

ANNUAL REPORT 2018



RPCL-NORINCO Intl Power Limited

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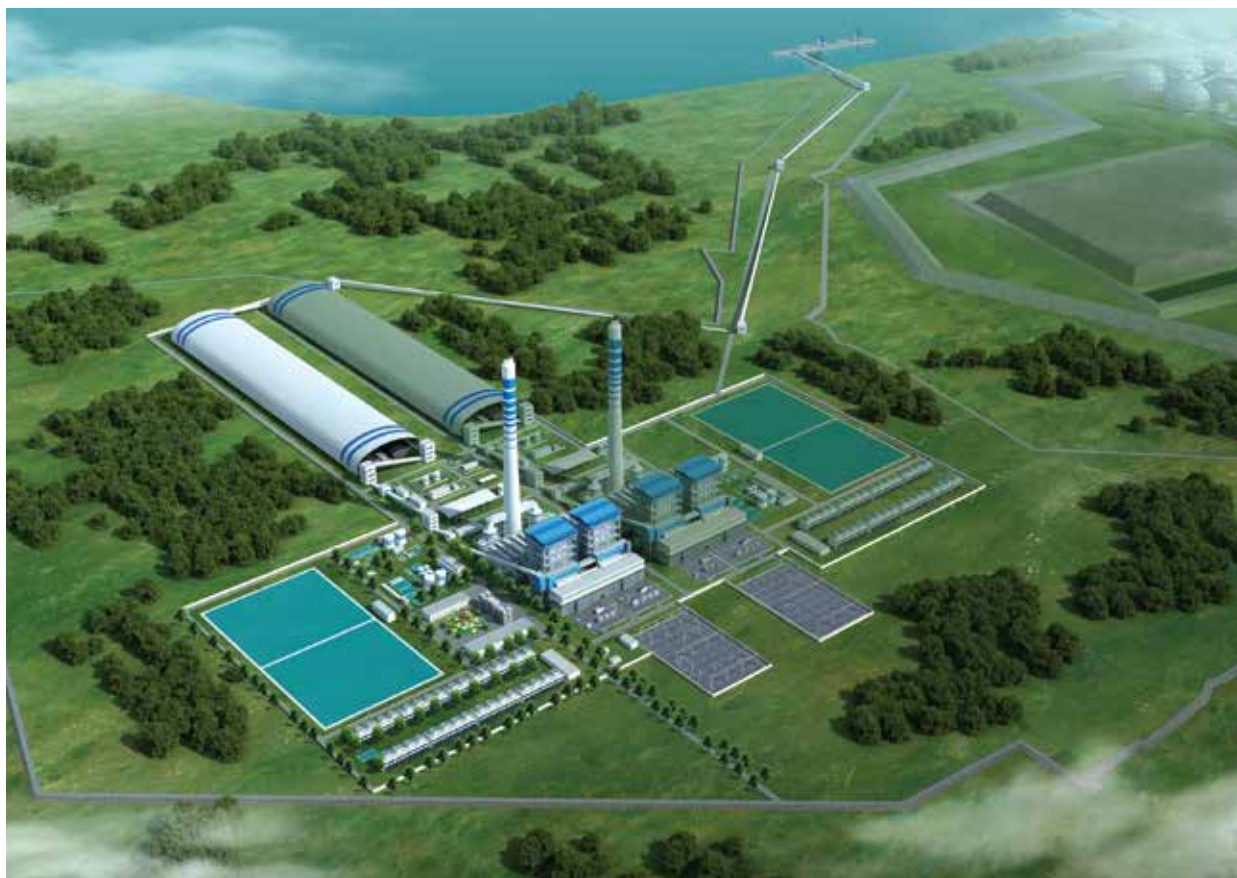
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RPCL-NORINCO Intl Power Limited



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Patuakhali 1320 (2 x 660) MW Coal Fired Thermal Power Plant

CONTENTS

	Page
Notice of the 1st Annual General Meeting (AGM)	05
Overview	06
Company Information	07
Project Information	08
Shareholding Composition	09
Success Milestones	10
Corporate Directory	11
Management Team	12
Board of Directors, RNPL	13
Message from the Managing Director	14
Message from the President NORINCO Intl. Cooperation Ltd. & Board Director, RNPL	16
Directors' Report	18
Directors' Profile	22
Memorable Events	29
Audited Financial Statements	43
Proxy Form	55



Beginning of the Journey

NOTICE OF THE 1st ANNUAL GENERAL MEETING (AGM)

The 1st Annual General Meeting (AGM) of RPCL-NORINCO INTL POWER LIMITED will be held on Monday the 27th day of May 2019 at 01:00 pm at Atlanta Trade Center (Level-7) House # 01, Road # 1/A, Sector # 4, Uttara, Dhaka to transact the following business:

AGENDA:

1. To receive, consider and adopt the Directors' Report, Audited Accounts and the Auditor's report for the Financial Year 2017-2018.
2. To elect / Re-elect Directors of the Company.
3. To appoint Auditor and fix their remuneration for the Financial Year 2018-2019.

All the concerned personnel are requested to attend the aforesaid momentous meeting.

By order of the Board



Kazi Mohammad Tanvir

Company Secretary, RNPL

Dated : April 10, 2019.

N.B Members entitled to attend & vote at the Annual General Meeting (AGM) may appoint a Proxy to attend in his/her stead. The Proxy Form, duly completed & stamped must be deposited to the Company's Corporate Office located at "Atlanta Trade Center", House# 01, Road#1/A, Sector # 4, Uttara Model Town, Dhaka-1230 not later than 72 hours before the meeting.

Overview

The Government of Bangladesh has given utmost priority in the Power Sector especially in power generation to achieve its Sustainable Development Goals. Power Division, Ministry of Power, Energy and Mineral Resources has taken extensive plan and programs in order to enhance generation capacity of Bangladesh as well as bring all people under electricity network coverage. Power Division set a target for RPCL to implement a coal based thermal power plant having capacity of 1320 (2 × 660) MW.

RPCL has selected the site at Kalapara Upozilla under Patuakhali district through detail Feasibility Study & Environment Impact Assessment Study. According to the GoB's approval the project will be implemented by the newly established Joint Venture Company, RPCL-NORINCO Intl. Power Limited (RNPL) between Rural Power Company Limited (RPCL)-a state owned company and NORINCO International Co-operation Ltd another state owned company of China with equal (50:50) partnership. The JV Company incorporated and registered with the Registrar of Joint Stock Companies & Firms Bangladesh on 21st December, 2017.

