763
January	297,870,732	269,294,651
February	244,885,884	301,427,693
March	270,846,181	336,853,266
April	304,054,932	328,135,434
May	320,382,527	314,761,705
June	260,936,188	309,297,786
	<u>3,331,716,948</u>	<u>3,618,492,266</u>
Fuel cost: (50 MW)		
July	20,726,631	20,672,695
August	20,424,439	20,583,284
September	19,276,164	13,290,815
October	15,174,149	15,600,883
November	10,263,229	20,161,353
December	11,904,348	23,580,397
January	10,752,863	19,858,770
February	13,777,525	15,813,426
March	19,331,797	18,910,111
April	16,249,962	18,247,377
May	20,713,210	21,381,711
June	20,769,306	19,139,309
	<u>199,363,623</u>	<u>227,240,131</u>
Total gas	<u>3,531,080,571</u>	<u>3,845,732,397</u>
Total Fuel cost - gas and diesel		
Gas	3,531,080,571	3,845,732,397
Diesel	342,804	192,348
	<u>3,531,423,375</u>	<u>3,845,924,745</u>
24.2 Repair and maintenance		
Chemical and gas consumption	17,341,233	13,343,387
Lubricating oil, grease, vaseline, etc.	38,941,816	29,192,639
Spare parts	71,404,536	82,428,535
Repair and maintenance of plant, machinery and equipment	54,009,829	38,431,035
	<u>181,697,414</u>	<u>163,395,596</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

25. Personnel expenses

	2014 BDT	2013 BDT
Salary and allowances (workers)	163,771,467	135,089,647
Salary and allowances (officers)	107,231,041	82,598,562
Overtime allowance	24,988,668	19,507,939
Employer's contribution to CPF	14,013,765	13,143,436
Gratuity (worker)	13,825,460	13,667,538
Festival allowances (workers)	13,649,104	13,101,528
Salaries (casual employees)	12,348,578	7,512,117
KPI bonus	11,156,950	-
Domestic gas and electricity for employees	10,454,687	10,529,067
Leave encashment	10,147,413	11,293,049
Gratuity (officers)	9,597,740	9,488,488
Festival allowances (officers)	9,383,256	8,479,608
Conveyance	5,479,008	-
Salary and allowances (directors)	5,309,680	4,099,050
Group insurance premium	2,738,351	1,808,045
Education allowance	1,878,695	1,955,005
Uniform and liveries	1,300,600	3,400,450
Festival allowances (casual employees)	1,054,416	719,899
Employees welfare and recreation expenses	737,710	739,440
Gratuity (directors)	577,000	561,166
Medical expenses reimbursed	535,353	332,552
Festival allowances (directors)	459,000	441,600
Gratuity (casual employees)	409,800	304,650
	421,047,742	338,772,836
Less : House rent recovery	28,604,324	27,157,289
	392,443,418	311,615,547

26. Office and other expenses

Miscellaneous expenses	5,770,900	1,000,039
Advertising and procurement processing expenses	3,739,643	3,135,659
Printing and stationery	3,192,252	2,340,843
Training and education	2,300,104	403,750
Postage, internet and telephone	1,717,100	1,750,495
Travelling and daily allowances	1,143,225	1,178,137
AGM and EGM expenses	1,133,091	694,604
Entertainment	926,521	643,964
Committee meeting expenses	732,481	659,790
Directors' honorarium	690,000	1,046,500
Defence service expense	567,378	422,078
Bank charges	511,721	696,409
Physical inventory verification	481,000	-
Board meeting expenses	413,196	499,000
Rent expense (Dhaka office)	233,664	587,388
Recruitment and appointment affairs expenses	178,028	-
Newspapers and periodicals	153,680	117,811
Legal expenses	142,428	405,050
Audit fees	70,000	70,000
Hospitalisation expense	31,651	49,618
	24,128,063	15,701,135

