



ANNUAL REPORT | 2021



RPCI-NORINCO Intl Power Limited



বাংলাদেশের
স্বর্ণজয়ন্তী
Bangladesh



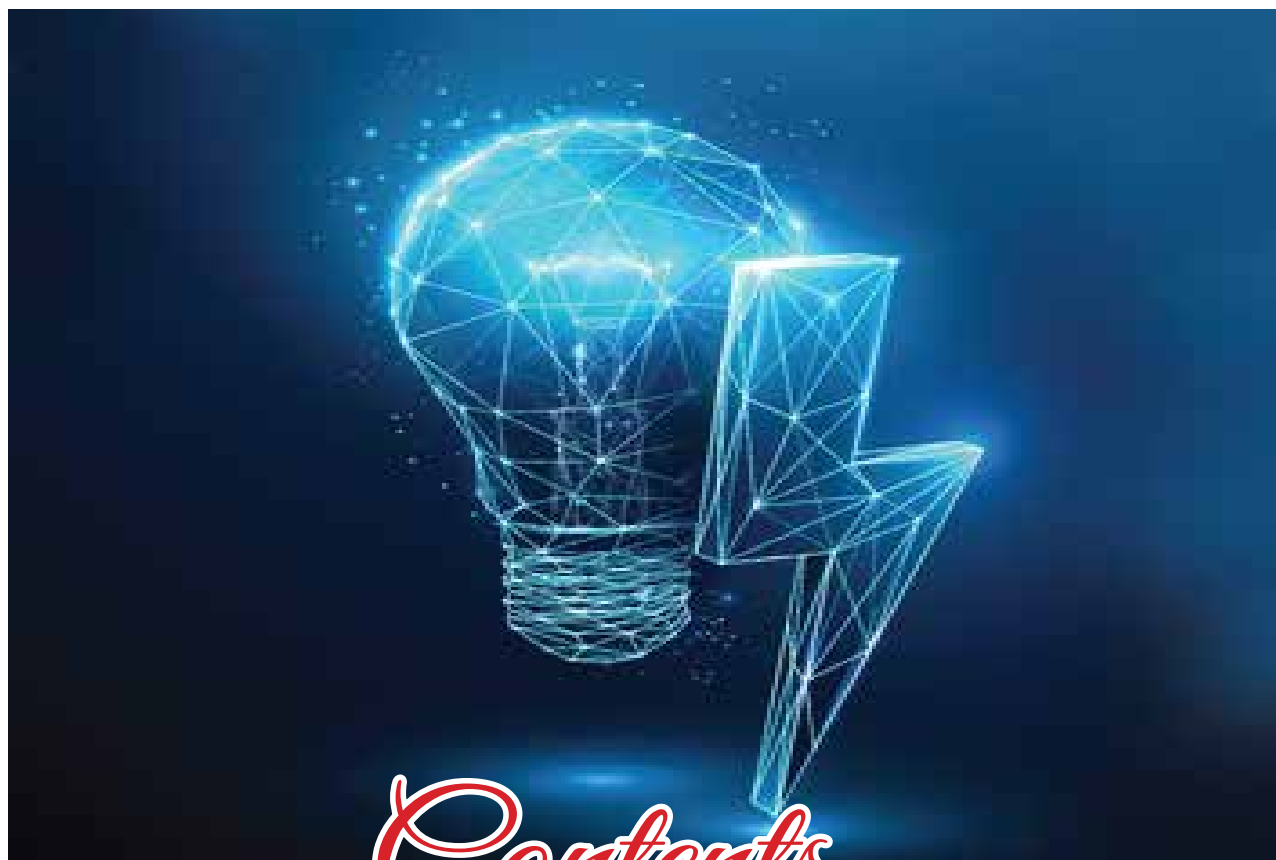
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RPCL-NORINCO Intl Power Limited



Conceptual View of Patuakhali 1320 (2x660) MW Coal Fired Thermal Power Plant



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RPCL-NORINCO INTL POWER LIMITED (RNPL)

(A Joint Venture of RPCL-NORINCO Intl. Corporation Limited)

Head Office: Atlanta Trade Center (Level-7)

House # 1, Road # 1/A, Sector # 4

Uttara, Dhaka -1230, Bangladesh.

MEMO No. - RNPL/1320/2022/135

Date: 03/03/2022

NOTICE OF THE 4th ANNUAL GENERAL MEETING

The 4th Annual General Meeting (AGM) of RPCL-NORINCO INTL POWER LIMITED will be held on Monday the 28th day of March 2022 at 10:00 am through digital platform to transact the following businesses:

AGENDA:

1. To receive, consider and adopt the Directors' Report, Audited Accounts and the Auditor's Report for the year ended 30 June 2021.
2. To appoint Auditor and fix their remuneration for the Financial Year 2021-2022.
3. To transact any other business of the company with the permission of the chair.

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

By order of the Board

Kazi Mohammad Tanvir
Company Secretary, RNPL

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" (Level-7), House# 01, Road#1/A, Sector # 4, Uttara Model Town, Dhaka-1230 not later than 72 hours before the meeting.

Company Overview

As part of the government's plan to bring all citizen of Bangladesh under the electricity network, state-owned Rural Power Company Limited (RPCL) and Chinese state-owned company NORINCO International Cooperation Limited (NORINCO) would jointly install a 1,320 MW Coal Fired Thermal Power Plant in the region of Payra seaport at 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 21st December, 2017 with 50:50 partnership. The power plant will be two unit (2x660), having a total capacity of 1320 MW financed by EXIM Bank China along with Bank of China. Sovereign Guarantee was obtained from the Finance Division of the Government of Bangladesh for 50% of the project cost of RPCL portion.

RPCL selected the site at Kalapara Upozilla under Patuakhali District through detail feasibility Study and Environmental Impact Assessment. RPCL acquired 915.74 acres of land and 500 acres handed over to RNPL as long-term Land Lease Agreement. BPDB will purchase all the electricity generation from the power plant. Following this process Power Purchase Agreement (PPA) and Implementation Agreement (IA) have been signed.

This project consisting 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. To construct the Power Plant, the company signed EPC Contract with "The Consortium of Central Southern China Electric Power Design Institute Company Limited of China Power Engineering Group, China (CSEPGI)".

As part of the construction process necessary steps are already taken by RNPL. This Power Plant will

be run using Ultra-super critical technology along with high quality coal, which will be imported from Indonesia and Australia. For selection of potential coal supplier, RNPL signed a contract with Consortium of Top Hand Consulting Limited and Wood Mackenzie (Australia) Pty. Limited.

The construction of the Patuakhali Power Plant started on August, 2019. But immediate after the construction began, Covid-19 spread out all over the world. Construction work slowed down for some while, but never been stopped. And now it is very close to make the dream successful. Already more than 50 percent development of the project has been completed. The steel structure of the 1st boiler is almost done. The steel structure for the Boiler of 1st Unit has almost completed. And the progress of the Boiler of 2nd Unit has already started.

The construction of Turbine Hall, 400 KV GIS Area, Chimney, Induced Draft Fan, Forced Draft Fan, Fuel Oil Tank, Mini Fire Station, Sea Water and DM Water Treatment Room, Water Reservoir, Induced Cooling Tower, Admin Building, Engineering Building, Work Shop, Coal Yard unloading are going on. Temporary facilities are 100 percent completed, main components of the power plant are in manufacturing stage in China.

30 acres of the land is used for resettlement of the people who lost their lands and homes during land acquisition. An attractive residential township has been developed for 281 families along with houses, mosque, school, health Centre, market, community center, cyclone center, playground, pond and graveyard.

Th approximate Inauguration date for the 1st Unit of the Patuakhali 1320 (2X660) MW Coal Fired Thermal Power plant is mid of 2023 and 2nd Unit will come into operation by the end of 2023.

