

ANNUAL REPORT 2023



RPCL-NORINCO Intl. Power Limited

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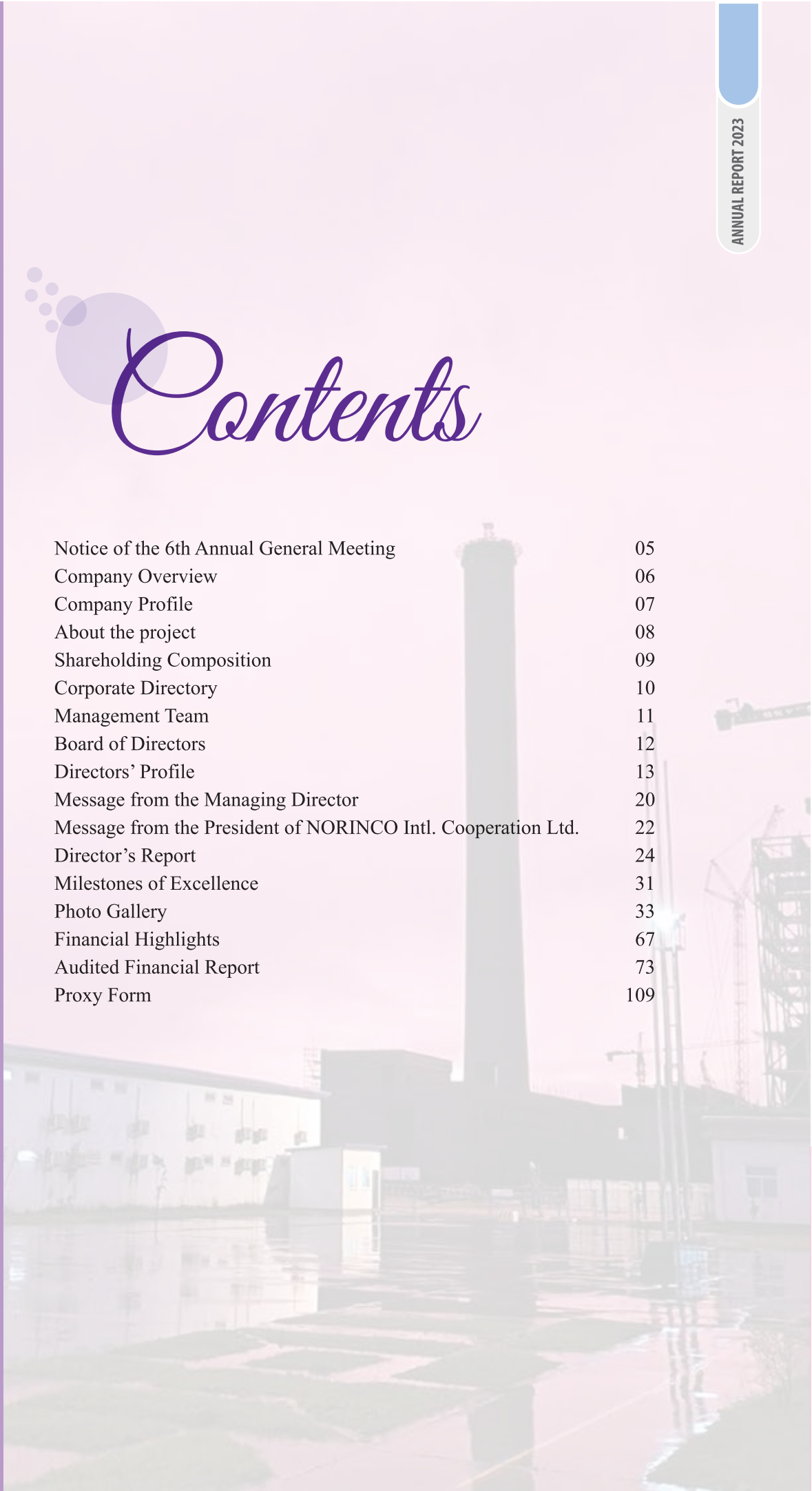


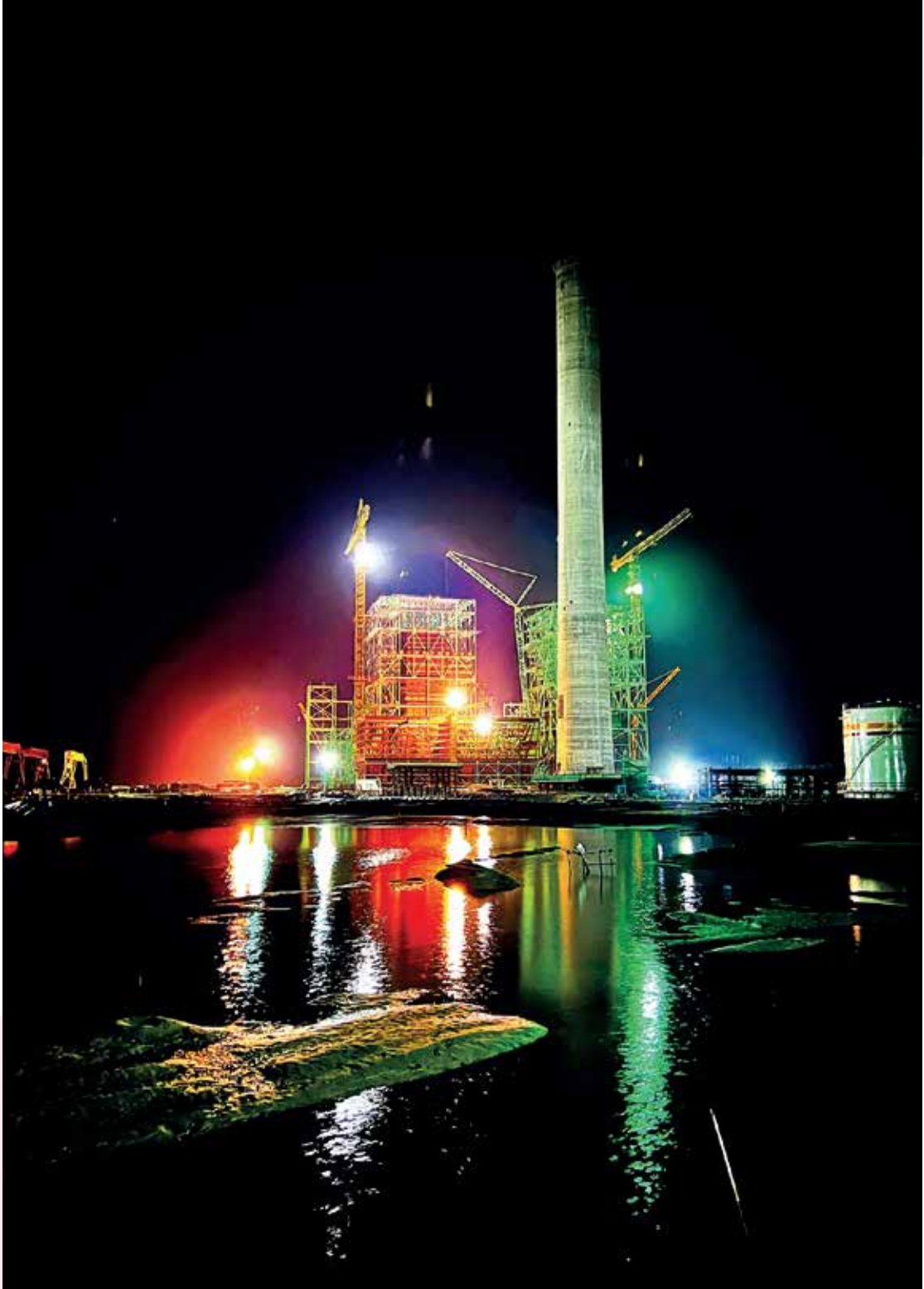
Together we are stronger, Together we are unbroken, Together we can do anything



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Night View of Project Site



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/1320/2023/0237

Date: 25/02/2024

NOTICE OF THE 6th ANNUAL GENERAL MEETING

The 6th virtual Annual General Meeting (AGM) of RPCL-NORINCO INTL POWER LIMITED will be held on Sunday the 31st day of March 2024 at 10:00 AM Bangladesh time 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 2023.
2. To appoint Auditor and fix their remuneration for the Financial Year 2023-24.
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 "Asian Tower" (Level- 9, 10 & 11), House # 52, Road # 21, Nikunja – 2, Khilkhet, Dhaka- 1229, Bangladesh.

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 (CSEPDII)".

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 68 percent development of the project has been completed.

Foundation 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 30.06.2024 and 2nd Unit 31.10.2024.



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 35,000,000,000.00
Paid-up Capital	: BDT 26,595,148,800
Face Value of each Share	: BDT 100.00
Chairman	: Ajay Kumar Chakraborty
Managing Director	: Md. Abdus Sabur
Executive Director	: Sun Rui
Major Area of Business	: Power Generation
Corporate Office	: "Asian Tower" (Level- 9, 10 & 11), House # 52, Road # 21, Nikunja – 2, Khilkhet, Dhaka- 1229, Bangladesh.
Auditor	: A. Qasem & Co., Chartered Accountants
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
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)
Commercial Operation Date (as per PPA)	: 30 June, 2024 (1 st Unit 660 MW) 31 October, 2024 (2 nd Unit 660 MW)
Power Purchaser	: Bangladesh Power Development Board (BPDB)

Shareholding Composition



Corporate Directory

Chairman

Ajay Kumar Chakraborty
Chairman, BREB & RNPL

Board of Directors

Ajay Kumar Chakraborty
Chairman, RNPL

Md. Abdus Sabur
Managing Director, RNPL

Md. Raihan Akhtar
Director, RNPL

Mr. Sun Rui
Director, RNPL

Mr. Shan Jun
Director, RNPL

Mr. Wang Xinqing
Director, RNPL

Management *Team*



Md. Abdus Sabur
Managing Director, RNPL



Sun Rui
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



Ajay Kumar Chakraborty
Chairman, RNPL



Shan Jun
Director, RNPL



Md. Abdus Sabur
Managing Director, RNPL



Md. Raihan Akhtar
Director, RNPL



Wang Xinqing
Director, RNPL



Sun Rui
Director, RNPL

Directors' Profile





Profile of
Ajay Kumar Chakraborty
 Chairman, RNPL

Ajay Kumar Chakraborty has been appointed as Chairman of BREB on January 01, 2024. He has also been appointed as Chairman of Bangladesh Power Equipment Manufacturing Company Ltd. on January 01, 2024.

Mr. Ajay Kumar Chakraborty was born in 1968 in Rugganj Upazila of Narayanganj District.

He obtained the degree of B.Sc in Mechanical Engineering from Bangladesh University of Engineering and Technology in 1992. Later, he obtained Master of Business Administration (MBA) degree from the University of Dhaka under Faculty of Business Studies in 2009 and Masters in Procurement and Supply Management degree from BRAC University in 2013. He also obtained three diplomas namely Foundation Diploma, Advanced Diploma and Graduate Diploma in Procurement and Supply Management from the Chartered Institute of Procurement and Supply (CIPS), UK.

He started his career in Beximco Group in 1992. Later in 1995, he joined, through 15th BCS examination, in the Public Works Department as Assistant Engineer. He served in Public Works Department as Assistant Engineer in Khulna and BPATC; as Sub-Divisional Engineer in Cox's Bazar, Tangail and Dhaka; and as Executive Engineer in Rajshahi and Dhaka.

Then in 2012 he joined the Ministry of Public Administration after being promoted as Deputy Secretary. He served as Lien for over 4 years as Procurement Specialist in a World Bank funded project implemented by Bangladesh University Grants Commission. Later he worked in the Central Procurement Technical Unit (CPTU) under IMCD of Ministry of Planning and later in the Ministry of Disaster Management and Relief.

He was promoted to the post of Joint Secretary in the year 2019. He served in the office for the celebration of the Birth Century of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman under the Cabinet Division. Later he worked as Executive Director in the Power Grid Company of Bangladesh Ltd (PGCB).

He was promoted as Additional Secretary in 2023 and served in the Technical and Madrasah Education Division of the Ministry of Education till 31/12/2023.

On 27/12/2023 he was appointed Chairman of Bangladesh Rural Electrification Board (BREB) and he joined BREB on 01/01/2024.

He traveled to USA, UK, Australia, Italy, Switzerland, Georgia, China, Singapore, Thailand and India for training and various government duties. He is a National Procurement Trainer of CPTU. Two books written by him have been published - the first one in 2013 from Germany under the title 'Public Procurement Rules: Impact on the Performance of Construction Projects' and the second one in 2023 from Dhaka under the title 'Science of Sustainable Development'.

He is the father of a daughter and a son. His wife Ruma Ganguly is a home maker.



Profile of Mr. 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-I and Dhaka PBS-I 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 Akhtar

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 Joint 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 Mr. Shan Jun

Mr. Shan Jun is senior engineer with professor title. Born in 1970, Mr. Shan Jun got double major degree in mechanical engineering and enterprise management from Beijing University of Technology. After graduation, he worked for China Yanxing National Corp. as business manager in International Trade Dept. In 1997, he joined China North Industries Corp. and successively held the position of secretary in Executive Office and project manager of Ethiopia Project Office. From 2003 he began his career with NORINCO International Cooperation Limited for which he worked first as project manager of Electric Power Dep. and DGM of Marketing Dept. in 2006. Later in 2008 he was appointed GM of Electric Power Dept.

From the year of 2011 to 2022, Mr. Shan Jun assumed the post of vice president of NORINCO International. In 2022, he acted as president of NORINCO International. He is also currently chairman of Croatia ENERGIJA PROJEKT d.d.



Profile of Mr. 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 Mr. Sun Rui

Born in 1970, Mr. Sun Rui completed his bachelor's degree of Economics in University of International Business and Economics in June 1992, and earned EMBA degree from State University of New York at Buffalo in 2002.

After graduation from University of International Business and Economics in 1992, he staffed in China Forestry International Cooperation Company and then China Feedstuff Group Corporation Ltd. And he started his career in international engineering projects since 2005 when he joined in China Machinery Industry Group Corporation Ltd. (SINOMACH) as the Director of the 2nd Division of International Engineering Dept. From 2005 to 2021, he has been Project Manager and Project Director for 6 Mega Projects, including 2 coal-fired power plants in Indonesia, 2 power transmission projects in Africa, etc. The total contract value of these projects is US\$ 3.9 billion.

He joined in the Strategic Management Dept. of Norinco in July 2021, and was appointed as Market Development Director of the 2nd International Engineering Dept. of Norinco International Cooperation Ltd. in November 2022.

He joined in RPCL-NORINCO Intl Power Limited (RNPL) as director of board and Executive Director from April 2023. He also holds a professional title of Senior Engineer accredited by relevant authority in China.



Message from the Managing Director

It gives me immense pleasure to welcome you all at the 6th Annual General Meeting of the company. RNPL has embarked on a mission to establish itself as a modern, growth-oriented organization and to make its presence felt in the country's dynamic power sector. 2023 was undoubtedly a challenging year for Bangladesh

economy. While global economy was recovering strongly from the COVID-19 pandemic, the war in Ukraine posed a setback to the ongoing recovery. A rise in the global commodity prices and sluggish economic activities by war induced supply chain disruption. However, in this challenging and

dynamic environment, the company delivered a reasonably good performance.