RPCL is now in the final stage of acquisition of 915.74 acre of land and already got possession of 309.67 acre of land, expected that remaining land will get soon. RPCL will hand over 500 acre of land to RNPL under a long term Land Lease Agreement which is already approved by the GoB. BPDB will

purchase all the electricity generation from the Power Plant and the Power Purchase Agreement (PPA) and Implementation Agreement (IA) has already signed. The Power Plant will be a two unit (2 × 660 MW) Ultra-Super Critical Coal fired thermal power plant having a total capacity of 1320 MW. This project comprises of construction of jetty and coal handling facilities for coal import, coal storage, power plant construction, township development and construction of transmission facilities and road communication. A modern village for resettling of approximately 350 affected families caused by Land Acquisition with school, Mosque, Community Center, shops is now under construction through a separate project taken by RPCL.

Based on preliminary assessment the approximate project cost is USD 2.5 billion. The 30% equity will be provided by RPCL and NORINCO equally (50:50) and remaining 70% debt will be procured through ECA Covered overseas project loan. For arrangement of overseas project loan a financial framework cooperation agreement has already been signed with the Export Import Bank of China.

RNPL has already Selected Engineering, Procurement & Construction (EPC) Contractor through international competitive bidding. The EPC contract signed on 06th March, 2019. It is expected that the construction work will be started from 1st July, 2019. RNPL set a target to reach the Commercial Operation of the Power Plant within April, 2023.

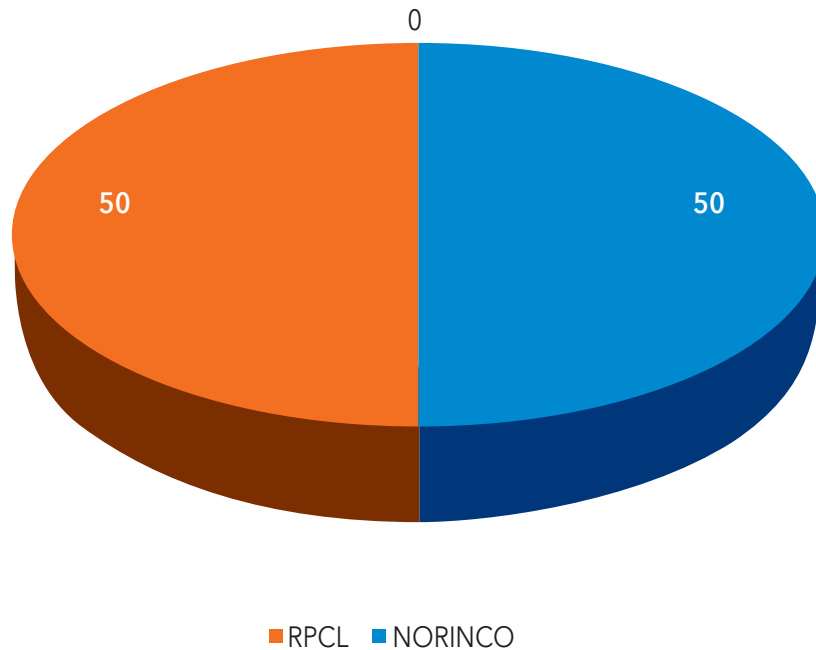
COMPANY INFORMATION

Name of the Company	: RPCL - NORINCO INTL POWER LIMITED
Status of the Company	: Private Limited Company
Date of Incorporation	: 21 December 2017
Registration No.	: C-142098/2017
Shareholders	: Rural Power Company Limited (50%) NORINCO International Cooperation Limited (50%)
Authorized Capital	: BDT 40,0000000.00
Paid-up Capital	: BDT 20,0000000.00
Face Value of each Share	: BDT 100.00
Chairman	: Major General Moin Uddin (Retd.)
Managing Director	: Md. Abdus Sabur
Executive Director	: Qi Yue
Major Area of Business	: Power Generation
Corporate Office	: Atlanta Trade Center (Level-7), House # 1, Road #1/A, Sector #4 Uttara Model Town, Dhaka-1230, Bangladesh
Auditor	: Hoda Vasi Chowdhury & Co
Administrative Ministry	: Power Division, Ministry of Power, Energy & Mineral Resources

PROJECT INFORMATION

Name of the Project	:	Patuakhali 1320 (2 x 660) MW Coal Fired Thermal Power Plant
Project Location	:	District: Patuakhali, Upozilla: Kalapara, Union: Dhankhali,
Mouza	:	Dhankhali, Nishanbaria and Londa
Capacity	:	1320 (2 x 660) MW
Project Cost	:	USD 2.5 Billion
Debt : Equity	:	70 : 30
Required Land	:	915.74 acres
Type of the Power Plant	:	Ultra Supercritical
Cooling System	:	Closed Cycle (Cooling Tower)
Source of Water	:	Ramnabad Channel
Pollution Control Mechanism	:	Low Nox Burner, Electro Static Precipitator (ESP), Flue Gas De-Sulfurization (FGD), Cooling Tower Etc.
Power Evacuation	:	At 400 KV level to the National Grid.
Fuel Type	:	Imported Coal. (from Indonesia & Australia)
Coal Requirement	:	12273 tons (daily) 4.48 Million tons (yearly)
Expected Commercial Operation Date	:	October 2022 (1st unit 660 MW) April 2023 (2nd Unit 660 MW)
Power Purchaser	:	Bangladesh Power Development Board (BPDB)

SHAREHOLDING COMPOSITION



INVESTMENT STRUCTURE DEBT & EQUITY RATIO



Success Milestones

Sl No	Description	Date
1	Signing of Memorandum of Understanding (MoU) between RPCL & NORINCO Intl.	9 th May, 2016
2	Signing of Joint Venture Agreement between RPCL & NORINCO Intl.	12 th November, 2017
3	Incorporation of the JV Company (RNPL) from RJSC	21 st December, 2017
4	First Board Meeting of the JV Company	30 th December, 2017
5	Signing of Service Contract with the Owner's Engineer	19 th April, 2018
6	Signing of Power Purchase Agreement between Bangladesh Power Development Board (BPDB) & RPCL - NORINCO INTL POWER Ltd. (RNPL)	20 th February, 2019
7	Signing of EPC Contract with Consortium of Tianjin Electric Power Construction Co. Ltd., China Huadian Engineering Co. Ltd. and China Wanbao Engineering Corporation (TEPC-CHEC-CWEC)	06 th March, 2019
8	Signing of Implementation Agreement between Government of the Peoples Republic of Bangladesh (GoB), RPCL -NORINCO INTL POWER LIMITED (RNPL) and Power Grid Company of Bangladesh Limited (PGCB)	8 th April, 2019

CORPORATE DIRECTORY

Chairman

Major General Moin Uddin (Retd.)