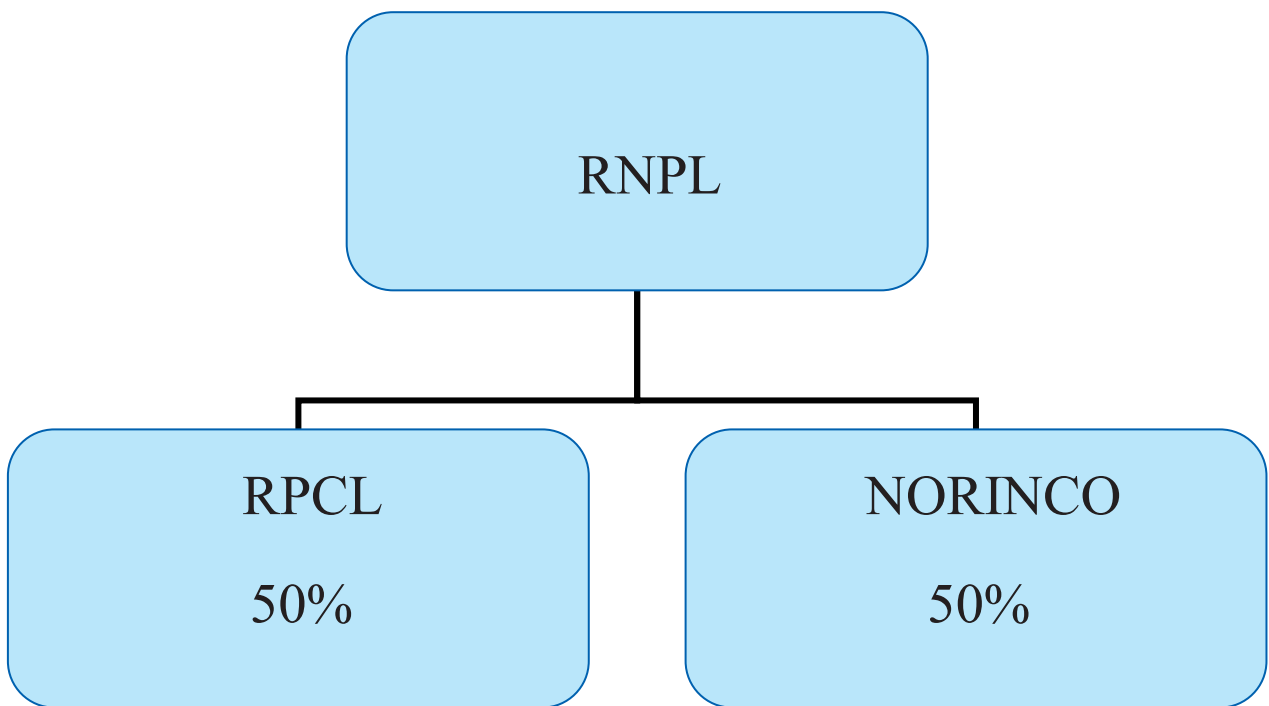
Company Profile

Name of the Company	: RPCL-NORINCO INTL POWER LIMITED (RNPL)
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 3,500,0000000.00
Paid-up Capital	: BDT 20,0000000.00
Face Value of each Share	: BDT 100.00
Chairman	: Md. Selim Uddin
Managing Director	: Md. Abdus Sabur
Executive Director	: Luo Huajian
Major Area of Business	: Power Generation
Corporate Office	: Atlanta Trade Center (Level-7), House # 1, Road # 1/A, Sector # 4, Uttara, Dhaka -1230, Bangladesh
Auditor	: Hoda Vasi Chowdhury & Co.
Administrative Ministry	: Power Division, Ministry of Power, Energy & Mineral Resources

About the Project

Name of the Project	:	Patuakhali 1320 (2x660) MW Coal Fired Thermal Power Plant
Project Location	:	Mouza: Dhankhali, Nishanbaria, Londa, Union: Dhankhali, Upozilla: Kalapara, District: Patuakhali.
Capacity	:	1320 (2x660)
Project Cost	:	USD 2.54 Billion
Debt : Equity	:	70:30
Required Land	:	500 Acres
Type of the Power Plant	:	Ultra Supercritical
Cooling System	:	Closed Cycle (Cooling Tower)
Source of Water	:	Rabnabad Channel
Mechanism	:	Low Nox Burner, Electro Static Precipitator (ESP), Flue Gas De-Sulfurization (FGD), Induced Draft Cooling Tower
Power Evacuation	:	At 400 KV level to the National Grid
Fuel Type	:	Imported Coal (from Indonesia & Australia)
Coal Requirement	:	12273 tons (daily) 4 Million tons (yearly)
Commercial Operation	:	August, 2023 (1st Unit 660 MW)
Date (as per PPA)	:	December, 2023 (2nd Unit 660 MW)
Power Purchaser	:	Bangladesh Power Development Board (BPDB)

Shareholding Composition



Corporate Directory

Chairman

Md. Selim Uddin

Chairman, BREB & RNPL

Board of Directors

Md. Selim Uddin

Chairman, RNPL

Md. Abdus Sabur

Director, RNPL

Md. Raihan Akhtar

Director, RNPL

Qi Yue

Director, RNPL

Yuan Jun

Director, RNPL

Wang Xinqing

Director, RNPL

Management Team



Md. Abdus Sabur
Managing Director, RNPL



Luo Huaijian
Executive Director, RNPL



Md. Towfique Islam
Project Director & Chief Engineer, RNPL



Kazi Mohammad Tanvir
Company Secretary



Hou Tao
Deputy Project Director, RNPL

Board of Directors



Md. Selim Uddin
Chairman, RNPL



Yuan Jun
Director, RNPL



Md. Raihan Akhtar
Director, RNPL



Wang Xinqing
Director, RNPL



Qi Yue
Director, RNPL



Md. Abdus Sabur
Managing Director, RNPL



Directors'
PROFILE



PROFILE OF Md. Selim Uddin

Md. Selim Uddin has been appointed as Chairman of BREB on January 13, 2022. He has also been appointed as Chairman of RPCL-NORINCO Intl. Power Limited on January 24, 2022.

He started his illustrious career in 1994 in the Bangladesh Civil Service (Administration Cadre). Presently he is the additional Secretary of the People's Republic of Bangladesh. As a member of Bangladesh Civil Service Md. Selim Uddin worked at different levels of field administration such as Assistant Commissioner and Executive Magistrate, General Certificate Officer, Upazilla Nirbahi Officer, Deputy Commissioner and District Magistrate in different districts of Bangladesh. He also served as senior Assistant Secretary, Deputy Secretary, Joint Secretary and Additional Secretary in different ministries/division of the Government. His key responsibility was supervising and monitoring the implementation of various schemes, programs, projects and policies of the government as well as responding to emergencies such as natural disasters and relief activities. He participated in different skill enrichment programs, short courses, seminars, symposiums, negotiation process in home and abroad, which enriched him in handling important affairs of the government including framing, implementing, reviewing, supervising and monitoring of the different policies, projects and activities of the government.

Mr. Selim Uddin previously worked nearly half a decade in the power Division in 2009-2015 in different capacities and put his excellent marks there in formulating different policies and projects in power sector which made him quite conversant and efficient in managing the sector more confidently.

Mr. Selim Uddin was born in a respected Muslim family in Lohagara, Chattogram, Bangladesh. He completed his graduation and post-graduation in Economics from Chittagong University respectively in 1988 and 1990. Later he achieved another Master's Degree (MSc) on Development Economics from Birmingham University, United Kingdom in 2013.



PROFILE OF Md. 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, 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.



PROFILE OF Md. Raihan Akhter

Mr. Md. Raihan Akhtar joined in RPCL-NORINCO Intl Power Limited (RNPL) as Board Director in 2021. He joined in the 21st batch of BCS Administration Service. At present, Mr. Raihan posted in Power Division, Ministry of Power, Energy and Mineral Resources for discharging the responsibilities of Deputy Secretary. Mr. Raihan served different areas of Public Administration of Bangladesh Government.

Mr. Raihan obtained B. Sc Engineering (Electrical and Electronics), from Khulna University of Engineering & Technology (KUET) and Masters of Science in Public Finance and Economics, from the University of Birmingham, UK. Apart from that Mr. Raihan completed his Masters in Business Administration, (Management) from Dhaka University and Masters of Arts in Governance and Development from BRAC University.

Mr. Raihan was born in a respected Muslim family in 1973. His father was a retired Joint Secretary of Bangladesh Administrative Service. His mother was former Vice Principal of BAF Shaheen College, Chittagong. His wife is a Banker. Mr. Raihan is blessed with two daughters.

Mr. Raihan participated in multifarious trainings, workshops, seminars at home and abroad.



PROFILE OF 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 degree of engineering in optical imaging from Beijing Institute of Technology of China in September 1993 and was conferred with a second bachelor degree of economics in industries and foreign trade from Nanjing University of Science and Technology of China in July 1995.

After graduation, he staffed in division No. 5 of foreign trade Dept. of China YanXing General Company from July 1995. Then he started his career with China North Industries Corporation (NORINCO) as commercial manager until October 2000. From October 2000 to January 2002, he respectively held the post of deputy general manager and commercial manager of the No.1 Region Division of NORINCO. During January 2002 to May 2004, he was appointed as 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 of China Zhen Hua Oil Co., Ltd. Starting from June 2014, he worked as president of China Zhen

Hua Oil Co., Ltd. up to April 2018, and performed also as director of board for China Zhen Hua Oil Co., Ltd. from September 2014.

In April 2018, NORINCO International appointed him as president 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 Wang Xinqing

Born in 1965, Mr. Wang Xinqing is currently the vice president for NORINCO International Cooperation Limited. He majored in English Literature in Lan Zhou University of China 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 China North Industries Corporation (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 now, he worked as deputy president for NORINCO International Cooperation Ltd.