As you are aware, the motto of our company is to bring electricity service to all areas of the country, including marginal areas. I am pleased to report that we are making significant progress towards this goal. Our construction project is progressing well, and we have completed around 82% of the construction work. This is a testament to our employees and contractors' hard work and dedication.

Erection of Boiler-2 is 100% completed & Boiler-1 is 74% completed. Installation of Coal Bunker and Coal Conveying Pipes are completed. Forced Draft Fan unit-1 erection completed and unit-2 ongoing. Turbine hall Unit-1, equipment installation completed and Unit-2 ongoing. 400 KV GIS equipment installation is completed. Cable connection is ongoing.

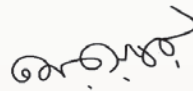
We are also actively engaging with the local communities in which we operate, with a focus on sustainability and responsibility. Our commitment to positively impacting the lives of the people in these communities is at the forefront of our business

In conclusion, I believe that we have the strengths and opportunities to continue our progress. On behalf of the management, I would like to express my sincere gratefulness to Her Excellency Sheikh Hasina, Honorable Prime Minister, Peoples Republic of Bangladesh for her strong & dynamic leadership to the power

sector. I express my thanks & gratitude to the Honorable Advisor to the Prime Minister for Power Energy & Mineral Resources Dr. Tawfiq-E-Clahi Chowdhury, BB, Honorable State Minister to Power Energy & Mineral Resources Mr. Nasrul Hamid MP, and Senior Secretary, Power Division, Mr. Md. Habibur Rahman, BPAA for their valuable contribution to achieve the goal of the Company. I also express my sincere appreciation to the Chairman and the Board of Directors of RNPL for their prudent stewardship and co-operation all along. Last but certainly not the least, I thank my team at RNPL for their constant support, dedication, and commitment to be the part of a winning team.

I wish the 6th AGM of RNPL every success. May the Almighty God help us to prosper & to grow continuously.

Thank you



(Engr. Md. Abdus Sabur)

Managing Director, RNPL



Message from the
President of
NORINCO Intl. Cooperation Ltd.

It is my great honor and pleasure to welcome all the shareholders and other guests to the 6th Annual General Meeting of RNPL. And I am deeply honored for the presence of the shareholders and distinguished guests.

I am proud to learn that aiming to bring affordable and reliable electricity to all areas of Bangladesh, RNPL made impressive and remarkable progress in terms of the construction of the Patuakhali power plant in the past year. The implementation of the upgradation of the Coal Jetty and Electrical Interconnection Facilities (EIF) for the power plant was in full swing. The overall physical completion exceeds 80% by the end of December, 2023, fulfilling the target of "mechanical completion", thanks to the hard work and dedication of RNPL's management and staff, the assistance and supervision of our Owner's Engineer and the EPC Contractor's performance.

Besides, in the year of 2023, both coal transportation contractor and O & M Contractor were selected through international tendering process and contracts were executed thereafter. Although the coal supplier is pending, I am confident that we are in the right track and this task will be concluded soon.

The achievements of RNPL cannot be realized without the dedicated management and staff of RNPL, the hard work of our OE and EPC Contractor, the cooperation of other stakeholders, especially Power Division of Bangladesh, BPDB, PGCB, Bangladesh Bank, RPCL, Exim Bank of China. Therefore, I would like to take this occasion to express my sincere gratitude to them all.

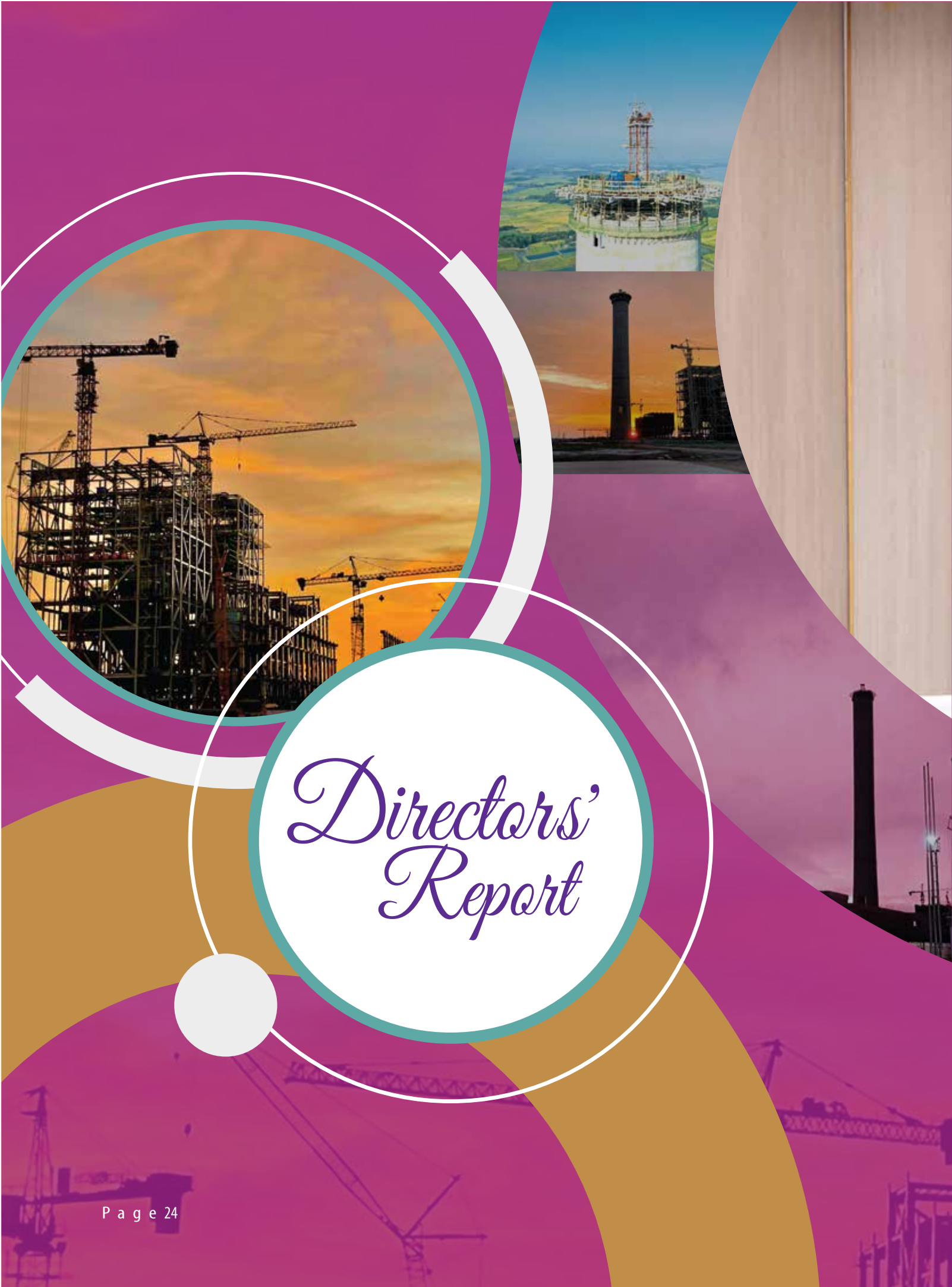
Looking ahead, our project will start commercial operations in the coming year. Kindly be reminded that we almost reach our destination of the project journey, but still not yet. It is not the time for resting or celebration. We should keep running in the journey. In the year of 2024, we shall complete the commissioning of the power plant, improve RNPL's organogram and staff it with more and capable people.

I wish a prosperous and successful year for the company and each and every one of you, along with your beloved ones in 2024.

Thank you.



President, NORINCO International Cooperation Ltd.
&
Board Director, RNPL



Directors' Report



राष्ट्रीय विद्युत् उत्पादन बोर्ड



Dear Shareholders,

Assalamualaikum,

The Board of Directors of RPCU-NORINCO INTL Power Limited (RNPU) welcome you to the 6th 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, 2023 for your valued consideration, approval and adoption.

GLOBAL ECONOMIC OUTLOOK

While global economy was recovering strongly from the COVID-19 pandemic, the war in Ukraine posed a setback to the ongoing recovery. A rise in the global commodity prices and sluggish economic activities by war induced supply chain disruption is being observed. International organisations revised their forecasts for economic growth prospects and inflations. As per the United Nations (UN) publication 'World Economic Situation and Prospect 2022', the global economy grew by 5.5 percent in 2021, the highest growth rate since 1976, after contracting 3.4 percent in 2020. Global economy grew by 4.0 percent in 2022 and 3.5 percent in 2023. In the World Bank's Global Economic Prospect, January 2022, the global economic growth is projected 4.1 and 3.2 percent in 2022 and 2023 respectively. Sluggish growth rates between advanced economies and emerging and developing economies will be divergent. Growth in advanced economies has declined from 5 percent in 2021 to 3.8 percent in 2022 and 2.3 percent in 2023. This growth rate will be sufficient to restore output and investment to their pre-pandemic trend in these economies. In emerging and developing economies, however, growth has dropped from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023. By 2023, all advanced economies will have achieved a full output recovery; yet output in emerging and developing economies will remain 4 percent below its pre-pandemic trend. For many vulnerable economies, the setback is even larger: output of fragile and conflict-affected economies will be 7.5 percent below its pre-pandemic trend, and output of small island states will be 8.5 percent below.

In the World Economic Outlook (WEO) April 2022, International Monetary Fund (IMF) projected that the global economy will grow by 3.6 percent both in 2022 and 2023. The projections for 2022 and 2023 are 0.8 and 0.2 percentage points lower than in the January 2022 WEO update. Global growth is forecast to decline to about 3.3 percent over the medium term beyond 2023.

BANGLADESH ECONOMIC OUTLOOK

Bangladesh economy was growing consistently high over a decade crossing 7.0 percent milestone in FY 2015-16 and 8.0 percent milestone in FY 2018-19. However, the COVID-19 pandemic reduced the growth rate to 3.45 percent in FY 2019-20. The economy grew by 6.94 percent in FY 2020-21. According to the provisional estimates of BBS, the GDP growth stood at 7.25 percent in FY 2021-22, 0.05 percentage point higher than the target rate and 0.31 percentage point higher than the previous fiscal year. According to provisional estimate of BBS, per capita GDP and per capita national income stood respectively at US\$ 2,723 and US\$ 2,824 in FY 2021-22 compared to US\$ 2,462 and US\$ 2,591 respectively in FY 2020-21. The consumption increased to 78.44 percent of GDP in FY 2021- 22 from 74.66 percent in FY 2020-21. The gross investment stood at 31.68 percent of GDP in FY 2021-22, where public investment and private investment accounted for 7.62 percent and 24.06 percent of GDP respectively. Medium-term forecasts for GDP growth rates are 7.5 percent in FY 2022-23, 7.8 percent in FY 2023-24 and 8.0 percent in FY 2024-25.

Although global trade has turned around in 2021 after the effects of COVID-19 pandemic, the Russia-Ukraine conflict has been showing significant negative impact on world trade. As a result, food supply chains have been disrupted and Western sanctions on Russia have led to global trade instability. At the same time, the prices of petroleum along with commodity prices are rising, which is also creating inflationary pressures on the economies. However, Bangladesh's export growth is on a positive trend. During July-April of FY 2021-22, total export earnings increased by 35.14 percent to US\$ 43,344.34 million compared to the same period of previous fiscal year. The development efforts to build a developed and integrated communication and transport infrastructure is going on. Parallel to the roads, development projects like Padma Bridge, Metrorail, BRT, Dhaka Elevated Express way, Karnaphuli tunnel and some other mega-projects are being implemented which are contributing to GDP growth of the country.

POWER SECTOR BANGLADESH

Bangladesh has undeniably made good progress toward reaching the development goals outlined in Vision 2021 and Vision 2041. Experts argue that energy is part and parcel of this development journey. The government of Bangladesh has been working to reform the power sector, with a focus on increasing generation capacity, improving the distribution network, and increasing access to electricity. The sector has become more competitive, with private sector companies entering the market and participating in the development of new power projects.

Bangladesh has achieved an extraordinary feat as the government successfully delivers electricity to every household, accomplishing 100% electricity coverage across the country. This remarkable achievement underscores the government's unwavering commitment to ensuring universal access to electricity and eliminating power shortages that plagued the nation in the past.

The government of Bangladesh has set a target of generating 40,000 MW of electricity by 2030 and 60,000 MW by 2041, with a focus on increasing the use of renewable energy sources. The power sector is expected to continue to evolve, with the introduction of new technologies, such as smart grid solutions, expected to improve the efficiency and reliability of the distribution network. The private sector is expected to play an increasingly important role in the development of new power projects, and the government has implemented reforms to encourage private sector investment in the sector.

Apart from increasing electricity access, the government has also formulated policies around growing affordability for these energy sources by managing prices and gradually shifting towards cheaper alternatives. The government has continuously emphasized fuel diversification in the electricity generation fuel mix by ruling out mono-fuel dependency on natural gas and promoting alternative fuels. This has enabled the energy consumers to avail the most readily available and least-cost energy options to aid the economy to grow.

In summary, the power sector in Bangladesh is an important area of focus for the government, and is expected to play a crucial role in supporting economic growth and development in the future. The government is taking steps to address the challenges faced by the sector, and is committed to expanding generation capacity, improving the distribution network, and increasing access to electricity.

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 81% work of the project has already been completed. The first unit of the power plant is likely to start generation by June 2024 and second unit by October 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 35,000,000,000
Paid-up Capital	BDT 26,595,148,800
Total Shares	265,951,488
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 2021-2022 are described below :

Particulars	30 June 2023 (BDT in crore)
Total Assets	16,554.40
Total Liabilities	12,757.01
Total Equity	3,797.39
Current Assets	3,106.15

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	2022-23 (BDT in Crore)
VAT	66.82
TAX	62.34
AIT	11.89

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; respected Senior Secretary

of Power Division Mr. Md. Habibur Rahman; Power Cell; Bangladesh Power Development Board; Power Grid Company of Bangladesh Ltd.; 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 2022-23 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



(Ajay Kumar Chakraborty)

Chairman

RPCL-NORINCO Intl Power Limited

Milestones of Excellence

Sl No.	Signing	Date
1.	Signing of (MoU) between RPCL & NORINCO Intl. Power Limited	9th May, 2016
2.	RPCL got Approval from ECNEC for land acquisition	10th November, 2016
3.	Draft copy of land acquisition was Finalized	17th January, 2017
4.	Cabinet Approved the JVA	1st August, 2017
5.	Cabinet Approved MOA of JVA & JV Company and Articles of Association AOA	6th November, 2017
6.	Signing of JVA between RPCL & NORINCO Intl. Power Limited	12th November, 2017
7.	Incorporation of the JV Company (RNPL) from RJSC	21st December, 2017
8.	First Board Meeting of the JV Company	30th December, 2017
9.	The contract of the Consortium of Central Southern China Electric Power Design Institute Company Limited of China Power Engineering Group, China (CSEPCI) and O & M Solutions Bangladesh Limited	19th April, 2018
10.	Notice issued for International Tenders	26th June, 2018
11.	Signing of PPA between BPDB & RNPL	20th February, 2019
12.	Signing of EPC Contract with Consortium of TEPC-CHEC-CWEC	6th March, 2019
13.	Signing of IA between RNPL and PGCB	8th April, 2019
14.	Signing of LLA between RPCL & RNPL	28th May, 2019 & 22nd December, 2019
15.	Signing of Service Contract for Coal Sourcing with Consortium of Top Hand Consulting Limited and Wood Mackenzie (Australia) Pty Limited	20th August, 2019
16.	Signing of contract for Major Equipment by EPC Contractor	27th August, 2019
17.	Signing of MoU between China EXIM Bank and Negotiation Committee	11th October, 2019
18.	Approval from Payra Port Authority	19th 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
24.	Contract Signing Between RNPL & Divine Software Company	30th August, 2023
25.	Contract Signing Between RNPL & Consortium of DAVA PTE Ltd. & Juli New Energy Co. PTE Ltd. for Coal Transportation Including Transshipment	19th October, 2023
26.	O&M Contract Signing Between RNPL & TEPC-STDC-LEPM	7th December, 2023





Memorable
Events

Falcitation extended to Mr. Nasrul Hamid, MP for being selected third time to serve as Hon'ble State Minister for Ministry of Power, Energy and Minieral Resources.