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 BDT	2013 BDT
27. Repair and maintenance		
Building maintenance	28,480,965	18,480,561
Cleaning and gardening	6,482,789	3,818,617
Fuel for transport	5,444,150	4,278,680
Roads and other civil maintenance	3,091,113	1,287,913
Vehicle maintenance	2,610,906	2,225,942
Annual licence renewal fees	2,500,000	2,500,000
Electrical maintenance	1,980,143	1,075,341
Transformer oil, silica gel, etc.	1,968,326	630,634
Rent, rates and taxes	1,550,273	2,862,143
Consultancy services	1,535,548	3,536,317
Other operating expenses	1,148,316	374,845
Carriage inward, freight and handling	1,028,474	1,095,278
Insurance expenses	619,632	361,622
Repair of office furniture	197,550	-
Repair of office equipment	158,435	184,934
Monitoring log sheet	10,000	107,590
	<u>58,806,620</u>	<u>42,820,417</u>
28. Depreciation expenses		
As per existing value (Annex-1)	59,308,860	56,886,013
	<u>59,308,860</u>	<u>56,886,013</u>
29. Provision for uncollectable receivable		
During this year	54,002,685	55,869,539
	<u>54,002,685</u>	<u>55,869,539</u>
As per decision of 29th meeting of audit committee, allowance should be made against disputed amount of accounts receivable from BPDB against sales bill. As per power purchase agreement, BPDB is required to pay inflation adjusted scalable capacity payment. But BPDB did not pay the over amount of capacity payment due to inflation. The company kept close contact with BPDB and negotiation for collection of the amount.		
30. Uncollectable receivable written off		
During this year	58,829,481	58,829,481
31. Provision no longer required		
Provision for contribution to provident fund	28,769,353	-
Arrear salaries and allowance	26,323,469	-
Provision for acid cleaning	8,000,000	-
	<u>63,092,822</u>	<u>-</u>
Less: Transferred to profit and loss A/C	63,092,822	-
Closing balance	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

32. Non-operating income

	2014 BDT	2013 BDT
Interest income	188,459,474	147,135,770
Sale of scraps	13,892,297	14,839,126
Received electricity bill from house rent	5,621,199	192,450
House rent recovery	1,676,851	2,327,638
Sale of tender documents	836,500	1,978,900
Forfeiture of pay order	363,456	382,800
Other income	197,455	1,035,947
Income from recruitment	130,400	805,537
Sale of hydrogen gas	27,343	623,271
Income from power plant training centre	3,450	235,892
	<u>211,208,425</u>	<u>169,557,331</u>

33. Financial expenses

Interest on government loan	412,000	19,983,466
Interest on foreign loan	19,105,802	36,194,025
Provisional interest expense	163,937,799	221,497,210
Foreign currency fluctuation (gain)/loss	416	10,645,765
	<u>183,456,017</u>	<u>288,320,466</u>

34. Number of employees who received remuneration throughout the financial year not less than Taka 36,000 was 126 and none receiving below Taka 3,000 per month.
35. Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
36. Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation without causing any impact on the operating results for the year and value of assets and liabilities at the end of that year as shown in the financial statements under reporting.

For Ashuganj Power Station Company Ltd



Company Secretary



Executive Director (Finance)



Managing Director



Director

Dhaka, Bangladesh
Dated, 16 September 2014

DETAILS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 1

Particulars	Cost				Depreciation				Net book value at 30 June 2014
	At 01 July 2013	Addition during the year	Disposal during the year	Total at 30 June 2014	Rate (%)	At 01 July 2013	Charge for the year	Total at 30 June 2014	
	BDT	BDT	BDT	BDT		BDT	BDT	BDT	BDT
Land	1,180,354	-	-	1,180,354		-	-	-	1,180,354
Building	2,495,462,346	17,244,462	-	2,512,706,808	1.55 - 13.33	525,540,711	52,089,199	577,629,910	1,935,076,898
Plant and machinery	23,317,005,887	1,320,000	-	23,318,325,887	7.14 - 40	8,563,260,247	1,137,057,915	9,700,318,162	13,618,007,725
Office equipments	27,594,263	5,466,542	-	33,060,805	10 - 33.33	17,651,608	3,523,639	21,175,247	11,885,558
Vehicles	54,644,346	4,460,000	-	59,104,346	5	14,775,485	2,658,565	17,434,050	41,670,296
Furniture and fixtures	11,463,931	1,757,713	-	13,221,644	10	7,804,129	1,037,457	8,841,586	4,380,058
overhauling project (*)	8,498,515,000	-	-	8,498,515,000		1,917,567,525	607,036,787	2,524,604,312	5,973,910,688
Total at 30 June 2014	34,405,866,127	30,248,717	-	34,436,114,844		11,046,599,705	1,803,403,562	12,850,003,267	21,586,111,577
Total at 30 June 2013	25,741,952,009	165,399,119	-	25,907,351,128		7,937,916,965	1,191,115,215	9,129,032,180	16,778,318,947

overhauling project (*) Transferred from projects in progress for (units # 3, 4 and 5)