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 Qi Yue

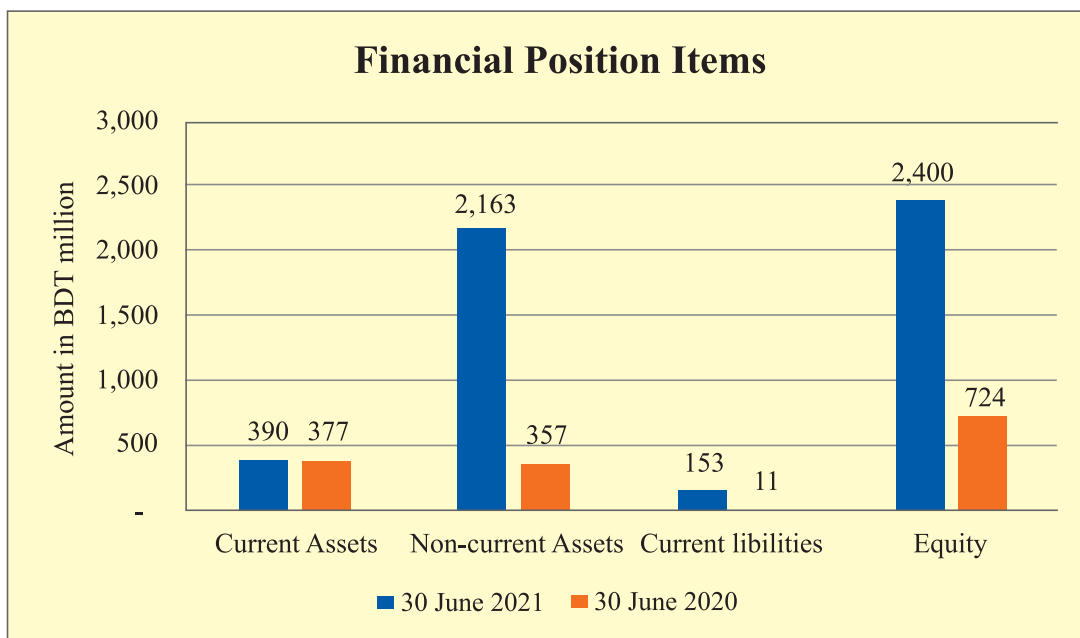
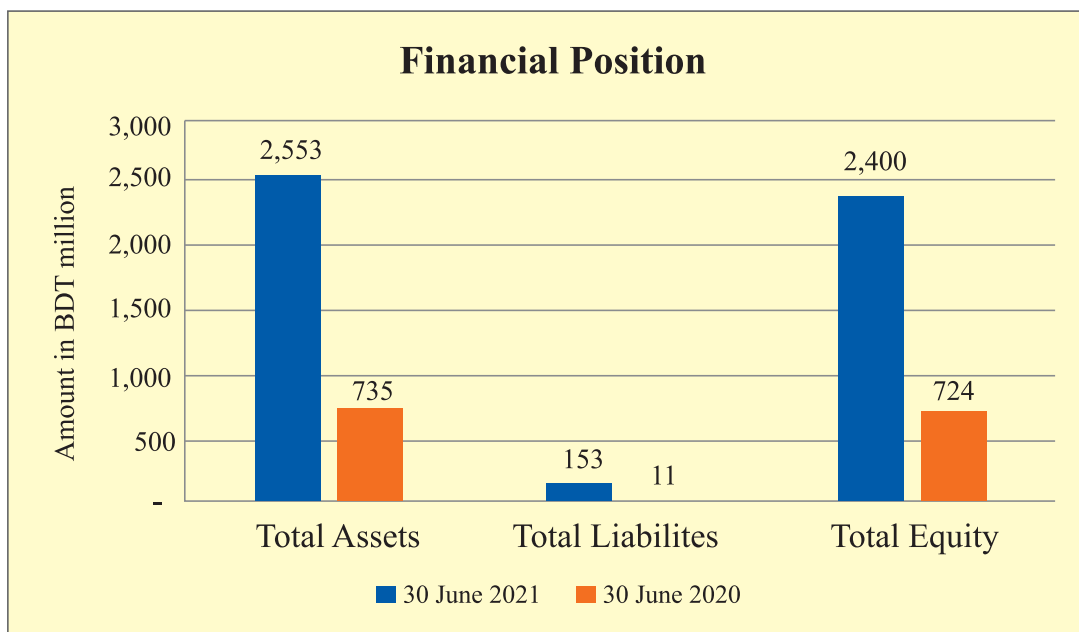
Born in 1974, Mr. Qi Yue completed his bachelor's degree of engineering in Industrial & Civil Architecture subject from Shougang Institute of Technology in July 1997.

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 those 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.

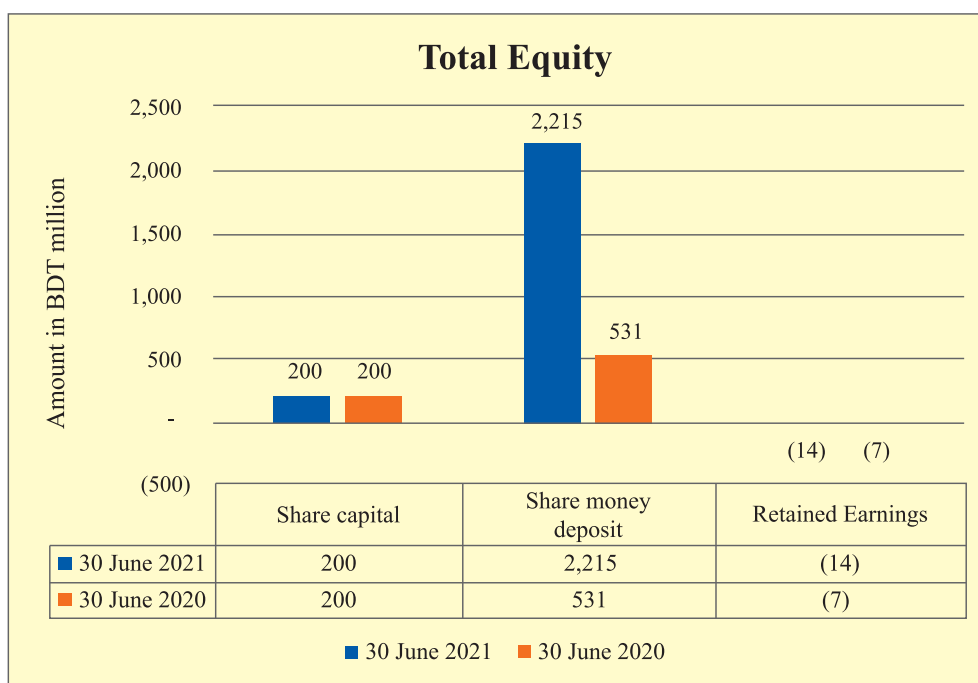
In January 2010 he was appointed as assistant general manager of the Department. From March 2015 up to now, he was the deputy general manager of the 2nd International Engineering Dept. of NORINCO International Cooperation Ltd. To add to his rich overseas experience, he worked in Laos from November 2013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

Financial Highlights



During the FY 2020-2021, total assets and total liabilities of the Company have been increased by 247.21% and 1256.29% respectively in comparison to the previous FY 2019-20. On the other hand, Non-current asset was 453.89% higher than the current asset in FY 2020-2021.

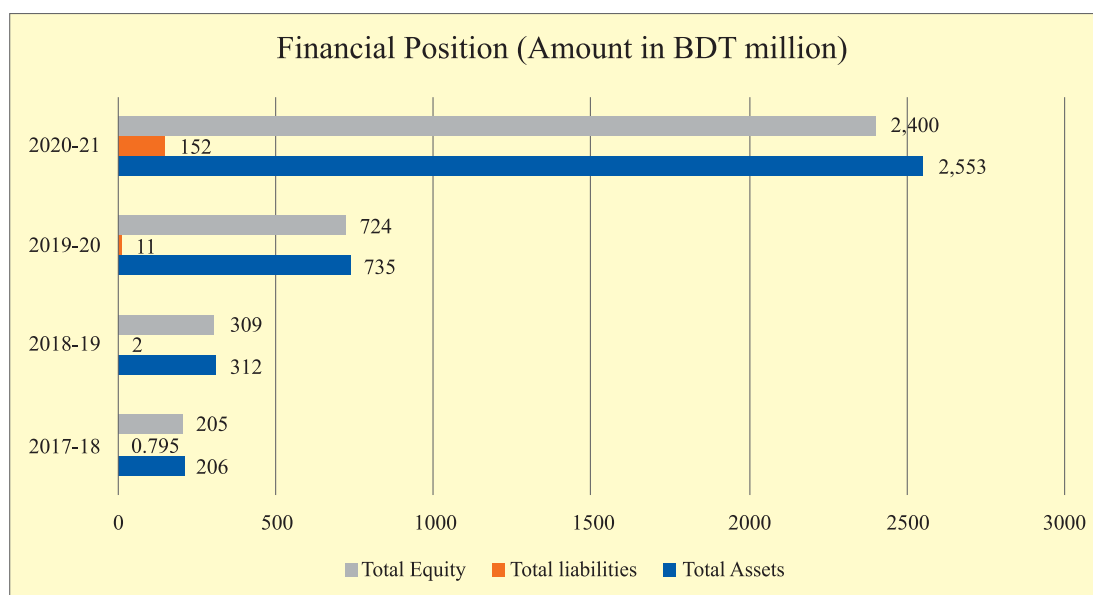


The amount of share money deposits has been increased by the amount of BDT 1,684 million over the last financial year. As a result, the amount of share money deposit reached to BDT 2,215 million. At the FY 2020-2021, the amount of share capital was unchanged.

Four years' Financial Position

(Amount in BDT million)

Fiscal Year	Total Assets	Total Liabilities	Total Equity
2017-18	206	0.795	205
2018-19	312	2	309
2019-20	735	11	724
2020-21	2553	152	2400





Message From The *Managing Director*

It gives me immense pleasure to welcome you all at the 4th Annual General Meeting of the company. “Clean, cheap and abundant power is one of the basic ingredients for the economic progress of a city, state or country.” RNPL is proudly committed to take that message as its guiding philosophy and support our country’s energy independence and sustainability.