Visit of Chairman, BREB at Patuakhali 1320 (2x660)MW Cool-Fired Thermal Power Plant Project



High Officials of Bangladesh Rural Electrification Board (BREB) visited “Patuakhali 1320 (2x660) MW Coal Fired Thermal Power Plant Project”.



High officials of Power Division visited "Patuakhali 1320 (2x660) MW Coal Fired Thermal Power Plant Project".



Warm welcome to Mr. Shan Jun, President, NORINCO Intl Cooperation Limited by the Managing Director of RNPL Md. Abdus Sabur.



On the Job Training



Progress work supervised by the officials of RNPL



“Patuakhali 1320 (2x660) MW Coal Fired Thermal Power Plant Project” visited by the High Officials of Implementation Monitoring and Evaluation Division (IMED).



High Officials of Power Grid Company of Bangladesh (PGCB) visited “Patuakhali 1320 (2×660) MW Coal Fired Thermal Power Plant Project”



Celebration of Chinese New Year





Warm welcome to Mr. Ajay Kumar Chakraborty, Chairman BREB to the RNPL Board as Hon'ble Chairman




Inauguration of new office building of RNPL



Board Meeting







Pictures of Patuakhali 1320 (2×660) MW Coal-fired Thermal Power Plant Project

Conceptual view of Project



Bird Eye View of the Project



Chimney



Boiler Turbine Generator Area [Superstructure works]



Turbine Generator (1st Unit)



Turbine Generator (2nd Unit)



Testing and Commissioning at Central Control Room



400 kV Gas Insulated Switchgear



Electrostatic Precipitator of Boiler



Generator Step Up Transformers



Induced Draft Cooling Tower Area



Water treatment area



Steel Struss for Coal Shed (North & South)



Bucket Wheel Stacker & Reclaimer of Coal Storage Yard



Coal Conveyer Belt and Transfer Tower (Structure Works)



Coal Conveyer Trestle & Cause Way (Structure Work)



Coal Handling Jetty



Amtoli 400kV Switching Station



Amtoli 400kV Switching Station (Civil & Erection work)