Chairman, BREB & RNPL

Board Directors

Major General Moin Uddin (Retd.)

Chairman, RNPL

Mr. Md. Abdus Sabur

Managing Director, RNPL

Mr. ATM Mostafa Kamal

Director, RNPL

Mr. Yuan Jun

Director, RNPL

Mr. Wang Xinqing

Director, RNPL

Mr. Qi Yue

Director, RNPL



Management Team

Md. Abdus Sabur

Managing Director, RNPL

Mr. Qi Yue

Executive Director, RNPL

Engr. Md. Towfique Islam

Project Director & Chief Engineer RNPL

Mr. Hou Tao

Deputy Project Director, RNPL

Kazi Mohammad Tanvir

Company Seretary, RNPL

Auditors

Hoda Vasi Chowdhury & Co

Chartered Accountants

Corporate Office

Atlanta Trade Center (Level-7)

House # 01, Road # 1/A,

Sector # 4, Uttara, Dhaka-1230

Board of Directors, RNPL



Major General Moin Uddin (Retd.)
Chairman, RNPL



Mr. Yuan Jun
Director, RNPL



Mr. ATM Mostafa Kamal
Director, RNPL



Mr. Wang Xinqing
Director, RNPL



Mr. Qi Yue
Director, RNPL



Md. Abdus Sabur
Managing Director, RNPL

MESSAGE FROM THE MANAGING DIRECTOR



It gives me immense pleasure to welcome you all to the 1st Annual General Meeting of the Company. I would like to express my heartfelt thanks & gratitude to our respectable shareholders, valued clients and distinguished patrons whose cooperation & support helped us to start our journey to implement 1320 MW coal fired thermal power plant in the vicinity of Payra seaport in Patuakhali District.

I am pleased to inform that the company comprehensively rose to the many challenges it faced and continued successfully in implementing the project. A country's economy, development and socio-cultural advancement are directly dependent on electricity. In line with the Government's Power System Master Plan, RNPL has undertaken this project to meet the growing demand of electricity. The company so far appointed Owners Engineer of the project and signed Power Purchase Agreement (PPA), Implementation Agreement (IA) and Land Lease Agreement (LA). Meanwhile, the company has appointed Engineering, Procurement & Construction (EPC) Contractor to implement the project. RPCL is in the process of acquiring 915 acres of land by resettling approximately 350 nos. of families for implementing the power project. A modern village with schools, shops, community centers and mosques will be set up on 25 acres of land for the families affected by the land acquisition. This project comprises of construction of jetty and coal handling facilities for coal import, coal storage, power plant construction, township development and construction of transmission facilities and road communication. According to the project profile, this will be a two-unit ultra-super critical

coal-run power plant which will go into operation within April 2023.

We always remain complied with the rules and regulations of the Company and Guidelines/ Directions of Regulatory Bodies and other government agencies.

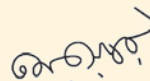
I express my sincere thanks and gratitude to all the distinguished Members of the Board of Directors for their valuable guidelines, advice and suggestions in achieving our goals.

I also extend my sincere thanks to the members of Management Team and all levels of employees for their cooperation and dedication. It is due to all for them that RPCL-NORINCO Intl Power Limited (RNPL) is in its present enviable position. I also convey my thanks and gratitude to all our Honorable Shareholders, Partners, Patrons and well wishers for their continued support, trust and cooperation. I hope the Management Team will work with full enthusiasm and all will continue to extend their best support and cooperation to attain success in every way to build up our beloved institution a model and compliant one for others to follow.

I wish the 1st AGM of RNPL every success. May the Almighty God help us to prosper & to grow continuously.

Thank you

With Regards



(Engr. Md. Abdus Sabur)

Managing Director

Message from the President NORINCO International Cooperation Ltd. & Board Director, RNPL



Greetings.

A very warm welcome to the 1st Annual General Meeting of RPCL-NORINCO Intl Power Limited. What a wonderful times we had together. We are in the business of long term and we will be flourishing for many many more years.

In order to meet the growing electricity demand in the country, Government of Bangladesh has already set up the necessary legal and regulatory frame work and has taken initiative for capacity addition by developing power plants. As natural gas reserve is depleting and recent gas demand is increasing in other sectors, it is necessary to promote the fuel diversification for the power generation, selecting coal as primary option. Power Division of Bangladesh has Power System Master Plan in which there is a target for approximately 20000 MW to be generated by coal within 2030. As part of the Master Plan a Joint Venture Company "RPCL-NORINCO Intl Power Limited" (RNPL) was formed and registered with the Registrar of Joint Stock Companies and Firms, Bangladesh on 21.12.2017 under the banner of RPCL and NORINCO.

The company will execute the Project through a single turnkey EPC contract basis which has already been finalized and contract has been signed with JV of Tianjin Electric Power Construction Co., Ltd., China Huadian Engineering Co., Ltd and China Wanbao Engineering Corporation (TEPC - CHEC - CWEC). RNPL also engaged the services of an Owners engineer for preparation

of specification, review of design and drawing by constructors, project coordination and monitoring and overview quality of construction. The first unit of the 2×660 MW project will be commissioned in 40 months from the 'zero date' which is reckoned as the date of Notice to Proceed (1st July, 2019). Unit # 2 shall be commissioned in 46 months - gap of 6 months between units.

While focusing on project implementation, financing and commercial issues in a well coordinated and integrated manner, the company has also given high priority to its social responsibilities. The company has been able to accomplish so much on so many fronts because it has a very committed and competent team which has built the Brand "RNPL".

At the end, I assure you that the company will continue to fulfill the expectations of all stakeholders and will create new benchmarks of excellence.

I wish the 1st AGM of RNPL every success. Looking forward to better future together.

Thank you

With Regards



Yuan Jun

President NORINCO International Cooperation Ltd
&
Board Director, RNPL

DIRECTORS' REPORT



DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamualaikum,

The Board of Directors of RPCL-NORINCO Intl Power Limited (RNPL) welcome you to the 1st Annual General Meeting of the Company. We are pleased to submit before you the "Directors' Report" and the "Auditor's Report" along with the "Audited Financial Statements" of the Company for the year ended June 30, 2018 for your valued consideration, approval and adoption.