The year 2020-21 has been like no other before in living memory, characterised by extraordinary challenges. However, it has also been a year in which we recommitted ourselves to our vision of implementing our project timely to ensure country’s development and progress. Our employees and partners were not discouraged by our strategic business objectives and meeting the evolving requirements to implement the project. As Bangladesh like many other countries of the world went into COVID-19 lockdowns, we proactively adopted strategic measures to combat the adverse impacts across our operations, workforce, and communities.

Despite downside risks posed by COVID, the company delivered a reasonably good performance. At present 56% work of the project has been completed. The steel structure of the 1st boiler is almost finished and steel structure of the 2nd boiler is under construction. The EPC contractor has already completed procurement process of the Main Equipment – Boiler, Turbine & Generator. Due to COVID, RNPL has appointed 3rd Party Inspector Bureau Veritas Quality Service (Shanghai) to inspect these Major Equipment. Many local and Chinese workers are working day and night at project site, temporary dormitories have been constructed for the accommodation of the workers. RNPL has signed a MoU with Payra Port Authority for construction, operation and maintenance of Coal Handling Jetty. The EPC contractor has started construction work of the Coal Handling Jetty. The Facility Agreement was signed with EXIM Bank of China and Bank of China with a facility amount of USD 1.77 Billion on 24th December, 2020 and Financial Closing was held on 20 September 2021. The first draw down occurred on 28 September 2021.

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. On behalf of the management, I would like to express my sincere gratefulness to Her Excellency Sheikh Hasina, Honorable Prime Minister, Government of the People’s Republic of Bangladesh for her strong & dynamic leadership to the power sector. as well as for the country. I express my thanks & gratitude to the Honorable Advisor to the Prime Minister for Power Energy & Mineral Resources Dr. Tawfiq-E-Elahi Chowdhury, BB, Honorable State Minister to Power Energy & Mineral Resources Mr. Nasrul Hamid MP, Dr. Ahmad Kaikaus, Principal Secretary to the HPM, Secretary, Power Division, Md. Habibur Rahman for their valuable contribution to achieve the goal of the company and power sector as a whole.


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 4th 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**

Dear shareholders and guests,

Welcome to the 4th Annual General Meeting of the Company (RNPL).

The past 2021 was definitely a challenging year for the world, including China and Bangladesh due to the Covid-19 pandemic. However, both China and Bangladesh managed to control the spread of the Delta and Omicron variants effectively, maintaining momentum of the economy in general. I learned that several employees of RNPL got infected with OMICRON but to my great relief that they recovered soon. I would like to express my appreciation and good wishes to them.

Despite the hindrance resulting from the pandemic, our project was in full swing last year and I noted that we managed to achieve an overall progress of approximate 56%, thanks to the effort of RNPL's management and staff. The most noteworthy achievement in 2021 was that we successfully received the first loan of roughly USD 256 million from the Syndicate on 28th September after fulfillment of more than 100 items of Conditions Precedents set by the lender within only nine months after the execution of the Facility Agreement. For other similar coal-fired thermal power plant projects in Bangladesh, the time period between the execution of a Facility Agreement and receipt of the first loan seems to be about 12 months on an average. Comparing with that, especially under the circumstance of the pandemic, our achievement is really extraordinary. I would therefore like to extend my sincere gratitude for the continuous effort and devotion of RNPL in this regard.

With the above mentioned exciting achievements, both shareholders, i.e. RPCL and NORINCO Intl will continue to work even harder to accomplish the key activities such as the power evacuation, coal supply & transportation and plant operation & maintenance arrangement etc. in the year of 2022.

I believe this is the first Annual Meeting for our honorable Chairman, Mr. Md. Selim Uddin. Please allow me to pass my sincere greetings to him. And I further believe that under the leadership of Mr. Md. Selim Uddin, our power plant project will attain greater achievement in 2022.

I wish the 4th Annual General Meeting of RNPL a wonderful success.

Thank you.

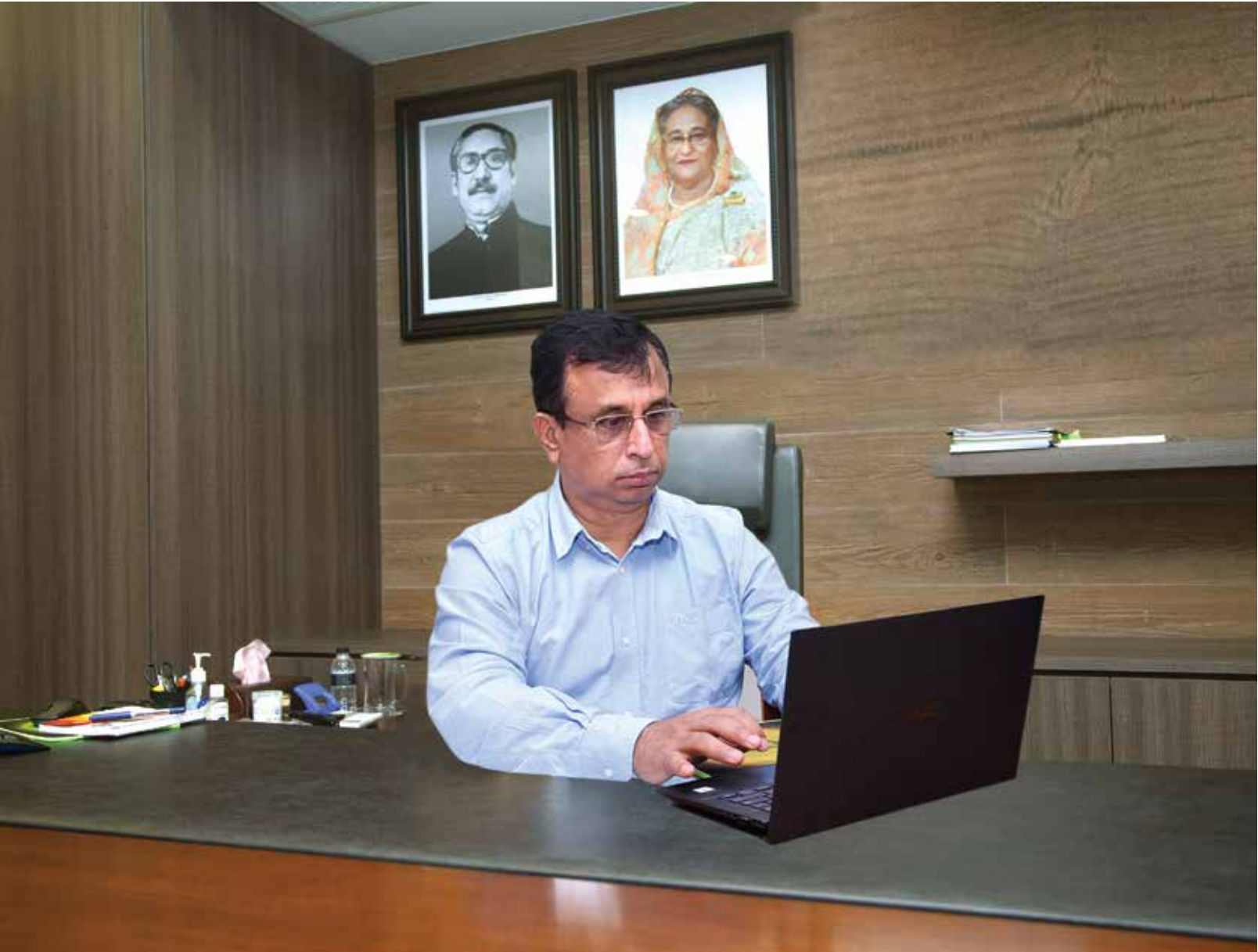


Yuan Jun

President, NORINCO International Cooperation Ltd
&
Board Director, RNPL



Director's
Report



Director's Report

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamualaikum

The Board of Directors of RPCL-NORINCO INTL Power Limited (RNPL) welcome you to the 4th 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, 2021 for your valued consideration, approval and adoption.

GLOBAL ECONOMIC OUTLOOK

The global economy contracted by 3.3% in CY 2020, as all major economies slipped into recession with COVID- induced lockdowns. Advanced Economies’ (AE) decline of 4.7% was steeper than Emerging Markets (EM) decline of 2.2%. Within the AE complex, the decline in Euro Area (-6.6%) was much sharper than that in the US (-3.5%). Within the EMs, China’s GDP grew 2.3%. Despite the steep global decline in CY 2020, global GDP decline was lower than initially feared primarily due to unprecedented monetary policy support from global central banks and fiscal stimulus from governments. Global fiscal stimulus reached ~US\$18.6 trillion by March 2021 (23% of GDP) while monetary stimulus by global central banks reached US\$16.6 trillion (21% of GDP). Global trade volume (goods and services) contracted by 9.6% in CY 2020 after a modest 1% increase in CY 2019. Global trade also started recovering in 4Q FY 2021 as merchandise trade volume turned positive on y-o-y basis from November 2020. Global trade is forecast to grow 8% in CY 2021 with merchandise volumes recovering faster than services volumes. Oil prices averaged US\$43/bbl in 2020 vs US\$64/bbl in 2019 as COVID-19 led to an unprecedented erosion in global oil demand. Global demand averaged ~90.5 mb/d in 2020 (down 9.5 mb/d y-o-y). Large production cuts by OPEC+ 9.7 mb/d in May-July and 7.7 mb/d thereafter helped with a price floor in the face of the unprecedented demand shock. Global crude oil prices have recovered in 2021 as economies begin reopening amidst vaccine roll out. The US fiscal stimulus has further improved global oil demand outlook. Global demand is expected to grow 5.9

mb/d y-o-y in 2021 to average ~96.4 mb/d. The global economy is expected to see a rebound in 2021 with the International Monetary Fund (IMF) expecting 6% growth, with US stimulus and vaccine optimism leading to further opening up of the economies. The growth recovery is likely to be led by the US and China – the US is estimated to grow 6.4% in 2021 and China by 8.4%. Governments and Central Banks are expected to maintain supportive policies until the recovery is firmly underway. The strength of recovery will depend on vaccine roll-out.