Current Transformer & SF6 Circuit Breaker Testing



Conductor Stringing of 400 kV Transmission line Towers



Admin, Technical and Multipurpose hall



Resettlement Area



Entrance



Houses



Mosque



School



Market

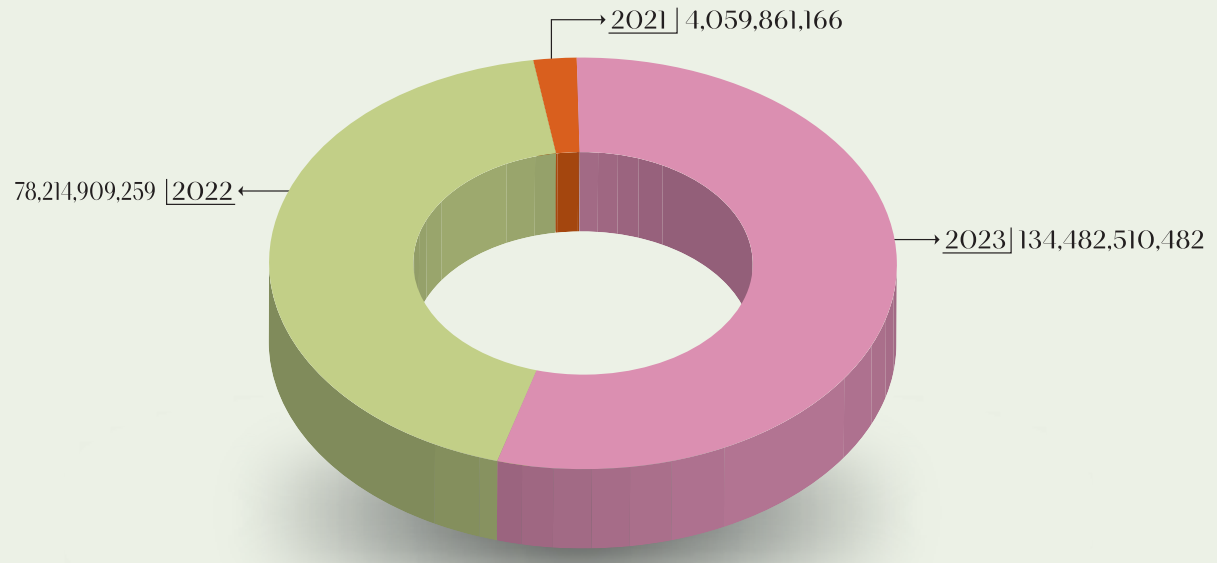


Cyclone Center

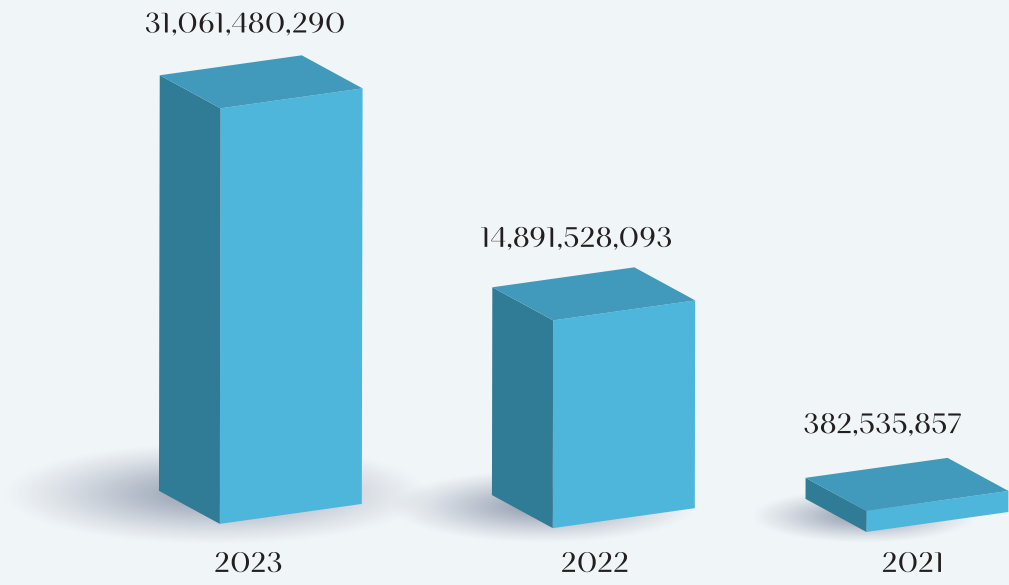


Financial Highlights

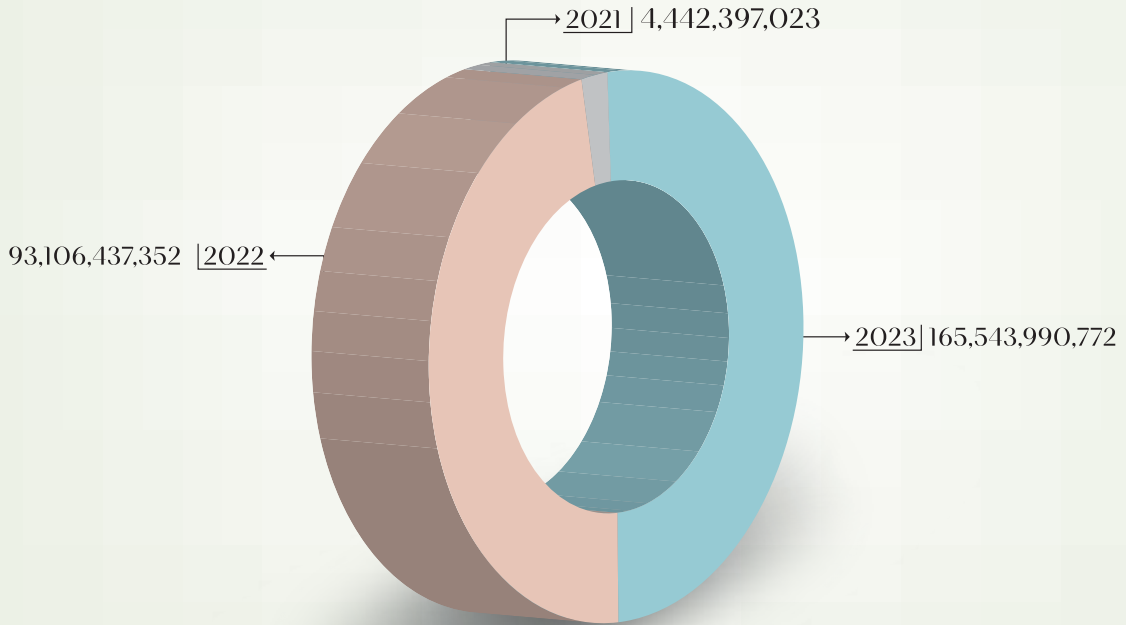
Non-Current Assets



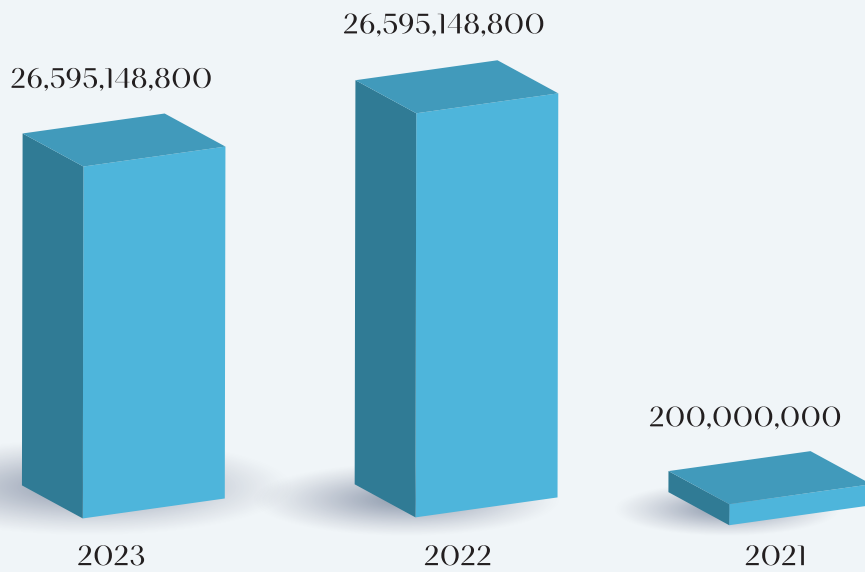
Current Assets



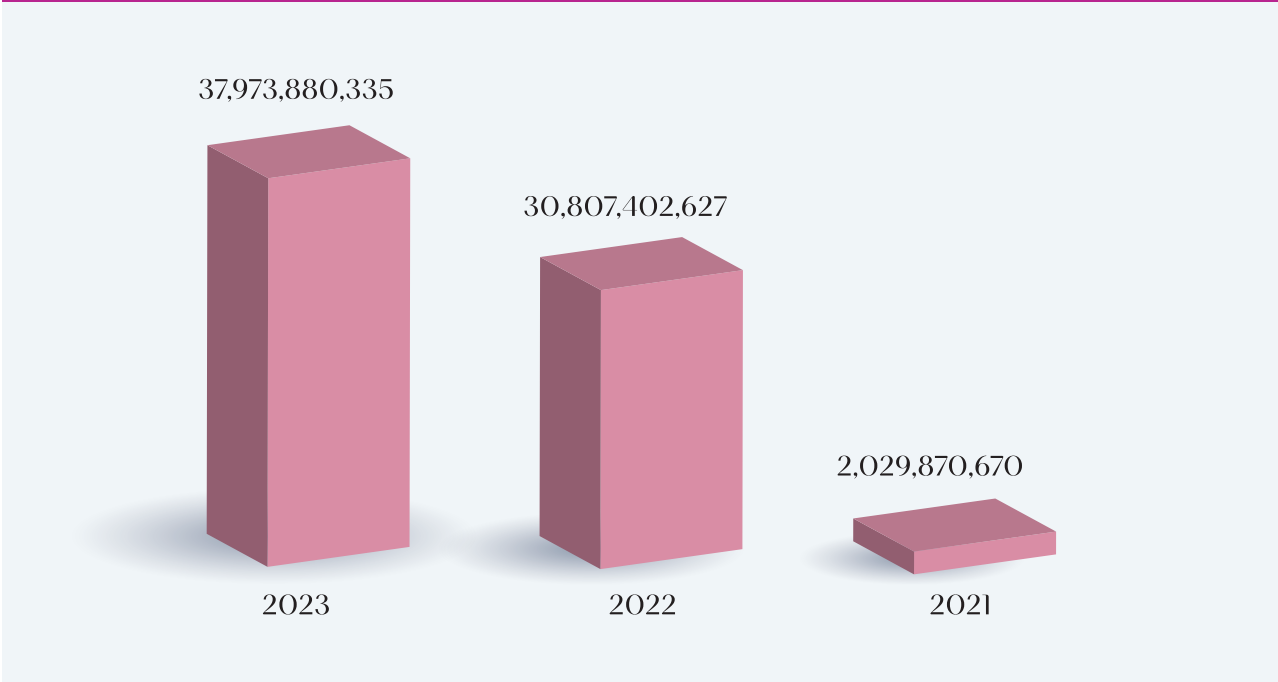
Total Assets



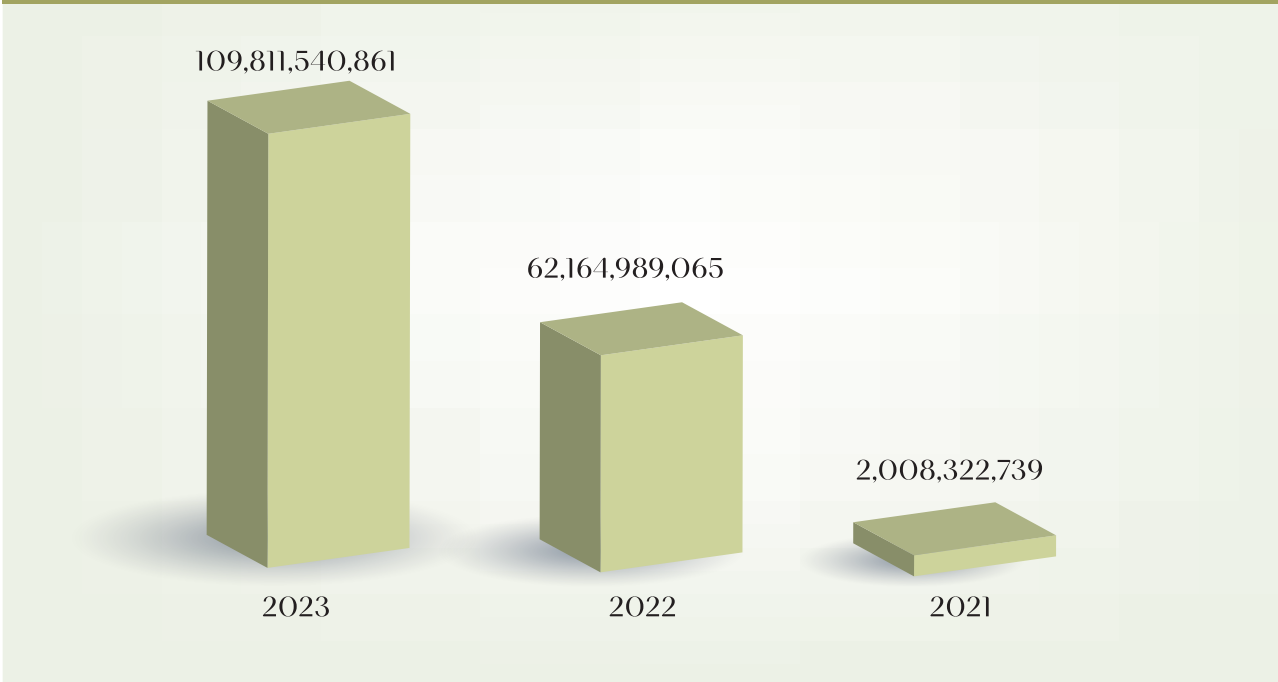
Share Capital



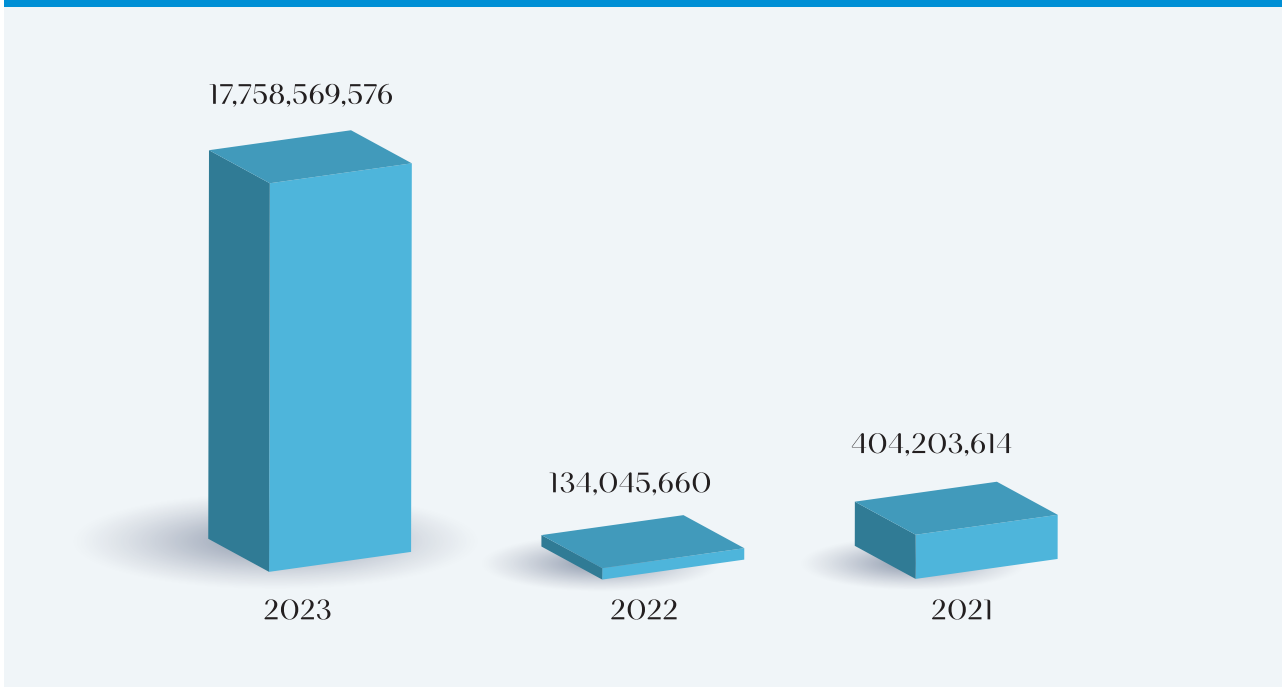
Total Equity attributable to owners of the Company



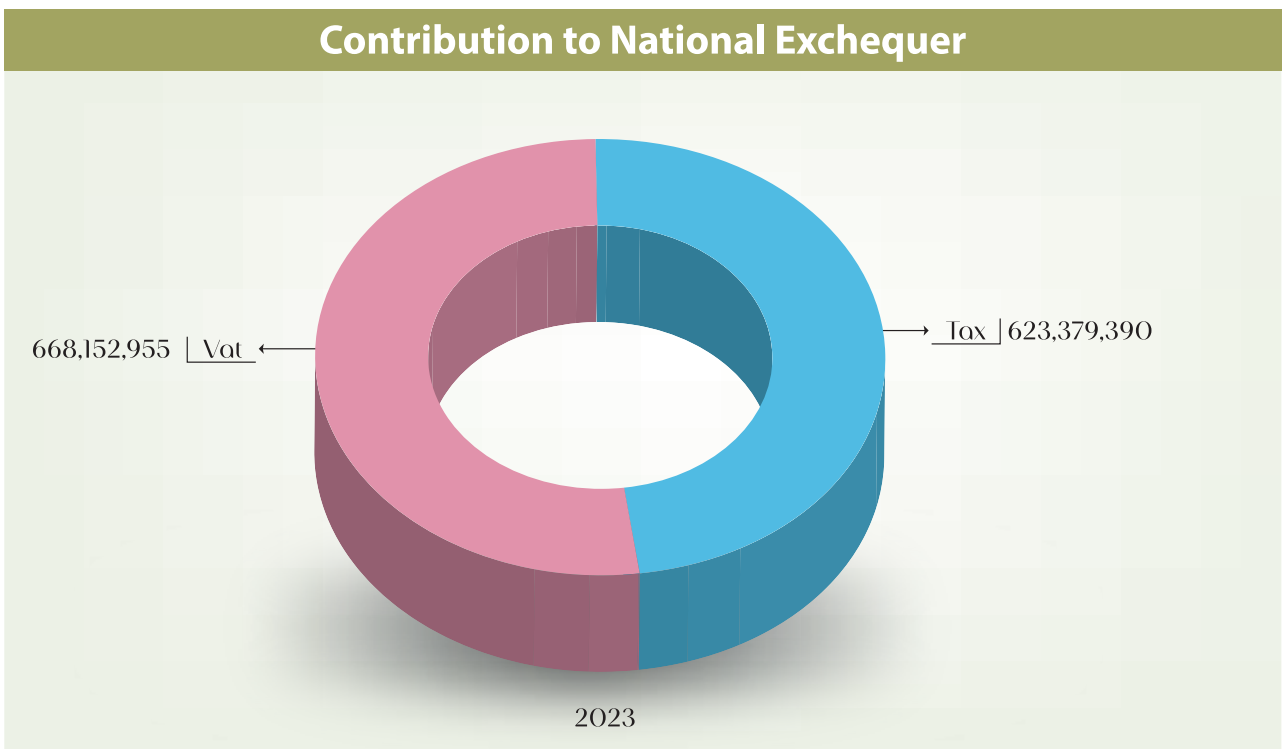
Non-Current Liabilities



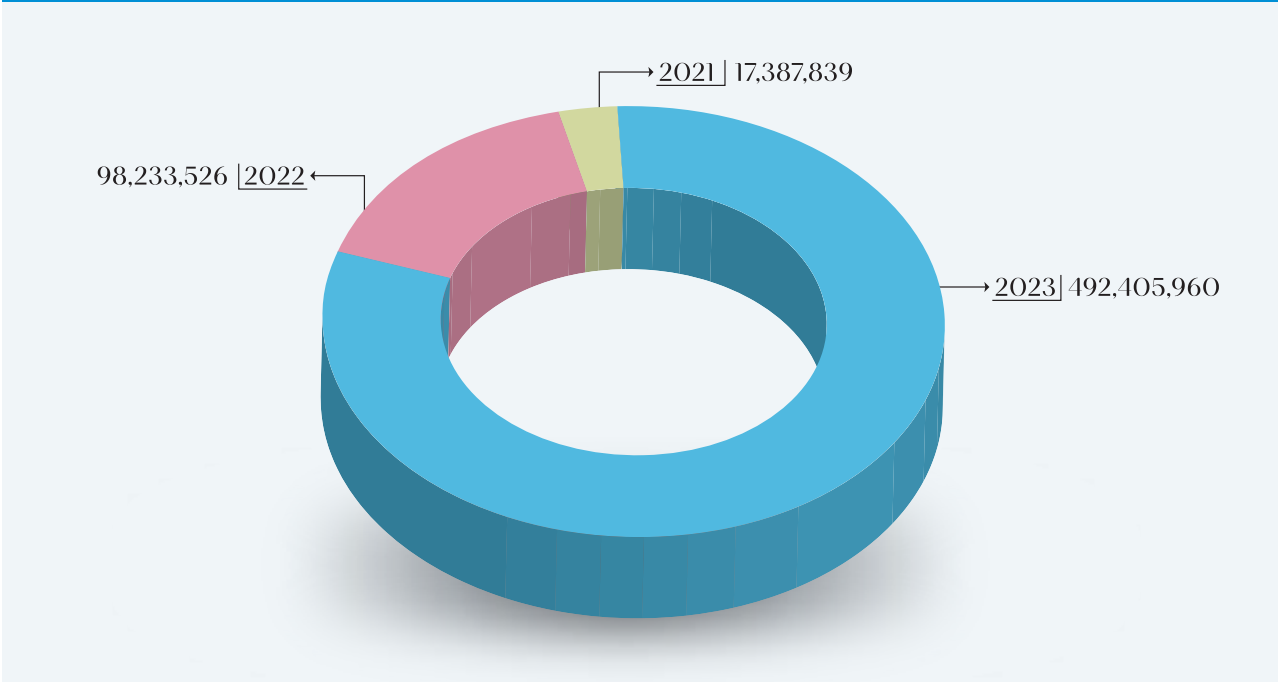
Current Liabilities



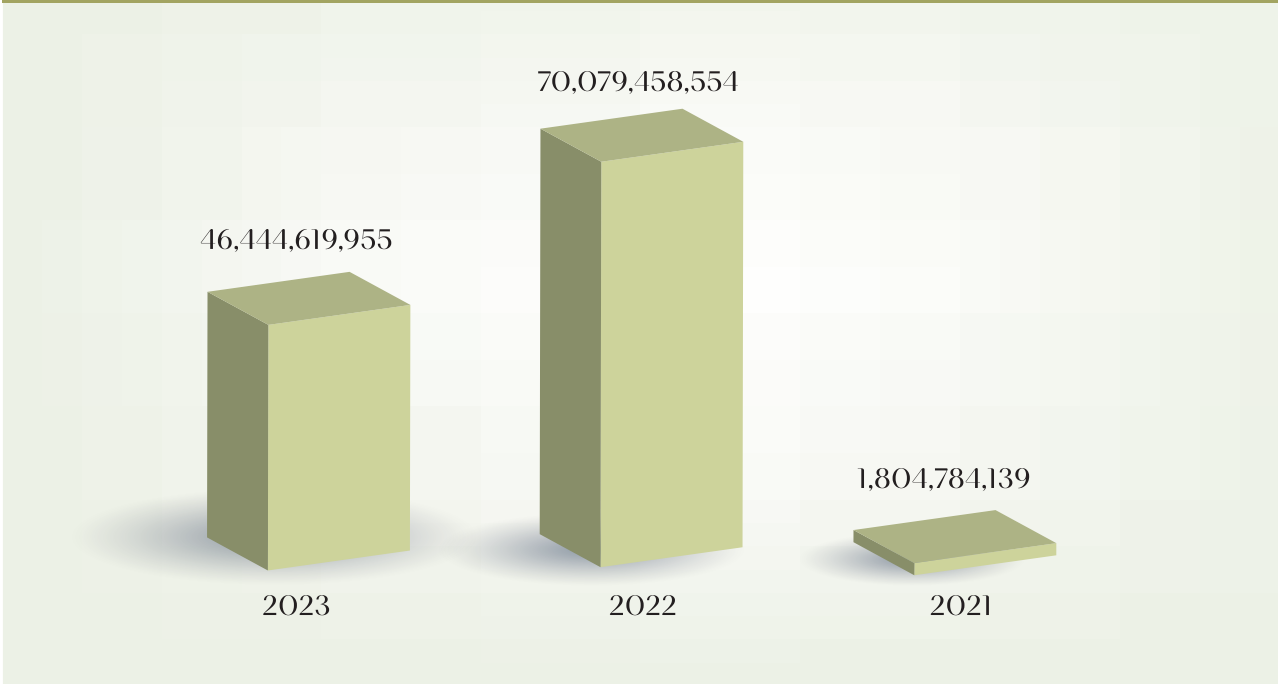
Contribution to National Exchequer



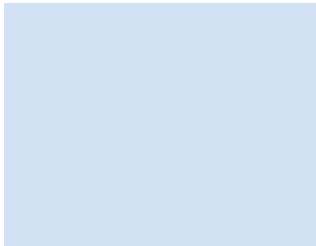
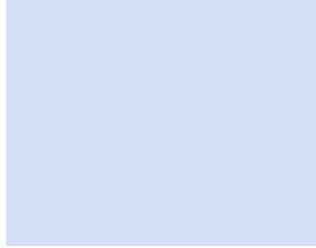
Non-Operating Income



Year wise addition of Development Expenditure







INDEPENDENT AUDITOR'S REPORT

To the shareholders of

RPCL-NORINCO Intl. Power Limited

INDEPENDENT AUDITOR'S REPORT

To the shareholders of RPCL-NORINCO Intl. Power Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RPCL-NORINCO Intl. Power Limited (the Company), which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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 requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to the following matters:

- i. Note 3.16 & 28 in the financial statements, which describe that the financial statements for the current year have been corrected each affected line item due to errors incurred in prior years.
- ii. Note 3.02 & 4 in the financial statements, all expenditures of revenue nature have been capitalized as Capital Work in Progress (CWIP) as per Power Purchase Agreement (PPA) with Bangladesh Power Development Board (BPDB).