COMPANY OVERVIEW:

The Government of Bangladesh has undertaken various projects for generating electricity to bring all citizens under power coverage by 2021 through coordinated programs in the power sector. As part of the government's plan to bring all people under electricity network, state-owned Rural Power Company Limited (RPCL) and Chinese state-owned NORINCO International Cooperation Ltd (NORINCO) would jointly install a 1,320 MW coal fired thermal power plant in the vicinity of Payra seaport in Patuakhali. To implement the project, a Joint Venture Company "RPCL-NORINCO Intl Power Limited" (RNPL) was formed and registered with the Registrar of Joint Stock Companies and Firms, Bangladesh on 21.12.2017 under the banner of RPCL and NORINCO. RPCL will acquire 915 acres of land by resettling approximately 350 nos. of families for implementing the power project. A modern village with schools, shops, community centers and mosques will be set up on 25 acres of land for the families affected by the land acquisition. This project comprises of construction of jetty and coal handling facilities for coal import, coal storage, power plant construction, township development and construction of transmission facilities and road communication.

According to the project profile, this will be a two-unit ultra super critical coal fired power plant costing US \$ 2.5 billion with 50:50 share equity. The ratio of equity investment will be 30 percent while rest 70 percent would come as Overseas Loan. According to the plan the power plant will go into commercial operation in April 2023.

RNPL completed its process for selection of EPC (Engineering, Procurement and Construction) contractors through international competitive bidding and signed the contract. The generated power will be purchased by Bangladesh Power Development Board and in this regard Power Purchase Agreement (PPA) has already been signed. The Government of Bangladesh will provide necessary support under the Private Sector Generation Policy 1994 (Revised on 2004). RNPL has already signed Implementation Agreement (IA). RPCL is responsible for land acquisition process which is almost completed. The Land Lease Agreement (LLA) will be signed between RPCL and RNPL soon.

BOARD OF DIRECTORS:

The Board of Directors of RNPL consists of 06 (six) members; 03 members from RPCL and 03 members from NORINCO International. The Managing Director of RPCL acts as the Managing Director of the company from the date of the first Board Meeting of the Board to the Commercial Operation Date. Thereafter, JVC shall appoint the Managing Director through competitive process of recruitment.

The Board is chaired by the Chairman, BREB & RPCL from the date of the first Board Meeting of the Board to the Commercial Operation Date. Thereafter, for each subsequent 03 (three) years period, the Chairman shall be nominated on a rotation basis in the order of rotation by NORINCO International first and then RPCL as per provision of JVA. The Board members do not have any personal shareholding. The Board formulates

strategic objectives and policies for the Company, provides leadership in implementing those objectives as well as supervises management of the Company affairs.

SHARE INFORMATION:

The distribution of shareholding and type of shareholding are shown below:

Authorized Capital	BDT 40.00 Crore
Paid-up Capital	BDT 20.00 Crore
Total Shares	20,00,000
Class of Shares	Ordinary Shares

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS:

Section 181 of the Company Act, 1994 requires Directors to ensure the Company maintaining proper books of accounts of all transactions and preparing financial statements that uphold a true and fair view of the state of the Company affairs and the profit for the year. The directors are also required to ensure that the financial statements have been prepared and presented in accordance with the requirements of the International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and provide the information required by the Company Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Rules 1987 and the Regulations of the Dhaka /Chittagong Stock Exchanges. They are also responsible for taking reasonable measures to safeguard the assets of the Company and in that context to establish appropriate systems of internal control with a view to the prevention and detection of any fraud and other irregularities.

FINANCIAL PERFORMANCE:

A summary of the Financial Statement for the 2017-18 are described below :

Particulars	2017-18 (In crore)
Total Assets	20.2798
Total Liabilities	0.2148
Total Equity	20.0650
Current Assets	20.2798
Current Liabilities	0.2148

CONTRIBUTION TO THE EXCHEQUER :

Since commencement of its operation, RNPL has been contributing to the national exchequer by way of VAT and Taxes as shown in the table below :

Source	2017-18 (BDT)
VAT	11,09,755.00
TAX	7,46,634.00
AIT	4,46,504.00

CORPORATE GOVERNANCE:

Company emphasizes on good corporate governance system which is vital for efficient and effective business operation, long term stability and sustainable growth of an organization. The corporate governance system in RNPL is designed to ensure transparency and accountability at all levels of operations.

ROLE OF MANAGEMENT TEAM:

The Board of Directors is the final authority for overall management of the Company within the framework of prevailing law. It guides the management to ensure and uphold the highest interest of the company. The Board of Directors meets frequently as and when necessary. Under

the guidance of the Board of Directors, RNPL's strategic functions are run by a management of the company.

DELEGATION OF POWER:

Delegation of Power is an essential element of corporate management to run day-to-day business of the Company. The Board of RNPL, with the same objective, has delegated required business, financial and administrative power to the management. Managing Director along with Executive Director and some extent to their under commands have been authorized to exercise financial authority up to a ceiling beyond which it needs approval from the Board.

MANAGEMENTS INFORMATION SYSTEM:

The IT infrastructure of RNPL is still in the process of development. In Head Office Accounting information are maintained through Accounting Software. The adoption of Access Control System and Digital Attendance is implemented at the Corporate Office of the Company. The Company will introduce inventory management software & implementation of ERP software in near future.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

With the motto 'Business is a priority but social welfare is our responsibility', RNPL is committed to take part in various social activities. As part of CSR, company's officers and staffs also take part in the activities of different national days and contribute to support local initiatives to improve infrastructure

SAFETY & SECURITY MANAGEMENT:

Safety continues to be one of the topmost priorities in RNPL. Accordingly, an endeavour has been devoted for improvement of safety performances in all activities of the Company through implementation of behavioral change towards safety among Company employees. To enhance security process, the corporate office of the Company is vigilant through CCTV.

ACKNOWLEDGEMENT:

The Board of Directors gratefully acknowledges cooperation and support received from the esteemed shareholders of the Company. I would like to express my heartfelt thanks to the officers and staffs of the Company on behalf of the Board of Directors for their sincere and dedicated role.