Annex 1 (a)

Total Depreciation	1,803,403,562
Less : Depreciation of plant and machinery	1,137,057,915
Less : Depreciation of overhauling project	607,036,787
	<u>59,308,860</u>

STATEMENT OF DEFERRED EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 2

Particulars	Division	Life year	Deferred expenditure	Expenditure per year	Utilization year	Total amortisation	Balance of deferred expenditure
			BDT	BDT		BDT	BDT
Balance for the 2008-09			12,060,466	1,206,047	5	6,030,233	6,030,233
Balance for the 2009-10			16,536,129	1,296,482	4	5,185,928	11,350,201
Balance for the 2010-11			30,642,324	3,087,500	3	9,262,500	21,379,824
Balance for the 2011-12			821,401,752	85,157,613	2	170,315,226	651,086,526
Balance for the 2012-13			182,419,488	18,241,949	1	18,241,949	164,177,539
Balance as at 30 June 2013			1,063,060,159	108,989,590		209,035,836	854,024,323
Opening balance			854,024,323	108,989,590	Running	108,989,590	745,034,733
Shaft with keys	Turbine	10	4605795	460,580	Running	460,580	4,145,216
Complete motor assembly	Turbine	10	10,889,280	1,088,928	Running	1,088,928	9,800,352
Service payment for overhauling	Unit - 04	10	32,866,133	3,286,613	Running	3,286,613	29,579,520
Service payment for overhauling	Unit - 05	10	20,679,086	2,067,909	Running	2,067,909	18,611,177
Closing balance as at 30 June 2014			923,064,617	115,893,620		115,893,620	807,170,997

STATEMENT OF DEFERRED EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 2 (a)

Particulars	Division	Unit	Currency	Per unit	Total foreign currency	Conversion rate	Deferred expenditure	Life in years	Expenditure per year	Balance of deferred expenditure
							BDT		BDT	BDT
Combustion chamber	GT # 1	2 pcs	GBP	4,385	8,770	138.07	1,210,874	10	121,087	1,089,787
Gland ring P- 144	GT # 1 & 2	1 Set	GBP	17,677	17,677	138.07	2,440,663	10	244,066	2,196,597
Gland ring P- 145	GT # 1 & 2	1 Set	GBP	17,677	17,677	138.07	2,440,663	10	244,066	2,196,597
DC power supply unit	GT # 2	1 pc	GBP	7,375	7,375	138.07	1,018,266	10	101,827	916,440
Lead acid industrial battery	GT # 1	110 pcs	BDT	45,000	-	-	4,949,999	10	495,000	4,454,999
Balance as on 30 June 2009					Total		12,060,466		1,206,047	10,854,420
Balance as on 01 July 2009		-	-	-	-	-	10,854,420	10	1,206,047	9,648,373
Combustion can	CCPP	4 pcs	GBP	4,385	17,540	111.68	1,958,867	10	195,887	1,762,980
Rectifier OEC	Generator	1 set	-	-	-	-	7,434,637	10	743,464	6,691,174
Gravel filter (Stone)	Switchyard	-	-	-	-	-	7,142,625	20	357,131	6,785,494
Balance as on 30 June 2010					Total		27,390,549		2,502,528	24,888,021
Balance as on 01 July 2010		-	-	-	-	-	24,888,021		2,502,528	22,385,492
Ball joint	Boiler	9 pcs	BDT	865,640	7,790,760	1.00	7,790,760	10	779,076	7,011,684
Bush	Boiler	5 pcs	BDT	375,440	1,877,200	1.00	1,877,200	10	187,720	1,689,480
Gravel filter (Stone)	Switchyard	-	-	-	-	-	372,959	10	37,296	335,663
Air preheater tube	Boiler						13,383,172	10	1,338,317	12,044,854
230 KV Sf6 circuit breaker with accessories	Sub-station	1 Set	BDT	2,145,999	2,145,999		2,145,999	10	214,600	1,931,400
Flexible hose	Turbine	5 Pcs	BDT				1,877,200	10	187,720	1,689,480
132 KV single phase hermitically sealed outdoor current	Sub-station	6 Pcs	Euro	5,577	33,463	92.50	3,095,314	10	309,531	2,785,783
Computer network accessories							99,720	3	33,240	66,480
Balance as on 30 June 2011					Total		55,530,345		5,590,029	49,940,316