Other Matter

The financial statements of RPCL-NORINCO Intl. Power Limited for the year ended June 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 14 January 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

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

A. Qasem & Co.

Chartered Accountants

RJSC Registration No.: 2-PC7202



Mohammad Motaleb Hossain FCA

Partner

Enrolment Number: 0950

DVC: 2312040950AS812091

Dhaka, 4 December 2023

Dhaka, XX November 2023

RPCL-NORINCO Intl. Power Limited Statement of financial position As at 30 June 2023

	Notes	Amount in Taka	
		30 June 2023	30 June 2022
ASSETS:			
Non-Current Assets:			
Capital Work-in-Progress	4	132,956,100,231	76,399,849,922
Right-of-use assets	5	1,518,493,771	1,807,142,857
Security deposit	6	7,916,480	7,916,480
Total non-current assets		134,482,510,482	78,214,909,259
Current Assets:			
Short-term investment	7	7,128,548,364	3,427,863,098
Accrued interest on FDR	8	64,404,635	-
Advances, Deposits and Prepayments	9	195,940,282	24,330,507
Cash and Cash Equivalents	10	23,672,587,009	11,439,334,488
Total current assets		31,061,480,290	14,891,528,093
Total Assets		165,543,990,772	93,106,437,352
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' Equity:			
Share Capital	11	26,595,148,800	26,595,148,800
Share Money Deposit	12	11,540,561,867	4,677,750,252
Retained Earnings	13	(161,830,332)	(465,496,425)
Total Equity attributable to owners of the Company		37,973,880,335	30,807,402,627
Non-Current Liabilities:			
Lease Liability-Non-Current Portion	14	1,736,639,443	2,046,443,111
Long Term Loan	15	108,074,901,418	60,118,545,953
Non-Current Liabilities		109,811,540,861	62,164,989,065
Current Liabilities:			
Lease Liability-Current Portion	14	90,228,201	98,821,363
Finance Expenses Payable	16	1,889,596,099	-
Accounts Payable	17	15,504,197,062	-
Liabilities for expenses	18	109,860,515	3,689,771
Post employment benefit	19	2,261,841	3,671,480
Income Tax Provision	20	162,425,858	27,863,046
Current Liabilities		17,758,569,576	134,045,660
Total liabilities		127,570,110,437	62,299,034,726
Total Shareholders' Equity and Liabilities		165,543,990,772	93,106,437,352
Net Asset Value (NAV) per share	25	142.78	98.25

The accompanying notes form an integral part of these financial statements.

As per our report on the same date.

A. Qasem & Co.

Chartered Accountants

RJSC Registration No.: 2-PC7202



Mohammad Motaleb Hossain FCA

Partner

Enrolment Number: 0950

DVC: 2312040950AS812091

Dhaka, 4 December 2023




Kazi Mohammad Tanvir

Company Secretary



Sun Rui

Director



Md. Abdus Sabur

Managing Director

RPCL-NORINCO Intl. Power Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Notes	Amount in Taka	
		30 June 2023	30 June 2022
Revenue		-	-
Less: Cost of goods sold		-	-
Gross Profit		-	-
Less: Operating Expenses		-	-
Profit from Operation		-	-
Other Income	21	492,405,960	98,233,526
Finance expense on lease liability		(91,129,587)	(104,146,875)
Depreciation for ROUA		(71,573,365)	(82,142,857)
Profit/(Loss) before tax		329,703,008	(88,056,207)
Less: Income tax expense	22	(135,411,639)	(30,016,730)
Net Profit/(Loss) after tax		194,291,369	(118,072,936)
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss) for the year		194,291,369	(118,072,936)
Earnings Per Share (EPS)	24	0.73	(0.60)

The accompanying notes form an integral part of these financial statements.

As per our report on the same date.

A. Qasem & Co.

Chartered Accountants

RJSC Registration No.: 2-PC7202



Mohammad Motaleb Hossain FCA

Partner

Enrolment Number: 0950

DVC: 2312040950AS812091

Dhaka, 4 December 2023




Kazi Mohammad Tanvir

Company Secretary



Sun Rui

Director



Md. Abdus Sabur

Managing Director

RPCL-NORINCO Intl. Power Limited

Statement of changes in equity

For the year ended 30 June 2023

Particulars	Amount in Taka			
	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on July 01, 2022	26,595,148,800	4,677,750,252	(465,496,425)	30,807,402,627
Prior years errors correction (Ref Note 28.1)	-	-	109,374,724	109,374,724
Net Profit after tax for the year	-	-	194,291,369	194,291,369
Share money received during the year	-	6,862,811,615	-	6,862,811,615
Balance as at June 30, 2023	26,595,148,800	11,540,561,867	(161,830,332)	37,973,880,335
Balance as on July 01, 2021	200,000,000	2,215,309,971	(385,439,301)	2,029,870,670
Impact of correction of errors	-	1,265	38,015,812	38,017,077
Net Profit after tax for the year	-	-	(118,072,936)	(118,072,936)
Issue of ordinary shares from Share money deposit	26,395,148,800	(26,395,148,800)	-	-
Share money received during the year	-	28,857,587,816	-	28,857,587,816
Balance as at June 30, 2022	26,595,148,800	4,677,750,252	(465,496,425)	30,807,402,627

Notes 11 12 13

The accompanying notes form an integral part of these financial statements.



RPCL-NORINCO Intl. Power Limited
Statement of cash flows
For the year ended 30 June 2023

Amount in Taka		
Notes	30 June 2023	30 June 2022
Cash flows from operating activities:		
Profit/(loss) before tax	329,703,008	(88,056,207)
Addition:		
Finance expense on lease liability	91,129,587	104,146,875
Depreciation on ROUA	71,573,365	82,142,857
Foreign Exchange gain	-	363
	492,405,960	98,233,888
Changes in working capital:		
(Increase)/decrease in advances, deposits and prepayments	(49,438,114)	897,403
(Increase)/decrease in other Receivable	(64,404,635)	-
Increase/ (decrease) in liabilities for expense	104,778,824	(140,198,750)
Cash generated from operating activities	483,342,035	(41,067,459)
Income tax paid	(123,020,488)	(23,845,082)
Net cash generated from operating activities	360,321,547	(64,912,541)
Cash flows from investing activities:		
Paid for Capital Work in Progress	(24,705,434,545)	(63,939,748,517)
Short term investment in FDR	(3,700,685,266)	(3,247,407,473)
Net cash used in investing activities	(28,406,119,811)	(67,187,155,990)
Cash flows from financing activities:		
Paid for financial expenses on loan	(4,448,345,504)	(491,875,755)
Payment of lease liabilities	(85,931,620)	(218,632,401)
Received from long term loan	35,641,769,060	55,001,300,069
Received from share money deposit	6,862,811,615	23,395,798,975
Net cash from financing activities	37,970,303,551	77,686,590,887
Net increase in cash and cash equivalents	9,924,505,287	10,434,522,356
Cash and Cash Equivalents at the beginning of the year	11,439,334,488	196,181,754
Effect of movements in exchange rates on cash held	2,308,747,234	808,630,378
Cash and Cash Equivalents at the end of the year	23,672,587,009	11,439,334,488
Net Operating Cash Flows Per Share (NOCFPS)	1.35	(0.16)

The accompanying notes form an integral part of these financial statements.



RPCL-NORINCO Intl. Power Limited Notes to the Financial Statements For the year ended 30 June 2023

1 Reporting entity

1.01 Formation and legal status

RPCL-NORINCO INTL 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.

Patuakhali 1320 (660x2) MW Coal Fired Thermal Power Plant is going to be another mega project by the Government of Bangladesh. It is another dream project for the people of the Southern Part of Bangladesh. The motto of this power plant is to bring all over the country including marginal areas under electricity service.

To implement this project and to fulfil the dream, Rural Power Company Limited (Bangladesh) and NORINCO International Cooperation Ltd. (China) formed a Joint Venture Company "RPCL-NORINCO Intl Power Limited (RNPL)" on December 21, 2017.

1.02 Nature of Business

The principal activity of this company is to set up coal-fired power plants for the generation and supply of electricity.

The agreement for power supply with the Bangladesh Power Development Board (BPDB) was held on 20 February 2019.

1.03 Registered Office

The registered office is situated at Atlanta Trade Centre, 7th Floor, House# 01, Road# 01/A, Sector # 04, Uttara, Dhaka.

1.04 Project Location

The project is located at Mouza: Dhankhali, Nishanbaria, Londa; Union: Dhankhali; Upazilla: Kalapara; District: Patuakhali.

1.05 Project Capacity

The capacity of the power plant is 1320 (660x2) MW Coal Fired Thermal Power Plant.

1.06 Reporting Period

The financial statements cover the accounting year from 01 July 2022 to 30 June 2023 and is followed consistently.

1.07 Authorisation for issue

These financial statements have been authorised for issue by the Board of Directors of the Company on 04 December 2023.

1.08 Type of the Power Plant:

This Power Plant will be run using Ultra-Super Critical Technology along with high-quality coal, which will be imported from Indonesia and Australia.



2 Basis of the Preparation of Financial Statements

2.01 Basis of Accounting

The elements of financial statements have been measured on the Historical Cost concept and on an accrual basis in accordance with generally accepted accounting principles and practice in Bangladesh in compliance with the Companies Act 1994, the Financial Reporting Act, 2015, International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) and other applicable laws in Bangladesh.

2.02 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, the Financial Reporting Act, 2015 and other relevant laws and regulations as applicable in Bangladesh.

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

The following accounting standards have been applied in preparing this financial statements.

Ref. No	Name of IFRS/IAS	Compliance Status
IAS 1	Presentation of financial statements	Complied
IAS 2	Inventories	Not Applicable
IAS 7	Statement of cash flows	Complied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the reporting period	Complied
IAS 12	Income taxes	Complied
IAS 16	Property, Plant and Equipment	Complied
IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Complied
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Complied
IAS 27	Separate Financial Statements	Complied
IAS 28	Investment in Associates and Joint Ventures	Not Applicable
IAS 29	Financial Reporting in Hyperinflationary Economies	Not Applicable
IAS 32	Financial Instruments: Disclosure and Presentation	Complied
IAS 33	Earnings Per Share	Complied
IAS 34	Interim Financial Reporting	Not Applicable
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent assets	Complied
IAS 38	Intangible Assets	Complied
IAS 39	Financial Instruments: Recognition and Measurement	Complied
IAS 40	Investment Property	Complied
IAS 41	Agriculture	Complied
IFRS 1	First-time Adoption of International Financial Reporting Standards	Complied
IFRS 2	Share-based Payment	Not Applicable
IFRS 3	Business Combinations	Complied
IFRS 4	Insurance Contracts	Not Applicable

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Complied
IFRS 6	Exploration for and Evaluation of Mineral Resources	Not Applicable
IFRS 7	Financial instruments: disclosure	Complied
IFRS 8	Operating Segments	Complied
IFRS 9	Financial instruments	Complied
IFRS 10	Consolidated Financial Statements	Complied
IFRS 11	Joint Arrangements	Complied
IFRS 12	Disclosure of Interests in Other Entities	Complied
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory Deferral Accounts	Not Applicable
IFRS 15	Revenue from Contracts with Customers	Not Applicable
IFRS 16	Leases	Complied
IFRS 17	Insurance Contracts	Not Applicable

2.03 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the Company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated. As a result of these rounding off, in some instances, the totals may not match the sum of individual balances.

2.04 Use of Estimates and Judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities that are affected in future periods.

A. Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

The Company has recognized Right-of-use assets as per IFRS 16 which required management to make important judgements in the determination of lease terms and cost of capital.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Measurement of defined benefit obligations;
- Uncertain tax treatments;
- Impairment test of intangible assets: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

2.05 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, the board of directors continues to adopt a going concern basis in preparing the financial statements. The company's current credit facilities and resources provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.06 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- i) expected to be realized or intended to be sold or consumed in a normal operating cycle, or
- ii) expected to be realized within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in the normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer liability settlement for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

2.07 Basis of measurement

These financial statements have been prepared on an accrual basis following the going concern concept under the historical cost convention except for inventories (measured at lower of cost or net realizable value) and trade receivables which have been measured at net realizable value.

2.08 Offsetting

The Company reports separately both assets and liabilities, and income and expenses unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standards.

Cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity and cash receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short, are presented net in the statement of cash Flows.

2.09 Materiality and Aggregations

Materiality is relevant to presenting and disclosing the items in the financial statements. Preparers need to consider whether the financial statements include all of the information that is relevant to understanding an entity's financial position at the reporting date and its financial performance during the reporting period.

Preparers also need to take care not to reduce the understandability of their financial statements by obscuring material information with immaterial information or by aggregating material items that are different by nature or function. Individual disclosures that are not material to the financial statements do not have to be presented even if they are a minimum requirement of a standard. Preparers need to consider the appropriate level of disclosure based on materiality for the reporting period.

Specific guidance on materiality and its application to the financial statements is included in paragraphs 29–31 of IAS 1 Presentation of Financial Statements.

Components of the Financial Statements

According to the International Accounting Standard (IAS) 1, "Presentation of Financial Statements", A complete set of financial statements comprises the following components:

- i) A Statement of Financial Position as at the end of the year;
- ii) A Statement of Profit or Loss and Other Comprehensive Income for the year;
- iii) A Statement of Changes in Equity for the year;
- iv) A Statement of Cash Flows for the year;
- v) Notes, comprising significant accounting policies and other explanatory information;
- vi) Comparative information in respect of the preceding period;

3 Principal Accounting Policies

3.01 Revenue Recognition

Revenue is recognised, upon supply of electricity, quantum of which is determined by survey of meter reading. It excludes value added tax and other government levies, on the basis of net units of energy generated and transmitted to the authorised customer's transmission systems and invoiced on a monthly basis upon transmission to the customers. Revenue is valued using rates in effect when service is provided to customers. Revenue is recognized in accordance with IFRS 15 and the recognition process involves the following 5-step process:

- Identifying the contract from a customer;
- Identifying the performance obligation;
- Determining the transaction prices;
- Allocating the transaction price to the performance obligation; and
- Recognizing revenue when/as a performance obligation(s) is satisfied

Revenue has been recognized as per Power Purchase Agreement (PPA) signed between Bangladesh Power Development Board (BPDB) and RNPL when electricity is transferred to the national grid. Element of Revenue (A) Capacity Payments, (B) Energy Payments.

(A) Capacity Payment:

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

- a) Depreciation on fixed assets
- b) Cost of capital i.e., interest on borrowed capital
- c) Return on equity
- d) Repairs and maintenance of plant, machinery and equipment
- e) Salary and allowances

(B) Energy Payment:

Energy Payments i.e. fuel cost (gas bill) is variable with the volume of generation.

As of June 30, 2023, the company has not generated any revenue during the current reporting period due to its ongoing development phase. The company is scheduled to commence production on May 31, 2024.



Moreover, the Company did not receive any consideration before the performance obligation was completed and there is no amount recognized on the Statement of Financial position as of the end of the year.