BANGLADESH ECONOMIC OUTLOOK

Bangladesh has an impressive track record of growth and poverty reduction. It has been among the fastest growing economies in the world over the past decade, supported by a demographic dividend, strong ready-made garment (RMG) exports, and stable macroeconomic conditions. Continued recovery in exports and consumption will help growth rates pick up to 6.4 percent in fiscal year 2021-22.

Bangladesh has shown enough successes in macroeconomic management although the COVID-19 has put a big toll on the global economy and thus disrupted the lives and livelihood of people. In the fiscal year 2020-21, Bangladesh achieved 5.47 percent GDP growth. In the current fiscal year 2021-22, the growth target has been set at 7.2 percent. Per capita, GNI has increased to US\$2,554 in 2021. Amidst the pandemic time this positive growth recognized Bangladesh as one of the top economic performers of the world.

Challenges

Bangladesh, like other countries, faces the daunting challenge of fully recovering from the COVID-19 pandemic which has constrained economic activities and reversed some of the gains achieved in the last decade. The COVID-19 pandemic decelerated economic growth in 2020. The pace of poverty reduction slowed down, exports declined, inequality increased across several dimensions and the poverty rate in 2020 increased to 18.1 percent from 14.4 percent. Nevertheless, strong remittance inflows and a rebound in export market has helped the economy to start recovering gradually.

To recover fully and achieve its growth ambitions of achieving upper-middle income status, Bangladesh needs to address the challenge of containing COVID-19. Vaccinating the population will reduce the incidence of the disease and mortality and enable the full resumption of economic activities. Bangladesh also needs to address the challenge of creating jobs/employment opportunities through a competitive business environment, increased human capital and skilled labor force, efficient infrastructure, and a policy environment that attracts private investments.

Other development priorities include diversifying exports beyond the RMG sector; deepening the financial sector; making urbanization more sustainable and strengthening public institutions. Addressing infrastructure gaps would accelerate growth and reduce spatial disparities in opportunities across regions and within cities. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

POWER SECTOR IN BANGLADESH

After assuming power in 2009, the government of Bangladesh led by Honorable Prime Minister Sheikh Hasina formulated a roadmap for the power and energy sector declaring it as a thrust sector with an aim to reach electricity to all households by 2021. On 21 March 2022, government formally announced hundred percent electricity in the whole country.

The government has successfully achieved its vision 2021 with generation capacity of 25,235 MW from only 4942 MW in 2009, surpassing the target of 24,000 MW in 2021, which also coincides with the birth centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the Golden Jubilee of Independence.

Having a solid foundation in the power and energy sector, the government has formulated Power System Master Plan to achieve 40,000 MW by 2030 and 60,000 MW by 2041, when Bangladesh aspires to become a prosperous developed nation.

Power Division has been working under the prudent, sincere and visionary leadership of Prime Minister Sheikh Hasina, as the number of power

plants rose to 146, while it was only 27 in 2009. The generation capacity reached to 25,235 MW (Including captive power), which was 4,942 MW (including captive power) in 2009.

The government has allocated Tk 280 billion in 2021-2022 fiscal year in the Annual Development Programme (ADP), which was only Tk 26.77 billion in 2008-2009. The world Bank Group has projected economic growth at 5.6% in 2021 according to its 'Global Economic Prospect, June 2021, whereas global growth is projected to decline to 4.3% in 2022 and 3.1% in 2023. Meanwhile, Bangladesh has achieved 6.1% growth rate in FY 2020-21 and estimated 7.2% in the coming year.

Government of Bangladesh is also focusing on green energy and planning to increase generation capacity significantly from renewable energy sources by 2030. To develop, support & facilitate the renewable energy program, the government has established Sustainable Renewable Development Authority (SREDA) in 2012. The government is working tirelessly for building "Sonar Bangla" as dreamt by Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

COMPANY OVERVIEW

Electricity is pivotal to the economic growth. Realizing this fact, Government has set the target to provide uninterrupted and reliable electricity to all at an affordable price. 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) has been 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 construction work of Patuakhali 1320 MW coal fired thermal power plant is going on in full swing at Dhankhali of Kalapara Upazila at Patuakhali district. More than 50% work of the project has already been completed. The first unit

of the power plant is likely to start generation by August 2023 and second unit by December in the same year.

RPCL has acquired 915 acres of land and adopted a plan to resettle approximately 281 nos. of families for implementing the power project. A modern village with schools, shops, community centers and mosques will be set up on 30 acres of land for the families affected by the land acquisition. The rehabilitation work is almost finished. 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 USD 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. The Facility Agreement was signed with EXIM Bank of China and Bank of China with a facility amount of USD 1.77 Billion on 24th December, 2020 and Financial Closing was held on 20 September 2021. The first draw down occurred on 28 September 2021.

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) year period, the Chairman shall be nominated on a rotation basis in the order of rotation by NORINCO International first and then RPCL as per Applicable Laws. 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 3,500,000,000 Crore
Paid-up Capital	BDT 20,000,000 Crore
Total Shares	2,00,0000
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 2020-2021 are described below :

Particulars	30 June 2021 (BDT in crore)
Total Assets	255.31
Total Liabilities	15.28
Total Equity	240.03
Current Assets	39.05
Current Liabilities	15.28

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	2020-21 (BDT)
VAT	3,17,18,728.00
TAX	3,73,61,006.00
AIT	43,67,525.00

CORPORATE GOVERNANCE:

The company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and all its interactions with the stakeholders to build the confidence of the society in general. The company believes in adopting the philosophy of professionalism, transparency and accountability in all areas and is committed to pursue growth by adhering to the highest national and international standards of corporate governance.

ROLE OF MANAGEMENT TEAM

The Board of Directors is the ultimate authority for overall management of the company within the framework of prevailing law. It guides the management of the company 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 team headed by the Managing Director and comprised of Executive Director, Project Director, Company Secretary & Deputy Project Director.

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

HUMAN RESOURCES AND TRAINING

Skilled manpower is the prerequisite of success in any organization. Every human being has unique latent qualities in him/her though the qualities remain unexplored most of the time. If the latent qualities of a newly appointed employee are explored, he/she can be trained up in a proper way, and thus an ordinary employee can be turned into an important asset for the organization. The aim of Human Resources Division of RNPL is to take initiatives to explore the unexplored latent qualities in our manpower and provide them with proper training in home and abroad which includes on-the-job and off-the-job training, attending different seminars and conferences related to skill development.

SAFETY & SECURITY MANAGEMENT

Safety continues to be one of the topmost priorities in RNPL. Accordingly, an endeavor 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 our honorable State Minister Nasrul Hamid MP, Ministry of Power, Energy & Mineral Resources; honorable Secretary of Power Division Mr. Md. Habibur Rahman, 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 2020-21 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



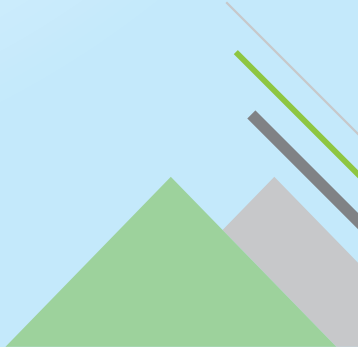
(Md. Selim Uddin)

Chairman

RPCL-NORINCO Intl Power Limited

Milestones of Excellence

SI No.	Signing	Date
01	Signing of (MoU) between RPCL & NORINCO Intl. Power Limited	9 th May, 2016
02	RPCL got Approval from ECNEC for land acquisition	10 th November, 2016
03	Draft copy of land acquisition was Finalized	17 th January, 2017
04	Cabinet Approved the JVA	1 st August, 2017
05	Cabinet Approved MOA of JVA & JV Company and Articles of Association AOA	6 th November, 2017
06	Signing of JVA between RPCL & NORINCO Intl. Power Limited	12 th November, 2017
07	Incorporation of the JV Company (RNPL) from RJSC	21 st December, 2017
08	First Board Meeting of the JV Company	30 th December, 2017
09	The contract of the Consortium of Central Southern China Electric Power Design Institute Company Limited of China Power Engineering Group, China (CSEPMI) and O & M Solutions Bangladesh Limited	19 th April, 2018
10	Notice issued for International Tenders	26 th June, 2018
11	Signing of PPA between BPDB & RNPL	20 th February, 2019
12	Signing of EPC Contract with Consortium of TEPC-CHEC-CWEC	6 th March, 2019
13	Signing of IA between RNPL and PGCB	8 th April, 2019
14	Signing of LLA between RPCL & RNPL	28 th May, 2019 & 22 nd December, 2019
15	Signing of Service Contract for Coal Sourcing with Consortium of Top Hand Consulting Limited and Wood Mackenzie (Australia) Pty Limited	20 th August, 2019
16	Signing of contract for Major Equipment by EPC Contractor	27 th August, 2019
17	Signing of MoU between China EXIM Bank and Negotiation Committee	11 th October, 2019
18	Approval from Payra Port Authority	19 th December, 2019
19	Signing with the Lender	24 March, 2020
20	Approval of the Indicative Team Sheet & Conditions to finalize the Loan Agreement by the Standing Committee on Non-Concessional Loan	27 August, 2020
21	Submission of Final Grid Study Report to PGCB by RNPL's employed Consultant ETCBL	15 October, 2020
22	Signing of the Facility Agreement with Exim Bank of China (Lead Arranger) along with Bank of China worth USD 1.77 Billion for project financing	24 December, 2020
23	Financial Guarantee is given by the Government of the People's Republic of Bangladesh	8 March, 2021