STATEMENT OF DEFERRED EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 2 (a)

Particulars	Division	Unit	Currency	Per unit	Total foreign currency	Conversion rate	Deferred expenditure	Life in years	Expenditure per year	Balance of deferred expenditure
							BDT		BDT	BDT
Balance as on 01 July 2011		-	-	-	-	-	49,940,316		5,590,029	44,350,288
Tilting pad for thrust bearing unit with p/no.31 thrust pad	Boiler	1 Pcs	Yen	6,510,187	6,510,187	0.84	5,468,557	10	546,856	4,921,701
Thrust pad	Boiler	1 Set	Yen	4,884,188	4,884,188	0.84	4,102,718	10	410,272	3,692,446
Round sealing cord	Boiler	7000 Meter	Euro	19	133,000	96.25	12,801,250	4	3,200,313	9,600,938
Round sealing card	Boiler	4000 Meter	Euro	19	76,000	96.25	7,315,000	4	1,828,750	5,486,250
New pipe line	225 MW						1,886,500	10	188,650	1,697,850
LP blade carrier	Unit-1						406,280,010	10	40,628,001	365,652,009
Registration fee of joint stock company							11,259,688	10	1,125,969	10,133,719
Turbine blade	Turbine						372,288,029	10	37,228,803	335,059,226
Balance as on 30 June 2012					Total		871,342,068		90,747,641	780,594,427
Balance as on 01 July 2012		-	-	-	-	-	780,594,427		90,747,641	689,846,785
Supply of turbine blade, accessories and spare parts of unit 01	Turbine						173014637	10	17,301,464	155713173
Solar panel							9,404,851	10	940,485	8,464,366
Balance as on 30 June 2013					Total		963,013,915		108,989,590	854,024,323
Balance as on 01 July 2013		-	-	-	-	-	854,024,323		108,989,590	745,034,732
Shaft with keys	Turbine						4,605,795	10	460,580	4,145,216
Complete motor assembly	Turbine						10,889,280	10	1,088,928	9,800,352
Service payment for overhauling	Unit - 04						32,866,133	10	3,286,613	29,579,520
Service payment for overhauling	Unit - 05						20,679,086	10	2,067,909	18,611,177
Balance as at 30 June 2014					Total		923,064,617		115,893,620	807,170,997

PROJECT IN PROGRESS (UNITS 3, 4 AND 5)

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 3

Net project in progress included in 30 June 2013

Project in progress included in 2009-2010	6,962,780,000
Add: Work in progress 2010-11 (9,551,520,000-8,593,735,000)	957,785,000
Work in progress 2011-2012	577,950,000
Less : Amortisation during the year 2009-2010	247,434,667
Amortisation during the year 2010-11	497,341,428
Amortisation during the period July 2011 to June 2012	565,754,643
Amortisation during the period (July 2012 to June 2013)	607,036,786
Amortisation during the period (July 2013 to June 2014) (*)	607,036,786
	<u>5,973,910,688</u>

*(6,962,780,000+957,785,000+577,950,000)= 8,498,515,000; 8,498,515,000/14= 607,036,786

Depreciation calculation for 06 months asset life 14 years as per PPVA.

DEVELOPMENT/PROJECT COST

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 4

Summary of project cost

Particulars	30 June 2013	Addition during the year	30 June 2014
	BDT	BDT	BDT
225 MW Combined Cycle Power Plant	2,621,594,996	8,014,827,584	10,636,422,580
450 MW (South) Project	10,198,653,454	5,015,409,915	15,214,063,369
450 MW (North) Project	22,138,511	2,233,285,499	2,255,424,010
200 MW Modular Project	301,700	167,862,967	168,164,667
Total	12,842,688,661	15,431,385,965	28,274,074,626