3.02 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discounts and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in an intended manner. Cost also includes an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located and capitalized borrowing costs. The obligations for costs of dismantling and removing the item and restoring the site (generally called 'asset retirement obligation') are recognized and measured in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When major parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing or upgradation of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

No depreciation is charged on land and capital work in progress (CWIP) as the land has an unlimited useful life and CWIP has not yet been placed in service.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

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 assets are ready to use for their 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 depreciate when the asset is completed and commissioned. No depreciation is charged on capital work in progress.

Reference of Power Purchase Agreement (PPA) for capitalization of expenditure and expenses, "Capital Cost of the First Generating Unit" means the total cost corresponding to the First and Second Generating Unit incurred by the Company in USD and Taka by way of investments through debt and equity including but not limited to costs of:

- i) Design, development including consultancy, financing (including the interest during construction period and financing charges), procurement, Insurance, manufacturing, construction, testing and Commissioning of the First and Second Generating unit; and
- ii) relevant portion of the Common Services of the Facility up to COD; and
- iii) Corresponding initial spare parts; and
- iv) Carpet Coal; and
- v) Notional Return on Equity during construction period; and
- vi) Restoration and/or other remedial measures net of Insurance proceeds received by the Company as a result of the occurrence of the Force Majeure Event(s).

Capitalization of borrowing costs

Directly attributable borrowing costs are capitalized during the construction period for all qualifying assets. A qualifying asset is an asset that takes a substantial time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Impairment of Assets

Impairment of assets are carried out if the carrying value is less than the value of using the asset or the net realizable value of the assets whichever is lower.

3.03 Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company and have definite useful lives are measured at cost less accumulated amortization and accumulated impairment loss if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38 Intangible Assets are met.

a) The cost of an intangible

The asset comprises its purchase price, import duties, non-refundable taxes, and any directly attributable cost of preparing the asset for its intended use.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the profit or loss as incurred.

Development activities involve a plan or design for the production of new and substantially improved products and processes. Development expenditures, on an individual project, are recognized as an intangible asset when the Company can demonstrate all of the following:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention to complete the intangible asset and use or sell it;
- (c) its ability to use or sell the intangible asset;
- (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Other development expenditures are recognized in profit or loss as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is placed in service. It is amortized over the period of expected future economic benefits. During the period of development, the asset is tested for impairment annually.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

b) Subsequent costs

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

c) Amortization

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

d) Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognized in profit or loss.

e) Impairment of Assets

Impairment of assets are carried out if the carrying value is less than the value of using the asset or net realizable value of the assets whichever is lower.

3.04 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. To assess whether a contract contains a lease, the Company considers whether the contract conveys the right to control or use an identified asset by:

- the contract involves the use of an identified asset either explicitly or implicitly. The asset should be physically distinct or substantially represent all the asset's capacity. If the supplier has the right of substitution, then the asset is not identified,
- the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use,
- the Company has the right to direct the use of the asset. RNPL has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

At inception or reassessment of a lease of land or buildings, RNPL has elected to separate non-lease components and account for the lease and non-lease components separately.

As a lessee

RNPL recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the initial lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily identified, the Bank of England weighted monthly average index rate for non-financial institutions.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments,
- variable lease payments that depend on an index or rate, and
- lease payments in an optional renewal period if RNPL is reasonably certain to exercise that option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When a lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the consolidated income statement if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. RNPL recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.05 Financial instruments

Financial instruments recognized in the financial position include cash and cash equivalents, financial assets, derivative financial instruments, trade and other receivables and trade and other payables.

Financial instruments are initially valued at fair value. Financial assets are derecognized when the rights to receive cash flows from the asset have expired. Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled or expires. After initial recognition, financial instruments are measured as set out below.

i) Amortized cost

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

ii) At fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the company manage the such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which consider dividend income are recognized in profit or loss

iii) At fair value through other comprehensive income

The asset is measured at fair value and changes in value are transferred through other comprehensive income.

Financial assets currently being used by the Company are as follows:

Trade and other receivables

Trade and other receivables are initially recognized at their transaction price. Subsequent to initial recognition, these are measured at amortized cost less expected credit losses. Estimating the expected credit loss is made in accordance with IFRS 9 using the simplified approach to lifetime expected credit loss using supportable information that is based on the historical credit loss experience adjusted for current conditions. The assessment considers geography, customer segment and product type. Trade and other receivables are written off when the Company has no reasonable expectations of recovering the amounts.

Investment in FDR

Investments in fixed deposits with banks and financial institutions have been recognized at amortized costs.

Trade and other payables

Trade and other payables are recognized at their transaction price.

Financial assets

An equity instrument measured at fair value through profit or loss is recognized initially at fair value directly attributable to the financial asset. After initial recognition, the asset is measured at fair value at the balance sheet date.

Unrealized and realized changes in fair value are included as 'finance income' in the Statement of profit or loss and other comprehensive income. When the financial assets are sold the gain or loss from fair value changes will be shown in the Statement of profit or loss and other comprehensive income. Dividends from such investments continue to be recognized in the Statement of profit or loss and other comprehensive income as finance income when the company's right to receive payments is established.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand and short-term deposits with banks and similar institutions, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. This excludes cash funds, which are classified as other current financial assets as they are subject to changes in value due to being daily priced. Short-term is defined as being three months or less. This definition is also used for the cash flow statement.

Impairment of financial assets

IFRS 9 established an approach for the impairment of Financial Assets (i.e. FDR, loans and trade receivables) an expected loss model which focuses on the risk that a debt will default rather than when a loss has been incurred.

Under the 'expected credit loss' model, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring.

The Company has opted to use the simplified approach of measuring expected credit losses using a lifetime expected credit loss for FDR income.

3.06 Employee Benefits

The Company maintains both a defined contribution plan and a defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. Both of the plans are funded and are recognized/approved under Income Tax Act-2023.

a) Defined Contribution Plan (Provident Fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contribution to defined contribution plans are recognized as an employee benefit expense in profit or loss in the period during which related services are rendered by employees. Advance contributions are recognized as an asset to the extent that a cash refund or a reduction in future payment is available.

RNPL has a separate recognized provident fund scheme. All permanent employees of RNPL contribute 10% of their basic salary to the provident fund and the Company makes matching contributions.

The Company recognizes the contribution to the defined contribution plan as an expense when an employee has rendered related services in exchange for such contribution. The legal and constructive obligation is limited to the amount RNPL agrees to contribute to the fund.

b) Defined Benefit Plan (Gratuity Fund)

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

c) Worker's profit participation fund

As per the requirement of the Bangladesh Labour Act, 2006, "The Company is obligated to establish a provision for the worker's profit participation fund (WPPF). The Company allocates 5% of its net profit before tax, after accounting for relevant expenses related to worker's profit participation, in compliance with the regulatory requirements.

For the fiscal year ending June 30, 2023, the company did not make any provision for WPPF because there is no operating profit. The company has not generated any revenue during the current reporting period due to its ongoing development phase.

3.07 Inventories

Inventories except for material in transit and work in progress are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition. In the case of work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is defined as the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

3.08 Transactions with related parties

As per IAS 24 – Related Party Disclosures, parties are considered to be related if one of the parties can control the other party or exercise significant influence over the other party in making financial and operating decisions. Transactions with related parties are made on a commercial basis on the principle of arm's length and are done in the ordinary course of business. Details of related parties and related party transactions are described at note 26 of the Financial Statements.

3.09 Share capital

Paid-up share capital represents the total amount contributed by the shareholders and bonus shares issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

3.10 Finance income and expenses

Finance income comprises interest income on bank and NBFIs accounts. Interest income is recognized on an accrual basis. Finance expense comprises interest expense on short-term loans, overdrafts and long-term loans.

Finance expense comprises interest expense on overdraft, LTR, term loan and finance lease. Finance expense related to EPC contract is charged to the cost of EPC contract. All other finance expenses are recognized in the statement of profit or loss and comprehensive income except application of IAS 23.

3.11 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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.

3.12 Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged and reclassified whenever considered necessary to conform to current year's presentation.

3.13 Contingencies

Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognized in the consolidated financial statements but may require disclosure. A provision should be recognized in the period in which the recognition criteria of the provision have been met.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognized. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

3.14 Statement of cash flows

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Indirect Method. Bank overdrafts forming part of the day-to-day cash operation and management of the Company are netted off with cash and cash equivalents for use in the statement of cash flows.

3.15 Accounting for Government Grants and Disclosure of Government Assistance

Government assistance is action by the government designed to provide an economic benefit specific to an entity or range of entities qualifying under certain criteria. Government assistance for the purpose of this Standard does not include benefits provided only indirectly through action affecting general trading conditions, such as the provision of infrastructure in development areas or the imposition of trading constraints on competitors.

a) Access Road

As per PPA, "Access Road" means an approach road having appropriate load-bearing capacity shall be developed and maintained by RPCL and/or GOB without any cost to the company.

As per the Land Lease Agreement, "Access Road" means the access road to be constructed by the Company from the Barisal-Kuakata national highway to the site.

The road from the Barisal-Kuakata national highway to the site was already developed.

b) The Government of The People's Republic of Bangladesh acting by and through its Finance Division, Ministry of Finance (The Guarantor)

RPCL-NORINCO Intl Power Limited (the Borrower) has taken a loan from the Export-Import Bank of China and Bank of China Limited, Beijing Branch.

Under a facility agreement dated 24 December 2020 (together with any of its amendment, modification, variation and supplemental from time to time, hereinafter shall be referred to as the Facility Agreement) and made between, amongst others, the Borrower, the Export-Import Bank of China as the Mandated Lead Arranger, the Original Lenders named in Schedule 1 therein, Bank of China Limited, Beijing Branch as the Agent, the Lenders make available to the Borrower a loan facility in an aggregate principal amount up to US\$ 1,777,538,000.00 for the purpose of financing the construction costs of the Project.

It is a condition precedent to the disbursement under the Facility Agreement that the Guarantor irrevocably and unconditionally guarantees the performance by the Borrower of Secured Liabilities under Tranche A loans of the Facility Agreement (in an aggregate amount not exceeding USD 888,769,000).

A guarantee provided by the Ministry of Finance of Bangladesh in relation to part of the Borrower's indebtedness to the Lenders, being equal to 50% of the debts under the Facility amounting to USD 888,769,000.

3.16 Impact of prior year errors correction

In the year 2023, it came to light that Lease Liabilities for Land Lease Agreements has not been recognized in accordance with IFRS-16, 'Leases.' The company also became aware that Bank Charges, Income Tax, and License Renewal Fees were improperly recorded in the prior year's financial statements. These errors have been corrected in the current year financial statements as per IAS 8, 'Accounting Policies, Changes in Accounting Estimates, and Errors'. (Ref. Note-28)

3.17 Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

		As at				
		Notes	30 June 2022			
		30 June 2023	Taka			
		Taka	Taka			
4	Capital work in progress					
	Opening balance	76,399,849,922	2,162,658,972			
	Prior year errors adjustment- (Note-28)	2,837,930	-			
	Addition during the year:					
	Development Expenditures:					
	Cash	29,050,826,794	64,617,669,713			
	Non-cash (In kind)/ Payable	17,393,793,161	5,461,788,841			
	Foreign Exchange Loss	10,005,839,169	4,050,318,538			
	Revenue Expenditures:	102,953,255	72,251,165			
	Capitalization of prior years revenue expenditure	-	38,017,077			
	Prior year error adjustment- Income tax previously charged as a administrative expenses	-	(2,854,384)			
	Closing balance	132,956,100,231	76,399,849,922			
	<i>Details are given in "Annexure - A & B"</i>					
5	Right-of-Use Assets					
	A. Cost					
	Opening Balance	2,053,571,429	2,053,571,429			
	Addition during the year	-	-			
	Less: Reassessment of Opening Balances of RoU (Note-28)	(264,237,310)	-			
	Closing Balance (A)	1,789,334,119	2,053,571,429			
	B. Accumulated Depreciation					
	Opening Balance	(246,428,571)	(164,285,714)			
	Less: Adjustment for additional depreciation charged in the prior years (Note-28)	47,161,588	-			
	Add: Charged during the year	(71,573,365)	(82,142,857)			
	Closing Balance (B)	(270,840,348)	(246,428,571)			
	Written down value (A-B)	1,518,493,771	1,807,142,857			
	<i>Details are given in "Annexure - C"</i>					
6	Security deposit					
	Security deposit (Payra Bandor)	7,916,480	7,916,480			
7	Short-term investment in fixed deposit receipts (FDR)					
Sl. No.	FDR No.	Name of Bank	Rate	Tenure (days)		
1	3790779	AB Bank Ltd	8.25%	90	10,145,000	20,000,000
2	3762426	AB Bank Ltd	8.00%	90	20,312,000	-
3	1119-0045151/1657	Agrani Bank Ltd.	7.50%	90	267,711,539	253,262,500
4	1119-0045152/1658	Agrani Bank Ltd.	7.50%	90	267,711,539	253,262,500
5	1119-0045153/1659	Agrani Bank Ltd.	7.50%	90	267,711,539	253,262,500
6	1119-0045158/1664	Agrani Bank Ltd.	7.50%	90	536,748,935	506,750,000
7	1119-0045159/1665	Agrani Bank Ltd.	7.50%	90	536,748,935	506,750,000
8	1119-0045167/1672	Agrani Bank Ltd.	7.50%	90	264,288,234	250,000,000
9	1119-0045168/1673	Agrani Bank Ltd.	7.50%	90	264,288,234	250,000,000
10	1119-0045184/1687	Agrani Bank Ltd.	7.50%	90	264,773,972	250,000,000
11	1119-0045185/1688	Agrani Bank Ltd.	7.50%	90	264,773,972	250,000,000
12	1119-0045204/1706	Agrani Bank Ltd.	7.50%	90	521,585,110	-
13	1119-0045205/1707	Agrani Bank Ltd.	7.50%	90	521,585,110	-
14	1119-0045232/1734	Agrani Bank Ltd.	7.50%	90	522,356,381	-
15	1119-0045241/1742	Agrani Bank Ltd.	7.50%	90	515,188,463	-