I would also like to express my sincere gratitude and thanks to Power Division, Ministry of Power, Energy & Mineral Resources; Power Cell; Bangladesh Power Development Board; Power Grid Company of Bangladesh, Bangladesh Rural Electrification Board; different Government Departments; and all other development partners, audit firm and our financing partner Banks for their kind co-operation and assistance. I thank for their advice, guidance, support and co-operation in successful advancement and achievement of Company's activities.

I express my sincerest gratitude and thanks to you all again for your kind presence in this Annual General Meeting (AGM) and also for your patient hearing. Now, I take the opportunity to place the report of the Board of Directors along with the Annual Accounts and Auditor's Report for the FY 2017-18 before the respected shareholders for their kind consideration and acceptance.

In conclusion, I pray to Almighty for continued success and prosperity of RPCL-NORINCO Intl Power Limited.


With warm regards

On Behalf of the Board of Directors

Major General Moin Uddin (Retd.)

Chairman

RPCL-NORINCO Intl Power Limited



DIRECTORS' PROFILE



PROFILE OF MAJOR GENERAL MOIN UDDIN (RETD.)

Major General Moin Uddin (Retd) has joined Bangladesh Rural Electrification Board (BREB) as Chairman on 24 October 2011. He went on retirement as Chairman of BREB on 31 December 2017. Then he was again appointed as Chairman of BREB for three years on Contract from 10 January 2018. He joined in RPCL-NORINCO Intl Power Limited (RNPL) Board as Chairman in 2017. He was born in 1961 in Feni District. After completion of BSc Engineering Degree (Electrical & Electronic Engineering EEE) from BUET he joined the Corps of Electrical and Mechanical Engineers (EME), Bangladesh Army and got commission as Lieutenant on 09 February 1983. He did his MSc Engineering Degree (Electrical & Electronics - Power) from BUET.

He served in many Army Units in various Command, Staff and Instructional appointments at various capacities. He commended two Army Units as Major and Colonel respectively. He served as Instructor in EME Centre & School and Military Institute of Science & Technology (MIST), Mirpur Cantonment. He was promoted to the rank of Major General on 29 November 2015.

He participated in peace keeping operation as peace keepers in United Nations Iraq-Kuwait Observation Mission (UNIKOM) in 1994-95 and United Nations Observation Mission in Congo (MONUC) in 2005-2006.

He was awarded with the Chief of Army Staff's (CAS) commendation for technical innovation

activity in the year 2000. Using own technology and professional stillness" three obsolete tanks (T-62) were converted to Self-Propelled (SP) Gun, Infantry Fighting Vehicle (IFV) and Armored Personnel Carrier (APC) under his direct planning and supervision while serving in (EME Centre & School, Saidpur Cantonment) as an instructor.

He was the Head of Electrical, Electronic and Communication Engineering (EECE) Department and served as Dean of Military Institute of Science & Technology (MIST).

Major General Moin Uddin (Retd.) visited China, Hongkong, Thailand, Kuwait, Iraq, Saudi Arabia, Congo, Japan, Liberia, Malaysia, Ivory Coast, UAE, Ghana, Russia, Singapore, Netherland, India & USA as part of his professional activities.

He is married and father of two daughters. Since 24 October 2011 he is serving in Bangladesh Rural Electrification Board (BREB) till today as Chairman of the board. He is also performing as Chairman of Rural Power Company Ltd. (RPCL) and BPDB - RPCL Powergen Ltd.



PROFILE OF MR. YUAN JUN

Mr. Yuan Jun joined NORINCO International Cooperation Ltd. as President in the year of 2018. Born in 1970, Yuan Jun got his bachelor of engineering in optical imaging subject from Beijing Institute of Technology in September 1993 and was conferred with second bachelor of economics degree in industries and foreign trade from Nanjing University of Science and Technology in July 1995.

After graduation, he staffed in division No. 5 of foreign trade Dept. of China YanXing General Company from July 1995. He started his career with NORINCO Group from January 1998 as an Assistant Engineer in No.1 Region Division of NORINCO from October 2000 to January 2002, he respectively held the post of Deputy General Manager and Commercial Manager of the department. During January 2002 to May 2004, he was appointed chief representative of Kuwait and later he worked meanwhile as head of marketing department from May 2004 to March 2011.

From March 2011 to June 2014, he assumed the post of Vice President for China ZhenHua Oil Co., Ltd. as an outstanding party member of Chinese Communist Party, he also served as Secretary of CPC company committee during this period of time. Starting from June 2014, he concurrently worked as President, Deputy Secretary of CPC company committee and Secretary of CPC company committee for discipline inspection (up to May 2015), and performed also as director of board for China ZhenHua Oil Co., Ltd. from September 2014.

In April 2018, NORINCO International appointed him as president and Deputy Secretary of CPC company committee during its 7th board meeting. He joined in RPCL - NORINCO Intl Power Limited (RNPL) as Director of Board in 2018. He also holds a professional title of Senior Economist accredited by relevant authority in China.



PROFILE OF A.T.M. MOSTAFA KAMAL

Mr. A.T.M. Mostafa Kamal joined in RPCL-NORINCO Intl Power Limited (RNPL) Board as Director in 2017. At present, Mr. Kamal posted in Power Division, Ministry of Power, Energy and Mineral Resources for discharging the responsibilities of Joint Secretary, Administration. He is also the Board Director of Dhaka Power Distribution Company Limited (DPDC). Mr. Kamal served different areas of Public Administration of Bangladesh Government. Being a member of Bangladesh Civil Service (Administration) Cadre, he served as an Assistant Commissioner and Magistrate in the district Lalmonirhat and Bogura, and as a Magistrate of the 1st class in Joypurhat district; as an Assistant Commissioner (Land), incharge of land management, at Dupchanchia and Adamdighi of Bogura and at Kalai and Khetlal of Joypurhat; as a Upazila Nirbahi Officer, head of subdistrict administration, at Madhabpur and Sadar Upazila of Hobigonj district and Anwara Upazila of Chattogram district, served as a Senior Assistant Secretary at the Ministry of Public Administration, Private Secretary to Energy and Mineral Resources Secretary, Deputy Secretary at Energy and Mineral Resources Division and Ministry of Land and Power Division; as Joint Secretary Development and Joint Secretary, Company Affairs prior to the current assignment. He is serving in the civil service for more than 26 years.

He obtained a B.A degree from the University of Chattogram, an M.A in Mass Communication and Journalism from the University of Dhaka and a Bachelor of Law degree from the National University.