Memorable
Events



Project site Visited by Md. Habibur Rahman, Honorable Secretary Power Division



Md. Habibur Rahman, Honorable Secretary, Power Division having meeting with the High Officials of RNPL, EPC and Owner's Engineer at Project Site



Managing Director of RNPL having meeting with EPC



High Officials of Power Division Visited Project Site

Signing Agreements



Facility Agreement Signing with EXIM Bank, China



Onshore Account Bank & Security Agent Agreement Signing with Agrani Bank Limited

Bird's Eye View of The Project



Entrance



Security Check at the Project Site Entrance

Construction of Major Structures



Boiler Super Structure



Turbine Hall Area



Boiler, Turbine, Generator Area



Chimney Foundation



400 KV GIS Sub-Station Yard



Induced Draft Cooling Tower Area



Water Reservoir Area



Water Treatment Area



Oil Tank



Admin & Engineering Building



Workshop Building



Mini Fire Station

Manufacturing of Major Equipment



Boiler



Steam Turbine (Stator)



Steam Turbine (Rotor)



Generator (Stator)



Generator (Rotor)



Generator Step Up Transformer



400 KV GIS

Temporary Construction Facilities



Material Handling Jetty



Batching Plant



Fabrication Yard



Construction Safety Training Area

Resettlement Area





Entrance



Houses



Mosque



School



Market



Health Center



Cyclone Center



Water Supply Facility



Water Fountain

Temporary Facilities

Project Office



Temporary Structure



Temporary Living Dormitory



Isolation Zone



Officer's Dormitory



Dining Hall



Inside Dining Hall



Barber Shop



Clinic



Super Market



Temporary Living Dormitory for workers



Mosque at Project Site



Stationary Shop



Super Shop



Telecom Facilities

Training Facilities





Sample Collection for COVID Test



Disinfecting Spray for COVID Prevention

Fire Safety Drill





Environment Monitoring



Raw Water Sample Collection

Coal Jetty Ground Breaking Ceremony



Various Activities of the Company



On the Occasion of Birth Centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman



International Mother Language Day



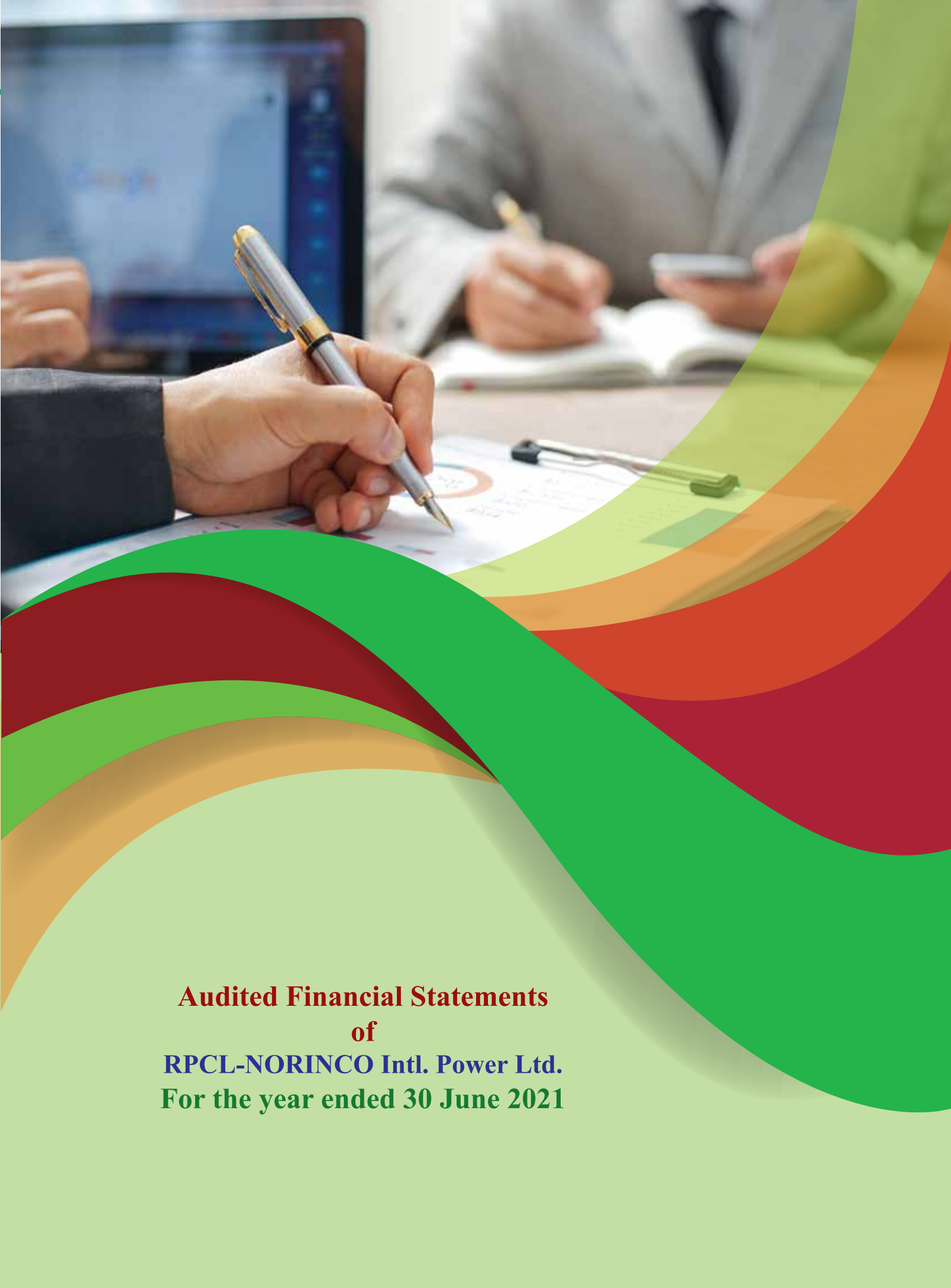
National Mourning Day

Recreational Activities at Project Site



Night View of the Project





Audited Financial Statements
of
RPCL-NORINCO Intl. Power Ltd.
For the year ended 30 June 2021

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of RPCL-NORINCO Intl. Power Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of RPCL-NORINCO Intl. Power Limited (the Company), which comprises the statement of financial position as at 30 June 2021, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

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

Other information

Management is responsible for the other information. The other information comprises the director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value-added statement (EVA), and value added statement and certification on corporate governance but doesn't include the financial statements and our auditor's report. The director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value added (EVA) statement, value added statement and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

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

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

Responsibilities of management and those charged with governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ❑ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❑ Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ❑ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ❑ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also report that:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received by us; and
- c) the Company's statement of financial position and statement of comprehensive income together with notes thereto dealt with by the report are in agreement with the books of account and returns.

Dhaka, 15th December 2021
DVC No: 2201060450AS982592


Hoda Vasi Chowdhury & Co.
Chartered Accountants
Signed by:
M. Munjurul Hassan, FCA
Senior Partner
Enrollment No: 0450

RPCL-NORINCO Intl. Power Ltd.
Statement of Financial Position
 As at 30 June 2021

	Note	30-Jun-21 Taka	30-Jun-20 Taka
Assets			
Non-current assets			
Capital work in progress	4	2,162,658,972	357,874,833
		2,162,658,972	357,874,833
Current assets			
Short-term investment in FDRs	5	180,455,625	250,000,000
Advances, deposits and prepayments	6	13,814,958	7,178,412
Cash and cash equivalents	7	196,181,754	120,261,405
		390,452,337	377,439,817
Total assets		2,553,111,309	735,314,650
Equity and liabilities			
Equity			
Share capital	8	200,000,000	200,000,000
Share money deposits	9	2,215,309,971	531,309,971
Retained earnings /(Loss)	10	(14,975,016)	(7,259,562)
		2,400,334,955	724,050,409
Current liabilities			
Liabilities for expense	11	147,560,001	5,028,956
Provision for income tax	12	5,216,352	6,235,285
		152,776,353	11,264,241
Total equity and liabilities		2,553,111,309	735,314,650

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, 15th December 2021
 DVC No: 2201060450AS982592


 Hoda Vasi Chowdhury & Co.
 Chartered Accountants
 Signed by:
M. Munjurul Hassan, FCA
 Senior Partner
 Enrollment No: 0450