DEVELOPMENT/PROJECT COST

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 4A

Work in progress A/C - For 225 MW Combined Cycle Power Plant

Particulars	30 June 2013	Addition during the year	30 June 2014
	BDT	BDT	BDT
Plant and machinery	-	5,173,218,308	5,173,218,308
Advance payment against LC	2,035,083,078	-	2,035,083,078
Premium	-	1,856,064,509	1,856,064,509
CD VAT	-	803,537,902	803,537,902
Fees, rent, rates and taxes	362,162,371	99,881,084	462,043,455
LC commission	159,397,771	-	159,397,771
Legal expense	44,517,425	21,656,388	66,173,813
Interest expense	-	41,316,222	41,316,222
Civil works	16,040,615	6,191,706	22,232,321
Salary and allowances	-	5,596,087	5,596,087
Consultancy services	233,505	3,831,846	4,065,351
Land development	3,701,442	-	3,701,442
Other operating expense	-	2,525,763	2,525,763
Office furniture	243,770	311,480	555,250
Office equipment	-	492,960	492,960
Printing and stationary	27,393	164,878	192,271
Travelling and daily allowance	176,828	-	176,828
Bank charges and others	5,877	35,107	40,984
Entertainment	4,921	3,345	8,266
Total	2,621,594,996	8,014,827,584	10,636,422,581

DEVELOPMENT/PROJECT COST

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 4B

Work in progress A/C - For 450 MW (South) Project

Particulars	30 June 2013	Addition during the year	30 June 2014
	BDT	BDT	BDT
Premium	5,536,272,023	-	5,536,272,023
15% Down payment	3,650,749,943	-	3,650,749,943
Plant , machinery and equipment	-	3,466,244,067	3,466,244,067
Design, installation and others	-	866,231,984	866,231,984
Loan processing fee	463,600,277	-	463,600,277
LC commission	315,815,831	21,735	315,837,566
Local loan interest	2,479,146	293,672,574	296,151,720
Fees, rent, rent and taxes	167,865,348	126,796,370	294,661,718
CD VAT	-	248,342,332	248,342,332
ORM REF (VAT)	55,773,210	-	55,773,210
Salary and allowances	-	7,262,129	7,262,129
Consultancy services	2,104,642	4,442,772	6,547,414
Civil works	2,838,087	753,411	3,591,498
Legal fee	1,025,833	140,000	1,165,833
Office furniture	-	716,344	716,344
Office equipment	83,700	448,650	532,350
Printing and stationary	14,654	150,575	165,229
Other operating expense	-	162,343	162,343
Bank charges and others	27,516	14,369	41,885
Entertainment	3,244	10,260	13,504
Total	10,198,653,454	5,015,409,915	15,214,063,369

DEVELOPMENT/PROJECT COST

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 4C

Work in progress A/C - For 450 MW (North) Project

Particulars	30 June 2013	Addition during the year	30 June 2014
	BDT	BDT	BDT
Advance payment	-	1,417,242,504	1,417,242,504
Plant and machinery	-	784,370,674	784,370,674
Consultancy service	11,573,762	17,640,595	29,214,357
Land development	8,680,767	7,911,085	16,591,852
Salary and allowances	-	5,050,138	5,050,138
Advertisement	1,778,178	-	1,778,178
Fees, rent, rates and taxes	-	500,000	500,000
Interest expense	-	443,516	443,516
Entertainment	42,674	44,769	87,443
Legal expense	-	62,500	62,500
Office equipment	49,500	4,500	54,000
Printing and stationary	13,630	15,218	28,848
Total	22,138,511	2,233,285,499	2,255,424,010

DEVELOPMENT/PROJECT COST

FOR THE YEAR ENDED 30 JUNE 2014

ANNEX 4D

Work in progress A/C - 200 MW Modular Project

Particulars	30 June 2013	Addition during the year	30 June 2014
	BDT	BDT	BDT
Legal expense	291,000	-	291,000
Entertainment	10,700	-	10,700
Land	-	167,862,967	167,862,967
Total	301,700	167,862,967	168,164,667
Total work in progress	12,842,688,661	15,431,385,965	28,274,074,626

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 14th ANNUAL GENERAL MEETING of the
Company to be held on Monday the 29 September, 2014 at 7.00 PM at Bijoy Hall, Biddut Bhaban (Level-14), 1 Abdul Gani Road, Dhaka and at any
adjournment thereof.

Signed this day of 2014.