Mr. Kamal participated in multifarious trainings/workshops/seminars at home and abroad. He attended Seminar on Energy Policy in China twice for 3 weeks and 2 weeks respectively, attended training course on Energy in Malaysia, on coal power and LNG in Australia, arranged by the respective governments, on Thermal Power Generation in Japan (arranged by JICA). He attended training on Smart Grid at Asian Institute of Technology in Thailand. He attended loan negotiation meetings with ITFC of Islamic Development Bank, Jeddah, KSA, EXIM Bank of India and EXIM Bank of China and SINOSURE. He attended regional conferences as a member of Bangladesh delegation in Sri Lanka, Singapore, India (twice), Germany and China, and as Team Leader in Malaysia. He was a member of FAT team in South Africa and Russia. Moreover, several times he visited China, Malaysia, India and Thailand, and he also visited Vietnam. He attended different international and regional conferences/workshops in Bangladesh arranged by the Government of Bangladesh, The World Bank, ADB, GIZ and other international organizations.



PROFILE OF MR. WANG XINQING

Born in 1965, Mr. Wang Xinqing is currently deputy secretary of CPC company committee and secretary of CPC company committee for discipline inspection for NORINCO International Cooperation Limited. He majored in English Literature in Lan Zhou University from September 1984 to June 1988 and was conferred bachelor of arts after graduation.

During July 1988 to May 1994, he worked for translation division affiliated to Norendar International Ltd. Afterwards, he worked as project manager at No.1 Military Project Dept. of NORINCO and assumed the post of deputy chief representative in the Republic of Uganda in November 2001. In August 2011, he was appointed as General Manager of No.4 Regional Division of NORINCO. Later from May 2014 to May 2015, he worked as Deputy President for NORINCO International Cooperation Ltd, after which he has been

performing as Deputy Secretary of CPC company committee and Secretary of CPC company committee for discipline inspection up to now.

He joined in RPCL - NORINCO Intl Power Limited (RNPL) as director of board in December 2017. He also holds a professional title of associate professor of translation accredited by relevant authority in China.



PROFILE OF MR. QI YUE

Born in 1974, Mr. Qi Yue completed his bachelor's degree of engineering in Industrial & Civil Architecture subject from Shougang Institute of Technology in July 1997.

He staffed in property management center under Administrative Bureau of Chinese Academy of Sciences since July 1997 before he started his career as project manager for the 3rd International Engineering Dept. of NORINCO International Cooperation Ltd. from May 2000 to July 2001. He was deputy project manager for two power transmission projects in Ethiopia from July 2001 to May 2004 and was later assigned as project manager of Hydropower and Electric Engineering Dept. From March 2005 to March 2007, he again worked in Ethiopia as project manager for several power transmission projects. During these years in this country, Mr. Qi Yue completed altogether 5 power transmission projects and over 30 substation projects. After completion of his tenure in Ethiopia, he worked in Beijing as project manager of the 2nd International Engineering Dept.

In January 2010 he was appointed assistant general manager of the Department. From March 2015 up to now, he was the deputy general manager of the 2nd International Engineering Dept. of NORINCO International Cooperation Ltd. To add to his rich overseas experience, he worked in Laos from November 2013 to January 2018 as president of Nam Phay Power Company Ltd.

He joined in RPCL - NORINCO Intl Power Limited (RNPL) as director of board and Executive Director from December 2017. He also holds a professional title of senior constructor accredited by relevant authority in China.



PROFILE OF ENGR. ABDUS SABUR

Engr. Md. Abdus Sabur is a high-profile power expert. He has been working uninterruptedly in responsible and top positions in different organizations for the last 38 years. He first started working as a teacher through joining as Instructor (Electrical) in Chittagong Polytechnic Institute on 1981. Mr. Sabur joined in RPCL-NORINCO Intl Power Limited (RNPL) as Board Director and Managing Director of the company in 2017.

He changed his teaching profession in 1982 through joining as Assistant General Manager at Rural Electrification Board (REB). He was promoted as Deputy General Manager in 1987 and promoted to the position of General Manager in 1988. He worked as General Manager in Comilla PBS-1 and Dhaka PBS-1 for about 16 years long. He has been working as Managing Director of RPCL since 2009.

He was a brilliant student. He stood first class first in Diploma Electrical Engineering under Bangladesh Technical Education Board in 1978 and obtained Graduation degree in Electrical Engineering from the Institution of Engineers Bangladesh in the academic session 1981-82.

In his long service career, Engr. Sabur attended various advanced training programmes under NRECA of USA, KEPCO of South Korea and TEPCO of Japan. He also attended various technical seminars and visited high tech utilities in different countries, including Germany, Netherlands, Denmark, USA, Italy, Belgium, Spain, UAE, China, Malaysia and India.

He also took part in various high-level training programmes under Power Sector at home. During his long service period he worked in both distribution and generation utilities and made a great success and achievement in the field.

Memorable EVENTS



BOARD MEETING OF RNPL





MoU Signing Ceremony



Joint Venture Agreement (JVA) Signing Ceremony



Signing Ceremony of RNPL and Owners Engineer (OE)



EPC Contract Signing Ceremony



Power Purchase (PPA) and Implementation Agreement (IA) Signing Ceremony



Signing ceremony of Financial Framework Cooperation Agreement



Site Development Work in Progress





Resettlement Work in Progress





National Electricity and Energy Week 2018



Audited Financial Statements Of RPCL-NORINCO INTL Power Limited

For the period from
21 December 2017 to 30 June 2018



INDEPENDENT AUDITORS' REPORT

To the Shareholders of RPCL-NORINCO INTL Power Limited

We have audited the accompanying financial statements of RPCL-NORINCO INTL Power Limited, which comprise the Statement of Financial Position as at June 30, 2018 and the Statement of Profit and Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 expression of 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 present fairly, in all material respects, the Financial Position of RPCL-NORINCO INTL Power Limited as at June 30, 2018, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS).

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns.