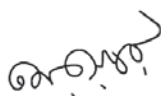
RPCL-NORINCO Intl. Power Ltd.
Statement of Comprehensive Income
For the year ended 30 June 2021

	Note	30-Jun-21 Taka	30-Jun-20 Taka
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other income	14	17,387,839	9,007,637
Operating expenses			
Administrative expenses	13	(18,534,297)	(9,422,531)
Profit/(Loss) before tax		(1,146,458)	(414,894)
Income tax			
Current income tax	12	(5,216,352)	(2,927,482)
Net Profit/(Loss) after tax		(6,362,810)	(3,342,376)

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, 15th December 2021
DVC No: 2201060450AS982592

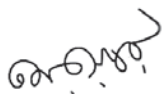

Hoda Vasi Chowdhury & Co.
Chartered Accountants
Signed by:
M. Munjurul Hassan, FCA
Senior Partner
Enrollment No: 0450

RPCL-NORINCO Intl. Power Ltd.
Statement of Changes in Equity
For the year ended 30 June 2021

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Opening as at 01 July 2019	200,000,000	109,910,545	(3,917,186)	305,993,359
Share money received during the year	-	421,399,426	-	421,399,426
Net loss for the year after tax	-	-	(3,342,376)	(3,342,376)
Balance as at 30 June 2020	<u>200,000,000</u>	<u>531,309,971</u>	<u>(7,259,562)</u>	<u>724,050,409</u>
Opening as at 01 July 2020	200,000,000	531,309,971	(7,259,562)	724,050,409
Share money received during the year	-	1,684,000,000	-	1,684,000,000
Prior year adjustments	-	-	(1,352,643)	(1,352,644)
Net loss for the year after tax	-	-	(6,362,810)	(6,362,810)
Balance as at 30 June 2021	<u>200,000,000</u>	<u>2,215,309,971</u>	<u>(14,975,015)</u>	<u>2,400,334,955</u>



Company Secretary



Managing Director



Director

RPCL-NORINCO Intl. Power Ltd.

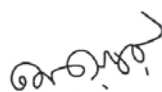
Statement of Cash Flows

For the year ended 30 June 2021

	30-Jun-21 Taka	30-Jun-20 Taka
A. Cash inflows from operating activities		
Profit /(loss) before tax	(1,146,458)	(414,894)
Prior year adjustment	(1,352,643)	-
Changes in working capital:		
(Increase)/decrease in advances, deposits and prepayments	(4,340,607)	(3,505,055)
Increase/ (decrease) in liabilities for expense	142,531,045	2,316,903
Changes in working capital	138,190,438	(1,188,152)
Tax paid during the year	(8,531,224)	(845,644)
Net cash (used in)/generated from operating activities	127,160,113	(2,448,690)
B. Cash flows from investing activities:		
Capital Work in Progress	(1,804,784,139)	(185,646,031)
Short-term investments in FDRs	69,544,375	(119,075,000)
Net cash used in investing activities	(1,735,239,764)	(304,721,031)
C. Cash flows from financing activities		
Share capital	-	-
Share money deposits	1,684,000,000	421,399,426
Net cash generated from financing activities	1,684,000,000	421,399,426
Net increase in cash and cash equivalents (A+B+C)	75,920,349	114,229,705
Cash and cash equivalents at the beginning of the year	120,261,405	6,031,700
Closing cash and cash equivalents	196,181,754	120,261,405



Company Secretary



Managing Director



Director

RPCL-NORINCO Intl. Power Ltd.

Notes to the financial statements

For the year ended 30 June 2021

1. Corporate information

1.1 Formation and legal status

RPCL-NORINCO ITNL 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 Company Act 1994. The registered office is situated at Atlanta Trade Centre, (7th Floor), House# 01, Road# 01/A, Sector # 04, Uttara, Dhaka-1230

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 Thermal power plant project 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 relevant laws and regulations as applicable in Bangladesh.

2.2 Statement of comprehensive income

Statement of comprehensive income includes income generated from investments made in short term deposits and expenses attributable to the head office.

2.3 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.

2.4 Accrual basis of accounting

These financial Statements of the Company are prepared as per accrual basis of accounting except for 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.

2.5 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.

2.6 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.

2.7 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) Judgements

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

2.8 Reporting period

The financial statements of the Company covers the period of 01 July to 30 June and is followed consistently.

2.9 Authorization for issue

The financial Statements have been authorized for issuance by the Board of Directors of the Company in their meeting held on 15 December 2021.

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 Asset	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 for 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 Capital work in progress

Capital work in progress consists of acquisition costs, directly attributable borrowing costs, capital components and related installation costs and other development, revenue and administrative expenditures until the date when the assets ready to use for its intended purpose. Capital work in progress is stated as cost less impairment if any, until the construction is completed. Upon completion

of construction, the cost of such assets together with the cost directly attributable to construction, including capitalization of the borrowing costs are transferred to the respective class of assets and depreciated when the asset is completed and commissioned. No depreciation is charged on capital work in progress.

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 receipts

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

3.5 Lease

Reporting requirements of the leased items (lease rental-operational lease), provisioned by the IFRS 16, are not reflected in the financial statements. But the Company has plans to adopt relevant compliance requirements and recognise lease related obligations in accordance with the standard from the following year.

3.6 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.

3.7 General

Last year's figures as well as description of the line items have been re-arranged whenever necessary for the sake of consistency and comparability.

	Ref.	30-Jun-21 Taka	30-Jun-20 Taka
4. Capital work in progress			
Opening balance		357,874,833	172,228,802
Addition	4.1	1,804,784,139	185,646,031
Closing balance		2,162,658,972	357,874,833
4.1 Capital work in progress			
Local			
License fees		9,150,682	-
Office Equipment		222,877	1,877,081
Office Furniture		89,000	1,317,767
Consultancy Fees (Local)		109,445,464	148,092,751
Consultancy Fees & Other (Foreign) (Note 4.1.3)		1,474,267,734	-
Salary and Benefits (Project cost) (Note 4.1.1)		20,777,701	25,847,364
Administrative Expense (Note 4.1.2)		54,037,918	8,511,068
Land Lease Rent		136,792,763	-
		1,804,784,139	185,646,031

4.1.1 Salary and Benefits (Project cost)

Salary and Wages Allowances
Festival Bonus

30-Jun-21 Taka	30-Jun-20 Taka
18,994,460	23,754,037
1,783,241	2,093,327
20,777,701	25,847,364

4.1.2 Administrative expenses for plant

Repair and Maintenance Expenses
Fuel Expenses
Travel Expenses
Security Service Expenses
General Expenses
Telecommunication Expenses
Rent-a-car Expense
Licences Renewals Fees
Printing & Stationary
Training Conference Fees
Entertainment Expenses
Office Rent (Patuakhali)
Remuneration Expenses
Web Hosting
Consultancy Fee
Daily Allowance Expenses

198,314	182,565
354,646	364,564
1,455,694	3,254,359
184,800	184,800
192,249	425,647
393,139	435,394
-	422,400
31,932,102	317,367
185,746	155,064
-	297,541
288,199	439,729
-	766,174
13,161,000	-
168,857	-
45,000	326,916
-	700,650
48,559,746	8,273,170

Cost of power generation & supply

Medical Expenses
Office Rent- (Patuakhali)
Electricity Bill
Repair and Maintenance- Furniture & Fixture
Repair and Maintenance- Building
Gratuity Expense
Uniform Liveries
General Expenses
Entertainment Expenses
Printing and Stationary
Postage Stamp
Consumable Office Expenses
Telecommunication Expenses
Internet Service
Croceries Cutlaries
Casual Labour
Recruitment Expenses
Licences Renewals Fees

1,600	1,300
802,278	-
14,892	6,481
8,140	-
5,235	7,300
4,170,939	-
-	100
64,850	25,006
40,800	104,196
9,072	3,830
30	85
3,985	-
2,380	-
13,500	13,500
8,740	1,600
149,000	73,650
182,731	-
-	850
5,478,172	237,898
54,037,918	8,511,068

Total

4.1.3 Consultancy Services & Other (Foreign)

Consultancy Services (Coal Sourcing)
Consultancy Services (Owner's Engineers)
Loan Facilities
Import-Duties & Other Charges

30-Jun-21 Taka	30-Jun-20 Taka
9,769,250	-
115,207,488	-
1,347,020,822	-
2,270,174	-
1,474,267,734	-

5. Short-term investment in fixed deposit receipts (FDR)

FDR No.	Name of Bank	Rate	Tenure (days)
1541	Agrani Bank Ltd	6%	180
1542	Agrani Bank Ltd	6%	180
10590686	Social Islami Bank	6.75%	180
0037467	ICB Islamic Bank Ltd	10.50%	180
0408235	Mercantile Bank Ltd	7.50%	100
0408234	Mercantile Bank Ltd	7.50%	100
0408277	Mercantile Bank Ltd	7.50%	100
0003678	NRB Bank Ltd	7.50%	100

Total

50,000,000	-
100,000,000	-
30,455,625	-
-	50,000,000
-	50,000,000
-	50,000,000
-	50,000,000
-	50,000,000
180,455,625	250,000,000

6. Advance, deposit and prepayments

Security deposit (Payra Port)
Office rent
Employees for expenses
Advance to local suppliers/consultants
Advance income tax (Ref. Note # 6.1)
Closing Balance