Sl. No.	FDR No.	Name of Bank	Rate	Tenure (days)	As at		
					Notes	30 June 2023 Taka	30 June 2022 Taka
16	1119-0045252/1753	Agrani Bank Ltd.	7.50%	90		205,791,325	-
17	1119-0045281/1782	Agrani Bank Ltd.	7.50%	90		507,250,000	-
18	0200019658887	Agrani Bank Ltd.	7.50%	90		206,045,000	-
19	11A-0588710	Agrani Bank Ltd.	7.50%	90		507,500,000	-
20	198096/90	Bang.Comm. Bank	8.25%	90		46,598,696	46,284,973
21	303945485000-1	Brac Bank Ltd	7.25%	90		46,236,372	45,000,000
22	3039454850006	Brac Bank Ltd	7.25%	90		45,630,000	45,000,000
23	3039454850008	Brac Bank Ltd	7.00%	90		30,000,000	-
24	3039454850009	Brac Bank Ltd	6.75%	90		30,000,000	-
25	0016591	Community Bank Bang. Ltd	8.25%	90		20,312,000	-
26	10017386 (74994)	DBH Finance PLC	7.75%	90		10,000,000	-
27	1335590000016	Eastern Bank Ltd.	7.25%	180		40,000,000	45,000,000
28	0016716 (29046)	Global Islami Bank Ltd.	8.25%	90		46,364,679	45,658,125
29	0016749 (49101)	Global Islami Bank Ltd.	7.50%	90		20,624,800	-
30	0063186	Global Islami Bank Ltd.	8.50%	90		45,720,000	-
31	0096147	Global Islami Bank Ltd.	8.50%	90		40,000,000	-
32	0957648	Janata Bank Ltd	7.50%	90		104,074,529	-
33	111128500000010	Meghna Bank Ltd.	6.50%	90		-	45,000,000
34	0011-1710003302	Midland Bank Ltd	7.25%	90		10,000,000	-
35	1306000151014	Mutual Trust Bank	7.15%	180		20,000,000	-
36	0239543	Padma Bank Ltd.	8.25%	90		10,160,000	45,000,000
37	0274969 (009)	Premier Bank Ltd.	8.00%	90		20,312,000	90,000,000
38	0439843 (011)	Premier Bank Ltd.	8.50%	90		30,000,000	85,585,000
39	1003342000029	Shimanto Bank Ltd	7.50%	90		10,000,000	-
40	0222139	Union Bank Ltd.	8.25%	90		30,000,000	142,047,500
						7,128,548,364	3,427,863,098
8	Accrued interest on FDR						
	Fixed Deposit Interest					64,404,635	-
9	Advance, deposit and prepayments						
	Advance for office rent				9.1	2,699,585	545,420
	Advance to suppliers				9.2	47,372,080	88,131
	Advance income tax				9.3	145,868,617	23,696,956
	Closing balance					195,940,282	24,330,507
9.1	Advance against Office Rent						
	Opening balance					545,420	1,480,412
	Addition during the year					3,135,000	-
						3,680,420	1,480,412
	Adjustment made during this year					(980,835)	(934,992)
	Closing balance					2,699,585	545,420
9.2	Advance to supplier						
	Opening balance					88,131	50,541
	Addition during the year					65,255,145	6,580,612
						65,343,276	6,631,153
	Adjustment made during this year					(17,971,196)	(6,543,022)
	Closing balance					47,372,080	88,131



		As at	
	Notes	30 June 2023 Taka	30 June 2022 Taka
9.3 Advance income tax			
Opening balance		23,696,956	4,367,525
Addition during the year	9.3.1	123,020,488	23,696,956
Adjustment for the assessment year 2021-2022		(848,827)	-
Adjustment for the assessment year 2021-2022		-	(4,367,525)
Closing balance		145,868,617	23,696,956
9.3.1 Addition during the year			
TDS from Interest on FDR		59,453,105	7,278,533
AIT for Vehicle		1,227,000	500,000
TDS from Interest on Bank Interest		6,898,410	2,607,940
Advance income tax for assessment year 2023-2024		51,249,227	12,461,656
Advance income tax for assessment year 2022-2023		4,192,747	-
Payment with the last year's return as per Section 74 of ITO 1984		-	848,827
		123,020,488	23,696,956
Year wise break up of advance income tax			
Advance tax paid for AY 2023-2024		118,854,397	-
Advance tax paid for AY 2022-2023		27,014,220	22,848,129
Advance tax paid for AY 2021-2022		-	848,827
		145,868,617	23,696,956
10 Cash and cash equivalents			
Cash in hand	10.1	420,067	28,659
Cash at bank	10.2	23,672,166,942	11,439,305,829
		23,672,587,009	11,439,334,488
10.1 Cash in hand			
Cash in hand (H/O)		305,693	18,897
Cash in hand (Plant)		114,374	9,762
		420,067	28,659
10.2 Cash at bank			
Name of the bank	A/C No	Nature of A/C	
1 Agrani Bank Ltd	A/C-0200011437942	Current Deposits	200,000
2 Agrani Bank Ltd	A/C 200016813028	Current Deposits	2,171,077
3 Agrani Bank Ltd	A/C- 200016302368	Current Deposits	90,999
4 Agrani Bank Ltd	A/C-0200011578313	Special Notice Deposits	407,258,230
5 Agrani Bank Ltd	FCA- 0200016276015	Foreign Currency Account	9,662,851,164
6 Brac Bank Ltd	A/C- 1510203945485001	Current Deposits	162,162,725
7 Sonali Bank Ltd	A/C- 128902000159	Current Deposits	793,630
8 Bank of China	A/C- 3298 7174 2100	Current Deposits	13,436,639,116
			23,672,166,942
			11,439,305,829
11 Share capital			
i) Authorized capital		35,000,000,000	35,000,000,000
35,000,000 ordinary shares @ Tk 100 each			
ii) Issued, subscribed and paid-up share capital			
265,951,488 ordinary shares @Tk 100 each			
		26,595,148,800	26,595,148,800



					As at		
					Notes	30 June 2023 Taka	30 June 2022 Taka
Position of holdings							
SL	Share holders	Nationality	Percentage	No. of Shares		Value of Share in BDT	Value of Share in BDT
1	Rural Power Company Ltd.	Bangladeshi	50%	132,975,744		13,297,574,400	13,297,574,400
2	NORINCO International	Chinese	50%	132,975,744		13,297,574,400	13,297,574,400
						26,595,148,800	26,595,148,800

12 Share money deposit

Rural Power Company Ltd. (RPCL)	12.1	3,682,810,251	226
NORINCO International Cooperation Ltd	12.2	7,857,751,616	4,677,750,026
		11,540,561,867	4,677,750,252

12.1 Rural Power Company Ltd. (RPCL)

Opening Balance		226	2,736,810
Addition during the year:			
Cash		3,682,810,025	7,733,048,975
In kind/Non-cash		-	5,461,788,841
Share issued during the year		-	(13,197,574,400)
Closing balance		3,682,810,251	226

12.2 NORINCO International Cooperation Ltd

Opening Balance		4,677,750,026	2,212,574,426
Addition during the year:			
Cash		3,180,001,590	15,662,750,000
In kind/Non-cash		-	-
Share issued during the year		-	(13,197,574,400)
Closing balance		7,857,751,616	4,677,750,026

The share money deposits were channeled through the company's bank A/C No. 0200011437942 & A/C No. 0200011578313 in Agrani Bank Limited, Gulshan corporate branch, against which shares are yet to be allotted till to the reporting date.

13 Retained Earnings

Opening balance		(465,496,425)	(385,439,301)
Prior year adjustment (Note-28.1)		109,374,724	38,017,077
Prior year adjustment- Share Money Deposit		-	(1,265)
Profit for the year		194,291,369	(118,072,936)
Closing balance		(161,830,332)	(465,496,425)

14 Lease Liability :

Opening Balance		2,145,264,474	2,259,750,000
Add: Finance Expenses		91,129,587	104,146,875
Less: Adjustment for reassessment of Lease Liabilities (Note-28)		(264,237,310)	-
Less: Additional Finance Expenses charged on Lease Liabilities in previous years (Note-28)		(59,357,487)	-
Less: Paid during the year		(85,931,620)	(218,632,401)
		1,826,867,644	2,145,264,474
Lease Liability-Non-Current Portion		1,736,639,443	2,046,443,111
Lease Liability-Current Portion		90,228,201	98,821,363
		1,826,867,644	2,145,264,474



15 Long Term Loan

	As at		
	Notes	30 June 2023 Taka	30 June 2022 Taka
Opening Balance		60,118,545,954	-
Addition during the year		35,641,769,060	55,001,300,068
Add: Finance Expenses		4,448,345,504	491,875,755
Add: Foreign Exchange Loss		12,314,586,404	5,117,245,885
Less: Payment during the year		(4,448,345,504)	(491,875,755)
		108,074,901,418	60,118,545,954

On 24 December 2020 RPCL-NORINCO Intl. Power Limited entered into a Facility Agreement with Barclays Bank plc Export-Import Bank of China as the Mandated Lead Arranger, the Original Lenders named in Schedule 1 therein, Bank of China Limited, Beijing Branch for a Floating Rate Revolving Loan supported by the Ministry of Finance of Bangladesh about part of the Borrower's indebtedness to the Lenders.

The major salient feature of the Guarantee are as follows:

1	Lender	A syndicate of which the The Export-Import Bank of China (the "CEXIM") would be the Mandated Lead Arranger.
2	Date of Signing	24 December 2020
3	Facility Amount:	Up to 70% of the amount of the Total Investment of the Project (i.e. up to USD 1,777,538,000.00)
4	Rate of Interest	6 months LIBOR + 2.59%
5	Debt to Equity Ratio:	70 : 30
6	Purpose:	The Facility will be used for the purpose of financing the Construction Costs of the Project.
7	Facility Amount utilization (Percentage):	Up to 70% of the Total Project cost for 85% of EPC payments, 100% ECA Premium, 100% IDC, 100% Arrangement Fee, and 100% Commitment Fee
8	Sovereign Guarantee:	
	i. Bangladesh Guarantor:	Government of the People's Republic of Bangladesh represented by its Ministry of Finance.
	Amount:	Equal to 50% of the debts under the Facility amounting to USD 888,769,000.
	ii.	PRC Guarantor:
		China North Industries Corporation, a company incorporated under PRC law
	Amount:	Equal to 50% of the debts under the Facility amounting to USD 888,769,000.
9	Tenor:	15 years (Including Grace period)
10	Grace Period:	4 years
11	Repayment of Principal:	Payable semi-annually, i.e. Repaid in 22 semi-annual installments
12	First Repayment Date:	The date which falls on the earlier of (i) 48 months from the first utilization date; and (ii) 6 months after the Project Completion Date
13	Arrangement Fee:	0.9% of the Facility Amount
14	Commitment fees:	0.5% on unused facility amount
15	Insurance:	Export credit insurance issued by Sinosure.



	As at		
	Notes	30 June 2023 Taka	30 June 2022 Taka
16 Finance Expenses Payable			
Interest During Construction (IDC)		1,769,849,773	-
Commitment Fees		119,746,326	-
		1,889,596,099	-
17 Accounts Payable			
Payable to EPC contractors		15,504,197,062	-
18 Liabilities for expenses			
Payable to overseas suppliers/ consultants		103,800,437	-
Professional fees		529,000	150,000
Payable to local suppliers/ consultants		2,607,295	2,273,644
Security Deposit		1,694,806	324,000
License Renewals Fees		-	17,720
Board Meeting fees & expenses		1,228,977	902,122
Income TAX deducted at source		-	13,714
VAT deducted at source-Board Meeting		-	8,571
		109,860,515	3,689,771
19 Post employment benefit			
Defined Contribution Plan-Employee's contributory provident fund		-	347,671
Defined Benefit Plan-Provision for gratuity		2,261,841	3,323,809
		2,261,841	3,671,480
20 Provision for income tax			
Opening balance		27,863,046	5,216,352
Addition during the year		135,411,639	30,016,730
Adjustment for the assessment year 2021-2022		(848,827)	(4,367,525)
Under provision for prior years		-	(3,002,510)
Closing balance		162,425,858	27,863,046
Year wise break up of provision for income tax			
Advance tax paid for AY 2023-2024		135,411,638	-
Advance tax paid for AY 2022-2023		27,014,220	27,014,229
Advance tax paid for AY 2021-2022		-	848,827
		162,425,858	27,863,046
21 Other income			
a) Interest from FDR		430,011,047	72,785,336
b) Interest from SND bank account		39,454,439	26,634,938
Less:			
Bank Charges and Others		(119,717)	(96,497)
Excise Duty for FDR		(1,288,271)	(1,205,000)
Bank Charge for offshore account		(4,351)	(3,049)
Excise Duty- Others		(127,167)	(460)
Net Interest Income		467,925,980	98,115,268
c) Sale of Tender Documents		3,394,180	-
d) Sale of Scrap Materials		16,209,000	-
e) Income from recruitment		4,451,400	26,000
f) Employee Notice Pay		425,400	92,258
Total other income		492,405,960	98,233,526
Investment was made from the surplus equity fund and accordingly interest income has been generated before commencing the business operation.			
22 Income tax expense			
Provision made during the year		135,411,639	27,014,220
Under Provision		-	3,002,510
		135,411,639	30,016,730



23 Calculation of Weighted Average Number of Shares :

					As at and for the year ended	
					30 June 2023 Taka	30 June 2022 Taka
Mode of issue of shares	Amount of share capital	Date of Injection	Outstanding days in 2023	Outstanding days in 2022	Weighted average no. of Shares 30 June 2023	Weighted average no. of Shares 30 June 2022
Cash	102,737,500	7-Dec-17	365	365	1,027,375	1,027,375
Cash	104,436,925	13-May-19	365	365	1,044,369	1,044,369
Cash	84,198,737	18-Dec-19	365	365	841,987	841,987
Cash	337,201,264	10-May-20	365	365	3,372,013	3,372,013
Cash	842,000,000	8-Mar-21	365	365	8,420,000	8,420,000
Cash	842,000,000	18-May-21	365	365	8,420,000	8,420,000
Cash	5,894,000,000	12-May-21	365	365	58,940,000	58,940,000
Cash	5,090,999,974	1-Dec-21	365	212	50,910,000	29,569,644
Cash	102,736,810	4-Mar-18	365	365	1,027,368	1,027,375
Land (In kind)	4,227,605,096	28-May-21	365	365	42,276,051	42,276,051
Cash	500,000,000	18-Aug-21	365	317	5,000,000	4,342,466
Cash	500,000,000	18-Aug-21	365	317	5,000,000	4,342,466
Cash	500,000,000	21-Sep-21	365	283	5,000,000	3,876,712
Cash	500,000,000	17-Oct-21	365	257	5,000,000	3,520,548
Cash	536,660,560	20-Dec-21	365	193	5,366,606	2,837,685
Cash	1,000,000,000	14-Feb-22	365	137	10,000,000	3,753,425
Land (In kind)	1,234,183,745	22-Dec-21	365	365	12,341,837	12,341,837
Cash	1,500,000,000	6-Mar-22	365	117	15,000,000	4,808,219
Cash	500,000,000	23-May-22	365	39	5,000,000	534,247
Cash	1,000,000,000	20-Jun-22	365	11	10,000,000	301,370
Cash	30,000,000	27-Jun-22	365	4	300,000	3,288
Cash	30,000,000	27-Jun-22	365	4	300,000	3,288
Cash	136,388,215	27-Jun-22	365	4	1,363,882	14,947
Cash	200,000,000	27-Jun-22	365	4	2,000,000	21,918
Cash	799,999,974	27-Jun-22	365	4	8,000,000	87,671
Total	26,595,148,800				265,951,488	195,728,899

24 Earnings per share

a) Net Profit After Tax	194,291,369	(118,220,729)
b) Weighted average number of ordinary share	265,951,488	195,728,899
Earnings Per Share (EPS) (a/b)	0.73	(0.60)

25 Net Assets Value (NAV) per share

a) Net Asset Value (NAV)	37,973,880,335	26,129,504,582
b) Number of ordinary share outstanding	265,951,488	265,951,488
Net Asset Value per Share (NAV) (a/b)	142.78	98.25

26 Net Operating Cash Flows per share (NOCFPS)

a) Net Operating Cash Flows	360,321,547	(32,116,901)
b) Weighted average number of ordinary shares	265,951,488	195,728,899
Net Operating Cash Flows per Share (NOCFPS) (a/b)	1.35	(0.16)

27 Transactions with Related Parties

During the year the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provisions of IAS 24.