Chartered Accountants

Dhaka, 26 FEB 2019

RPCL-NORINCO INTL Power Limited

Statement of Financial Position

As at 30 June 2018

	Note	2018 Taka
ASSETS		
Current Assets		
Short-term Investment in Fixed Deposit Receipts (FDRs)	4	153,383,090
Advances, Deposits & Prepayments	5	16,268,894
Cash and Cash Equivalents	6	33,146,584
Total Current Asset		202,798,567
Total Assets		202,798,567
EQUITY & LIABILITIES		
Share Holders' Equity		
Paid-up-Capital	7	200,000,000
Share Money Deposits	8	5,473,620
Retained Earnings		(4,823,304)
		200,650,316
Current Liabilities		
Liabilities for Expense	9	2,054,751
Other Payable	10	93,500
Total Current Liabilities		2,148,251
Total Equity & Liabilities		202,798,567

These financial statements should be read in conjunction with the annexed notes


Company Secretary


Managing Director


Director

Auditors' Report to the Shareholders
See annexed report of date

Dhaka, 26 FEB 2019


Chartered Accountants

RPCL-NORINCO INTL Power Limited

Statement of Profit and Loss and Other Comprehensive Income

For the Period from 21 December 2017 to 30 June 2018

	Note	2018 Taka
Pre-operating Expenditure	3.2	
General and administrative Expenses		
Salary and Wages		(293,949)
Festival bonus		(45,500)
Office rent expenses		(2,818,125)
Fuel expenses		(37,908)
Overseas travel expenses		(2,025,926)
Honorarium		(81,000)
General expenses		(3,750)
Board meeting fees to Directors		(667,227)
Entertainment expenses		(68,670)
Audit fees		(130,000)
Legal and professional expenses		(155,000)
Printing & Stationary		(82,356)
Expenses with RJSC relating to company registration		(452,020)
Office expenses		(4,500)
Advertisement expenses		(167,612)
Mobile phone bill		(6,198)
Telephone installation expenses		(22,500)
Local conveyance		(195)
Rent-a-car expenses		(246,194)
Bank charges		(26,725)
		(7,335,355)
Other income	11	3,864,694
Net loss before Tax for the period		(3,470,661)
Provision for income Tax expense	3.5	(1,352,643)
Net loss after Tax for the period		(4,823,304)

These financial statements should be read in conjunction with the annexed notes


Company Secretary


Managing Director


Director

Auditors' Report to the Shareholders
See annexed report of date


Chartered Accountants

Dhaka, 26 FEB 2019

RPCL-NORINCO INTL Power Limited

Statement of Changes in Equity

For the Period from 21 December 2017 to 30 June 2018

	"Share Capital" Taka	Share Money Deposits Taka	Retained Earnings Taka	"Total Equity" Taka
Share Capital	200,000,000	-	-	200,000,000
Share money deposits	-	5,473,620	-	5,473,620
Net loss for the period	-	-	(4,823,304)	(4,823,304)
Closing Balance as at 30 June 2018	200,000,000	5,473,620	(4,823,304)	200,650,316


Company Secretary


Managing Director


Director

RPCL-NORINCO INTL Power Limited

Statement of Cash Flows

For the Period from 21 December 2017 to 30 June 2018

	2018 Taka
A. Cash Flows from Operating Activities	
Net loss before Tax for the period	(4,823,304)
Adjustment for non-cash and non-operating items	
Other income	(3,864,694)
Operating loss before changes in working capital	(8,687,998)
Changes in working capital components	
Payment for advances	(16,268,894)
Liabilities for expenses	2,054,751
Other payables	93,500
Total changes in working capital	(14,120,643)
Net Cash used in Operating Activities	(22,808,641)
B. Cash Flows from Investing Activities	
Interest received from bank deposits.	3,864,694
Short-term investments in Fixed Deposits Receipts (FDRs)	(153,383,090)
Net cash used in investing activities	(149,518,396)
C. Cash Flows from Financing Activities	
Proceeds from issuance of shares	200,000,000
Share money deposits received	5,473,620
Net cash flow from financing activities	205,473,620
Net increase in cash and cash equivalents (A+B+C)	33,146,584
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	33,146,584


Company Secretary


Managing Director


Director

RPCL-NORINCO INTL Power Limited

Notes to the financial statements

For the Period from 21 December 2017 to 30 June 2018

1. Corporate Information

1.1 Formation and Legal Status

RPCL-NORINCO INTERNATIONAL POWER LIMITED (the Company) was registered as a "Private Limited Company" with the Registrar of Joint Stock Companies and Firms Bangladesh, Dhaka on 21 December 2017, vide registration number C-142098/2017 under the Companies Act 1994. The registered office of the company is situated at Atlanta Trade Centre, 7th Floor, House 01, Road 01/A, Sector # 04, Uttara, Dhaka.

1.2 Nature of Business of the Company

The principal activity of this Company is to carry out the business of generation and supply of electricity. The Company was in the face of construction of a 1320 MW coal-fired power plant at kalapara in Patuakhali, Bangladesh during the period.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 1994 and other applicable laws and regulations.

2.2 Basis of Measurement

These financial statements have been prepared on a going concern basis under the historical cost convention, except as disclosed in the notes to the financial statements.

2.3 Accrual Basis of Accounting

The Financial Statements of the Company are prepared as per accrual basis of accounting except for the information of Statement of Cash Flows. Accordingly, The Company recognizes items of assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definition and recognition criteria as per the accounting framework.

2.4 Materiality, Aggregation and Offsetting

The Company presents material items separately. Financial Statements is a result of processing a large number of transactions or events that are aggregated into classes according the nature or function. However the company does not offset assets and liabilities or income and expenses unless required or permitted by IAS or IFRS.

2.5 Functional and Presentation Currency

The Financial Statements have been prepared and presented in Bangladeshi Currency (BDT), which is the functional currency of the Company. Figures have been rounded off to nearest Taka, unless stated otherwise.

2.6 Use of Estimates and Judgments**i) Estimates**

The preparation of financial statements in conformity of IFRS recognition and measurement of principles require the use of estimates and assumptions that affect the reported amounts of assets and liabilities and of revenue and expenses. Such estimates are prepared on the assumption of going concern, are established based on currently available information. Changes in facts and circumstances may result in revised estimates, and actual result could differ from the estimates.

ii) Judgments

The accounting for certain provisions at the date of the financial statements is judgmental.

2.7 Reporting Period

The financial statements of the Company covers one year from 01 July to 30 June. However, these financial statements covered financial period from 21 December 2017 (being the date of its incorporation) to 30 June 2018.

2.8 Authorization for Issue

The Financial Statements have been authorized for issue by the Board of Directors of the Company in their meeting held on 26 February, 2019

2.9 Comparative Information

As the company incorporated in this year and this is the first year of its operation, therefore there was no comparative information to be disclosed.