.....
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

Shareholders' 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 14th Annual General Meeting being held on Monday the 29 September, 2014 at 7.00 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)																			

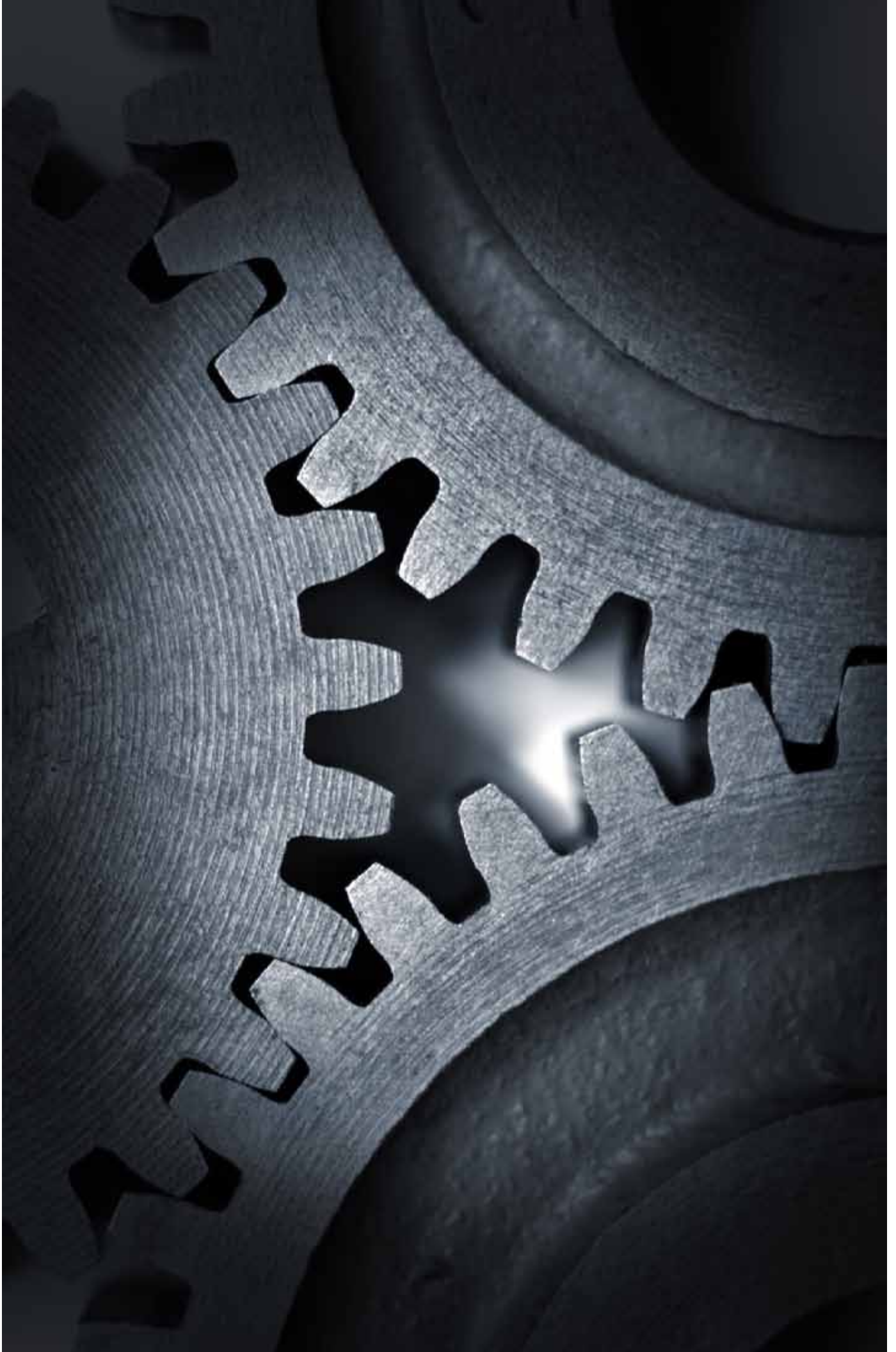
Signature Verified by

.....
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, Brahmanbaria-3402

Bangladesh

Phone : +880 8528 74004

Fax : +880 8528 74014, 74044

E-mail : apscl@apscl.com, apsclbd@yahoo.com

Web : www.apscl.com