7,916,480	-
1,480,412	2,644,578
50,541	1,462,248
-	1,000,000
4,367,525	2,071,586
13,814,958	7,178,412

6.1 Advance income tax

Opening balance
Addition during the year
Adjustment made with the tax provision
Closing Balance

2,071,586	1,225,942
4,367,525	845,644
(2,071,586)	-
4,367,525	2,071,586

7. Cash and cash equivalents

Cash in hand (Ref. Note # 7.1)
Cash at bank (Ref. Note # 7.2)

166,102	-
196,015,652	120,261,405
196,181,754	120,261,405

7.1 Cash in hand

Cash in hand (H/O)
Cash in hand (Plant)

27,102	-
139,000	-
166,102	-

			30-Jun-21 Taka	30-Jun-20 Taka
7.2	Name of the bank	A/C No	Nature of A/C	
	Agrani Bank Ltd	A/C-0200011437942	Current deposits	116,355
	Agrani Bank Ltd	A/C 200016813028	Current deposits	60,586
	Agrani Bank Ltd	A/C- 200016302368	Current deposits	4,586
	Agrani Bank Ltd	A/C-0200011578313	Special notice deposits	27,253,350
	Agrani Bank Ltd	A/C- 0007487/1399	Short-term deposits	-
	Agrani Bank Ltd	FCA- 0200016276015	Foreign currency account	168,579,178
	Bank AL-Falah Ltd	A/C- 15565	Short-term deposits	-
	Sonali Bank Ltd	A/C- 128902000159	Current deposits	1,597
			196,015,652	120,261,405
8.	Share capital			
	i) Authorized capital			
	35,000,000 ordinary shares @ Tk 100 each			
	ii) Issued, subscribed and paid-up share capital			
	2,000,000 ordinary shares @Tk 100 each			
			35,000,000,000	400,000,000
			200,000,000	200,000,000

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

SL No	Shareholders	Nationality	Percentage of holdings	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
					200,000,000

9. Share money deposit

Opening balance	531,309,971	-
Rural Power Company Ltd. (RPCL)	-	2,736,810
NORINCO International Cooperation Ltd	1,684,000,000	528,573,161
	2,215,309,971	531,309,971

The share money deposits were channeled through the company's bank A/C No. 0200011437942 in Agrani Bank Limited, Gulshan corporate branch, against which shares are yet to be allotted till to the reporting date.

10. Retained Earnings /(Loss)

Opening	(7,259,562)	(3,917,186)
Prior year adjustment	(1,352,643)	-
Addition during the year	(6,362,810)	(3,342,376)
Closing balance	(14,975,016)	(7,259,562)

11. Liabilities For Expenses


Employee's Contributory Provident Fund	3,867,024	2,338,366
Audit Fees	422,500	164,450
Office Rent (Corporate)	-	489,709
Internet Service	-	22,000
Security Service	-	15,400
Legal Fees	-	90,000

	30-Jun-21 Taka	30-Jun-20 Taka
Payable To Local Suppliers/ Consultants	1,675,433	1,597,432
Board Meeting Fees & Expenses	628,557	311,599
Income Tax Deducted at Source (ITDS)	650	-
Vat Deducted At Source (VDS)	2,135	-
Provision For Gratuity	4,170,939	-
Land Lease Rent Payable	136,792,763	-
Closing Balance	147,560,001	5,028,956
12. Provision for income tax		
Opening balance	6,235,285	3,307,803
Addition during the year	5,216,352	2,927,482
Adjustment with advance	(2,071,586)	-
Cash payment with the last year return	(4,163,699)	-
Closing balance	5,216,352	6,235,285
13. Administrative expense		
Office Rent (Corporate)	6,829,375	6,811,500
Utility Bill	399,298	218,188
Uniform & Liveries	38,395	-
Postage & Stamps	13,390	1,780
Insurance Premium- Vehicle	-	1,496
Local Conveyance	74,314	16,400
Books & Periodicals	8,559	10,480
Croceries & Cutlaries	8,301	28,320
Casual Labour	23,470	74,090
Rent, Rates and Taxes	-	14,000
Medical Expenses-General	22,422	49,865
Honorarium	560,500	138,900
Bank Charges	614,690	163,416
Audit Fees	422,500	164,450
Board Meeting Fees	916,255	790,891
Legal Fees	180,000	270,000
Consumable Office Expense	232,235	121,568
Agm Expense	171,500	168,000
Advertisement Expense	197,500	379,187
Salaries & Wages Allowances	7,136,384	-
Festival Bonus	685,209	-
Total	18,534,297	9,422,531
14 Other income		
Interest from FDR	16,630,338	9,007,637
Interest from SND bank account	757,501	-
	17,387,839	9,007,637

Investment was made from the surplus equity fund and accordingly interest income has been generated before commencing the business operation.



Company Secretary



Managing Director



Director

RPCL-NORINCO Intl. Power Ltd.

Schedule of Fixed Deposits Receipt

As at 30 June 2021

Annexure-01

Sl.	Name of Bank	Branch	FDR No	Date of Investment	Opening Balance	New Investment	Interest	Source Tax	Excise Duty	Other Charges	Net Interest	Encashment	Closing Balance
1	Agrani Bank Ltd.	Gulshan	1119-0045033/1541	13.04.2021	-	50,000,000.00	-	-	-	-	-	-	50,000,000.00
2	Agrani Bank Ltd.	Gulshan	1119-0045033/1542	13.04.2021	-	100,000,000.00	-	-	-	-	-	-	100,000,000.00
3	Social Islami Bank Ltd.	Uttara	0245310099736	20.01.2021	-	30,000,000.00	506,250.00	50,625.00	-	-	455,625.00	-	30,455,625.00
			Renewal of FDRs (Sub Total-A)			180,000,000.00	506,250.00	50,625.00	-	-	455,625.00	-	180,455,625.00
1	NRB Bank Ltd.	Uttara	1063170068905	25.06.2020	50,000,000.00	-	2,032,118.06	203,211.81	80,000.00	-	1,748,906.25	51,748,906.25	-
2	ICB Islami Bank Ltd.	Uttara	00-3-0038-0001804-3	08.01.2020	50,000,000.00	-	2,617,808.21	261,780.82	25,000.00	-	2,331,027.39	52,331,027.39	-
3	ICB Islami Bank Ltd.	Uttara	00-3-0038-0001844-1	09.07.2020	-	50,000,000.00	1,890,410.95	189,041.10	55,000.00	-	1,646,369.85	51,646,369.85	-
4	ICB Islami Bank Ltd.	Uttara	00-3-0038-0001961-0	20.01.2021	-	20,000,000.00	320,547.94	32,054.79	15,000.00	-	273,493.15	20,273,493.15	-
5	Agrani Bank Ltd.	Gulshan	0200015297139	19.05.2019	50,000,000.00	-	3,158,326.15	315,832.62	80,000.00	-	2,762,493.53	52,762,493.53	-
6	Janata Bank Limited	Uttara	0100220131895	20.01.2021	-	30,000,000.00	468,750.00	46,875.00	15,000.00	230.00	406,645.00	30,406,645.00	-
7	Mercantile Bank Ltd.	Uttara	111641231196778	19.05.2020	50,000,000.00	-	1,996,217.45	199,621.75	40,000.00	-	1,756,595.70	51,756,595.70	-
8	Mercantile Bank Ltd.	Uttara	111641231197178	19.05.2020	50,000,000.00	-	1,996,217.45	199,621.75	40,000.00	-	1,756,595.70	51,756,595.70	-
9	Mercantile Bank Ltd.	Uttara	111641231358689	25.06.2020	50,000,000.00	-	1,041,666.67	104,166.67	40,000.00	-	897,500.00	50,897,500.00	-
10	Bank Alfalah Ltd.	Uttara	0707-2100299014	19.05.2019	40,000,000.00	-	602,025.00	60,202.50	15,000.00	297.50	526,525.00	40,526,525.00	-
			Encashment of FDRs (Sub-Total-B)		340,000,000.00	100,000,000.00	16,124,087.88	1,612,408.81	405,000.00	527.50	14,106,151.57	454,106,151.57	-
			Grand Total (A+B)		340,000,000.00	280,000,000.00	16,630,337.88	1,663,033.81	405,000.00	527.50	14,561,776.57	454,106,151.57	180,455,625.00

Note: Opening balance of FDR comes from Short Term Investment in FDR for the amount of Tk. 25.00 Crore & Cash & Cash Equivalents (Agrani Bank-5.00 Crore & Bank Alfalah-4.00 Crore) for the amount of 9.00 Crore

Tamir

Company Secretary

Director

Director





RPCL-NORINCO INTL POWER LIMITED

Atlanta Trade Center (Level-7) House # 01, Road # 1/A,
Sector # 4, Uttara, Dhaka-1230.
PABX : 02-48956157, E-mail : rnpled@gmail.com
Web : www.rnpl.com.bd

PROXY FORM

I/We
of
being member of Rural Power Company Limited, do hereby appoint.....
.....
of.....

as may /our proxy to attend and vote for me / us and on my / our behalf at the 4th ANNUAL GENERAL MEETING of the Company to be held on Monday, 28 March 2022 at 10:00 AM and / or at any adjournment thereof.

Signed thisday of 2022

Signature of ProxySignature of Shareholder

No. of shares held

Register Folio No.



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 # I/A

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