(A) Transactions with key management personnel

i. Loans to directors

During the period, no loan was given to the directors of the Company.

ii. Key management personnel compensation comprised the following:

The key management personnel includes the Managing directors.

(a) Short-term employee benefit:

Short-term employee benefit includes remuneration, festival bonus and meeting attendance fees

Particulars	In Taka	
	30 June 2023	30 June 2022
Directors' Remuneration	2,420,004	3,463,004
Board Meeting Fees	1,133,113	1,106,332
Total	3,553,117	4,569,336
(b) Post employment benefit	-	-
(c) Other long-term benefit	-	-
(d) Termination benefit	-	-
(e) Share-based payment	-	-
Total	3,553,117	4,569,336

28 Prior years errors adjusted in the current year's financial statements.

(A) The followings were added/(deducted) to Capital work in progress (CWIP) to reflect adjustments for prior year's errors (Policy Note-4)

	Amount (BDT)
(a) In prior year, bank charge related to Share Money Deposit improperly charged as expense instead of adding with CWIP, now added to the CWIP.	1,265
(b) In prior year, there was an incorrect assumption that income tax was included in the CWIP. As a result, income tax amount of BDT 2,854,384.00 was deducted from the CWIP balance and retained earnings. To rectify this, the deducted income tax amount has been added back to the CWIP balance and retained earnings in the current year.	2,854,384
(c) In the prior year, License Renewal Fees were erroneously added to CWIP twice. Consequently, it has been deducted from License Renewal Fees payable and the CWIP balance in the current year.	(17,719)
	2,837,930

(B) The revised calculations for Lease Liabilities consequently, the Right of Use Assets resulted in adjustments to the following figures. (Ref: Note-5 and 14)

At the inception date, Lease Liabilities were initially measured by discounting the land lease rental payments, including VAT. However, in accordance with IFRIC-21 and IFRS-16, VAT should be excluded from the measurement of Lease Liabilities.

Furthermore, while the land lease payments were made on a half-yearly basis, the lease liability was measured on an annual basis for rental payments.

A revised lease liability is measured at the present value by discounting the half-yearly rental payments, excluding VAT.

	Amount (BDT)
(a) Adjustments were made for the reassessment of lease liability, consequently affecting the Right of Use assets:	
i. Deduct from Right of Use Assets	264,237,310
ii. Deduct from lease liabilities	264,237,310
(b) Deduct from the accumulated depreciation and added to the retained earnings for charging additional depreciation on Right of Use Assets in the previous years.	47,161,588
(c) Deduct from lease liability and added to the retained earnings for charging additional finance expenses on lease liabilities in previous years.	59,357,487
28.1 Prior years adjustments with retained earnings	
i. Bank charge related to Share Money Deposit improperly charged as expense instead of adding with CWIP, now added to the retained earnings.	1,265
ii. Deduct from the accumulated depreciation and added to the retained earnings for charging additional depreciation on Right of Use Assets in the previous years.	47,161,588
iii. Deduct from lease liability and added to the retained earnings for charging additional finance expenses on lease liabilities in previous years.	59,357,487
iv. In prior year, there was an incorrect assumption that income tax was included in the CWIP. As a result, income tax amount of BDT 2,854,384.00 was deducted from the CWIP balance and retained earnings. To rectify this, the deducted income tax amount has been added back to the CWIP balance and retained earnings in the current year.	2,854,384
Total	109,374,724

29 Financial risk management

(i) Internal Risk Factors:

(a) Liquidity risk

Facility Agreement and Government Guarantee:

On 24 December 2020 RPCL-NORINCO Intl. Power Limited entered into a Facility Agreement with Export-Import Bank of China as the Mandated Lead Arranger, the Original Lenders named in Schedule 1 therein, Bank of China Limited, Beijing Branch ('the Bank') for a Floating Rate Revolving Loan supported by the Ministry of Finance of Bangladesh about part of the Borrower's indebtedness to the Lenders, being equal to 50% of the debts under the Facility amounting to USD 888,769,000.

The floating rate as defined in the agreement refers to 6 months' average LIBOR Rate + 259 BPS (London Interbank Offered Rate). The facility is a Floating Rate loan under which the interest rate will never be less than the Margin of 2.59% per annum. Interest shall accrue at the rate per annum equal to the aggregate of the (i) Margin and (ii) Floating Rate for the relevant interest period. The agreement includes a commitment fee of 0.5% per annum. The loan will be repayable within 15 years (including 4 years grace period). The final repayment date is 27 September 2036.

RNPL has utilized USD 1,000,693,531.64 of the facility during the year ended 30 June 2023.

The major salient feature of the Guarantee are as follows:

- (a) it has the power to enter into this Guarantee and to perform its obligations hereunder and all actions required to authorize the execution of this Guarantee and the performance by the Guarantor of its obligations hereunder have been duly taken and the Guarantee has been duly executed by authorized signatories;
- (b) the Guarantor has the full legal right, power and authority to pledge the full faith and credit of Bangladesh under the terms of this Guarantee;
- (c) by executing this Guarantee the Guarantor is acting in the best interests and for the benefit of Bangladesh;
- (d) the Guarantor is not in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets to an extent or in a manner which might have a material adverse effect on its financial condition;

(b) Credit Risk:

Credit risk is the risk when a borrower or an issuer of debt securities may default on making payments to lenders or debt holders on schedule in keeping with contractual obligations. Credit risk is present in any business, in different natures and varying degrees. Credit risk information helps users of financial statements to assess the credit quality of the entity's financial assets and the level & sources of impairment loss.

(ii) External Risk Factors:

(a) Interest Rate Risks:

Interest rate risk is concerned with borrowed funds of short-term and long-term maturity, and volatility of the money market, which ultimately influences the interest rate structure of the fund.

The floating rate as defined in the agreement refers to 6 months' average LIBOR Rate + 259 BPS (London Interbank Offered Rate). The facility is a Floating Rate loan under which the interest rate will never be less than the Margin of 2.59% per annum.

(b) Exchange Rate Risks:

Devaluation of the local currency against major international currencies i.e. USD, GBP and Euro may affect the company's income.

(c) Economic risks

The company's performance could be adversely affected by national-level factors and events such as unfavorable macroeconomic and regulatory developments, disadvantageous investment and industrial policies, acts of terrorism, natural disasters

(d) Political Risks:

The performance of the company may be affected by political and economic instability both in Bangladesh and worldwide. Any type of political turmoil and disturbance in the country may adversely affect the economy in general and the company in particular.

(e) Market and Technology-related Risks:

Market risks refer to the risk of adverse market conditions affecting the sales and profitability of the company. Such as shortage in raw material supplies, competition and a fall in product demand. These types of risks may hamper the smooth operation of the business. Technological development may make the existing machinery obsolete which may depress the profitability of The Company's overall business.



30 Number of Employees

The number of employees engaged by the Company for the whole year or part thereof who received a total salary of BDT 18,000 or above per month was 93. (FY 2022: 57 employees).

31 CSR Activities

30 acres of land is used for the 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 all the necessary infrastructures like houses, mosque, school, health Centre, markets, community center, cyclone center, playground, pond and a graveyard. This portion of this project is almost ready to hand over to the owners.

32 Events after reporting period

There are no events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statement.



RPCL-NORINCO Intl. Power Limited Schedule of Development Expenditure As at and for the year ended 30 June 2023

Annexure A

Sl. No.	Head of Accounts	Opening balance as at 1 July 2022	Addition during the year	Closing balance as at 30 June 2023
A	Addition through cash			
1	Consultancy Services (Coal Sourcing)	30,488,472	157,767,830	188,256,302
2	Consultancy Services (Others)	11,543,777	7,671,470	19,215,247
3	Consultancy Services (Owner's Engineer) (Foreign)	513,409,684	225,067,824	738,477,508
4	Consultancy Services (Owner's Engineer) (Local)	321,277,366	105,470,816	426,748,182
5	Engineering, Procurement & Commissioning (EPC) (Foreign)	52,157,212,973	23,306,382,272	75,463,595,245
6	Engineering, Procurement & Commissioning (EPC) (Local)	811,945,313	516,291,313	1,328,236,626
7	Import-duties & Other charges	2,270,174	93,206,629	95,476,803
8	Land Development	5,461,788,841	1,472,700	5,463,261,541
10	LC Commission & other Bank charges	-	32,938,490	32,938,490
11	Leasehold Improvement	9,632,715	24,816,108	34,448,823
12	License, Registration & Other Fees	14,482,839	329,392	14,812,231
13	Loan Facilities	12,744,373,427	4,465,189,564	17,209,562,991
14	Office Equipment	6,824,782	451,946	7,276,728
15	Office Furniture	3,667,967	53,375	3,721,342
16	Vehicle	19,687,500	946,392	20,633,892
17	Transmission Line	-	2,692,553	2,692,553
18	Construction of 33/11 KV Substation	-	110,078,120	110,078,120
20	Foreign Exchange Gain or Loss	4,050,318,538		4,050,318,538
	Total	76,158,924,367	29,050,826,794	105,209,751,161
B	Addition through Payable			
21	Engineering, Procurement & Commissioning (EPC) (Foreign)- Payable	-	15,504,197,062	15,504,197,062
22	Interest During Construction (IDC)-Payable	-	1,769,849,773	1,769,849,773
23	Commitment Fees-Payable	-	119,746,326	119,746,326
	Total	-	17,393,793,161	17,393,793,161
	Grand Total	76,158,924,367	46,444,619,955	122,603,544,322



RPCL-NORINCO Intl. Power Limited
Schedule of Revenue Expenditure
 As at and for the year ended 30 June 2023

Annexure B

Head of Accounts	Addition in the year 30 June 2023	Addition in the year 30 June 2022
Salary & Benefits		
Salary, Wages allowance-Plant overhead	50,607,187	31,452,598
Salary, Wages allowance- Head office	4,682,001	9,158,367
Festive Bonus-Plant overhead	7,849,027	4,441,046
Festive Bonus-Head office	126,000	1,246,540
Medical expenses-Plant overhead	-	4,750
Medical expenses-Head office	-	2,704
Gratuity payment	3,771,710	3,285,951
Leave encashment	678,260	-
Employee's contributory provident fund	(347,671)	-
Total- Salary & Benefits (A)	67,366,514	49,591,956
Administrative expense		
Advertisement expense	1,181,642	486,540
AGM expense	345,590	789,738
Professional fees	1,026,375	465,553
Board meeting fees	1,133,113	1,106,332
Books and newspaper	31,538	2,836
Casual labour	154,483	113,200
Consumable office expense	452,804	485,786
Croceries cutleries	59,783	41,142
CSR activity	759,000	908,200
Dish bill	20,200	11,200
Daily Allowance Expenses	17,600	-
Entertainment expense	1,263,454	572,531
Event management	560,000	355,000
Fuel expenses	652,525	363,510
General expense	404,687	366,373
Honorarium	1,151,032	258,946
Leave encashment	-	663,750
Legal fees	247,779	1,740,000
Local conveyance	143,630	43,976
Medical expenses	7,762	-
Office rent	7,907,220	7,795,831

RPCL-NORINCO Intl. Power Limited
Schedule of Revenue Expenditure
 As at and for the year ended 30 June 2023

Annexure B

Head of Accounts	Addition in the year 30 June 2023	Addition in the year 30 June 2022
Postage stamps	68,577	23,480
Printing stationery	318,687	206,598
Professional services	63,188	55,000
Recruitment expense	5,336,862	1,275
Remuneration	4,392,508	3,590,000
Repair maintenance	792,501	317,134
Rent-A-Car Expenses	890,755	-
Security services expense	4,001,565	439,400
Software expenses	15,000	128,500
Telecommunication expense	402,368	400,633
Toll & Ticket	17,970	-
Training conference fees	91,500	135,000
Travel expense	1,048,565	221,360
Uniform liveries	125,668	48,858
Utility bill	500,810	521,527
Total-Administrative expense (B)	35,586,741	22,659,209
Total-Revenue Expenditure (A+B)	102,953,255	72,251,165

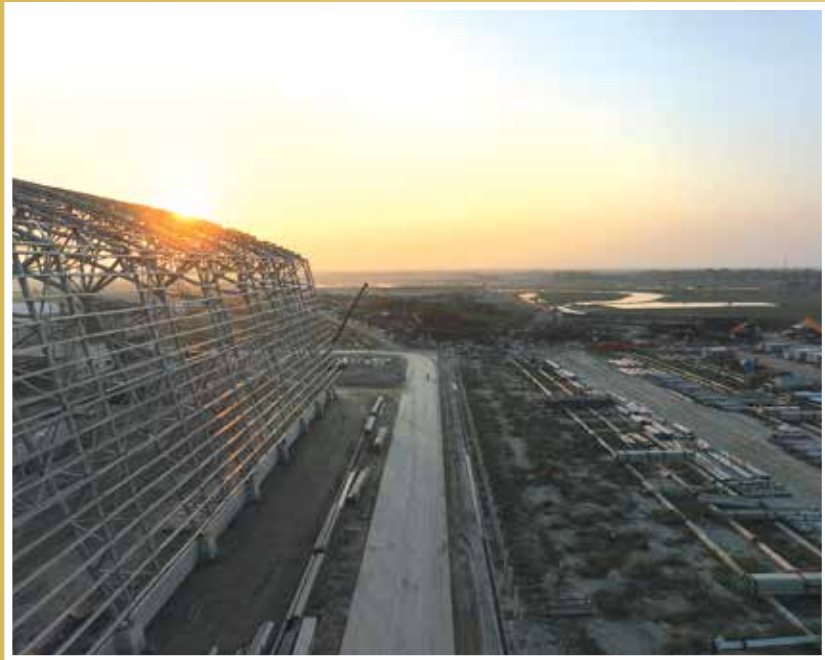


RPCL-NORINCO Intl. Power Limited
Schedule of Right-of-Use Assets
 As at and for the year ended 30 June 2023

Annexure C

Particulars	Cost			Rate	Depreciation			Written Down Value as at 30 June	
	Opening balance as at 1 July	Addition during the year	Adjustment/ Disposal		Closing balance as at 30 June	Charged during the year	Adjustment/ Disposal		Closing balance as at 30 June
Land for 284.67 Acres	1,169,180,357	-	(152,501,786)	4%	1,016,678,571	40,667,143	(18,300,214)	162,668,572	854,009,999
Land for 215.33 Acres	884,391,072	-	(111,735,524)	4%	772,655,547	30,906,222	(28,861,374)	108,171,776	664,483,771
Balance as at 30 June 2023	2,053,571,429	-	(264,237,310)		1,789,334,119	71,573,365	(47,161,588)	270,840,348	1,518,493,771
Balance as at 30 June 2022	2,053,571,429	-	-		2,053,571,429	82,142,857	-	246,428,571	1,807,142,857





RPCL-NORINCO Intl. Power Limited

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