2.10 Application of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS)

Ref. No.	Name of IFRS/IAS	Status of Application
IAS-1	Presentation of Financial Statements	Applied
IFRS-7	Financial Instruments : Disclosure	Applied
IFRS-9	Financial Instruments	Applied
IFRS-13	Fair Value Measurement	Applied
IAS-7	Statement of Cash Flows	Applied
IAS-10	Events after the Reporting Period	Applied
IAS-12	Income Taxes	Applied
IAS-32	Financial Instruments - Presentation	Applied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS-38	Intangible Assets	Applied

3. Significant Accounting Policies and Other Material Information**3.1 Financial Instruments****i) Non-derivative financial assets**

Non-derivative financial assets consist of trade receivable, cash and cash equivalents that are available for use by the Company without any restriction. All non-derivative financial assets are accounted for

at trade date. The carrying value of non-derivative financial instruments is reviewed for impairment on annual basis to assess if there is any indication that the assets may be impaired. The Company derecognizes a non-derivative financial asset when no further cash flow is expected to flow to the company from the asset and if substantially all risks and rewards attached to the assets have been transferred.

a) Cash and Cash Equivalents

Cash and cash equivalents comprises only cash in hand and cash at bank.

ii) Non-derivative financial liabilities

Non-derivative financial liabilities consists of trade payables, short-term debt and long term debts. The company initially accounted for all non-derivative financial liabilities on the transaction date. The company derecognizes a non-derivative financial liability when its contractual obligations are discharged or cancelled or expired.

3.2 Pre-operating Expenses

Pre-operating cost includes legal and administrative costs which are required to set up the company or new facility. Therefore, pursuant to IAS-38, these expenditures are recognized as expense in the year in which they are incurred.

3.3 Provision for Expenses

The Company recognizes provisions when it has legal or constructive obligation resulting from past events, the settlement of which would result in outflow of resources embodying economic benefits to the company.

3.4 Other Income

Other income consists of interest earned on Fixed deposit Receipts (FDRs) and STD Accounts. The interest is recognized as other income then it is profitable that economic benefits will be flow to the entity and the amount can be measured reliable.

3.5 Taxation

Current Tax

The Company will be exempted from Tax on its income from generation of electricity and once it commences commercial production of electricity for a period of 15 years from the date of commercial production in terms of SRO # 213-Law/Income Tax/2013; dated 01 July 2013. As such provision for Tax has been considered on the Company's other income only.

4. Short-term Investment in Fixed Deposit Receipts (FDRs)

		2018 Taka
FDR No	Name of Bank	
485001	BRAC Bank Limited	50,000,000
21471	ONE Bank Limited	100,000,000
Total Investment		150,000,000
Add: Interest earned during the period		3,383,090
Closing balance		153,383,090

These represents the company made investment in Fixed Deposit Receipts maintained with BRAC Bank Limited and ONE Bank Limited at the interest rate of 9.50% and 10.50% respectively for the period of three months with maturity date of 11 September 2018.

5. Advances, Deposits & Prepayments**Advances:**

Office rent

Employees

Link3 Technologies

Income Tax deducted at source (on interest of FDRs & STD accounts)

Suppliers and contractors

Closing balance**2018
Taka**

2,337,500

7,323

75,000

446,504

13,402,567

16,268,894

Advance office rent of Tk 2,805,000 was given to the land lord as per rental agreement dated 01 February 2018. Pursuant to the agreement, the advance has been adjusted at the rate of Tk 116,875 p.m against the monthly rental.

6. Cash and Cash Equivalents

Name of Bank	A/c No.	Nature of A/c	
Agrani bank Limited	A/c-0200011437942	Current deposits	163,984
Agrani bank Limited	A/c-0200011578313	Short-term deposits	32,982,600
Closing balance			33,146,584

7. Share Capital**i) Authorized Capital**

4,000,000 Ordinary Shares @ Tk 100 each

400,000,000

ii) Issued, Subscribed and Paid-up-Share Capital

2,000,000 Ordinary Shares @ Tk 100 each

200,000,000

The composition of the issued, subscribed and fully paid-up capital is as follows:

SL No.	Shareholders	Nationality	Percentage of Holding	No. of Shares	Value of Share Taka
1	Rural Power Company Ltd	Bangladeshi	50%	1,000,000	100,000,000
2	NORINCO International Cooperation Ltd	Chinese	50%	1,000,000	100,000,000
				2,000,000	200,000,000

8. Share Money Deposits

Share money deposit received during the period

Rural Power Company Limited

102,736,810

NORINCO International Cooperation Ltd

102,736,810

205,473,620

Transferred to Share Capital during the period

Rural Power Company Limited

(100,000,000)

NORINCO International Cooperation Ltd

(100,000,000)

(200,000,000)**Closing balance****5,473,620**

These share money deposits were channeled through the company's Bank A/c No.-0200011437942.

9. Liabilities for Expenses

Salaries
Audit fees
Office rent
Provision for income tax expenses
Closing balance

**2018
Taka**

97,983
130,000
474,125
1,352,643
2,054,751

10. Other Payable**Withholding Tax and VAT:**

Tax on office rent
VAT on office rent
Closing balance

23,375
70,125
93,500

11. Other Income**Interest earned on bank deposits:**

FDR # 0064120021471
FDR # 1530303945485001
STD A/c. No. # 0200011578313
Total

2,625,000
1,200,694
39,000
3,864,694


Company Secretary

Managing Director

Director





RPCL-NORINCO INTL POWER LIMITED

"Atlanta Trade Center"

House # 01, Road # 1/A, Sector # 4, Uttara Model Town

Dhaka – 1230, Bangladesh

Phone : 88 02 48956157, Fax : 88-02-48956159

Email : rnpled@gmail.com

PROXY FORM

I/We

of

being member of RPCL-NORINCO Intl Power Limited, do hereby appoint

.....

of

as may / our proxy to attend and vote for me / us and on my / our behalf at the FIRST ANNUAL GENERAL MEETING of the Company to be held on Monday, May 27, 2019 at 5:00 PM and / or at any adjournment thereof.

Signed this :day of 2019

Signature of Proxy : Signature of Shareholder

No. of shares held

Register Folio No.

Revenue
Stamp

Note: A member entitled to attend and vote at Annual General Meeting may appoint another member as his / her proxy to attend and vote on his / her behalf. Duly completed proxy form must be deposited at the company's registered office.







RPCL-NORINCO Intl Power Limited

Atlanta Trade Center (Level-7) House # 01, Road # 1/A,
Sector # 4, Uttara, Dhaka-1230.

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